



# Mailung Khola Jal Vidhyut Company Ltd.

Kathmandu, Nepal

**Unaudited Financial Reports for the First Quarter of**  
Fiscal Year 2080/081 ended on Ashwin 30, 2080 (October 17, 2023)

## Unaudited Statement of Financial Position

Amount in Nepalese Rupees

Particulars	This Quarter Ending Ashwin End 2080	Previous Quarter Ending Ashadh End 2080	Corresponding Previous Quarter Ending Ashwin End 2079
<b>Assets</b>			
<b>Non Current Assets</b>			
Property, Plant and Equipment	902,287	967,424	1,230,397
Intangible Assets	649,145,424	660,058,941	699,094,405
Intangible Assets Under Development	-	-	-
Investment in Subsidiaries	25,923,100	25,923,100	25,923,100
Investment in Associates	-	-	-
Investment Securities	-	-	-
Deferred Tax Assets	-	-	-
Other Non-Current Assets	625,230	-	-
<b>Total Non Current Assets</b>	<b>676,596,041</b>	<b>686,949,465</b>	<b>726,247,902</b>
<b>Current Assets</b>			
Inventories	-	-	-
Trade Receivables	154,390,028	141,320,094	141,812,773
Cash and Cash Equivalents	5,215,726	2,304,179	673,436
Other Financial Assets	2,714,200	2,796,891	4,649,218
Other Current Assets	4,784,255	5,103,194	5,135,213
Current Tax Assets	62,417	168,962	169,757
<b>Total Current assets</b>	<b>167,166,626</b>	<b>151,693,320</b>	<b>152,440,397</b>
<b>Total Assets</b>	<b>843,762,667</b>	<b>838,642,785</b>	<b>878,688,299</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share Capital	368,143,000	368,143,000	368,143,000
Reserves	125,852	125,852	-
Retained Earnings	22,269,293	8,992,450	18,929,631
<b>Total Equity</b>	<b>390,538,145</b>	<b>377,261,302</b>	<b>387,072,631</b>
<b>Non Current Liabilities</b>			
Borrowings	316,630,005	330,030,006	414,230,007
Other Non-Current Liabilities	32,922,530	33,070,128	35,078,591
<b>Total Non current Liabilities</b>	<b>349,552,535</b>	<b>363,100,134</b>	<b>449,308,598</b>
<b>Current Liabilities</b>			
Short Term Borrowings	92,657,508	87,558,212	29,165,202
Unsecured Loan from Director & other	-	-	-
Trade Payables	-	-	-
Other Current Liabilities	11,014,480	10,723,136	13,141,869
Current Tax Liabilities	-	-	-
<b>Total Current Liabilities</b>	<b>103,671,987</b>	<b>98,281,348</b>	<b>42,307,071</b>
<b>Total Equity and Liabilities</b>	<b>843,762,667</b>	<b>838,642,785</b>	<b>878,688,299</b>

## Unaudited Statement of Profit or Loss Account & Other Comprehensive Income

Particulars	This Quarter Ending Ashwin End 2080	Previous Quarter Ending Ashadh End 2080	Corresponding Previous Quarter Ending Ashwin End 2079
Revenue From Sales of Electricity	37,374,952	107,882,703	39,425,005
Compensation Income	-	462,816	-
Cost of Sales	3,304,106	14,599,140	2,478,157
<b>Gross profit</b>	<b>34,070,846</b>	<b>93,746,378</b>	<b>36,946,849</b>
Other Income	562,505	2,056,422	496,125
Personnel Expenses	840,537	4,501,996	1,209,867
Other Operating and Administrative Expenses	725,523	3,040,120	1,500,319
Impairment Charges/ (Reversal)	-	-	-
Depreciation & Amortisation	11,246,121	45,044,059	9,665,068
<b>Operating profit</b>	<b>21,821,171</b>	<b>43,216,627</b>	<b>25,067,719</b>
Finance Income	-	-	-
Finance Cost	8,403,702	33,613,301	9,555,511
Share of Profit After Tax of Associates and Joint Ventures	-	-	-
Other Operating Income/ (Loss)	-	-	-
<b>Profit Before Tax</b>	<b>13,417,469</b>	<b>9,603,325</b>	<b>15,512,208</b>
Income Tax Expenses	-	-	-
Current Tax	140,626	514,106	2,001,042
Deferred Tax	-	-	-
<b>Profit for the year</b>	<b>13,276,842</b>	<b>9,089,220</b>	<b>13,511,167</b>
<b>Other Comprehensive Income:</b>			
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	-	-	-
<b>Other Comprehensive Gain/ (Loss) for the period, Net of Tax</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Gain/ (Loss) for the period, Net of Tax</b>	<b>13,276,842</b>	<b>9,089,220</b>	<b>13,511,167</b>

**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.

## 1st QUARTER DISCLOSURE AS OF 2080.06.30 OF FY2080/081 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 first quarter of FY 2080/081 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
3.61	106.08	335.5	93.03	229.13	1.61

### 2. Management Analysis

- Any change in the stock, income and liquidity during the quarter and reason for change, if any:** Upto first quarter FY2080/081, Mailung Khola Jal Vidhyut Company Limited (MKJVCL) (5MW) has generated the invoice of NPR. 37,374,952 from sale of electricity and gross operating profit decreased to NPR. 21,821,171 with the decrease of NPR. 3,246,548 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 and increase in cost of sales. When compared to corresponding quarter of previous fiscal year, other operating and administrative expenses has decreased by NPR. 774,796.00.
- 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.	405	Total Transactions	2,303.00
Minimum Price NPR.	293.20	No. of Transaction Day	61
Closing Price NPR.	335.50	Total Traded Volume	95,811.00
Turnover NPR.	34,322,570.60		

### 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.

#### 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.