



# Mailung Khola Jal Vidhyut Company Ltd.

Kathmandu, Nepal

**Unaudited Financial Reports for the Third Quarter of**  
Fiscal Year 2080/081 ended on Chaitra 30, 2080 (April 12, 2024)

## Unaudited Statement of Financial Position

Amount in Nepalese Rupees

Particulars	This Quarter Ending Chaitra End 2080	Previous Quarter Ending Poush End 2080	Corresponding Previous Quarter Ending Chaitra End 2079
<b>Assets</b>			
<b>Non Current Assets</b>			
Property, Plant and Equipment	926,877	837,062	1,026,564
Intangible Assets	626,807,985	637,961,898	671,235,396
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	625,230	-
<b>Total Non Current Assets</b>	<b>654,283,191</b>	<b>665,347,290</b>	<b>698,185,060</b>
<b>Current Assets</b>			
Inventories	-	-	-
Trade Receivables	138,425,211	143,642,414	138,542,278
Cash and Cash Equivalents	29,745,753	21,619,732	2,474,983
Other Financial Assets	3,566,706	3,025,404	3,223,577
Other Current Assets	3,146,014	4,364,140	7,844,656
Current Tax Assets	1,124,580	-	677,897
<b>Total Current assets</b>	<b>176,008,264</b>	<b>172,651,691</b>	<b>152,763,392</b>
<b>Total Assets</b>	<b>830,291,455</b>	<b>837,998,981</b>	<b>850,948,452</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share Capital	376,319,824	368,143,000	368,143,000
Reserves	790,297	790,297	125,852
Retained Earnings	6,154,406	23,893,435	13,921,983
<b>Total Equity</b>	<b>383,264,527</b>	<b>392,826,732</b>	<b>382,190,835</b>
<b>Non Current Liabilities</b>			
Borrowings	289,830,003	303,230,004	343,430,006
Other Non-Current Liabilities	45,178,188	31,923,063	33,673,530
<b>Total Non current Liabilities</b>	<b>335,008,191</b>	<b>335,153,067</b>	<b>377,103,536</b>
<b>Current Liabilities</b>			
Short Term Borrowings	99,182,308	97,648,110	79,856,120
Unsecured Loan from Director & other	-	-	-
Trade Payables	-	-	-
Other Current Liabilities	12,836,429	12,256,902	11,797,961
Current Tax Liabilities	-	114,170	-
<b>Total Current Liabilities</b>	<b>112,018,737</b>	<b>110,019,183</b>	<b>91,654,081</b>
<b>Total Equity and Liabilities</b>	<b>830,291,455</b>	<b>837,998,981</b>	<b>850,948,452</b>

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

Particulars	This Quarter Ending Chaitra End 2080	Previous Quarter Ending Poush End 2080	Corresponding Previous Quarter Ending Chaitra End 2079
Revenue From Sales of Electricity	79,186,908	63,331,692	82,341,220
Compensation Income	-	-	117,696
Cost of Sales	9,866,222	7,327,707	9,103,241
<b>Gross profit</b>	<b>69,320,686</b>	<b>56,003,985</b>	<b>73,355,675</b>
Other Income	1,838,521	1,220,921	1,488,375
Personnel Expenses	2,455,805	1,520,220	2,876,932
Other Operating and Administrative Expenses	2,753,016	1,646,244	3,205,993
Impairment Charges/ (Reversal)	-	-	-
Depreciation & Amortisation	33,744,070	22,493,071	33,779,963
<b>Operating profit</b>	<b>32,206,314</b>	<b>31,565,370</b>	<b>34,981,161</b>
Finance Income	-	-	-
Finance Cost	25,599,222	15,980,831	25,290,316
Share of Profit After Tax of Associates and Joint Ventures	-	-	-
Other Operating Income/ (Loss)	-	-	-
<b>Profit Before Tax</b>	<b>6,607,093</b>	<b>15,584,539</b>	<b>9,690,846</b>
Income Tax Expenses			
Current Tax	459,630.30	305,230	372,094
Deferred Tax	-	-	-
<b>Profit for the year</b>	<b>6,147,463</b>	<b>15,279,309</b>	<b>9,318,752</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>6,147,463</b>	<b>15,279,309</b>	<b>9,318,752</b>

### 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 2080.12.30 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 2080/81 have been published along with this report.
- Mailung Khola Jal Vidhyut Company Limited (MKJVCL) has issued 8,176,824.17 bonus shares as per the decision of 10<sup>th</sup> Annual General Meeting (AGM) held on Chaitra 29, 2080 (11<sup>th</sup> April 2024). After issuance of the bonus share, paid-up capital of the company has reached 376,319,824.17. Capital increment is yet to be certified from Office of Company Registrar (OCR) and is yet to be listed on Nepal Stock Exchange (NEPSE).
- Transaction with Related Parties:** MKJVCL has investment of NPR. 25,923,100 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
1.63	101.85	460	281.59	220.63	1.57

#### 2. Management Analysis

- Any change in the stock, income and liquidity during the quarter and reason for change, if any:** Upto third quarter, Mailung Khola Jal Vidhyut Company Limited (MKJVCL) (5MW) has generated the invoice of NPR. 79,186,908 from sale of electricity and gross operating profit decreased to NPR. 32,206,314 with the decrease of NPR. 2,774,847 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. 452,977.
- 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.	592.00	Total Transactions	4,703.00
Minimum price NPR.	438.40	No. of transaction Day	58
Closing price NPR.	460.00	Total traded volume	433,439.00
Turnover NPR.	212,527,901.60		

#### 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 devaluing local currency.
- Delay of statutory approvals.
- Loss due to natural disaster –flood, Earthquake, force measure issue, etc.
- Loss due to lack of rainfall.
- 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.