



Mailung Khola Jal Vidhyut Company Ltd.

Kathmandu, Nepal

Unaudited Financial Reports (Quarterly)

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

Unaudited Statement of Financial Position As at 2078.12.30 (2022.04.13)

Particulars	This Quarter Ending As on 30 Chaitra 2078	Previous Quarter Ending As on 30 Poush 2078	Corresponding Previous Quarter Ending As on 30 Chaitra 2077
Assets			
Non current Assets			
Property, Plant and Equipment	1,354,571	1,368,833	1,718,007
Intangible Assets	718,235,889	727,378,372	756,137,717
Intangible Assets under development	-	-	-
Investment in Subsidiaries	8,423,100	8,423,100	8,423,100
Investment in Associates	-	-	-
Investment Securities	-	-	-
Deferred Tax Assets	-	-	-
Other Non-Current Assets	-	-	43,059
Total Non Current assets	728,013,560	737,170,305	766,321,883
Current Assets			
Inventories	-	-	-
Trade Receivables	143,844,265	142,225,492	134,810,901
Cash and Cash equivalents	2,726,449	1,459,991	556,146
Other Financial Assets	5,487,214	5,794,453	4,968,944
Other Current Assets	9,645,205	9,530,909	7,018,907
Current Tax Assets	4,036,460	4,036,460	4,436,085
Assets Held For sale	-	-	-
Total Current assets	165,739,593	163,047,305	151,790,982
Total Assets	893,753,154	900,217,611	918,112,866
Equity and Liabilities			
Equity			
Share Capital	368,143,000	368,143,000	294,514,400
Reserves	-	-	-
Retained Earnings	15,572,643	11,139,557	1,907,545
Total Equity	383,715,643	379,282,557	296,421,945
Non Current Liabilities			
Borrowings	376,622,738	395,118,504	481,429,009
Provisions	-	-	-
Deferred Tax Liabilities	-	-	-
Other Non-Current Liabilities	35,627,051	35,314,941	37,164,657
Total Non current Liabilities	412,249,788	430,433,445	518,593,666
Current Liabilities			
Short term Borrowings	86,151,736	79,301,520	91,138,084
Trade Payables	-	-	-
Short term Provisions	-	-	-
Other Current Liabilities	11,635,988	11,200,088	11,959,172
Total Current Liabilities	97,787,723	90,501,608	103,097,256
Total Equity and Liabilities	893,753,154	900,217,611	918,112,866

Unaudited Statement of Profit or Loss Account & Other Comprehensive Income for the period ended 30 Chaitra 2078 (13 April 2022)

Particulars	Up to This Quarter Ending As on 30 Chaitra 2078	Up to Previous Quarter Ending As on 30 Poush 2078	Up to Corresponding Previous Quarter Ending As on 31 Chaitra 2077
Revenue From Sales of Electricity	86,574,767	61,157,517	101,176,772
Cost of Sales	7,186,334	4,457,529	12,854,926
Gross profit	79,388,433	56,699,988	88,321,846
Other income	1,488,375	993,553	13,070,425
Personnel Expenses	2,404,896	1,510,093	2,304,719
Other operating and Administrative expenses	7,504,301	6,528,381	2,739,245
Impairment Charges/(Reversal)	-	-	-
Depreciation & Amortisation	29,068,935	19,379,290	29,182,604
Operating profit	41,898,676	30,275,776	67,165,703
Finance Income	-	-	-
Finance Cost	28,246,415	21,684,959	41,617,973
Share of profit after tax of associates and Joint ventures	-	-	-
Other Operating Income/(Loss)	-	-	-
Profit Before Tax	13,652,261	8,590,817	25,547,730
Income Tax Expenses	-	-	-
Current Tax	1,892,580	1,197,720	432,316
Deferred Tax	-	-	-
Profit for the year	11,759,682	7,393,096	25,115,414
Other Comprehensive Income:			
Items that will not be reclassified to profit or loss	-	-	-
Gains/(losses) from investments in equity instruments measured at fair value	-	-	-
Gains/(losses) on revaluation	-	-	-
Actuarial gains/(losses) on defined benefit plans	-	-	-
Income tax relating to above items	-	-	-
Other comprehensive gain/(loss) for the period, net of tax	-	-	-
Total comprehensive gain/(loss) for the period, net of tax	11,759,682	7,393,096	25,115,414

Note: 1. The Unaudited Financial figures are subject to change from external auditors and regulatory authorities.
2. The figures are regrouped and rearranged wherever necessary.

3rdQUARTER DISCLOSURE AS OF 2078.12.30 AS PER SECURITIES REGISTRATION AND ISSUANCE REGULATION ANNEXURE-14 (RELATED TO SUB REGULATION 2 OF REGULATION 22)

1. Financial Statement

- The unaudited financial statements for the third quarter of FY 2078/79 have been published along with this report.
- Transaction with Related Parties: Mailung Khola Jal Vidhyut Company Limited (MKJVCL) has investment of NPR. 8,423,100 in Mathillo Mailung Khola Jalvidhyut Limited.
- Major Financial Indicators are as follows:

Earnings per share(Rs.) (EPS)*	Net-worth Per Share (Rs.)	Market Value Per Share (Rs.)	PE Ratio	Total Assets per share (Rs.)	Current Ratio
4.26	104.23	505	118.57	242.77	1.69

* EPS is annualized

2. Management Analysis

- Any change in the stock, income and liquidity during the quarter and reason for change, if any:** In third quarter, Mailung Khola Jal Vidhyut Company Limited (MKJVCL) (5MW) has generated the invoice of NPR. 2,48,17,747.29 from sale of electricity and gross operating profit decreased to NPR. 7,93,88,433 with the decline of NPR. 89,33,413 during this quarter as compared to the corresponding period of last year's figure, which is mainly due to posted rate receivable amount received and insurance claim in corresponding period of last year's. Beside this company has other income of NPR. 14,88,375 relating to land leased to Nepal Water & Energy Development Company Pvt. Ltd. An expense of NPR. 5,145,479.57 incurred during IPO issue process have been shown in Administrative and General Expense in Profit & Loss account.
- The statement of management analysis on the Upcoming business Plan:** The management is persistently working on improving internal control system and risk management practices.
- The analytical statement on the possible effect on company's profitability, stock, and cash flow based on past experience:** The Company has maintained steady progress on profitability and there is no such other incident during the period which might have negative impact on the reserves, profit or cash flow position of the company.

3. Legal Proceedings

- Case filed by or against the Company during the quarter, if any: **None**
- Case filed by or against the Company or its Promoter or Director for violation of the prevailing regulation or committing the criminal offence, if any: **None**
- Case filed against the Promoter or Director on financial crime, if any: **None**

4. Analysis of Company's Share Transaction

The major highlights of Share transactions during the quarter are as follows:

Share Transaction Report			
Maximum price NPR.	733.9	Total Transactions	23512
Minimum price NPR.	186.5	No. of transaction Day	130
Closing price NPR.	540	Total traded volume	1,230,778.00
Turnover NPR.	694,320,491.80		

5. Problems & Challenges

a. Internal Challenges

- Retention and optimization of skilled human resource.
- Fund management
- To maintain the operational efficiency.

b. External Challenges

- Inconsistent regulatory and policy level commitment from the government regulatory agencies in development of hydroelectric projects
- Fluctuating cost of capital and devaluating local currency.
- Delay of statutory approvals.
- Difficulty in smooth operation due to COVID-19 pandemic.
- Loss due to natural disaster – flood, Earthquake, force measure issue, etc.
- Lack of domestic suppliers and vendors for hydropower equipment and spare parts.

c. Strategies followed by the management:

- HR optimization plan will be implemented.
- Identification of different financial instruments along with risk assessment.
- Development of various internal policies and procedures.

6. Corporate Governance

The Board of Directors and Key management Personnel are committed to upholding good corporate governance practice in the company governance, by implementing various manuals, policies, rules & guidelines for proper functioning of the operation of the company. Various committees and sub-committee are in the process of formation in compliance with companies act, 2063 and corporate Governance guideline, 2074 issued by Security Exchange Board of Nepal.

7. Reporting

This Quarter's report has been made on the basis of Nepal Financial Reporting Standard (NFRS) and necessary adjustments has been made where ever required as per the standard and retrospective effect of the same has also been shown in the figures of previous quarters.

8. Declaration

I the General Manager of this Company, take the responsibility of accuracy of the information and that the information and details provided in this report are true, based on facts, and complete to the best of my knowledge and that information necessary for taking informed decision by the investors are not concealed.