

## **Annex IV-5**

### **FINANCIAL PROJECTIONS (BASE ESTIMATES)**

**CAPACITY: BAGGED UREA 275TPD  
EQUITY : DEBT RATIO; 30 : 70  
INTEREST ON LONG-TERM  
LOAN: 5% p.a.**

**—BASE CASE: ELECTRICITY PRICE — BASE  
ESTIMATE (B.E.)  
—20% DOWN: ELECTRICITY PRICE — 80% OF B.E.  
—40% DOWN: ELECTRICITY PRICE — 60% OF B.E.  
—60% DOWN: ELECTRICITY PRICE — 40% OF B.E.  
—80% DOWN: ELECTRICITY PRICE — 20% OF B.E.  
— 0 : ELECTRICITY PRICE — NO VALUE**



\*\*\* NEPAL UREA PROJECT \*\*\*  
 PRODUCTION COST STATEMENTS  
 - (UREA : 275TPD) - BASE CASE

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
PRODUCTION	0.	0.	0.	0.	0.	54500.	55340.	59320.	62400.	64610.
RAW MATERIAL AND UTILITIES COST	0.	0.	0.	0.	0.	20219.	21762.	24727.	27607.	30261.
ELECTRIC POWER	0.	0.	0.	0.	0.	19366.	20845.	23684.	26443.	28985.
COAL	0.	0.	0.	0.	0.	852.	917.	1042.	1164.	1276.
SUPPLIES	0.	0.	0.	0.	0.	860.	935.	1062.	1185.	1299.
CATALYSTS AND CHEMICALS	0.	0.	0.	0.	0.	223.	240.	273.	304.	334.
BAGS	0.	0.	0.	0.	0.	645.	695.	789.	881.	966.
VARIABLE COST	0.	0.	0.	0.	0.	21087.	22697.	25789.	28792.	31560.
DIRECT LABOUR COST	0.	0.	0.	0.	0.	320.	336.	353.	370.	389.
MAINTENANCE COST	0.	0.	0.	0.	0.	3897.	4131.	4379.	4641.	4920.
INSURANCE	0.	0.	0.	0.	0.	1508.	1351.	1194.	1037.	880.
DIRECT FIXED COST	0.	0.	0.	0.	0.	5725.	5818.	5925.	6049.	6189.
CASH FACTORY COST	0.	0.	0.	0.	0.	26812.	28515.	31714.	34841.	37749.
PLANTS AND FACILITIES	0.	0.	0.	0.	0.	11329.	11329.	11329.	11329.	11329.
BUILDINGS	0.	0.	0.	0.	0.	630.	630.	630.	630.	630.
INDIRECT FIELD EXP.	0.	0.	0.	0.	0.	145.	145.	145.	145.	145.
PRE-OPERATION EXP.	0.	0.	0.	0.	0.	330.	330.	330.	330.	330.
INTEREST DURING CONSTRUCTION	0.	0.	0.	0.	0.	928.	928.	928.	928.	928.
DEPRECIATION AND AMORTIZATION	0.	0.	0.	0.	0.	13361.	13361.	13361.	13361.	13361.
TOTAL FACTORY COST	0.0	0.0	0.0	0.0	0.0	40173.	41876.	45075.	48202.	51110.
UNIT FACTORY COST						0.7371	0.7567	0.7599	0.7715	0.7911
GENERAL AND ADMIN. EXPENSES	0.	0.	0.	0.	0.	224.	235.	247.	259.	272.
OPERATING EXPENSES	0.	0.	0.	0.	0.	40397.	42111.	45322.	48461.	51383.
INTEREST ON LONG TERM DEBT	0.	0.	0.	0.	0.	5053.	4717.	4380.	4043.	3706.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	2074.	4143.	6367.	8714.
TOTAL PRODUCTION COST	0.0	0.0	0.0	0.0	0.0	45450.	48701.	53845.	58871.	63803.
UNIT PRODUCTION COST						0.8340	0.8036	0.9077	0.9422	0.9875

\*\*\* NEPAL UREA PROJECT \*\*\*  
 PRODUCTION COST STATEMENTS  
 "" (UREA : 275TPD) "" BASE CASE (USD 1000)

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
PRODUCTION	65660.	66760.	67860.	68960.	69750.	70540.	71130.	71730.	72230.	72620.
RAW MATERIAL AND UTILITIES COST										
ELECTRIC POWER	32590.	35133.	37854.	40717.	43718.	46865.	50093.	53546.	57154.	60711.
COAL	31224.	33652.	36258.	39000.	41875.	44890.	47981.	51289.	54745.	58343.
SUPPLIES	1374.	1481.	1576.	1716.	1843.	1976.	2112.	2257.	2409.	2568.
CATALYSTS AND CHEMICALS	1400.	1509.	1626.	1748.	1877.	2012.	2151.	2299.	2454.	2616.
BAGS	359.	387.	417.	449.	482.	517.	552.	590.	630.	672.
VARIABLE COST	1040.	1121.	1200.	1300.	1395.	1496.	1599.	1709.	1824.	1944.
	33998.	36641.	39480.	42465.	45595.	48878.	52244.	55845.	59609.	63526.
DIRECT LABOUR COST	408.	429.	450.	473.	496.	521.	547.	574.	603.	633.
MAINTENANCE COST	5215.	5528.	5860.	6211.	6584.	6979.	7398.	7842.	8312.	8811.
INSURANCE	725.	569.	414.	259.	104.	96.	89.	81.	74.	67.
DIRECT FIXED COST	6348.	6526.	6724.	6943.	7184.	7596.	8034.	8498.	8989.	9511.
CASH FACTORY COST	40344.	43167.	46204.	49408.	52779.	56474.	60277.	64343.	68598.	73037.
PLANTS AND FACILITIES										
BUILDINGS	11329.	11329.	11329.	11329.	11329.	0.	0.	0.	0.	0.
INDIRECT FIELD EXP.	630.	630.	630.	630.	630.	630.	630.	630.	630.	630.
PRE-OPERATION EXP.	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
INTEREST DURING CONSTRUCTION	330.	330.	330.	330.	330.	330.	330.	330.	330.	330.
DEPRECIATION AND AMORTIZATION	928.	928.	928.	928.	928.	928.	928.	928.	928.	928.
TOTAL FACTORY COST	13216.	13216.	13216.	13216.	13216.	13216.	13216.	13216.	13216.	13216.
UNIT FACTORY COST	53562.	56384.	59420.	62624.	65995.	69103.	72907.	76972.	81227.	85667.
	0.8157	0.8446	0.8756	0.9094	0.9462	0.9895	1.0363	1.0858	1.1384	1.1944
GENERAL AND ADMIN. EXPENSES	286.	300.	315.	331.	347.	365.	383.	402.	422.	444.
OPERATING EXPENSES	53848.	56684.	59735.	62955.	66363.	69968.	73790.	77875.	82150.	86640.
INTEREST ON LONG TERM DEBT	2369.	3032.	2695.	2358.	2021.	1684.	1348.	1011.	674.	337.
INTEREST ON SHORT TERM DEBT	11225.	13932.	16861.	20044.	23499.	27257.	31404.	35955.	40998.	46565.
TOTAL PRODUCTION COST	68443.	73648.	79272.	85358.	91863.	98410.	104942.	112340.	119321.	126812.
UNIT PRODUCTION COST	1.0424	1.1032	1.1655	1.2296	1.3170	1.2250	1.3221	1.4267	1.5412	1.6664

\*\*\* NERAL UREA PROJECT \*\*\*  
 WORKING CAPITAL STATEMENTS  
 -- (UREA : 275TPD) -- BASE CASE (USD 1000)

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
CURRENT ASSETS	0.	0.	0.	0.	0.	5797.	6230.	6880.	7525.	8120.
ACCOUNT RECEIVABLE	0.	0.	0.	0.	0.	1043.	1198.	1364.	1537.	1698.
INVENTORIES	0.	0.	0.	0.	0.	2520.	2656.	2873.	3083.	3276.
PRODUCT INVENTORY (UREA)	0.	0.	0.	0.	0.	2211.	2305.	2481.	2653.	2813.
MATERIAL INVENTORY (SUPPLIES)	0.	0.	0.	0.	0.	309.	351.	392.	429.	462.
OPERATING CASH	0.	0.	0.	0.	0.	2234.	2376.	2643.	2903.	3146.
CURRENT LIABILITIES W/O DEBT	0.	0.	0.	0.	0.	879.	946.	1075.	1200.	1315.
ACCOUNT PAYABLE	0.	0.	0.	0.	0.	879.	946.	1075.	1200.	1315.
PERMANENT WORKING CAPITAL	0.	0.	0.	0.	0.	4919.	5284.	5805.	6326.	6805.
CHANGE IN WORKING CAPITAL	0.	0.	0.	0.	0.	4919.	366.	521.	520.	479.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 WORKING CAPITAL STATEMENTS  
 (UREA : 275TPD) - BASE CASE (USD 1000)

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
CURRENT ASSETS	8651.	9236.	9862.	10527.	11225.	11280.	12062.	12885.	13757.	13741.
ACCOUNT RECEIVABLE	1842.	1998.	2164.	2342.	2530.	2720.	2927.	3137.	3366.	3600.
INVENTORIES	3447.	3641.	3848.	4067.	4297.	3854.	4112.	4387.	4675.	4055.
PRODUCT INVENTORY (UREA)	2948.	3104.	3271.	3447.	3633.	3143.	3353.	3576.	3811.	4055.
MATERIAL INVENTORY (SUPPLIES)	498.	537.	577.	620.	665.	710.	759.	811.	864.	0.
OPERATING CASH	3362.	3597.	3850.	4117.	4398.	4706.	5023.	5362.	5716.	6086.
CURRENT LIABILITIES W/O DEBT	1417.	1527.	1645.	1769.	1900.	2037.	2177.	2327.	2484.	2647.
ACCOUNT PAYABLE	1417.	1527.	1645.	1769.	1900.	2037.	2177.	2327.	2484.	2647.
PERMANENT WORKING CAPITAL	7234.	7709.	8217.	8757.	9325.	9243.	9885.	10559.	11274.	11094.
CHANGE IN WORKING CAPITAL	430.	475.	508.	540.	368.	-82.	642.	674.	715.	-180.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 INCOME STATEMENTS (FOR ENDING DECEMBER 31)  
 (US\$ 1000)  
 (UREA : 275TPD) -- BASE CASE

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
OPERATING INCOME	0.	0.	0.	0.	0.	25029.	28753.	32742.	36947.	40760.
TOTAL SALES REVENUE	0.	0.	0.	0.	0.	25029.	28753.	32742.	36947.	40760.
COST OF SALES	0.	0.	0.	0.	0.	37962.	41782.	44899.	48030.	50950.
VARIABLE COST	0.	0.	0.	0.	0.	21087.	22697.	25789.	28792.	31560.
DIRECT FIXED COST	0.	0.	0.	0.	0.	5725.	5818.	5925.	6049.	6189.
DEPRECIATION AND AMORTIZATION	0.	0.	0.	0.	0.	13361.	13361.	13361.	13361.	13361.
INC. IN PRODUCT INVENTORY	0.	0.	0.	0.	0.	2211.	94.	176.	172.	160.
GROSS PROFIT ON SALES	0.	0.	0.	0.	0.	-12933.	-13029.	-12157.	-11083.	-10197.
GENERAL AND ADMIN. EXPENSES	0.	0.	0.	0.	0.	224.	235.	247.	259.	272.
OPERATING PROFIT	0.	0.	0.	0.	0.	-13157.	-13264.	-12404.	-11342.	-10463.
NON-OPERATING EXPENSES	0.	0.	0.	0.	0.	5053.	6790.	8523.	10410.	12420.
INTEREST ON LONG TERM DEBT	0.	0.	0.	0.	0.	5053.	4717.	4380.	4043.	3706.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	2074.	4143.	6367.	8714.
NET PROFIT OR (LOSS) BEFORE TAX	0.	0.	0.	0.	0.	-18210.	-20055.	-20927.	-21752.	-22803.
INCOME TAX	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NON-TAXABLE INCOME	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NET PROFIT OR (LOSS) AFTER TAX	0.	0.	0.	0.	0.	-18210.	-20055.	-20927.	-21752.	-22803.
RETAINED EARNINGS	0.	0.	0.	0.	0.	-18210.	-20055.	-20927.	-21752.	-22803.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 INCOME STATEMENTS (FOR ENDING DECEMBER 31)  
 -- (UREA : 275TMD) -- BASE CASE (USD 1000)

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
OPERATING INCOME	44216.	47957.	51934.	56214.	60710.	65280.	70244.	75202.	80794.	86392.
TOTAL SALES REVENUE	44216.	47957.	51934.	56214.	60710.	65280.	70244.	75282.	80794.	86392.
COST OF SALES	53427.	56229.	59253.	62448.	65810.	69593.	73697.	77748.	81993.	86422.
VARIABLE COST	33998.	36641.	39480.	42465.	45595.	48878.	52244.	55845.	59609.	63526.
DIRECT FIXED COST	6348.	6526.	6724.	6943.	7184.	7596.	8034.	8498.	8989.	9511.
DEPRECIATION AND AMORTIZATION	13216.	13216.	13216.	13216.	13216.	630.	630.	630.	630.	630.
INC. IN PRODUCT INVENTORY	135.	155.	167.	176.	106.	-489.	209.	224.	234.	244.
GROSS PROFIT ON SALES	-9211.	-8272.	-7319.	-6234.	-5100.	7687.	9547.	10533.	11801.	12970.
GENERAL AND ADMIN. EXPENSES	286.	300.	315.	331.	347.	365.	383.	402.	422.	444.
OPERATING PROFIT	-9497.	-8572.	-7634.	-6565.	-5447.	7322.	9164.	10131.	11379.	12526.
NON-OPERATING EXPENSES	14594.	16964.	19557.	22403.	25520.	28942.	32752.	36966.	41671.	46902.
INTEREST ON LONG TERM DEBT	3367.	3032.	2693.	2350.	2021.	1684.	1348.	1011.	674.	337.
INTEREST ON SHORT TERM DEBT	11228.	13932.	16864.	20044.	23499.	27257.	31404.	35955.	40998.	46565.
NET PROFIT OR (LOSS) BEFORE TAX	-24091.	-25536.	-27490.	-28968.	-30967.	-21620.	-23508.	-26835.	-30293.	-34376.
INCOME TAX	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NON-TAXABLE INCOME	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NET PROFIT OR (LOSS) AFTER TAX	-24091.	-25536.	-27490.	-28968.	-30967.	-21620.	-23508.	-26835.	-30293.	-34376.
RETAINED EARNINGS	-24091.	-25536.	-27490.	-28968.	-30967.	-21620.	-23508.	-26835.	-30293.	-34376.



\*\*\* NEPAL UREA PROJECT \*\*\*  
 FUNDS FLOW STATEMENTS (FOR ENDING DECEMBER 31)  
 (UREA : 275TPD) .. BASE CASE (USD 1000)

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
SOURCE OF FUNDS	2599.	16027.	67138.	46491.	12128.	14030.	27719.	43404.	60116.	77734.
CASH GENERATED	0.	0.	0.	0.	0.	204.	97.	957.	2019.	2093.
PROFIT AFT. TAX, SFR INT.	0.	0.	0.	0.	0.	-13157.	-13264.	-12404.	-11342.	-10463.
DEPRECIATION AND AMORTIZATION	0.	0.	0.	0.	0.	13361.	13361.	13361.	13361.	13361.
FINANCIAL RESOURCES	2599.	16027.	67138.	46491.	12128.	13825.	27623.	42448.	58097.	74836.
SHARE CAPITAL	2599.	12994.	27722.	0.	0.	0.	0.	0.	0.	0.
LONG TERM DEBT	0.	3032.	39417.	46491.	12128.	0.	0.	0.	0.	0.
SHORT TERM DEBT	0.	0.	0.	0.	0.	13825.	27623.	42448.	58097.	74836.
USES OF FUNDS	720.	2078.	56715.	72676.	9494.	16710.	27719.	43404.	60116.	77734.
FIXED CAPITAL EXPENDITURE	720.	2078.	56715.	72676.	9494.	0.	0.	0.	0.	0.
NON-DEPRECIABLE ASSETS	720.	1000.	0.	0.	0.	0.	0.	0.	0.	0.
DEPRECIABLE FIXED ASSETS	0.	0.	53096.	68427.	8300.	0.	0.	0.	0.	0.
INTEREST DURING CONSTRUCTION	0.	278.	3619.	4269.	1114.	0.	0.	0.	0.	0.
CHANGE IN WORKING CAPITAL	0.	0.	0.	0.	0.	4919.	366.	521.	520.	479.
DEBT SERVICES	0.	0.	0.	0.	0.	11791.	27354.	42883.	57595.	77255.
REPAYMENT OF LONG TERM DEBT	0.	0.	0.	0.	0.	6738.	6738.	6738.	6738.	6738.
REPAYMENT OF SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	13025.	27623.	42448.	58097.
INTEREST ON LONG TERM DEBT	0.	0.	0.	0.	0.	5052.	4717.	4300.	4043.	3706.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	2074.	4143.	6367.	8714.
CASH INCREASE OR (DECREASE)	1879.	13748.	10623.	-26205.	2634.	-2680.	0.	0.	0.	0.
BEGINNING CASH BALANCE	0.	1879.	15027.	26250.	46.	2680.	0.	0.	0.	0.
ENDING CASH BALANCE	1879.	15027.	26250.	46.	2680.	0.	0.	0.	0.	0.

\*\*\* NSPAL UREA PROJECT \*\*\*  
 FUNDS FLOW STATEMENTS (FOR ENDING DECEMBER 31)  
 (UREA : 275TPD) - BASE CASE (USD 1000)

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
SOURCE OF FUNDS	96598.	117055.	139213.	163310.	189485.	217313.	249494.	284078.	322442.	363894.
CASH GENERATED	3719.	4645.	5503.	6651.	7769.	7951.	9793.	10760.	12008.	13156.
PROFIT AFT. TAX & DFR INT.	-9497.	-8572.	-7634.	-6565.	-5447.	7322.	9164.	10131.	11379.	12526.
DEPRECIATION AND AMORTIZATION	13216.	13216.	13216.	13216.	13216.	630.	630.	630.	630.	630.
FINANCIAL RESOURCES	92878.	112410.	133630.	156659.	181716.	209362.	239700.	273317.	310433.	350730.
SHARE CAPITAL	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
LONG TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
SHORT TERM DEBT	92878.	112410.	133630.	156659.	181716.	209362.	239700.	273317.	310433.	350730.
USES OF FUNDS	96598.	117055.	139213.	163310.	189485.	217313.	249494.	284078.	322442.	363894.
FIXED CAPITAL EXPENDITURE	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NON-DEPRECIABLE ASSETS	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
DEPRECIABLE FIXED ASSETS	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
INTEREST DURING CONSTRUCTION	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
CHANGE IN WORKING CAPITAL	430.	475.	508.	540.	568.	-82.	642.	674.	715.	-180.
DEBT SERVICES	96168.	116580.	138704.	162770.	188917.	217396.	243852.	283404.	321727.	364073.
REPAYMENT OF LONG TERM DEBT	6730.	6730.	6730.	6738.	6730.	6738.	6738.	6730.	6738.	6730.
REPAYMENT OF SHORT TERM DEBT	74834.	92878.	112410.	133630.	156659.	181716.	209362.	239700.	273317.	310433.
INTEREST ON LONG TERM DEBT	3369.	3032.	2695.	2350.	2021.	1604.	1348.	1011.	674.	337.
INTEREST ON SHORT TERM DEBT	11225.	13932.	16861.	20044.	23499.	27257.	31404.	35955.	40998.	46565.
CASH INCREASE OR (DECREASE)	0.	-0.	0.	0.	0.	-0.	-0.	-0.	-0.	0.
BEGINNING CASH BALANCE	0.	0.	-0.	-0.	-0.	-0.	-0.	-0.	-0.	-0.
ENDING CASH BALANCE	0.	-0.	-0.	-0.	-0.	-0.	-0.	-0.	-0.	-0.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 BALANCE SHEET (FOR ENDING DECEMBER 31)  
 (UREA : 275TPD) - BASE CASE (USD 1000)

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
ASSETS	2599.	10625.	85764.	132255.	144303.	134139.	121211.	108500.	95784.	83017.
CURRENT ASSETS	0.	0.	0.	0.	0.	5997.	6230.	6880.	7525.	8120.
OPERATING CASH	0.	0.	0.	0.	0.	2234.	2376.	2643.	2903.	3146.
ACCOUNT RECEIVABLE	0.	0.	0.	0.	0.	1043.	1198.	1364.	1539.	1698.
INVENTORIES	0.	0.	0.	0.	0.	2520.	2656.	2873.	3083.	3276.
ACC. EXCESS CASH	1879.	15827.	26250.	46.	2680.	0.	0.	0.	0.	0.
NET FIXED ASSETS	720.	2790.	59513.	132209.	141703.	128342.	114981.	101620.	88259.	74898.
INVESTMENT	720.	2790.	59513.	132209.	141703.	141703.	141703.	141703.	141703.	141703.
NON-DEPR. ASSETS	720.	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.
DEPRECIABLE ASSETS	0.	0.	53096.	121523.	129903.	129903.	129903.	129903.	129903.	129903.
INTEREST ORG. CONSTR.	0.	278.	3098.	8166.	9280.	9280.	9280.	9280.	9280.	9280.
LESS: ACC. DEPRECIATION	0.	0.	0.	0.	0.	13361.	26722.	40083.	53445.	66806.
LIABILITIES	0.	3032.	42449.	88940.	101068.	109034.	116161.	124377.	133413.	143530.
CURRENT LIABILITIES	0.	0.	0.	0.	6738.	21442.	35306.	50260.	66034.	82889.
ACCOUNT PAYABLE	0.	0.	0.	0.	0.	879.	946.	1075.	1200.	1315.
CURRENT PORTION OF L/T DEBT	0.	0.	0.	0.	6738.	6738.	6738.	6738.	6738.	6738.
SHORT TERM DEBT	0.	0.	0.	0.	0.	13825.	27623.	42448.	58097.	74836.
FIXED LIABILITIES	0.	3032.	42449.	88940.	94330.	87592.	80855.	74117.	67379.	60641.
LONG TERM DEBT BALANCE	0.	3032.	42449.	88940.	94330.	87592.	80855.	74117.	67379.	60641.
OTHER FIXED LIABILITIES	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
STOCK HOLDERS EQUITY	2599.	15592.	43315.	43315.	43315.	25105.	5050.	-15877.	-37629.	-60512.
SHARE CAPITAL	2599.	15592.	43315.	43315.	43315.	43315.	43315.	43315.	43315.	43315.
ACC. RETAINED EARNINGS	0.	0.	0.	0.	0.	-18210.	-38265.	-59192.	-80944.	-103827.
LIABILITIES & S/H EQUITY	2599.	18625.	85764.	132255.	144383.	134139.	121211.	108500.	95784.	83017.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 BALANCE SHEET (FOR ENDING DECEMBER 31)  
 - (UREA : 2/31TPD) - BASE CASE (USD 1000)

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
ASSETS	70332.	57700.	45110.	32550.	20040.	19465.	19618.	19812.	20054.	19408.
CURRENT ASSETS	0751.	9236.	9062.	10527.	11225.	11280.	12062.	12885.	13757.	13741.
OPERATING CASH	3362.	3597.	3850.	4117.	4398.	4706.	5023.	5362.	5716.	6086.
ACCOUNT RECEIVABLE	1042.	1998.	2164.	2242.	2570.	2720.	2927.	3137.	3366.	3600.
INVENTORIES	3447.	3641.	3048.	4067.	4297.	3854.	4112.	4387.	4675.	4055.
ACC. EXPENS CASH	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NET FIXED ASSETS	61681.	48465.	35248.	22032.	8815.	8186.	7556.	6927.	6297.	5668.
INVESTMENT	141703.	141703.	141703.	141703.	141703.	141703.	141703.	141703.	141703.	141703.
NON-DEPR. ASSETS	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.
DEPRECIABLE ASSETS	129903.	129903.	129903.	129903.	129903.	129903.	129903.	129903.	129903.	129903.
INTEREST INNG CONSTR.	9280.	9280.	9280.	9280.	9280.	9280.	9280.	9280.	9280.	9280.
LESS: ACC. DEPRACIATION	80022.	93239.	106455.	119672.	132888.	133518.	134147.	134777.	135406.	136036.
LIABILITIES	154936.	167840.	182440.	198856.	217305.	238350.	262091.	289120.	319655.	353385.
CURRENT LIABILITIES	101033.	120675.	142013.	165166.	190394.	218136.	248615.	282382.	319655.	353385.
ACCOUNT PAYABLE	1417.	1527.	1645.	1769.	1900.	2037.	2177.	2327.	2484.	2647.
CURRENT PORTION OF L/T DEBT	6738.	6738.	6738.	6738.	6738.	6738.	6738.	6738.	6738.	6738.
SHORT TERM DEBT	92878.	112410.	133630.	156659.	181716.	209362.	239700.	273317.	310433.	350738.
FIXED LIABILITIES	53903.	47165.	40427.	33689.	26952.	20214.	13476.	6738.	0.	0.
LONG TERM DEBT BALANCE	53903.	47165.	40427.	33689.	26952.	20214.	13476.	6738.	0.	0.
OTHER FIXED LIABILITIES	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
STOCK HOLDERS EQUITY	-84604.	-110139.	-137330.	-166298.	-197265.	-218885.	-242473.	-269308.	-299601.	-333976.
SHARE CAPITAL	43315.	43315.	43315.	43315.	43315.	43315.	43315.	43315.	43315.	43315.
ACC. RETAINED EARNINGS	-127919.	-153454.	-180645.	-209612.	-240580.	-262200.	-289788.	-312623.	-342916.	-377291.
LIABILITIES & S/H EQUITY	70332.	57700.	45110.	32550.	20040.	19465.	19618.	19812.	20054.	19408.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 LONG TERM DEBT  
 - (UREA : 275TPD) - BASE CASE (USD 1000)

AMOUNT OF DEBT		101060.			
INTEREST RATE		5.000 PER CENT/YEAR			
REPAYMENT 15 YEAR-EQUAL-INSTALLMENT-REPAYMENT (ANNUAL REPAYMENT)					
YEAR	SER.NO	PRINCIPAL	INTEREST	DEBT SERVICE	BALANCE AFT. PAYMENT
1986	1	0.	0.	0.	0.
1987	2	0.	0.	0.	3032.
1988	3	0.	0.	0.	42449.
1989	4	0.	0.	0.	80940.
1990	5	0.	0.	0.	101068.
1991	6	6738.	5053.	11791.	94330.
1992	7	6738.	4717.	11454.	87592.
1993	8	6738.	4380.	11117.	80854.
1994	9	6738.	4043.	10781.	74116.
1995	10	6738.	3706.	10444.	67379.
1996	11	6738.	3369.	10107.	60641.
1997	12	6738.	3032.	9770.	53903.
1998	13	6738.	2695.	9433.	47165.
1999	14	6738.	2358.	9096.	40427.
2000	15	6738.	2021.	8759.	33689.
2001	16	6738.	1684.	8422.	26951.
2002	17	6738.	1348.	8085.	20213.
2003	18	6738.	1011.	7749.	13475.
2004	19	6738.	674.	7412.	6738.
2005	20	6738.	337.	7075.	0.
TOTAL		101060.	40427.	141495.	0.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 PROFITABILITY AND FINANCIAL INDICATORS  
 - (UREA : 275TPD) - BASE CASE  
 (USD 1000)

YEAR	(1) AFT TAX PROFIT -TO- SALES REV S/H EQUITY (PCT)	(2) AFT TAX PROFIT -TO- S/H EQUITY (PCT)	(3) BFR TAX PROFIT -TO- INVESTMENT S/CAPITAL (PCT)	(4) AFT TAX PROFIT -TO- CAPITAL (PCT)	(5) CURRENT RATIO	(6) QUICK RATIO	(7) DEBT SERVICE RATIO	(8) L/T DEBT -TO- S/H EQUITY	(9)* PROFIT B.E.P. CAPACITY UTILIZE (PCT)	(10)* CASH B.E.P. SALES PRICE (PRICE)	(11)* CASH B.E.P. CAPACITY UTILIZE (PCT)
1991	-72.8	-72.5	-12.9	-42.0	0.27	0.15	0.02	70 / 22	371.2	753.9	270.3
1992	-69.7	-397.1	-14.2	-46.3	0.18	0.10	-0.17	94 / 6	263.9	764.6	197.2
1993	-63.9	131.8	-14.8	-48.3	0.14	0.08	-0.29	127 / -27	263.8	799.0	201.5
1994	-50.9	57.8	-15.4	-50.2	0.11	0.07	-0.40	226 / ***	253.9	838.6	198.0
1995	-56.1	37.0	-16.1	-52.8	0.10	0.06	-0.56	*** / ***	249.5	886.6	198.3
1996	-54.5	28.5	-17.0	-53.6	0.09	0.05	-0.74	*** / 276	243.9	944.5	198.0
1997	-53.2	23.2	-18.0	-59.0	0.08	0.05	-0.95	-75 / 175	240.6	1007.0	198.5
1998	-52.4	19.0	-19.2	-62.8	0.07	0.04	-1.20	-42 / 142	239.0	1073.9	200.1
1999	-51.5	17.4	-20.4	-64.7	0.06	0.04	-1.47	-25 / 125	236.7	1146.4	201.0
2000	-51.0	15.7	-21.9	-71.5	0.06	0.04	-1.80	-16 / 116	235.3	1225.0	202.3
2001	-53.1	9.9	-15.3	-49.9	0.05	0.03	-2.29	-10 / 110	177.9	1370.2	226.1
2002	-53.6	7.7	-16.6	-54.5	0.05	0.03	-2.67	-6 / 106	182.0	1465.9	226.3
2003	-55.6	10.0	-18.9	-62.0	0.05	0.03	-3.25	-3 / 103	189.1	1569.4	230.5
2004	-57.5	10.1	-21.4	-69.9	0.04	0.03	-3.91	-0 / 100	194.3	1682.0	232.5
2005	-59.8	10.3	-24.3	-79.4	0.04	0.03	-4.72	-0 / 100	201.2	1807.1	236.8
AVERAGE1	-50.9	-5.8	-17.0	-58.1	0.09	0.06	-1.63	*** / ***	236.1	1155.7	214.5
AVERAGE2	-47.0	18.9	-15.3	-47.3	0.06	0.04	-1.42	-73 / 173			

(AVERAGE1) : SUM OF ANNUAL FIGURES OF PERCENTAGE AND RATIO IS DIVIDED BY NO. OF YEARS(SIMPLE AVERAGE)  
 (AVERAGE2) : AVERAGE FIGURES ARE CALCULATED BY ACTUAL VALUES ACCUMULATED OVER THE PROJECT LIFE(WEIGHTED AVERAGE)  
 \* NOTE FOR (9)(10)(11)  
 WHEN THERE ARE TWO OR MORE PRODUCTS, AND DURING THE YEARS WHEN ALL OF PRODUCTS ARE NOT PRODUCED AT THE SAME RATE  
 OF CAPACITY UTILIZATION, ABOVE BREAK-EVEN-POINTS CANNOT GIVE CORRECT FIGURES.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 FINANCIAL RATE OF RETURN (IN CURRENT PRICE) (USD 1000)  
 - (UREA : 275TPD) - BASE CASE

YEAR	FIXED CAPITAL EXPEND.	CHANGE IN WORKING CAPITAL	GROSS CAPITAL EXPENDTR	OPERATING PROFIT	DEPRECIATION	GROSS CASH IN-FLOW	INCOME TAX	BFR-TAX NET IN-FLOW	AFT-TAX NET IN-FLOW
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1986	720.	0.	720.	0.	0.	0.	0.	-720.	-720.
1987	1000.	0.	1000.	0.	0.	0.	0.	-1000.	-1000.
1988	53096.	0.	53096.	0.	0.	0.	0.	-53096.	-53096.
1989	68427.	0.	68427.	0.	0.	0.	0.	-68427.	-68427.
1990	8380.	0.	8380.	0.	0.	0.	0.	-8380.	-8380.
1991	0.	4919.	4919.	-13157.	13361.	204.	0.	-4714.	-4714.
1992	0.	366.	366.	-13264.	13361.	97.	0.	-269.	-269.
1993	0.	521.	521.	-12404.	13361.	957.	0.	436.	436.
1994	0.	520.	520.	-11342.	13361.	2019.	0.	1499.	1499.
1995	0.	479.	479.	-10463.	13361.	2098.	0.	2419.	2419.
1996	0.	430.	430.	-9497.	13216.	3719.	0.	3290.	3290.
1997	0.	475.	475.	-8572.	13216.	4645.	0.	4170.	4170.
1998	0.	508.	508.	-7634.	13216.	5583.	0.	5075.	5075.
1999	0.	540.	540.	-6563.	13216.	6651.	0.	6111.	6111.
2000	0.	568.	568.	-5447.	13216.	7769.	0.	7201.	7201.
2001	0.	-82.	-82.	7322.	630.	7951.	0.	8034.	8034.
2002	0.	642.	642.	9164.	630.	9793.	0.	9151.	9151.
2003	0.	674.	674.	10131.	630.	10760.	0.	10087.	10087.
2004	0.	715.	715.	11379.	630.	12008.	0.	11293.	11293.
2005	-5668.	-11274.	-16941.	12526.	630.	13156.	0.	30097.	30097.
	126756.	-0.	126753.	-47824.	136035.	88211.	0.	-38544.	-38544.

INTERNAL RATE OF RETURN

ON (4) BFR-TAX NET IN-FLOW (2)-(1) -2.45 PER CENT  
 ON (5) AFT-TAX NET IN-FLOW (4)-(3) -2.45 PER CENT

*** NEPAL UREA PROJECT ***										
FINANCIAL RATE OF RETURN (IN CONSTANT PRICE)										
-- (UREA : 275TPD) -- BASE CASE (USD 1000)										
YEAR	FIXED CAPITAL EXPEND.	CHANGE IN WORKING CAPITAL	GROSS CAPITAL EXPENDTR	OPERATING PROFIT	DEPRECIATN (2)	GROSS CASH IN-FLOW	INCOME TAX	BFR-TAX NET IN-FLOW (2)-(1)	AFT-TAX NET IN-FLOW (4)-(3)	DEFLATOR
1986	720.	0.	720.	0.	0.	0.	0.	-720.	-720.	1.000
1987	1690.	0.	1690.	0.	0.	0.	0.	-1690.	-1690.	1.060
1988	47255.	0.	47255.	0.	0.	0.	0.	-47255.	-47255.	1.124
1989	57453.	0.	57453.	0.	0.	0.	0.	-57453.	-57453.	1.191
1990	6630.	0.	6630.	0.	0.	0.	0.	-6630.	-6630.	1.262
1991	0.	3675.	3675.	-9032.	9904.	153.	0.	-3523.	-3523.	1.338
1992	0.	50.	50.	-9351.	9419.	68.	0.	18.	18.	1.419
1993	0.	136.	136.	-8250.	8806.	636.	0.	501.	501.	1.504
1994	0.	108.	108.	-7116.	8383.	1267.	0.	1159.	1159.	1.594
1995	0.	59.	59.	-6193.	7908.	1715.	0.	1657.	1657.	1.689
1996	0.	12.	12.	-5303.	7300.	2077.	0.	2065.	2065.	1.791
1997	0.	21.	21.	-4515.	6962.	2447.	0.	2425.	2425.	1.898
1998	0.	23.	23.	-3794.	6560.	2774.	0.	2752.	2752.	2.012
1999	0.	22.	22.	-3078.	6196.	3118.	0.	3096.	3096.	2.133
2000	0.	19.	19.	-2409.	5846.	3436.	0.	3418.	3418.	2.261
2001	0.	-268.	-268.	3055.	263.	3318.	0.	3586.	3586.	2.397
2002	0.	34.	34.	3607.	248.	3855.	0.	3821.	3821.	2.540
2003	0.	30.	30.	3762.	234.	3996.	0.	3966.	3966.	2.693
2004	0.	29.	29.	3986.	221.	4207.	0.	4178.	4178.	2.854
2005	-1873.	-3950.	-5823.	4140.	208.	4348.	0.	10171.	10171.	3.026
	111091.	-0.	111890.	-41290.	78706.	37417.	0.	-74474.	-74474.	

INTERNAL RATE OF RETURN

ON (4) BFR-TAX NET IN-FLOW (2)-(1) -7.54 PER CENT

ON (5) AFT-TAX NET IN-FLOW (4)-(3) -7.54 PER CENT



\*\*\* NEPAL UREA PROJECT \*\*\*  
 NET PRESENT VALUE (IN CONSTANT PRICE)  
 - (UREA : 275TPD) - BASE CASE (USD 1000)

YEAR	FIXED CAPITAL EXPEND.	CHANGE IN WORKING CAPITAL	GROSS CAPITAL EXPENDTR	OPERATING PROFIT	DEPRECIATION	GROSS CASH IN-FLOW	INCOME TAX	NET IN-FLOW (2)-(1)	BFR-TAX (4) NET IN-FLOW (4)-(3)	AFT-TAX NET IN-FLOW (5) NET IN-FLOW (4)-(3)	DISCOUNT RATE
1986	720.	0.	720.	0.	0.	0.	0.	-720.	-720.	-720.	1.000
1987	1572.	0.	1572.	0.	0.	0.	0.	-1572.	-1572.	-1572.	1.000
1988	40514.	0.	40514.	0.	0.	0.	0.	-40514.	-40514.	-40514.	1.166
1989	45608.	0.	45608.	0.	0.	0.	0.	-45608.	-45608.	-45608.	1.260
1990	4879.	0.	4879.	0.	0.	0.	0.	-4879.	-4879.	-4879.	1.360
1991	0.	2501.	2501.	-6691.	6795.	104.	0.	-2397.	-2397.	-2397.	1.469
1992	0.	31.	31.	-5893.	5936.	43.	0.	12.	12.	12.	1.587
1993	0.	79.	79.	-4814.	5185.	371.	0.	292.	292.	292.	1.714
1994	0.	58.	58.	-3845.	4529.	604.	0.	626.	626.	626.	1.851
1995	0.	29.	29.	-3098.	3956.	858.	0.	829.	829.	829.	1.999
1996	0.	6.	6.	-2456.	3418.	962.	0.	956.	956.	956.	2.159
1997	0.	9.	9.	-1937.	2986.	1049.	0.	1040.	1040.	1040.	2.332
1998	0.	9.	9.	-1507.	2608.	1102.	0.	1093.	1093.	1093.	2.518
1999	0.	8.	8.	-1132.	2278.	1147.	0.	1139.	1139.	1139.	2.720
2000	0.	6.	6.	-820.	1990.	1170.	0.	1164.	1164.	1164.	2.937
2001	0.	-84.	-84.	963.	82.	1066.	0.	1130.	1130.	1130.	3.172
2002	0.	10.	10.	1053.	72.	1125.	0.	1115.	1115.	1115.	3.426
2003	0.	8.	8.	1017.	63.	1080.	0.	1072.	1072.	1072.	3.700
2004	0.	7.	7.	998.	55.	1053.	0.	1046.	1046.	1046.	3.996
2005	-434.	-915.	-1349.	959.	48.	1008.	0.	2357.	2357.	2357.	4.316
	92859.	1764.	94622.	-27202.	40004.	12802.	0.	-01820.	-01820.	-01820.	

\*\*\* NEPAL UREA PROJECT \*\*\*  
 PRODUCTION COST STATEMENTS  
 - ELECTRIC POWER 20% DOWN -

(USD 1000)

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
PRODUCTION	0.	0.	0.	0.	0.	54500.	55340.	59320.	62480.	64610.
RAW MATERIAL AND UTILITIES COST	0.	0.	0.	0.	0.	16345.	17573.	19989.	22317.	24463.
ELECTRIC POWER	0.	0.	0.	0.	0.	15493.	16675.	18947.	21154.	23188.
COAL	0.	0.	0.	0.	0.	852.	917.	1042.	1164.	1276.
SUPPLIES	0.	0.	0.	0.	0.	868.	935.	1062.	1185.	1299.
CATALYSTS AND CHEMICALS	0.	0.	0.	0.	0.	223.	240.	273.	304.	334.
BAGS	0.	0.	0.	0.	0.	645.	695.	789.	881.	966.
VARIABLE COST	0.	0.	0.	0.	0.	17213.	18527.	21051.	23503.	25763.
DIRECT LABOUR COST	0.	0.	0.	0.	0.	320.	336.	353.	370.	389.
MAINTENANCE COST	0.	0.	0.	0.	0.	3097.	4131.	4379.	4641.	4920.
INSURANCE	0.	0.	0.	0.	0.	1508.	1351.	1194.	1037.	880.
DIRECT FIXED COST	0.	0.	0.	0.	0.	5725.	5818.	5925.	6049.	6189.
CASH FACTORY COST	0.	0.	0.	0.	0.	22938.	24345.	26977.	29552.	31952.
PLANTS AND FACILITIES	0.	0.	0.	0.	0.	11329.	11329.	11329.	11329.	11329.
BUILDINGS	0.	0.	0.	0.	0.	630.	630.	630.	630.	630.
INDIRECT FIELD EXP.	0.	0.	0.	0.	0.	145.	145.	145.	145.	145.
PRE-OPERATION EXP.	0.	0.	0.	0.	0.	330.	330.	330.	330.	330.
INTEREST DURING CONSTRUCTION	0.	0.	0.	0.	0.	928.	928.	928.	928.	928.
DEPRECIATION AND AMORTIZATION	0.	0.	0.	0.	0.	13361.	13361.	13361.	13361.	13361.
TOTAL FACTORY COST	0.0	0.0	0.0	0.0	0.0	36299.	37706.	40328.	42913.	45313.
UNIT FACTORY COST						0.6660	0.6814	0.6800	0.6863	0.7013
GENERAL AND ADMIN. EXPENSES	0.	0.	0.	0.	0.	224.	235.	247.	259.	272.
OPERATING EXPENSES	0.	0.	0.	0.	0.	36523.	37942.	40585.	43172.	45985.
INTEREST ON LONG TERM DEBT	0.	0.	0.	0.	0.	5053.	4717.	4380.	4043.	3706.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	1469.	2020.	4131.	5346.
TOTAL PRODUCTION COST	0.0	0.0	0.0	0.0	0.0	41577.	44127.	47784.	51346.	54637.
UNIT PRODUCTION COST						0.7629	0.7974	0.8055	0.8218	0.8456

\*\*\* NEPAL UREA PROJECT \*\*\*  
 PRODUCTION COST STATEMENTS  
 -- ELECTRIC POWER 20% DOWN --

(USD 1000)

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
PRODUCTION	65660.	66760.	67860.	68860.	69750.	70540.	71130.	71730.	72230.	72820.
RAW MATERIAL AND UTILITIES COST	26332.	28402.	30602.	32916.	35342.	37086.	40495.	43287.	46204.	49247.
ELECTRIC POWER	24970.	26921.	29004.	31199.	33499.	35914.	38304.	41030.	43795.	46673.
COAL	1374.	1481.	1596.	1716.	1843.	1976.	2112.	2257.	2409.	2568.
SUPPLIES	1400.	1509.	1626.	1748.	1877.	2012.	2151.	2299.	2454.	2616.
CATALYSTS AND CHEMICALS	359.	387.	417.	449.	482.	517.	552.	590.	630.	672.
BAGS	1040.	1121.	1208.	1300.	1395.	1496.	1599.	1709.	1824.	1944.
VARIABLE COST	27752.	29910.	32227.	34664.	37219.	39899.	42646.	45586.	48650.	51857.
DIRECT LABOUR COST	408.	429.	450.	473.	496.	521.	547.	574.	603.	633.
MAINTENANCE COST	5215.	5528.	5860.	6211.	6584.	6979.	7398.	7842.	8312.	8811.
INSURANCE	725.	569.	414.	259.	104.	96.	89.	81.	74.	67.
DIRECT FIXED COST	6348.	6526.	6724.	6943.	7184.	7596.	8034.	8498.	8989.	9511.
CASH FACTORY COST	34100.	36436.	38951.	41607.	44403.	47495.	50680.	54084.	57648.	61367.
PLANTS AND FACILITIES	11329.	11329.	11329.	11329.	11329.	0.	0.	0.	0.	0.
BUILDINGS	630.	630.	630.	630.	630.	630.	630.	630.	630.	630.
INDIRECT FIELD EXP.	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
PRE-OPERATION EXP.	330.	330.	330.	330.	330.	0.	0.	0.	0.	0.
INTEREST DURING CONSTRUCTION	928.	928.	928.	928.	928.	0.	0.	0.	0.	0.
DEPRECIATION AND AMORTIZATION	13216.	13216.	13216.	13216.	13216.	630.	630.	630.	630.	630.
TOTAL FACTORY COST	47317.	49653.	52168.	54824.	57619.	68125.	91310.	54713.	58277.	61997.
UNIT FACTORY COST	0.7206	0.7437	0.7608	0.7962	0.8261	0.6822	0.7214	0.7620	0.8068	0.8537
GENERAL AND ADMIN. EXPENSES	286.	300.	315.	331.	347.	365.	383.	402.	422.	444.
OPERATING EXPENSES	47603.	49953.	52483.	55154.	57967.	60489.	61693.	55116.	58700.	62440.
INTEREST ON LONG TERM DEBT	3369.	3032.	2695.	2350.	2021.	1684.	1348.	1011.	674.	337.
INTEREST ON SHORT TERM DEBT	6479.	7534.	8491.	9328.	10001.	10475.	11000.	11430.	11725.	11849.
TOTAL PRODUCTION COST	57451.	60519.	63669.	66840.	69989.	80669.	64041.	67556.	71099.	74626.
UNIT PRODUCTION COST	0.8750	0.9065	0.9382	0.9707	1.0034	0.8598	0.9003	0.9418	0.9843	1.0276

\*\*\* NEPAL UREA PROJECT \*\*\*  
 WORKING CAPITAL STATEMENTS  
 - ELECTRIC POWER 20% DOWN -  
 (USD 1000)

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
CURRENT ASSETS	0.	0.	0.	0.	0.	5261.	5653.	6224.	6793.	7317.
ACCOUNT RECEIVABLE	0.	0.	0.	0.	0.	1043.	1198.	1364.	1539.	1698.
INVENTORIES	0.	0.	0.	0.	0.	2307.	2426.	2612.	2791.	2951.
PRODUCT INVENTORY (UREA)	0.	0.	0.	0.	0.	1998.	2076.	2220.	2362.	2494.
MATERIAL INVENTORY (SUPPLIES)	0.	0.	0.	0.	0.	309.	351.	392.	429.	462.
OPERATING CASH	0.	0.	0.	0.	0.	1911.	2029.	2248.	2463.	2663.
CURRENT LIABILITIES W/O DEBT	0.	0.	0.	0.	0.	717.	772.	877.	979.	1073.
ACCOUNT PAYABLE	0.	0.	0.	0.	0.	717.	772.	877.	979.	1073.
PERMANENT WORKING CAPITAL	0.	0.	0.	0.	0.	4544.	4881.	5347.	5814.	6244.
CHANGE IN WORKING CAPITAL	0.	0.	0.	0.	0.	4544.	337.	466.	467.	430.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 WORKING CAPITAL STATEMENTS  
 -- ELECTRIC POWER 20% DOWN --

(USD 1000)

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
CURRENT ASSETS	7787.	8305.	8859.	9447.	10066.	10037.	10734.	11466.	12242.	12126.
ACCOUNT RECEIVABLE	1842.	1998.	2164.	2342.	2530.	2720.	2927.	3137.	3366.	3600.
INVENTORIES	3103.	3270.	3449.	3638.	3836.	3360.	3504.	3822.	4072.	3413.
PRODUCT INVENTORY (UREA)	2605.	2733.	2872.	3018.	3172.	2649.	2824.	3012.	3203.	3413.
MATERIAL INVENTORY (SUPPLIES)	498.	537.	577.	620.	665.	710.	759.	811.	864.	0.
OPERATING CASH	2842.	3036.	3246.	3467.	3700.	3958.	4223.	4507.	4804.	5114.
CURRENT LIABILITIES W/O DEBT	1156.	1246.	1343.	1444.	1551.	1662.	1777.	1899.	2027.	2161.
ACCOUNT PAYABLE	1156.	1246.	1343.	1444.	1551.	1662.	1777.	1899.	2027.	2161.
PERMANENT WORKING CAPITAL	6630.	7058.	7516.	8003.	8515.	8375.	8957.	9566.	10215.	9965.
CHANGE IN WORKING CAPITAL	386.	428.	450.	487.	512.	-140.	582.	610.	648.	-249.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 INCOME STATEMENTS (FOR ENDING DECEMBER 31)  
 (USD 1000)  
 -- ELECTRIC POWER 20% DOWN --

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
OPERATING INCOME	0.	0.	0.	0.	0.	25029.	28753.	32742.	36947.	40760.
TOTAL SALES REVENUE	0.	0.	0.	0.	0.	25029.	28753.	32742.	36947.	40760.
COST OF SALES	0.	0.	0.	0.	0.	34301.	37629.	40193.	42771.	45181.
VARIABLE COST	0.	0.	0.	0.	0.	17213.	18527.	21051.	23503.	25763.
DIRECT FIXED COST	0.	0.	0.	0.	0.	5725.	5010.	5925.	6049.	6189.
DEPRECIATION AND AMORTIZATION	0.	0.	0.	0.	0.	13361.	13361.	13361.	13361.	13361.
INC. IN PRODUCT INVENTORY	0.	0.	0.	0.	0.	1998.	77.	145.	142.	132.
GROSS PROFIT ON SALES	0.	0.	0.	0.	0.	-9272.	-8876.	-7451.	-5824.	-4421.
GENERAL AND ADMIN. EXPENSES	0.	0.	0.	0.	0.	224.	235.	247.	259.	272.
OPERATING PROFIT	0.	0.	0.	0.	0.	-9496.	-9111.	-7698.	-6083.	-4693.
NON-OPERATING EXPENSES	0.	0.	0.	0.	0.	5053.	6185.	7200.	8174.	9052.
INTEREST ON LONG TERM DEBT	0.	0.	0.	0.	0.	5053.	4717.	4380.	4043.	3706.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	1469.	2820.	4131.	5346.
NET PROFIT OR (LOSS) BEFORE TAX	0.	0.	0.	0.	0.	-14550.	-15296.	-14898.	-14257.	-13745.
INCOME TAX	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NON-TAXABLE INCOME	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NET PROFIT OR (LOSS) AFTER TAX	0.	0.	0.	0.	0.	-14550.	-15296.	-14898.	-14257.	-13745.
RETAINED EARNINGS	0.	0.	0.	0.	0.	-14550.	-15296.	-14898.	-14257.	-13745.



\*\*\* METAL UREA PROJECT \*\*\*  
 FUNDS FLOW STATEMENTS (FOR ENDING DECEMBER 31)  
 -- ELECTRIC POWER 20% DOWN -- (USD 1000)

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
SOURCE OF FUNDS	2599.	16027.	67130.	46491.	12120.	13655.	23050.	33204.	42920.	51862.
CASH GENERATED	0.	0.	0.	0.	0.	3065.	4250.	5663.	7278.	8663.
PROFIT AFT. TAX, MFR INT.	0.	0.	0.	0.	0.	-9496.	-9111.	-7698.	-6083.	-4693.
DEPRECIATION AND AMORTIZATION	0.	0.	0.	0.	0.	13361.	13361.	13361.	13361.	13361.
FINANCIAL RESOURCES	2599.	16027.	67130.	46491.	12120.	9790.	18801.	27541.	35642.	43194.
SHARE CAPITAL	2599.	12974.	27722.	0.	0.	0.	0.	0.	0.	0.
LONG TERM DEBT	0.	3032.	39417.	46491.	12128.	0.	0.	0.	0.	0.
SHORT TERM DEBT	0.	0.	0.	0.	0.	9790.	18801.	27541.	35642.	43194.
USES OF FUNDS	720.	2078.	56715.	72696.	9494.	16335.	23050.	33204.	42920.	51862.
FIXED CAPITAL EXPENDITURE	720.	2078.	56715.	72696.	9494.	0.	0.	0.	0.	0.
NON-DEPRECIABLE ASSETS	720.	1800.	0.	0.	0.	0.	0.	0.	0.	0.
DEPRECIABLE FIXED ASSETS	0.	0.	53096.	68427.	8380.	0.	0.	0.	0.	0.
INTEREST DURING CONSTRUCTION	0.	278.	3619.	4269.	1114.	0.	0.	0.	0.	0.
CHANGE IN WORKING CAPITAL	0.	0.	0.	0.	0.	4544.	337.	466.	467.	430.
DEBT SERVICES	0.	0.	0.	0.	0.	11791.	22713.	32738.	42453.	51432.
REPAYMENT OF LONG TERM DEBT	0.	0.	0.	0.	0.	6730.	6730.	6730.	6730.	6730.
REPAYMENT OF SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	9790.	18801.	27541.	35642.
INTEREST ON LONG TERM DEBT	0.	0.	0.	0.	0.	5053.	4717.	4380.	4043.	3706.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	1469.	2820.	4131.	5346.
CASH INCREASE OR (DECREASE)	1879.	13948.	10423.	-26205.	2634.	-2680.	0.	0.	0.	0.
BEGINNING CASH BALANCE	0.	1079.	15827.	26250.	46.	2680.	0.	0.	0.	0.
ENDING CASH BALANCE	1879.	15827.	26250.	46.	2680.	0.	0.	0.	0.	0.



\*\*\* NEPAL UREA PROJECT \*\*\*  
 FUNDS FLOW STATEMENTS (FOR ENDING DECEMBER 31)  
 -- ELECTRIC POWER 20% DOWN --  
 (USD 1000)

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
SOURCE OF FUNDS										
CASH GENERATED	60167.	67950.	74991.	81095.	85946.	88589.	93003.	95986.	97954.	97664.
PROFIT AFT. TAX, BFR INT.	9940.	11349.	12807.	14422.	16113.	15254.	16805.	17818.	18964.	19998.
DEPRECIATION AND AMORTIZATION	-3276.	-1867.	-410.	1205.	2897.	14624.	16175.	17180.	18334.	19368.
FINANCIAL RESOURCES	13216.	13216.	13216.	13216.	13216.	630.	630.	630.	630.	630.
	50226.	56609.	62185.	66673.	69833.	73335.	76199.	78169.	78990.	77667.
SHARE CAPITAL	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
LONG TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
SHORT TERM DEBT	50226.	56609.	62185.	66673.	69833.	73335.	76199.	78169.	78990.	77667.
USES OF FUNDS										
FIXED CAPITAL EXPENDITURE	60167.	67950.	74991.	81095.	85946.	88589.	93003.	95986.	97954.	97664.
NON-DEPRECIABLE ASSETS	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
DEPRECIABLE FIXED ASSETS	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
INTEREST DURING CONSTRUCTION	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
CHANGE IN WORKING CAPITAL	386.	420.	458.	487.	512.	-140.	582.	610.	648.	-249.
DEBT SERVICES	59780.	67530.	74533.	80608.	85434.	88730.	92421.	95377.	97306.	97914.
REPAYMENT OF LONG TERM DEBT	6738.	6738.	6738.	6738.	6738.	6738.	6738.	6738.	6738.	6738.
REPAYMENT OF SHORT TERM DEBT	43194.	50226.	56609.	62185.	66673.	69833.	73335.	76199.	78169.	78990.
INTEREST ON LONG TERM DEBT	3369.	3032.	2695.	2358.	2021.	1684.	1348.	1011.	674.	337.
INTEREST ON SHORT TERM DEBT	6479.	7534.	8491.	9328.	10001.	10475.	11000.	11430.	11725.	11849.
CASH INCREASE OR (DECREASE)	0.	0.	0.	-0.	0.	0.	-0.	-0.	-0.	-0.
BEGINNING CASH BALANCE	0.	0.	0.	0.	-0.	-0.	-0.	-0.	-0.	-0.
ENDING CASH BALANCE	0.	0.	0.	-0.	-0.	-0.	-0.	-0.	-0.	-0.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 BALANCE SHEET (FOR ENDING DECEMBER 31)  
 (USD 1000)  
 ELECTRIC POWER 20% DOWN

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
ASSETS	2399.	18625.	85764.	132255.	144383.	133603.	120634.	107844.	95052.	82215.
CURRENT ASSETS	0.	0.	0.	0.	0.	5261.	5653.	6224.	6793.	7317.
OPERATING CASH	0.	0.	0.	0.	0.	1911.	2029.	2248.	2463.	2663.
ACCOUNT RECEIVABLE	0.	0.	0.	0.	0.	1043.	1198.	1364.	1539.	1698.
INVENTORIES	0.	0.	0.	0.	0.	2307.	2426.	2612.	2791.	2957.
ACC. EXCESS CASH	1879.	15827.	26250.	46.	2680.	0.	0.	0.	0.	0.
NET FIXED ASSETS	720.	2798.	59513.	132209.	141703.	128342.	114981.	101620.	88259.	74898.
INVESTMENT	720.	2798.	59513.	132209.	141703.	141703.	141703.	141703.	141703.	141703.
NON-DEPR. ASSETS	720.	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.
DEPRECIABLE ASSETS	0.	0.	54094.	121523.	129903.	129903.	129903.	129903.	129903.	129903.
INTEREST DRG CONSTR.	0.	278.	3898.	8166.	9280.	9280.	9280.	9280.	9280.	9280.
LESS: ACC. DEPRECIATION	0.	0.	0.	0.	0.	13361.	26722.	40083.	53445.	66806.
LIABILITIES	0.	3032.	42449.	88940.	101060.	104838.	107165.	109273.	110738.	111646.
CURRENT LIABILITIES	0.	0.	0.	0.	6738.	17245.	26310.	35156.	43359.	51005.
ACCOUNT PAYABLE	0.	0.	0.	0.	0.	717.	772.	877.	979.	1073.
CURRENT PORTION OF L/T DEBT	0.	0.	0.	0.	6738.	6738.	6738.	6738.	6738.	6738.
SHORT TERM DEBT	0.	0.	0.	0.	0.	9790.	18801.	27541.	35642.	43194.
FIXED LIABILITIES	0.	3032.	42449.	88940.	94330.	87592.	80855.	74117.	67379.	60641.
LONG TERM DEBT BALANCE	0.	3032.	42449.	88940.	94330.	87592.	80855.	74117.	67379.	60641.
OTHER FIXED LIABILITIES	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
STOCK HOLDERS EQUITY	2399.	15593.	43315.	43315.	43315.	28765.	13469.	-1429.	-15686.	-29431.
SHARE CAPITAL	2399.	15593.	43315.	43315.	43315.	43315.	43315.	43315.	43315.	43315.
ACC. RETAINED EARNINGS	0.	0.	0.	0.	-14550.	-29846.	-44744.	-59001.	-72746.	-72746.
LIABILITIES & S/H EQUITY	2399.	18625.	85764.	132255.	144383.	133603.	120634.	107844.	95052.	82215.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 BALANCE SHEET (FOR ENDING DECEMBER 31)  
 .. ELECTRIC POWER 20% DOWN .. (USD 1000)

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
ASSETS	69468.	56769.	44107.	31479.	10881.	18223.	18290.	18392.	18539.	17794.
CURRENT ASSETS	7787.	8305.	8839.	9447.	10066.	10037.	10734.	11466.	12242.	12126.
OPERATING CASH	2842.	3036.	3246.	3467.	3700.	3958.	4223.	4507.	4804.	5114.
ACCOUNT RECEIVABLE	1842.	1970.	2164.	2342.	2530.	2720.	2927.	3137.	3366.	3600.
INVENTORIES	3103.	3270.	3449.	3638.	3836.	3360.	3584.	3822.	4072.	3413.
ACC. EXCESS CASH	0.	0.	0.	-0.	-0.	-0.	-0.	-0.	-0.	-0.
NET FIXED ASSETS	61681.	48465.	35248.	22032.	8815.	8166.	7556.	6927.	6297.	5668.
INVESTMENT	141703.	141703.	141703.	141703.	141703.	141703.	141703.	141703.	141703.	141703.
NON-DEPR. ASSETS	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.
DEPRECIABLE ASSETS	129903.	129903.	129903.	129903.	129903.	129903.	129903.	129903.	129903.	129903.
INTEREST ORG CONSTR.	9200.	9200.	9280.	9280.	9200.	9280.	9280.	9280.	9280.	9280.
LESS: ACC. DEPRECIATION	80022.	93239.	106455.	119672.	132800.	135518.	134447.	134777.	135406.	136036.
LIABILITIES	112024.	111758.	110693.	108545.	105073.	101949.	98189.	95344.	87756.	79828.
CURRENT LIABILITIES	58121.	64593.	70265.	74856.	78121.	81736.	84713.	86806.	87756.	79828.
ACCOUNT PAYABLE	1156.	1244.	1343.	1444.	1551.	1662.	1777.	1899.	2027.	2161.
CURRENT PORTION OF L/T DEBT	6738.	6738.	6738.	6738.	6738.	6738.	6738.	6738.	6738.	0.
SHORT TERM DEBT	50226.	56609.	62185.	66673.	69833.	73335.	76199.	78169.	78990.	77667.
FIXED LIABILITIES	53903.	47165.	40427.	33689.	26952.	20214.	13476.	6738.	0.	0.
LONG TERM DEBT BALANCE	53903.	47165.	40427.	33689.	26952.	20214.	13476.	6738.	0.	0.
OTHER FIXED LIABILITIES	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
STOCK HOLDERS EQUITY	-42556.	-54989.	-66506.	-77066.	-86192.	-83727.	-79899.	-75152.	-69217.	-62034.
SHARE CAPITAL	43315.	43315.	43315.	43315.	43315.	43315.	43315.	43315.	43315.	43315.
ACC. RETAINED EARNINGS	-85871.	-90374.	-109901.	-120301.	-129507.	-127042.	-123214.	-118467.	-112532.	-105349.
LIABILITIES & S/H EQUITY	69468.	56769.	44107.	31479.	10881.	18223.	18290.	18392.	18539.	17794.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 LONG TERM DEBT  
 -- ELECTRIC POWER 20% DOWN --  
 (USD 1000)

YEAR	SER.NO	PRINCIPAL	INTEREST	DEBT SERVICE	BALANCE AFT. PAYMENT
1986	1	0.	0.	0.	0.
1987	2	0.	0.	0.	3032.
1988	3	0.	0.	0.	42449.
1989	4	0.	0.	0.	89740.
1990	5	0.	0.	0.	101060.
1991	6	6738.	5053.	11791.	94330.
1992	7	6738.	4717.	11454.	87592.
1993	8	6738.	4380.	11117.	80854.
1994	9	6738.	4043.	10781.	74116.
1995	10	6738.	3706.	10444.	67379.
1996	11	6738.	3369.	10107.	60641.
1997	12	6738.	3032.	9770.	53903.
1998	13	6738.	2695.	9433.	47165.
1999	14	6738.	2358.	9096.	40427.
2000	15	6738.	2021.	8759.	33689.
2001	16	6738.	1684.	8422.	26951.
2002	17	6738.	1348.	8085.	20213.
2003	18	6738.	1011.	7749.	13475.
2004	19	6738.	674.	7412.	6738.
2005	20	6738.	337.	7075.	0.
TOTAL		101060.	40427.	141495.	0.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 PROFITABILITY AND FINANCIAL INDICATORS  
 - ELECTRIC POWER 20% DOWN -  
 (USD 1000)

YEAR	(1) AFT TAX PROFIT -TO- SALES REV S/H EQUITY (PCT)	(2) AFT TAX PROFIT -TO- SALES REV S/H EQUITY (PCT)	(3) BFR TAX PROFIT -TO- INVESTMENT S/CAPITAL (PCT)	(4) AFT TAX PROFIT -TO- SALES REV S/CAPITAL (PCT)	(5) CURRENT RATIO	(6) QUICK RATIO	(7) DEBT SERVICE RATIO	(8) L/T DEBT -TO- S/H EQUITY	(9)* PROFIT B.E.P. CAPACITY UTILIZE (PCT)	(10)* CASH B.E.P. SALES PRICE (PRICE)	(11)* CASH B.E.P. CAPACITY UTILIZE (PCT)
1991	-50.1	-50.6	-10.3	-33.6	0.31	0.17	0.33	75 / 25	187.2	678.7	136.3
1992	-52.2	-112.6	-10.8	-35.3	0.21	0.12	0.24	86 / 14	152.7	678.3	113.2
1993	-45.5	1042.6	-10.5	-34.4	0.18	0.10	0.26	102 / -2	149.5	696.5	112.4
1994	-38.6	90.9	-10.1	-32.9	0.16	0.09	0.29	130 / -30	142.6	717.8	100.7
1995	-33.7	46.7	-9.7	-31.7	0.14	0.09	0.32	194 / -94	137.1	744.5	105.6
1996	-29.7	30.8	-9.3	-30.3	0.13	0.08	0.34	475 / ***	130.5	777.0	102.0
1997	-25.9	22.6	-8.8	-28.7	0.13	0.08	0.39	*** / 703	124.8	810.2	98.4
1998	-22.3	17.4	-8.2	-26.8	0.13	0.08	0.46	*** / 255	119.3	843.5	94.7
1999	-18.6	13.6	-7.4	-24.2	0.13	0.08	0.56	-78 / 178	113.3	877.3	90.5
2000	-15.0	10.6	-6.4	-21.1	0.13	0.08	0.70	-45 / 145	107.2	911.2	86.0
2001	3.8	-2.9	2.9	5.7	0.12	0.08	0.57	-32 / 132	63.5	1004.7	94.7
2002	5.4	-4.8	4.5	0.8	0.13	0.08	0.72	-20 / 120	60.8	1043.9	89.7
2003	6.3	-6.3	5.6	11.0	0.13	0.09	0.82	-10 / 110	58.5	1084.2	85.6
2004	7.3	-8.6	7.0	13.7	0.14	0.09	0.98	-0 / 100	55.6	1125.7	80.8
2005	8.3	-11.6	8.4	16.6	0.15	0.11	1.15	-0 / 100	52.0	1168.2	76.3
AVERAGE1	-20.6	71.8	-4.2	-16.2	0.15	0.09	0.34	8 / 92	110.3	877.4	98.3
AVERAGE2	-13.1	19.0	-3.6	-13.2	0.14	0.09	0.50	292 / ***			

(AVERAGE1) : SUM OF ANNUAL FIGURES OF PERCENTAGE AND RATIO IS DIVIDED BY NO. OF YEARS(SIMPLE AVERAGE)  
 (AVERAGE2) : AVERAGE FIGURES ARE CALCULATED BY ACTUAL VALUES ACCUMULATED OVER THE PROJECT LIFE(WEIGHTED AVERAGE)  
 \* NOTE FOR (9)(10)(11)

WHEN THERE ARE TWO OR MORE PRODUCTS, AND DURING THE YEARS WHEN ALL OF PRODUCTS ARE NOT PRODUCED AT THE SAME RATE  
 OF CAPACITY UTILIZATION, ABOVE BREAK-EVEN-POINTS CANNOT GIVE CORRECT FIGURES.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 FINANCIAL RATE OF RETURN (IN CURRENT PRICE)  
 - ELECTRIC POWER 20% DOWN - (USD 1000)

YEAR	FIXED CAPITAL EXPEND.	CHANGE IN WORKING CAPITAL	GROSS CAPITAL EXPENDTR	OPERATING PROFIT	DEPRECIATN	GROSS CASH IN-FLOW	INCOME TAX	BFR-TAX NET IN-FLOW (2)-(1)	AFT-TAX NET IN-FLOW (4)-(3)
1986	720.	0.	720.	0.	0.	0.	0.	-720.	-720.
1987	1800.	0.	1800.	0.	0.	0.	0.	-1800.	-1800.
1988	53096.	0.	53096.	0.	0.	0.	0.	-53096.	-53096.
1989	68427.	0.	68427.	0.	0.	0.	0.	-68427.	-68427.
1990	0.	0.	0.	0.	0.	0.	0.	-8380.	-8380.
1991	0.	4544.	4544.	-9476.	13361.	3865.	0.	-679.	-679.
1992	0.	337.	337.	-9111.	13361.	4250.	0.	3913.	3913.
1993	0.	466.	466.	-7878.	13361.	5663.	0.	5197.	5197.
1994	0.	467.	467.	-6083.	13361.	7278.	0.	6811.	6811.
1995	0.	430.	430.	-4673.	13361.	8668.	0.	8238.	8238.
1996	0.	386.	386.	-3276.	13216.	7940.	0.	9554.	9554.
1997	0.	420.	420.	-1067.	13216.	11349.	0.	10921.	10921.
1998	0.	458.	458.	-410.	13216.	12807.	0.	12349.	12349.
1999	0.	487.	487.	1205.	13216.	14422.	0.	13935.	13935.
2000	0.	512.	512.	2897.	13216.	16113.	0.	15601.	15601.
2001	0.	-140.	-140.	16268.	630.	16897.	1643.	17038.	15394.
2002	0.	502.	502.	18727.	630.	19356.	2552.	18774.	16223.
2003	0.	610.	610.	20353.	630.	20983.	3165.	20373.	17203.
2004	0.	648.	648.	22291.	630.	22920.	3957.	22272.	18315.
2005	-5660.	-10215.	-15875.	24156.	630.	24786.	4788.	40668.	35880.
	126756.	-0.	126755.	63261.	136035.	199297.	16105.	72542.	56436.

INTERNAL RATE OF RETURN

ON (4) BFR-TAX NET IN-FLOW (2)-(1) 3.74 PER CENT  
 ON (5) AFT-TAX NET IN-FLOW (4)-(3) 3.00 PER CENT

\*\*\* NEPAL UREA PROJECT \*\*\*  
 FINANCIAL RATE OF RETURN (IN CONSTANT PRICE)  
 - ELECTRIC POWER 20% DOWN -  
 (USD 1000)

YEAR	FIXED CAPITAL EXPEND.	CHANGE IN WORKING CAPITAL	GROSS CAPITAL EXPENDTR	OPERATING PROFIT	DEPRECIATION	GROSS CASH IN-FLOW	INCOME TAX	BFR-TAX NET IN-FLOW	AFT-TAX NET IN-FLOW	DEFLATOR
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1986	720.	0.	720.	0.	0.	0.	0.	-720.	-720.	1.000
1987	1698.	0.	1698.	0.	0.	0.	0.	-1698.	-1698.	1.060
1988	47255.	0.	47255.	0.	0.	0.	0.	-47255.	-47255.	1.124
1989	57453.	0.	57453.	0.	0.	0.	0.	-57453.	-57453.	1.191
1990	6638.	0.	6638.	0.	0.	0.	0.	-6638.	-6638.	1.262
1991	3395.	3395.	0.	-7096.	9984.	2880.	0.	-507.	-507.	1.338
1992	45.	45.	0.	-6423.	9419.	2996.	0.	2951.	2951.	1.419
1993	0.	115.	115.	-5120.	8886.	3766.	0.	3651.	3651.	1.504
1994	0.	92.	92.	-3817.	8383.	4566.	0.	4475.	4475.	1.594
1995	0.	48.	48.	-2770.	7908.	5131.	0.	5083.	5083.	1.689
1996	0.	7.	7.	-1830.	7380.	5950.	0.	5544.	5544.	1.791
1997	0.	16.	16.	-984.	6962.	5979.	0.	5963.	5963.	1.898
1998	0.	17.	17.	-204.	6563.	6364.	0.	6347.	6347.	2.012
1999	0.	17.	17.	565.	6196.	6762.	0.	6745.	6745.	2.133
2000	0.	14.	14.	1281.	5846.	7127.	0.	7113.	7113.	2.261
2001	0.	-272.	-272.	6788.	263.	7051.	0.	7322.	6637.	2.397
2002	0.	31.	31.	7372.	268.	7620.	686.	7580.	6584.	2.540
2003	0.	27.	27.	7558.	234.	7792.	1004.	7765.	6590.	2.693
2004	0.	26.	26.	7809.	221.	8030.	1175.	8004.	6618.	2.854
2005	-1873.	-3579.	-5452.	7984.	208.	8192.	1386.	13644.	12061.	3.026
	111891.	-0.	111890.	11100.	78706.	89014.	5034.	-22077.	-27911.	

INTERNAL RATE OF RETURN

ON (4) BFR-TAX NET IN-FLOW (2)-(1) -1.07 PER CENT

ON (5) AFT-TAX NET IN-FLOW (4)-(3) -2.47 PER CENT

\*\*\* NEPAL UREA PROJECT \*\*\*  
 NET PRESENT VALUE (IN CONSTANT PRICE) (USD 1000)  
 - ELECTRIC POWER 20% DOWN -

YEAR	FIXED CAPITAL EXPEND.	CHANGE IN WORKING CAPITAL	GROSS CAPITAL EXPENDTR	OPERATING PROFIT	DEPRECIATN	GROSS CASH IN-FLOW	INCOME TAX	BFR-TAX NET IN-FLOW (2)-(1)	AFT-TAX NET IN-FLOW (4)-(3)	DISCOUNT RATE
1986	720.	0.	720.	0.	0.	0.	0.	-720.	-720.	1.000
1987	1572.	0.	1572.	0.	0.	0.	0.	-1572.	-1572.	1.080
1988	40514.	0.	40514.	0.	0.	0.	0.	-40514.	-40514.	1.166
1989	45608.	0.	45608.	0.	0.	0.	0.	-45608.	-45608.	1.260
1990	4879.	0.	4879.	0.	0.	0.	0.	-4879.	-4879.	1.360
1991	0.	2311.	2311.	-4830.	6795.	1966.	0.	-345.	-345.	1.469
1992	0.	29.	29.	-4048.	5936.	1808.	0.	1859.	1859.	1.587
1993	0.	67.	67.	-2987.	5185.	2198.	0.	2130.	2130.	1.714
1994	0.	50.	50.	-2062.	4529.	2467.	0.	2417.	2417.	1.851
1995	0.	24.	24.	-1390.	3956.	2567.	0.	2543.	2543.	1.979
1996	0.	3.	3.	-477.	3418.	2571.	0.	2568.	2568.	2.159
1997	0.	7.	7.	-422.	2986.	2564.	0.	2557.	2557.	2.332
1998	0.	7.	7.	-81.	2608.	2527.	0.	2521.	2521.	2.513
1999	0.	6.	6.	208.	2278.	2486.	0.	2480.	2480.	2.720
2000	0.	5.	5.	436.	1990.	2426.	0.	2422.	2422.	2.937
2001	0.	-86.	-86.	2140.	83.	2223.	216.	2308.	2092.	3.172
2002	0.	9.	9.	2152.	72.	2224.	293.	2215.	1922.	3.426
2003	0.	7.	7.	2043.	63.	2106.	318.	2099.	1781.	3.700
2004	0.	7.	7.	1954.	53.	2010.	347.	2003.	1656.	3.996
2005	-434.	-829.	-1263.	1890.	40.	1898.	367.	3161.	2795.	4.316
	92859.	1616.	94475.	-5004.	40004.	34120.	1541.	-60354.	-61895.	



\*\*\* NEPAL UREA PROJECT \*\*\*  
 PRODUCTION COST STATEMENTS  
 -- ELECTRIC POWER 40% DOWN --

(USD 1000)

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
PRODUCTION	0.	0.	0.	0.	0.	54500.	55340.	59320.	62480.	64610.
RAW MATERIAL AND UTILITIES COST	0.	0.	0.	0.	0.	12472.	13424.	15252.	17029.	18666.
ELECTRIC POWER	0.	0.	0.	0.	0.	11619.	12506.	14210.	15865.	17391.
COAL	0.	0.	0.	0.	0.	852.	917.	1042.	1164.	1276.
SUPPLIES	0.	0.	0.	0.	0.	868.	935.	1062.	1105.	1299.
CATALYSTS AND CHEMICALS	0.	0.	0.	0.	0.	223.	240.	273.	304.	334.
BAGS	0.	0.	0.	0.	0.	645.	675.	789.	801.	966.
VARIABLE COST	0.	0.	0.	0.	0.	13340.	14358.	16314.	18214.	19966.
DIRECT LABOUR COST	0.	0.	0.	0.	0.	320.	336.	353.	370.	389.
MAINTENANCE COST	0.	0.	0.	0.	0.	3897.	4131.	4379.	4641.	4920.
INSURANCE	0.	0.	0.	0.	0.	1508.	1351.	1194.	1037.	880.
DIRECT FIXED COST	0.	0.	0.	0.	0.	5725.	5818.	5925.	6049.	6189.
CASH FACTORY COST	0.	0.	0.	0.	0.	19065.	20176.	22240.	24263.	26154.
PLANTS AND FACILITIES	0.	0.	0.	0.	0.	11329.	11329.	11329.	11329.	11329.
BUILDINGS	0.	0.	0.	0.	0.	630.	630.	630.	630.	630.
INDIRECT FIELD EXP.	0.	0.	0.	0.	0.	145.	145.	145.	145.	145.
PRE-OPERATION EXP.	0.	0.	0.	0.	0.	330.	330.	330.	330.	330.
INTEREST DURING CONSTRUCTION	0.	0.	0.	0.	0.	928.	928.	928.	928.	928.
DEPRECIATION AND AMORTIZATION	0.	0.	0.	0.	0.	13361.	13361.	13361.	13361.	13361.
TOTAL FACTORY COST	0.0	0.0	0.0	0.0	0.0	32426.	33537.	35601.	37624.	39516.
UNIT FACTORY COST						0.5950	0.6060	0.6002	0.6022	0.6116
GENERAL AND ADMIN. EXPENSES	0.	0.	0.	0.	0.	224.	235.	247.	259.	272.
OPERATING EXPENSES	0.	0.	0.	0.	0.	32650.	33773.	35048.	37884.	39788.
INTEREST ON LONG TERM DEBT	0.	0.	0.	0.	0.	5053.	4717.	4380.	4043.	3706.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	863.	1497.	1895.	1978.
TOTAL PRODUCTION COST	0.0	0.0	0.0	0.0	0.0	37703.	39352.	41724.	43822.	45472.
UNIT PRODUCTION COST						0.6918	0.7111	0.7034	0.7014	0.7038

\*\*\* NEPAL UREA PROJECT \*\*\*  
 PRODUCTION COST STATEMENTS  
 - ELECTRIC POWER 40% DOWN -  
 (USD 1000)

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
PRODUCTION	65660.	66760.	67860.	68860.	69750.	70540.	71130.	71730.	72230.	72620.
RAW MATERIAL AND UTILITIES COST	20100.	21671.	23350.	25116.	26967.	28900.	30899.	33029.	35235.	37572.
ELECTRIC POWER	18734.	20190.	21754.	23399.	25124.	26933.	28787.	30772.	32846.	35005.
COAL	1374.	1481.	1596.	1716.	1843.	1976.	2112.	2257.	2409.	2568.
SUPPLIES	1400.	1509.	1626.	1748.	1877.	2012.	2151.	2299.	2454.	2616.
CATALYSTS AND CHEMICALS	359.	387.	417.	449.	482.	517.	552.	590.	630.	672.
BAGS	1040.	1121.	1200.	1300.	1395.	1496.	1599.	1709.	1824.	1944.
VARIABLE COST	21500.	23180.	24975.	26864.	28844.	30921.	33050.	35329.	37709.	40188.
DIRECT LABOUR COST	480.	429.	450.	473.	496.	521.	547.	574.	603.	633.
MAINTENANCE COST	5215.	5528.	5860.	6211.	6584.	6977.	7398.	7842.	8312.	8811.
INSURANCE	725.	569.	414.	259.	104.	96.	89.	81.	74.	67.
DIRECT FIXED COST	6340.	6526.	6724.	6943.	7184.	7596.	8034.	8498.	8989.	9511.
CASH FACTORY COST	27856.	29706.	31677.	33807.	36028.	38517.	41004.	43826.	46699.	49699.
PLANTS AND FACILITIES	11329.	11329.	11329.	11329.	11329.	0.	0.	0.	0.	0.
BUILDINGS	630.	630.	630.	630.	630.	630.	630.	630.	630.	630.
INDIRECT FIELD EXP.	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
PRE-OPERATION EXP.	330.	330.	330.	330.	330.	0.	0.	0.	0.	0.
INTERST DURING CONSTRUCTION	928.	928.	928.	928.	928.	0.	0.	0.	0.	0.
DEPRECIATION AND AMORTIZATION	13216.	13216.	13216.	13216.	13216.	630.	630.	630.	630.	630.
TOTAL FACTORY COST	41072.	42923.	44916.	47023.	49244.	59147.	41713.	44456.	47328.	50328.
UNIT FACTORY COST	0.6255	0.6429	0.6619	0.6829	0.7060	0.5550	0.5864	0.6198	0.6552	0.6930
GENERAL AND ADMIN. EXPENSES	286.	300.	315.	331.	347.	365.	383.	402.	422.	444.
OPERATING EXPENSES	41358.	43223.	45231.	47354.	49592.	39512.	42096.	44858.	47751.	50772.
INTEREST ON LONG TERM DEBT	3369.	3032.	2695.	2358.	2021.	1684.	1348.	1011.	674.	337.
INTEREST ON SHORT TERM DEBT	1723.	1137.	162.	0.	0.	0.	0.	0.	0.	0.
TOTAL PRODUCTION COST	46460.	47392.	48038.	49713.	51613.	41196.	43444.	45869.	48424.	51109.
UNIT PRODUCTION COST	0.7076	0.7099	0.7086	0.7219	0.7400	0.5840	0.6108	0.6395	0.6704	0.7038

\*\*\* NEPAL UREA PROJECT \*\*\*  
 WORKING CAPITAL STATEMENTS  
 - ELECTRIC POWER 40% DOWN -

(USD 1000)

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
CURRENT ASSETS	0.	0.	0.	0.	0.	4725.	5076.	5569.	6062.	6515.
ACCOUNT RECEIVABLE	0.	0.	0.	0.	0.	1043.	1198.	1364.	1539.	1698.
INVENTORIES	0.	0.	0.	0.	0.	2094.	2197.	2351.	2500.	2638.
PRODUCT INVENTORY (UREA)	0.	0.	0.	0.	0.	1785.	1846.	1960.	2071.	2175.
MATERIAL INVENTORY (SUPPLIES)	0.	0.	0.	0.	0.	309.	351.	392.	429.	462.
OPERATING CASH	0.	0.	0.	0.	0.	1589.	1681.	1853.	2022.	2179.
CURRENT LIABILITIES W/O DEBT	0.	0.	0.	0.	0.	556.	598.	680.	759.	832.
ACCOUNT PAYABLE	0.	0.	0.	0.	0.	556.	598.	680.	759.	832.
PERMANENT WORKING CAPITAL	0.	0.	0.	0.	0.	4169.	4478.	4889.	5303.	5683.
CHANGE IN WORKING CAPITAL	0.	0.	0.	0.	0.	4169.	309.	411.	414.	381.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 WORKING CAPITAL STATEMENTS  
 -- ELECTRIC POWER 40% DOWN --

(USD 1000)

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
CURRENT ASSETS	6923.	7373.	7855.	8368.	8907.	8795.	9406.	10046.	10727.	10911.
ACCOUNT RECEIVABLE	1842.	1998.	2164.	2342.	2530.	2720.	2927.	3137.	3366.	3600.
INVENTORIES	2759.	2900.	3050.	3208.	3375.	3550.	3756.	3958.	4167.	4370.
PRODUCT INVENTORY (UREA)	2261.	2363.	2472.	2588.	2711.	2855.	2996.	3147.	3305.	3470.
MATERIAL INVENTORY (SUPPLIES)	498.	537.	577.	620.	665.	710.	759.	811.	864.	900.
OPERATING CASH	2321.	2475.	2642.	2817.	3002.	3210.	3424.	3652.	3891.	4141.
CURRENT LIABILITIES W/O DEBT	896.	966.	1041.	1119.	1202.	1288.	1377.	1472.	1571.	1674.
ACCOUNT PAYABLE	896.	966.	1041.	1119.	1202.	1288.	1377.	1472.	1571.	1674.
PERMANENT WORKING CAPITAL	6027.	6407.	6815.	7249.	7705.	7507.	8029.	8574.	9156.	8837.
CHANGE IN WORKING CAPITAL	343.	301.	407.	434.	457.	-199.	522.	546.	581.	-319.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 INCOME STATEMENTS (FOR ENDING DECEMBER 31)  
 - ELECTRIC POWER 40% DOWN - (USD 1000)

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
OPERATING INCOME	0.	0.	0.	0.	0.	25029.	20753.	32742.	36947.	40760.
TOTAL SALES REVENUE	0.	0.	0.	0.	0.	25029.	28753.	32742.	36947.	40760.
COST OF SALES	0.	0.	0.	0.	0.	30641.	33476.	35487.	37513.	39412.
VARIABLE COST	0.	0.	0.	0.	0.	13340.	14358.	16314.	18214.	19966.
DIRECT FIXED COST	0.	0.	0.	0.	0.	5725.	5810.	5925.	6049.	6189.
DEPRECIATION AND AMORTIZATION	0.	0.	0.	0.	0.	13361.	13361.	13361.	13361.	13361.
INC. IN PRODUCT INVENTORY	0.	0.	0.	0.	0.	1785.	61.	114.	111.	104.
GROSS PROFIT ON SALES	0.	0.	0.	0.	0.	-5612.	-4723.	-2746.	-566.	1348.
GENERAL AND ADMIN. EXPENSES	0.	0.	0.	0.	0.	224.	235.	247.	259.	272.
OPERATING PROFIT	0.	0.	0.	0.	0.	-5836.	-4958.	-2993.	-825.	1076.
NON-OPERATING EXPENSES	0.	0.	0.	0.	0.	5053.	5580.	5077.	5930.	5684.
INTEREST ON LONG TERM DEBT	0.	0.	0.	0.	0.	5053.	4717.	4380.	4043.	3706.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	863.	1497.	1895.	1978.
NET PROFIT OR (LOSS) BEFORE TAX	0.	0.	0.	0.	0.	-10890.	-10530.	-8869.	-6763.	-4608.
INCOME TAX	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NON-TAXABLE INCOME	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NET PROFIT OR (LOSS) AFTER TAX	0.	0.	0.	0.	0.	-10890.	-10530.	-8869.	-6763.	-4608.
RETAINED EARNINGS	0.	0.	0.	0.	0.	-10890.	-10530.	-8869.	-6763.	-4608.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 INCOME STATEMENTS (FOR ENDING DECEMBER 31)  
 - ELECTRIC POWER 40% DOWN - (USD 1000)

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
OPERATING INCOME	44216.	47957.	51934.	56214.	60710.	65280.	70244.	75282.	80794.	86392.
TOTAL SALES REVENUE	44216.	47957.	51934.	56214.	60710.	65280.	70244.	75282.	80794.	86392.
COST OF SALES	40987.	42821.	44806.	46907.	49122.	39702.	41572.	44305.	47170.	50163.
VARIABLE COST	21500.	23180.	24975.	26064.	28844.	30921.	33050.	35329.	37709.	40188.
DIRECT FIXED COST	6348.	6526.	6724.	6743.	7184.	7594.	8034.	8498.	8989.	9511.
DEPRECIATION AND AMORTIZATION	13216.	13216.	13216.	13216.	13216.	630.	630.	630.	630.	630.
INC. IN PRODUCT INVENTORY	86.	102.	110.	116.	122.	-556.	141.	151.	158.	165.
GROSS PROFIT ON SALES	3230.	5136.	7120.	9306.	11588.	25577.	28672.	30977.	33624.	36229.
GENERAL AND ADMIN. EXPENSES	206.	300.	315.	331.	347.	365.	383.	402.	422.	444.
OPERATING PROFIT	2944.	4836.	6813.	8975.	11240.	25212.	28289.	30575.	33202.	35786.
NON-OPERATING EXPENSES	5102.	4169.	2057.	2358.	2021.	1684.	1348.	1011.	674.	337.
INTEREST ON LONG TERM DEBT	3369.	3032.	2695.	2358.	2021.	1684.	1348.	1011.	674.	337.
INTEREST ON SHORT TERM DEBT	1733.	1137.	162.	0.	0.	0.	0.	0.	0.	0.
NET PROFIT OR (LOSS) BEFORE TAX	-2159.	667.	3956.	6617.	9219.	23528.	26941.	29564.	32528.	35449.
INCOME TAX	0.	267.	1502.	2647.	3688.	9411.	10777.	11826.	13014.	14179.
NON-TAXABLE INCOME	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NET PROFIT OR (LOSS) AFTER TAX	-2159.	400.	2373.	3970.	5531.	14117.	16165.	17738.	19517.	21269.
RETAINED EARNINGS	-2159.	400.	2373.	3970.	5531.	14117.	16165.	17738.	19517.	21269.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 FUNDS FLOW STATEMENTS (FOR ENDING DECEMBER 31)  
 -- ELECTRIC POWER 40% DOWN --  
 (USD 1000)

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
SOURCE OF FUNDS	2599.	16027.	67138.	66491.	12128.	13281.	10302.	23005.	25726.	25993.
CASH GENERATED	0.	0.	0.	0.	0.	7525.	8403.	10369.	12536.	14437.
PROFIT AFT. TAX, BFR INT.	0.	0.	0.	0.	0.	5836.	4958.	2993.	825.	1076.
DEPRECIATION AND AMORTIZATION	0.	0.	0.	0.	0.	13361.	13361.	13361.	13361.	13361.
FINANCIAL RESOURCES	2599.	16027.	67138.	66491.	12128.	9756.	9979.	12636.	13190.	11556.
SHARE CAPITAL	2599.	12994.	27722.	0.	0.	0.	0.	0.	0.	0.
LONG TERM DEBT	0.	3032.	39417.	66491.	12128.	0.	0.	0.	0.	0.
SHORT TERM DEBT	0.	0.	0.	0.	0.	5756.	9979.	12636.	13190.	11556.
USCS OF FUNDS	720.	2078.	56715.	72696.	9494.	15961.	10382.	23005.	25726.	25993.
FIXED CAPITAL EXPENDITURE	720.	2078.	56715.	72696.	9494.	0.	0.	0.	0.	0.
NON-DEPRECIABLE ASSETS	720.	1800.	0.	0.	0.	0.	0.	0.	0.	0.
DEPRECIABLE FIXED ASSETS	0.	0.	53096.	68427.	0380.	0.	0.	0.	0.	0.
INTEREST DURING CONSTRUCTION	0.	278.	3619.	4269.	1114.	0.	0.	0.	0.	0.
CHANGE IN WORKING CAPITAL	0.	0.	0.	0.	0.	4169.	309.	411.	414.	381.
DEBT SERVICES	0.	0.	0.	0.	0.	11791.	18073.	22594.	25312.	25612.
REPAYMENT OF LONG TERM DEBT	0.	0.	0.	0.	0.	6738.	6738.	6738.	6738.	6738.
REPAYMENT OF SHORT TERM DEBT	0.	0.	0.	0.	0.	5756.	5756.	9979.	12636.	13190.
INTEREST ON LONG TERM DEBT	0.	0.	0.	0.	0.	5053.	4717.	4380.	4043.	3706.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	863.	1497.	1895.	1978.
CASH INCREASE OR (DECREASE)	1079.	13948.	10423.	-26205.	2634.	-2680.	0.	0.	0.	0.
BEGINNING CASH BALANCE	0.	1079.	15827.	26250.	46.	2600.	0.	0.	0.	0.
ENDING CASH BALANCE	1079.	15827.	26250.	46.	2600.	0.	0.	0.	0.	0.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 FUNDS FLOW STATEMENTS (FOR ENDING DECEMBER 31)  
 -- ELECTRIC POWER 40% DOWN --  
 (USD 1000)

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
SOURCE OF FUNDS										
CASH GENERATED	23739.	18866.	18447.	19545.	20769.	16431.	18142.	19379.	20820.	22236.
PROFIT AFT. TAX, BFR INT.	16160.	17786.	18447.	19545.	20769.	16431.	18142.	19379.	20820.	22236.
DEPRECIATION AND AMORTIZATION	2944.	4569.	5231.	6329.	7553.	15801.	17512.	18749.	20171.	21606.
FINANCIAL RESOURCES	13216.	13216.	13216.	13216.	13216.	630.	630.	630.	630.	630.
	7579.	1081.	0.	0.	0.	0.	0.	0.	0.	0.
SHARE CAPITAL	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
LONG TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
SHORT TERM DEBT	7579.	1081.	0.	0.	0.	0.	0.	0.	0.	0.
USES OF FUNDS										
FIXED CAPITAL EXPENDITURE	23739.	18866.	11083.	9530.	9216.	8224.	8608.	8294.	7993.	6756.
NON-DEPRECIABLE ASSETS	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
DEPRECIABLE FIXED ASSETS	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
INTEREST DURING CONSTRUCTION	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
CHANGE IN WORKING CAPITAL	343.	381.	407.	434.	457.	-199.	522.	546.	581.	-319.
DEBT SERVICES	23396.	18485.	10676.	9096.	8759.	8422.	8085.	7749.	7412.	7075.
REPAYMENT OF LONG TERM DEBT	6738.	6738.	6738.	6738.	6738.	6738.	6738.	6738.	6738.	6738.
REPAYMENT OF SHORT TERM DEBT	11556.	7579.	1081.	0.	0.	0.	0.	0.	0.	0.
INTEREST ON LONG TERM DEBT	3369.	3032.	2695.	2358.	2021.	1684.	1348.	1011.	674.	337.
INTEREST ON SHORT TERM DEBT	1733.	1137.	162.	0.	0.	0.	0.	0.	0.	0.
CASH INCREASE OR (DECREASE)	0.	0.	7364.	10015.	11593.	8207.	9534.	11084.	12827.	15480.
BEGINNING CASH BALANCE	0.	0.	0.	7364.	17379.	28932.	37140.	46674.	57758.	70585.
ENDING CASH BALANCE	0.	0.	7364.	17379.	28932.	37140.	46674.	57758.	70585.	86065.



\*\*\* NEPAL UREA PROJECT \*\*\*  
 BALANCE SHEET (FOR ENDING DECEMBER 31)  
 - ELECTRIC POWER 40% DOWN - (USD 1000)

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
ASSETS	2599.	16629.	85764.	132255.	144383.	133067.	120057.	107188.	94320.	81413.
CURRENT ASSETS	0.	0.	0.	0.	0.	4725.	5076.	5569.	6062.	6515.
OPERATING CASH	0.	0.	0.	0.	0.	1589.	1681.	1853.	2022.	2179.
ACCOUNT RECEIVABLE	0.	0.	0.	0.	0.	1043.	1198.	1364.	1539.	1698.
INVENTORIES	0.	0.	0.	0.	0.	2094.	2197.	2351.	2500.	2638.
ACC. EXCESS CASH	1879.	15827.	26250.	46.	2680.	0.	0.	0.	0.	0.
NET FIXED ASSETS	720.	2798.	59513.	132209.	141703.	128342.	114981.	101620.	88259.	74898.
INVESTMENT	720.	2798.	59513.	132209.	141703.	141703.	141703.	141703.	141703.	141703.
NON-DEPR. ASSETS	720.	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.
DEPRECIABLE ASSETS	0.	0.	53096.	121523.	129903.	129903.	129903.	129903.	129903.	129903.
INTEREST DRG CONSTR.	0.	278.	3898.	8166.	9280.	9280.	9280.	9280.	9280.	9280.
LESS: ACC. DEPRECIATION	0.	0.	0.	0.	0.	13361.	26722.	40083.	53445.	66806.
LIABILITIES	0.	3032.	42449.	88940.	101068.	100642.	98170.	94171.	88065.	79766.
CURRENT LIABILITIES	0.	0.	0.	0.	6738.	13049.	17315.	20054.	20687.	19125.
ACCOUNT PAYABLE	0.	0.	0.	0.	0.	556.	598.	680.	759.	832.
CURRENT PORTION OF L/T DEBT	0.	0.	0.	0.	6738.	6738.	6738.	6738.	6738.	6738.
SHORT TERM DEBT	0.	0.	0.	0.	0.	5756.	9979.	12636.	13190.	11556.
FIXED LIABILITIES	0.	3032.	42449.	88940.	94330.	87592.	80855.	74117.	67379.	60641.
LONG TERM DEBT BALANCE	0.	3032.	42449.	88940.	94330.	87592.	80855.	74117.	67379.	60641.
OTHER FIXED LIABILITIES	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
STOCK HOLDERS EQUITY	2599.	15593.	43315.	43315.	43315.	32425.	21887.	13018.	6255.	1646.
SHARE CAPITAL	2599.	15593.	43315.	43315.	43315.	43315.	43315.	43315.	43315.	43315.
ACC. RETAINED EARNINGS	0.	0.	0.	0.	0.	-10890.	-21428.	-30297.	-37060.	-41669.
LIABILITIES & S/H EQUITY	2599.	18625.	85764.	132255.	144383.	133067.	120057.	107188.	94320.	81413.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 BALANCE SHEET (FOR ENDING DECEMBER 31)  
 " ELECTRIC POWER 40% DOWN -" (USD 1000)

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
ASSETS	68604.	99030.	50460.	47779.	46655.	54120.	63636.	74731.	87609.	102244.
CURRENT ASSETS	6923.	7373.	7855.	8368.	8907.	8795.	9406.	10046.	10727.	10511.
OPERATING CASH	2321.	2675.	2642.	2817.	3002.	3210.	3424.	3652.	3891.	4141.
ACCOUNT RECEIVABLE	1862.	1998.	2164.	2342.	2530.	2720.	2927.	3137.	3366.	3600.
INVENTORIES	2759.	2900.	3050.	3208.	3375.	2865.	3056.	3258.	3469.	2770.
ACC. EXCESS CASH	0.	0.	7364.	17379.	28932.	37140.	46674.	57758.	70585.	86065.
NET FIXED ASSETS	61681.	40665.	35268.	22032.	8015.	8186.	7556.	6927.	6297.	5663.
INVESTMENT	141703.	141703.	141703.	141703.	141703.	141703.	141703.	141703.	141703.	141703.
NON-DEPR. ASSETS	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.
DEPRECIABLE ASSETS	129903.	129903.	129903.	129903.	129903.	129903.	129903.	129903.	129903.	129903.
INTEREST DRG CONSTR.	9280.	9280.	9280.	9280.	9280.	9280.	9280.	9280.	9280.	9280.
LESS: ACC. DEPRECIATION	80022.	93239.	106455.	119672.	132888.	133518.	134147.	134777.	135406.	136036.
LIABILITIES	69116.	55949.	48206.	41547.	34891.	28240.	21591.	14948.	8309.	1675.
CURRENT LIABILITIES	15213.	8704.	7779.	7857.	7940.	8026.	8115.	8210.	8309.	1674.
ACCOUNT PAYABLE	896.	966.	1041.	1119.	1202.	1288.	1377.	1472.	1571.	1674.
CURRENT PORTION OF L/T DEBT	6738.	6738.	6738.	6738.	6738.	6738.	6738.	6738.	6738.	0.
SHORT TERM DEBT	7579.	1081.	0.	0.	0.	0.	0.	0.	0.	0.
FIXED LIABILITIES	53903.	47165.	40427.	33689.	26952.	20214.	13476.	6738.	0.	0.
LONG TERM DEBT BALANCE	53903.	47165.	40427.	33689.	26952.	20214.	13476.	6738.	0.	0.
OTHER FIXED LIABILITIES	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
STOCK HOLDERS EQUITY	-512.	-112.	2262.	6232.	11763.	25880.	42045.	59783.	79300.	100569.
SHARE CAPITAL	43315.	43315.	43315.	43315.	43315.	43315.	43315.	43315.	43315.	43315.
ACC. RETAINED EARNINGS	-43327.	-43427.	-41053.	-37083.	-31552.	-17435.	-1270.	16468.	35985.	57255.
LIABILITIES & S/H EQUITY	68604.	99030.	50460.	47779.	46655.	54120.	63636.	74731.	87609.	102244.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 LONG TERM DEBT  
 - ELECTRIC POWER 40% DOWN -

(USD 1000)

AMOUNT OF DEBT 101060.

INTEREST RATE 5.000 PER CENT/YEAR

REPAYMENT 15 YEAR-EQUAL-INSTALLMENT-REPAYMENT (ANNUAL REPAYMENT)

YEAR	SER.NO	PRINCIPAL	INTEREST	DEBT SERVICE	BALANCE AFT. PAYMENT
1986	1	0.	0.	0.	0.
1987	2	0.	0.	0.	3032.
1988	3	0.	0.	0.	42449.
1989	4	0.	0.	0.	88960.
1990	5	0.	0.	0.	101060.
1991	6	6730.	5053.	11791.	94330.
1992	7	6730.	4717.	11454.	82592.
1993	8	6730.	4380.	11117.	80854.
1994	9	6730.	4043.	10781.	74116.
1995	10	6730.	3706.	10444.	67379.
1996	11	6730.	3369.	10107.	60641.
1997	12	6730.	3032.	9770.	53903.
1998	13	6730.	2695.	9433.	47165.
1999	14	6730.	2358.	9096.	40427.
2000	15	6730.	2021.	8759.	33689.
2001	16	6730.	1684.	8422.	26951.
2002	17	6730.	1348.	8085.	20213.
2003	18	6730.	1011.	7749.	13475.
2004	19	6730.	674.	7412.	6730.
2005	20	6730.	337.	7075.	0.
TOTAL		101060.	40427.	141495.	0.

\*\*\* NEPAL LINEA PROJECT \*\*\*  
 PROFITABILITY AND FINANCIAL INDICATORS  
 - ELECTRIC POWER 40% DOWN -  
 (USD 1000)

YEAR	(1) AFT TAX PROFIT -TO- SALES REV (PCT)	(2) AFT TAX PROFIT -TO- S/H EQUITY (PCT)	(3) BFR TAX PROFIT -TO- INVESTMENT (PCT)	(4) AFT TAX PROFIT -TO- S/CAPITAL (PCT)	(5) CURRENT RATIO	(6) QUICK RATIO	(7) DEBT SERVICE RATIO	(8) L/T DEBT -TO- S/H EQUITY	(9)* PROFIT B.E.P. CAPACITY UTILIZE (PCT)	(10)* CASH B.E.P. SALES PRICE (PRICE)	(11)* CASH B.E.P. CAPACITY UTILIZE (PCT)
1991	-43.5	-33.6	-7.7	-23.1	0.36	0.20	0.64	73 /	125.2	603.5	91.1
1992	-36.7	-48.1	-7.4	-24.3	0.29	0.17	0.66	79 /	105.9	591.9	77.8
1993	-27.1	-68.1	-6.3	-20.5	0.28	0.16	0.80	85 /	101.1	593.9	74.8
1994	-18.3	-108.1	-4.0	-15.6	0.29	0.17	0.80	92 /	94.1	597.0	69.8
1995	-11.3	-279.9	-3.3	-10.6	0.34	0.20	1.19	97 /	87.3	602.4	64.7
1996	-4.9	421.5	-1.5	-5.0	0.44	0.27	1.43	101 /	79.5	609.5	58.9
1997	0.8	-358.4	0.5	0.9	0.04	0.51	1.70	100 /	71.9	613.4	52.7
1998	4.6	104.9	2.8	5.5	1.01	0.62	1.94	95 /	64.1	613.7	46.1
1999	7.1	63.7	4.7	9.2	1.06	0.66	2.15	84 /	59.1	628.4	42.3
2000	9.1	47.0	6.5	12.8	1.12	0.70	2.37	70 /	54.9	647.5	39.3
2001	21.6	54.5	16.6	32.6	1.10	0.74	1.95	44 /	23.2	728.8	46.3
2002	23.0	38.4	19.0	37.3	1.16	0.78	2.24	24 /	21.9	754.2	43.4
2003	23.6	29.7	20.9	41.0	1.22	0.83	2.50	10 /	20.9	781.8	41.0
2004	24.2	24.6	23.0	45.1	1.29	0.87	2.81	0 /	19.8	811.7	38.6
2005	24.6	21.1	25.0	49.1	6.28	4.62	3.14	0 /	18.9	844.2	36.5
AVERAGE1	-0.2	-6.0	3.9	8.0	1.14	0.77	1.77	64 /	63.2	660.1	34.9
AVERAGE2	7.1	10.4	5.1	7.2	0.65	0.42	1.65	60 /			

(AVERAGE1) : SUM OF ANNUAL FIGURES OF PERCENTAGE AND RATIO IS DIVIDED BY NO. OF YEARS(SIMPLE AVERAGE)

(AVERAGE2) : AVERAGE FIGURES ARE CALCULATED BY ACTUAL VALUES ACCUMULATED OVER THE PROJECT LIFE(WEIGHTED AVERAGE)

\* NOTE FOR (9)(10)(11)

WHEN THERE ARE TWO OR MORE PRODUCTS, AND DURING THE YEARS WHEN ALL OF PRODUCTS ARE NOT PRODUCED AT THE SAME RATE OF CAPACITY UTILIZATION, ABOVE BREAK-EVEN-POINTS CANNOT GIVE CORRECT FIGURES.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 FINANCIAL RATE OF RETURN (IN CURRENT PRICE)  
 - ELECTRIC POWER 40% DOWN (USD 1000)

YEAR	FIXED CAPITAL EXPEND.	CHANGE IN WORKING CAPITAL	GROSS CAPITAL EXPENDTR	OPERATING PROFIT	DEPRECIATION	GROSS CASH IN-FLOW	INCOME TAX	BFR-TAX NET IN-FLOW (2)-(1)	AFT-TAX NET IN-FLOW (4)-(3)
1986	720.	0.	720.	0.	0.	0.	0.	-720.	-720.
1987	1800.	0.	1800.	0.	0.	0.	0.	-1800.	-1800.
1988	53096.	0.	53096.	0.	0.	0.	0.	-53096.	-53096.
1989	68427.	0.	68427.	0.	0.	0.	0.	-68427.	-68427.
1990	8380.	0.	8380.	0.	0.	0.	0.	-8380.	-8380.
1991	0.	4169.	4169.	-5026.	13361.	7525.	0.	3356.	3356.
1992	0.	309.	309.	-4958.	13361.	8403.	0.	8094.	8094.
1993	0.	411.	411.	-2993.	13361.	10369.	0.	9958.	9958.
1994	0.	414.	414.	-825.	13361.	12536.	0.	12122.	12122.
1995	0.	381.	381.	1076.	13361.	14477.	0.	14056.	14056.
1996	0.	343.	343.	2944.	13216.	16160.	0.	15817.	15817.
1997	0.	381.	381.	4036.	13216.	18053.	267.	17672.	17405.
1998	0.	381.	381.	6813.	13216.	20030.	1582.	19622.	18040.
1999	0.	407.	407.	8975.	13216.	22192.	2847.	21750.	19111.
2000	0.	457.	457.	11240.	13216.	24457.	3688.	24000.	20312.
2001	0.	-199.	-199.	25212.	630.	23842.	9411.	26041.	16630.
2002	0.	522.	522.	28289.	630.	28919.	10777.	28396.	17620.
2003	0.	546.	546.	30575.	630.	31204.	11826.	30658.	18833.
2004	0.	581.	581.	33202.	630.	33831.	13011.	33250.	20239.
2005	-5668.	-9156.	-14823.	35786.	630.	36415.	14179.	51238.	37059.
	126756.	-0.	126755.	174336.	136035.	310371.	67388.	183616.	116228.

INTERNAL RATE OF RETURN

ON (4) BFR-TAX NET IN-FLOW (2)-(1) 0.21 PER CENT

ON (5) AFT-TAX NET IN-FLOW (4)-(3) 6.20 PER CENT

\*\*\* NEPAL UREA PROJECT \*\*\*  
 FINANCIAL RATE OF RETURN (IN CONSTANT PRICE)  
 - ELECTRIC POWER 40% DOWN -

YEAR	FIXED CAPITAL EXPEND.	CHANGE IN WORKING CAPITAL	(1) GROSS CAPITAL EXPENDTR	OPERATING PROFIT	DEPRECIATION	(2) GROSS CASH IN-FLOW	(3) INCOME TAX	(4) BFR-TAX NET IN-FLOW	(5) AFT-TAX NET IN-FLOW	DEFLATOR
							(2)-(1)	(4)-(3)		
1986	720.	0.	720.	0.	0.	0.	-720.	-720.	1.000	
1987	1698.	0.	1698.	0.	0.	0.	-1698.	-1698.	1.060	
1988	47255.	0.	47255.	0.	0.	0.	-47255.	-47255.	1.124	
1989	57453.	0.	57453.	0.	0.	0.	-57453.	-57453.	1.191	
1990	6638.	0.	6638.	0.	0.	0.	-6638.	-6638.	1.262	
1991	0.	3116.	3116.	-4361.	9984.	5623.	2503.	2503.	1.330	
1992	0.	41.	41.	-3496.	9419.	5924.	5882.	5882.	1.419	
1993	0.	95.	95.	-1990.	8886.	6896.	6801.	6801.	1.504	
1994	0.	76.	76.	-518.	8383.	7865.	7790.	7790.	1.594	
1995	0.	37.	37.	637.	7908.	8545.	8508.	8508.	1.639	
1996	0.	1.	1.	1644.	7300.	9024.	9023.	9023.	1.791	
1997	0.	10.	10.	2548.	6962.	9510.	9500.	9500.	1.898	
1998	0.	11.	11.	3306.	6568.	9954.	9943.	9943.	2.012	
1999	0.	12.	12.	4208.	6196.	10404.	10393.	10393.	2.133	
2000	0.	10.	10.	4972.	5846.	10817.	10808.	10808.	2.261	
2001	0.	-276.	-276.	10520.	263.	10783.	3927.	11059.	2.397	
2002	0.	28.	28.	11136.	248.	11384.	4242.	11355.	2.540	
2003	0.	24.	24.	11354.	234.	11588.	4392.	11564.	2.693	
2004	0.	23.	23.	11632.	221.	11853.	4558.	11829.	2.854	
2005	-1873.	-3208.	-5081.	11028.	208.	12036.	4687.	12430.	3.026	
	111891.	-0.	111890.	63500.	78706.	142206.	25605.	30315.	4711.	

INTERNAL RATE OF RETURN

ON (4) BFR-TAX NET IN-FLOW (2)-(1) 2.27 PER CENT  
 ON (5) AFT-TAX NET IN-FLOW (4)-(3) 0.41 PER CENT

\*\*\* NEPAL UREA PROJECT \*\*\*  
 NET PRESENT VALUE (IN CONSTANT PRICE) (USD 1000)  
 - ELECTRIC POWER 40% DOWN -

YEAR	FIXED CAPITAL EXPEND.	CHANGE IN WORKING CAPITAL	GROSS CAPITAL EXPENDTR	OPERATING PROFIT	DEPRECIATION	GROSS CASH IN-FLOW	INCOME TAX	BFR-TAX NET IN-FLOW (2)-(1)	AFT-TAX NET IN-FLOW (4)-(3)	DISCOUNT RATE
1986	720.	0.	720.	0.	0.	0.	0.	-720.	-720.	1.000
1987	1572.	0.	1572.	0.	0.	0.	0.	-1572.	-1572.	1.000
1988	40514.	0.	40514.	0.	0.	0.	0.	-40514.	-40514.	1.166
1989	45600.	0.	45600.	0.	0.	0.	0.	-45600.	-45600.	1.260
1990	4879.	0.	4879.	0.	0.	0.	0.	-4879.	-4879.	1.360
1991	0.	2120.	2120.	-2968.	6795.	3827.	0.	1707.	1707.	1.469
1992	0.	26.	26.	-2203.	5936.	3733.	0.	3707.	3707.	1.587
1993	0.	55.	55.	-1161.	5185.	4024.	0.	3968.	3968.	1.714
1994	0.	41.	41.	-280.	4529.	4249.	0.	4209.	4209.	1.851
1995	0.	19.	19.	319.	3956.	4275.	0.	4256.	4256.	1.999
1996	0.	1.	1.	761.	3618.	4100.	0.	4179.	4179.	2.159
1997	0.	4.	4.	1093.	2986.	4079.	60.	4074.	4074.	2.332
1998	0.	5.	5.	1345.	2600.	3953.	312.	3948.	3636.	2.518
1999	0.	4.	4.	1547.	2270.	3826.	456.	3821.	3365.	2.720
2000	0.	3.	3.	1693.	1990.	3683.	555.	3680.	3124.	2.937
2001	0.	-87.	-87.	3316.	83.	3399.	1238.	3486.	2248.	3.172
2002	0.	8.	8.	3250.	72.	3323.	1238.	3315.	2076.	3.426
2003	0.	6.	6.	3069.	63.	3132.	1187.	3126.	1939.	3.700
2004	0.	6.	6.	2911.	55.	2966.	1141.	2960.	1820.	3.996
2005	-434.	-743.	-1177.	2741.	48.	2789.	1086.	3966.	2880.	4.316
	92859.	1468.	94327.	15433.	40004.	55437.	7274.	-38890.	-46164.	

\*\*\* NEPAL UREA PROJECT \*\*\*  
 PRODUCTION COST STATEMENTS  
 - ELECTRIC POWER 60% DOWN -

(USD 1000)

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
PRODUCTION	0.	0.	0.	0.	0.	54500.	55340.	59320.	62480.	64610.
RAW MATERIAL AND UTILITIES COST	0.	0.	0.	0.	0.	8598.	9255.	10516.	11740.	12869.
ELECTRIC POWER	0.	0.	0.	0.	0.	7746.	8337.	9473.	10576.	11593.
COAL	0.	0.	0.	0.	0.	852.	917.	1042.	1164.	1276.
SUPPLIES	0.	0.	0.	0.	0.	868.	935.	1062.	1185.	1299.
CATALYSTS AND CHEMICALS	0.	0.	0.	0.	0.	223.	240.	273.	304.	334.
BAGS	0.	0.	0.	0.	0.	645.	695.	789.	881.	966.
VARIABLE COST	0.	0.	0.	0.	0.	9467.	10189.	11577.	12726.	14169.
DIRECT LABOUR COST	0.	0.	0.	0.	0.	320.	336.	353.	370.	389.
MAINTENANCE COST	0.	0.	0.	0.	0.	3897.	4131.	4379.	4641.	4920.
INSURANCE	0.	0.	0.	0.	0.	1508.	1351.	1194.	1037.	880.
DIRECT FIXED COST	0.	0.	0.	0.	0.	5725.	5818.	5925.	6049.	6189.
CASH FACTORY COST	0.	0.	0.	0.	0.	15192.	16007.	17503.	18975.	20357.
PLANTS AND FACILITIES	0.	0.	0.	0.	0.	11329.	11329.	11329.	11329.	11329.
BUILDINGS	0.	0.	0.	0.	0.	630.	630.	630.	630.	630.
INDIRECT FIELD EXP.	0.	0.	0.	0.	0.	145.	145.	145.	145.	145.
PRE-OPERATION EXP.	0.	0.	0.	0.	0.	330.	330.	330.	330.	330.
INTERST DURING CONSTRUCTION	0.	0.	0.	0.	0.	928.	928.	928.	928.	928.
DEPRECIATION AND AMORTIZATION	0.	0.	0.	0.	0.	13361.	13361.	13361.	13361.	13361.
TOTAL FACTORY COST	0.0	0.0	0.0	0.0	0.0	20553.	29368.	30864.	32336.	33719.
UNIT FACTORY COST						0.5239	0.5307	0.5203	0.5175	0.5219
GENERAL AND ADMIN. EXPENSES	0.	0.	0.	0.	0.	224.	235.	247.	259.	272.
OPERATING EXPENSES	0.	0.	0.	0.	0.	28777.	29604.	31111.	32395.	33991.
INTEREST ON LONG TERM DEBT	0.	0.	0.	0.	0.	5053.	4717.	4380.	4043.	3706.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	258.	174.	0.	0.
TOTAL PRODUCTION COST	0.0	0.0	0.0	0.0	0.0	33830.	34578.	35664.	36633.	37697.
UNIT PRODUCTION COST						0.6207	0.6248	0.6012	0.5864	0.5834



\*\*\* NEPAL UREA PROJECT \*\*\*  
 PRODUCTION COST STATEMENTS  
 - ELECTRIC POWER 60% DOWN -

(USD 1000)

YEAR	1976	1977	1978	1979	2000	2001	2002	2003	2004	2005
PRODUCTION	65660.	66760.	67860.	68860.	69750.	70540.	71130.	71730.	72230.	72620.
RAW MATERIAL AND UTILITIES COST	13863.	14941.	16098.	17316.	18592.	19930.	21303.	22774.	24306.	25904.
ELECTRIC POWER	12489.	13660.	14502.	15399.	16749.	17933.	19191.	20514.	21897.	23336.
COAL	1374.	1481.	1596.	1716.	1843.	1976.	2112.	2257.	2409.	2568.
SUPPLIES	1400.	1509.	1626.	1748.	1877.	2012.	2151.	2299.	2454.	2616.
CATALYSTS AND CHEMICALS	359.	387.	417.	449.	482.	517.	552.	590.	630.	672.
BAGS	1040.	1124.	1208.	1300.	1393.	1496.	1599.	1709.	1824.	1944.
VARIABLE COST	15263.	16449.	17724.	19064.	20469.	21943.	23454.	25071.	26760.	28519.
DIRECT LABOUR COST	408.	429.	450.	473.	496.	521.	547.	574.	603.	633.
MAINTENANCE COST	5215.	5528.	5860.	6211.	6584.	6979.	7398.	7842.	8312.	8811.
INSURANCE	725.	569.	414.	259.	104.	96.	89.	81.	74.	67.
DIRECT FIXED COST	6340.	6526.	6724.	6943.	7184.	7596.	8034.	8498.	8989.	9511.
CASH FACTORY COST	21611.	22976.	24440.	26007.	27653.	29539.	31488.	33568.	35750.	38030.
PLANTS AND FACILITIES	11329.	11329.	11329.	11329.	11329.	0.	0.	0.	0.	0.
BUILDINGS	630.	630.	630.	630.	630.	630.	630.	630.	630.	630.
INDIRECT FIELD EXP.	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
PRE-OPERATION EXP.	330.	330.	330.	330.	330.	0.	0.	0.	0.	0.
INTEREST DURING CONSTRUCTION	928.	928.	928.	928.	928.	0.	0.	0.	0.	0.
DEPRECIATION AND AMORTIZATION	13216.	13216.	13216.	13216.	13216.	630.	630.	630.	630.	630.
TOTAL FACTORY COST	34827.	36192.	37664.	39223.	40869.	40169.	32117.	34198.	36379.	38660.
UNIT FACTORY COST	0.5304	0.5421	0.5550	0.5696	0.5859	0.4277	0.4515	0.4768	0.5037	0.5324
GENERAL AND ADMIN. EXPENSES	206.	300.	315.	331.	347.	365.	383.	402.	422.	444.
OPERATING EXPENSES	35113.	36492.	37979.	39554.	41217.	39534.	32500.	34600.	36802.	39103.
INTEREST ON LONG TERM DEBT	3369.	3832.	2695.	2358.	2021.	1684.	1348.	1011.	674.	337.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
TOTAL PRODUCTION COST	30482.	39524.	40675.	41913.	43238.	32218.	33848.	35611.	37475.	39440.
UNIT PRODUCTION COST	0.5861	0.5920	0.5994	0.6087	0.6199	0.4567	0.4759	0.4965	0.5188	0.5431

\*\*\* NEPAL UREA PROJECT \*\*\*  
 WORKING CAPITAL STATEMENTS  
 -- ELECTRIC POWER 60% DOWN --  
 (USD 1000)

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
CURRENT ASSETS	0.	0.	0.	0.	0.	4189.	4499.	4913.	5330.	5713.
ACCOUNT RECEIVABLE	0.	0.	0.	0.	0.	1043.	1198.	1364.	1537.	1698.
INVENTORIES	0.	0.	0.	0.	0.	1800.	1967.	2090.	2207.	2410.
PRODUCT INVENTORY (UREA)	0.	0.	0.	0.	0.	1572.	1617.	1699.	1780.	1856.
MATERIAL INVENTORY (SUPPLIES)	0.	0.	0.	0.	0.	309.	351.	392.	429.	462.
OPERATING CASH	0.	0.	0.	0.	0.	1266.	1334.	1459.	1581.	1696.
CURRENT LIABILITIES W/O DEBT	0.	0.	0.	0.	0.	374.	425.	482.	539.	590.
ACCOUNT PAYABLE	0.	0.	0.	0.	0.	374.	425.	482.	539.	590.
PERMANENT WORKING CAPITAL	0.	0.	0.	0.	0.	3795.	4075.	4431.	4791.	5123.
CHANGE IN WORKING CAPITAL	0.	0.	0.	0.	0.	3795.	200.	356.	360.	332.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 WORKING CAPITAL STATEMENTS  
 -- ELECTRIC POWER 60% DOWN --  
 (USD 1000)

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
CURRENT ASSETS	6059.	6442.	6852.	7289.	7740.	7553.	8078.	8627.	9212.	8897.
ACCOUNT RECEIVABLE	1842.	1998.	2164.	2342.	2530.	2720.	2927.	3137.	3366.	3600.
INVENTORIES	2415.	2529.	2651.	2779.	2914.	2371.	2527.	2693.	2866.	2128.
PRODUCT INVENTORY (UREA)	1917.	1992.	2073.	2159.	2250.	1661.	1768.	1882.	2003.	2128.
MATERIAL INVENTORY (SUPPLIES)	498.	537.	577.	620.	665.	710.	759.	811.	864.	0.
OPERATING CASH	1801.	1915.	2037.	2167.	2304.	2461.	2624.	2797.	2979.	3169.
CURRENT LIABILITIES W/O DEBT	636.	685.	738.	794.	853.	914.	977.	1045.	1115.	1188.
ACCOUNT PAYABLE	636.	685.	738.	794.	853.	914.	977.	1045.	1115.	1188.
PERMANENT WORKING CAPITAL	5423.	5756.	6113.	6494.	6895.	6639.	7101.	7582.	8097.	7708.
CHANGE IN WORKING CAPITAL	300.	334.	357.	381.	401.	-257.	462.	482.	514.	-388.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 INCOME STATEMENTS (FOR ENDING DECEMBER 31)  
 ELECTRIC POWER 60% DOWN (USD 1000)

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
OPERATING INCOME	0.	0.	0.	0.	0.	25029.	28753.	32742.	36947.	40760.
TOTAL SALES REVENUE	0.	0.	0.	0.	0.	25029.	28753.	32742.	36947.	40760.
COST OF SALES	0.	0.	0.	0.	0.	26981.	29323.	30782.	32255.	33642.
VARIABLE COST	0.	0.	0.	0.	0.	9467.	10189.	11577.	12926.	14169.
DIRECT FIXED COST	0.	0.	0.	0.	0.	5725.	5818.	5929.	6049.	6189.
DEPRECIATION AND AMORTIZATION	0.	0.	0.	0.	0.	13361.	13361.	13361.	13361.	13361.
INC. IN PRODUCT INVENTORY	0.	0.	0.	0.	0.	1572.	45.	82.	81.	76.
GROSS PROFIT ON SALES	0.	0.	0.	0.	0.	-1952.	-571.	1960.	4693.	7117.
GENERAL AND ADMIN. EXPENSES	0.	0.	0.	0.	0.	224.	235.	247.	259.	272.
OPERATING PROFIT	0.	0.	0.	0.	0.	-2176.	-806.	1713.	4433.	6845.
NON-OPERATING EXPENSES	0.	0.	0.	0.	0.	5053.	4975.	4553.	4043.	3706.
INTEREST ON LONG TERM DEBT	0.	0.	0.	0.	0.	5053.	4717.	4380.	4043.	3706.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	258.	174.	0.	0.
NET PROFIT OR (LOSS) BEFORE TAX	0.	0.	0.	0.	0.	-7230.	-5780.	-2840.	391.	3139.
INCOME TAX	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NON-TAXABLE INCOME	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NET PROFIT OR (LOSS) AFTER TAX	0.	0.	0.	0.	0.	-7230.	-5780.	-2840.	391.	3139.
RETAINED EARNINGS	0.	0.	0.	0.	0.	-7230.	-5780.	-2840.	391.	3139.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 INCOME STATEMENTS (FOR ENDING DECEMBER 31) (USD 1000)  
 - ELECTRIC POWER 60% DOWN -

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
OPERATING INCOME	44216.	47957.	51936.	56214.	60710.	65280.	70244.	75282.	80794.	86392.
TOTAL SALES REVENUE	44216.	47957.	51936.	56214.	60710.	65280.	70244.	75282.	80794.	86392.
COST OF SALES	34746.	36117.	37583.	39138.	40779.	38758.	32010.	34083.	36259.	38534.
VARIABLE COST	15263.	16449.	17724.	19064.	20469.	21943.	23454.	25071.	26760.	28519.
DIRECT FIXED COST	6348.	6526.	6724.	6943.	7184.	7596.	8034.	8498.	8989.	9511.
DEPRECIATION AND AMORTIZATION	13216.	13216.	13216.	13216.	13216.	630.	630.	630.	630.	630.
INC. IN PRODUCT INVENTORY	61.	75.	81.	86.	91.	-589.	107.	115.	120.	126.
GROSS PROFIT ON SALES	9450.	11840.	14351.	17076.	19931.	34522.	30234.	41190.	44535.	47858.
GENERAL AND ADMIN. EXPENSES	286.	300.	315.	331.	347.	365.	383.	402.	422.	444.
OPERATING PROFIT	9164.	11540.	14036.	16745.	19584.	34157.	37851.	40796.	44113.	47415.
NON-OPERATING EXPENSES	3369.	3032.	2695.	2358.	2021.	1684.	1348.	1011.	674.	337.
INTEREST ON LONG TERM DEBT	3369.	3032.	2695.	2358.	2021.	1684.	1348.	1011.	674.	337.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NET PROFIT OR (LOSS) BEFORE TAX	5795.	8508.	11341.	14387.	17562.	32473.	36504.	39785.	43439.	47078.
INCOME TAX	2318.	2403.	4536.	5755.	7025.	12989.	14601.	15914.	17376.	18831.
NON-TAXABLE INCOME	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NET PROFIT OR (LOSS) AFTER TAX	3477.	5105.	6805.	8632.	10537.	19484.	21902.	23871.	26063.	28247.
RETAINED EARNINGS	3477.	5105.	6805.	8632.	10537.	19484.	21902.	23871.	26063.	28247.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 FUNDS FLOW STATEMENTS (FOR ENDING DECEMBER 31)  
 .. ELECTRIC POWER 60% DOWN ..

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
SOURCE OF FUNDS	2599.	16027.	67138.	46491.	12128.	12906.	13713.	15074.	17794.	20206.
CASH GENERATED	0.	0.	0.	0.	0.	11185.	12555.	15074.	17794.	20206.
PROFIT AFT. TAX, SFR INT.	0.	0.	0.	0.	0.	-2174.	-806.	1713.	4433.	6845.
DEPRECIATION AND AMORTIZATION	0.	0.	0.	0.	0.	13361.	13361.	13361.	13361.	13361.
FINANCIAL RESOURCES	2599.	16027.	67138.	46491.	12128.	1721.	1158.	0.	0.	0.
SHARE CAPITAL	2599.	12994.	27722.	0.	0.	0.	0.	0.	0.	0.
LONG TERM DEBT	0.	3032.	39417.	46491.	12128.	0.	0.	0.	0.	0.
SHORT TERM DEBT	0.	0.	0.	0.	0.	1721.	1158.	0.	0.	0.
USES OF FUNDS	720.	2078.	56715.	72696.	9494.	15506.	13713.	12805.	11141.	10775.
FIXED CAPITAL EXPENDITURE	720.	2078.	56715.	72696.	9494.	0.	0.	0.	0.	0.
NON-DEPRECIABLE ASSETS	720.	1800.	0.	0.	0.	0.	0.	0.	0.	0.
DEPRECIABLE FIXED ASSETS	0.	0.	53076.	68427.	9300.	0.	0.	0.	0.	0.
INTEREST DURING CONSTRUCTION	0.	278.	3619.	4269.	1114.	0.	0.	0.	0.	0.
CHANGE IN WORKING CAPITAL	0.	0.	0.	0.	0.	3795.	280.	356.	360.	332.
DEBT SERVICES	0.	0.	0.	0.	0.	11791.	13434.	12449.	10781.	10464.
REPAYMENT OF LONG TERM DEBT	0.	0.	0.	0.	0.	6738.	6738.	6738.	6738.	6738.
REPAYMENT OF SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	1721.	1158.	0.	0.
INTEREST ON LONG TERM DEBT	0.	0.	0.	0.	0.	5053.	4717.	4380.	4043.	3706.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	258.	174.	0.	0.
CASH INCREASE OR (DECREASE)	1879.	13948.	10423.	-26205.	2634.	-2680.	0.	2269.	6653.	9431.
BEGINNING CASH BALANCE	0.	1079.	15827.	26250.	46.	2680.	0.	0.	2269.	8722.
ENDING CASH BALANCE	1879.	15827.	26250.	46.	2680.	0.	0.	2269.	8922.	18353.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 FUNDS FLOW STATEMENTS (FOR ENDING DECEMBER 31)  
 - ELECTRIC POWER 60% DOWN - (USD 1000)

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
<b>SOURCE OF FUNDS</b>										
CASH GENERATED	20062.	21353.	22716.	24207.	25775.	21798.	23879.	25511.	27367.	29213.
PROFIT AFT. TAX, BFR INT.	6046.	8137.	9500.	10990.	12859.	21168.	23290.	24882.	26737.	28584.
DEPRECIATION AND AMORTIZATION	13216.	13216.	13216.	13216.	13216.	630.	630.	630.	630.	630.
FINANCIAL RESOURCES	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
SHARE CAPITAL	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
LONG TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
<b>USES OF FUNDS</b>	10407.	10104.	9790.	9477.	9160.	8165.	8548.	8230.	7926.	6686.
FIXED CAPITAL EXPENDITURE	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NON-DEPRECIABLE ASSETS	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
DEPRECIABLE FIXED ASSETS	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
INTEREST DURING CONSTRUCTION	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
CHANGE IN WORKING CAPITAL	300.	334.	357.	381.	401.	-257.	462.	482.	514.	-388.
DEBT SERVICES	10107.	9770.	9433.	9096.	8759.	8422.	8085.	7749.	7412.	7075.
REPAYMENT OF LONG TERM DEBT	6738.	6738.	6738.	6738.	6738.	6730.	6738.	6730.	6738.	6738.
REPAYMENT OF SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
INTEREST ON LONG TERM DEBT	3369.	3032.	2695.	2358.	2021.	1684.	1348.	1011.	674.	337.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
<b>CASH INCREASE OR (DECREASE)</b>	9656.	11249.	12926.	14730.	16615.	13632.	15331.	17281.	19441.	22527.
BEGINNING CASH BALANCE	18253.	29009.	39258.	52184.	66915.	83529.	97162.	112493.	129774.	149215.
ENDING CASH BALANCE	28009.	39258.	52184.	66915.	83529.	97162.	112493.	129774.	149215.	171742.

\*\*\* NEPAL URUA PROJECT \*\*\*  
 BALANCE SHEET FOR ENDING DECEMBER 31)  
 " " ELECTRIC POWER 60% DOWN " (USD 1000)

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
ASSETS	2599.	10625.	05764.	132255.	144383.	132531.	119480.	108802.	102511.	98964.
CURRENT ASSETS	0.	0.	0.	0.	0.	4189.	4499.	4913.	5330.	5713.
OPERATING CASH	0.	0.	0.	0.	0.	1266.	1334.	1459.	1581.	1696.
ACCOUNT RECEIVABLE	0.	0.	0.	0.	0.	1043.	1198.	1264.	1529.	1698.
INVENTORIES	0.	0.	0.	0.	0.	1880.	1967.	2090.	2209.	2318.
ACC. EXCESS CASH	1879.	15827.	26250.	46.	2680.	0.	0.	2269.	8922.	18353.
NET FIXED ASSETS	720.	2798.	59513.	132209.	141703.	128342.	114981.	101620.	88259.	74898.
INVESTMENT	720.	2798.	59513.	132209.	141703.	141703.	141703.	141703.	141703.	141703.
NON-DEPR. ASSETS	720.	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.
DEPRECIABLE ASSETS	0.	0.	33096.	121323.	129903.	129903.	129903.	129903.	129903.	129903.
INTEREST DRG CONSTR.	0.	278.	3890.	8166.	9280.	9280.	9280.	9280.	9280.	9280.
LESS: ACC. DEPRICIATION	0.	0.	0.	0.	0.	13361.	26722.	40083.	53445.	66806.
LIABILITIES	0.	3032.	42449.	88940.	101068.	96446.	89175.	81337.	74655.	67969.
CURRENT LIABILITIES	0.	0.	0.	0.	6738.	8833.	8321.	7220.	7276.	7328.
ACCOUNT PAYABLE	0.	0.	0.	0.	0.	394.	425.	482.	539.	590.
CURRENT PORTION OF L/T DEBT	0.	0.	0.	0.	6738.	6738.	6738.	6738.	6738.	6738.
SHORT TERM DEBT	0.	0.	0.	0.	0.	1721.	1158.	0.	0.	0.
FIXED LIABILITIES	0.	3032.	42449.	88940.	94330.	87592.	80855.	74117.	67379.	60641.
LONG TERM DEBT BALANCE	0.	3032.	42449.	88940.	94330.	87592.	80855.	74117.	67379.	60641.
OTHER FIXED LIABILITIES	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
STOCK HOLDERS EQUITY	2599.	15593.	43315.	43315.	43315.	36085.	30305.	27465.	27855.	30995.
SHARE CAPITAL	2599.	15593.	43315.	43315.	43315.	43315.	43315.	43315.	43315.	43315.
ACC. RETAINED EARNINGS	0.	0.	0.	0.	0.	-7230.	-13010.	-19850.	-15460.	-12320.
LIABILITIES & S/H EQUITY	2599.	10625.	05764.	132255.	144383.	132531.	119480.	108802.	102511.	98964.



\*\*\* NEPAL UREA PROJECT \*\*\*  
 BALANCE SHEET (FOR ENDING DECEMBER 31)  
 -- ELECTRIC POWER 60% DOWN -- (USD 1000)

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
ASSETS	95748.	94165.	94284.	96235.	100093.	112900.	120127.	145328.	164724.	196306.
CURRENT ASSETS	6059.	6442.	6852.	7209.	7748.	7553.	8078.	8627.	9212.	8897.
OPERATING CASH	1801.	1915.	2037.	2167.	2304.	2464.	2624.	2797.	2979.	3169.
ACCOUNT RECEIVABLE	1842.	1998.	2164.	2342.	2530.	2720.	2927.	3137.	3366.	3600.
INVENTORIES	2415.	2529.	2651.	2779.	2914.	3371.	2527.	2693.	2866.	2128.
ACC. EXCESS CASH	20009.	39250.	52184.	66915.	83529.	97162.	112493.	129774.	149215.	171742.
NET FIXED ASSETS	61681.	40465.	35248.	22032.	8015.	8186.	7556.	6927.	6297.	5668.
INVESTMENT	141703.	141703.	141703.	141703.	141703.	141703.	141703.	141703.	141703.	141703.
NON-DEPR. ASSETS	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.
DEPRECIABLE ASSETS	129903.	129903.	129903.	129903.	129903.	129903.	129903.	129903.	129903.	129903.
INTEREST DRG CONSTR.	9280.	9280.	9280.	9280.	9280.	9280.	9280.	9280.	9280.	9280.
LESS: ACC. DEPRECIATION	80022.	93239.	106455.	119672.	132888.	133518.	134147.	134777.	135406.	136036.
LIABILITIES	61277.	54588.	47904.	41222.	34542.	27866.	21191.	14520.	7853.	1188.
CURRENT LIABILITIES	7374.	7423.	7476.	7532.	7591.	7652.	7715.	7782.	7853.	1188.
ACCOUNT PAYABLE	636.	685.	738.	794.	853.	914.	977.	1045.	1115.	1188.
CURRENT PORTION OF L/T DEBT	6738.	6738.	6738.	6738.	6738.	6738.	6738.	6738.	6738.	6738.
SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
FIXED LIABILITIES	53903.	47165.	40427.	33689.	26952.	20214.	13476.	6738.	0.	0.
LONG TERM DEBT BALANCE	53903.	47165.	40427.	33689.	26952.	20214.	13476.	6738.	0.	0.
OTHER FIXED LIABILITIES	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
STOCK HOLDERS EQUITY	34471.	39576.	46381.	55013.	65550.	85034.	106936.	130807.	156871.	185117.
SHARE CAPITAL	43315.	43315.	43315.	43315.	43315.	43315.	43315.	43315.	43315.	43315.
ACC. RETAINED EARNINGS	-8843.	-3739.	3066.	11698.	22235.	41719.	63621.	87492.	113556.	141803.
LIABILITIES & S/H EQUITY	95748.	94165.	94284.	96235.	100093.	112900.	120127.	145328.	164724.	196306.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 LONG TERM DEBT  
 - ELECTRIC POWER 60% DOWN -  
 (USD 1000)

YEAR	SER.NO	PRINCIPAL	INTEREST	DEBT SERVICE	BALANCE AFT. PAYMENT
1986	1	0.	0.	0.	0.
1987	2	0.	0.	0.	3032.
1988	3	0.	0.	0.	42449.
1989	4	0.	0.	0.	80940.
1990	5	0.	0.	0.	101068.
1991	6	6738.	5053.	11791.	94330.
1992	7	6738.	4717.	11454.	87592.
1993	8	6738.	4380.	11117.	80854.
1994	9	6738.	4043.	10781.	74116.
1995	10	6738.	3706.	10444.	67379.
1996	11	6738.	3369.	10107.	60641.
1997	12	6738.	3032.	9770.	53903.
1998	13	6738.	2695.	9433.	47165.
1999	14	6738.	2358.	9096.	40427.
2000	15	6738.	2021.	8759.	33689.
2001	16	6738.	1684.	8422.	26951.
2002	17	6738.	1348.	8085.	20213.
2003	18	6738.	1011.	7749.	13475.
2004	19	6738.	674.	7412.	6738.
2005	20	6738.	337.	7075.	0.
TOTAL		101068.	40427.	141495.	0.

AMOUNT OF DEBT 101068.  
 INTEREST RATE 5.000 PER CENT/YEAR

REPAYMENT 15 YEAR-EQUAL-INSTALLMENT-REPAYMENT (ANNUAL REPAYMENT)

\*\*\* NEPAL UREA PROJECT \*\*\*  
 PROFITABILITY AND FINANCIAL INDICATORS  
 -- ELECTRIC POWER 60% DOWN --  
 (USD 1000)

YEAR	(1) AFT TAX PROFIT --TO-- SALES REV S/H EQUITY (PCT)	(2) AFT TAX PROFIT --TO-- INVESTMENT S/CAPITAL (PCT)	(3) BFR TAX PROFIT --TO-- INVESTMENT S/CAPITAL (PCT)	(4) AFT TAX PROFIT --TO-- INVESTMENT S/CAPITAL (PCT)	(5) CURRENT RATIO	(6) QUICK RATIO	(7) DEBT SERVICE RATIO	(8) L/T DEBT --TO-- S/H EQUITY	(9)* PROFIT B.E.P. CAPACITY UTILIZE (PCT)	(10)* CASH B.E.P. SALES PRICE (PRICE)	(11)* CASH B.E.P. CAPACITY UTILIZE (PCT)
1991	-20.9	-20.0	-5.1	-16.7	0.47	0.26	0.95	71 / 29	94.0	528.3	68.5
1992	-20.1	-19.1	-4.1	-13.3	0.54	0.30	1.07	73 / 27	80.1	505.6	58.4
1993	-8.7	-10.3	-2.0	-6.6	0.68	0.39	1.34	73 / 27	74.4	491.4	53.9
1994	1.1	1.4	0.3	0.9	0.73	0.43	1.65	71 / 29	68.0	481.7	49.0
1995	7.9	10.1	2.2	7.2	0.78	0.46	1.93	66 / 34	63.0	481.8	45.3
1996	7.9	10.1	4.1	8.0	0.82	0.49	1.99	61 / 39	58.0	487.8	41.8
1997	10.6	12.9	6.0	11.8	0.87	0.53	2.19	54 / 46	495.4	495.4	38.7
1998	13.1	14.7	8.0	15.7	0.92	0.56	2.41	47 / 53	50.2	504.4	36.0
1999	15.4	15.7	10.2	19.0	0.97	0.60	2.66	38 / 62	46.7	515.0	33.4
2000	17.4	16.1	12.4	24.3	1.02	0.64	2.94	29 / 71	43.5	527.4	31.1
2001	29.8	22.9	22.9	45.0	0.99	0.68	2.59	19 / 81	18.4	601.4	36.7
2002	31.2	20.5	25.8	50.6	1.05	0.72	2.95	11 / 89	17.4	619.3	34.5
2003	31.7	18.2	28.1	55.1	1.11	0.76	3.29	5 / 95	16.6	638.7	32.6
2004	32.3	16.6	30.7	60.2	1.17	0.81	3.69	0 / 100	15.8	660.0	30.8
2005	32.7	15.3	33.2	65.2	1.49	0.81	4.13	0 / 100	15.1	683.5	29.2
AVERAGE1	11.5	8.3	11.5	21.8	1.31	0.89	2.39	41 / 59	47.7	548.1	41.3
AVERAGE2	17.7	11.0	9.9	17.8	0.88	0.56	2.25	41 / 59			

(AVERAGE1) : SUM OF ANNUAL FIGURES OF PERCENTAGE AND RATIO IS DIVIDED BY NO. OF YEARS(SIMPLE AVERAGE)  
 (AVERAGE2) : AVERAGE FIGURES ARE CALCULATED BY ACTUAL VALUES ACCUMULATED OVER THE PROJECT LIFE(WEIGHTED AVERAGE)  
 \* NOTE FOR (9)(10)(11)  
 WHEN THERE ARE TWO OR MORE PRODUCTS, AND DURING THE YEARS WHEN ALL OF PRODUCTS ARE NOT PRODUCED AT THE SAME RATE  
 OF CAPACITY UTILIZATION, ABOVE BREAK-EVEN-POINTS CANNOT GIVE CORRECT FIGURES.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 FINANCIAL RATE OF RETURN (IN CURRENT PRICES)  
 -- ELECTRIC POWER 60% DOWN -- (USD 1000)

YEAR	FIXED CAPITAL EXPEND.	CHANGE IN WORKING CAPITAL	(1) GROSS CAPITAL EXPENDTR	OPERATING PROFIT	DEPRECIATION	(2) GROSS CASH IN-FLOW	(3) INCOME TAX	(4) BFR-TAX NET IN-FLOW	(5) AFT-TAX NET IN-FLOW
							(2)-(1)	(4)-(3)	
1986	720.	0.	720.	0.	0.	0.	-720.	-720.	-720.
1987	1800.	0.	1800.	0.	0.	0.	-1800.	-1800.	-1800.
1988	53096.	0.	53096.	0.	0.	0.	-53096.	-53096.	-53096.
1989	68427.	0.	68427.	0.	0.	0.	-68427.	-68427.	-68427.
1990	8380.	0.	8380.	0.	0.	0.	-8380.	-8380.	-8380.
1991	0.	3795.	3795.	-2176.	13361.	11185.	7390.	7390.	7390.
1992	0.	280.	280.	-806.	13361.	12555.	12275.	12275.	12275.
1993	0.	356.	356.	1713.	13361.	15074.	14718.	14718.	14718.
1994	0.	360.	360.	4433.	13361.	17794.	17634.	17634.	17634.
1995	0.	332.	332.	6845.	13361.	20206.	19875.	19875.	19875.
1996	0.	300.	300.	9164.	13216.	22380.	22080.	22080.	22080.
1997	0.	334.	334.	11540.	13216.	24756.	24422.	24422.	24422.
1998	0.	357.	357.	14036.	13216.	27253.	26896.	26896.	26896.
1999	0.	381.	381.	16745.	13216.	29962.	29581.	29581.	29581.
2000	0.	401.	401.	19584.	13216.	32800.	32399.	32399.	32399.
2001	0.	-257.	-257.	34157.	630.	34787.	35044.	35044.	35044.
2002	0.	462.	462.	37851.	630.	38481.	38018.	38018.	38018.
2003	0.	482.	482.	40796.	630.	41425.	40944.	40944.	40944.
2004	0.	514.	514.	44113.	630.	44742.	44220.	44220.	44220.
2005	-5668.	-8097.	-13764.	47415.	630.	48044.	61809.	61809.	42777.
	126756.	-0.	126755.	285410.	136035.	421445.	102749.	294690.	191942.

INTERNAL RATE OF RETURN

ON (4) BFR-TAX NET IN-FLOW (2)-(1) 11.82 PER CENT  
 ON (5) AFT-TAX NET IN-FLOW (4)-(3) 9.42 PER CENT

\*\*\* NEPAL UREA PROJECT \*\*\*  
 FINANCIAL RATE OF RETURN (IN CONSTANT PRICE)  
 - ELECTRIC POWER 60% DOWN -

YEAR	FIXED CAPITAL EXPEND.	CHANGE IN WORKING CAPITAL	GROSS CAPITAL EXPENDTR	OPERATING PROFIT	DEPRECIATION	GROSS CASH IN-FLOW	TAX	INCOME TAX	BFR-TAX NET IN-FLOW (2)-(1)	AFT-TAX NET IN-FLOW (4)-(3)	DEFLATOR
1984	720.	0.	720.	0.	0.	0.	0.	0.	-720.	-720.	1.000
1987	1698.	0.	1698.	0.	0.	0.	0.	0.	-1698.	-1698.	1.060
1988	47255.	0.	47255.	0.	0.	0.	0.	0.	-47255.	-47255.	1.124
1989	57453.	0.	57453.	0.	0.	0.	0.	0.	-57453.	-57453.	1.191
1990	6638.	0.	6638.	0.	0.	0.	0.	0.	-6638.	-6638.	1.262
1991	0.	2836.	2836.	-1626.	9984.	8358.	0.	0.	5522.	5522.	1.438
1992	0.	37.	37.	-568.	9419.	8051.	0.	0.	8814.	8814.	1.419
1993	0.	74.	74.	1139.	8886.	10025.	0.	0.	9951.	9951.	1.504
1994	0.	59.	59.	2781.	8383.	11164.	0.	0.	11105.	11105.	1.594
1995	0.	26.	26.	4052.	7908.	11960.	0.	0.	11934.	11934.	1.609
1996	0.	-4.	-4.	5117.	7389.	12497.	0.	1294.	12501.	11207.	1.791
1997	0.	4.	4.	6079.	6962.	13041.	1793.	1793.	13037.	11244.	1.898
1998	0.	6.	6.	6976.	6568.	13544.	2254.	2254.	13538.	11284.	2.012
1999	0.	7.	7.	7851.	6196.	14067.	2698.	2698.	14041.	11343.	2.133
2000	0.	5.	5.	8662.	5846.	14500.	3107.	3107.	14502.	11395.	2.261
2001	0.	-280.	-280.	14253.	263.	14515.	5420.	5420.	14795.	9375.	2.397
2002	0.	25.	25.	14900.	248.	15148.	5748.	5748.	15123.	9375.	2.540
2003	0.	21.	21.	15150.	334.	15384.	5910.	5910.	15363.	9453.	2.693
2004	0.	21.	21.	15455.	221.	15675.	6087.	6087.	15654.	9567.	2.854
2005	-1873.	-2037.	-4710.	13671.	208.	15879.	6224.	6224.	20589.	14365.	3.026
	111894.	-0.	111890.	115091.	78706.	194598.	60536.	60536.	82707.	62171.	

INTERNAL RATE OF RETURN

ON (4) BFR-TAX NET IN-FLOW (2)-(1) 5.63 PER CENT

ON (5) AFT-TAX NET IN-FLOW (4)-(3) 3.40 PER CENT

*** NEPAL UREA PROJECT ***									
NET PRESENT VALUE (IN CONSTANT PRICE) (USD 1000)									
YEAR	FIXED CAPITAL EXPEND.	CHANGE IN WORKING CAPITAL	CHANGE IN (1) GROSS CAPITAL EXPENDTR	OPERATING PROFIT	DEPRECIATION (2)	GROSS CASH IN-FLOW	(3) INCOME TAX (4) BFR-TAX NET IN-FLOW (2)-(1)	(5) AFT-TAX NET IN-FLOW (4)-(3)	DISCOUNT RATE
1986	720.	0.	720.	0.	0.	0.	-720.	-720.	1.000
1987	1572.	0.	1572.	0.	0.	0.	-1572.	-1572.	1.000
1988	40514.	0.	40514.	0.	0.	0.	-40514.	-40514.	1.166
1989	45608.	0.	45608.	0.	0.	0.	-45608.	-45608.	1.260
1990	4679.	0.	4679.	0.	0.	0.	-4679.	-4679.	1.360
1991	0.	1930.	1930.	-1107.	6795.	5608.	3759.	3759.	1.469
1992	0.	23.	23.	-350.	5936.	5578.	5554.	5554.	1.507
1993	0.	43.	43.	665.	5185.	5050.	5806.	5806.	1.714
1994	0.	32.	32.	1503.	4527.	6032.	6000.	6000.	1.851
1995	0.	13.	13.	2027.	3956.	3983.	5970.	5970.	1.999
1996	0.	-2.	-2.	2370.	3418.	3789.	5791.	5191.	2.159
1997	0.	2.	2.	2607.	2986.	3593.	769.	4822.	2.342
1998	0.	2.	2.	2770.	2600.	3378.	895.	5376.	2.510
1999	0.	2.	2.	2887.	2278.	3165.	972.	4171.	2.720
2000	0.	2.	2.	2949.	1990.	4979.	1058.	3880.	2.937
2001	0.	-88.	-88.	4493.	83.	4576.	4664.	2956.	3.172
2002	0.	7.	7.	4349.	72.	6422.	4414.	2736.	3.426
2003	0.	6.	6.	4095.	63.	4150.	1597.	2555.	3.700
2004	0.	5.	5.	3868.	55.	3923.	1523.	2394.	3.996
2005	-434.	-657.	-1091.	3631.	48.	3679.	1442.	3329.	4.316
	92059.	1321.	94179.	36749.	40004.	76753.	12263.	-29689.	
							-17427.		

\*\*\* NEPAL UREA PROJECT \*\*\*  
 PRODUCTION COST STATEMENTS  
 - ELECTRIC POWER 30% DOWN -

(USD 1000)

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
PRODUCTION	0.	0.	0.	0.	0.	54500.	55340.	59320.	62480.	64610.
RAW MATERIAL AND UTILITIES COST										
ELECTRIC POWER	0.	0.	0.	0.	0.	4725.	5086.	5779.	6452.	7072.
COAL	0.	0.	0.	0.	0.	3872.	4168.	4736.	5288.	5796.
SUPPLIES	0.	0.	0.	0.	0.	852.	917.	1042.	1164.	1276.
CATALYSTS AND CHEMICALS	0.	0.	0.	0.	0.	868.	935.	1062.	1185.	1299.
BAGS	0.	0.	0.	0.	0.	223.	240.	273.	304.	334.
VARIABLE COST	0.	0.	0.	0.	0.	645.	695.	789.	881.	966.
DIRECT LABOUR COST	0.	0.	0.	0.	0.	320.	336.	353.	370.	389.
MAINTENANCE COST	0.	0.	0.	0.	0.	3897.	4131.	4379.	4641.	4920.
INSURANCE	0.	0.	0.	0.	0.	1508.	1351.	1194.	1037.	880.
DIRECT FIXED COST	0.	0.	0.	0.	0.	5725.	5818.	5925.	6049.	6189.
CASH FACTORY COST	0.	0.	0.	0.	0.	11318.	11838.	12766.	13686.	14560.
PLANTS AND FACILITIES										
BUILDINGS	0.	0.	0.	0.	0.	11329.	11329.	11329.	11329.	11329.
INDIRECT FIELD EXP.	0.	0.	0.	0.	0.	630.	630.	630.	630.	630.
PRE-OPERATION EXP.	0.	0.	0.	0.	0.	145.	145.	145.	145.	145.
INTEREST DURING CONSTRUCTION	0.	0.	0.	0.	0.	330.	330.	330.	330.	330.
DEPRECIATION AND AMORTIZATION	0.	0.	0.	0.	0.	928.	928.	928.	928.	928.
TOTAL FACTORY COST	0.	0.	0.	0.	0.	24679.	25199.	26127.	27047.	27921.
UNIT FACTORY COST	0.0	0.0	0.0	0.0	0.0	0.4528	0.4554	0.4404	0.4329	0.4322
GENERAL AND ADMIN. EXPENSES										
OPERATING EXPENSES	0.	0.	0.	0.	0.	224.	235.	247.	259.	272.
INTEREST ON LONG TERM DEBT	0.	0.	0.	0.	0.	5053.	4717.	4380.	4043.	3706.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
TOTAL PRODUCTION COST	0.0	0.0	0.0	0.0	0.0	29957.	30151.	30754.	31349.	31900.
UNIT PRODUCTION COST	0.0	0.0	0.0	0.0	0.0	0.5497	0.5448	0.5184	0.5017	0.4937

\*\*\* NEPAL UREA PROJECT \*\*\*  
 PRODUCTION COST STATEMENTS  
 - ELECTRIC POWER BOX DOWN -  
 (USD 1000)

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
PRODUCTION	65660.	66760.	67860.	68860.	69750.	70540.	71130.	71730.	72250.	72620.
RAW MATERIAL AND UTILITIES COST										
ELECTRIC POWER	7618.	8210.	8846.	9515.	10217.	10952.	11707.	12514.	13357.	14235.
COAL	6244.	6729.	7251.	7799.	8374.	8977.	9595.	10256.	10948.	11667.
SUPPLIES	1374.	1481.	1596.	1716.	1843.	1976.	2112.	2257.	2409.	2568.
CATALYSTS AND CHEMICALS	1400.	1509.	1626.	1748.	1877.	2012.	2151.	2299.	2454.	2616.
BAGS	359.	387.	417.	449.	482.	517.	552.	590.	630.	672.
VARIABLE COST	1040.	1121.	1200.	1300.	1395.	1496.	1599.	1709.	1824.	1944.
	9018.	9719.	10472.	11264.	12094.	12965.	13858.	14813.	15811.	16850.
DIRECT LABOUR COST	408.	429.	450.	473.	496.	521.	547.	574.	603.	633.
MAINTENANCE COST	5215.	5528.	5860.	6211.	6584.	6979.	7398.	7842.	8312.	8811.
INSURANCE	725.	569.	414.	259.	104.	96.	89.	81.	74.	67.
DIRECT FIXED COST	6348.	6526.	6724.	6943.	7184.	7596.	8034.	8498.	8989.	9511.
CASH FACTORY COST	15366.	16245.	17176.	18207.	19270.	20561.	21891.	23311.	24801.	26361.
PLANTS AND FACILITIES										
BUILDINGS	11329.	11329.	11329.	11329.	11329.	11329.	11329.	11329.	11329.	11329.
INDIRECT FIELD EXP.	630.	630.	630.	630.	630.	630.	630.	630.	630.	630.
PRE-OPERATION EXP.	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
INTEREST DURING CONSTRUCTION	630.	630.	630.	630.	630.	630.	630.	630.	630.	630.
DEPRECIATION AND AMORTIZATION	928.	928.	928.	928.	928.	928.	928.	928.	928.	928.
TOTAL FACTORY COST	28583.	29462.	30413.	31423.	32494.	33494.	34494.	35494.	36494.	37494.
UNIT FACTORY COST	0.4353	0.4413	0.4482	0.4563	0.4659	0.4704	0.4766	0.4838	0.4921	0.5017
GENERAL AND ADMIN. EXPENSES	286.	300.	315.	331.	347.	365.	383.	402.	422.	444.
OPERATING EXPENSES	28068.	29762.	30720.	31754.	32842.	33956.	35094.	36342.	37652.	39034.
INTEREST ON LONG TERM DEBT	3369.	3002.	2695.	2358.	2021.	1604.	1348.	1011.	674.	337.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
TOTAL PRODUCTION COST	32237.	32794.	33412.	34112.	34863.	35240.	35252.	35353.	35526.	35771.
UNIT PRODUCTION COST	0.4910	0.4912	0.4925	0.4954	0.4990	0.50295	0.50409	0.50535	0.50672	0.50824



\*\*\* NEPAL UREA PROJECT \*\*\*  
 WORKING CAPITAL STATEMENTS  
 -- ELECTRIC POWER BOX DOWN --

(USD 1000)

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
CURRENT ASSETS	0.	0.	0.	0.	0.	3653.	3722.	4258.	4598.	4711.
ACCOUNT RECEIVABLE	0.	0.	0.	0.	0.	1043.	1198.	1364.	1539.	1698.
INVENTORIES	0.	0.	0.	0.	0.	1667.	1738.	1830.	1918.	1999.
PRODUCT INVENTORY (UREA)	0.	0.	0.	0.	0.	1359.	1307.	1438.	1489.	1537.
MATERIAL INVENTORY (SUPPLIES)	0.	0.	0.	0.	0.	309.	351.	392.	429.	462.
OPERATING CASH	0.	0.	0.	0.	0.	943.	986.	1064.	1140.	1213.
CURRENT LIABILITIES W/O DEBT	0.	0.	0.	0.	0.	233.	251.	285.	318.	349.
ACCOUNT PAYABLE	0.	0.	0.	0.	0.	233.	251.	285.	318.	349.
PERMANENT WORKING CAPITAL	0.	0.	0.	0.	0.	3420.	3671.	3973.	4280.	4562.
CHANGE IN WORKING CAPITAL	0.	0.	0.	0.	0.	3420.	251.	301.	307.	282.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 WORKING CAPITAL STATEMENTS  
 - ELECTRIC POWER QWZ DOWN -  
 (USD 1000)

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
CURRENT ASSETS	5194.	5511.	5848.	6209.	6589.	6310.	6750.	7208.	7677.	7282.
ACCOUNT RECEIVABLE	1842.	1998.	2164.	2342.	2530.	2720.	2927.	3137.	3366.	3600.
INVENTORIES	2072.	2159.	2252.	2350.	2453.	1877.	1999.	2128.	2264.	1486.
PRODUCT INVENTORY (UREA)	1573.	1622.	1674.	1730.	1789.	1166.	1240.	1318.	1400.	1486.
MATERIAL INVENTORY (SUPPLIES)	498.	537.	577.	620.	665.	710.	759.	811.	864.	0.
OPERATING CASH	1280.	1354.	1433.	1517.	1606.	1713.	1824.	1942.	2067.	2197.
CURRENT LIABILITIES W/O DEBT	376.	405.	436.	469.	504.	540.	577.	617.	659.	702.
ACCOUNT PAYABLE	376.	405.	436.	469.	504.	540.	577.	617.	659.	702.
PERMANENT WORKING CAPITAL	4819.	5106.	5412.	5740.	6085.	5770.	6173.	6590.	7038.	6580.
CHANGE IN WORKING CAPITAL	257.	287.	307.	328.	346.	-315.	403.	418.	448.	-453.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 INCOME STATEMENTS (FOR ENDING DECEMBER 31)  
 -- ELECTRIC POWER 80% DOWN -- (USD 1000)

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
OPERATING INCOME	0.	0.	0.	0.	0.	25029.	28753.	32742.	36947.	40760.
TOTAL SALES REVENUE	0.	0.	0.	0.	0.	25029.	28753.	32742.	36947.	40760.
COST OF SALES	0.	0.	0.	0.	0.	23321.	25171.	26076.	26996.	27873.
VARIABLE COST	0.	0.	0.	0.	0.	5593.	6020.	6840.	7637.	8371.
DIRECT FIXED COST	0.	0.	0.	0.	0.	5725.	5818.	5925.	6049.	6189.
DEPRECIATION AND AMORTIZATION	0.	0.	0.	0.	0.	13361.	13361.	13361.	13361.	13361.
INC. IN PRODUCT INVENTORY	0.	0.	0.	0.	0.	1359.	29.	51.	51.	43.
GROSS PROFIT ON SALES	0.	0.	0.	0.	0.	1708.	3582.	6666.	9951.	12886.
GENERAL AND ADMIN. EXPENSES	0.	0.	0.	0.	0.	224.	235.	247.	259.	272.
OPERATING PROFIT	0.	0.	0.	0.	0.	1484.	3347.	6419.	9691.	12614.
NON-OPERATING EXPENSES	0.	0.	0.	0.	0.	5053.	4717.	4380.	4043.	3706.
INTEREST ON LONG TERM DEBT	0.	0.	0.	0.	0.	5053.	4717.	4380.	4043.	3706.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NET PROFIT OR (LOSS) BEFORE TAX	0.	0.	0.	0.	0.	-3569.	-1370.	2039.	5649.	8908.
INCOME TAX	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NON-TAXABLE INCOME	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NET PROFIT OR (LOSS) AFTER TAX	0.	0.	0.	0.	0.	-3569.	-1370.	2039.	5649.	8908.
RETAINED EARNINGS	0.	0.	0.	0.	0.	-3569.	-1370.	2039.	5649.	8908.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 INCOME STATEMENTS (FOR ENDING DECEMBER 31)  
 (USD 1000)  
 ELECTRIC POWER 50% DOWN -

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
OPERATING INCOME	44216.	47957.	51934.	56214.	60710.	65280.	70244.	75282.	80794.	86392.
TOTAL SALES REVENUE	44216.	47957.	51934.	56214.	60710.	65280.	70244.	75282.	80794.	86392.
COST OF SALES	28546.	29413.	30360.	31368.	32435.	21813.	22448.	23862.	25348.	26905.
VARIABLE COST	9018.	9719.	10472.	11264.	12094.	12985.	13850.	14813.	15811.	16850.
DIRECT FIXED COST	6378.	6526.	6724.	6943.	7184.	7396.	8034.	8498.	8989.	9511.
DEPRECIATION AND AMORTIZATION	13216.	13216.	13216.	13216.	13216.	630.	630.	630.	630.	640.
INC. IN PRODUCT INVENTORY	36.	48.	52.	56.	59.	-622.	73.	78.	82.	86.
GROSS PROFIT ON SALES	15670.	18544.	21574.	24846.	28274.	43467.	47797.	51420.	55446.	59487.
GENERAL AND ADMIN. EXPENSES	286.	300.	315.	331.	347.	365.	383.	402.	422.	444.
OPERATING PROFIT	15384.	18243.	21259.	24515.	27927.	43102.	47413.	51017.	55024.	59044.
NON-OPERATING EXPENSES	3369.	3032.	2695.	2358.	2021.	1684.	1348.	1011.	674.	337.
INTEREST ON LONG TERM DEBT	3369.	3032.	2695.	2358.	2021.	1684.	1348.	1011.	674.	337.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NET PROFIT OR (LOSS) BEFORE TAX	12015.	15211.	18564.	22157.	25906.	41418.	46066.	50907.	54350.	58707.
INCOME TAX	4806.	6085.	7426.	8063.	10362.	16567.	18426.	20003.	21740.	23483.
NON-TAXABLE INCOME	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NET PROFIT OR (LOSS) AFTER TAX	7209.	9127.	11138.	13294.	15543.	24851.	27640.	30904.	32610.	35224.
RETAINED EARNINGS	7209.	9127.	11138.	13294.	15543.	24851.	27640.	30904.	32610.	35224.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 FUNDS FLOW STATEMENTS (FOR ENDING DECEMBER 31)  
 - ELECTRIC POWER 80% DOWN -

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
SOURCE OF FUNDS										
CASH GENERATED	2599.	16027.	67138.	46491.	12120.	14845.	16708.	19780.	23053.	25975.
PROFIT AFT. TAX, DFR INT.	0.	0.	0.	0.	0.	14845.	16708.	19780.	23053.	25975.
DEPRECIATION AND AMORTIZATION	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
FINANCIAL RESOURCES	2599.	16027.	67138.	46491.	12120.	0.	3347.	6449.	9691.	12614.
SHARE CAPITAL	0.	0.	0.	0.	0.	0.	13361.	13361.	13361.	13361.
LONG TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
SHORT TERM DEBT	2599.	12994.	27722.	46491.	12120.	0.	0.	0.	0.	0.
	0.	3032.	39417.	0.	0.	0.	0.	0.	0.	0.
	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
USES OF FUNDS										
FIXED CAPITAL EXPENDITURE	720.	2078.	56715.	72696.	9494.	15211.	11706.	11449.	11088.	10726.
NON-DEPRECIABLE ASSETS	720.	2078.	56715.	72696.	9494.	0.	0.	0.	0.	0.
DEPRECIABLE FIXED ASSETS	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
INTEREST DURING CONSTRUCTION	0.	1800.	53096.	68427.	8380.	0.	0.	0.	0.	0.
	0.	278.	3619.	4269.	1114.	0.	0.	0.	0.	0.
CHANGE IN WORKING CAPITAL	0.	0.	0.	0.	0.	3420.	251.	301.	307.	282.
DEBT SERVICES	0.	0.	0.	0.	0.	11791.	11454.	11117.	10781.	10444.
REPAYMENT OF LONG TERM DEBT	0.	0.	0.	0.	0.	6730.	6738.	6738.	6730.	6738.
REPAYMENT OF SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
INTEREST ON LONG TERM DEBT	0.	0.	0.	0.	0.	5053.	4717.	4380.	4043.	3706.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
CASH INCREASE OR (DECREASE)	1879.	13940.	10423.	-26205.	2634.	-366.	5002.	8361.	11965.	15249.
BEGINNING CASH BALANCE	0.	1879.	15827.	26250.	46.	2680.	2314.	7316.	15677.	27642.
ENDING CASH BALANCE	1879.	15827.	26250.	46.	2600.	2314.	7316.	15677.	27642.	42891.



\*\*\* NEPAL UREA PROJECT \*\*\*  
 BALANCE SHEET (FOR ENDING DECEMBER 31)  
 - ELECTRIC POWER BOX DOWN - (USD 1000)

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
ASSETS	2599.	18625.	85764.	132255.	144383.	134309.	126219.	121555.	120499.	122700.
CURRENT ASSETS	0.	0.	0.	0.	0.	3653.	3922.	4250.	4598.	4911.
OPERATING CASH	0.	0.	0.	0.	0.	943.	986.	1064.	1140.	1213.
ACCOUNT RECEIVABLE	0.	0.	0.	0.	0.	1043.	1198.	1364.	1539.	1698.
INVENTORIES	0.	0.	0.	0.	0.	1667.	1738.	1830.	1918.	1999.
ACC. EXCESS CASH	1879.	15827.	26250.	46.	2680.	2314.	7316.	15677.	27642.	42891.
NET FIXED ASSETS	720.	2798.	59513.	132209.	141703.	128342.	114981.	101620.	88259.	74898.
INVESTMENT	720.	2798.	59513.	132209.	141703.	141703.	141703.	141703.	141703.	141703.
NON-DEPR. ASSETS	720.	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.
DEPRECIABLE ASSETS	0.	0.	53096.	121523.	129903.	129903.	129903.	129903.	129903.	129903.
INTEREST DRG CONSTR.	0.	278.	3898.	8166.	9280.	9280.	9280.	9280.	9280.	9280.
LESS: ACC. DEPRICIATION	0.	0.	0.	0.	0.	13361.	26722.	40083.	53445.	66806.
LIABILITIES	0.	3032.	42449.	88940.	101068.	94563.	87843.	81140.	74435.	67728.
CURRENT LIABILITIES	0.	0.	0.	0.	6738.	6974.	6989.	7023.	7056.	7087.
ACCOUNT PAYABLE	0.	0.	0.	0.	0.	233.	251.	285.	318.	349.
CURRENT PORTION OF L/T DEBT	0.	0.	0.	0.	6738.	6738.	6738.	6738.	6738.	6738.
SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
FIXED LIABILITIES	0.	3032.	42449.	88940.	94330.	87592.	80855.	74117.	67379.	60641.
LONG TERM DEBT BALANCE	0.	3032.	42449.	88940.	94330.	87592.	80855.	74117.	67379.	60641.
OTHER FIXED LIABILITIES	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
STOCK HOLDERS EQUITY	2599.	15593.	43315.	43315.	43315.	39746.	38376.	40415.	46064.	54972.
SHARE CAPITAL	2599.	15593.	43315.	43315.	43315.	43315.	43315.	43315.	43315.	43315.
ACC. RETAINED EARNINGS	0.	0.	0.	0.	0.	-3569.	-4939.	-2900.	2749.	11657.
LIABILITIES & S/H EQUITY	2599.	18625.	85764.	132255.	144383.	134309.	126219.	121555.	120499.	122700.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 BALANCE SHEET (FOR ENDING DECEMBER 31)  
 ELECTRIC POWER 8% DOWN -- (USD 1000)

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
ASSETS	123198.	125616.	130048.	136637.	145477.	163626.	184565.	207071.	233785.	262315.
CURRENT ASSETS	5194.	5511.	5848.	6209.	6509.	6310.	6750.	7208.	7697.	7282.
OPERATING CASH	1200.	1354.	1433.	1517.	1606.	1713.	1824.	1942.	2067.	2197.
ACCOUNT RECEIVABLE	1842.	1998.	2164.	2342.	2530.	2720.	2927.	3137.	3366.	3600.
INVENTORIES	2072.	2159.	2252.	2350.	2453.	1877.	1999.	2128.	2264.	1486.
ACC. EXCESS CASH	56323.	71641.	80952.	108397.	130073.	149131.	170259.	193737.	219791.	249365.
NET FIXED ASSETS	61601.	48765.	35248.	22032.	8015.	8186.	7556.	6927.	6297.	5668.
INVESTMENT	141703.	141703.	141703.	141703.	141703.	141703.	141703.	141703.	141703.	141703.
NON-DEPR. ASSETS	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.
DEPRECIABLE ASSETS	129903.	129903.	129903.	129903.	129903.	129903.	129903.	129903.	129903.	129903.
INTEREST DRG CONSTR.	9280.	9280.	9280.	9280.	9280.	9280.	9280.	9280.	9280.	9280.
LESS: ACC. DEPRECIATION	80022.	93219.	106455.	119672.	132888.	153518.	134147.	134777.	135406.	136036.
LIABILITIES	61017.	54308.	47602.	40897.	34193.	27492.	20791.	14093.	7397.	702.
CURRENT LIABILITIES	7114.	7143.	7174.	7207.	7242.	7278.	7315.	7355.	7397.	702.
ACCOUNT PAYABLE	376.	405.	436.	469.	504.	540.	577.	617.	659.	702.
CURRENT PORTION OF L/T DEBT	6738.	6738.	6738.	6738.	6738.	6738.	6738.	6738.	6738.	0.
SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
FIXED LIABILITIES	53903.	47163.	40427.	33689.	26952.	20214.	13476.	6738.	0.	0.
LONG TERM DEBT BALANCE	53903.	47163.	40427.	33689.	26952.	20214.	13476.	6738.	0.	0.
OTHER FIXED LIABILITIES	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
STOCK HOLDERS EQUITY	62181.	71308.	82447.	95741.	111284.	136135.	163774.	193778.	226388.	261612.
SHARE CAPITAL	43315.	43315.	43315.	43315.	43315.	43315.	43315.	43315.	43315.	43315.
ACC. RETAINED EARNINGS	18866.	27993.	39132.	52426.	67969.	92820.	120459.	150463.	183073.	218297.
LIABILITIES & S/H EQUITY	123190.	125616.	130040.	136637.	145477.	163626.	184565.	207071.	233785.	262315.



\*\*\* NEPAL UREA PROJECT \*\*\*  
 PROFITABILITY AND FINANCIAL INDICATORS  
 - ELECTRIC POWER 80% DOWN -  
 (USD 1000)

YEAR	(1) AFT TAX PROFIT -TO- SALES REV S/H EQUITY (PCT)	(2) AFT TAX PROFIT -TO- INVESTMENT S/CAPITAL (PCT)	(3) BFR TAX PROFIT -TO- INVESTMENT S/CAPITAL (PCT)	(4) AFT TAX PROFIT -TO- INVESTMENT S/CAPITAL (PCT)	(5) CURRENT RATIO	(6) QUICK RATIO	(7) DEBT SERVICE RATIO	(8) L/T DEBT -TO- S/H EQUITY	(9)* PROFIT B.E.P. CAPACITY UTILIZE (PCT)	(10)* CASH B.E.P. SALES PRICE (PRICE)	(11)* CASH B.E.P. CAPACITY UTILIZE (PCT)
1991	-14.3	-9.0	-2.5	-0.2	0.52	0.20	1.26	69 / 31	75.3	453.1	54.0
1992	-4.0	-3.6	-1.0	-3.2	0.56	0.31	1.46	60 / 32	64.7	425.5	47.0
1993	6.2	5.0	1.4	4.7	0.61	0.35	1.78	65 / 35	60.3	403.3	43.6
1994	13.3	12.3	4.0	13.0	0.65	0.30	2.14	59 / 41	55.7	396.0	40.1
1995	21.9	16.2	6.3	20.6	0.69	0.41	2.49	52 / 48	51.7	391.9	37.2
1996	16.3	11.6	8.5	16.6	0.73	0.44	2.35	46 / 54	47.7	392.6	34.4
1997	19.0	12.8	10.7	21.1	0.77	0.47	2.60	40 / 60	44.4	394.5	31.9
1998	21.4	13.5	13.1	25.7	0.82	0.50	2.87	33 / 67	41.4	397.4	29.7
1999	23.6	13.9	15.6	30.7	0.86	0.54	3.17	26 / 74	38.6	401.6	27.6
2000	25.6	14.0	18.3	35.9	0.91	0.57	3.51	19 / 81	36.0	407.2	25.8
2001	30.1	18.3	29.2	57.4	0.87	0.61	3.23	13 / 87	15.3	474.1	30.4
2002	39.3	16.9	32.5	63.0	0.92	0.65	3.66	8 / 92	14.4	484.3	28.6
2003	39.9	15.5	35.3	69.3	0.98	0.69	4.08	3 / 97	13.8	495.6	27.1
2004	40.4	14.4	38.4	75.3	1.04	0.73	4.50	0 / 100	13.1	500.4	25.6
2005	40.8	13.5	41.4	81.3	10.37	0.26	5.12	0 / 100	12.6	522.8	24.3
AVERAGE1	21.9	11.0	16.0	33.6	1.42	1.01	2.95	33 / 67	39.0	436.9	34.9
AVERAGE2	27.2	12.3	14.5	27.4	0.80	0.52	2.79	32 / 68			

(AVERAGE1) : SUM OF ANNUAL FIGURES OF PERCENTAGE AND RATIO IS DIVIDED BY NO. OF YEARS(SIMPLE AVERAGE)  
 (AVERAGE2) : AVERAGE FIGURES ARE CALCULATED BY ACTUAL VALUES ACCUMULATED OVER THE PROJECT LIFE(WEIGHTED AVERAGE)

\* NOTE FOR (9)(10)(11)  
 WHEN THERE ARE TWO OR MORE PRODUCTS, AND DURING THE YEARS WHEN ALL OF PRODUCTS ARE NOT PRODUCED AT THE SAME RATE  
 OF CAPACITY UTILIZATION, ABOVE BREAK-EVEN-POINTS CANNOT GIVE CORRECT FIGURES.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 FINANCIAL RATE OF RETURN (IN CURRENT PRICE)  
 -- ELECTRIC POWER 80% DOWN --

YEAR	FIXED CAPITAL EXPEND.	CHANGE IN WORKING CAPITAL	GROSS CAPITAL EXPENDITR	OPERATING PROFIT	DEPRECIATN	GROSS CASH IN-FLOW	INCOME TAX	BFR-TAX NET IN-FLOW (2)-(1)	AFT-TAX NET IN-FLOW (4)-(3)
1986	720.	0.	720.	0.	0.	0.	0.	-720.	-720.
1987	1800.	0.	1800.	0.	0.	0.	0.	-1800.	-1800.
1988	53096.	0.	53096.	0.	0.	0.	0.	-53096.	-53096.
1989	68427.	0.	68427.	0.	0.	0.	0.	-68427.	-68427.
1990	8380.	0.	8380.	0.	0.	0.	0.	-8380.	-8380.
1991	0.	3420.	3420.	1484.	13361.	14845.	0.	11425.	11425.
1992	0.	251.	251.	3347.	13361.	16708.	0.	16457.	16457.
1993	0.	301.	301.	6419.	13361.	19780.	0.	19479.	19479.
1994	0.	307.	307.	7691.	13361.	23053.	0.	22746.	22746.
1995	0.	282.	282.	12614.	13361.	23975.	0.	25693.	25693.
1996	0.	257.	257.	15384.	13216.	28401.	4806.	28344.	28344.
1997	0.	207.	207.	18243.	13216.	31460.	6005.	31173.	25088.
1998	0.	307.	307.	21259.	13216.	34476.	7426.	34169.	26744.
1999	0.	328.	328.	24515.	13216.	37732.	8863.	37404.	28541.
2000	0.	346.	346.	27927.	13216.	41143.	10362.	40798.	30436.
2001	0.	315.	315.	43102.	630.	43732.	14367.	44047.	27480.
2002	0.	403.	403.	47413.	630.	48043.	18426.	47640.	29214.
2003	0.	418.	418.	51017.	630.	51647.	20003.	51229.	31227.
2004	0.	448.	448.	55024.	630.	55653.	21740.	55206.	33466.
2005	-5668.	-7038.	-12705.	59044.	630.	59673.	23483.	72379.	48896.
	126756.	-0.	126755.	396484.	136035.	532520.	137760.	405765.	268005.

INTERNAL RATE OF RETURN

ON (4) BFR-TAX NET IN-FLOW (2)-(1) 14.91 PER CENT  
 ON (5) AFT-TAX NET IN-FLOW (4)-(3) 12.29 PER CENT

\*\*\* NEPAL UREA PROJECT \*\*\*  
 FINANCIAL RATE OF RETURN (IN CONSTANT PRICE)  
 - ELECTRIC POWER 80% DOWN -  
 (USD 1000)

YEAR	FIXED CAPITAL EXPEND.	CHANGE IN WORKING CAPITAL	GROSS CAPITAL EXPENDTR	OPERATING PROFIT	DEPRECIATION	GROSS CASH IN-FLOW	INCOME TAX	BFR-TAX NET IN-FLOW	AFT-TAX NET IN-FLOW	DEFLATOR
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1986	720.	0.	720.	0.	0.	0.	0.	-720.	-720.	1.000
1987	1690.	0.	1690.	0.	0.	0.	0.	-1690.	-1690.	1.060
1988	47255.	0.	47255.	0.	0.	0.	0.	-47255.	-47255.	1.124
1989	57453.	0.	57453.	0.	0.	0.	0.	-57453.	-57453.	1.191
1990	6630.	0.	6630.	0.	0.	0.	0.	-6630.	-6630.	1.262
1991	0.	2556.	2556.	1109.	9984.	11093.	0.	8537.	8537.	1.338
1992	0.	33.	33.	2340.	9419.	11779.	0.	11746.	11746.	1.419
1993	0.	54.	54.	4269.	8806.	13155.	0.	13101.	13101.	1.504
1994	0.	73.	73.	6081.	8383.	14464.	0.	14420.	14420.	1.594
1995	0.	15.	15.	7466.	7903.	15375.	0.	15360.	15360.	1.689
1996	0.	-10.	-10.	8590.	7300.	15970.	2684.	15980.	13296.	1.791
1997	0.	-1.	-1.	9610.	6962.	16573.	3205.	16574.	13369.	1.898
1998	0.	0.	0.	10565.	6568.	17133.	3690.	17133.	13443.	2.012
1999	0.	1.	1.	11494.	6196.	17690.	4155.	17689.	13534.	2.133
2000	0.	1.	1.	12352.	5846.	18198.	4503.	18197.	13614.	2.261
2001	0.	-204.	-204.	17985.	263.	18248.	6913.	18332.	11619.	2.397
2002	0.	22.	22.	18664.	240.	18912.	7253.	18990.	11636.	2.540
2003	0.	18.	18.	18946.	234.	19180.	7429.	19162.	11734.	2.693
2004	0.	18.	18.	19277.	221.	19498.	7617.	19480.	11863.	2.854
2005	-1873.	-2466.	-4339.	19515.	203.	19723.	7761.	24062.	16300.	3.026
	111894.	-0.	111890.	168283.	78706.	246989.	55290.	135099.	79809.	

INTERNAL RATE OF RETURN

ON (4) BFR-TAX NET IN-FLOW (2)-(1) 8.51 PER CENT  
 ON (5) AFT-TAX NET IN-FLOW (4)-(3) 6.06 PER CENT

\*\*\* NEPAL UREA PROJECT \*\*\*  
 NET PRESENT VALUE (IN CONSTANT PRICE) (USD 1000)  
 - ELECTRIC POWER 80% DOWN -

YEAR	FIXED CAPITAL EXPEND.	CHANGE IN WORKING CAPITAL	(1) GROSS CAPITAL EXPENDTR	OPERATING PROFIT	DEPRECIATION (2)	GROSS CASH IN-FLOW	(3)	INCOME TAX	(4) BFR-TAX NET IN-FLOW (2)-(1)	(5) AFT-TAX NET IN-FLOW (4)-(3)	DISCOUNT RATE
1986	720.	0.	720.	0.	0.	0.	0.	0.	-720.	-720.	1.000
1987	1572.	0.	1572.	0.	0.	0.	0.	0.	-1572.	-1572.	1.030
1988	40514.	0.	40514.	0.	0.	0.	0.	0.	-40514.	-40514.	1.166
1989	45608.	0.	45608.	0.	0.	0.	0.	0.	-45608.	-45608.	1.260
1990	4879.	0.	4879.	0.	0.	0.	0.	0.	-4879.	-4879.	1.368
1991	0.	1739.	1739.	755.	6795.	7590.	0.	0.	5810.	5810.	1.469
1992	0.	20.	20.	1487.	5936.	7423.	0.	0.	7402.	7402.	1.587
1993	0.	31.	31.	2471.	5185.	7676.	0.	0.	7644.	7644.	1.714
1994	0.	23.	23.	3285.	4529.	7814.	0.	0.	7791.	7791.	1.851
1995	0.	8.	8.	3735.	3956.	7691.	0.	0.	7684.	7684.	1.999
1996	0.	-4.	-4.	3979.	3418.	7397.	0.	1243.	7402.	6159.	2.159
1997	0.	-0.	-0.	4122.	2986.	7100.	0.	1375.	7108.	5734.	2.332
1998	0.	0.	0.	4196.	2608.	6804.	0.	1465.	6804.	5338.	2.518
1999	0.	1.	1.	4226.	2278.	6505.	0.	1528.	6504.	4976.	2.720
2000	0.	0.	0.	4205.	1990.	6196.	0.	1560.	6196.	4635.	2.937
2001	0.	-90.	-90.	5670.	83.	5752.	0.	2179.	5842.	3663.	3.172
2002	0.	6.	6.	5440.	72.	5520.	0.	2117.	5514.	3397.	3.426
2003	0.	5.	5.	5121.	63.	5184.	0.	2008.	5179.	3171.	3.700
2004	0.	5.	5.	4824.	55.	4879.	0.	1906.	4875.	2969.	4.996
2005	-434.	-571.	-1005.	4522.	48.	4570.	0.	1798.	5575.	3777.	4.316
	92859.	1173.	94031.	50065.	40004.	98069.		17180.	4037.	-13143.	

\*\*\* NEPAL UREA PROJECT \*\*\*  
 PRODUCTION COST STATEMENTS  
 - ELECTRIC POWER -

(USD 1000)

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
PRODUCTION	0.	0.	0.	0.	0.	54500.	55340.	59320.	62480.	64610.
RAW MATERIAL AND UTILITIES COST										
ELECTRIC POWER	0.	0.	0.	0.	0.	852.	917.	1042.	1164.	1276.
COAL	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
SUPPLIES	0.	0.	0.	0.	0.	852.	917.	1042.	1164.	1276.
CATALYSTS AND CHEMICALS	0.	0.	0.	0.	0.	868.	935.	1062.	1185.	1299.
BAGS	0.	0.	0.	0.	0.	223.	240.	273.	304.	334.
VARIABLE COST	0.	0.	0.	0.	0.	645.	695.	789.	881.	966.
	0.	0.	0.	0.	0.	1721.	1852.	2104.	2349.	2575.
DIRECT LABOUR COST	0.	0.	0.	0.	0.	320.	336.	353.	370.	389.
MAINTENANCE COST	0.	0.	0.	0.	0.	3897.	4131.	4379.	4641.	4920.
INSURANCE	0.	0.	0.	0.	0.	1508.	1351.	1194.	1037.	880.
DIRECT FIXED COST	0.	0.	0.	0.	0.	5725.	5818.	5925.	6049.	6189.
CASH FACTORY COST	0.	0.	0.	0.	0.	7446.	7670.	8030.	8398.	8764.
PLANTS AND FACILITIES										
BUILDINGS	0.	0.	0.	0.	0.	11329.	11329.	11329.	11329.	11329.
INDIRECT FIELD EXP.	0.	0.	0.	0.	0.	630.	630.	630.	630.	630.
FIRE-OPERATION EXP.	0.	0.	0.	0.	0.	145.	145.	145.	145.	145.
INTEREST DURING CONSTRUCTION	0.	0.	0.	0.	0.	330.	330.	330.	330.	330.
DEPRECIATION AND AMORTIZATION	0.	0.	0.	0.	0.	928.	928.	928.	928.	928.
TOTAL FACTORY COST	0.	0.	0.	0.	0.	20807.	21031.	21391.	21759.	22125.
UNIT FACTORY COST	0.0	0.0	0.0	0.0	0.0	0.3818	0.3800	0.3606	0.3483	0.3424
GENERAL AND ADMIN. EXPENSES										
OPERATING EXPENSES	0.	0.	0.	0.	0.	224.	235.	247.	257.	272.
INTEREST ON LONG TERM DEBT										
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	21031.	21266.	21638.	22019.	22377.
TOTAL PRODUCTION COST	0.0	0.0	0.0	0.0	0.0	26084.	25983.	26017.	26061.	26103.
UNIT PRODUCTION COST	0.0	0.0	0.0	0.0	0.0	0.4786	0.4695	0.4386	0.4171	0.4040

\*\*\* NEPAL UREA PROJECT \*\*\*  
 PRODUCTION COST STATEMENTS  
 - ELECTRIC POWER -

(USD 1000)

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
PRODUCTION	65660.	66760.	67060.	68060.	69750.	70540.	71130.	71730.	72230.	72620.
RAW MATERIAL AND UTILITIES COST										
ELECTRIC POWER	1374.	1401.	1596.	1716.	1843.	1976.	2112.	2257.	2409.	2568.
COAL	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
SUPPLIES	1374.	1401.	1596.	1716.	1843.	1976.	2112.	2257.	2409.	2568.
CATALYSTS AND CHEMICALS	1400.	1509.	1626.	1768.	1877.	2012.	2151.	2299.	2454.	2616.
BAGS	359.	387.	417.	449.	482.	517.	552.	590.	630.	672.
VARIABLE COST	1040.	1121.	1208.	1300.	1395.	1496.	1599.	1709.	1824.	1944.
	2774.	2990.	3221.	3465.	3720.	3908.	4263.	4557.	4864.	5183.
DIRECT LABOUR COST	408.	429.	450.	473.	496.	521.	547.	574.	603.	633.
MAINTENANCE COST	5215.	5528.	5860.	6211.	6584.	6979.	7398.	7842.	8312.	8811.
INSURANCE	725.	569.	414.	259.	104.	96.	89.	81.	74.	67.
DIRECT FIXED COST	6348.	6526.	6726.	6943.	7184.	7596.	8036.	8498.	8989.	9511.
CASH FACTORY COST	9122.	9516.	9945.	10408.	10904.	11534.	12296.	13054.	13853.	14694.
PLANTS AND FACILITIES										
BUILDINGS	11329.	11329.	11329.	11329.	11329.	0.	0.	0.	0.	0.
INDIRECT FIELD EXP.	630.	630.	630.	630.	630.	630.	630.	630.	630.	630.
PRE-OPERATION EXP.	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
INTEREST DURING CONSTRUCTION	330.	330.	330.	330.	330.	0.	0.	0.	0.	0.
DEPRECIATION AND AMORTIZATION	928.	928.	928.	928.	928.	0.	0.	0.	0.	0.
TOTAL FACTORY COST	13216.	13216.	13216.	13216.	13216.	630.	630.	630.	630.	630.
UNIT FACTORY COST	22339.	22732.	23162.	23624.	24121.	12214.	12926.	13684.	14483.	15324.
	0.3402	0.3405	0.3413	0.3431	0.3458	0.1731	0.1817	0.1908	0.2005	0.2110
GENERAL AND ADMIN. EXPENSES	286.	300.	315.	331.	347.	365.	383.	402.	422.	444.
OPERATING EXPENSES	22625.	23033.	23477.	23955.	24468.	12579.	13309.	14086.	14905.	15767.
INTEREST ON LONG TERM DEBT	3369.	3032.	2695.	2358.	2021.	1684.	1348.	1011.	674.	337.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
TOTAL PRODUCTION COST	25994.	26065.	26172.	26313.	26409.	14263.	14657.	15097.	15579.	16114.
UNIT PRODUCTION COST	0.3959	0.3904	0.3857	0.3821	0.3798	0.2022	0.2061	0.2105	0.2157	0.2218

\*\*\* NEPAL UREA PROJECT \*\*\*  
 WORKING CAPITAL STATEMENTS  
 - ELECTRIC POWER -  
 (USD 1000)

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
CURRENT ASSETS	0.	0.	0.	0.	0.	3117.	3346.	3602.	3866.	4109.
ACCOUNT RECEIVABLE	0.	0.	0.	0.	0.	1043.	1198.	1364.	1539.	1698.
INVENTORIES	0.	0.	0.	0.	0.	1454.	1508.	1569.	1627.	1680.
PRODUCT INVENTORY (UREA)	0.	0.	0.	0.	0.	1145.	1158.	1177.	1198.	1218.
MATERIAL INVENTORY (SUPPLIES)	0.	0.	0.	0.	0.	309.	351.	392.	429.	462.
OPERATING CASH	0.	0.	0.	0.	0.	620.	639.	669.	700.	730.
CURRENT LIABILITIES W/O DEBT	0.	0.	0.	0.	0.	72.	77.	88.	98.	107.
ACCOUNT PAYABLE	0.	0.	0.	0.	0.	72.	77.	88.	98.	107.
PERMANENT WORKING CAPITAL	0.	0.	0.	0.	0.	3046.	3268.	3515.	3768.	4002.
CHANGE IN WORKING CAPITAL	0.	0.	0.	0.	0.	3046.	223.	246.	254.	233.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 WORKING CAPITAL STATEMENTS  
 - ELECTRIC POWER C -  
 (USD 1000)

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
CURRENT ASSETS	4330.	4579.	4845.	5130.	5431.	5060.	5422.	5788.	6182.	5668.
ACCOUNT RECEIVABLE	1842.	1990.	2164.	2342.	2330.	2720.	2927.	3137.	3366.	3600.
INVENTORIES	1728.	1760.	1852.	1920.	1992.	1383.	1471.	1564.	1661.	844.
PRODUCT INVENTORY (UREA)	1230.	1251.	1275.	1300.	1328.	672.	712.	753.	797.	844.
MATERIAL INVENTORY (SUPPLIES)	498.	537.	577.	620.	665.	710.	759.	811.	864.	0.
OPERATING CASH	760.	793.	829.	867.	909.	965.	1025.	1088.	1154.	1224.
CURRENT LIABILITIES W/O DEBT	116.	125.	134.	144.	155.	166.	178.	190.	203.	216.
ACCOUNT PAYABLE	116.	125.	134.	144.	155.	166.	178.	190.	203.	216.
PERMANENT WORKING CAPITAL	4215.	4455.	4711.	4986.	5276.	4902.	5245.	5599.	5979.	5452.
CHANGE IN WORKING CAPITAL	213.	240.	256.	275.	290.	-374.	343.	354.	381.	-528.



\*\*\* NEPAL UREA PROJECT \*\*\*  
 INCOME STATEMENTS (FOR ENDING DECEMBER 31) (USD 1000)  
 ELECTRIC POWER C

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
OPERATING INCOME	0.	0.	0.	0.	0.	25029.	28753.	32742.	36947.	40760.
TOTAL SALES REVENUE	0.	0.	0.	0.	0.	25029.	28753.	32742.	36947.	40760.
COST OF SALES	0.	0.	0.	0.	0.	19661.	21019.	21371.	21739.	22105.
VARIABLE COST	0.	0.	0.	0.	0.	1721.	1052.	2104.	2349.	2575.
DIRECT FIXED COST	0.	0.	0.	0.	0.	5723.	5810.	5925.	6049.	6189.
DEPRECIATION AND AMORTIZATION	0.	0.	0.	0.	0.	13361.	13361.	13361.	13361.	13361.
INC. IN PRODUCT INVENTORY	0.	0.	0.	0.	0.	1143.	12.	20.	20.	20.
GROSS PROFIT ON SALES	0.	0.	0.	0.	0.	5368.	7734.	11371.	15208.	18655.
GENERAL AND ADMIN. EXPENSES	0.	0.	0.	0.	0.	224.	235.	247.	259.	272.
OPERATING PROFIT	0.	0.	0.	0.	0.	5144.	7499.	11124.	14949.	18382.
NON-OPERATING EXPENSES	0.	0.	0.	0.	0.	5053.	4717.	4380.	4043.	3706.
INTEREST ON LONG TERM DEBT	0.	0.	0.	0.	0.	5053.	4717.	4380.	4043.	3706.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NET PROFIT OR (LOSS) BEFORE TAX	0.	0.	0.	0.	0.	90.	2783.	6744.	10906.	14677.
INCOME TAX	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NON-TAXABLE INCOME	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NET PROFIT OR (LOSS) AFTER TAX	0.	0.	0.	0.	0.	90.	2783.	6744.	10906.	14677.
RETAINED EARNINGS	0.	0.	0.	0.	0.	90.	2783.	6744.	10906.	14677.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 INCOME STATEMENTS (FOR ENDING DECEMBER 31)  
 .. ELECTRIC POWER 0 (USD 1000)

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
OPERATING INCOME	44216.	47957.	51934.	56214.	60710.	65280.	70244.	75282.	80794.	86392.
TOTAL SALES REVENUE	44216.	47957.	51934.	56214.	60710.	65280.	70244.	75282.	80794.	86392.
COST OF SALES	22327.	22711.	23138.	23599.	24093.	12869.	12887.	13642.	14439.	15277.
VARIABLE COST	2774.	2990.	3221.	3463.	3720.	3988.	4263.	4557.	4864.	5183.
DIRECT FIXED COST	6348.	6524.	6724.	6943.	7184.	7596.	8034.	8498.	8989.	9511.
DEPRECIATION AND AMORTIZATION	13216.	13216.	13216.	13216.	13216.	630.	630.	630.	630.	630.
INC. IN PRODUCT INVENTORY	12.	22.	24.	25.	27.	-655.	39.	42.	44.	46.
GROSS PROFIT ON SALES	21889.	25246.	28796.	32615.	36617.	52410.	57357.	61640.	66356.	71115.
GENERAL AND ADMIN. EXPENSES	286.	300.	315.	331.	347.	365.	383.	402.	422.	444.
OPERATING PROFIT	21603.	24946.	28481.	32284.	36269.	52046.	56974.	61237.	65933.	70671.
NON-OPERATING EXPENSES	3369.	3002.	2695.	2358.	2021.	1684.	1348.	1011.	674.	337.
INTEREST ON LONG TERM DEBT	3369.	3032.	2695.	2350.	2021.	1684.	1348.	1011.	674.	337.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NET PROFIT OR (LOSS) BEFORE TAX	18234.	21914.	25786.	29926.	34248.	50361.	55627.	60227.	65260.	70334.
INCOME TAX	7294.	8766.	10314.	11970.	13699.	20144.	22251.	24091.	26104.	28134.
NON-TAXABLE INCOME	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NET PROFIT OR (LOSS) AFTER TAX	10941.	13148.	15472.	17956.	20549.	30217.	33376.	36136.	39156.	42201.
RETAINED EARNINGS	10941.	13148.	15472.	17956.	20549.	30217.	33376.	36136.	39156.	42201.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 FUNDS FLOW STATEMENTS (FOR ENDING DECEMBER 31)  
 - ELECTRIC POWER 0 -  
 (USD 1000)

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
SOURCE OF FUNDS	2599.	16027.	67130.	46491.	12120.	18505.	20860.	24485.	28310.	31744.
CASH GENERATED	0.	0.	0.	0.	0.	18505.	20860.	24485.	28310.	31744.
PROFIT AFT. TAX, BFR INT.	0.	0.	0.	0.	0.	5144.	7499.	11124.	14949.	18382.
DEPRECIATION AND AMORTIZATION	0.	0.	0.	0.	0.	13361.	13361.	13361.	13361.	13361.
FINANCIAL RESOURCES	2599.	16027.	67130.	46491.	12120.	0.	0.	0.	0.	0.
SHARE CAPITAL	2599.	12994.	27722.	0.	0.	0.	0.	0.	0.	0.
LONG TERM DEBT	0.	3032.	39417.	46491.	12120.	0.	0.	0.	0.	0.
SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
USES OF FUNDS	720.	2078.	56715.	72694.	9494.	14837.	11677.	11364.	11034.	10677.
FIXED CAPITAL EXPENDITURE	720.	2078.	56715.	72694.	9494.	0.	0.	0.	0.	0.
NON-DEPRECIABLE ASSETS	720.	1800.	0.	0.	0.	0.	0.	0.	0.	0.
DEPRECIABLE FIXED ASSETS	0.	0.	53096.	68427.	8380.	0.	0.	0.	0.	0.
INTEREST DURING CONSTRUCTION	0.	278.	3619.	4269.	1114.	0.	0.	0.	0.	0.
CHANGE IN WORKING CAPITAL	0.	0.	0.	0.	0.	3046.	223.	246.	254.	233.
DEBT SERVICES	0.	0.	0.	0.	0.	11791.	11454.	11117.	10781.	10444.
REPAYMENT OF LONG TERM DEBT	0.	0.	0.	0.	0.	6738.	6738.	6738.	6738.	6738.
REPAYMENT OF SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
INTEREST ON LONG TERM DEBT	0.	0.	0.	0.	0.	5053.	4717.	4380.	4043.	3706.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
CASH INCREASE OR (DECREASE)	1879.	13948.	10423.	-26205.	2634.	3668.	9183.	13121.	17276.	21067.
BEGINNING CASH BALANCE	0.	1879.	15027.	26250.	46.	2680.	6348.	15531.	28652.	45928.
ENDING CASH BALANCE	1879.	15027.	26250.	46.	2600.	6348.	15531.	28652.	45928.	66995.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 FUNDS FLOW STATEMENTS (FOR ENDING DECEMBER 31)  
 - ELECTRIC POWER 0 - (USD 1000)

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
SOURCE OF FUNDS										
CASH GENERATED	27526.	29397.	31303.	33530.	35787.	32531.	35353.	37776.	40459.	43167.
PROFIT AFT. TAX, BFR INT.	14310.	16181.	19167.	20314.	22570.	31901.	34724.	37147.	39830.	42538.
DEPRECIATION AND AMORTIZATION	13216.	13216.	13216.	13216.	13216.	430.	630.	630.	630.	630.
FINANCIAL RESOURCES	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
SHARE CAPITAL	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
LONG TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
USES OF FUNDS	10320.	10010.	9689.	9371.	9049.	8049.	8428.	8102.	7792.	6547.
FIXED CAPITAL EXPENDITURE	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
NON-DEPRECIABLE ASSETS	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
DEPRECIABLE FIXED ASSETS	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
INTEREST DURING CONSTRUCTION	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
CHANGE IN WORKING CAPITAL	213.	240.	256.	275.	290.	-374.	343.	354.	381.	-528.
DEBT SERVICES	10107.	9770.	9433.	9096.	8759.	8422.	8085.	7749.	7412.	7075.
REPAYMENT OF LONG TERM DEBT	6738.	6738.	6738.	6738.	6738.	6738.	6738.	6738.	6738.	6738.
REPAYMENT OF SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
INTEREST ON LONG TERM DEBT	3369.	3032.	2695.	2358.	2021.	1604.	1348.	1011.	674.	337.
INTEREST ON SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
CASH INCREASE OR (DECREASE)	17206.	19387.	21694.	24159.	26757.	24482.	26925.	29674.	32667.	36620.
BEGINNING CASH BALANCE	66995.	84200.	103580.	125282.	149441.	176178.	200660.	227585.	257259.	289926.
ENDING CASH BALANCE	84200.	103580.	125282.	149441.	176178.	200660.	227585.	257259.	289926.	326546.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 BALANCE SHEET (FOR ENDING DECEMBER 31)  
 .. ELECTRIC POWER 0 - (USD 1000)

YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
ASSETS	2599.	18625.	85764.	132255.	144383.	137807.	133857.	133874.	138053.	146001.
CURRENT ASSETS	0.	0.	0.	0.	0.	3117.	3346.	3602.	3866.	4109.
OPERATING CASH	0.	0.	0.	0.	0.	620.	639.	669.	700.	730.
ACCOUNT RECEIVABLE	0.	0.	0.	0.	0.	1043.	1198.	1364.	1539.	1698.
INVENTORIES	0.	0.	0.	0.	0.	1454.	1508.	1569.	1627.	1680.
ACC. EXCESS CASH	1879.	15827.	26250.	46.	2680.	6348.	15531.	28652.	45928.	66995.
NET FIXED ASSETS	720.	2798.	59513.	132209.	141703.	128342.	114981.	101620.	88259.	74978.
INVESTMENT	720.	2798.	59513.	132209.	141703.	141703.	141703.	141703.	141703.	141703.
NON-DEPR. ASSETS	720.	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.
DEPRECIABLE ASSETS	0.	0.	53096.	121523.	129903.	129903.	129903.	129903.	129903.	129903.
INTEREST DRG CONSTR.	0.	278.	3898.	8166.	9280.	9280.	9280.	9280.	9280.	9280.
LESS: ACC. DEPRICIATION	0.	0.	0.	0.	0.	13361.	26722.	40083.	53445.	66806.
LIABILITIES	0.	3032.	42449.	88940.	101068.	94402.	87670.	80942.	74215.	67486.
CURRENT LIABILITIES	0.	0.	0.	0.	6738.	6810.	6815.	6826.	6836.	6845.
ACCOUNT PAYABLE	0.	0.	0.	0.	0.	72.	77.	89.	98.	107.
CURRENT PORTION OF L/T DEBT	0.	0.	0.	0.	6738.	4738.	6738.	6738.	6738.	6738.
SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
FIXED LIABILITIES	0.	3032.	42449.	88940.	94330.	87592.	80855.	74117.	67379.	60641.
LONG TERM DEBT BALANCE	0.	3032.	42449.	88940.	94330.	87592.	80855.	74117.	67379.	60641.
OTHER FIXED LIABILITIES	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
STOCK HOLDERS EQUITY	2599.	15593.	43315.	43315.	43315.	43405.	46188.	52932.	63838.	78515.
SHARE CAPITAL	2599.	15593.	43315.	43315.	43315.	43315.	43315.	43315.	43315.	43315.
ACC. RETAINED EARNINGS	0.	0.	0.	0.	0.	90.	2873.	9617.	20523.	35200.
LIABILITIES & S/H EQUITY	2599.	18625.	85764.	132255.	144383.	137807.	133857.	133874.	138053.	146001.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 BALANCE SHEET (FOR ENDING DECEMBER 31)  
 -- ELECTRIC POWER 0 -- (USD 1000)

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
ASSETS	150212.	156631.	165375.	176603.	190424.	213914.	240564.	269974.	302405.	337881.
CURRENT ASSETS	4330.	4579.	4045.	5130.	5431.	5068.	5422.	5788.	6182.	5668.
OPERATING CASH	760.	793.	829.	867.	909.	965.	1025.	1088.	1154.	1224.
ACCOUNT RECEIVABLE	1842.	1998.	2164.	2342.	2530.	2720.	2927.	3137.	3366.	3600.
INVENTORIES	1728.	1788.	1852.	1920.	1992.	1303.	1471.	1564.	1661.	844.
ACC. EXCESS CASH	84200.	103508.	125202.	149441.	176178.	200660.	227585.	257259.	289926.	326546.
NET FIXED ASSETS	61681.	48445.	35248.	22832.	3815.	8186.	7556.	6927.	6297.	5668.
INVESTMENT	141703.	141703.	141703.	141703.	141703.	141703.	141703.	141703.	141703.	141703.
NON-DEPR. ASSETS	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.	2520.
DEPRECIABLE ASSETS	129903.	129903.	129903.	129903.	129903.	129903.	129903.	129903.	129903.	129903.
INTEREST DRG CONSTR.	9280.	9280.	9280.	9280.	9280.	9280.	9280.	9280.	9280.	9280.
LESS: ACC. DEPRECIATION	80022.	93239.	106455.	119672.	132888.	133518.	134147.	134777.	135406.	136036.
LIABILITIES	60757.	54028.	47299.	40572.	33844.	27118.	20391.	13666.	6941.	216.
CURRENT LIABILITIES	6033.	6862.	6872.	6882.	6893.	6904.	6915.	6928.	6941.	216.
ACCOUNT PAYABLE	116.	125.	134.	144.	155.	166.	178.	190.	203.	216.
CURRENT PORTION OF L/T DEBT	6738.	6738.	6738.	6738.	6738.	6738.	6738.	6738.	6738.	6738.
SHORT TERM DEBT	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
FIXED LIABILITIES	53903.	47165.	40427.	33689.	26952.	20214.	13476.	6738.	0.	0.
LONG TERM DEBT BALANCE	53903.	47165.	40427.	33689.	26952.	20214.	13476.	6738.	0.	0.
OTHER FIXED LIABILITIES	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
STOCK HOLDERS EQUITY	89455.	102604.	118075.	136031.	156580.	186796.	220172.	256308.	295464.	337665.
SHARE CAPITAL	43315.	43315.	43315.	43315.	43315.	43315.	43315.	43315.	43315.	43315.
ACC. RETAINED EARNINGS	46140.	59289.	74760.	92716.	113265.	143481.	176857.	212993.	252149.	294350.
LIABILITIES & S/H EQUITY	150212.	156631.	165375.	176603.	190424.	213914.	240564.	269974.	302405.	337881.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 LONG TERM DEBT  
 -- ELECTRIC POWER 0 -- (USD 1000)

AMOUNT OF DEBT 101068.  
 INTEREST RATE 5.000 PER CENT/YEAR  
 REPAYMENT 15 YEAR-EQUAL-INSTALLMENT-REPAYMENT (ANNUAL REPAYMENT)

YEAR	SER.NO	PRINCIPAL	INTEREST	DEBT SERVICE	BALANCE AFT. PAYMENT
1986	1	0.	0.	0.	0.
1987	2	0.	0.	0.	3032.
1988	3	0.	0.	0.	42647.
1989	4	0.	0.	0.	88940.
1990	5	0.	0.	0.	101068.
1991	6	6738.	5053.	11791.	94330.
1992	7	6738.	4717.	11454.	87592.
1993	8	6738.	4380.	11117.	80854.
1994	9	6738.	4043.	10781.	74116.
1995	10	6738.	3706.	10444.	67379.
1996	11	6738.	3369.	10107.	60641.
1997	12	6738.	3032.	9770.	53903.
1998	13	6738.	2695.	9433.	47165.
1999	14	6738.	2358.	9096.	40427.
2000	15	6738.	2021.	8759.	33689.
2001	16	6738.	1684.	8422.	26951.
2002	17	6738.	1348.	8085.	20213.
2003	18	6738.	1011.	7749.	13475.
2004	19	6738.	674.	7412.	6738.
2005	20	6738.	337.	7075.	0.
TOTAL		101068.	40427.	141495.	0.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 LONG TERM DEBT  
 - ELECTRIC POWER 80% DOWN - (USD 1000)

AMOUNT OF DEBT		INTEREST RATE		REPAYMENT		15 YEAR-EQUAL-INSTALLMENT-REPAYMENT (ANNUAL REPAYMENT)	
YEAR	SER.NO	PRINCIPAL	INTEREST	DEBT SERVICE	BALANCE AFT. PAYMENT	YEAR	SER.NO
		101060.	5.000 PER CENT/YEAR				
1986	1	0.	0.	0.	0.	1986	1
1987	2	0.	0.	0.	3032.	1987	2
1988	3	0.	0.	0.	4244.	1988	3
1989	4	0.	0.	0.	88940.	1989	4
1990	5	0.	0.	0.	101060.	1990	5
1991	6	6730.	5053.	11791.	94330.	1991	6
1992	7	6730.	4717.	11454.	87592.	1992	7
1993	8	6730.	4380.	11117.	80854.	1993	8
1994	9	6730.	4043.	10781.	74116.	1994	9
1995	10	6730.	3706.	10444.	67379.	1995	10
1996	11	6730.	3369.	10107.	60641.	1996	11
1997	12	6730.	3032.	9770.	53903.	1997	12
1998	13	6730.	2695.	9433.	47165.	1998	13
1999	14	6730.	2358.	9096.	40427.	1999	14
2000	15	6730.	2021.	8759.	33689.	2000	15
2001	16	6730.	1684.	8422.	26751.	2001	16
2002	17	6730.	1347.	8085.	20213.	2002	17
2003	18	6730.	1011.	7749.	13675.	2003	18
2004	19	6730.	674.	7412.	6730.	2004	19
2005	20	6730.	337.	7075.	0.	2005	20
TOTAL		101060.	40427.	141495.	0.		



\*\*\* NEPAL UREA PROJECT \*\*\*  
 PROFITABILITY AND FINANCIAL INDICATORS  
 ELECTRIC POWER 0 -  
 (USD 1000)

YEAR	(1) AFT TAX PROFIT -TO- SALES REV (PCT)	(2) AFT TAX PROFIT -TO- S/H EQUITY (PCT)	(3) BFR TAX PROFIT -TO- INVESTMENT (PCT)	(4) AFT TAX PROFIT -TO- CAPITAL (PCT)	(5) CURRENT RATIO	(6) QUICK RATIO	(7) DEBT SERVICE RATIO	(8) L/T DEBT -TO- S/H EQUITY	(9)* PROFIT B.E.P. CAPACITY UTILIZE (PCT)	(10)* CASH B.E.P. SALES PRICE (PRICE)	(11)* CASH B.E.P. CAPACITY UTILIZE (PCT)
1991	0.4	0.2	0.1	0.2	0.46	0.24	1.57	67 / 33	62.8	377.9	45.7
1992	9.7	6.0	2.0	6.4	0.49	0.27	1.82	64 / 36	54.7	350.1	39.7
1993	20.6	12.7	4.8	15.6	0.53	0.30	2.20	58 / 42	51.0	328.2	36.9
1994	29.5	17.1	7.7	25.2	0.57	0.33	2.63	51 / 49	47.2	312.0	34.0
1995	36.0	10.7	10.4	33.9	0.60	0.35	3.04	44 / 56	43.9	302.0	31.5
1996	24.7	12.2	12.9	25.3	0.63	0.38	2.72	38 / 62	40.5	297.5	29.2
1997	27.4	12.8	15.5	30.4	0.67	0.41	3.01	31 / 69	37.7	293.6	27.2
1998	29.8	13.1	18.2	35.7	0.71	0.44	3.33	26 / 74	35.2	290.5	25.3
1999	31.9	13.2	21.1	41.5	0.75	0.47	3.69	20 / 80	32.9	288.3	23.5
2000	33.8	13.1	24.2	47.4	0.79	0.50	4.09	15 / 85	30.7	287.1	22.0
2001	46.3	16.2	35.5	69.0	0.73	0.53	3.86	10 / 90	13.0	346.7	25.9
2002	47.5	15.2	39.3	77.1	0.78	0.57	4.37	6 / 94	12.3	349.3	24.4
2003	48.0	14.1	42.5	83.4	0.84	0.61	4.88	3 / 97	11.8	352.6	23.2
2004	48.5	13.3	46.1	90.4	0.89	0.65	5.46	0 / 100	11.2	356.8	21.9
2005	48.8	12.5	49.6	97.4	26.24	22.34	6.10	0 / 100	10.0	362.1	20.8
AVERAGE1	32.2	12.7	22.0	45.3	2.38	1.89	3.52	29 / 71	33.1	326.3	28.7
AVERAGE2	36.6	12.6	19.0	36.9	0.68	0.45	3.33	27 / 73			

(AVERAGE1) : SUM OF ANNUAL FIGURES OF PERCENTAGE AND RATIO IS DIVIDED BY NO. OF YEARS(SIMPLE AVERAGE)  
 (AVERAGE2) : AVERAGE FIGURES ARE CALCULATED BY ACTUAL VALUES ACCUMULATED OVER THE PROJECT LIFE(WEIGHTED AVERAGE)

\* NOTE FOR (9)<10><11>  
 WHEN THERE ARE TWO OR MORE PRODUCTS, AND DURING THE YEARS WHEN ALL OF PRODUCTS ARE NOT PRODUCED AT THE SAME RATE OF CAPACITY UTILIZATION, ABOVE BREAK-EVEN-POINTS CANNOT GIVE CORRECT FIGURES.

\*\*\* NEPAL UREA PROJECT \*\*\*  
 FINANCIAL RATE OF RETURN (IN CURRENT PRICE)  
 ELECTRIC POWER 0 (USD 1000)

YEAR	FIXED CAPITAL EXPEND.	CHANGE IN WORKING CAPITAL	(1) GROSS CAPITAL EXPENDTR	OPERATING PROFIT	DEPRECIATN	(2) GROSS CASH IN-FLOW	(3) INCOME TAX	(4) BFR-TAX NET IN-FLOW (2)-(1)	(5) AFT-TAX NET IN-FLOW (4)-(3)
1986	720.	0.	720.	0.	0.	0.	0.	-720.	-720.
1987	1800.	0.	1800.	0.	0.	0.	0.	-1800.	-1800.
1988	53096.	0.	53096.	0.	0.	0.	0.	-53096.	-53096.
1989	68427.	0.	68427.	0.	0.	0.	0.	-68427.	-68427.
1990	5380.	0.	5380.	0.	0.	0.	0.	-5380.	-5380.
1991	0.	3046.	3046.	5144.	13361.	18305.	0.	15459.	15459.
1992	0.	223.	223.	7499.	13361.	20860.	0.	20638.	20638.
1993	0.	246.	246.	11124.	13361.	24485.	0.	24239.	24239.
1994	0.	254.	254.	14949.	13361.	28310.	0.	28056.	28056.
1995	0.	233.	233.	18382.	13361.	34744.	0.	31510.	31510.
1996	0.	213.	213.	21603.	13216.	34820.	7294.	34607.	27313.
1997	0.	240.	240.	24946.	13216.	38163.	8766.	37923.	29157.
1998	0.	256.	256.	28681.	13216.	41698.	10314.	41442.	31127.
1999	0.	275.	275.	32204.	13216.	45501.	11970.	43226.	33256.
2000	0.	290.	290.	36269.	13216.	49486.	13699.	49196.	35497.
2001	0.	-374.	-374.	52046.	630.	52675.	20144.	53049.	32904.
2002	0.	343.	343.	56974.	630.	57604.	22251.	57261.	35010.
2003	0.	354.	354.	61237.	630.	61867.	24091.	61513.	37422.
2004	0.	381.	381.	65933.	630.	66563.	26104.	66182.	40078.
2005	-5668.	-5979.	-11647.	70671.	630.	71301.	28134.	82948.	54814.
	126756.	-0.	126755.	507543.	136035.	643579.	172766.	516823.	344057.

INTERNAL RATE OF RETURN

ON (4) BFR-TAX NET IN-FLOW (2)-(1) 17.65 PER CENT  
 ON (5) AFT-TAX NET IN-FLOW (4)-(3) 14.88 PER CENT

\*\*\* NEPAL UREA PROJECT \*\*\*  
 FINANCIAL RATE OF RETURN (IN CONSTANT PRICE)  
 - ELECTRIC POWER 0 - (USD 1000)

YEAR	FIXED CAPITAL EXPEND.	CHANGE IN WORKING CAPITAL	GROSS CAPITAL EXPENDTR	OPERATING PROFIT	DEPRECIATN	GROSS CASH IN-FLOW	INCOME TAX	BFR-TAX NET IN-FLOW (2)-(1)	AFT-TAX NET IN-FLOW (4)-(3)	DEFLATOR
1986	720.	0.	720.	0.	0.	0.	0.	-720.	-720.	1.000
1987	1690.	0.	1690.	0.	0.	0.	0.	-1690.	-1690.	1.060
1988	47255.	0.	47255.	0.	0.	0.	0.	-47255.	-47255.	1.124
1989	57453.	0.	57453.	0.	0.	0.	0.	-57453.	-57453.	1.191
1990	6630.	0.	6630.	0.	0.	0.	0.	-6630.	-6630.	1.262
1991	0.	2276.	2276.	3044.	9904.	13028.	0.	11552.	11552.	1.358
1992	0.	28.	28.	5207.	9419.	14706.	0.	14677.	14677.	1.419
1993	0.	33.	33.	7398.	8806.	16284.	0.	16250.	16250.	1.504
1994	0.	27.	27.	9379.	8383.	17762.	0.	17735.	17735.	1.594
1995	0.	4.	4.	10801.	7908.	18789.	0.	18785.	18785.	1.609
1996	0.	-15.	-15.	12063.	7300.	19443.	4073.	19450.	15385.	1.791
1997	0.	-7.	-7.	13141.	6962.	20104.	4610.	20110.	15493.	1.890
1998	0.	-6.	-6.	14154.	6568.	20722.	5126.	20728.	15602.	2.012
1999	0.	-4.	-4.	15136.	6196.	21333.	5612.	21336.	15724.	2.133
2000	0.	-4.	-4.	16042.	5846.	21888.	6059.	21892.	15832.	2.261
2001	0.	-200.	-200.	21717.	243.	21980.	8406.	22268.	13862.	2.397
2002	0.	19.	19.	22428.	248.	22676.	8759.	22656.	13097.	2.540
2003	0.	14.	14.	22741.	234.	22975.	8946.	22961.	14014.	2.693
2004	0.	16.	16.	23099.	221.	23320.	9145.	23304.	14159.	2.854
2005	-1073.	-2095.	-3968.	23350.	208.	23566.	9299.	27534.	18235.	3.026
	111891.	-0.	111890.	220660.	78706.	297374.	70043.	187483.	117441.	

INTERNAL RATE OF RETURN

ON (4) BFR-TAX NET IN-FLOW (2)-(1) 11.07 PER CENT

ON (5) AFT-TAX NET IN-FLOW (4)-(3) 0.48 PER CENT

\*\*\* NEPAL UREA PROJECT \*\*\*  
 NET PRESENT VALUE (IN CONSTANT PRICE)  
 - ELECTRIC POWER 0 - (USD 1000)

YEAR	FIXED CAPITAL EXPEND.	CHANGE IN WORKING CAPITAL	GROSS CAPITAL EXPENDTR	OPERATING PROFIT	DEPRECIATN	GROSS CASH IN-FLOW	INCOME TAX	BFR-TAX NET IN-FLOW (2)-(1)	AFT-TAX NET IN-FLOW (4)-(3)	DISCOUNT RATE
1986	720.	0.	720.	0.	0.	0.	0.	-720.	-720.	1.000
1987	1572.	0.	1572.	0.	0.	0.	0.	-1572.	-1572.	1.000
1988	40514.	0.	40514.	0.	0.	0.	0.	-40514.	-40514.	1.166
1989	45600.	0.	45600.	0.	0.	0.	0.	-45600.	-45600.	1.260
1990	4879.	0.	4879.	0.	0.	0.	0.	-4879.	-4879.	1.360
1991	0.	1549.	1549.	2616.	6795.	9411.	0.	7862.	7862.	1.469
1992	0.	18.	18.	3331.	5936.	9267.	0.	9249.	9249.	1.587
1993	0.	19.	19.	4317.	5185.	9502.	0.	9482.	9482.	1.714
1994	0.	14.	14.	5067.	4529.	9596.	0.	9582.	9582.	1.851
1995	0.	2.	2.	5473.	3956.	9399.	0.	9397.	9397.	1.999
1996	0.	-7.	-7.	5508.	3418.	9006.	1887.	9013.	7126.	2.159
1997	0.	-3.	-3.	5636.	2986.	8623.	1980.	8625.	6645.	2.332
1998	0.	-2.	-2.	5621.	2600.	8239.	2036.	8231.	6196.	2.518
1999	0.	-1.	-1.	5566.	2270.	7844.	2064.	7845.	5782.	2.720
2000	0.	-1.	-1.	5462.	1990.	7452.	2063.	7453.	5390.	2.937
2001	0.	-91.	-91.	6046.	83.	6929.	2650.	7020.	4370.	3.172
2002	0.	6.	6.	6546.	72.	6619.	2957.	6613.	4057.	3.426
2003	0.	4.	4.	6146.	63.	6210.	2418.	6206.	3788.	3.700
2004	0.	4.	4.	5781.	55.	5836.	2289.	5832.	3543.	3.996
2005	-434.	-405.	-919.	5412.	48.	5461.	2155.	6380.	4225.	4.316
	92859.	1025.	93084.	79278.	40004.	119282.	22997.	25498.	3401.	

## **Annex IV-6**

### **SENSITIVITY ANALYSIS OF FINANCIAL STRUCTURE BY CHANGES IN EQUITY/DEBT RATIO AND INTEREST RATES ON LOAN**



## Annex IV-6

### SENSITIVITY ANALYSIS OF FINANCIAL STRUCTURE BY CHANGES IN EQUITY/DEBT RATIO AND INTEREST RATES ON LOAN

#### 1. Introduction

This Annex IV-6 presents the result of sensitivity analysis which has been made on financial structure of the project affected by changes in equity/debt ratio and interest rates on long-term loan. Assumptions taken for financial projections of the base case are:

- Equity/debt ratio: 30:70
- Interest rate on long-term loan: 5% p.a.

Alternative cases set for the sensitivity analysis are as follows:

<u>Alternative Cases</u>	<u>Equity/Debt Ratio</u>	<u>Interest Rate</u>
A - 1	30:70	7% p.a.
A - 2	30:70	9% p.a.
A - 3	30:70	11% p.a.
B - 1	20:80	5% p.a.
B - 2	20:80	7% p.a.
B - 3	20:80	9% p.a.
B - 4	20:80	11% p.a.

For all cases the financial projections are based on the assumption that electricity price be 40% of the present tariff rate.

#### 2. Project cost

Changes in equity/debt ratio and interest rate would affect the project cost itemized as "interest during construction". Table IV-5(1) tabulates the project costs estimated for alternative cases. The sensitivity analysis is based on these estimated project costs.

### 3. Affects on Production Cost and Profitability

Adoption of higher interest rates as well as a greater debt ratio, would cause increases in the production cost due to increases in annual interest payments and increases in amortization of the interest-during-construction portion. Table IV-6(3) tabulates the production cost estimated for each case. Increases of the aforesaid costs would not affect the internal rate of return of the project, because annual interest payments and amortization are accounted as a portion of returns on investment.

### 4. Affects on Financial Structure

The above-mentioned factors would not affect financial returns of the project, but they would adversely affect financial structure, particularly cash-flow and debt service capacity of the project.

Table IV-6(4) summarized the financial projections and analysis made on each case. If higher rates of interest are applied, the cost of sales would increase due to increases in the amortization of "interest during construction", which interest on loans would increase. In addition, if a greater ratio of debt is applied, these increases would be greater, because of increases in loan amounts. These factors would adversely affect cash-flow, since payments of greater interest cause deficits in net profit and eventually shortage of operating cash, requiring the borrowing of short-term loans which results in the payments of additional interest. Assuming an equity/debt ratio of 30:70 and if a 7% p.a. interest rate is applied, the net profit after tax would be in deficit for the initial five years and the accumulated retained-earnings therefore would be in deficit for the initial nine years. If a higher interest rate is applied, these structure would become worse. If a higher ratio of debt is applied, as shown in Table IV-6(4), a similar position would accrue.



Application of a longer grace period would improve the cash-flow during the initial few years, because cash requirements for the repayment of loan are reduced during such a grace period.

Assuming the repayment of long-term loan by 15 years equal installment of the loan principal, annual repayment is as follows:

Interest Rate	(Unit: US\$, Million)	
	Equity/Debt Ratio of 30:70	Equity/Debt Ratio of 20:80
5%	6.76	7.80
7%	6.96	8.07
9%	7.18	8.37
11%	7.42	8.71

Nevertheless such measures could not contribute to inherent improvement of the financial structure, since the production cost is not decreased by gracing the repayment of loan.

The debt service coverage ratio, as shown in Table IV-6(4), implies that the project would encounter difficulty in debt service during the initial three to four years if higher interest rates are applied. If the interest rate is higher than 7% p.a., the project would not be capable to cover debt service during the initial two to three years even with the application of a longer grace period, because deficits in operation income and interest payments exceed the loan repayment amount.

## 5. Conclusion

Summing up the discussions as stated above, the sensitivity analysis of interest rates and equity/debt ratio leads to the following conclusion:

- 1) If an applicable interest rate is higher than 5% p.a., the project would encounter difficulties in cash-flow and debt service.
- 2) As far as higher interest rates are applied, the financial structure could not be improved even with the application of longer grace period, since the deficits in operating income and interest payment exceed the loan repayment amount.
- 3) In view of these positions, the application of interest rate not higher than 5% p.a. would be a prerequisite for making the project financially viable.
- 4) If a greater ratio of debt is applied, a similar situation would accrue. In this context an equity/debt ratio of 30:70 can sustain a sound structure. If a 20:80 ratio is applied, it may be necessary to consider the application of lower interest rate or lower electricity price than those assumed for the base estimate.

Table IV-6(1) ESTIMATED PROJECT COST OF UREA FERTILIZER PLANT  
BY CHANGES IN EQUITY/DEBT RATIO AND LOAN INTEREST

Capacity: 275 TPD

	(Unit US\$ Million)					
	Interest Rate: 5% p.a.		Interest Rate: 7% p.a.		Interest Rate: 9% p.a.	
	L.C.	F.E.	L.C.	F.E.	L.C.	F.E.
	Portion	Total	Portion	Total	Portion	Total
A. Equity/Debt Ratio: 30/70						
1) Base Project Cost	22.64	110.19	132.83	22.64	110.19	132.83
2) Initial Working Capital	2.28	0.40	2.68	2.28	0.40	2.68
3) Interest During Construction	-	9.28	9.28	-	13.59	13.59
Total Financing Required	24.92	119.87	144.79	24.92	124.18	149.10
B. Equity/Debt Ratio: 20/80						
1) Base Project Cost	22.64	110.19	132.83	22.64	110.19	132.83
2) Initial Working Capital	2.28	0.40	2.68	2.28	0.40	2.68
3) Interest During Construction	-	10.72	10.72	-	15.82	15.82
Total Financing Required	24.92	121.31	146.23	24.92	126.41	151.33

Table IV-6(2) SUMMARY OF FINANCIAL PROJECTIONS AND ANALYSIS  
(Electric Power Price : 60% lower)

Fiscal Year Ending June 30	Plant Capacity: 275 TPD-Bagged Urea (In million of current US dollars)								
	1991/92	1992/93	1993/94	1994/95	1996/97	1998/99	2000/01	2002/03	2004/05
Capacity Utilization (%)	60.1	61.0	65.4	68.8	72.4	74.8	76.9	78.4	79.6
Urea Sales (1,000 t.p.a.)	51.5	55.3	59.1	62.3	65.6	67.8	69.7	71.1	72.2
Sales Revenue	25.0	28.8	32.7	36.9	41.2	51.9	60.7	70.2	80.8
Cost of Sales (bef. Admn. Exp. & Interest)	27.1	29.4	30.9	32.4	34.8	37.6	40.8	32.0	36.3
General admn. expenses	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.4	0.4
Interest on long-term loans	3.1	4.7	4.4	4.1	3.4	2.7	2.0	1.4	0.7
Net profit after tax	-7.3	-5.9	-3.0	0.3	3.5	6.8	10.5	21.9	26.0
Current assets	4.2	4.5	4.9	5.3	6.1	6.9	7.8	8.1	9.2
Net fixed assets	128.7	135.2	141.8	88.3	61.7	35.2	8.8	7.6	6.3
Current liabilities	8.9	8.4	7.2	7.3	7.4	7.5	7.6	7.7	7.9
Long term debt	87.8	81.1	74.3	67.6	54.1	40.5	27.0	13.5	-
Retained earnings (Accumulated)	-7.3	-13.2	-16.2	-15.9	-9.4	2.5	21.6	62.9	112.8
Shareholders equity	36.1	30.2	27.2	27.5	34.0	45.9	65.0	106.4	156.3
<u>Ratio</u>									
Net profit after tax/sales (%)	-29.3	-20.5	-9.1	0.8	7.8	13.1	17.3	31.2	32.2
Net profit after tax/shareholders equity (8)	-20.3	-19.5	-10.9	1.0	10.2	14.8	16.2	20.6	16.7
Net profit after tax/share capital (%)	-16.9	-13.6	-6.8	0.6	8.0	15.6	24.2	50.4	60.0
Current ratio	0.47	0.53	0.68	0.73	0.82	0.91	1.02	1.04	1.17
Quick ratio	0.26	0.30	0.39	0.43	0.49	0.56	0.64	0.72	0.81
Debt service coverage ratio	0.95	1.07	1.33	1.64	1.98	2.40	2.93	2.94	3.68
Long term debt/shareholders equity	71/29	73/27	73/27	71/29	61/39	47/53	29/71	11/89	0/100

Table IV-6(3) ESTIMATED PRODUCTION COST PER TON OF UREA FERTILIZER  
(Current Prices)

Electricity Price: 40¢ of Present Tariff Rate  
(Unit: US\$/ton)

	Base Estimate	A-1	A-2	A-3	B-1	B-2	B-3	B-4
1991/92	620.7	672.6	725.9	783.4	640.1	698.6	762.0	831.3
1992/93	624.8	680.0	736.7	797.9	648.5	710.8	778.4	852.1
1993/94	601.2	657.0	714.5	776.4	627.8	691.0	759.5	834.3
1994/95	586.4	638.7	698.2	762.3	611.1	676.7	747.7	825.2
1995/96	583.4	623.1	686.1	754.1	596.6	666.1	741.5	823.7
1996/97	586.1	616.1	673.4	746.9	596.7	654.6	736.3	825.5
1997/98	592.0	619.2	658.1	738.0	601.7	641.8	729.5	826.6
1998/99	599.4	623.9	649.7	723.2	608.1	636.4	717.1	823.1
1999/2000	608.7	630.6	653.7	704.7	616.5	641.8	701.7	815.1
2000/01	619.9	639.3	659.7	682.9	626.8	649.2	683.0	801.4
2001/02	456.7	467.7	479.0	491.0	450.8	473.2	486.6	582.2
2002/03	475.9	484.6	493.6	503.2	479.2	489.0	499.6	578.1
2003/04	496.5	503.1	509.7	516.9	499.0	506.4	514.2	570.4
2004/05	518.8	523.4	527.8	532.5	520.7	525.5	530.8	558.5
2005/06	543.1	545.6	547.8	550.1	544.2	546.6	549.2	552.1

Table IV-6(4) 1/3

FISCAL YEAR ENDING JUNE 30	1991/92	1992/93	1993/94	1994/95	1996/97	1998/99	2000/01	2002/03	2004/05
<b>1. Cost of Sales</b>									
(bef. Admin. Exp. & Interest)									
Alt. A-1	27.5	29.9	31.3	32.8	35.2	38.0	41.2	32.0	36.3
Alt. A-2	28.0	30.4	31.9	33.3	35.7	38.5	41.7	32.0	36.3
Alt. A-3	28.6	31.0	32.4	33.9	36.3	39.1	42.2	32.0	36.3
Alt. B-1	27.2	29.6	31.0	32.5	34.9	37.8	40.9	32.0	36.3
Alt. B-2	27.8	30.1	31.6	33.1	35.5	38.3	41.5	32.0	36.3
Alt. B-3	28.3	30.8	32.2	33.7	36.1	38.9	42.0	32.0	36.3
Alt. B-4	29.0	31.5	32.9	34.3	36.7	39.5	42.6	32.0	36.3
<b>2. Interest on Long-Term Loans</b>									
Alt. A-1	7.3	6.8	6.3	5.8	4.9	3.9	2.9	1.9	1.0
Alt. A-2	9.7	9.0	8.4	7.8	6.5	5.2	3.9	2.6	1.3
Alt. A-3	12.2	11.4	10.6	9.8	8.2	6.5	4.9	3.3	1.6
Alt. B-1	5.8	5.5	5.1	4.7	3.9	3.1	2.3	1.6	0.8
Alt. B-2	8.5	7.9	7.3	6.8	5.7	4.5	3.4	2.3	1.1
Alt. B-3	11.3	10.6	9.8	9.0	7.5	6.0	4.5	3.0	1.5
Alt. B-4	14.4	13.4	12.5	11.5	9.6	7.7	5.8	3.8	1.9
<b>3. Net Profit after Tax</b>									
Alt. A-1	-10.0	-8.8	-6.2	-2.9	2.3	5.8	9.7	21.5	25.9
Alt. A-2	-12.9	-12.0	-9.6	-6.6	0	4.8	8.9	21.1	25.7
Alt. A-3	-16.0	-15.4	-13.2	-10.6	-4.8	1.8	7.9	20.7	25.5
Alt. B-1	-8.3	-7.1	-4.4	-1.2	3.1	6.5	10.2	21.8	26.0
Alt. B-2	-11.4	-10.5	-8.2	-5.2	0.8	5.3	9.3	21.3	25.8
Alt. B-3	-14.8	-14.3	-12.2	-9.7	-4.1	2.0	7.9	20.9	25.5
Alt. B-4	-18.6	-18.4	-16.7	-14.5	-9.9	-3.8	2.9	17.5	24.3
<b>4. Net Fixed Assets</b>									
Alt. A-1	132.5	118.7	104.8	90.9	63.4	36.1	8.8	7.6	6.3
Alt. A-2	136.8	122.4	108.1	93.8	65.3	37.1	8.8	7.6	6.3
Alt. A-3	141.5	126.6	111.8	96.9	67.4	38.1	8.8	7.6	6.3
Alt. B-1	130.0	116.4	102.8	89.2	62.3	35.5	8.8	7.6	6.3
Alt. B-2	134.6	120.5	106.4	92.3	64.3	36.6	8.8	7.6	6.3
Alt. B-3	139.7	125.0	110.3	95.7	66.6	37.7	8.8	7.6	6.3
Alt. B-4	145.4	130.1	114.8	99.5	69.1	39.0	8.8	7.6	6.3

Table IV-6(4) 2/3

FISCAL YEAR ENDING JUNE 30	1991/92	1992/93	1993/94	1994/95	1996/97	1998/99	2000/01	2002/03	2004/05
<b>5. Current Liabilities</b>									
Alt. A-1	11.6	13.8	13.5	9.9	7.6	7.7	7.8	7.9	8.1
Alt. A-2	14.5	19.6	22.4	22.3	12.3	7.9	8.0	8.2	8.3
Alt. A-3	17.6	25.8	32.0	35.6	34.3	20.1	8.3	8.4	8.5
Alt. B-1	12.0	13.6	12.7	8.4	8.4	8.5	8.7	8.8	8.9
Alt. B-2	15.2	20.0	22.6	22.2	12.6	8.8	8.9	9.0	9.2
Alt. B-3	18.7	27.0	33.3	37.1	36.7	24.0	9.2	9.4	9.5
Alt. B-4	22.5	34.6	45.1	53.4	63.5	62.6	47.7	32.4	9.8
<b>6. Long-Term Debt</b>									
Alt. A-1	90.5	83.5	76.5	69.6	55.7	41.7	27.8	13.9	-
Alt. A-2	93.3	86.1	79.0	71.8	57.4	43.1	28.7	14.4	-
Alt. A-3	96.5	89.1	81.6	74.2	59.4	44.5	29.7	14.8	-
Alt. B-1	101.4	93.6	85.8	78.0	62.4	46.8	31.2	15.6	-
Alt. B-2	104.9	96.9	88.8	80.7	64.6	48.4	32.3	16.1	-
Alt. B-3	108.9	100.5	92.1	83.7	67.0	50.2	33.5	16.7	-
Alt. B-4	113.3	104.6	95.8	87.2	69.7	52.3	34.9	17.4	-
<b>7. Retained Earnings (Accumulate)</b>									
Alt. A-1	-10.0	-18.9	-25.0	-27.9	-25.0	-15.2	2.3	42.8	92.2
Alt. A-2	-12.9	-24.9	-34.4	-41.0	-44.5	-37.3	-21.6	18.0	67.0
Alt. A-3	-16.0	-31.4	-44.6	-55.2	-67.9	-67.3	-54.8	-16.0	32.4
Alt. B-1	-8.5	-15.6	-20.0	-21.1	-15.8	-4.6	13.9	55.0	104.8
Alt. B-2	-11.6	-22.1	-30.9	-35.6	-37.0	-28.6	-12.0	28.1	77.3
Alt. B-3	-15.0	-29.3	-41.5	-51.2	-62.3	-61.0	-48.3	-9.3	39.4
Alt. B-4	-18.7	-37.1	-53.7	-68.3	-90.6	-101.6	-98.6	-66.9	-21.9
<b>8. Shareholders Equity</b>									
Alt. A-1	34.7	25.9	19.7	16.8	19.7	29.5	47.0	87.5	137.0
Alt. A-2	33.2	21.3	11.7	5.1	7.6	8.9	24.5	64.2	113.1
Alt. A-3	31.7	16.3	3.1	-7.5	-20.1	-19.6	-7.1	31.7	80.1
Alt. B-1	20.8	13.7	9.3	8.1	13.5	24.6	43.2	84.3	13.4
Alt. B-2	18.7	8.1	0	-5.3	-6.7	1.7	18.3	58.4	107.6
Alt. B-3	16.4	2.1	-10.1	-19.8	-30.9	-29.6	-16.9	22.1	70.8
Alt. B-4	14.0	-4.4	-21.1	-35.6	-57.9	-68.9	-65.9	-34.2	10.8

Table IV-6(4) 3/3

FISCAL YEAR ENDING JUNE 30	1991/92	1992/93	1993/94	1994/95	1996/97	1998/99	2000/01	2002/03	2004/05
<b>RATIO</b>									
<b>9. Net Profit after Tax/Sales (%)</b>									
Alt. A-1	-40.1	-30.7	-18.8	-7.8	5.2	11.2	16.0	30.6	32.0
Alt. A-2	-51.6	-41.6	-29.2	-17.9	0.1	9.2	14.6	30.1	31.8
Alt. A-3	-53.9	-53.4	-40.4	-28.7	-10.8	3.4	13.0	29.5	31.5
Alt. B-1	-33.0	-24.7	-13.5	-3.1	6.9	12.4	16.9	31.0	32.2
Alt. B-2	-45.7	-36.7	-24.9	-14.2	1.7	10.2	15.3	30.4	31.9
Alt. B-3	-59.3	-49.7	-37.4	-26.2	-9.2	3.9	13.0	29.7	31.6
Alt. B-4	-74.3	-63.9	-50.9	-39.3	-22.5	-7.4	4.8	25.0	30.1
<b>10. Net Profit after Tax/Share</b>									
Capital									
Alt. A-1	-22.4	-19.7	-13.8	-6.4	5.1	13.0	21.7	48.1	57.8
Alt. A-2	-28.0	-25.9	-20.7	-14.3	0.1	10.3	19.2	45.8	55.6
Alt. A-3	-33.5	-32.2	-27.7	-22.2	-10.4	3.7	16.6	43.5	53.4
Alt. B-1	-28.3	-24.8	-15.1	-3.9	10.4	22.1	35.0	74.4	88.8
Alt. B-2	-37.8	-34.8	-27.0	-17.3	2.6	17.5	30.8	70.5	85.2
Alt. B-3	-47.3	-45.5	-39.0	-30.9	-13.0	6.4	25.1	66.5	81.4
Alt. B-4	-56.9	-56.2	-51.0	-44.5	-30.4	-11.8	9.0	53.7	74.5
<b>11. Current Ratio</b>									
Alt. A-1	0.36	0.33	0.37	0.54	0.80	0.89	1.00	1.02	1.14
Alt. A-2	0.29	0.23	0.22	0.24	0.50	0.87	0.97	0.99	1.11
Alt. A-3	0.24	0.18	0.16	0.15	0.18	0.34	0.95	0.96	1.08
Alt. B-1	0.35	0.33	0.39	0.63	0.72	0.80	0.90	0.92	1.03
Alt. B-2	0.28	0.23	0.22	0.24	0.49	0.78	0.87	0.89	1.00
Alt. B-3	0.23	0.17	0.15	0.15	0.17	0.29	0.85	0.86	0.97
Alt. B-4	0.19	0.13	0.11	0.10	0.10	0.11	0.16	0.25	0.94
<b>12. Quick Ratio</b>									
Alt. A-1	0.20	0.18	0.21	0.32	0.48	0.55	0.62	0.70	0.79
Alt. A-2	0.16	0.13	0.13	0.14	0.30	0.53	0.50	0.68	0.77
Alt. A-3	0.13	0.10	0.09	0.09	0.11	0.21	0.58	0.66	0.74
Alt. B-1	0.19	0.19	0.22	0.37	0.43	0.49	0.56	0.63	0.71
Alt. B-2	0.15	0.13	0.13	0.14	0.29	0.48	0.54	0.61	0.69
Alt. B-3	0.12	0.09	0.08	0.08	0.10	0.18	0.52	0.59	0.67
Alt. B-4	0.10	0.07	0.06	0.06	0.06	0.07	0.10	0.17	0.65
<b>13. Debt Service Coverage Ratio</b>									
Alt. A-1	0.78	0.86	1.06	1.32	1.76	2.15	2.66	2.71	3.46
Alt. A-2	0.66	0.70	0.85	1.04	1.51	1.95	2.43	2.50	3.26
Alt. A-3	0.56	0.58	0.68	0.82	1.16	1.64	2.23	2.30	3.06
Alt. B-1	0.82	0.90	1.11	1.37	1.74	2.10	2.56	2.56	3.19
Alt. B-2	0.67	0.72	0.86	1.05	1.48	1.88	2.32	2.35	2.99
Alt. B-3	0.57	0.58	0.67	0.80	1.13	1.56	2.08	2.15	2.80
Alt. B-4	0.48	0.47	0.52	0.61	0.80	1.15	1.64	1.75	2.53



## **Annex IV-7**

### **ECONOMIC POWER COST**



Annex IV-7

ECONOMIC POWER COST

(Marginal Cost Calculated on  
the Basis of Sapta Gandaki Project  
-225MW, at Mid. 1984 Cost)

1. Capital Cost for Hydropower Plant

1.1 Financial Cost at Market Price

	<u>Cost at Mid. 1983</u> (US\$ million)	<u>Revised Cost at Mid. 1984</u> (US\$ million)
Foreign	289.6	299.7
Local	59.6	63.2
In-Service Cost:	<u>349.21/</u>	<u>362.9</u>

1.2 Disbursement Profile and Financial Cost (with Interest) of  
Capital Cost (US\$ million)

<u>Years</u>	<u>%</u>	<u>Financial Cost</u>	<u>(A) With 6% Interest</u>	<u>(B) With 12% Interest</u>
4	10	36.3	45.8	57.1
3	20	72.5	86.3	101.9
2	30	108.9	122.4	136.6
1	30	108.9	115.4	122.0
0	10	36.3	36.3	36.3
	<u>100</u>	<u>362.9</u>	<u>406.2</u>	<u>453.9</u>

1.3 Economic Cost at Mid. 1984 Price

$$(A) 406.2 \times 0.9732/ = \text{US\$}395.2 \text{ million}$$

$$(B) 453.9 \times 0.973 = \text{US\$}441.6 \text{ million}$$

2. Capital Cost (Based on Economic Cost and Mid-1984 Price)

2.1 Annual Capital Cost

	<u>6% Interest</u>	<u>12% Interest</u>
Civil Work (60% - 50yrs)	4.74	5.30
Electro-mechanical Work (40% - 30yrs)	5.27	5.89
Ann. Capital Cost (US\$million/yr)	<u>10.01</u>	<u>11.19</u>

2.2 Capacity Cost-Capital Related Cost (93.5% of Ann. Capital Cost)

(US\$ million/yr)

at 6% Interest: 9.36

at 12% Interest: 10.46

2.3 Operation and Maintenance Cost

@1.4% to 93.5% of  
Financial Capital

Cost:  $362.9 \times 0.935 \times 0.014 = \text{US\$}4.75 \text{ million/yr}$

Economic Cost:  $4.75 \times 0.973 = \text{US\$}4.62 \text{ million/yr}$

2.4 Total Capacity Cost

(A) at 6% Interest:  $9.36 + 4.62 = \text{US\$}13.98 \text{ million/yr}$   
 $(13.98 \times 10^6) / 225\text{MW}$   
 $= \text{US\$}62.13/\text{yr/KW}$

(B) at 12% Discount:  $10.46 + 4.62 = \text{US\$}15.08 \text{ million/yr}$   
 $(15.08 \times 10^6) / 225\text{MW}$   
 $= \text{US\$}67.02/\text{yr/KW}$

3. Energy Cost (Based on Economic Cost at Mid-1984 Price)

3.1 Capital Related Cost (6.5% of Economic Capital Cost)

at 6% Interest:  $395.2 \times 0.065 = \text{US\$}25.69 \text{ million}$

at 12% Interest:  $441.6 \times 0.065 = \text{US\$}28.70 \text{ million}$

### 3.2 Operation and Maintenance Cost

0.5% for 50 years to 20%  
of Financial Capital Cost:  $362.9 \times 0.065 \times 0.005 \times 50$   
 $= \underline{\text{US\$5.90 million}}$

Economic Cost:  $5.90 \times 0.973 = \underline{\text{US\$5.74 million}}$

### 3.3 PW of Energy for 50 years:

#### (1) Firm energy

at 6% Discount:  $768 \text{ GWh/yr}^{3/} \times 16,764^{5/} = 12,875 \text{ GWh}$

at 12% Discount:  $768 \text{ GWh/yr} \times 12,621^{6/} = 9,693 \text{ GWh}$

#### (2) Total available energy (including secondary energy)

at 6% Discount:  $1,609 \text{ GWh/yr}^{4/} \times 16,764 = 26,973 \text{ GWh}$

at 12% Discount:  $1,609 \text{ GWh/yr} \times 12,621 = 20,307 \text{ GWh}$

### 3.4 Energy Cost (Based on Economic Cost)

#### (A) at 6% Discount Factor:

a. Capital Related Cost 25.69

b. Operation and  
Maintenance Cost 5.94

---

Total 31.63

$\text{US\$31.63 million} / 26,973 \text{ GWh} = \text{US\$1.17/kWh}$

#### (B) at 12% Discount Factor

a. Capital Related Cost 28.70

b. Operation and  
Maintenance Cost 5.74

---

Total 34.44

$\text{US\$34.44 million} / 20,307 \text{ GWh} = \text{US\$1.70/kWh}$

#### 4. Transmission Cost

##### 4.1 Capital Related Cost

	(US\$ million)
(1) Financial Cost at Mid. 1984 Market Price:	11.00
(2) Economic Cost: (11.00 x 0.973)	10.70
(3) At 6% Interest:	11.98
(4) At 12% Interest:	13.39

##### 4.2 Operation and Maintenance Cost

(3% of Financial

Capital Cost):  $11.00 \times 0.03 \times 50 \text{ yrs} = \text{US\$}16.5 \text{ million}$

##### 4.3 Total Transmission Cost

(A) at 6% Discount Factor:	$11.98 + 16.50 = 28.45$
	$\text{US\$}28.48 \text{ million} / 12,875 \text{ GWh} = \text{US¢}0.22/\text{kWh}$
(B) at 12% Discount Factor:	$13.39 + 16.50 = 29.89$
	$\text{US\$}29.89 \text{ million} / 9,693 \text{ GWh} = \text{US¢}0.31/\text{kWh}$

#### 5. Economic Power Cost

(A) at 6% Discount Factor:

Firm Energy:

-Capacity Cost

(US\$62.13/yr/kW x 225 MW  
x 50 yrs / 12,875 GWh)

US\$5.43/kWh

-Energy Cost

1.17

-Transmission Cost

0.22

6.82

Secondary Energy: Energy Cost

US\$1.17

(B) at 12% Discount Factor:

Firm Energy:

-Capital Cost  
(US\$67.02/yr/KW x 225 MW  
x 50 yrs / 9,693 GWh) US\$7.78/kWh

-Energy Cost 1.70

-Transmission Cost 0.31

9.79

Secondary Energy: US\$1.70/kWh

(NOTES)

1/ Figures used in UNDP/World Bank Report No. 4474-NEP  
"Nepal: Issues and Options in the Energy Sector",  
Aug. 1983 (Energy Study).

2/ Standard Correction Factor used to estimate economic  
costs based on financial costs, NEC Tariff Study -  
Report No. 4/2/310882/1/1, Aug. 1983.

3/, 4/ See ATTACHMENT (Ann. Energy Value)

5/  $\sum_{n=1}^{51} 1.06^n$

6/  $\sum_{n=1}^{51} 1.12^n$

ATTACHMENT

Annual Energy Value

(Unit: GWh)

	<u>Energy Potential</u>	<u>Demand</u>	<u>Surplus</u>
JUL/AUG	167.40		103.4
AUG/SEP	167.40		103.4
SEP/OCT	162.00		98.0
OCT/NOV	167.40		103.4
NOV/DEC	162.00		98.0
DEC/JAN	128.79		64.79
JAN/FEB	98.73		34.73
FEB/MAR	66.52		2.52
MAR/APR	70.31		6.31
APR/MAY	89.14		25.14
MAY/JUN	167.40		103.40
JUN/JUL	162.00		98.00
Ann. Total	1,609.09 <sup>1/</sup>	64 x 12 = 768 <sup>2/</sup>	841.09

(NOTES)

1/ Estimated by JICA Study Team

2/ UNDP/World Bank Energy Study



## **Annex IV-8**

### **ECONOMIC RATE OF RETURN**



Annex IV-8 (1)

ECONOMIC RATE OF RETURN

(Benefit: -108)

NEPAL UREA PROJECT (275 TPD)

(UNIT: US\$ '000)

YEAR	GROSS		ANNUAL COSTS	NET DISCOUNT FACTOR	(COST/BENEFIT) PRESENT VALUE		DISCOUNT FACTOR (%)	(COST/BENEFIT) PRESENT VALUE	
	COSTS	BENEFIT			COSTS	BENEFIT		COSTS	BENEFIT
1984	0.00	0.00	0.00	1.0000	0.00	0.00	1.0000	0.00	0.00
1985	0.00	0.00	0.00	0.9443	0.00	0.00	0.9259	0.00	0.00
1986	0.00	0.00	0.00	0.8916	0.00	0.00	0.8573	0.00	0.00
1987	2910.00	0.00	0.00	0.8419	2430.07	0.00	0.7938	2310.03	0.00
1988	37826.00	0.00	0.00	0.7950	30072.60	0.00	0.7350	27803.30	0.00
1989	44615.00	0.00	0.00	0.7507	33493.20	0.00	0.6806	30364.20	0.00
1990	9809.00	0.00	0.00	0.7089	6953.37	0.00	0.6302	6181.34	0.00
1991	0.00	15371.10	8732.00	0.6694	0.00	4444.01	0.5835	0.00	3873.85
1992	0.00	16556.30	9166.00	0.6321	0.00	4734.35	0.5403	0.00	4046.78
1993	0.00	17912.70	9396.00	0.5969	0.00	5083.09	0.5003	0.00	4260.47
1994	0.00	19356.60	9594.00	0.5636	0.00	5332.88	0.4632	0.00	4383.02
1995	0.00	19844.10	9702.00	0.5322	0.00	5597.28	0.4289	0.00	4349.78
1996	0.00	20307.60	9717.00	0.5025	0.00	5821.85	0.3971	0.00	4203.68
1997	0.00	20770.20	9738.00	0.4745	0.00	6024.79	0.3677	0.00	4056.52
1998	0.00	21238.20	9766.00	0.4481	0.00	6140.19	0.3403	0.00	3903.83
1999	0.00	21680.10	9794.00	0.4231	0.00	6226.83	0.3152	0.00	3747.00
2000	0.00	22090.50	9818.00	0.3995	0.00	6292.93	0.2919	0.00	3582.23
2001	0.00	22469.10	9892.00	0.3772	0.00	6217.95	0.2703	0.00	3382.60
2002	0.00	22731.30	9949.00	0.3562	0.00	6053.26	0.2503	0.00	3198.77
2003	0.00	22988.70	10003.00	0.3364	0.00	5867.23	0.2317	0.00	3008.49
2004	0.00	23283.90	10051.00	0.3176	0.00	5602.99	0.2145	0.00	2839.10
2005	-1624.00	23478.30	10086.00	0.2999	-487.06	6016.55	0.1987	-322.62	2660.47
TOTAL	93536.00	*****	*****	*****	72492.20	72482.10	*****	66336.30	55501.00

\*\* ERR = 5.90%

\*\* NPV = \*\*\*\*\*

Annex IV-8(2)

ECONOMIC RATE OF RETURN

(Benefit: -5%)

NEPAL UREA PROJECT (275 TPD)

(UNIT: US\$ '000)

YEAR	GROSS		ANNUAL COSTS	NET DISCOUNT BENEFIT	(COST/BENEFIT) PRESENT VALUE		DISCOUNT FACTOR (%)	(COST/BENEFIT) PRESENT VALUE	
	COSTS	BENEFIT			COSTS	BENEFIT		COSTS	BENEFIT
1984	0.00	0.00	0.00	0.00	0.00	0.00	1.0000	0.00	0.00
1985	0.00	0.00	0.00	0.00	0.00	0.00	0.9259	0.00	0.00
1986	0.00	0.00	0.00	0.00	0.00	0.00	0.8573	0.00	0.00
1987	2910.00	0.00	0.00	0.00	2369.93	0.00	0.7938	2310.05	0.00
1988	37826.00	0.00	0.00	0.00	28768.20	0.00	0.7350	27803.30	0.00
1989	44615.00	0.00	0.00	0.00	31687.20	0.00	0.6806	30364.20	0.00
1990	9809.00	0.00	0.00	0.00	6505.91	0.00	0.6302	6181.34	0.00
1991	0.00	16225.10	8732.00	7495.05	0.00	4641.11	0.5835	0.00	4372.13
1992	0.00	17581.70	9146.00	8415.65	0.00	4887.79	0.5403	0.00	4546.72
1993	0.00	18907.90	9594.00	9511.85	0.00	5137.95	0.5003	0.00	4758.30
1994	0.00	20115.30	9994.00	10521.30	0.00	5397.31	0.4632	0.00	4873.40
1995	0.00	20946.60	9702.00	11244.60	0.00	5296.97	0.4289	0.00	4822.60
1996	0.00	21455.80	9717.00	11718.80	0.00	5155.25	0.3971	0.00	4653.70
1997	0.00	21924.10	9738.00	12186.10	0.00	5009.24	0.3677	0.00	4480.81
1998	0.00	22418.10	9746.00	12652.10	0.00	4853.82	0.3405	0.00	4307.56
1999	0.00	22884.60	9794.00	13090.60	0.00	4699.92	0.3152	0.00	4126.70
2000	0.00	23317.80	9818.00	13499.80	0.00	4516.63	0.2919	0.00	3940.46
2001	0.00	23654.10	9892.00	13762.10	0.00	4299.84	0.2705	0.00	3719.46
2002	0.00	23994.20	9949.00	14045.20	0.00	4098.04	0.2503	0.00	3514.80
2003	0.00	24265.90	10005.00	14260.90	0.00	3885.76	0.2317	0.00	3304.42
2004	0.00	24577.50	10051.00	14526.50	0.00	3696.32	0.2145	0.00	3116.63
2005	-1624.00	24782.70	10086.00	14696.70	-385.90	3492.28	0.1987	-322.62	2919.58
TOTAL	93536.00	*****	*****	*****	68945.30	68945.30		667336.30	61457.30

\*\* ERR = 7.08%

\*\* NPV = -4879.00

Annex IV-8(3)

ECONOMIC RATE OF RETURN  
 (Benefit: +5%)  
 NEPAL UREA PROJECT (275 TPD)

(UNIT: US\$ '000)

YEAR	COSTS	GROSS BENEFIT	ANNUAL COSTS	NET BENEFIT	DISCOUNT FACTOR	(COST/BENEFIT) PRESENT VALUE COSTS	(COST/BENEFIT) PRESENT VALUE BENEFIT	DISCOUNT FACTOR (%)	(COST/BENEFIT) PRESENT VALUE COSTS	(COST/BENEFIT) PRESENT VALUE BENEFIT
1984	0.00	0.00	0.00	0.00	1.0000	0.00	0.00	1.0000	0.00	0.00
1985	0.00	0.00	0.00	0.00	0.9153	0.00	0.00	0.9259	0.00	0.00
1986	0.00	0.00	0.00	0.00	0.8378	0.00	0.00	0.8573	0.00	0.00
1987	2910.00	0.00	0.00	0.00	0.7668	2231.38	0.00	0.7938	2310.05	0.00
1988	37626.00	0.00	0.00	0.00	0.7018	26548.00	0.00	0.7350	27803.30	0.00
1989	44618.00	0.00	0.00	0.00	0.6424	28660.40	0.00	0.6806	30364.20	0.00
1990	9807.00	0.00	0.00	0.00	0.5880	5767.48	0.00	0.6302	6181.34	0.00
1991	0.00	17933.00	8732.00	9200.94	0.5382	0.00	4951.70	0.5833	0.00	5368.67
1992	0.00	19432.40	9266.00	10266.40	0.4926	0.00	5057.05	0.5403	0.00	5546.60
1993	0.00	20898.20	9376.00	11502.20	0.4509	0.00	5185.86	0.5003	0.00	5753.95
1994	0.00	22252.70	9574.00	12638.70	0.4127	0.00	5215.60	0.4632	0.00	5854.17
1995	0.00	23151.50	9702.00	13449.50	0.3777	0.00	5080.03	0.4269	0.00	5768.25
1996	0.00	23692.20	9717.00	13975.20	0.3457	0.00	4831.48	0.3971	0.00	5549.75
1997	0.00	24231.90	9738.00	14493.90	0.3164	0.00	4586.36	0.3677	0.00	5329.39
1998	0.00	24777.90	9766.00	15011.90	0.2896	0.00	4347.87	0.3403	0.00	5110.98
1999	0.00	25293.50	9794.00	15499.50	0.2651	0.00	4108.84	0.3152	0.00	4886.08
2000	0.00	25772.30	9818.00	15954.30	0.2426	0.00	3871.15	0.2919	0.00	4656.91
2001	0.00	26144.00	9892.00	16252.00	0.2221	0.00	3609.35	0.2703	0.00	4392.41
2002	0.00	26519.90	9949.00	16570.90	0.2039	0.00	3368.44	0.2503	0.00	4146.85
2003	0.00	26820.20	10005.00	16815.20	0.1861	0.00	3128.56	0.2317	0.00	3896.28
2004	0.00	27164.60	10051.00	17113.60	0.1703	0.00	2914.37	0.2145	0.00	3671.69
2005	-1624.00	27391.40	10086.00	17305.40	0.1559	-253.13	2697.40	0.1987	-322.62	3437.82
TOTAL	93536.00	*****	*****	*****	*****	62954.10	62954.00	*****	66336.30	73369.80

\*\* NPV = 7033.50

\*\* ERR = 9.25%

Annex IV-8(4)

ECONOMIC RATE OF RETURN

(Benefit: +10%)

NEPAL UREA PROJECT (275 TPD)

(UNIT: US\$ '000)

YEAR	GROSS BENEFIT		ANNUAL COSTS	NET BENEFIT	DISCOUNT FACTOR	(COST/BENEFIT) PRESENT VALUE		DISCOUNT FACTOR (%)	(COST/BENEFIT) PRESENT VALUE	
	COSTS	BENEFIT				COSTS	BENEFIT		COSTS	BENEFIT
1984	0.00	0.00	0.00	0.00	1.0000	0.00	0.00	1.0000	0.00	0.00
1985	0.00	0.00	0.00	0.00	0.9049	0.00	0.00	0.9259	0.00	0.00
1986	0.00	0.00	0.00	0.00	0.8225	0.00	0.00	0.8573	0.00	0.00
1987	2910.00	0.00	0.00	0.00	0.7460	2170.73	0.00	0.7938	2310.03	0.00
1988	37826.00	0.00	0.00	0.00	0.6765	25590.20	0.00	0.7350	27803.30	0.00
1989	44615.00	0.00	0.00	0.00	0.6136	27373.80	0.00	0.6806	30364.30	0.00
1990	9809.00	0.00	0.00	0.00	0.5564	5458.20	0.00	0.6302	6181.34	0.00
1991	0.00	18786.90	8732.00	10054.90	0.5047	0.00	5074.26	0.5835	0.00	5866.94
1992	0.00	20357.70	9166.00	11191.70	0.4577	0.00	5122.26	0.5403	0.00	6046.53
1993	0.00	21893.30	9396.00	12497.30	0.4151	0.00	5167.43	0.5003	0.00	6251.77
1994	0.00	23291.40	9394.00	13697.40	0.3765	0.00	5156.30	0.4632	0.00	6244.55
1995	0.00	24253.90	9702.00	14551.90	0.3414	0.00	4968.18	0.4289	0.00	6241.07
1996	0.00	24820.40	9717.00	15103.40	0.3096	0.00	4676.53	0.3971	0.00	5997.78
1997	0.00	25385.80	9738.00	15647.80	0.2808	0.00	4394.15	0.3677	0.00	5753.67
1998	0.00	25957.80	9766.00	16191.80	0.2547	0.00	4123.68	0.3405	0.00	5512.69
1999	0.00	26497.90	9794.00	16703.90	0.2310	0.00	3858.15	0.3152	0.00	5265.78
2000	0.00	26999.50	9818.00	17181.50	0.2095	0.00	3599.09	0.2919	0.00	5015.15
2001	0.00	27388.90	9892.00	17496.90	0.1900	0.00	3324.02	0.2703	0.00	4728.88
2002	0.00	27782.70	9949.00	17833.70	0.1723	0.00	3072.66	0.2503	0.00	4462.88
2003	0.00	28097.30	10005.00	18092.30	0.1563	0.00	2827.08	0.2317	0.00	4192.22
2004	0.00	28458.10	10051.00	18407.10	0.1417	0.00	2608.55	0.2145	0.00	3949.22
2005	-1624.00	28695.70	10086.00	18609.70	0.1285	-208.72	2391.80	0.1987	-322.62	3696.94
TOTAL	93536.00	*****	*****	*****	*****	60384.10	60384.20	*****	66336.30	79326.00

\*\* ERR = 10.26%

\*\* NPV = 12989.80

Annex IV-8(5)

ECONOMIC RATE OF RETURN

(Capital Cost: -108)

NEPAL UREA PROJECT (275 TPD)

(UNIT: US\$ '000)

YEAR	COSTS	GROSS BENEFIT	ANNUAL COSTS	NET BENEFIT	DISCOUNT FACTOR	(COST/BENEFIT) PRESENT VALUE		DISCOUNT FACTOR (%)	(COST/BENEFIT) PRESENT VALUE	
						COSTS	BENEFIT		COSTS	BENEFIT
1984	0.00	0.00	0.00	0.00	1.0000	0.00	0.00	1.0000	0.00	0.00
1985	0.00	0.00	0.00	0.00	0.9131	0.00	0.00	0.9259	0.00	0.00
1986	0.00	0.00	0.00	0.00	0.8338	0.00	0.00	0.8573	0.00	0.00
1987	2619.00	0.00	0.00	0.00	0.7614	1974.02	0.00	0.7938	2078.05	0.00
1988	34043.40	0.00	0.00	0.00	0.6952	23667.80	0.00	0.7350	25022.90	0.00
1989	40153.50	0.00	0.00	0.00	0.6348	25490.50	0.00	0.6806	27327.80	0.00
1990	8828.10	0.00	0.00	0.00	0.5797	5117.45	0.00	0.6302	5563.20	0.00
1991	0.00	17079.00	8732.00	8347.00	0.5293	0.00	4418.23	0.5835	0.00	4870.40
1992	0.00	18507.00	9166.00	9341.00	0.4833	0.00	4514.84	0.5403	0.00	5046.66
1993	0.00	19903.00	9596.00	10307.00	0.4413	0.00	4637.23	0.5003	0.00	5256.12
1994	0.00	21174.00	9994.00	11180.00	0.4030	0.00	4666.81	0.4632	0.00	5363.79
1995	0.00	22049.00	9702.00	12347.00	0.3680	0.00	4543.64	0.4289	0.00	5293.43
1996	0.00	22564.00	9717.00	12847.00	0.3360	0.00	4316.94	0.3971	0.00	5101.73
1997	0.00	23078.00	9738.00	13340.00	0.3068	0.00	4093.18	0.3677	0.00	4905.10
1998	0.00	23598.00	9766.00	13832.00	0.2802	0.00	3875.44	0.3403	0.00	4709.27
1999	0.00	24089.00	9794.00	14295.00	0.2558	0.00	3657.22	0.3152	0.00	4506.39
2000	0.00	24545.00	9818.00	14727.00	0.2336	0.00	3440.43	0.2919	0.00	4298.66
2001	0.00	24899.00	9892.00	15007.00	0.2133	0.00	3201.28	0.2703	0.00	4055.94
2002	0.00	25257.00	9949.00	15308.00	0.1948	0.00	2981.80	0.2503	0.00	3830.82
2003	0.00	25543.00	10005.00	15538.00	0.1779	0.00	2763.67	0.2317	0.00	3600.35
2004	0.00	25871.00	10051.00	15820.00	0.1624	0.00	2569.39	0.2145	0.00	3394.16
2005	-1461.60	26087.00	10086.00	16001.00	0.1483	-216.76	2373.02	0.1987	-290.36	3178.70
TOTAL	84102.40	*****	*****	*****	*****	56053.00	56053.10	*****	59702.60	67413.50

\*\* ERR = 9.51%

\*\* NPV = 7710.88

Annex IV-8(6)

ECONOMIC RATE OF RETURN

(Capital Cost: -5%)

NEPAL UREA PROJECT (275 TPD)

(UNIT: US\$ '000)

YEAR	GROSS		ANNUAL COSTS	NET DISCOUNT FACTOR	(COST/BENEFIT) PRESENT VALUE		DISCOUNT FACTOR (%)	(COST/BENEFIT) PRESENT VALUE	
	COSTS	BENEFIT			COSTS	BENEFIT		COSTS	BENEFIT
1984	0.00	0.00	0.00	1.0000	0.00	0.00	1.0000	0.00	0.00
1985	0.00	0.00	0.00	0.9188	0.00	0.00	0.9259	0.00	0.00
1986	0.00	0.00	0.00	0.8443	0.00	0.00	0.8573	0.00	0.00
1987	2764.50	0.00	0.00	0.7758	2144.60	0.00	0.7938	2194.53	0.00
1988	35934.70	0.00	0.00	0.7128	25614.60	0.00	0.7350	26413.10	0.00
1989	42384.20	0.00	0.00	0.6530	27760.10	0.00	0.6806	28846.00	0.00
1990	9318.53	0.00	0.00	0.6018	3608.00	0.00	0.6302	5872.27	0.00
1991	0.00	17079.00	8732.00	0.5530	6347.00	0.00	0.5835	4870.40	0.00
1992	0.00	18907.00	9166.00	0.5084	9341.00	0.00	0.5403	5046.66	0.00
1993	0.00	19903.00	9396.00	0.4669	10507.00	0.00	0.5003	5256.12	0.00
1994	0.00	21174.00	9594.00	0.4290	11580.00	0.00	0.4632	5363.79	0.00
1995	0.00	22049.00	9702.00	0.3942	12347.00	0.00	0.4289	5295.43	0.00
1996	0.00	22864.00	9717.00	0.3622	12847.00	0.00	0.3971	5101.73	0.00
1997	0.00	23078.00	9738.00	0.3320	13340.00	0.00	0.3677	4905.10	0.00
1998	0.00	23598.00	9766.00	0.3058	13832.00	0.00	0.3405	4709.27	0.00
1999	0.00	24089.00	9794.00	0.2810	14295.00	0.00	0.3152	4506.39	0.00
2000	0.00	24545.00	9818.00	0.2582	14727.00	0.00	0.2919	4298.68	0.00
2001	0.00	24899.00	9892.00	0.2372	15007.00	0.00	0.2703	4055.94	0.00
2002	0.00	25257.00	9949.00	0.2180	15308.00	0.00	0.2503	3830.82	0.00
2003	0.00	25543.00	10005.00	0.2003	15538.00	0.00	0.2317	3600.35	0.00
2004	0.00	25871.00	10051.00	0.1840	15820.00	0.00	0.2149	3394.16	0.00
2005	-1342.80	26087.00	10086.00	0.1691	16001.00	-260.87	0.1987	-306.49	3178.70
TOTAL	88859.20	*****	*****	*****	*****	60866.40	*****	63019.40	67413.50

\*\* ERR = 8.83%

\*\* NPV = 4394.08



Annex IV-8 (7)

ECONOMIC RATE OF RETURN

(Capital Cost: +5%)

NEPAL UREA PROJECT (275 TPD)

(UNIT: US\$ '000)

YEAR	GROSS BENEFIT	ANNUAL COSTS	NET BENEFIT	DISCOUNT FACTOR	<COST/BENEFIT>		<COST/BENEFIT>	
					COSTS	BENEFIT	PRESENT VALUE	DISCOUNT FACTOR
1984	0.00	0.00	0.00	1.0000	0.00	0.00	1.0000	0.00
1985	0.00	0.00	0.00	0.9259	0.00	0.00	0.9259	0.00
1986	0.00	0.00	0.00	0.8637	0.00	0.00	0.8573	0.00
1987	3055.50	0.00	0.00	0.8026	2422.47	0.00	0.7936	2425.56
1988	39717.30	0.00	0.00	0.7439	29626.10	0.00	0.7350	29193.40
1989	46845.70	0.00	0.00	0.6932	32474.20	0.00	0.6806	31882.40
1990	10299.50	0.00	0.00	0.6442	6635.23	0.00	0.6302	6490.40
1991	0.00	8732.00	8347.00	0.5987	0.00	4997.42	0.5835	0.00
1992	0.00	9166.00	9341.00	0.5564	0.00	5197.55	0.5403	0.00
1993	0.00	9396.00	10507.00	0.5171	0.00	5433.02	0.5003	0.00
1994	0.00	9594.00	11560.00	0.4805	0.00	5564.74	0.4632	0.00
1995	0.00	9702.00	12347.00	0.4466	0.00	5514.06	0.4289	0.00
1996	0.00	9717.00	12847.00	0.4150	0.00	5331.94	0.3971	0.00
1997	0.00	9738.00	13340.00	0.3857	0.00	5145.53	0.3677	0.00
1998	0.00	9766.00	13832.00	0.3585	0.00	4958.11	0.3405	0.00
1999	0.00	9794.00	14295.00	0.3331	0.00	4761.99	0.3152	0.00
2000	0.00	9818.00	14727.00	0.3096	0.00	4559.24	0.2919	0.00
2001	0.00	9849.00	15007.00	0.2877	0.00	4317.63	0.2703	0.00
2002	0.00	9949.00	15306.00	0.2674	0.00	4093.02	0.2503	0.00
2003	0.00	10005.00	15538.00	0.2485	0.00	3860.95	0.2317	0.00
2004	0.00	10051.00	15820.00	0.2309	0.00	3653.25	0.2145	0.00
2005	-1705.50	10086.00	16001.00	0.2146	-365.95	3433.95	0.1987	-338.75
TOTAL	90212.80	*****	*****	*****	70822.00	70822.00	*****	69653.10

\*\* NPV = +2239.56

\*\* ERR = 7.60%

Annex IV-8 (8)

ECONOMIC RATE OF RETURN

(Capital Cost: +10%)

NEPAL UREA PROJECT (275 TPD)

(UNIT: US\$ '000)

YEAR	GROSS		ANNUAL COSTS	NET DISCOUNT FACTOR	(COST/BENEFIT) PRESENT VALUE		DISCOUNT FACTOR ( % )	(COST/BENEFIT) PRESENT VALUE	
	COSTS	BENEFIT			COSTS	BENEFIT		COSTS	BENEFIT
1984	0.00	0.00	0.00	1.0000	0.00	0.00	1.0000	0.00	0.00
1985	0.00	0.00	0.00	0.9342	0.00	0.00	0.9259	0.00	0.00
1986	0.00	0.00	0.00	0.8727	0.00	0.00	0.8573	0.00	0.00
1987	3201.00	0.00	0.00	0.8152	2609.55	0.00	0.7938	2541.06	0.00
1988	41608.60	0.00	0.00	0.7616	31687.70	0.00	0.7350	30583.60	0.00
1989	49076.50	0.00	0.00	0.7114	34914.60	0.00	0.6806	33400.70	0.00
1990	10789.90	0.00	0.00	0.6646	7170.97	0.00	0.6302	6799.47	0.00
1991	0.00	17079.00	8732.00	0.6209	8347.00	5152.24	0.5835	0.00	4870.40
1992	0.00	14507.00	9166.00	0.5800	9341.00	5417.60	0.5403	0.00	5046.66
1993	0.00	19903.00	9396.00	0.5416	10207.00	5692.71	0.5003	0.00	5256.12
1994	0.00	21174.00	9594.00	0.5061	11580.00	5861.06	0.4632	0.00	5363.79
1995	0.00	22049.00	9702.00	0.4728	12347.00	5837.67	0.4289	0.00	5295.43
1996	0.00	22564.00	9717.00	0.4417	12847.00	5674.44	0.3971	0.00	5101.73
1997	0.00	23078.00	9730.00	0.4126	13340.00	5504.32	0.3677	0.00	4905.10
1998	0.00	23598.00	9766.00	0.3855	13832.00	5331.62	0.3405	0.00	4709.27
1999	0.00	24089.00	9794.00	0.3601	14295.00	5147.37	0.3152	0.00	4506.39
2000	0.00	24545.00	9818.00	0.3364	14727.00	4953.84	0.2919	0.00	4298.68
2001	0.00	24999.00	9892.00	0.3142	15007.00	4715.73	0.2703	0.00	4055.94
2002	0.00	25457.00	9949.00	0.2936	15308.00	4493.66	0.2503	0.00	3830.82
2003	0.00	25843.00	10005.00	0.2742	15538.00	4260.92	0.2317	0.00	3600.33
2004	0.00	26871.00	10051.00	0.2562	15820.00	4052.67	0.2145	0.00	3394.16
2005	-1766.40	26087.00	10086.00	0.2393	16001.00	3829.21	0.1987	-354.88	3178.70
TOTAL					75955.30	75955.20		72969.90	67413.50

\*\* ERR = 7.05%

\*\* NPV = -3356.36



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