

INDEPENDENT AUDITOR'S REPORT

To the Shareholders,
Mabilung Energy Ltd
Kathmandu Nepal

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Mabilung Energy Ltd, which comprise the Statement of Financial Position as at Ashadh 31st, 2081, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, *give a true and fair view* of the financial position of the Company as at Ashadh 31, 2081, and *of its* financial performance and its cash flows for the year then ended in accordance with Nepal Financial Reporting Standards (NFRSs).

Basis for Opinion

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). 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 Professional Accountants together with the 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 The Code of Ethics For Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 our 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.

Other

Management is responsible for the other information. The other information comprises the information included in the "Annual Report", but does not include the financial statements and our auditor's report thereon. 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 a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities 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 NFRSs, 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 Company'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 Company 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.

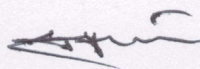
Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with NSAs, we exercise professional 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 consolidated 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.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.
- 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.

Report on Other Legal and Regulatory Requirements

As per the requirements of Section 115 of the Companies Act, 2063 (First Amendment 2074), we further report that:

- a) 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.
- b) In our opinion the Company has kept proper books of account as required by law so far, as appears from our examinations of those Books.
- c) The financial statements are in agreement with the books of account.



- d) In our opinion and to the best of our information and according to the explanation given to us, the financial statement the said Balance Sheet, Income Statement and Cash Flow Statement, read together with the notes forming part of the accounts give the information required by the Companies Act 2063 (First Amendment 2074) in the manner so required and give a true and fair view:
- i. In the case of Balance Sheet, of the state of affairs of the Company as at 31st Ashadh, 2081; and
 - ii. In the case of Income Statement, of the results of operations of the Company for the year ended on 31st Ashadh, 2081 and
 - iii. In the case of the Cash Flow Statement, of Cash inflow and outflow of Company for the year ended on that date.
- e) Neither we have come across any of the information about the misappropriation of fund by the directors or any of the representative or company's staffs during the course of our audit nor have we received any such information from the management.
- f) No accounting fraud has been observed during the course of our audit.

Place: Kathmandu

Date: 2081.07.11

For S. Lama & Associates
Chartered Accountants



Signature



Name of Member: Suprich Lama

Designation: Proprietor

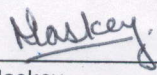
Membership No: 647

UDIN No: 241126CA00647GGjGt

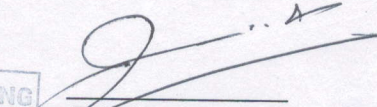
Mabilung Energy Ltd.
Lalitpur-10
Statement of Financial Position
As at 31st Asadh 2081 (15th July 2024)

<u>Equity & Liabilities</u>	Schedule	As on 31st Asadh 2081	Restated As on 31st Asadh 2080	Amount In NRs. Restated As on 32nd Asadh 2079
Shareholder's Fund				
Share Capital	1	196,771,000	196,770,000	95,500,000
Advance For Share Capital	2	-	-	62,300,000
Reserve and Accumulated Profit/(Loss)	3	11,604,908	8,607,863	(256,611)
Total Share Holders Fund		208,375,908	205,377,863	157,543,389
Non Current Liabilities				
Medium & Long Term Loan	4	598,205,125	463,062,547	128,190,969
Total Non Current Liabilities		598,205,125	463,062,547	128,190,969
Current Liabilities				
Accounts Payables	5	184,468,052	109,876,631	26,699,982
Withholding & Retentions	6	27,255,951	21,840,018	3,428,983
Total Current Liabilities		211,724,003	131,716,649	30,128,966
Total Equity & Liabilities		1,018,305,037	800,157,058	315,863,324
Assets				
Non-Current Assets				
Property, Plant and Equipments	7	5,354,280	3,689,070	3,266,520
Less: Accumulated Depreciation		(3,423,655)	(2,037,699)	(1,512,902)
Total Property, Plant and Equipments		1,930,625	1,651,371	1,753,618
Intangible Assets	8	28,928	28,928	28,928
Less: Accumulated Amortization		(23,140)	(17,355)	(11,570)
Total Intangible Assets		5,788	11,573	17,358
Intangible Assets under Development	9	914,118,026	691,988,090	179,741,360
Prepayments	10	15,593	13,124	54,581
Total Non Current Assets		916,070,032	693,664,158	181,566,917
Current Assets				
Other Current Assets	11	98,868,238	105,709,009	132,571,573
Cash And Cash Equivalents	12	3,366,767	783,891	1,724,834
Total Current Assets (A)		102,235,005	106,492,900	134,296,407
Total Assets		1,018,305,037	800,157,058	315,863,324

Schedule 1 to 13 forms an integral part of this Financial Statements
As per our attached report of Even Date


Sajal Maskey
Project Coordinator




Rajesh Lal Shrestha
Chairman



Date: 2081/07/11
Place: Lalitpur

Mabilung Energy Ltd.

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Statement of Profit or Loss and other Comprehensive Income

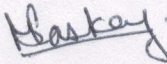
For the Period from 1st Shrawan 2080 to 31st Ashadh 2081 (16th July 2023 to 15th July 2024)

<u>Particulars</u>	<u>Schedule</u>	<u>Amount In NRs.</u> <u>Restated</u>	
		<u>For the Year Ended</u> <u>31st Asadh 2081</u>	<u>For the Year Ended</u> <u>31st Asadh 2080</u>
Revenue		-	-
Less: Cost of Goods Sold		-	-
Gross Profit		-	-
Construction Revenue as per IFRIC-12		222,129,937	512,246,730
Less: Construction Expenses as per IFRIC-12		(217,774,448)	(502,202,676)
Construction Revenue less Construction Expenses as per IFRIC-12		4,355,489	10,044,054
Add: Interest Income		16,456	87,494
Total Income		4,371,945	10,131,548
Less: Administrative Expenses	13	(1,374,900)	(1,245,200)
Less: Depreciation		-	-
Less: Amortisation		-	-
Operating Profit/(Loss)		2,997,045	8,886,348
Finance income		-	-
Finance costs		-	-
Impairment		-	-
Net Finance Cost		-	-
Profit Before Tax		2,997,045	8,886,348
Deferred Tax - Surplus (Expenses)		-	-
Income Tax Expenses		-	21,874
Other Comprehensive Income		-	-
Total Comprehensive Income		2,997,045	8,864,474

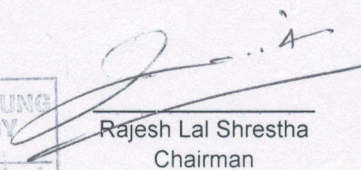
Total profit and comprehensive income is attributable to the owners of the company.

Schedule 1 to 13 forms an integral part of this Financial Statements

As per our attached report of Even Date


Sajal Maskey
Project Coordinator




Rajesh Lal Shrestha
Chairman



CA. Suprich Lama
S. Lama & Associates

Date: 2081/07/11

Place: Lalitpur

Mabilung Energy Ltd.

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Statement of Cash Flow

For the Period from 1st Shrawan 2080 to 31st Ashadh 2081 (16th July 2023 to 15th July 2024)

<u>Particulars</u>	Amount In NRs.	
	<u>For the Year Ended 31st Asadh 2081</u>	<u>For the Year Ended 31st Asadh 2080</u>
<u>Cash Flow From Operating Activities</u>		
Net Profit/(Loss) As Per Income Statement	2,997,045	8,864,474
Add: Depreciation For The Year	1,385,956	524,797
Add: Amortisation For The Year	5,785	5,785
Add: Non-Cash Expenses	-	-
Cash Flow from operating activities before changes in WC	<u>4,388,786</u>	<u>9,395,056</u>
(Increase)/Decrease In Prepayments		41,457
(Increase)/Decrease In Current Assets	6,840,771	15,214,912
Increase/ (Decrease) In Current Liabilities	80,007,354	83,176,648
Net Cash Flow From Operating Activities (Sub-Total-A)	<u>91,236,912</u>	<u>107,828,073</u>
<u>Cash Flow From Investing Activities</u>		
Add: Revaluation Surplus	-	-
Sale/(Purchase) of Tangible Fixed Assets	(1,665,210)	-
Sale/(Purchase) of Intangible Assets	-	(422,550)
(Increase)/Decrease In Non Current Assets	(2,468)	
(Increase)/Decrease In Non Current Liabilities	-	18,411,034
(Purchase)/Disposal of Fixed Assets/Investment	-	-
Less: WIP Assets Capitalized (Project Cost)	(222,129,936)	(512,246,730)
Net Cash Flow From Investing Activities (Sub-Total-B)	<u>(223,797,615)</u>	<u>(494,258,245)</u>
<u>Cash Flow From Financing Activities</u>		
Issue Of Share Capital	1,000	101,270,000
Advance Against Share Capital Received	-	(62,300,000)
Changes in Medium & Long Term Loan	135,142,579	334,871,577
Net Cash Flow From Financing Activities (Sub-Total-C)	<u>135,143,579</u>	<u>373,841,577</u>
Total Cash Generated In The Year (A+B+C)	<u>2,582,876</u>	<u>(12,588,595)</u>
Cash And Equivalent At The Beginning Of The Year	783,891	13,372,486
Cash And Equivalent At The End Of The Year	<u>3,366,767</u>	<u>783,891</u>

Maskey

Sajal Maskey
Project Coordinator



Rajesh Lal Shrestha
Rajesh Lal Shrestha
Chairman



CA. Suprich Lama
S. Lama & Associates

Date: 2081/07/11
Place: Lalitpur

Mabilung Energy Ltd.

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Statement of Changes in Equity

For the Period from 1st Shrawan 2080 to 31st Ashadh 2081 (16th July 2023 to 15th July 2024)

Particular	Share Capital	Accumulated Profit/ Loss	General Reserve	Capital Reserve	Deferred Tax Reserve	Amount In NRs.	
						Total	
at the Beginning of the Period	95,500,000	(256,611)	-	-	-	95,243,389	
Transactions with owners recorded directly in equity	101,270,000	-	-	-	-	101,270,000	
Share Capital	-	-	-	-	-	-	
Advance	-	8,864,474	-	-	-	8,864,474	
Comprehensive income for the year	-	8,607,863	-	-	-	205,377,863	
at the End of the FY 2079/80	196,770,000	8,607,863	-	-	-	205,377,863	
as on 2080/04/01	196,770,000	8,607,863	-	-	-	205,377,863	
Transactions with owners recorded directly in equity	1,000	-	-	-	-	1,000	
Share Capital	-	-	-	-	-	-	
Advance	-	-	-	-	-	-	
Comprehensive income for the year	-	-	-	-	-	-	
to Intangible assets	-	2,997,045	-	-	-	2,997,045	
the Year	-	-	-	-	-	-	
at the End of the Year FY 2080/81	196,771,000	11,604,908	-	-	-	208,375,908	

As per our report of even date

Daskey
Daskey
Coordinator



Rajesh Lal Shrestha
Rajesh Lal Shrestha
Chairman



081/07/11
Lalitpur

Mabilung Energy Ltd.

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Schedules Forming Parts Of The Financial Statements As at 31st Asadh, 2081

		Restated As on 31st Asadh 2080	Amount In NRs. Restated As on 32nd Asadh 2079
Schedule 1: Share Capital			
Particulars	As on 31st Asadh 2081	As on 31st Asadh 2080	As on 32nd Asadh 2079
Authorized Share Capital			
No. of Authorized Share Capital	4,000,000	4,000,000	4,000,000
Ordinary shares of NPR 100 each	400,000,000	400,000,000	400,000,000
Issued Share Capital			
No. of Issued Share Capital	3,858,240	3,858,240	2,600,000
Ordinary shares of NPR 100 each	385,824,000	385,824,000	260,000,000
Subscribed & Fully Paid Up Share Capital			
No. of Subscribed and fully paid up Share Capital	1,967,710	1,967,700	955,000
Ordinary shares of NPR 100 each	196,771,000	196,770,000	95,500,000
Schedule 2 : Calls In Advance			
Advance Share Capital	-	-	62,300,000
Total	-	-	62,300,000
Schedule 3: Reserves and Surplus			
Particulars	As on 31st Asadh 2081	As on 31st Asadh 2080	As on 32nd Asadh 2079
Balance as at the opening date	8,607,863	(256,611)	676,705
Add: Profit during the year	2,997,045	8,864,474	(933,316)
Balance as at the closing date	11,604,908	8,607,863	(256,611)
Schedule 4 : Medium & Long Term Loan			
Particulars	As on 31st Asadh 2081	As on 31st Asadh 2080	As on 32nd Asadh 2079
Himalayan Bank Ltd.	228,959,996	178,442,835	49,869,215
Laxmi Sunrise Bank Ltd.	369,245,130	284,619,711	78,321,754
Total	598,205,125.47	463,062,546.51	128,190,969.08
Schedule 5 : Accounts Payables			
Particulars	As on 31st Asadh 2081	As on 31st Asadh 2080	As on 32nd Asadh 2079
A. Withholding Tax Payable:			
TDS Payable-Individual & Firms	20,433	600	600
TDS Payable-Public Ltd	2,484	2,988	-
TDS Payable-Private Limited	-	3,452	-
TDS Payable-Other Entities	-	1,295,310	-
TDS Payable-Staff Salary & Wages	3,675	-	398
TDS Payable-Social Security Tax	-	491	-
B. Other Payables:			
Audit Fee	44,600	44,600	44,600
Bridge Gap Loan	61,282,858	74,998,478	-
Bridge Gap Loan against IPO	121,400,000	-	-
TP Adhikari & Associates	390,250	-	-
Nepal Shipping and Air Logistics Pvt. Ltd.	566,571	299,130	-
Zetwerk Manufacturing Biz. Pvt. Ltd.	47,148	-	-
Slesha Engineering Consultancy Pvt Ltd	100,000	440,918	-
S & U Consult Pvt. Ltd.	22,300	22,300	-
Growth/PES JV	-	31,690,819.00	26,537,364
Goyal Ispat Pvt.Ltd.	148,453	-	-
Zetwerk Manufacturing Biz. Pvt. Ltd.	-	47,148	-
U.B.Construction	284,514.00	-	-
ICRA Nepal Limited	-	54,849	-
Mainawati Steel Industries Pvt. Ltd.	-	23,192	-
Three Dimensional Freight and Cargo Pvt.Ltd	-	353,334	-
Chandachha Nirman Sewa And Suppliers	142,510	-	-
Other Payables	-	67,500	14,000
Rent Payable	-	90,000	20,000
Provision for Income Tax	12,256	21,874	83,020
Salary Payable	-	419,648	-
Total	184,468,052	109,876,631	26,699,982

Mabilung Energy Ltd.

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Schedules Forming Parts Of The Financial Statements As at 31st Asadh, 2081

Amount In NRs.

Schedule 6 : Withholding & Retention

A. Current

B Fouress Private Limited, India	7,035,788	6,373,172	
Growth/PES JV	15,866,821	11,456,857	3,428,983
Precise Hydro Eng. & Const. Pvt. Ltd.	4,353,342	4,009,989	
Total	27,255,951	21,840,018	3,428,983

Schedule 10 : Prepayments

Particulars

	As on 31st Asadh 2081	As on 31st Asadh 2080	As on 32nd Asadh 2079
Advance Tax	15,593	13,124	54,581
Total	15,593	13,124	54,581

Schedule 11 : Other Current Assets

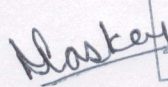

Particulars

	As on 31st Asadh 2081	As on 31st Asadh 2080	As on 32nd Asadh 2079
A. Other Current Assets			
Advance for Civil Works			
Growth PES/JV	52,592,918	52,765,984	85,406,250
Advance for Hydro Mechanical Works			
Precise Hydro Engineering & Construction Pvt. Ltd.	15,095,598	15,837,068	-
Advance for Electro Mechanical Works			
B Fouress Private Limited	2,456,298	5,769,407	15,054,101
Advance for Transmission Line & Substations Works			
New Siddhakali Dhuwani Sewa	419,500	-	-
Three Jewels Construction Pvt. Ltd.	500,000	500,000	-
Advance for TL Land Compensation	252,052	18,944	-
Advance ICRA Nepal Ltd.	-	-	223,000
Advance Avidha InteriorSewa Pvt. Ltd.	-	200,000	-
Advance Vehicle Purchase	-	1,500,000	-
Advance Others	-	2,325	-
Advance to Growth Construction Pvt. Ltd.	900,000	-	-
Advance for Land Purchase	16,954,443	17,454,443	16,678,070
Advance to Employees	576,801	-	-
Advance for Site Office	6,643,398	5,966,307	3,500,000
Advance Raj Bandhu & Associates	-	-	62,500
Margins at Bank			
Bank Margin for NEA at Laxmi Sunrise Bank Ltd.	148,500	148,500	148,500
Cash & Stat Margin at Laxmi Sunrise Bank Ltd.	2,328,730	5,546,031	11,499,152
Total	98,868,238	105,709,009	132,571,573

Schedule 12 : Cash and Cash Equivalents

Particulars

	As on 31st Asadh 2081	As on 31st Asadh 2080	As on 32nd Asadh 2079
Cash In Hand	3,695	2,049	4,324
Balances In Bank			
Guheswori Merchant Banking & Finance Ltd.	1,233,576	651,585	648,269
Laxmi Sunrise Bank Ltd.	2,129,496	130,257	1,066,512
Lumbini Bikas Bank Ltd.	-	-	5,729
Total	3,366,767	783,891	1,724,834



Mabilung Energy Ltd.
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Schedules Forming Parts Of The Financial Statements As at 31st Asadh, 2081

Schedule 9: Intangible Assets Under Construction

Amount In NRs.

SN	Particulars	As on 31st Asadh 2081	Addition during the period	Restated	Restated
				As on 31st Asadh 2080	As on 32nd Asadh 2079
9.01	Preoperating Expenses	28,411,738	-	28,411,738	28,411,738
9.02	Civil Works Expenses	358,930,912	99,865,200	259,065,712	77,495,043
9.03	Hydro Mechanical (HM) Work Expenses	122,657,644	6,269,233	116,388,411	228,571
9.04	Electro Mechanical (EM) Work Expenses	146,923,204	14,361,123	132,562,081	1,543,984
9.05	Transmission Line and Interconnection Expenses	24,485,806	716,843	23,768,963	1,827,210
9.06	Land Purchase and Development Expenses	33,122,297	2,860,835	30,261,462	30,261,462
9.07	Site Office Building Expenses	Refer to Schedule 7: Property, Plant & Equipments			
9.08	Logistics and Equipment Expenses	Refer to Schedule 7: Property, Plant & Equipments			
9.09	Vehicle Cost	Refer to Schedule 7: Property, Plant & Equipments			
9.10	Social & Environmental Mitigation Expenses	9,313,157	6,912,455	2,400,702	1,158,525
9.11	Project Management, Supervision, Study-Design & Consultancy Expenses	46,963,385	10,832,358	36,131,028	26,193,003
9.12	Project Insurance During Construction	634,405	483,669	150,736	-
9.13	Interest During Construction Cost	128,275,936	75,472,733	52,803,203	12,621,824
	Add: Intangible Assets recognised as per IFRIC 12	14,399,542	4,355,489	10,044,054	-
	Total Intangible Assets Under Construction Till Date (WIP Assets)	914,118,026	222,129,937	691,988,090	179,741,360

Schedule 9.01: Preoperating Expenses

SN	Particulars	As on 31st Asadh 2081	Addition during the period	As on 31st Asadh 2080	As on 32nd Asadh 2079
1	Audit Fee	90,000	-	90,000	90,000
2	Bank Charges	30,245	-	30,245	30,245
3	Depreciation Expenses	870,528	-	870,528	870,528
4	DPR & Feasibility Study Expenses	1,676,725	-	1,676,725	1,676,725
5	Environmental Impact Assessment Expenses	565,000	-	565,000	565,000
6	Fuel & Transportation Expenses	283,254	-	283,254	283,254
7	Fuel Expenses	119,967	-	119,967	119,967
8	Labour, Porter & Transportation Expenses	3,022,050	-	3,022,050	3,022,050
9	Legal & Accounting Expenses	32,000	-	32,000	32,000
10	License Fee, Renewal & Registration Expenses	4,000,000	-	4,000,000	4,000,000
11	Lodging Fooding Expenses	501,276	-	501,276	501,276
12	Office Expenses	324,285	-	324,285	324,285
13	Office Kitchen/Entertainment Expenses	396,155	-	396,155	396,155
14	Office Rent Expenses	1,047,500	-	1,047,500	1,047,500
15	PPA Related Expenses	90,000	-	90,000	90,000
16	Printing and Stationery Expenses	334,676	-	334,676	334,676
17	Registration and Renewal Expenses	26,500	-	26,500	26,500
18	Salary Expenses	9,465,000	-	9,465,000	9,465,000
19	Site Office Expenses	542,845	-	542,845	542,845
20	Site Visit/ Travelling Expenses	2,764,311	-	2,764,311	2,764,311
21	Survey License Fee	2,000,000	-	2,000,000	2,000,000
22	Telephone & Communication Expenses	130,030	-	130,030	130,030
23	Water & Electricity Expenses	101,394	-	101,394	101,394
24	Less: Interest Income	(2,003)	-	(2,003)	(2,003)
	Total	28,411,738	-	28,411,738	28,411,738

Schedule 9.02 : Civil Works

SN	Particulars	As on 31st Asadh 2081	Addition during the period	As on 31st Asadh 2080	As on 32nd Asadh 2079
1	Civil Works Expenditure	358,590,200.00	99,665,200.00	258,925,000.00	77,495,042.59
2	Access Road Construction Expenditure	200,000.00	200,000.00	-	-
3	Temporary Store Construction	140,712.00	-	140,712.00	-
	Total	358,930,912.00	99,865,200.00	259,065,712.00	77,495,042.59

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Schedules Forming Parts Of The Financial Statements As at 31st Asadh, 2081

Schedule 9.03 : Hydro Mechanical (HM) Works

SN	Particulars	As on 31st Asadh 2081	Addition during the period	As on 31st Asadh 2080	As on 32nd Asadh 2079
1	Custom Charges for HM Equipments	11,627,097.25	9,487,569.20	2,139,528.05	-
2	Installation Testing & Commissioning of HM Works	17,960,534.72	11,393,809.72	6,566,725.00	-
3	LC Commission & Ammendment Charges-HM	389,641.28	-	389,641.28	226,070.71
4	LC Issuance Charge- HM	2,500.00	-	2,500.00	2,500.00
5	Supply of HM Plates & Pipes	100,897,846.68	-	100,897,846.68	-
6	Transportation Charge of Plates & Pipes	7,062,355.00	670,185.00	6,392,170.00	-
7	Less: Amount received from Insurance Claim	(15,282,331.00)	(15,282,331.00)	-	-
	Total	122,657,643.93	6,269,232.92	116,388,411.01	228,570.71

Schedule 9.04 : Electro Mechanical (EM) Works

SN	Particulars	As on 31st Asadh 2081	Addition during the period	As on 31st Asadh 2080	As on 32nd Asadh 2079
1	Bank Guarantee Issuance Charge	137,182.50	52,162.50	85,020.00	65,715.00
2	Cost of NEEK Transformer	602,290.00	-	602,290.00	-
3	Custom Expenses of EM Equipment	2,500,382.00	278,509.00	2,221,873.00	-
4	Equipments Lifting Belt	67,800.00	67,800.00	-	-
5	LC Commission & Ammendment Charges-EM	1,692,604.64	46,363.72	1,646,240.92	1,264,544.46
6	LC Issuance Charge-EM	9,000.00	-	9,000.00	7,500.00
7	Logistics Services of EM Equipments	805,125.00	663,875.00	141,250.00	-
8	Review of Electromechanical Works	341,825.00	-	341,825.00	206,225.00
9	Supply & Installation of EM Equipments	140,715,804.50	13,252,412.50	127,463,392.00	-
10	TOD Meter Expenses	51,190.00	-	51,190.00	-
	Total	146,923,203.64	14,361,122.72	132,562,080.92	1,543,984.46

Schedule 9.05 : Transmission Line and Switchyard Cost

SN	Particulars	As on 31st Asadh 2081	Addition during the period	As on 31st Asadh 2080	As on 32nd Asadh 2079
1	33KV Transmission Line Work	795,068.00	795,068.00	-	-
2	Compensation of Land for TL Works	3,474,000.00	2,000,000.00	1,474,000.00	-
3	Compensation Paid for Tree for TL Works	760,100.00	760,100.00	-	-
4	Compensation Paid for Tree for TL Works	651,199.00	651,199.00	-	-
5	Desk Study Report for Survey License of TL	75,145.00	-	75,145.00	75,145.00
6	Detail Feasibility Study, Design & IEE-TL	2,502,950.00	-	2,502,950.00	1,752,065.00
7	Insulator and Accessories for TL	2,450,235.00	2,450,235.00	-	-
8	Poles Digging & Installation Works	658,833.00	658,833.00	-	-
9	Supply of 33kv Transmission Poles and Accessories	26,941,640.45	7,451,532.00	19,490,108.45	-
10	Survey Equipments	20,340.00	-	20,340.00	-
11	Switchyard Expenses	206,420.00	-	206,420.00	-
12	Transmission Line Cable Wire	10,396,000.00	10,396,000.00	-	-
13	Transportation Charge of TL Poles & Cables	553,875.68	553,875.68	-	-
14	Less: Expenses reimbursed by Milkey Jaljaley HPP	(25,000,000.00)	(25,000,000.00)	-	-
	Total	24,485,806.13	716,842.68	23,768,963.45	1,827,210.00

Schedule 9.06 : Land Acquisition

SN	Particulars	As on 31st Asadh 2081	Addition during the period	As on 31st Asadh 2080	As on 32nd Asadh 2079
1	Land Purchase	33,122,297.00	2,860,835.00	30,261,462.00	30,261,462.00
	Total	33,122,297.00	2,860,835.00	30,261,462.00	30,261,462.00

Schedule 9.10: Environment/Social Mitigation Expenses

SN	Particulars	As on 31st Asadh 2081	Addition during the period	As on 31st Asadh 2080	As on 32nd Asadh 2079
1	Community Support Program Expenses	194,871	-	194,871	-
2	Environmental Impact Assessment Expenses	1,129,775	-	1,129,775	958,525
3	Forest Cost Expenses	5,979,949	5,979,949	-	-
4	Land Compensation & Settlement Expenses	350,000	150,000	200,000	200,000
5	Land & Crop Compensation Expenses	480,000	210,000	270,000	-
6	Land Lease at Site	217,500	17,500	200,000	-
7	Site Office Rent Expenses	55,556	-	55,556	-
8	Social and Cultural Expense	153,500	23,000	130,500	-
	Total	7,522,006	5,332,006	2,200,000	2,200,000

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Schedules Forming Parts Of The Financial Statements As at 31st Asadh, 2081

Schedule 9.11: Project Management, Supervision, Study-Design & Consultancy Expenses

SN	Particulars	As on 31st Asadh 2081	Addition during the period	As on 31st Asadh 2080	As on 32nd Asadh 2079
A. Project Management Expenses					
1	Advertisement & Notice Publication Expenses	360,517	204,071	156,446	149,576
2	Amortization Expenses	23,140	5,785	17,355	11,570
3	Audit Fee	40,000		40,000	40,000
4	Bank Charges	46,376	3,279	43,097	36,245
5	Business Promotion Expenses	19,110		19,110	19,110
6	Certification Expenses	28,250		28,250	28,250
7	Depreciation Expenses	3,423,655	1,385,956	2,037,699	1,512,902
8	Donation Expenses	20,000	20,000		
9	Fines & Penalties	24,624		24,624	18,899
10	Food and Accomodation	91,416	350	91,066	-
11	Fuel Expenses	809,184	520,072	289,112	14,140
12	Generation License Fee	500,000		500,000	500,000
13	Internet Expenses	48,001	24,001	24,000	-
14	Labour & Porter Expenses	2,093,057	204,065	1,888,992	1,757,038
15	Legal & Accounting Expenses	351,140	88,140	263,000	263,000
16	License Fee, Deposite & Registration Expenses	694,066	531,500	162,566	-
17	Lodging Fooding Expenses	1,233,375	144,780	1,088,595	268,050
18	Office Expenses	341,248	23,801	317,447	158,103
19	Office Kitchen/Entertainment Expenses	908,485	151,589	756,896	639,647
20	Office Meeting Expenses	121,027	12,020	109,007	77,436
21	Office Rent Expenses	2,400,000		2,400,000	2,400,000
22	Printing and Stationery Expenses	476,789	53,892	422,897	317,108
23	Program Sponsorship Participation Expenses	65,000	-	65,000	-
24	Registration and Renewal Expenses	734,192	351,960	382,232	372,222
25	Regulatory Meeting Allowances	731,392	125,924	605,468	35,294
26	Repair and Maintenance Expenses	595,617	363,923	231,694	26,630
27	Safety, Medical & Engineering Expenses	8,308	3,298	5,010	-
28	Salary Expenses	17,735,243	5,171,666	12,563,577	7,834,944
29	Site Office Expenses	394,020	32,550	361,470	118,560
30	Site Visit/ Travelling Expenses	2,930,153	246,242	2,683,911	2,190,756
31	Survey License Fee	30,000	-	30,000	20,000
32	Telephone & Communication Expenses	80,530	23,242	57,288	42,138
33	Vehicle Insurance Expenses	23,858	23,858		
34	Water & Electricity Expenses	630,901	239,976	390,925	246,448
B. Project Consultants & Supervision Expenses					
35	Borrowers Rating Fee	355,704	74,117	281,587	-
36	Review of Contract Documents	105,000		105,000	105,000
37	Due Diligence Audit Expenses	724,104		724,104	724,104
38	DPR & Feasibility Study Expenses	3,093,375		3,093,375	3,093,375
39	Financial Consulting Service Fee	1,490,470	452,000	1,038,470	785,350
40	Geophysical Investigation Expenses	1,671,835		1,671,835	1,671,835
41	Issue Management Fee	269,500		269,500	-
42	Layout Marking Expenses	229,373		229,373	229,373
43	Technical Consultancy Service Fee	1,011,350	350,300	661,050	485,900
	Total	46,963,385	10,832,358	36,131,028	26,193,003

Schedule 9.12: Project Insurance During Construction

SN	Particulars	As on 31st Asadh 2081	Addition during the period	As on 31st Asadh 2080	As on 32nd Asadh 2079
1	Accidental Insurance Expenses	45,820.00	22,910.00	22,910.00	-
2	Insurance of EM Equipments	588,584.95	460,759.00	127,825.95	-
	Total	634,404.95	483,669.00	150,735.95	-

Schedule 9.13: Interest During Construction Cost

SN	Particulars	As on 31st Asadh 2081	Addition during the period	As on 31st Asadh 2080	As on 32nd Asadh 2079
1	Agency Fee	1,345,440	-	1,345,440	-
2	Interest During Construction	117,843,298	73,145,513	44,697,785	5,861,846
	Total	119,188,738	73,145,513	46,043,225	5,861,846

Mabilung Energy Ltd.

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Schedules Forming Parts Of The Financial Statements As at 31st Asadh, 2081

Schedule 7: Property, Plants and Equipments

Amount In NRs.

Particulars	Land	Building	Furniture, Fixtures and Office Equipment	Vehicles	Total
At Cost					
Balance at 31 Asadh 2079	-	-	3,266,520	-	3,266,520
Additions	-	-	37,650	384,900	422,550
Balance at 31 Asadh 2080	-	-	3,304,170	384,900	3,689,070
Additions during the period	-	-	165,210	1,500,000	1,665,210
Balance at 31 Asadh 2081	-	-	3,469,380	1,884,900	5,354,280
Depreciation					
Balance at 31 Asadh 2079	-	-	1,512,902	-	1,512,902
Depreciation for the year	-	-	447,817	76,980	524,797
Balance at 31 Asadh 2080	-	-	1,960,719	76,980	2,037,699
Depreciation for the year	-	-	693,876	692,080	1,385,956
Balance at 31 Asadh 2081	-	-	2,654,595	769,060	3,423,655

Particulars	Carrying Amounts
As at 31 Asadh 2079	1,753,618
As at 31 Asadh 2080	1,651,371
As at 31 Asadh 2081	1,930,625

Schedule 8 : Intangible Assets

Particulars	Computer Software
At Cost	
Balance at 31 Asadh 2079	28,928
Additions	-
Balance at 31 Asadh 2080	28,928
Additions during the period	-
Balance at 31 Asadh 2081	28,928
Amortization	
Balance at 31 Asadh 2079	11,570
Amortization for the year	5,785
Balance at 31 Asadh 2080	17,355
Amortization for the year	5,785
Balance at 31 Asadh 2081	23,140

Particulars	Carrying Amounts
As at 31 Asadh 2079	17,358
As at 31 Asadh 2080	11,573
As at 31 Asadh 2081	5,788



Mabilung Energy Ltd.

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Schedules Forming Parts Of The Financial Statements As at 31st Asadh, 2081

Annexure-13- Administrative & General Expenses

Restated

Particulars	For the Year Ended 31st Asadh 2081	For the Year Ended 31st Asadh 2080
Office Rent Expenses	1,216,700	1,200,000
Audit Fee	45,200	45,200
Issuer Rating Fee	113,000	-
Total Rs.:	1,374,900	1,245,200

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1. General Information of Reporting entity

Mabilung Energy Ltd. is a Limited liability company established and registered in 2071 BS as a Private Limited Company under Company Act 2063 with an aim to invest & develop hydropower projects. It was then converted into Public Limited Company in 2076/11/12 under Company Act 2063 (Regd.235243/076/077). The Corporate office of the company is located at Lalitpur-10, Nepal. The main objective of the company is to generate electricity through optimum utilization of resources available within the country. The Corporate office of the company is located at Lalitpur-10, Nepal.

2. Statement of compliance

The financial statements have been prepared in accordance with Nepal Financial Reporting Standards (NFRSs). Company has adopted Nepal Financial Reporting Standard (NFRS) in FY 2080/81 for the first time. The Financial Statements of the Company comprises of Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Financial Statements.

The financial statements were authorized for issue by the Board of Directors on 9th Kartik 2081.

3. Basis of Preparation

The company while complying with the reporting standards, make critical accounting judgement as having potentially material impact on the financial statements. The significant accounting policies that relate to the financial statements as a whole along with the judgements made are described herein.

Where an accounting policy is generally applicable to a specific item, the policy is described within that relevant note. NFRS requires the company to exercise judgement in making accounting estimates. Description of such estimates has been given in the relevant sections wherever they have been applied.

3.1 Reporting Pronouncements

The company has, for the preparation of financial statements, adopted the NFRS pronounced by ASB as effective on September 13, 2013. NFRS conform, in all material respect, to Nepal Financial Reporting Standards (NFRS) as issued by the Nepal Accounting Standards Board (NASB).

3.1.1 NFRS 9: Financial Instruments

NFRS 9: Financial Instruments has been applied to the Retention amounts held of different contractors as mentioned in the table below. The retention amounts are expected to be paid within a year, so the retention amounts are not discounted and presented under Current Liabilities. Details of retention money are as follows:

Particulars	Amount In Rs.	Discounting Rate	Discounted Amount	Unwinding of Interest
B Fouress Private Limited, India	7,035,788			7,035,788





Mabilung Energy Ltd.
Notes to the financial statements
All amount in Nepalese Rupees

Growth/PES JV	15,866,821			15,866,821
Precise Hydro Eng. & Const. Pvt. Ltd.	4,353,342			4,353,342

3.2 Accounting Conventions

The financial statements have been prepared on a historical cost basis., except for certain financial instruments which have been measured at Fair value at the end of each reporting period.

The financial statements have been prepared on a going concern basis where the accounting policies and judgements as required by the standards are consistently used and in case of deviations disclosed specifically. The Board of Directors have considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources while assessing the going concern basis. Furthermore, Board is not aware of any material uncertainties that may cast significant doubt upon Company's ability to continue as a going concern and they do not intend either to liquidate or to cease operations of it.

3.3 Presentation

The financial statements have been presented in the nearest Nepalese Rupees. All financial information presented in NPR has been rounded to the nearest rupee except where indicated otherwise.

For presentation of the statement of financial position assets and liabilities have been classified into current and non- current distinction.

The statement of profit or loss and other comprehensive income has been prepared using classification 'by nature' method.

The cash flows from operation within the statement of cash flows have been derived using the indirect method.

3.3.1 Presentation currency

Financial statements are denominated in Nepalese Rupees, which is the functional and presentation currency of the company.

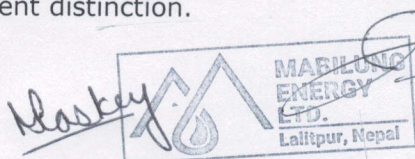
3.3.2 Current and Non-Current distinction

Assets

Apart from the property, plant and equipment and deferred taxes assets all the assets are taken as current assets unless specific additional disclosure is made in the notes for current and non-current distinction.

Liabilities

Apart from the defined benefit plan obligations, all the liabilities are taken as current liabilities unless specific additional disclosure is made in the notes for current and non-current distinction.



3.4 Accounting Policies and accounting estimates

The company, under NFRS, is required to apply accounting policies to most appropriately suit its circumstances and operating environment. Further the company is required to make judgement in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the financial statements. This may later be determined that a different choice could have been more appropriate and actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Further, management uses valuation techniques to determine the fair value of financial instruments. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions in observable data as far as possible. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Accounting policies have been included in the relevant notes for each item of the financial statements. The effect and nature of the changes, if any, have been disclosed.

NFRS requires the company to make estimates and assumptions that will affect the assets, liabilities, disclosure of contingent assets and liabilities, and profit or loss as reported in the financial statements.

The company applies estimates in preparing and presenting the financial statements. The estimates and underlying assumptions are reviewed periodically. Revision to accounting estimates are recognized in the period in which the estimates are revised and applied prospectively.

Disclosures of the accounting estimates have been included in the relevant section of the notes wherever the estimates have been applied along with the nature and effect of changes of accounting estimates, if any.

3.5 Financial Periods

The company follows the Nepalese financial year based on the Nepalese calendar. The Company reporting period is from 1st Shrawan 2080 to 31st Ashadh 2081 with the corresponding previous two years.

4. Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyses the risks faced by the Company to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities. The Company aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

(i) Credit risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. All the trade and other receivables as at the reporting date are not due for payment. The receivables will be due for payment from Nepal Electricity Authority in the forthcoming years after the Commercial Operation Date of Upper Piluwa Khola-3 Hydropower Project 4.95 MW which is being constructed by the Company. The company deals with only creditworthy counterparties and has a practice of obtaining

Performance Guarantee and Advance Payment Guarantee in order to secure its risks while providing advances to the contractors and suppliers. The management accordingly, does not believe that the Company has any exposure to credit risk.

(ii) Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

(iii) Market risk management

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The major interest rate risk that the Company is exposed to is the floating interest rates in its significant Borrowings. The company has planned to pay off its loan liabilities from the issue of Initial Public Offering of share in order to reduce the exposure of the interest risk. The Company currently has no transactions which expose it primarily to the financial risks of changes in equity prices.

(iv) Climate Risk

Climate Risk is the measure of vulnerability to climate-related impacts that have financial consequences, or that may affect various aspects of financial performance. Those consequences could be anything from minor inconvenience to a complete loss of an asset's value or operability. The Company is highly exposed to extreme weather events such as floods and droughts along with other natural disasters like landslides. With such high stakes, reducing the uncertainty of that

outcome is business-critical. However, the company being involved in renewable has an opportunity to gain advantage of the carbon trade for its impact in lowering of the Green House Gas emissions.

5. Property, plant and equipment

Property, plant and equipment are tangible items that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and are expected to be used during more than one period. Property, plant and equipment are stated at the cost less accumulated depreciation and accumulated impairment losses.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation is recognized so as to write off the cost of assets less their residual values over their estimated useful lives using the straight-line method.

In the previous years, the depreciation was charged using Written Down Value Method. Such effect of a change in an accounting estimate has been recognized prospectively as per Nepal Accounting Standards 08 "Accounting Policies, Changes in Accounting Estimates and Errors". The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The estimate useful lives of various assets are as follows:

S.N.	Types of assets	Estimated useful lives
1	Furniture-Partitions	5 years
2	Computers	5 years
3	Office Equipment	5 years
4	Vehicles at site	3 years
5	Motorbikes at site	3 years
6	Vehicles at office	5 years
7	Motorbikes at office	5 years
8	Computer software	2 years
9	Site Office Building	10 years

As item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

As per the paragraph-49 of NAS 16Property, Plant and Equipment, the depreciation charge for a period is usually recognized in Statement of Profit or Loss. However, sometimes, the future economic benefits embodied in an asset are absorbed in producing other assets. In this case, the depreciation charge constitutes part of the cost of the other asset and is included in its carrying amount. Hence, the depreciation on property, plant and equipment is charged to Intangible assets under development.

Mabilung Energy Ltd.
Notes to the financial statements
All amount in Nepalese Rupees

Particulars	Land	Building	Furniture, Fixtures and Office Equipment	Vehicles	Total
At Cost					
Balance at 31 Asadh 2079		-	3,266,520	-	3,266,520
Additions	-	-	37,650	384,900	422,550
Balance at 31 Asadh 2080	-	-	3,304,170	384,900	3,689,070
Additions during the period		-	165,210	1,500,000	1,665,210
Balance at 31 Asadh 2081	-	-	3,469,380	1,884,900	5,354,280
Depreciation					
Balance at 31 Asadh 2079	-	-	1,512,902	-	1,512,902
Depreciation for the year	-	-	447,817	76,980	524,797
Balance at 31 Asadh 2080	-	-	1,960,719	76,980	2,037,699
Depreciation for the year	-	-	693,876	692,080	1,385,956
Balance at 31 Asadh 2081	-	-	2,654,595	769,060	3,423,655

Particulars	Carrying Amounts
As at 31 Asadh 2079	1,753,618
As at 31 Asadh 2080	1,651,371
As at 31 Asadh 2081	1,930,625



6. Intangible assets (Software)

An intangible asset is recognized if it is probable that the extended future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably.

Computer software are amortized over an estimated useful life of 4 years. The amortization expense is charged to Intangible assets under development.

Particulars	Computer Software
At Cost	
Balance at 31 Asadh 2079	28,928
Additions	-
Balance at 31 Asadh 2080	28,928
Additions during the period	-
Balance at 31 Asadh 2081	28,928
Amortization	
Balance at 31 Asadh 2079	11,570
Amortization for the year	5,785
Balance at 31 Asadh 2080	17,355
Amortization for the year	5,785
Balance at 31 Asadh 2081	23,140

Particulars	Carrying Amounts
As at 31 Asadh 2079	17,358
As at 31 Asadh 2080	11,573
As at 31 Asadh 2081	5,788

7. Intangible assets under development (Project Assets)

The company is currently developing Upper Piluwa Khola-3 Hydro Power Project-4.95 MW and the project costs are recognized at the capitalized cost including the borrowing cost as per NAS 23 as project work-in-progress. The Company recognizes an asset arising from a service concession arrangement (in accordance with IFRIC-12) when it has a right to charge for use of the concession infrastructure. An intangible asset received as consideration for providing construction services in a service concession arrangement is measured at fair value on initial recognition with reference to the fair value of the services provided. Subsequent to initial recognition, the intangible asset is measured at cost, which includes capitalized borrowing cost, less accumulated amortization and accumulated impairment losses.

The Company has classified an arrangement for sale of power as a service concession arrangement. Accordingly, the carrying amount of assets under construction and capital

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advances has been reclassified as an intangible asset in accordance with IFRIC 12 on Service Concession Arrangement.

	31 Asadh 2081	31 Asadh 2080
Pre-operating Expenses	28,411,738	28,411,738
Civil Works Expenses	358,930,912	259,065,712
Hydro Mechanical (HM) Work Expenses	122,657,644	116,388,411
Electro Mechanical (EM) Work Expenses	146,923,204	132,562,081
Transmission Line and Interconnection Expenses	24,485,806	23,768,963
Land Purchase and Development Expenses	33,122,297	30,261,462
Social & Environmental Mitigation Expenses	9,313,157	2,400,702
Project Management, Supervision, Study-Design & Consultancy Expenses	46,963,385	36,131,028
Project Insurance During Construction	634,405	150,736
Interest During Construction Cost	128,275,936	52,803,203
Intangible Assets recognized as per IFRIC 12	14,399,542	10,044,054
Total	914,118,026	691,988,090

8. Prepayments

The prepaid expenses that fall under the classification of financial instruments are carried at amortized costs and those other assets that do not fall within the definition are carried at cost. These instruments are regularly monitored for impairment.

	31 Asadh 2081	31 Asadh 2080
Advance Tax	15,593	13,124
	15,593	13,124

9. Receivables

The trade receivables that fall under the classification of financial instruments are carried at amortized costs and those other assets that do not fall within the definition are carried at cost. These instruments are regularly monitored for impairment.

The receivables that are to be settled within a year is current assets:

	31 Asadh 2081	31 Asadh 2080
Advance to Growth PES/JV for Civil Works	52,592,918	52,765,984
Advance-Precise Hydro Engineering & Construction Pvt. Ltd. for Hydro Mechanical Works	15,095,598	15,837,068
Advance- B Fouress Private Limited for Electro Mechanical Works	2,456,298	5,769,407
Advance- Machhapuchhre Metal & Machinery Works Pvt. Ltd.	125,643,375	-
Advance for Transmission Line & Substations Works:	3,200,000	-
New Siddhakali Dhuwani Sewa	419,500	-
Three Jewels Construction Pvt. Ltd.	500,000	500,000
Advance for TL Land Compensation	252,052	18,944
Advance ICRA Nepal Ltd.	-	-



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Advance Avidha InteriorSewa Pvt. Ltd.	-	200,000
Advance Vehicle Purchase	-	1,500,000
Advance Others	-	2,325
Advance to Growth Construction Pvt. Ltd.	900,000	
Advance for Land Purchase	16,954,443	17,454,443
Advance to Employees	576,801	
Advance for Site Office	6,643,398	5,966,307
Advance Raj Bandhu & Associates	-	-
Margins at Bank		
Bank Margin for NEA at Laxmi Sunrise Bank Ltd.	148,500	148,500
Cash & Stat Margin at Laxmi Sunrise Bank Ltd.	2,328,730	5,546,031
	98,868,238	105,709,009

10. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

	31 Asadh 2081	31 Asadh 2080
Cash in hand	3,695	2,049
Balance with banks	33,63,072	781,842
	3,366,767	783,891

11. Share Capital

Share Capital represents the nominal (par) value of ordinary equity shares that have been issued.

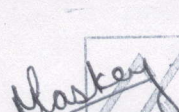

	Number of Shares	
	31 Asadh 2081	31 Asadh 2080
Authorized	4,000,000	30,000,000
Ordinary shares of NPR 100 each	400,000,000	3,000,000,000
Issued	3,858,240	3,858,240
Ordinary shares of NPR 100 each	385,824,000	385,824,000
Subscribed and fully paid up	1,967,710	1,967,700
Ordinary shares of NPR 100 each	196,771,000	196,770,000

Rights, preferences and restrictions attached to equity shares

The company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and shares in the Company's residual assets. The equity shares are entitled to receive dividend if declared from time to time.

12. Reserve and Surplus

	31 Asadh 2081	31 Asadh 2080
Balance as at the opening date	8,607,863	(256,611)
Add: Profit during the year	2,997,045	8,864,474
Balance as at the closing date	11,604,908	8,607,863



13. Term Loan and Bridge Gap Loan

The company has been borrowing loans from consortium banks for the purpose of funding the project being developed. The banks provide term loan with respect to the expenses being made for the project. The term loan has been classified as non-current liability as it is not expected to be settled within the next financial year.

	31 Asadh 2081	31 Asadh 2080
Himalayan Bank Ltd.	228,959,996	178,442,835
Laxmi Sunrise Bank Ltd.	369,245,130	284,619,711
Total	598,205,125.47	463,062,546.51

The company borrows Bridge Gap Loans from consortium banks for the purpose of funding the project in the short term basis. The banks provide the Bridge Gap Loan for payment to be made for the project. Once, the expenses are certified by the financial consultant of the consortium members, the bridge gap loan is converted to the Term Loan. The Bridge Gap Loan has been classified as current liability as it is expected to be settled within the next financial year. Bridge Gap Loan against IPO will be settled after Issuing Share to the public through Initial Public Offering.

	31 Asadh 2081	31 Asadh 2080
Bridge Gap Loan	61,282,858	74,998,478
Bridge Gap Loan against IPO	121,400,000	-
Total	182,682,858	74,998,478

14. Trade and Other Payables

Non-financial liabilities are recorded and reported at cost based on legal and constructive obligation to the Company.

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

	31 Asadh 2081	31 Asadh 2080
Audit Fee	44,600	44,600
Bridge Gap Loan	61,282,858	74,998,478
Bridge Gap Loan against IPO	121,400,000	-
TP Adhikari & Associates	390,250	-
Nepal Shipping and Air Logistics Pvt. Ltd.	566,571	299,130
Zetwerk Manufacturing Biz. Pvt. Ltd.	47,148	-
Slesha Engineering Consultancy Pvt Ltd	100,000	440,918
S & U Consult Pvt. Ltd.	22,300	22,300
Growth/PES JV	-	31,690,819.00
Goyal Ispat Pvt.Ltd.	148,453	-
Zetwerk Manufacturing Biz. Pvt. Ltd.	-	47,148
U.B.Construction	284,514.00	-
ICRA Nepal Limited	-	54,849

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Mainawati Steel Industries Pvt. Ltd.	-	23,192
Three Dimensional Freight and Cargo Pvt.Ltd	-	353,334
Chandachha Nirman Sewa And Suppliers	142,510	-
Other Payables	-	67,500
Rent Payable	-	90,000
Provision for Income Tax	12,256	21,874
Salary Payable	-	419,648
	184,468,052	109,876,631

15. Administrative Expenses

Expenses incurred for the company during the reporting period for administrative purpose are classified under administrative expenses:

	For the year ended 31 Asadh 2081	For the year ended 31 Asadh 2080
Office Rent Expenses	1,216,700	1,200,000
Audit Fee	45,200	45,200
Issuer Rating Fee	113,000	-
	1,374,900	1,245,200

16. Profit and Loss as per IFRIC-12

With Significant work completed of the project, it is now estimated that the project will provide the future benefits as expected during the initial phase of Construction of the Project. Hence the Construction Revenue Less Construction Expenses as per IFRIC-12 is recognized during the reporting period considering management decision for rate of return of 2%.

	For the year ended 31 Asadh 2081	For the year ended 31 Asadh 2080
Construction Revenue as per IFRIC-12	222,129,937	512,246,730
Less: Construction Expenses as per IFRIC 12	(217,774,448)	(502,202,676)
Construction Revenue less Construction Expenses as per IFRIC-12	4,355,489	10,044,054

17. Service concession arrangement

(i) *Service concession arrangement revenue*

The company is currently developing Upper Piluwa Khola Hydropower Project-4.95 MW in Sankhwasaabha district, Province no. 1 of Nepal. On 12 Chaitra 2075, the Company entered into a power purchase agreement (PPA) with the Nepal Electricity Authority (the grantor) to construct and operate hydropower Project. Under the terms of the agreement, the Company will operate and sell the energy generated from the plant to granter for a period of 30 years from the Commercial Operation Date or the expiry of generation license whichever is earlier. The company has obtained a generation license on 9th Shrawan 2077 which is valid till 8th Shrawan 2112 BS. The sale price of energy

will be as per the PPA. The company doesn't expect major repairs to be necessary during the concession period. The construction of the plant is currently under progress.

Revenue from service concession arrangement is recognized based on the principles laid down in IFRIC 12. Revenue relating to construction services under a service concession arrangement is recognized based on the stage of completion of the work performed, consistent with the Company's accounting policy on recognizing revenue on construction contracts (see (ii) below). Operations or service revenue is recognized in the period in which the services are provided by the company, When the company provides more than one service in a service concession arrangement, the consideration received is allocated by reference to the relative fair values of the services delivered.


The grantor shall purchase the minimum contracted energy as specified in the PPA subject to the company making available such minimum contracted energy to the Grantor. In the case of inability of the Grantor to purchase the specified quantum of energy, the Grantor shall pay the compensation to the Company in accordance with provisions of the PPA. At the end of the concession period the project shall be transferred to the Government of Nepal in operational condition free of cost.

The company has recognized an intangible asset with respect to the consideration arising out of the management. The company has recorded revenue of 22,21,29,937 representing revenue from the construction activities carried out by the company during the year with respect to the aforesaid project. The revenue recognized in relation to construction during the year represents the fair value of the construction services provided in constructing the project. The company has recognized an intangible asset received as consideration for providing construction services concession arrangement of NPR 914,118,026 representing the right to charge users a fee for the use of the infrastructure of the arrangement.

NFRS-15: Revenue from contract with customer

The Accounting Standard Board of Nepal issued a new standard for revenue recognition which overhauls the existing revenue recognition standards. The standard requires the following five step model framework to be followed for revenue recognition: Identification of the contracts with the customer Identification of the performance obligations in the contract Determination of the transaction price Allocation of the transaction price to the performance obligations in the contract (as identified in step ii) Recognition of revenue when the entity satisfies a performance obligation. The company has recognized the contract cost incurred during the reporting period up to Commercial Operation Date (COD) of the project as expenses and has matched the contract revenue to the total contract cost incurred, so as that the profit is recognized to the extent of IRR of the project (i.e. 77.94olo). The calculation of the revenue and profit recognized for the year is as below:

Total Cost incurred for Project Development during the year up to Commercial Operation Date	Rs. 217,774,448
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Notes to the financial statements
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Add: Profit recognized as per IFRIC 12 (Management Decision @ 2%)	Rs. 4,355,489
Revenue recognized as per IFRIC 12 for the Year	Rs. 222,129,937

Contract related disclosures:

	For the year ended 31 Asadh 2081	For the year ended 31 Asadh 2080
i. Contract revenue recognized Aggregate amount of contract costs incurred and recognized profits (less recognized losses) for all the contracts in progress	914,118,026	691,988,090
ii. Amount of customer advances outstanding for contracts in progress	71,064,314	74,872,459
iii. Gross amount due from customers for contracts in progress	-	-
iv. Amount of retention due to customers for contracts in progress	27,255,951	21,840,018
v. Gross amount due to customers for contracts in progress.	1,311,496	32,876,841

18. Lease Payments

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Payments made under operating leases are to be recognized on a straight-line basis over the term of the lease. The company has entered into the rent agreement in 2081 Shrawan for the period of 1 year.

19. Taxation

Income Tax expense represents the sum of the current tax and deferred tax.

Under section 11(3d) of the Income Tax Act, 2058, 100% of the income from the hydropower project for the first 10 years is exempted. Further, 50% income for additional 5 years is exempted.

(i) Current Tax

Current tax which comprises expected tax payable or receivables is based on taxable profit or loss for the year based on Nepalese tax laws and any adjustments to the tax payable or receivable in respect of previous years. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and liabilities are offset if certain criteria are met.

As per the Nepalese tax laws in absence of taxable profits, the Company has not recognized any current tax expenses.

(ii) Deferred Tax

Deferred tax is recognized on temporary difference between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in

the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred Tax Assets (DTA) are generally recognized for all deductible temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred Tax Liabilities (DTL) and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the assets realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

The company has no any deferred tax assets and liabilities as on reporting period.

(iii) Tax holiday

The Company's operations are subject to tax holiday as per the Nepalese tax laws. The temporary differences that reverse during a tax holiday period are not recognized.

20. Foreign currency transaction

In preparing the financial statements of the Company, transaction in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the date. Non-monetary items carried at the fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

The company has no any foreign currency transaction in the reporting period.

21. Impairment

At the end of each reporting period, the Company reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss, if any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit and loss.

22. Employee benefits

Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. Liabilities for wages and salaries, including non-monetary 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 are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Statement of Financial Position.

Long term employee benefits

The company has not provided Long term employee benefits (Gratuity benefits & Other Post Employment Benefits) as required by Labour Act, 2074 Nepal.

23. Provisions and contingent liabilities

(i) Provisions are recognized when the Company has a present obligation (legal or constructive as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking in to account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of time value of money and the risks specific to the liability (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(ii) A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

There are no reportable contingent liabilities or commitments as at the year end.

24. Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

(i) Financial assets

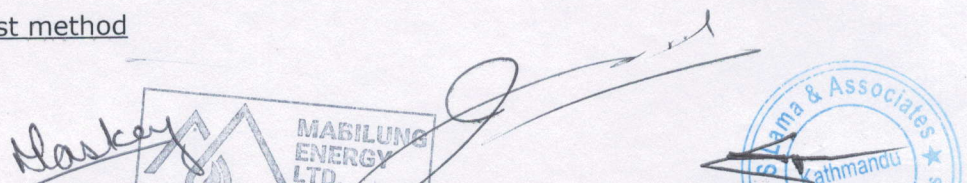
Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss (FVTPL), 'held to maturity' investments, 'available for sale' (AFS) financial assets and 'loans receivables' based on the characteristics of each instrument. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Of these categories, the company only has loans and receivables.

(a) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in active market. Loans and receivables including other receivables and bank balances and cash are measured at amortized cost using the effective interest method, less any impairment.

Interest income is recognized by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

(b) Effective interest method



The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or, where appropriate, a shorter period, to the net carrying amount of the financial instrument.

(c) Impairment of financial assets

Financial assets, being loans and receivables, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For all financial assets other than available for sale assets, objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty; or
- Breach of contract, such as a default or delinquency in interest or principal payments; or
- It becoming probable that the borrower will enter bankruptcy or financial re-organization; or
- The disappearance of an active market for that financial asset because of financial difficulties.

For financial assets carried at amortized cost, the amount of the impairment loss recognized is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets.

For financial assets measured at amortized cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

(d) Derecognition of financial assets

The company de-recognizes financial asset only when the contractual right to the cash flows from the assets expire, or when it transfers the financial asset and substantially

all the risk and rewards of ownership if the asset to another entity. If the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

(ii) Financial liabilities and equity

(a) Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(b) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Borrowings from promoter which are not intended to be repaid are treated as equity (additional paid capital) in the financial statements.

(c) Financial Liabilities

Financial liabilities are classified as either financial liabilities "at fair value through profit and loss" or "other financial liabilities". Of these categories, the Company only has "other financial liabilities".

(d) Other financial liabilities

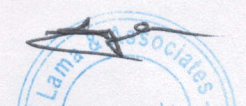
Other financial liabilities (including other payables) are subsequently measured at amortized cost using the effective interest method. The effective interest method is method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, of (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(e) Derecognition of financial liabilities

The company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

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25. Capital Management

As the company is into construction of the hydropower plant, significant amount of capital has been invested. The Company's management reviews the capital structure of the Company on a regular basis. As part of this review, the management considers the cost of capital and the risk associated with the capital.

The Company's objectives when managing Capital are to:

- (a) Safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- (b) Maintain an optimal capital structure to reduce the cost of capital.

The company has also entered into debt arrangements for funding significant portion of the total capital requirement for the project. Drawdown of the debts will be done as per the terms of the arrangements.

Categories of financial instruments

Particulars	31 Asadh 2081	31 Asadh 2080
Financial assets		
Loans and Receivables	98,868,238	105,709,009
Cash and cash equivalents	3,366,767	783,891
Financial liabilities		
Trade and other payables	211,724,003	131,716,649

Determination of fair values

The Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. When applicable, further information about the assumptions made in determining fair values is disclosed in or disclosure purposes based on the following methods:

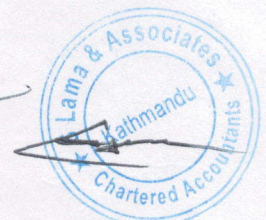
Loans and receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at market rate of interest at the reporting date.

26. Related Party Transactions

The Company identifies following as the related parties under the requirements of NAS 24.

- i) Subsidiary of the company.
- ii) Shareholders having shareholding of 5% or more during the year.
- iii) Companies represented by the Directors.
- iv) Directors of the Company and their close family members if any



26.1 Shareholders having shareholding of 5% or more during the year:

The company has 14 promoter shareholders. Shareholders holding 5% or more of the shares in the company are the significant shareholders.

Shareholders	31 st Ashad 2081	31 st Ashad 2080
	% of holding	% of holding
Asian Life Insurance Company Limited	25.41%	25.41%
Guheshwori Merchant Banking And Finance Company Limited	20.33%	20.33%
Asian Capital Limited	5.08%	5.08%
Trust Energy Limited	7.62%	7.62%
Glory Capital Limited	28.71%	0%
Indra Mandan Rai	5.08%	5.08%
Rajesh Lal Shrestha	0%	10.6%
Dabin Shrestha	0%	10.42%

26.2 Companies represented by the Directors:

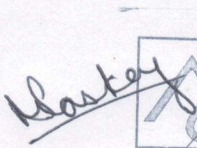

There are three directors representing shareholders in the company. The director consists of the following shareholding Structure:

Directors	31 st Ashad 2081	31 st Ashad 2080
	% of holding	% of holding
Rajesh Lal Shrestha representing Glory Capital Limited	28.71%	0%
Anchal Maskey	0.76%	0.76%
Shivaraj Bhandari representing Guheshwori Merchant Banking And Finance Company Limited	20.33%	20.33%

26.3 Transactions with and payments to directors of the Company

No any facilities in Cash or Kind has been made to directors of the company except mentioned below.

Director	Salary	
	FY 2080/81	FY 2079/80
Rajesh Lal Shrestha	390,000	390,000



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