



Mailung Khola Jal Vidhyut Company Ltd.

Kathmandu, Nepal

Unaudited Financial Reports for the Third Quarter Fiscal Year 2079/80 ended Chaitra 30, 2079 (April 13, 2023)

Unaudited Statement of Financial Position

Amount in Nepalese Rupees

Particulars	This Quarter Ending Chaitra End 2079	Previous Quarter Ending Poush End 2079	Corresponding Previous Quarter Ending Chaitra End 2078
Assets			
Non current Assets			
Property, Plant and Equipment	1,026,564	1,125,293	1,354,571
Intangible Assets	671,235,396	682,160,741	718,235,889
Intangible Assets under development	-	-	-
Investment in Subsidiaries	25,923,100	25,923,100	8,423,100
Investment in Associates	-	-	-
Investment Securities	-	-	-
Deferred Tax Assets	-	-	-
Other Non-Current Assets	-	-	-
Total Non Current assets	698,185,060	709,209,134	728,013,560
Current Assets			
Inventories	-	-	-
Trade Receivables	138,542,278	144,169,925	143,844,265
Cash and Cash equivalents	2,474,983	1,536,110	2,726,449
Other Financial Assets	3,223,577	3,324,124	5,487,214
Other Current Assets	7,844,656	11,040,092	9,645,205
Current Tax Assets	677,897	581,397	4,036,460
Total Current assets	152,763,392	160,651,648	165,739,593
Total Assets	850,948,452	869,860,783	893,753,154
Equity and Liabilities			
Equity			
Share Capital	368,143,000	368,143,000	368,143,000
Reserves	125,852	125,852	-
Retained Earnings	13,921,983	23,037,819	15,572,643
Total Equity	382,190,835	391,306,671	383,715,643
Non Current Liabilities			
Borrowings	343,430,006	355,630,006	376,622,738
Other Non-Current Liabilities	33,673,530	33,502,507	35,627,051
Total Non current Liabilities	377,103,536	389,132,514	412,249,789
Current Liabilities			
Short term Borrowings	79,856,120	77,975,204	86,151,736
Unsecured Loan from Director&other	-	-	-
Trade Payables	-	-	-
Other Current Liabilities	11,797,961	11,446,394	11,635,988
Total Current Liabilities	91,654,081	89,421,598	97,787,723
Total Equity and Liabilities	850,948,451	869,860,783	893,753,154

Unaudited Statement of Profit or Loss Account & Other Comprehensive Income

Particulars	This Quarter Ending Chaitra End 2079	Previous Quarter Ending Poush End 2079	Corresponding Previous Quarter Ending Chaitra End 2078
Revenue From Sales of Electricity	82,341,220	66,259,768	86,574,767
Compensation Income	117,696	-	-
Cost of Sales	9,103,241	6,282,620	7,186,334
Gross profit	73,355,675	59,977,148	79,388,433
Other income	1,488,375	992,250	1,488,375
Personnel Expenses	2,876,932	2,047,412	2,404,896
Other Operating and Administrative expenses	3,205,993	2,452,762	7,504,301
Impairment Charges/(Reversal)	-	-	-
Depreciation & Amortisation	33,779,963	22,516,268	29,068,935
Operating profit	34,981,161	33,952,956	41,898,676
Finance Income	-	-	-
Finance Cost	25,290,316	17,620,305	28,246,415
Share of profit after tax of associates and Joint ventures	-	-	-
Other Operating Income/(Loss)	-	-	-
Profit Before Tax	9,690,846	16,332,651	13,652,261
Income Tax Expenses	-	-	-
Current Tax	372,094	248,063	1,892,580
Deferred Tax	-	-	-
Profit for the year	9,318,752	16,084,589	11,759,682
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	9,318,752	16,084,589	11,759,682

Note:

- The Unaudited Financial figures are subject to change from external auditors and regulatory authorities.
- The figures are regrouped and rearranged wherever necessary.

3rd QUARTER DISCLOSURE AS OF 2079.12.30

AS PER SECURITIES REGISTRATION AND ISSUANCE REGULATION ANNEXURE-14 (RELATED TO SUB REGULATION 1 OF REGULATION 26)

1. Financial Statement

- The unaudited financial statements for the third quarter of FY 2079/80 have been published along with this report.
- Transaction with Related Parties:** Mailung Khola Jal Vidhyut Company Limited (MKJVCL) has investment of NPR. 25,923,100 in Mathillo Mailung Khola Jalvidhyut Limited.
- Major Financial Indicators are as follows:

Earnings per share (NPR)	Net-worth Per Share (NPR)	Market Value Per Share (NPR)	PE Ratio	Total Assets per share (NPR)	Current Ratio
2.53	103.82	418	165.13	231.15	1.67

2. Management Analysis

- Any change in the stock, income and liquidity during the quarter and reason for change, if any:** Up to third quarter, Mailung Khola Jal Vidhyut Company Limited (MKJVCL) (5MW) has generated the invoice of NPR. 82,341,220 from sale of electricity and 117,696.00 as compensation income and gross operating profit decreased to NPR. 34,981,161.00 with the decrease of NPR. 6,917,515.00 up to this quarter as compared to the corresponding period of last year's figure, which is mainly due to decrease in the generation of electricity. When compared to corresponding quarter of previous fiscal year, other operating and administrative expenses has decreased by NPR. 4,298,308.00. This was primarily caused by the exclusion of listing fees in administration cost in the profit and loss account in this year which was included during corresponding period of previous year.
- 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:

Maximum price NPR.	554	Total Transactions	3,494.00
Minimum price NPR.	400	No. of transaction Day	56
Closing price NPR.	418	Total traded volume	239,790.00
Turnover NPR.	112,746,069.30		

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.
- Loss due to natural disaster –flood, Earthquake, force measure issue, etc.
- Lack of domestic suppliers and vendors for hydropower equipment and spare parts.
- Inadequate existing transmission line network and delay in expansion for power evacuation of hydropower projects.
- lack of adequate rainfall during dry season

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.