कुथेली बुखरी स्मल हाइड्रोपावर लि.

का.म.न.पा-१०, थापागाउँ, काठमाण्डौ

१२औं वार्षिक साधारण सभा-२०८०

आ.व. २०७९।०८०

मिति : २०८०।०९।२७, (१२ जनवरी २०२४)

शुक्रबार

कुथेली बुखरी स्मल हाइड्रोपावर लि. को
सञ्चालक समितिको विवरण

क.स	सञ्चालकको नाम	पद
१	श्री सन्तोष प्रसाद मैनाली	अध्यक्ष सञ्चालक
२	श्री रत्न बहादुर नेवार	सञ्चालक
३	श्री सरोजकाजी श्रेष्ठ	सञ्चालक
४	श्री नविन माकाजु	सञ्चालक
५	श्री सुमित्रा खरेल	महिला सञ्चालक
६	श्री लोकेश पुन	स्वतन्त्र सञ्चालक
७	सर्वसाधारण समुह बाट मनोनयन हुन बाँकी	सञ्चालक

कुथेली बुखरी स्मल हाइड्रोपावर लि.

का.म.न.पा १०, थापागाउँ, काठमाण्डौ नेपाल

अनुसूची- २७

(दफा ७१ को उपदफा (३) सँग सम्बन्धित)

श्री सञ्चालक समिति
कुथेली बुखरी स्मल हाइड्रोपावर लि.
का.म.न.पा १०, थापागाउँ, काठमाण्डौ नेपाल ।

विषय : <u>प्रतिनिधि नियुक्त गरिएको बारे</u> ।

..... जिल्ला ..... न.पा./गा.वि.स.,वडा नं. ..... बस्ने म/हामी ..... ले त्यस कम्पनीको शेयरधनीको हैसियतले संवत् २०८० साल पौष महिना २७ गते का दिन हुने वार्षिक साधारण सभामा म/हामी स्वयम् उपस्थित भई छलफल तथा निर्णयमा सहभागी हुन नसक्ने भएकाले उक्त सभामा मेरा/हाम्रो तर्फबाट भाग लिन तथा मतदान गर्नका लागि ..... जिल्ला ..... न.पा/गा.वि.स., वडा नं. ..... बस्ने त्यस संस्थाका शेयरधनी श्री .....शेयरधनी/हितग्राही नं लाई मेरो/हाम्रो प्रतिनिधि नियुक्त गरी पठाएको छु/पठाएका छौं ।

<u>प्रतिनिधि नियुक्त भएको व्यक्तिको,-</u>
दस्तखत :
शेयरधनी शेयरप्रमाणपत्र नं. :
हितग्राही नं :
शेयर संख्या :
मिति :

<u>प्रतिनिधि नियुक्त गर्ने व्यक्तिको,-</u>
दस्तखत :
नाम :
हितग्राही नं :
शेयर प्रमाणपत्र नं. :
शेयर संख्या :
मिति

द्रबस्ट
यो निवेदन साधारण सभा सुरु हुन ४८ घण्टा अगावै यस कम्पनीको प्रधान कार्यालयमा दर्ता गराई सक्नु पर्नेछ ।

विषय सूची

१. १२ औ वार्षिक साधारण सभा सम्बन्धी सुचना

२. कम्पनी ऐन, २०६३ को दफा १०९ को उपदफा (४) बमोजिम संचालक समितिको प्रतिवेदन

३. लेखा परिक्षण प्रतिवेदन

कुथेली बुखरी स्मल हाइड्रोपावर लिमिटेडको

(१२ औं) वार्षिक साधारणसभा सम्बन्धी सुचना

यस कम्पनीको मिति २०८०/०९/०३ गते बसेको सञ्चालक समितिको बैठकको निर्णय बमोजिम यस कम्पनीको (१२ औं) वार्षिक साधारणसभा निम्न मिति, स्थान र समयमा निम्न लिखित विषय उपर छलफल गरी निर्णय गर्न बस्ने भएको हुँदा शेयरधनी स्वयं उपस्थित हुन वा रीतपूर्वक प्रतिनिधी मुकरर गरी पठाई दिनु हुन सबै शेयरधनी महानुभावहरूको जानकारीका लागि यो सूचना प्रकाशित गरिएको छ ।

मिति, स्थान र समय

मितिः २०८०/०९/२७ गते, शुक्रबार अर्थात जनवरी १२, २०२४ ।

स्थानः जर्मन होम्स हस्पिटालिटी प्रा. लि., गठ्ठाघर, साझा पेट्रोल पम्प नजिकै ।

समयः विहान ११:३० बजे देखि ।

साधारणसभामा प्रस्तुत गरिने विषयहरुः

क. साधारण प्रस्ताव :

(१) सञ्चालक समितिको तर्फबाट अध्यक्षज्यूले पेश गर्नुहुने आ. व.-२०७९/०८० को वार्षिक प्रतिवेदनको प्रस्तुति र सोको अनुमोदन गर्ने सम्बन्धमा ।

(२) लेखापरीक्षण प्रतिवेदन र आ. व. - २०७९/०८० को वार्षिक आर्थिक विवरण अन्तर्गत २०८० साल आषाढ मसान्तको वासलात, २०७९ साल श्रावण १ गतेदेखि २०८० साल आषाढ मसान्तसम्मको नाफा/नोक्सान हिसाब, सोही अवधिको नगद प्रवाह विवरण, इक्वीटीमा भएको परिवर्तन र सोसँग सम्बन्धित सम्पूर्ण अनुसूचिहरुलाई छलफल गरी अनुमोदन गर्ने सम्बन्धमा ।

(३) आ. व. - २०८०/०८१ को लेखापरीक्षण गर्न लेखापरीक्षक नियुक्त गरी निजको पारिश्रमिक निर्धारण गर्ने सम्बन्धमा । (हालका लेखापरीक्षक श्री ई. आर. सिग्देल एण्ड एसोसियट्स चार्टर्ड एकाउन्टेन्ट्स पून नियुक्तिका लागी योग्य हुनुहुन्छ) ।

(४) सर्वसाधारण समुह बाट १ जना सञ्चालकको निर्वाचन गर्ने सम्बन्धमा ।

(५) सञ्चालक समितिको गठन गर्ने सम्बन्धमा ।

ख. छलफलका लागि विशेष प्रस्ताब :

(१) कम्पनीले नयाँ आयोजनाहरुको पहिचान गरि लगानी गर्ने तथा अरु कम्पनीवाट समेत प्रवर्द्धन भई विकाश निर्माण भइरहेका जलविद्युत आयोजनाहरुमा लगानी गर्ने सम्बन्धमा ।

ग. बिबिध :

१२ औं वार्षिक साधारणसभा हुने सम्बन्धी जानकारीहरुः

१. साधारण सभामा उपस्थित हुने शेयरधनीहरुले अनिवार्य रुपमा आफ्नो परिचय स्पष्ट खुल्ने किसिमको फोटो सहितको प्रमाण पत्र तथा हितग्राही खातामा रहेको यस कम्पनीको शेयर विवरण वा साथमा शेयर प्रमाण पत्र लिई सभामा भाग लिन हुन अनुरोध छ ।

२. शेयरधनीहरुको दरखास्तको लागि शेयरधनी उपस्थिति पुस्तिका विहान १०:३० बजेबाट खुल्ला गरिनेछ ।

३. १२ औं वार्षिक साधारण सभाको प्रयोजनका लागि मिति २०८० साल पौष १८ गते एक दिनका लागि शेयरको दर्ता किताब बन्द रहनेछ । मिति २०८० साल पौष १८ गतेको अघिल्लो दिनसम्म नेपाल स्टक एक्सचेन्ज लिमिटेडमा कारोबार भई तीन कार्य दिनभित्र कारोवार भई प्रचलित कानुन बमोजिम नियुक्त शेयर रजिष्टार श्री एनएमबि क्यापिटल लि. ले उपलब्ध गराएको शेयर नामासारीको लिखितको आधारमा शेयरधनी वा दर्ता किताबमा कायम शेयरधनीहरुले मात्र यस कम्पनीको आव २०७९/०८० को यस सभामा भाग लिन योग्य हुनेछन् ।

४. साधारण सभामा भाग लिन आफ्नो प्रतिनिधि नियुक्त गर्न चाहने शेयरधनीहरुले प्रचलित कम्पनी कानूनले तोकेको ढाँचामा वार्षिक प्रतिवेदन पुस्तिका अनुसारको प्रतिनिधि (प्रोक्सी) नियुक्त गर्नुपर्नेछ । यसरी प्रतिनिधी नियुक्ती गर्दा साधारण सभा सुरु हुन ४८ घण्टा अगाबै यस कम्पनीको सचिवालयमा दर्ता गराई सक्नु पर्नेछ । तर प्रतिनिधि नियुक्त गर्नु भएका शेयरधनी आफै उपस्थित भई हाजिर पुस्तिकामा दस्तखत गरेमा प्रतिनिधिपत्र स्वतःबदर हुनेछ ।

५. एक भन्दा बढी व्यक्तिहरुको संयुक्त नाममा शेयर दर्ता रहेको अवस्थामा सर्वसम्मतबाट प्रतिनिधि चयन गरिएको एक जनाले मात्र वा लागत किताबमा पहिलो नाम उल्लेख भएको व्यक्तिले सभामा भाग लिन सक्नु हुनेछ। कुनै संगठित संस्था वा कम्पनीले शेयर खरिद गरेको हकमा त्यस्ता संगठित संस्था वा कम्पनीले मनोनित गरेको प्रतिनिधिले शेयरवालाको हैसियतले सभा भाग लिन सक्नु हुनेछ ।

६. कुनै शेयरधनी महानुभावहरुले छलफलका विषयहरू मध्ये विविध शिर्षक अन्तर्गत कम्पनी सम्बन्धी कुनै विषयमा छलफल गर्न गराउन चाहेमा सभा हुनु भन्दा ७ कार्यदिन अगावै कम्पनी सचिव मार्फत संचालक समितिको अध्यक्षलाई लिखित रुप प्रस्ताव दिनुपर्नेछ । त्यस्तो प्रस्ताव साधारण सभामा छलफल वा बहसको रुपमा समावेस गर्ने वा नगर्ने अधिकार मञ्चाल समितिको अध्यक्षमा निहीत हुनेछ ।

७. संचालकको निर्वाचन सम्बन्धी कार्यक्रम साधारण सभाहुनु भन्दा ७ दिन अगाबै यस कम्पनीको केन्द्रिय कार्यालयमा प्रकाशन गरिनेछ । निर्वाचान सम्बन्धी जानकारी लिन परेमा यस कम्पनीको कार्यालय समय भित्र कम्पनीको सचिव संग सम्पर्क गर्न सकिने छ । उम्मेद्धार हुन शेयरधनी स्वयम उपस्थिती हुनुपर्नेछ ।

८. साधारण सभा सम्बन्धि अन्य कुराहरुको जानकारी आवश्यक भएमा कार्यालय समयमा कम्पनीको प्रधान कार्यालय थापागाउँ काठमाण्डौमा सम्पर्क राखी लिन सकिने छ । थप जानकारीको लागि कम्पनीको वेब साइट kuthelihydropower.com बाट प्राप्त गर्न सक्नु हुनेछ ।

सञ्चालक समितिको आज्ञाले
कम्पनी सचिव

कुथेली बुखरी स्मल हाइड्रोपावर लि. को

बाह्रौ वार्षिक साधारण सभामा संचालक समितिको तर्फबाट अध्यक्ष ज्यूद्धारा

प्रस्तुत प्रतिवेदन

आज मिति २०८० पौष २७ गते यस कुथेली बुखरी स्मल हाइड्रोपावर लि को गरिमामय बाह्रौ वार्षिक साधारण सभामा उपस्थित सम्पुर्ण सञ्चालक तथा शेयर सदस्य ज्युहरुमा सर्वप्रथम हार्दिक स्वागत गर्दै यस कम्पनीको आ. व. २०७९।०८० वार्षिक प्रतिवेदन तथा लेखा परिक्षण प्रतिवेदन समेत शेयरधनी महानुभावहरुको बीचमा पुर्‍याइ सकेको जानकारी गराउँदै सो प्रतिवेदनलाई अनुमोदनको लागि बुँदागत रुपमा यस गरिमामय सभामा पेश गरेको छु ।

१. कम्पनीको परिचय

जलश्रोतको हिसाबले नेपाल विश्वकै धनी देशहरुमा पर्ने कुरा सर्वाविदितै छ । त्यसैले हाम्रो देशमा रहेको अपार जलस्रोतको उपयोग गरी जलविद्युत आयोजनाहरुको पहिचान गर्ने र आर्थिक तथा प्राविधिक अध्ययन बाट सम्भाव्य देखिएका आयोजनाहरुको निर्माण तथा संचालन गर्ने उदेश्यले यस कुथेली बुखरी स्मल हाइड्रोपावर लिमिटेड वि.स. २०६८।०४।२६ कम्पनी रजिष्टारको कार्यालयमा प्रा. लि. मा दर्ता भएको थियो । यस कम्पनीको शेयर लगानीमा सस्थापक शेयरधनीहरुको साथै आयोजना प्रभावित क्षेत्रका स्थानिय बासिन्दाहरु तथा सर्वसाधारणहरु बाट समेत सहभागी गराउने उदेश्यले यस कम्पनीलाई प्रा.लि बाट वि.स. २०७१/१०/१४ गते लिमिटेड कम्पनीमा परिणत गरी व्यावसायीक कारोवार गर्दै आएको कम्पनी हो ।

यस कम्पनीको मुख्य घटनाक्रमहरु निम्न बमोजिम रहेका छन ।

सि. नं.	सम्झौताको विवरण	सम्झौता भएको मिति/प्रमाणपत्र प्राप्त गरेको मिति	सम्झौता गर्ने निकायको नाम	सम्झौताको संक्षिप्त विषयवस्तु	सम्झौता बहाल रहने अवधि
१	कम्पनी दर्ताको प्रमाणपत्र	२०६८/०४/२६	कम्पनी रजिष्ट्रारको कार्यालय	कुथेली बुखरी स्मल हाइड्रोपावर प्राइभेट लिमिटेडमा दर्ता भएको	-
२.	स्थायी लेखा नम्बरको प्रमाणपत्र	२०६८/०४/३२	आन्तरिक राजस्व विभाग	कुथेली बुखरी स्मल हाइड्रोपावरको स्थायी लेखा नम्बर दर्ता प्रमाणपत्र प्राप्त भएको	-
३.	विद्युत खरीद-बिक्री सम्बन्धी सम्झौता	२०६९/०४/३२	नेपाल विद्युत प्राधिकरण	३५० किलोवाट क्षमताको सुष्पा बुखारी खोला साना जलविद्युत आयोजना निर्माण तथा संचालन गरी उक्त आयोजनाबाट उत्पादन हुने विद्युत शक्ति नेपाल विद्युत प्राधिकरणलाई प्राधिकरणको प्रसारण प्रणाली भएको ठाउँमा पुर्‍याई बिक्री गर्न मन्जुर गरेको, प्राधिकरणले पनि उक्त आयोजनाबाट उत्पादन हुने विद्युत शक्ति खरीद गरी लिन मन्जुर गरेको ।	
४.	विद्युत खरीद-बिक्री सम्बन्धी सम्झौता (पहिलो संशोधन)	२०७०/०७/१३	नेपाल विद्युत प्राधिकरण	आयोजनाको क्षमता ३५० किलोवाटबाट ९९८ किलोवाट कायम गरेको	
५.	कम्पनी दर्ताको प्रमाणपत्र	२०७१/१०/१४	कम्पनी रजिष्ट्रारको कार्यालय	कुथेली बुखरी स्मल हाइड्रोपावर प्राइभेट लिमिटेडबाट पब्लिक लिमिटेडमा परिणत भएको	-
६.	विद्युत उत्पादनको स्वीकृति प्रमाणपत्र	२०७१/०२/०५	ऊर्जा मन्त्रालय विद्युत विकास विभाग	९९८ कि.वा. क्षमताको सुष्पा बुखरी साना जलविद्युत आयोजनाको विद्युत उत्पादनको स्वीकृति प्राप्त भएको	-
७.	व्यापारिक उत्पादन मिति	२०७२/०६/०३	नेपाल विद्युत प्राधिकरण	९९८ कि.वा. क्षमताको सुष्पा बुखरी साना जलविद्युत आयोजनाको व्यापारिक उत्पादन सुरु भएको	
८.	शेयरको सार्वजनीक निष्काशनको लागि स्वीकृत प्राप्त मिति	२०८०/०२/०२	नेपाल धितोपत्र बोर्ड	सर्वसाधारणको शेयरको सार्वजनिक निष्काशनको स्वीकृती प्राप्त भएको	
९.	शेयरको निश्काशन तथा बिक्री खुल्ला मिति	२०८०/०२/१९ गते वाट	एनएमबि क्यापिटल लि.	आयोजना प्रभावित स्थानिय बासिन्दा तथा वैदेशिक रोजगारीमा गएको लागी	
१०	शेयरको बाडफाँड भएको मिति	२०८०/०३/११	एनएमबि क्यापिटल लि.	आयोजना प्रभावित स्थानिय बासिन्दा तथा वैदेशिक रोजगारीमा गएको लागी	
११.	लकइन अवधी			शेयरको बाडफाँड भएको मिति ३ वर्ष पछि खुल्ने	

कम्पनीको रजिष्टर्ड कार्यालय बागमति प्रदेश, का.म.न.पा वडा नं १० थापागाउँ, काठमाण्डौमा रहेको छ, भने आयोजना स्थल दोलखा जिल्लाको भिमेश्वर न.पा. वडा नं १ मा अवस्थित छ । यस आयोजनामा काम गर्दै जाने शिलशिलामा संचालकहरु, असल र अनुभवी साथीहरुको सल्लाह र विज्ञ प्राविधिकहरुको सल्लाह अनुरुप यस आयोजनालाई क्षमता बृद्धि गर्न मिल्ने देखिएकोले यस आयोजनाको

क्षमता ३५० वाट बृद्धी गरी ९९८ कि. वा. बनाईयो । लगभव २ वर्षको अवधीमा निर्माण सम्पन्न गरे पश्चात् मिति २०७२।०५।१९ गते परिक्षण उत्पादन सुरु गरेर मिति २०७२।०६।०३ गते देखि हाल सम्म व्यापारिक उत्पादन भैरहेको व्यहोरा यस गरिमामय सभामा अवगत गराउन चाहन्छु ।

२. कम्पनीको शेयर संरचना निम्न अनुसार रहेको छ ।

समूह	शेयरधनीहरु	साधारण शेयर संख्या	पूँजी प्रतिशत (%)	चुक्ता रकम (रु.)	भुक्तानी प्रतिशत
क	संस्थापक शेयरधनीहरु	९,७४,९४०	८०	९,७४,९४,०००/-	शत् प्रतिशत
ख	आयोजनाको प्रभावित क्षेत्रका बासिन्दाहरु	१,२१,८६८	१०	१,२१,८६,८००/-	शत् प्रतिशत
ख	सर्वसाधारण शेयरधनीहरु (वैदेशिक रोजगारीमा रहेका नेपाली, कर्मचारीहरु तथा सामूहिक लगानी कोष सहित)	१,२१,८६७	१०	१,२१,८६,७००/-	आंशिक भुक्तानी
जम्मा		**१२१८,६७५**	**१००**	**१२१८,६७५००/-**	

कम्पनीले आफ्नो जारी पूँजी रु. १२,१८,६७,५००/- (अक्षरेपी बाह्र करोड अठार लाख सत्सट्ठी हजार पाँच सय मात्र) अर्थात १२,१८,६७५ कित्ता शेयर मध्ये ८० (%) बराबर ९,७४,९४० कित्ता साधारण शेयर संस्थापक शेयरधनी मार्फत लगानी भई बाँकी रहेको २० अर्थात २,४३,७३५ कित्ता साधारण शेयर स्थानिय बासिन्दा तथा सर्वसाधारणको लागि निष्काशन गर्न छुट्याईएको थियो । सो २० शेयरको सार्वजनिक निष्काशन गर्न नेपाल धितोपत्र बोर्डबाट मिति : २०८०/०२/०२ विवरणपत्र स्वीकृत भएको र कम्पनी रजिष्ट्रारको कार्यालयमा मिति : २०८०/०२/०७ विवरणपत्र दर्ता गरि निष्काशनको अन्तिम प्रक्रिया अगाडी बढाईएको थियो ।

यस कम्पनीको जारी पूँजीको १०% रु. १०० अंकित दरका १,२१,८६८ कित्ता साधारण र शेयर बिक्री गर्न आयोजना प्रभावित क्षेत्र दोलखा जिल्लाको कालिन्चोक गाउँपालिका वडा नं. ९ (साविकको सुद्रावती गा.वि.स. का सम्पूर्ण वडाहरु) तथा भिमेश्वर नगरपालिका वडा नं. १ (साविकको सुष्पा क्षमावती गा.वि.स. का सम्पूर्ण वडाहरु) का स्थानिय बासिन्दाहरुलाई मिति मिति : २०८०/०२/१९ गते देखि २०८० आषाढ १ सम्म निष्काशन तथा बिक्री खुल्ला गरिएको र सो समयमा माग भएको बमोजिमको आवेदन नपरेको हुँदा २०८० आषाढ ५ सम्म म्याद थप गरि निष्काशन तथा बिक्री खुल्ला गरिएको थियो । सो समय भित्र माग भए भन्दा आवेदन परेको हुँदा सम्म निष्काशन तथा बिक्री बन्द गरिएको थियो । बिक्रि गरिएको शेयर मध्ये आवश्यक १,२१,८६८ कित्ता साधारण शेयर मिति २०८० साल आषाढ ११ गते बाँडफाड गरिएको थियो ।

यस कम्पनीको जारी पूँजीको १०% रु. १०० अंकित दरका १,२१,८६७ कित्ता साधारण शेयर सर्वसाधारणलाई बिक्री गर्न छुट्याईएको मध्ये (१० प्रतिशत) अर्थात १२,१८६ कित्ता शेयर वैदेशिक रोजगारीमा रहेका नेपालीहरुलाई मिति : २०८०/०२/१९ गते देखि २०८० आषाढ १ सम्म निष्काशन तथा बिक्री खुल्ला गरिएको र सो समयमा माग भन्दा बढि आवेदन परेको हुँदा २०८० आषाढ १ निष्काशन तथा बिक्री बन्द गरिएको थियो । बिक्रि गरिएको शेयर मध्ये आवश्यक १२,१८६ कित्ता साधारण शेयर मिति २०८० साल आषाढ ११ गते बाँडफाड गरिएको थियो ।

दोलखा जिल्लाका बासिन्दाहरुलाई शेयर बाँडफाँड गरे पश्चात् सर्वसाधारणलाई जारी पूँजीको १०% अर्थात रु. १००/- अंकित दरका १,२१,८६७ कित्ता शेयर सार्वजनिक निष्काशन गरिएको र सो मध्ये १२,१८६ कित्ता वैदेशिक रोजगारीमा रहेका नेपालीहरुलाई (१० प्रतिशत), २,४३७ कित्ता (२ प्रतिशत) कर्मचारीहरुलाई र ६,०९३ कित्ता (५ प्रतिशत) सामूहिक लगानी कोषको लागि सुरक्षित गरी बाँकी १,०१,१५१ कित्ता साधारण शेयर २०८० साल आषाढ २६ गते देखि २९ गते सम्म निष्काशन तथा बिक्री खुल्ला गरिएको र सो समयमा माग भन्दा अत्यधिक बढि आवेदन परेको हुँदा आषाढ २९ निष्काशन तथा बिक्री बन्द गरिएको थियो । बिक्री भएको शेयर समय अभावका कारण यस आ. व. २०७९।०८० मा बाडफाँड गर्न नसकिएको व्यहोरा यस गरिमामय सभालाई जानकारी गराउन चाहान्छु ।

कम्पनीले आफ्नो जारी पूँजी रु. १२,१८,६७,५००/- (अक्षरेपी बाह्र करोड अठार लाख सत्सट्ठी हजार पाँच सय मात्र) अर्थात १२,१८,६७५ कित्ता २०% अर्थात २,४३,७३५ कित्ता साधारण शेयर स्थानिय बासिन्दा तथा सर्वसाधारणको लागि निष्काशन तथा ब्रिकी बाट संकलित सबै रकम बैंकको किस्ता र ब्याज भुक्तानी गर्न प्रयोग गरिनेछ ।

३. बैंक ऋणको विवरण निम्न अनुसार रहेको छ ।

बैक ऋणको विवरण				
क.स	**खर्चको विवरण**	**आ.व.२०७९।०८०**	**गत आ.व.२०७८।०७९**	**थप/घट**
१	एन.एम.वि. बैक लि.बवरमहल	६८,८५२,९९९	९१,५३६,३३४	(२२,६८३,३३५
जम्मा	**जम्मा**	**६८,८५२,९९९**	**९१,५३६,३३४**	**(२२,६८३,३३४**

यस आ.व. मा बैंक ऋण गत आ.व. को भन्दा रु २,२६,८३,३३४.०० घटेको व्यहोरा अवगत गराउन चाहान्छु। सम्पर्ण ऋण आगामी ४ बर्ष भित्र भुक्तानी गरि सक्ने लक्ष्य राखिएको समेत अवगत गराउन चाहान्छु।

४. विद्युत बिक्री बाट भएको आम्दानी विवरण निम्न अनुसार रहेको छ

गत आ.व.को तुलनामा यस आ.व.मा हिउदको समयमा पानी कम परेको हुँदा आम्दानीमा कमी भएकोले गत आ.व. भन्दा यस आ.व मा रु ४३,६४,०८२.०० विद्युत बिक्री बाट कम आम्दानी भएको जानकारि गराउन चाहान्छु। जस्को विवरण तल तालीकामा प्रस्तुत गरिएको छ।

विद्युत विक्रीवाट भएको आम्दानीको विवरण

क.स	महिना	आ.व.२०७९।०८०	आ.व.२०७८।०७९	थप/घट
१	श्रावण	२,९३७,८०६	३,२८७,६९५	(३४९,८८९
२	भाद्र	३,१४५,७१६	३,२६९,६४४	(१२३,९२८
३	असोज	३,३८०,८५२	३,२८५,२८९	९५,५६३
४	कार्तिक	३,४२४,४२४	३,४७६,०३३	(५१,६०९
५	मंसिर	३,१३३,९०८	३,५७८,१०२	(४४४,१९४
६	पौष	४,२५३,४१४	५,१८१,०५६	(९२७,६४२
७	माघ	२,८१६,१२४	३,६४१,८७५	(८२५,७५१
८	फाल्गुन	२,७५२,७८९	२,७६४,५५७	(११,७६८
९	चैत्र	१,८७५,५६६	१,९००,९५३	(२५,३८६
१०	बैशाख	१,०८५,७४८	१,३५५,६०७	(२६९,८५९
११	जेष्ठ	१,०५६,९९१	२,१२५,४६३	(१,०६८,४७२
१२	अषाढ	२,८२८,७९४	३,१८९,९४५	(३६१,१५१
जम्मा		**३२,६९२,१३४**	**३७,०५६,२१८**	**(४,३६४,०८२)**

५. खर्चहरुको विवरण निम्न अनुसार रहेको छ।

गत आ.व.को तुलनामा यस आ.व.मा बुखरी खोलामा बाढीले क्षति गरेको ठाँउमा पाईपलाईन मर्मत, मेसीनको रनर मर्मत, सबै पाईप लाईनमा रंगरोकन गरिएको र बैंकको व्याजदरमा बृद्धी भएको कारणले रु ४७,०९,०५४.०० बढी खर्च भएको व्यहोरा अवगत गराउन चाहान्छु। जस्को विवरण तल तालीकामा प्रस्तुत गरिएको छ।

खर्चहरुको विवरण

क.स.	खर्चहरूको विवरण	आ.व. २०७९।०८०	आ.व. २०७८।०७९	थप/घट	कैफियत
1	मुख्य कार्यालयमा प्रसासनिक खर्चहरू	5,281,846	4,370,449	911,397	
2	आयोजना संचालन खंर्चहरू	1,122,670	814,481	308,189	
3	बैंक व्याज	9,227,833	8,465,636	762,198	
4	आयोजना मर्मत सम्भार खर्चहरू	4,472,709	878,118	3,594,591	
5	विमा खर्चहरू	179,510	1,046,830	(867,320)	
Total		**20,284,568**	**15,575,514**	**4,709,054**	

६. लाभांष वितरणको विवरण

क.स	विवरण	लाभांश वितरणको विवरण (प्रतिशतमा)	थप/घट	कैफियत
१	आ.व. २०७६।०७७	५.२५		बा.सा. सभावाट स्विकृत भएको
२	आ.व. २०७७।०७८	६.५०	१.२५	बा.सा. सभावाट स्विकृत भएको
३	आ.व. २०७८।०७९	८.५०	२	बा.सा. सभावाट स्विकृत भएको

कम्पनीले आ.व. २०७६।०७७ देखि निरन्तर रुपमा लाभांश वितरण गरिरहेको व्यहोरा हामी सबैलाई अवगत नै छ । गत आ.व.को तुलनामा यस आ.व.मा हिउदको समयमा पानी कम परेको हुँदा रु ४३,६४,०८२.०० आम्दानीमा कमी भएको र बुखरी खोलामा बाढीले क्षति गरेको ठाँउमा पाईपलाईन मर्मत, मेसीनको रनर मर्मत, सबै पाईप लाईनमा रंगरोकन गरिएको र बैंकको व्याजदरमा बृद्धी भएको कारणले रु ४७,०९,०५४.०० बढि खर्च भएको कारणले यस आ.व. वर्ष लाभांश वितरण गर्न नसकिएको जानकारि गर्दछु । आगामि आ.व. बाट बैंकको ऋण पनि घट्ने र आम्दानी पनि बढ्ने अपेक्षा गरेको हुँदा निरन्तर रुपमा लाभांश वितरण गर्ने लक्ष्य राखिएको अवगत गराउन चाहन्छु ।

७. भावी कार्य योजना

यस कम्पनी आफैले देश भित्र रहेका विभिन्न नदी नाला तथा खोलाहरुमा जलविद्युत आयोजनाको पहिचान गर्ने र ति आयोजनाहरुको अध्ययन गरी वित्तीय तथा प्राविधिक रुपमा सम्भाव्य भएमा लगानी गरी निर्माण तथा संचालन गर्ने तथा अन्य कम्पनी द्धारा प्रर्वधित उपयुक्त विभिन्न जलविद्युत आयोजनाहरुमा लगानी गर्ने समेत भावी कार्य योजना रहेको अवगत गराउन चाहन्छु ।

८. कम्पनीको संस्थागत सुशासन

यस कुथेली बुखरी स्मल हाइड्रोपावर लिमिटेड असल संस्थागत सुशासनका लागि प्रतिवद्ध छ । कम्पनीको उद्देश्य, दृष्टिकोण, लक्ष्य तथा मूल्य मान्यताहरूलाई पछ्याउने क्रममा नैतिक, इमान्दार तथा पारदर्शी भई शेयरधनीहरूको विश्वासलाई कायम राख्दै राम्रो प्रतिफल दिन कम्पनी लागी परेको छ।

कम्पनीको यस आ.व मा शेयरको सार्वजनिक निष्काशन, बाडफाँड तथा सुचीकरण सम्बन्धी सम्पुर्ण कार्यहरु सम्पन्न भई नसकेकोले बाँकी रहेका कार्यहरु आगामी आ.व. २०८०।०८१ मा पनि समापन हुने र सुचीकृत कम्पनी सम्बन्धी प्रचलित कानुन बमोजिम गर्नु पर्ने कार्यहरु तथा पेश गर्नुपर्ने विवरणहरु र प्रतिवेदनहरू समयमै नियमनकारी निकायहरूमा पेश गर्दै जान प्रतिवद्ध रहेको अवगत गराउन चाहन्छु ।

९. धन्यवाद ज्ञापन

यस आयोजनाको उत्पादन क्षमता अनुसार संचालन भएता पनि बेला बेलामा आएको ट्रान्समिसन लाइनको अवरोध , मेसिन पुराने हुदै जाँदा धेरै मर्मत सम्भार गर्नुपर्ने तथा बाढि पहिरोको कारण आयोजनामा क्षति पुग्न सक्ने र उत्पादनमा थपघट हुने, देशको बैंकहरुमा वित्तीय अस्थीरताको कारणले बैंक व्याजदर बढ्ने तथा समय समयमा परिवर्तन भै राख्ने कानुन जस्ता जोखिमहरु हुने व्यहोरा पनि अवगत गराउन चाहन्छु । आगामी दिनहरुमा नेपाल विद्युत प्राधिकरण, NMB Bank Ltd तथा सम्बन्धीत निकायहरु संग समन्वय र सहकार्य गर्दै यस्ता जोखिमलाई न्युनीकरण गर्न प्रतिवद्ध रहेको अवगत गराउन चाहन्छु ।

अन्तमा, यस लिमिटेडका संचालक समितिका आयोजना प्रति समर्पित साथीहरु, यस संस्थामा कार्यरत लगनशिल एवम् इमान्दार कर्मचारी साथीहरु, नेपाल विद्युत प्राधिकरण, विद्युत विकाश विभाग एवम् अन्य मन्त्रालय साथै हामी सँग सम्बन्धित निकायका सम्पुर्ण शुभेच्छुकज्यु हरुप्रति हार्दिक धन्यवाद दिन चाहन्छु । यसै गरी हामीलाई वित्तीय रुपमा सहयोग गर्नुहुने NMB Bank LtD, कन्सल्टेन्सी, स्थानिय वासिन्दा सबैलाई हार्दिक धन्यवाद दिँदै आगामी दिनहरुमा समेत यस्तै सहयोगको अपेक्षाका साथ यो प्रतिवेदनलाई यहि अन्त्य गर्दछु ।

धन्यवाद

अध्यक्ष

श्री सन्तोष प्रसाद मैनाली

PAN - 304982185	SUB. NO. - 8000

M/s KUTHELI BUKHARI SMALL HYDROPOWER LTD.

THAPAGAUN, KMC - 10, KATHMANDU, BAGMATI PROVINCE, NEPAL.

ANNUAL AUDIT REPORT
&
FINANCIAL STATEMENTS

(FINANCIAL YEAR - 2079/080 (AD. 222/023)

(SUSPA BUKHARI SMALL HYDROPOWER PROJECT, 998 KW)

AUDITED BY :

CA. EKA RAJ SIGDEL, FCA

(PROPRIETOR)

E. R. SIGDEL & ASSOCIATES

CHARTERED ACCOUNTANTS

MADHYAPUR THIMI - 4, BHAKTAPUR, BAGMATI PROVINCE, NEPAL.

नेपाल चार्टर्ड एकाउन्टेन्ट्स संस्था
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NEPAL
(Established under the Nepal Chartered Accountants Act, 1997)

UDIN Document

Fiscal Year: 2079/80

Date / Time: 2024-01-06 19:16:07	**UDIN Number:** 240106CA00418jSV6c
Member Name: EKA RAJ SIGDEL	**Date of Signing Document:** 2023-12-18
Document Type: Audit	**Audit Type:** Statutory Audit
Office Type: Listed Public Company	**Office Name:** KUTHELI BUKHARI SMALL HYDROPOWER L.T.D.
Type of Audit Opinion: Disclaimer Of Opinion	**Period (AD):** 2022-07-17 to 2023-07-16
PAN No: 304982185	

Financial figures

S.N.	Heading	Amount
1	**Total Asset/Liabilities**	**NRs. 246796942**
2	**Gross Revenue/Turnover**	**NRs. 32692134**
3	**Gross Expenses**	**NRs. 22835914**
4	**Net Profit Or Loss**	**NRs. 9856220**
5	**Depreciation & Amortization**	**NRs. 2350199**

Status: Active Document

Document Description: Annual Financial Statements of F/Y - 2079/080.

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders,
M/s KUTHELI BUKHARI SMALL HYDROPOWER LTD.
Thapagaun, KMC - 10, New Baneshwor, Kathmandu.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statement of **M/s Kutheli Bukhari Small Hydropower Ltd.** (the Company), which comprises the statement of financial position as at 31st Ashadh, 2080 (Corresponding to 16th July, 2023), Income Statement, Cash Flow Statement, Statement of Changes in Equity for the year then ended and schedules to the financial statements, including a summary of Significant Accounting Policies and Notes to Accounts and other explanatory information.

We do not express an opinion on the accompanying financial statements of Kutheli Bukhari Small Hydropower Ltd. as at 31st Ashadh, 2080 (16th July, 2023) because of the significance of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer Opinion

The applicable financial reporting framework for all the entities except for SMEs is now changed to Nepal Financial Reporting Standards (NFRS) from Nepal Accounting Standards. However, the company has not prepared its financial statements in accordance with NFRS and we were unable to determine any adjustment pursuant to NFRS applicability. As such, the effect of not restating, presenting and disclosing financial information based on provisions of NFRS is uncertain and could be material and pervasive.

We conducted our audit in accordance with the existing Nepal Standards on Auditing (NSAs) and other applicable law. Our responsibilities under those standards are further described in the *"Auditor's responsibilities for the audit of the financial statements"* section of our report. We are independent of the Company in accordance with the *ICAN's Handbook of Code of Ethics* for the Professional Accountants together with ethical requirements that are relevant to our audit of the financial statements in Nepal, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAN's Handbook of Code of Ethics for the Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Emphasis of Matter Paragraph

We draw attention to Schedule 18 (4.1) of financial statements regarding the rate of depreciation & amortization on property, plant and equipment which describe the rate of depreciation on plant and equipment/ machinery for hundred years with-out having the reference of legal provisions. In other group of assets, the rate of depreciation is followed based on the provision of Income Tax Act during this year, which is not consistent with the rate applied in previous year. The Further, we draw attention to Schedule 18 (4.4) regarding the outstanding advance for land purchase and

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other advances. The advances should be settled on due course of time in arm length of period. The repairing cost is also uncertainty about settlements of the same advances. Furthermore, we draw attention to schedule 18 (4.3) of financial statements which describe about settlement of loans and advances from the directors that have been settled during the reporting period. The loan and advances from the directors have been settled through called amounts from the public as an Initial Public Offering (IPO). Our opinion is not further modified concerning these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
1. Revenue Recognition The revenue of the company has to be recognized on an accrual basis. Revenue is mainly derived from the sale of electricity to the Nepal Electricity Authority. Other income will include income from sales of scrap material and rebate on interest cost of loans. As a part of our risk assessment, we have considered each individual revenue stream and determined that a significant risk exists in respect of recognition of income under all material revenue streams. Revenue may also be misstated due to errors in system calculations or manual processes.	Our audit approach regarding verification of the process of income recognition included: ▪ We understood and evaluated the controls and processes over the recording of revenue at the system level and control in place for manual processes. ▪ We obtained the details of revenue from the sale of electricity and verified billed amount of energy with the rate of electricity as quoted in the power purchase agreement with NEA. We also verified the total chargeable unit of contract energy based on approved meter readings for each period. ▪ We reviewed the contracts, wherever applicable, to ensure whether revenue as per the power purchase agreement is recognized or not. ▪ For scrap material sales we confirmed whether the right to receive the income has been established before recognizing the revenue and reconciled the recognized revenue with the general ledger. ▪ For rebate of interest expenses, we confirmed whether the right to receive has been established before recognizing the revenue and reconciled the recognized income with the ledger and statements confirmation received from the bank.

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	▪ We also assessed the revenue recognition policies adopted for compliance with the relevant accounting standards.
2. <u>Intangible – Project Assets Recognition</u> The Subsequent cost (additional cost) of Intangible assets - project has been recognized at the time they are incurred by following the recognition principle of the company. As a part of our risk assessment, we have considered each subsequent cost incurred and determined that a significant risk exists in respect to the recognition of assets for the reporting period. Subsequent costs of assets may also be misstated due to errors in system calculations or manual processes.	Our audit approach regarding verification of the process of included: ▪ We understood and evaluated the controls and processes over the recording of subsequent costs at the system level and control in place for manual processes. ▪ We obtained the details of the subsequent cost of assets incurred from the concerned parties and verified the billed amount of assets. ▪ We reviewed the recognition criteria of assets whether it is probable that future economic benefits associated with the items will flow to the entity, and whether the cost of the items can be measured reliably or not. ▪ We ensure that the assets recognition principle of the company for all assets is at the time they are incurred is in line with the recognition criteria of NAS 16. ▪ We ensure subsequent costs have been recognized in the carrying amount of assets if only the recognition criteria are met.

Other Information

The management of company is responsible for other information, which comprises the information included in the annual report but does not include the financial statements and our opinion thereon. The annual report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is any material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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Responsibility of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations or has no realistic alternative but to do so. Those charged with Governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with NSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



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- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Because of the matters described in the *Basis for Disclaimer Opinion paragraph*, we are not able to obtain sufficient appropriate audit evidence to provide a basis for audit opinion on these financial statements.

Report in the Legal and Other Regulatory

As per the provision of Section 115 of the Company Act, 2063 (First Amendment, 2074), we further report that;

I. We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our audit subject to the opinion mentioned enclosed herewith :-

II. In our opinion, the returns were adequate for the purpose of the audit; proper books of accounts have been produced as supported by annexed statements and operations have been conducted satisfactorily;

III. In our opinion, the Statement of Financial Position, Statement of Profit or Loss, and Cash Flow Statement including Schedules dealt with by this report have been prepared in accordance with the requirements of laws and agree with the books of account maintained; expect that is required by Nepal Financial Reporting Standards;

IV. The company has not contributed any sum on Social Security Fund (SSF) by complying the provision of the Social Security Act, 2075;

V. The financial statements are in agreement with the books of account. However, the settlement of advance for Repair and Maintenance, Hydromechanical Work, and Consultancy Fees during the current reporting period could have resulted in the capitalization of subsequent costs which could have overstated the current depreciation expenses related to Intangible assets -Project over the remaining period of license;

E. R. Sigdel & Associates ★ Chartered Accountants ★ Madhyapur Thimi - 4 Bhaktapur Bagmati Province Nepal

ERSA E. R. Sigdel & Associates
CHARTERED ACCOUNTANTS

G.P.O. Box: 19614 ✆ 977-9801031525
J-14, Balkumari Colony, Madhyapur Thimi -4
Bhaktapur, Bagmati Province, Nepal
ersigdel@yahoo.com / ersigdel@gmail.com
ICAN-M. # 418, COP # 384, VAT # 100331480

VI. The company has no practice of maintaining the record of the working hours as such we could not determine the compliance requirement under section 28 of the Labour Act, 2074. Further, we could not determine the compliance requirement under sections 29, 30, and 31 of the Labour Act, 2074 related to not to obliged to work overtime, provision relating to overtime and additional remuneration to be paid respectively during the reporting period.

VII. The company has not complied with the requirement of sections 54 and 55 related to medical and accidental insurance respectively of the Labour Act, 2074;

VIII. Neither, we have come across any information about the misappropriation of funds by the members of the Board of Directors, the representatives or employees of the company have acted contrary to the applicable provisions relating to books of accounts and have not committed for any misappropriation of the fund or caused any loss or damage to the company during the course of our audit nor we received any such information from the management subject to the opinion mentioned herewith.

IX. We found the accounts, records, books, and ledgers have been maintained accurately following prevailing laws except for the items included in the *Basis for Disclaimer Opinion.*

To the best of our information and according to the explanations given to us, in the course of our audit, we observed the business of the Company was conducted satisfactorily, and the Company's transactions were found to be within the scope of its authority. We did not come across cases of accounting related fraud and the cases where the board of directors or any director or any office bearer of the Company has acted contrary to the provisions of law or caused loss or damage to the Company or committed any misappropriation of the funds of the company. We found the accounts, records, books and ledgers have been maintained accurately in accordance with prevailing laws except the items included in the basis of emphasis of matter paragraph.

UDIN Number - 240106CA00418jSV6c

E. R. Sigdel & Associates ★ Chartered Accountants ★ Madhyapur Thimi - 4 Bhaktapur Bagmati Province Nepal

.....

CA. Eka Raj Sigdel, FCA
Proprietor
For, E. R. Sigdel & Associates
Chartered Accountants

Date: Poush - 02, 2080
Place: Madyapur Thimi - 04, Bhaktapur, Bagmati Province, Nepal.

KUTHELI BUKHARI SMALL HYDROPOWER LTD.

Thapagaun, KMC - 10, Kathamandu, Nepal

Statement of Financial Position (Balance Sheet)

As at 31st Ashadh, 2080 (corresponding to 16th July, 2023)

Amount in Rs.

Particulars	Schedule	Current Year	Previous Year
EQUITY AND LIABILITIES			
Equity			
Share Capital	1	111,508,700	97,494,000
Reserve & Surplus	2	59,740,472	58,171,242
Total Equity		**171,249,172**	**155,665,242**
Non Current Liabilities			
Long Term Borrowing	3	68,852,999	91,536,334
Total Non Current Liabilities		**68,852,999**	**91,536,334**
Current Liabilities			
Short Term Loans	4	2,500,000	-
Trade & Other Payable	5	3,993,624	913,710
Short Term Provision	6	201,147	555,095
Total Current Liabilities		**6,694,771**	**1,468,805**
Total Equity and Liabilities		**246,796,942**	**248,670,381**
ASSETS			
Non Current Assets			
Property Plant and Equipment	7	257,765,333	257,765,333
Less: Accumulated Depreciation		*(19,909,039)*	*(17,558,841)*
Net Property, Plant and Equipment		**237,856,294**	**240,206,492**
Investment		-	-
Deferred Tax Assets		-	-
Total Non Current Assets		**237,856,294**	**240,206,492**
Current Assets			
Inventory	8	-	-
Sundry Debtors and Other Receivable	9	3,902,798	5,364,317
Cash and Bank Balances	10	716,879	639,815
Prepaid, Loans & Advances	11	4,320,971	2,459,757
Total Current Assets		**8,940,648**	**8,463,889**
Total Assets		**246,796,942**	**248,670,381**

Significant accounting policies and notes to accounts 18

Schedule 1 to 18 form the integral part of the financial Statements.

As per our report of even date.

Nabin Makaju
Director

Rama Bahadur Newar
Director

Santosh Prasad Mainali
Chairperson

CA. Eka Raj Sigdel
For, E. R. Sigdel & Associates
Chartered Accountants

Saroj Kaji Shrestha
Director

Sunhitra Kharel
Director

Lokesh Pun
Independent Director

Sabin Shrestha
Officer - Accounts

Date : 2nd Poush, 2080.

Place : Thapagaun, New Baneshwor - 10, Kathmandu.

KUTHELI BUKHARI SMALL HYDROPOWER LTD.

Thapagaun, KMC - 10, Kathamandu, Nepal

Statement of Profit or Loss Accounts

For the period from 1st Shrawan, 2079 to 31st Ashadh, 2080

Amount in Rs.

Particulars	Schedule	Current Year	Previous Year
Income:			
Revenue From Operation	12	32,692,134	37,056,218
Less : Operating Expenses	13	1,122,670	814,481
Gross Profit / (Loss)		**31,569,464**	**36,241,737**
Other Income	14	-	150,000
Remuneration Expenses	15	3,703,250	3,638,879
Administrative Expenses	16	6,230,815	2,656,518
Depreciation	7	2,350,199	2,386,761
Profit Before Tax ,Bonus and Interest		**19,285,200**	**27,709,579**
Financial Charges (Interest Expenses & Bank Charges)	17	9,227,833	8,465,636
Provision for Employee Bonus		201,147	384,879
Net Profit / (Loss) Before Tax		**9,856,220**	**18,859,064**
Previous Year Tax Expenses		-	-
Current Tax Expenses		-	-
Deferred Tax (Income) / Expenses		-	-
Net Profit / (Loss)		**9,856,220**	**18,859,064**

Schedule 1 to 18 form the integral part of the financial Statements.

Nabin Makaju
Director

Rama Bahadur Newar
Director

Santosh Prasad Mainali
Chairperson

CA. Eka Raj Sigdel
For, E. R. Sigdel & Associates
Chartered Accountants

Saroj Kaji Shrestha
Director

Sumitra Kharel
Director

Lokesh Pun
Independent Director

Sabin Shrestha
Officer - Accounts

KUTHELI BUKHARI SMALL HYDROPOWER LTD.
Thapagaun, KMC - 10, Kathamandu, Nepal

Cash Flow Statement
For the period from 1st Shrawan, 2079 to 31st Ashadh, 2080

Amount in Rs.

	Particulars	Current Year	Previous Year
A	**Cash Flow From Operational Activities**		
	1. Profit/(Loss) as per Income Statement	9,856,220	18,859,064
	Add:		
	Depreciation	2,350,199	2,386,761
	Cash Flow Before Changes in Working Capital	**12,206,419**	**21,245,825**
	(Increase)/Decrease in Current Assets	(399,697)	(1,192,120)
	Increase/(Decrease) in Current Liabilities	2,725,966	(6,624,788)
	Cash Flow From Operational Activities	**14,532,688**	**13,428,918**
	Deferred Tax Adjustment	-	-
	Net Cash Flow From Operational Activities	**14,532,688**	**13,428,918**
B	**Cash Flow From Investing Activities**		
	a. (Increase) / Decrease of Assets	-	-
	b. (Increase) / Decrease in Capital work in Progress	-	-
	Net Cash Flow From Investing Activities	-	-
C	**Cash Flow From Financing Activities**		
	a. Increase / (Decrease) of Share Capital	14,014,700	-
	b. Increase / (Decrease) of Long term & Short term loan	(20,183,335)	(12,825,000)
	c. Dividend Paid	(8,286,990)	-
	Net Cash Flow From Financing Activities	**(14,455,625)**	**(12,825,000)**
	Increase/(Decrease) in Net Cash Flow (A+B+C)	**77,063**	**603,918**
	Opening Balance of Cash and Bank	639,815	35,897
	Closing Balance of Cash and Bank	**716,879**	**639,815**

Nabin Makaju Director	Ratna Bahadur Newar Director	Santosh Prasad Mainali Chairperson	CA. Eka Raj Sigdel For, E. R. Sigdel & Associates Chartered Accountants
Saroj Kaji Shrestha Director	Sumitra Kharel Director	Lokesh Pun Independent Director	Sabin Shrestha Officer - Accounts

KUTHELI BUKHARI SMALL HYDROPOWER LTD.

Thapagaun, KMC - 10, Kathamandu, Nepal

Statement Showing Changes in Equity

For the period from 1st Shrawan, 2079 to 31st Ashadh, 2080

Amount in Rs.

Particulars	Share Capital	Share Premium	General Reserve	Other Reserve	Accumulated Profit	Total
Balance at 32nd Ashadh 2079	**97,494,000**	-	-	-	**58,171,242**	**155,665,242**
Change in Accounting Policy	-	-	-	-	-	-
Adjustment of Deferred Tax	-	-	-	-	-	-
Restated Balance	**97,494,000**	-	-	-	**58,171,242**	**155,665,242**
Net Profit For the year	-	-	-	-	9,856,220	9,856,220
Dividend	-	-	-	-	(8,286,990)	-
Issued of Share Capital for the year	14,014,700	-	-	-	-	14,014,700
Call in Arrears *(if any)*	-	-	-	-	-	-
Balance at 31st Ashadh 2080	**111,508,700**	-	-	-	**59,740,472**	**171,249,172**

Nabin Makaju
Director

Ratna Bahadur Newar
Director

Santosh Prasad Mainali
Chairperson

CA. Eka Raj Sigdel
For. E. R. Sigdel & Associates
Chartered Accountants

Saroj Kaji Shrestha
Director

Sumitra Kharel
Director

Lokesh Pun
Independent Director

Sabin Shrestha
Officer - Accounts

KUTHELI BUKHARI SMALL HYDROPOWER LTD.

Thapagaun, KMC - 10, Kathamandu, Nepal

Financial Year - 2079 / 080

Share Capital **Schedule - 1**

Particulars	Current Year	Previous Year
Authorized Equity Share Capital		
Authorized Share Capital 1218,675 shares @ 100 each	121,867,500	121,867,500
Issued Equity share Capital		
Issued Share Capital 1218,675 Share @ 100 each	121,867,500	121,867,500
Paid-up Equity Share Capital		
Paid up Share Capital 974,940 shares @ 100 each for Promoters	97,494,000	97,494,000
Paid up Share Capital 243,735 shares @ 100 each for Public	24,373,500	-
Less: Called Capital from Staff & General Public of 103,588 Shares yet to be alloted	(10,358,800)	-
Total	**111,508,700**	**97,494,000**

Reserve & Surplus **Schedule - 2**

Particulars	Current Year	Previous Year
Retained Earnings / Reserve Fund	58,171,242	39,312,178
Profit / (Loss) transferred for current year	9,856,220	18,859,064
Less: Dividend Paid	(8,286,990)	-
Total	**59,740,472**	**58,171,242**

Long Term Borrowing **Schedule - 3**

Particulars	Current Year	Previous Year
Term Loan - NMB Bank Limited, Babarmal	68,852,999	91,536,334
Total	**68,852,999**	**91,536,334**

Short Term Borrowing **Schedule - 4**

Particulars	Current Year	Previous Year
Overdraft / Demand Loan - NMB Bank Limited, Babarmal	2,500,000	-
Total	**2,500,000**	**-**

Associates
Madhyapur Thimi - 4
Bhaktapur
Bagmati Province
Nepal
Chartered Accountants

KUTHELI BUKHARI SMALL HYDROPOWER LTD.

Thapagaun, KMC - 10, Kathamandu, Nepal

Financial Year - 2079 / 080

Trade and Other Payables **Schedule - 5**

Particulars	Current Year	Previous Year
Trade Payable		
Sundry Creditor	731,029	79,826
Other Payable	197,218	66,628
TDS & Other Payable		
House Rent Payable	-	45,000
Salary Payable	828,646	240,969
Audit Fee Payable	111,500	98,673
Dividend Payable	1,561,152	-
TDS - Audit Fee	1,500	1,327
TDS - House Rent Expenses	20,000	20,000
SST 1% - Wages Expenses	4,336	3,182
SST 1% - Remuneration Expenses	42,584	35,849
TDS - Remuneration Expenses	-	5,400
TDS - Dividend	414,328	316,856
TDS - Other Payable	81,332	-
Total	**3,993,624**	**913,710**

Short Term Provision **Schedule - 6**

Particulars	Current Year	Previous Year
Provision for Employee Bonus - This Year	201,147	384,879
Provision for Employee Bonus - Till Previous Year	-	170,216
Provision for Income Tax	-	-
Total	**201,147**	**555,095**

Inventory **Schedule - 8**

Particulars	Current Year	Previous Year
Raw Materials	-	-
Total	**-**	**-**

Adhikari & Associates
Madhyapur Thimi - 4
Bhaktapur
Bagmati Province
Nepal
Chartered Accountants

KUTHELI BUKHARI SMALL HYDROPOWER LTD.
Thapagaun, KMC - 10, Kathamandu, Nepal

Financial Year - 2079 / 080

Property, Plant & Equipment — **Schedule - 7**

Particulars	Rate of Dep.	Gross Block				Depreciation			Net Block	
		Op. Balance	Addition & Deletions		Total	Up to last year	This Year	Total	Current Year	Previous Year
			Addition	Deletions						
BLOCK "A"										
Land & Buildings										
Land & Buildings	0%	9,391,456	-	-	9,391,456	-	-	-	9,391,456	9,391,456
Sub Total		**9,391,456**	-	-	**9,391,456**	-	-	-	**9,391,456**	**9,391,456**
BLOCK "B"										
Furniture & Office Equipments										
Office Equipment	25%	64,893	-	-	64,893	56,097	2,199	58,296	6,597	8,796
Furniture & Fixtures	25%	544,486	-	-	544,486	496,419	12,017	508,435	36,051	48,067
Computer & Accessories	25%	266,157	-	-	266,157	220,465	11,423	231,888	34,269	45,692
Intangible Assets - Software	25%	49,332	-	-	49,332	42,747	1,646	44,393	4,939	6,585
Sub Total		**924,868**	-	-	**924,868**	**815,727**	**27,285**	**843,013**	**81,855**	**109,141**
BLOCK "C"										
Vehicles & Automobiles										
Two Wheeler	20%	235,900	-	-	235,900	152,454	16,689	169,143	66,757	83,446
Vehicles	20%	-	-	-	-	-	-	-	-	-
Sub Total		**235,900**	-	-	**235,900**	**152,454**	**16,689**	**169,143**	**66,757**	**83,446**
BLOCK "D"										
Others:										
Plant & Machinery	15%	-	-	-	-	-	-	-	-	-
Other Assets	15%	-	-	-	-	-	-	-	-	-
Sub Total		-	-	-	-	-	-	-	-	-
BLOCK "E"										
Intangible Assets - Software	1/4	-	-	-	-	-	-	-	-	-
Sub Total		-	-	-	-	-	-	-	-	-
TOTAL (A)		**10,552,224**	-	-	**10,552,224**	**968,181**	**43,974**	**1,012,156**	**9,540,068**	**9,584,043**

Project Building & Structure

Particulars	Rate	Gross Block				Depreciation			Net Block	
		Op. Balance	Addition & Deletions		Total	Up to last year	This Year	Total	Current Year	Previous Year
			Addition	Deletions						
Office and Camp Facilities	1%	1,271,103	-	-	1,271,103	87,461	11,836	99,297	1,171,806	1,183,642
Project Structures	1%	166,946,645	-	-	166,946,645	10,537,934	1,564,087	12,102,021	154,844,624	156,408,711
Plant and Machinery	1%	78,995,361	-	-	78,995,361	5,965,265	730,301	6,695,566	72,299,795	73,030,096
TOTAL (B)		**247,213,109**	-	-	**247,213,109**	**16,590,659**	**2,306,224**	**18,896,884**	**228,316,225**	**230,622,450**
GRAND TOTAL (A+B)		**257,765,333**	-	-	**257,765,333**	**17,558,841**	**2,350,199**	**19,909,039**	**237,856,294**	**240,206,492**

Bhaktapur Province No. 3 Nepal — Chartered Accountants

KUTHELI BUKHARI SMALL HYDROPOWER LTD.
Thapagaun, KMC - 10, Kathamandu, Nepal

Financial Year - 2079 / 080

Sundry Debtors & Other Receivables — **Schedule - 9**

Particulars	Current Year	Previous Year
Sundry Debtors	3,883,517	5,202,882
Other Receivable	19,281	-
Other Receivable & Bank Margin		
Receivable from NMB Capital - IPO Amount	-	-
Deposit Margin - NMB Bank Limited.	-	161,435
Total	**3,902,798**	**5,364,317**

Cash & Bank Balances — **Schedule - 10**

Particulars	Current Year	Previous Year
Cash Balance		
Cash In Hand (As Certified by Management)	6,306	6,113
Bank Balance		
NMB Bank Limited, Babarmal	680,790	603,920
Prabhu Bank Limited, Banepa	22,783	22,782
Nabil Bank Limited,	5,000	5,000
Kumari Bank Limited, Banepa	2,000	2,000
Total	**716,879**	**639,815**

Prepaid, Loans & Advances — **Schedule - 11**

Particulars	Current Year	Previous Year
Prepaid Insurance Premium	783,809	-
Loans & Advances - Land Purchase at site	2,280,000	2,280,000
Other Advance - Suman Thapa	106,939	106,939
Other Advance - Karma Raj Tamang	-	46,088
Advance for Repair to Venus Hydro and Electric Pvt. Ltd.	1,150,223	-
Salary Advance	-	26,730
Total	**4,320,971**	**2,459,757**

R. Sigdel & Associates, Chartered Accountants, Madhyapur Thimi - 4, Bhaktapur, Bagmati Province, Nepal

KUTHELI BUKHARI SMALL HYDROPOWER LTD.

Thapagaun, KMC - 10, Kathamandu, Nepal

Financial Year - 2079 / 080

Revenue From Operation — **Schedule - 12**

Particulars	Current Year	Previous Year
Sales Income (Sales of Electricity)	32,692,134	37,056,218
less: Sales Return	-	-
Total	**32,692,134**	**37,056,218**

Operating Expenses (Direct Cost) — **Schedule - 13**

Particulars	Current Year	Previous Year
Direct Expenses (Project site Expenses)		
NEA - Electricity Expenses	7,042	12,412
Site Office Expenses	354,061	260,069
Site Office-Communication Expenses	3,000	27,000
Site Office-Mess Expenses	500,000	480,000
Site Office Miscellaneous Expenses	48,397	35,000
NEA - 3% Rebet Charge	210,170	-
Total	**1,122,670**	**814,481**

Other Income — **Schedule - 14**

Particulars	Current Year	Previous Year
Discount Received	-	-
Gain on Dispoal of Assets / Material	-	-
Interest on Bank Balance / Rebate Interest Expenses	-	150,000
Total	**-**	**150,000**

Remuneration Expenses — **Schedule - 15**

Particulars	Current Year	Previous Year
Salary Expenses	3,435,000	3,638,879
Other Allowances	268,250	-
Total	**3,703,250**	**3,638,879**

KUTHELI BUKHARI SMALL HYDROPOWER LTD.

Thapagaun, KMC - 10, Kathamandu, Nepal

Financial Year - 2079 / 080

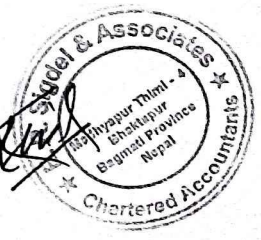
Administrative Expenses **Schedule - 16**

Particulars	Current Year	Previous Year
Head Office Expenses		
IPO Issue Expenses	610,730	67,600
Advertisment Expenses	15,000	-
Annual General Meeting (AGM) Expenses	147,957	298,305
Audit Fee Expenses	113,000	100,000
Repair & Maintenance Expenses - Project Structure	4,472,709	878,118
Registration & Renewal Expenses	125,000	-
CSR Expenses	60,000	-
House Rent Expenses	200,000	200,000
Internet Expenses	26,200	-
Membership Fee Expenses	54,000	-
Meeting Allowances Expenses	68,000	-
Office Expenses	17,600	34,215
Other Office Expenses (Tiffin / Tea / Coffee)	13,500	6,450
Printing and Stationery Expenses	-	9,500
Travelling & Site Visit Expenses	80,679	15,500
Fuel Expenses	6,930	-
Website Design Expenses	40,000	-
Insurance Expenses	179,510	1,046,830
Total	**6,230,815**	**2,656,518**

Financial Charges (Interest Expenses & Bank Charges) **Schedule - 17**

Particulars	Current Year	Previous Year
Interest Expenses		
Interest on Overdraft	124,562	12,429
Interest on Long Term loan	9,075,370	8,314,947
Sub - Total	**9,199,932**	**8,327,376**
Other Financial Charges		
Loan Renewal Expenses	10,000	-
Bank Charges	11,251	137,305
Service Charges	6,650	955
Sub - Total	**27,901**	**138,260**
Total	**9,227,833**	**8,465,636**





1. REPORTING ENTITY

INTRODUCTION

M/s Kutheli Bukhari Small Hydropower Pvt. Ltd. was registered at Office of Company Registrar, Kathmandu dated 2068-04-26 as Private Limited Company under the existing Companies Act, 2063. The company is being converted in to a public limited company w.e.f. 2071-10-20. Now, the company is running the small hydropower project at the Bhimeshwor Municipality, Ward No. 1 of Dolakha District, Bagmati Province of Nepal to operate the small hydropower project by serving the people as well as the country through the power generation. The Registration Number of the Company is 85490/ 068/ 069. The Company is also registered with Inland Revenue Department, Inland Revenue Office, Bhaktapur, Nepal (Now it is registered at the Inland Revenue Office, New Baneshwor) by obtaining Permanent Account Number (PAN # 304982185 dated 2068-04-32), the registered address of the company is situated at Thapagaun, New Baneshwor, KMC -10, Kathmandu. The main objective of the company is to generate power from renewable natural resources i.e. water with the help of local people with their active participation. The project has already started its commercial operations.

2. BASIS OF PREPARATION AND MEASUREMENT

2.1 STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with applicable Nepal Accounting Standards (NASs) as issued by the Institute of Chartered Accounts of Nepal (ICAN). The Financial Statements have also been prepared in accordance with the relevant presentational requirement of the Companies Act, 2063 of Nepal.

2.2 BASIS OF PREPARATION

The financial statements of the company have been prepared on an accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

2.3 PRESENTATION OF FINANCIAL STATEMENTS AND PRESENTATION CURRENCY

CURRENT VERSUS NON-CURRENT

The assets and liabilities of the company have been segregated into Current and Non-Current based on their respective maturity period and the normal operating cycle of the company.

The current assets in the financial statements represent those assets that are expected to be realized within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period and the remaining other assets are classified as non-current assets.
Further, the current liabilities in the financial statements represent those liabilities that are due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period and the remaining other liabilities are classified as non-current liabilities.

FUNCTIONAL AND PRESENTATION CURRENCY

The Nepalese Rupee (NRs) has been the functional and presentation currency of the company. Further, NRs is also the primary economic environment in which the company operates and all values are rounded to the nearest rupee except when otherwise indicated.

2.4 FINANCIAL PERIOD

The company prepares financial statements in accordance with the Nepalese Financial Year. The financial year starts from the 1st Shrawan and ends on Ashadh end of the next calendar year. The corresponding dates for the English calendar are as follows:

Relevant Financial Statement	Nepalese Calendar Date / Period	English Calendar Date / Period
Reporting Date	31 Ashadh, 2080	16 July, 2023
Comparative Reporting Date	32 Ashadh, 2079	16 July, 2022
Reporting period	1 Shrawan, 2079 – 31 Ashadh, 2080	17 July, 2022 – 16 July, 2023
Comparative Reporting Period	1 Shrawan, 2078 – 32 Ashadh, 2079	17 July, 2021 – 16 July, 2022

2.5 BASIS OF MEASUREMENT

The financial statements recognition and measurement are prepared under the historical cost convention.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements in conformity with Nepal Accounting Standards requires the use of certain critical accounting estimates and judgments. It also requires management to exercise judgment in the process of applying the Company's accounting policies. The Company makes certain estimates and assumptions regarding future events. Estimates and judgments are continuously evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods, except otherwise stated. Specific accounting estimates have been included in the relevant section of the note, wherever have been applied along with the nature and effect of the changes of accounting estimates if any. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year primarily include: -

3.1. IMPAIRMENT OF PROPERTY PLANT AND EQUIPMENT

At the end of each reporting period, the Company reviews the carrying amounts of its intangible assets, property, plant, and equipment to determine whether there is any indication that any assets have suffered an impairment loss. If any such indication exists, the extent of the impairment loss needs to be determined based on the recoverable amount and the carrying amount of the assets. Further, the recoverable amount is the higher of fair value less costs to sell, and value in use. Usually, the estimated discounted future cash flow method is used to determine the value of the assets.

This involves management estimates on anticipated commodity prices, market demand and supply, economic and regulatory environment, discount rates, and other factors. Any subsequent changes to cash flow due to changes in the above-mentioned factors could impact the carrying value of assets.

4. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies of the company are explained below:

4.1. PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses if any. The historical cost includes the cost of acquisition,

expenditure that is directly attributable to the acquisition of the items, and non-refundable taxes exclusive of rebates/trade discounts.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

The Company identifies and determines the cost of each component /part of the asset separately if the component/part has a cost that is significant to the total cost of the asset having a useful life that is materially different from that of the remaining asset. Further, these components are depreciated over their useful lives as provided by the Income Tax Act, 2058; the additional and remaining asset is depreciated over the life of the principal asset.

DISPOSAL OF ASSETS

An item of property, plant, and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the de-recognition of the asset (difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is de-recognized.

DEPRECIATION AND AMORTIZATION

Depreciation is recognized to write off the cost of assets less their residual values over their useful lives, using the written-down method.

Amortizations are recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Depreciation is provided on the written down method based on the depreciation rate as mentioned in section 19 of Income Tax Act 2058. Depreciation on additions to fixed assets is charged only from the date when it is available for use and is charged based on section 19 of the Income Tax Act. The useful life of the assets and the corresponding rates at which the assets are depreciated are as follows: -

S.N.	Particulars	Depreciation Rate
1.	Furniture & Fixtures	25%
2.	Computer & Office Equipment	25%
3.	Automobiles	20%
4.	Plant & Machinery	15%
5.	Project Building & Structure	1%

4.2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the statement of financial position (balance sheet) comprise cash at banks, cheque in hand and cash in hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Particulars	Current Year	Previous Year
Cash In Hand (As Certified by Management)	6,306	6,113
Bank Balances (As per Bank Statements)	710,573	633,702
Total	**716,879**	**639,815**

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4.3. SUNDRY DEBTORS AND OTHER RECEIVABLE

Sundry Debtors include the receivable revenue from the Nepal Electricity Authority during the current financial year and other receivables include the Initial Public offering (IPO) from the NMB capital including cash bank margin held in different banks. The details are as follows:

Particulars	Current Year	Previous Year
Sundry Debtors	3,883,517	5,202,882
Other Receivable	19,281	-
Other Receivable & Bank Margin		
Receivable from NMB Capital - IPO Amount	-	-
Deposit Margin - NMB Bank Limited.	-	161,435
Total	**3,902,798**	**5,364,317**

The IPO called for 103,588 shares for staff and the general public has been allotted on the next financial year thus such amount has been excluded on recording the receivable amount of Rs 10,358,800 from the NMB capital Limited.

4.4. PREPAID, LOANS & ADVANCES

The prepaid loan and advances comprise advances for the purchase of land, prepaid insurance expenses, and advances for repair and to party during the current financial year. The advance for the following purpose of the current financial year is for capital expenditure where bills are yet to be received for capitalization by the same amount. Details are as follows:

Particulars	Current Year	Previous Year
Prepaid Insurance Premium	783,809	-
Loans & Advances		
Land Purchase Advances	2,280,000	2,280,000
Other Advance - Suman Thapa	106,939	106,939
Other Advance - Karma Raj Tamang	-	46,087
Advance for Repair to Venus Hydro and Electric Pvt. Ltd.	1,150,223	-
Salary Advance	-	26,730
Total	**4,320,971**	**2,459,756**

4.5. TRADE AND OTHER PAYABLES

Trade and other payables are stated at their cost. Further, it compares trade payable, other payable and TDS & other payables during this current financial year. The details have been mentioned below:

Particulars	Current Year	Previous Year
Trade Payable		
Sundry Creditor	731,029	79,826
Other Payable	197,218	66,628
TDS & Other Payable		
House Rent Payable	-	45,000
Salary Payable	828,646	240,969
Audit Fee Payable	111,500	98,673
Dividend Payable	1,561,152	-
TDS - Audit Fee	1,500	-
TDS - House Rent Expenses	20,000	20,000
SST 1% - Wages Expenses	4,336	3,182
SST 1% - Remuneration Expenses	42,584	35,849
TDS - Remuneration Expenses	-	5,400

TDS - Dividend	414,328	316,856
TDS - Other Payable	81,332	-
Total	**3,993,624**	**912,383**

Similarly, the other payable among trade payable include payable to Mukesh Shiwakoti, Pasang Lama, Buddhi Bahadur Karki, and audit fee payable during this current financial year.

4.6. PROVISIONS, CONTINGENT ASSETS, AND CONTINGENT LIABILITIES

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent assets and liabilities are not recognized in the financial statements but they are disclosed when it is more likely than not that an inflow of benefits will occur. The company does not have any contingent liabilities for the reporting period.

4.7. INVENTORY

The company has not maintained any inventories during the current financial year.

4.8. SHARE CAPITAL

Financial instruments issued by the company are classified as equity only to the extent that they do not meet the definition of financial liability or financial asset. Further, the company has issued additional capital of Rs 24,373,500 through IPO among which 103,588 shares called from staff and the general public of Rs 10,358,800 have been allotted on the next financial year. Thus, such an amount has not been shown as a part of the equity share capital of the current financial year. The company's equity shares are classified as equity instruments as follows:

Particulars	Current Year	Previous Year
Authorized Equity Share Capital		
Authorized Share Capital 1218,675 shares @ 100 each	121,867,500	121,867,500
Issued Equity Share Capital		
Issued Share Capital 1218,675 Share @ 100 each	121,867,500	121,867,500
Paid-up Equity Share Capital		
Paid up Share Capital 974,940 shares @ 100 each for Promoters	97,494,000	97,494,000
Paid up Share Capital 243,735 shares @ 100 each for Public	24,373,500	-
Less: Called Capital from Staff & General Public of 103,588 Shares yet to be allotted	(10,358,800)	-
Total	**111,508,700**	**97,494,000**

4.8.1. RECONCILIATION OF THE NUMBER OF SHARES

The details of the number of shares (Rs 100 per share) issued during the current financial year through different categories as applicable Acts, Rules and regulations have been mentioned below:

Particulars	Current Year	Previous Year
Promotors Shares as at 1st Shrawan, 2079	974,940	974,940
Add: New Issue through IPO		
Issue for Local	121,868	-
Issue for Foreign Employment	12,186	-
Issue for Mutual Fund	6,093	-
Total Shares as at 31st Ashadh, 2080	**1,115,087**	**974,940**

4.9. RETAINED EARNINGS

Retained earnings are the amount of net profit left over for the business after it has paid out dividends to its shareholders. Retained earnings are maintained by the company to strengthen a company's financial position. Details of such retained earnings and reserves has been tabulated below:

Particulars	Current Year	Previous Year
Retained Earnings / Reserve Fund	39,312,178	39,312,178
Profit / (Loss) transferred for current year	9,868,960	18,859,064
Less: Dividend Paid	(8,286,990)	-
Total	59,753,212	58,171,242

4.10. EARNING PER SHARES

Earnings per share is the portion of the company's profit allocated to each outstanding share of common stock. Basis earnings per share is computed by dividing the net profit / (loss) for the year by the weighted average number of Equity shares outstanding during the year.

As per NAS 33 - *"Earning Per Share"* is calculated by dividing the net profit for the year attributable to equity holders of the company by the weighted average number of ordinary shares outstanding during the year. The detail is as follow:

Particulars	**Current Year**	**Previous Year**
Amount used as a Numerator		
Profit Attributable to Shareholders	9,868,960	18,859,064
Number used as the Denominator		
Weighted Average Number of equity shares	983,003	974,940
Basic and Diluted Earnings per Share (NRS)	**10.04**	**19.34**

4.11. EMPLOYEE BENEFITS

I. SHORT TERM-EMPLOYMENT BENEFITS

The cost of all short-term employee benefits (that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service) is recognized during the period in which the employee renders the related service. The accruals for employee entitlements to benefits such as salaries, bonuses, and annual leave represent the amount that the Company has a present obligation to pay as a result of the employee's services and obligation can be measured reliably.

II. POST-EMPLOYMENT BENEFITS

It comprises employment benefits in the following manner:

Defined Contribution Plan

It is a post-employment plan under which an entity pays fixed contributions to a separate entity and will have no legal or constructive obligation to pay a further amount. The company has no schemes of retirement benefits for staff in the form of provident funds as defined in the relevant section of the Labour Act, 2074.

Defined Benefit Plan

it is a post-employment benefit plan other than a defined contribution plan. The company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount, and deducting the fair value of any plan assets. The calculation of defined benefit obligation is performed annually

by a qualified actuary using the projected unit credit method. The company has no schemes of retirement benefits for staff in the form of a defined benefit plan.

4.12. INCOME TAX EXPENSE

Income tax on the profit for the year comprises current and deferred tax. Income Tax is recognized directly in the statement of profit or loss except to the extent that it relates to items recognized directly in equity.

a) Current Tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment made to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes if any.

b) Deferred Tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes which has been calculated for the first time considering the provision NAS 12.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the company expects, at the end of the reporting period to cover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred Tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized, based on the level of future taxable profit forecasts and tax planning strategies.

No deferred tax liabilities are recognized as the company is using the benefit of tax holiday for 10 years under section 11 (3 Gha) (Ka) of the Income Tax Act, 2058 of Nepal due to which no temporary difference on carrying amount and tax base thus no deferred tax Assets / Liabilities have been recognized in the profit or loss account statement.

4.13. REVENUE RECOGNITION

Revenue is recognized to the extent that the economic benefit will probably flow to the company and the revenue and associated cost incurred or to be incurred can reliably be measured.

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The sales of electricity is the ordinary business of TSHL; thus revenue is recognized at the rate/s as mentioned in the Power Purchase Agreement based on the approved meter reading by Nepal Electricity Authority. Revenue is recognized after netting off any deduction made by the Nepal Electricity Authority. The company has generated revenue from sales of electricity in the following line during the current financial year.

Particulars	Current Year	Previous Year
Shrawan	2,937,806	3287694.6
Bhadra	3,145,716	3269644
Ashoj	3,380,852	3285289
Kartik	3,424,424	3476033
Mangsir	3,133,908	3578102
Poush	4,253,414	5181056
Magh	2,816,124	3,641,875
Falgun	2,752,789	2,764,557
Chaitra	1,875,566	1,900,953
Baishakh	1,085,748	1,355,607
Jestha	1,056,991	2,125,463
Ashadh	2,828,794	3,189,945
Total	**32,692,134**	**37,056,218**

4.14. OTHER INCOME

The company has not earned any other income in the current financial year.

4.15. EXPENSES AND OTHER ADJUSTMENTS

The personal natural expenses have been derecognized while recording the expenses of the current fiscal year and expenses incurred other than generating operating revenue are not recognized following the relevant provision of accounting standards.

4.16. ROUNDING

The amounts in the financial statements are rounded off to the nearest Rupees, except where otherwise indicated as permitted by NAS 1 – *"Presentation of Financial Statements"*.

4.17. COMPARATIVE INFORMATION

Accounting policies are consistently applied across all periods reported. The presentation and classification of financial figures relating to the previous period are regrouped or reclassified where relevant to facilitate the consistent presentation and better comparability.

4.18. GOING CONCERN

The directors have made an assessment regarding the Company's ability to continue as a going concern and are satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, the directors are not aware of any material uncertainties that may cast significant doubt upon the company's ability to continue as a going concern and they do not intend either to liquidate or to cease operation of it. Therefore, the financial statements continue to be prepared on a going-concern basis.

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4.19. CASH FLOW STATEMENT

The Company has reported its cash flow statement applying the "Indirect Method" in accordance with NAS 07 -"Statement of Cash Flows".

'Cash and Cash Equivalents', as referred to in the statement of cash flows are the same as presented on the face of the consolidated statement of financial position. 'Cash Flows' are inflows and outflows of cash and cash equivalents.

The Statement of cash flows reports cash flows during the period classified by operating, investing, and financing activities as defined hereunder:

a) **Operating Activities**: These are the principal revenue-generating activities of the reporting entity and other activities that are not classified as investing or financing activities.
b) **Investing Activities:** These are the acquisition and disposal of long-term assets and other long-term investments.
c) **Financing Activities:** These are activities that result in changes in the size and composition of the contributed equity and borrowed capital of the company.

5. OTHER EXPLANATORY NOTES:

5.1. RELATED PARTY AND KEY MANAGEMENT PERSONNEL

The Company is having related party in the following manners as common Directors.

Particulars	Name of Company	Designation
Ratna Bahadur Newar	Water Energy Pvt. Ltd.	Chairperson

5.2. DIRECTORS AND KEY MANAGEMENT PERSONNEL:

The company is having key management personnel in the following manner during this current financial year.

Particulars	Position / Designation
1. Santosh Prashad Mainali	Chairperson
2. Ratna Bahadur Newar	Director
3. Nabin Makaju	Director
4. Saroj Kaji Shrestha	Director
5. Sumitra Kharel	Director
6. Lokesh Pun	Independent Director

5.3. SUBSEQUENT EVENT:

There has not been any significant reportable event after the reporting date which requires to be either adjusted or disclosed.

5.4. APPROVAL OF FINANCIAL STATEMENTS:

The accompanying financial statements have been approved and authorized for issue by the Board of Directors on due course of time and have been recommended for approval by shareholders in the upcoming Annual General Meeting (AGM).

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