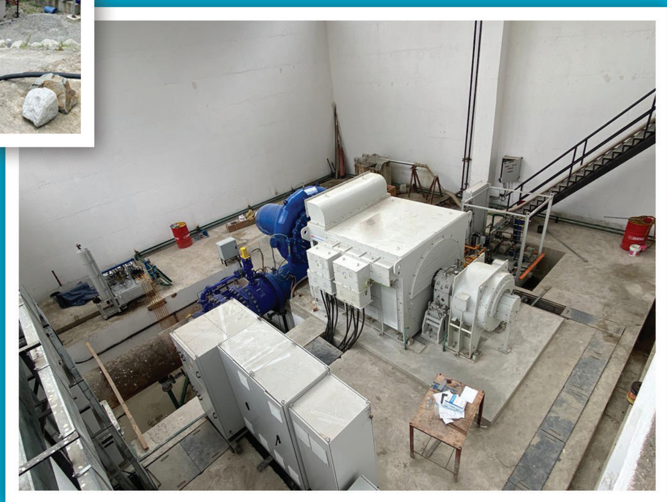
१४औं र १५औं

वार्षिक प्रतिवेदन

आ.व. २०८१/०८२ र २०८२/०८३



14th & 15th

Annual Report

Fiscal year 2081/082

Fiscal year 2082/083

Mandu Hydropower Limited

माण्डु हाईड्रोपावर लिमिटेड

रजिष्टर्ड कार्यालय ठेगाना: का.म.न.पा.-२, लाजिम्पाट, काठमाडौं

(आयोजनाको नाम : बागमती साना जलविद्युत आयोजना-हाल ३२ मे.वा.)

फोन नं. : ०१ ४५३८३८८, ४५२९०८९, इमेल : info@manduhydropower.com वेवसाइट : www.manduhydropower.com

सञ्चालक समिति पदाधिकारी

रविन्द्र लाल श्रेष्ठ
अध्यक्ष

सोफिया पाँडे
सञ्चालक

Mr. Tian Jiayuan
सञ्चालक

Mrs Zhu Xianxian
सञ्चालक

वरुण श्रेष्ठ
सञ्चालक (सर्वसाधारणबाट)

सुन्दर श्रेष्ठ
कम्पनी सचिव/प्रमुख सञ्चालन अधिकृत

पुस्तिकामा समाविष्ट सामाग्रीहरु

माण्डु हाइड्रोपावर लिमिटेड

फोन नं. ४५३८३८८, इमेल : info@manduhydropower.com

१४औ तथा १५औ वार्षिक साधारण सभा सम्बन्धी सूचना

आदरणीय शेयरधनी महानुभावहरु,

यस कम्पनीको मिति २०८३/०४/२७ गते बसेको संञ्चालक समितिको बैठकको निर्णय बमोजिम कम्पनीको १४औं तथा १५औ (आ.व. २०८१/०८२ र २०८२/०८३) वार्षिक साधारण सभा निम्न मिति, समय र स्थानमा देहायका प्रस्तावहरु उपर छलफल तथा निर्णय गर्नको लागि बस्ने भएको हुँदा वार्षिक साधारण सभामा उपस्थित हुन सम्पूर्ण शेयरधनी महानुभावहरुको जानकारीको लागी यो सूचना प्रकाशित गरिएको छ ।

वार्षिक साधारण सभा हुने मिति, समय र स्थान :

मिति : २०८३/०५/१८ (03 Sep 2026)

समय : बिहान १०:०० वजे (10:00 AM)

स्थान : नेपा बैंक्वेट, नयाँबजार, काठमाण्डौ (Nepa Banquet, Nayabazar Kathmandu)

१४औं तथा १५औं वार्षिक साधारण सभामा प्रस्तुत हुने प्रस्तावहरु (एजेन्डाहरु) :

१. सामान्य प्रस्ताव :

क) आ.व.२०८१/०८२ र आ.व.२०८२/०८३ संञ्चालक समितिको वार्षिक प्रतिवेदन माथि छलफल गरि पारित गर्ने सम्बन्धमा ।

ख) आ.व.२०८१/०८२ र आ.व.२०८२/०८३ को लेखापरिक्षकको प्रतिवेदन, २०८२ आषाढ मसान्त सम्म र २०८३ आषाढ मसान्तसम्मको वासलात, आय व्यय विवरण र सोही अवधिको नगद प्रवाह लगायत वित्तिय विवरण उपर छलफल गरी पारित गर्ने सम्बन्धमा ।

ग) आ.व.२०८२/०८३ को कारोवारको हिसाव लेखापरिक्षण गर्नका निमित्त संञ्चालक समितिबाट नियुक्ति र कम्पनी रजिष्ट्रार कार्यालयबाट स्वीकृत लेखापरिक्षक तथा निजको पारिश्रमिक अनुमोदन गर्ने सम्बन्धमा ।

घ) कम्पनी ऐन, २०६३ को दफा १११ अनुसार यस कम्पनीको आ.व.२०८३/०८४ को कारोवारको हिसाव लेखापरिक्षण गर्नका निमित्त लेखापरिक्षकको नियुक्ति तथा निजको पारिश्रमिक निर्धारण गर्ने सम्बन्धमा ।

ङ) संञ्चालक समितिबाट प्रस्ताव गरिएको हाल कायम रहेको चुक्ता पूँजी रु.१,३६,३६,३७,०००/- को १२.५२६३% हुन आउने नगद लाभांश रु.१७,०८,१३,४७७/- (अक्षरेपी सत्र करोड आँठ लाख तेह्र हजार चार सय सतहत्तर रुपैया) मा प्रचलित कानुन बमोजिम कर कट्टी गरि स्वीकृति प्रदान गर्ने सम्बन्धमा । (प्रस्तावित नगद लाभांश मध्ये ०.५२६३% आ.व २०८१/०८२ (बोनस शेयर लाभांश कर प्रयोजनार्थ) तथा १२% आ.व २०८२/०८३ को लागि संचित मुनाफाबाट वितरण गर्न लागिएको)

च) संस्थापक शेयरधनीहरुको तर्फबाट संञ्चालक समितिको निर्वाचन तथा स्वतन्त्र संञ्चालकको नियूक्ति अनुमोदन गर्ने सम्बन्धमा ।

२. विशेष प्रस्ताव

क) संञ्चालक समितिबाट आ.व.२०८१/०८२ सम्मको संचित मुनाफाबाट प्रस्ताव गरिएको र विद्युत नियमन आयोगबाट स्वीकृति प्राप्त कम्पनीको हाल कायम चुक्ता पूँजी रु.१,३६,३६,३७,०००/-(अक्षरेपी एक अर्व छत्तिस करोड छत्तिस लाख सैतिस हजार) को १०% का दरले हुने रु.१३,६३,६३,७००/- (अक्षरेपी तेह्र करोड त्रिसठी लाख त्रिसठी हजार सात सय) बराबरको बोनस शेयर बितरण गर्न स्वीकृति तथा अनुमोदन प्रदान गर्ने सम्बन्धमा ।

ख) प्रबन्धपत्र तथा नियमावलीमा पुँजीवृद्धि लगायत अन्य आवश्यक संशोधन गर्ने सम्बन्धमा साथै प्रबन्धपत्र तथा नियमावलीमा नियमनकारी निकायहरुबाट कुनै संशोधन, फेरबदल तथा थपघट गर्नुपर्ने कुनै सुझाव तथा निर्देशन प्राप्त भएमा सोको लागि सञ्चालक समितिलाई अख्तियारी दिने सम्बन्धमा ।

ग) संञ्चालक समितिको दैनिक भ्रमण भत्ता पारित गर्ने सम्बन्धमा ।

३. विविध ।

साधारण सभा सम्बन्धी सामान्य जानकारीहरु :

१. वार्षिक साधारणसभा प्रायोजनको लागि मिति २०८३/०५/०५ (तद्अनुसार २१ अगस्ट २०२६) गतेका दिन कम्पनीको दर्ता किताब बन्द गरिनेछ । नेपाल स्टक एक्सचेन्ज लि.मा मिति २०८३/०५/०४ गतेसम्म कारोबार भई शेयर खरिद गरि आफ्नो नाममा

शेयर नामसारी भई आएका शेयरधनीहरु सो सभामा भाग लिन तथा आ.व. २०८१/०८२ र २०८२/०८३ को वितरण योग्य नगद लाभांश तथा बोनस शेयर पाउन योग्य रहनेछन् ।

२. वार्षिक साधारणसभा उपस्थित शेयरधनी महानुभावहरुको सुविधाको लागि हाजिरी पुस्तिका सभास्थलमा सभा हुने दिन बिहान ९:०० बजेदेखि सभा सञ्चालन रहेसम्म खुल्ला रहनेछ ।

३. कम्पनीको आयोजनामा लगानीको निमित्त बैंकहरुसँग गरिएको सहवित्तीय सम्झौताको शर्तबमोजिम लगानीकर्ता बैकहरुको स्वीकृतिपश्चात मात्र लाभांश वितरण गर्न पाईने भएकोले सोको स्वीकृतिका लागि कम्पनीबाट प्रक्रिया चालिएको र साधारणसभा एवं लगानीकर्ता बैंकहरुको स्वीकृति पश्चात् प्रस्तावित लभांश भुक्तानी गरिने ।

४. वार्षिक साधारणसभामा भाग लिन आउनु हुने शेयरधनी महानुभावहरुले आफ्नो परिचय खुल्ने सक्कल प्रमाण तथा हितग्राही खाता खोली शेयर अभौतीकरण गरिएको विवरण देखिने Demat Account Statement वा शेयर प्रमाण-पत्र साथमा लिई आउन हुन अनुरोध छ , अन्यथा सभाकक्ष भित्र प्रवेश गर्न पाईने छैन ।

५. सम्पूर्ण शेयरधनी महानुभावहरुको जानकारीका लागि कम्पनीको संक्षिप्त आर्थिक विवरण यसैसाथ प्रकाशित गरिएको छ । आर्थिक विवरण लगायतका वार्षिक साधारणसभामा पेश हुने सम्पूर्ण प्रस्तावहरु तथा साधारणसभा सम्बन्धी अन्य जानकारीको लागि कम्पनीको website:manduhydropower.com मा पनि हेर्न सक्नुहुनेछ ।

६. सभामा आफू उपस्थित नभई प्रतिनिधि नियूक्त गर्न चाहने शेयरधनी महानुभावहरुले सभा शुरु हुने समय भन्दा कम्तीमा ४८ घण्टा अगावै यस कम्पनीको रजिष्ट्रर्ड कार्यालय काठमाण्डौमा प्रोक्सी फारम दर्ता गरिसक्नुपर्नेछ । सभामा भाग लिन र मतदान गर्नका लागि प्रतिनिधि नियुक्त गरिसकेपछि उक्त प्रतिनिधि बदर गरि अर्कै मुकरर गर्ने भएमा सोको लिखित सूचना सोहि अवधिभित्र कम्पनीको रजिष्ट्रर्ड कार्यालयमा दर्ता गरिसक्नुपर्नेछ । यसरी प्रतिनिधि (प्रोक्सी) नियुक्त गरिएको व्यक्ति समेत कम्पनीको शेयरधनी हुनुपर्नेछ ।

७. संरक्षक रहनुभएका शेयरधनी महानुभावहरुका तर्फबाट कम्पनीको शेयर लगत कितावमा संरक्षकको रुपमा नाम दर्ता भएको व्यक्तिले, संयुक्तरुपमा शेयर खरिद गरिएको अवस्थामा शेयर लगत कितावमा पहिले नाम उल्लेख भएको व्यक्ति अथवा सर्वसम्मतीबाट प्रतिनिधि नियुक्त गरिएको एक व्यक्तिले र कुनै संगठित संस्था वा कम्पनीले शेयर खरिद गरेको हकमा त्यस्ता संगठित संस्था वा कम्पनीले मनोनित गरेको प्रतिनिधिहरुले शेयरधनीको हैसियतले सभामा भाग लिन र मतदान गर्न सक्नुहुनेछ ।

८. छलफलका विषयसूची मध्ये विविध शिर्षक अन्तर्गत छलफल गर्न इच्छुक शेयरधनीले सभा हुनुभन्दा ७ दिन अगावै सो सम्बन्धी प्रस्ताव कारण सहित उल्लेख गरि कम्पनी सचिव मार्फत संचालक समितिको अध्यक्षलाई लिखित रुपमा दिनुपर्नेछ । तर, त्यसलाई पारित गरिनुपर्ने प्रस्तावको रुपमा राखिने छैन ।

९. शान्ति सुरक्षाको दष्टिकोणले साधारणसभामा उपस्थित हुने शेयरधनी महानुभावहरुलाई यथाशक्य झोला, व्याग नल्याउनुहुन अनुरोध छ । सभाको सुरक्षाका लागि खटिएका सुरक्षाकर्मीहरुले शेयरधनी महानुभावहरु लगायत सभाकक्षमा प्रवेश गर्ने सबैको झोला व्याग र शरीर जाँच गर्ने सक्ने भएको हुँदा सो कार्यमा सहयोग गरिदिनहुन अनुरोध छ ।

१०. विद्युतीय (भर्चुअल) माध्यमबाट समेत सभामा सहभागी हुन तथा आफनो मन्तव्य राख्न सकिने व्यवस्था मिलाइएको हुँदा, विद्युतीय माध्यमबाट सभामा भाग लिन चाहने शेयरधनी महानुभावहरुले mandubagmati@gmail.com वा info@manduhydropower.com मा इमेल गरी वा फोन नं. ०१-४५३८३८८, ०१-४५२९०८९, मा सम्पर्क गरी साधारणसभा शुरु हुनुभन्दा कम्तीमा २४ घण्टा अगावै आफ्नो नाम इमेल ठेगाना टिपाउनु हुन अनुरोध छ। विद्युतीय माध्यम मार्फत उपस्थित हुने शेयरधनी महानुभावहरुलाई Meeting ID / Passcode उपलब्ध गराई सभामा सहभागी हुन व्यवस्था मिलाइनेछ ।

११. अन्य आवश्यक जानकारीको लागि यस कम्पनीको रजिष्ट्रर्ड कार्यालय काठमाण्डौ वा फोन नं. ०१-४५३८३८८, ०१-४५२९०८९, मा सम्पर्क राख्नुहुन अनुरोध गरिन्छ ।

संञ्चालक समितिको आज्ञाले
कम्पनी सचिव

साधारणसभामा आफ्नो प्रतितिनिधि नियुक्त गर्ने निवेदन (प्रोक्सी फारम)
कम्पनी ऐन,२०६३ को दफा ७१ को उपदफा (३) सँग सम्बन्धित

श्री सञ्चालक समिति
माण्डु हाइड्रोपावर लि.
रजिष्टर्ड कार्यालय, काठमाण्डौ

बिषय : प्रतिनिधि नियुक्त गरेको वारे ।

महाशय,

....जिल्ला................................म.न.पा. / उ.म.न.पा. / गा.पा.वडा नं....................बस्ने म / हामी ....ले त्यस हाइड्रोपावर लि.को शेयरधनीको हैसियतले संवत् ....साल......... महिना ..... गते का दिन हुने वार्षिक साधारण सभामा म / हामी स्वयं उपस्थित भई छलफल तथा निर्णयमा सहभागी हुन नसक्ने भएकोले उक्त सभामा मेरो / हाम्रो तर्फबाट भाग लिन तथा मतदान गर्नका लागि ....जिल्ला ....न.पा. / गा.पा वडा नं. ....बस्ने श्री .... लाई मेरो / हाम्रो प्रतिनिधि नियुक्त गरी पठाएको छु / पठाएका छौ ।

शेयरधनी नं.
प्रतिनिधि नियुक्त भएको नाम :
हस्ताक्षरको नमुना :

निवेदक :

मिति :

दस्तखत :
नाम :
ठेगाना :
हितग्राही / शेयरधनी नं. :
शेयर संख्या :
फोन नं. :
मिति :

द्रष्टव्य : यो निवेदन साधारण सभा शुरु हुनु भन्दा कम्तिमा ४८ घण्टा अगावै कम्पनीको रजिष्टर्ड कार्यालयमा पेश गरी सक्नु पर्नेछ ।

प्रवेश-पत्र

श्री माण्डु हाइड्रोपावर लि. वार्षिक साधारणसभा उपस्थितिको लागि जारी गरिएको प्रवेशपत्र

शेयरधनीको नाम : ....हितग्राही/शेयरधनी नं. ....दस्तखत.............................
शेयर संख्या : ....
मिति : .... साल...... महिना...... गतेका दिन हुने माण्डु हाइड्रोपावर लिमिटेडको साधारणसभामा उपस्थित हुन जारी गरिएको **प्रवेश-पत्र ।**

द्रष्टव्य :

१. शेयरधनीहरुले माथी उल्लेखित सम्पूर्ण विवरण अनिवार्य रुपमा भर्नुहोला ।
२. सभाकक्षमा प्रवेश गर्न यो प्रवेश-पत्र प्रस्तुत गर्न अनिवार्य छ ।
३. शेयरधनी स्वयं उपस्थित भएमा प्रोक्सी द्वारा नियुक्त प्रतिनिधि स्वतः रद्ध हुनेछ ।
४. प्रोक्सी दिदा कम्पनीको शेयरधनीहरुलाई मात्र दिन पाईनेछ ।

....
कम्पनी सचिव

माण्डु हाइड्रोपावर लिमिटेडको
१४औ तथा १५औ वार्षिक साधारण सभामा सञ्चालक समितिको तर्फबाट
अध्यक्ष श्री रविन्द्र लाल श्रेष्ठज्यूद्धारा प्रस्तुत

वार्षिक प्रतिवेदन

कम्पनी ऐन, २०६३ को दफा १०९ को उपदफा (४) बमोजिम सञ्चालक समितिको प्रतिवेदन आर्थिक वर्ष २०८१/०८२ र २०८२/०८३

यस कम्पनीको १४औ तथा १५औ वार्षिक साधारणसभामा आफ्नो अमुल्य समय दिई पाल्नु भएका सबैमा उपस्थितिको लागी सञ्चालक समितिको तर्फबाट समेत हार्दिक स्वागत अभिवादन गर्दै,सम्पुर्ण शेयरधनी महानुभाव तथा यहाँहरुको आफन्तहरुमा सुस्वास्थयको कामना गर्दछु । आ.व. २०८१/०८२ को वार्षिक साधारणसभा समयमा नै गर्न खोज्दा पनि प्राविधिक कारणले गर्दा ढीलाई हुन गएकोमा क्षमा प्रार्थि छौं । आज यहाँहरु समक्ष आ.व. २०८१/०८२ र २०८२/०८३ को वासलात, आय व्यय, नगद प्रवाह लगायतका वित्तिय विवरणहरु तथा लेखा परीक्षकको प्रतिवेदन अनुमोदनको लागि पेश गर्दै कम्पनीले आ.व. २०८१/०८२ र २०८२/०८३ मा प्राप्त गरेको उपलब्धि तथा कार्य नीति र आगामी वर्षमा गरिने कार्ययोजनाहरु यहाँहरु समक्ष कंम्पनी ऐन, २०६३ को व्यवस्था अनुसार तपशिल बमोजिमको विवरण पेश गरिएको छ ।

क) विगत वर्षहरुको कारोवारको सिंहावलोकन :

विश्वको जल सम्पदामा दोश्रो ठुलो देश भई करीब ८३,००० मे.वा. विद्युत उत्पादन गर्ने क्षमता रहेकोमा हाल जलविद्युतबाट करिब ४१५४ मे.वा.उत्पादन भइसकेको, जसमध्ये १४०४ मे.वा. नेपाल विद्युत प्राधिकरण तथा निजको सहायक कम्पनीबाट तथा निजि क्षेत्रबाट २७५० मे.वा. उत्पादन भइरहेको छ ।

जलस्रोत हाम्रो देशको एक मात्र दिगो उर्जाको श्रोत भएको र यो सम्पदाको उचित विकास र सम्वर्द्धन गरी राष्ट्रमा उर्जाको खपत बढाउने र सो पुरा गरी बढी भएको विद्युत छिमेकी मुलुकहरुसँग व्यापार गर्ने राष्ट्रको निति रहेकोमा सोही अनुरुप जलविद्युत आयोजना निर्माण गर्दै राष्ट्र विकाशमा टेवा पुऱ्याउनु यस कम्पनीको प्रमुख लक्ष्य हो । हामीले बागमती साना जलविद्युत आयोजनाबाट २२ मे.वा.मा थप १० मेगावाट विद्युत उत्पादन गरी जम्मा ३२ मे.वा. राष्ट्रिय प्रशारण लाईनमा जोडि विद्युत आपूर्ति गरिरहेको व्यहोरा जानकारी गराउँदछौं । यस कम्पनी अन्तर्गतको बागमती साना जलविद्युत आयोजना २२ मे.वा.ले २०७५ साल चैत्र महिना १९ गतेदेखि र थप १० मे.वा.२०८२ साल चैत्र महिना २६ गतेदेखि व्यापारिक उत्पादन शुरु गरी सफलतापुर्वक संचालन भईरहेको छ ।

मिति २०८१ असोज १० र ११ गतेको अविरल वर्षाको कारणले आएको भिषण बाढी तथा पहिरोले यस माण्डु हाईड्रोपावरद्वारा संचालित बागमति साना जलविद्युत आयोजनाको पावर हाउस पूर्ण रुपमा क्षति हुनुका साथै हेडवक्स तर्फ पनि उल्लेखनिय क्षति भई आयोजनाको उत्पादन मिति २०८१ असोज ११ देखि पूर्ण रुपमा बन्द हुन गएको यहाँहरु माफ अवगत नै छ । यसरी क्षति भएको आयोजना पुन निर्माण गरि संचालनमा ल्याउन तत्काले आयोजना स्थलमा बाढीले थुपारेको लेदो माटो तथा ढुङ्गा हटाई पुन निर्माण तथा विद्युत उत्पादन गर्ने आवश्यक उपकरणहरु आयत कार्य शुरु गरि २ इकाई मध्ये मिति २०८३ श्रावण १९ गतेदेखि इकाई २ र मिति २०८३ भदौ ११ गतेदेखि इकाई १ विद्युत उत्पादन गरि संचालनमा ल्याइएको थियो । यसरी लगभग पूर्ण रुपमा क्षति भएको आयोजना समयमानै पुन निर्माण सम्पन्न गरि संचालनमा ल्याउन दिनरात खटिनुभएका कर्मचारी, कामदार, निर्माण व्यवसायी, परामर्सदाता, प्राविधिक टोलि, विद्युत विकाश विभाग, नेपाल विद्युत प्राधिकरण तथा अन्य सम्बन्धित सबैको उल्लेखनिय योगदानको हार्दिक सराहना गर्दै धन्यवाद व्यक्त गर्न चाहन्छौं । साथै बैंक तथा विमा कम्पनीलाई पनि समयमानै वित्तिय श्रोतहरु उपलब्ध गराई दिएकोमा धन्यवाद दिन चाहन्छौं ।

यसरी पुन निर्माण गर्दाको कुल लागत रु. ९८.१५ करोड लागेको छ । त्यसै गरि इन्स्योरेन्स सर्भेयरबाट प्राप्त मुल्यांकनको आधारमा बीमा कम्पनीबाट रु. ३४.५२ करोडको सम्पत्ति बीमा रकम भुक्तानी प्राप्त गरिएको छ । साथै Loss on Profit बीमा अन्तर्गत रु. २४.३० करोडको बीमा रकम भुक्तानी प्राप्त गरेको छ । यसरी बीमा कम्पनीबाट बीमा वापत प्राप्त गरको कुल रकम रु. ५८.८२ करोड रहेको छ ।

मेलम्ची खानेपानी आयोजनाको पानी काठमाण्डौ उपत्यकामा नियमित वितरण थालिएसँगै यस आयोजनाको नदीमा पानीको वहाव बढ्ने भएकोले आयोजनाले हाल जडीत २२ मे.वा. मा थप १० मे.वा. गरि क्षमता विस्तार गर्न सम्बन्धित निकायहरुबाट स्विकृत लिई निर्माण सम्पन्न गरिएको । यसरी थप हुन गएको क्षमता संचालनमा आई आ.व. २०८२/०८३ को चौथो त्रैमासिकदेखि विद्युत विक्री आम्दानीमा उल्लेख्य योगदान गरि खुद मुनाफामा वृद्धि हुन गएको छ । यसरी थप १० मे.वा.को कुल लागत रु. ८०.४५ करोड (Interest during cost & Floodwall) लागेको छ । जसअनुसार प्रति मे.वा. लागत रु. ८.०५ करोड हुन आउँछ, जुन आजको दिनमा निकै कम लागत भई उच्च प्रतिफल दिने देखिन्छ । शेयरधनी महानुभावहरुको जानकारीका लागि कम्पनीको आ.व. २०७८/०७९,२०७९/०८०, २०८०/०८१, २०८१/०८२ तथा २०८२/०८३ आयोजनाको विद्युत उत्पादन र विक्रि विवरण निम्न बमोजिम छ :

आर्थिक वर्ष	कन्टयाक्ट उर्जा (kWh)	कन्ट्रयाक्ट उर्जा वापतको र कम(रु.)	आपूर्ति गरिएको उर्जा (kWh)	उर्जा बिक्रिबाट आम्दानी (रु.)
२०७८/७९	१२८,५९३,९६९	७३७,००१,६६०	१३५,६३९,६८९	७६२,४७०,१२४
२०७९/८०	१२८,०६१,७७५	७५५,०१७,८६५	१३४,२३०,५७१	७७१,४९८,३३४
२०८०/८१	१२७,६८४,५९९	७७२,८४३,६३१	१२२,२५६,५४१	७३४,१३२,९६५
२०८१/८२	४६,६६८,४४१	२५७,६०९,७९४	३७,०९०,९७७	२०४,७४२,१९३
२०८२/८३	१५०,२५७,५६०	९१२,०९८,९९३	१३२,४०१,५५२	७९४,९३४,७०१

नोटः आ.व.२०८१/०८२ बाढी तथा पहिरोको करणले २०८१ असोज ११ गतेदेखि २०८२ श्रावण १९ गते (करिब १० महिना) आयोजना पूर्ण रुपमा बन्द रहेको ।

आ.व.: २०७९/०८०, २०८०/०८१, २०८१/८२ तथा २०८२/८३ को तुलनात्मक वित्तिय स्थिति विवरण तल उल्लेख गरे बमोजिम रहेको छ ।

विवरण	२०७९/०८०(रु.)	२०८०/०८१(रु.)	२०८१/०८२(रु.)	२०८२/०८३ (रु.)
विक्रिबाट आम्दानी (अन्य)	७७१,४९८,३३५।-	७३४,१३२,९६६।-	२०४,७४२,१९३।-	७९४,९३४,७०१।-
प्रशासन तथा अन्य सञ्चालन खर्च	९२,३०३,४८२।-	९५,६६८,०९६।-	५९,७७६,०७४।-	१०४,३९२,१९४।-
ह्रास कट्टी	१४२,९७४,०६४।-	१४०,९३७,८४२।-	५०७,५५०,२८६।-	१६८,०८३,०८१।-
सञ्चालन खर्च पछीको नाफा नोक्सान	५३६,२२०,७८९।-	४९७,५२७,०२७।-	(३६२,५८४,१६७।-)	५२२,४५९,४२६।-
अन्य आम्दानी	४२५,८४१।-	५,१९३।-	५८८,२५५,७९९।-	५८६१।-
वित्त चार्ज	२९७,४३९,७६५।-	२१९,३७१,२५९।-	१६१,८९१,३२४ ।-	१९४,१२९,६८५।-
ब्याज पछीको सञ्चालन नाफा/(नोक्सान)	२३९,२०६,८६४।-	२७८,१६०,९६१।-	६३,७८०,३०९।-	३२८,३३५,६०१।-
कर्मचारी बोनस	४,७८४,१३७।-	५,५६३,२१९।-	१,२७५,६०६।-	६,५६६,७१२।-
संस्थागत समाजिक उत्तरदायीत्व	३,३०२,३७६।-	३,५६७,५५६।-	६२५,०४७।-	३,२१७,६८९।-
कर अघिको खुद नाफा/(नोक्सान)	२३१,१२०,३५०।-	२६९,०३०,१८६।-	६१,८७९,६५६।-	३१८,५५१,२००।-
आय कर खर्च	-	-	-	-
खुद नाफा/(नोक्सान)	**२३१,१२०,३५०।-**	**२६९,०३०,१८६।-**	**६१,८७९,६५६।-**	**३१८,५५१,२००।-**

नाफा/नोक्सान बाँडफाँड तथा संचिती:

विवरण	२०७९/०८०	२०८०/०८१	२०८१/०८२	२०८२/०८३
गत वर्षको मौज्दात	२९१,३८१,६०७	३३७,२६१,१३०	६४०,५२५,६८१	५३९,३८३,८४३
विगत वर्षहरुको हिसाब मिलान		-	-	-
यस आर्थिक वर्षको नाफा/(नोक्सान)	२३१,१२०,३५०	२६९,०३०,१८६	६१,८७९,६५६	३१८,५५१,२००
लाभांश वितरण	(१८०,०००,०००)	(१३६,३६३,७००)	(१६३,६३६,४४०)	-
प्रिमियममा शेयर जारी तथा जारी खर्च	(५,२४०,८२६)	१७०,५९८,०६५	-	-
संस्थागत सामाजिक उत्तरदायित्व	-	-	६१४,९४७	(४६३,७२२)
जम्मा	**३३७,२६१,१३०**	**६४०,५२५,६८१**	**५३९,३८३,८४३**	**८५७,४७१,३२१**

आयोजना निर्माण सम्पन्न भई विद्युत विक्री थालिएको पहिलो वर्षदेखि नै सञ्चालन नाफामा भए पनि ह्रास कट्टि तथा व्याजको भार धेरै हुनाले शुरुको वर्षमा नाफा कम देखियता पनि हाल यस कम्पनीको आय बढदो क्रममा रहेको छ । कम्पनीको विक्री आम्दानी, खुद नाफा तथा लाभांश वितरण निम्न अनुसार रहेको छ ।

आर्थिक बर्ष	विक्री आम्दानी (रु)	खुद नाफा (रु.)	लाभांश वितरण (प्रतिशत)
२०७६/०७७	५४७,५८०,२८०।-	११७,३१९,६०६।-	४%
२०७७/०७८	६४८,४०६,४१०.-	१६०,२०४,४५५।-	११%
२०७८/०७९	७६२,४७०,१२४।-	.२६४,१००,७९०।-	१५%
२०७९/०८०	७७१,४९८,३३५।-	२३१,१२०,३५०।-	१०%
२०८०/०८१	७३४,१३२,९६६.-	२६९,०३०,१८६।-	१२%
२०८१/०८२	२०४,७४२,१९३।-	६१,८७९,६५६.-	१०% बोनस शेयर र ०.५२६३% नगद लाभांश (लाभांश कर प्रयोजनार्थ)
२०८२/०८३	७९४,९३४,७०१।-	३१८,५५१,२००।-	१२%

ख) राष्ट्रिय तथा अन्तराष्ट्रिय परिस्थिति बाट परेको असर :

शेयरधनी महानुभावहरु,

बागमती साना जलविद्युत आयोजनाको सन्दर्भमा हेर्दा जलविद्युत आयोजना पानीको वहावमा निर्भर हुने भएकोले अन्तराष्ट्रिय परिस्थितिबाट आयोजना सञ्चालनमा प्रत्यक्ष असर परेको छैन ।

ग) कम्पनीको भावी रणनिति र कार्य योजना सम्बन्धमा सञ्चालक समितिको धारणा :

विगतमा गर्दै आएको नियमित मर्मत सम्भार तथा दैनिक सञ्चलनका अलावा यस आयोजनाका विभिन्न प्रावधिक समस्याहरुको समाधान गर्दै आएको छ। आगामी दिनहरुमा यी कामहरुलाई निरन्तरता दिई सो आयोजनाबाट अधिकतम विद्युत उत्पादन गरिनेछ। यस कम्पनीको उज्जल भविश्य सुनिश्चित गर्न थुप्रै महत्वपुर्ण कामहरुको शुरुवात पनि भएको छ। ती मध्य केही महत्वपुर्ण कामहरु निम्नानुसार छन ।

क) यस आयोजनाको मर्मत सम्भार नियमित रुपमा गर्दै गएको तथा उक्त कार्यलाई निरन्तरता दिइने ।

ख) यस आयोजनाको सञ्चालनमा थप Efficiency ल्याउने ।

ग) यस कम्पनीले बुझाउनु पर्ने बक्यौताहरु नियमित गर्दै आएकोमा, सो लाई निरन्तरता दिइने ।

घ) कर्मचारी व्यवस्थापन सुदृढ गर्दै गएकोमा, सो लाई निरन्तरता दिने ।

ङ) कम्पनीले बुझाउनु पर्ने विवरणहरु समयमा नै बुझाउने ।

घ) संस्थागत सामाजिक दायित्व :

संस्थागत सामाजिक दायित्व अन्तर्गत आयोजना निर्माण तथा संचालन क्रममा कम्पनीले स्थानीय स्तरमा विकास निर्माण तथा स्थानीय जनताको आय आर्जन वृद्धि सम्बन्धी विभिन्न क्रियाकलापहरु गरेको छ र कम्पनीले यस कार्यलाई सदैव प्राथमिकतामा राखी आफ्ना कार्ययोजनाहरु थप गर्ने गरेको छ र यस कार्यलाई भविष्यमा समेत निरन्तर जारी राखिने छ ।

ङ) कम्पनीको औद्योगिक वा व्यावसायिक सम्बन्धः

कम्पनीले आफ्नो व्यवसायिक तथा औद्योगिक क्षेत्रसँग प्रत्यक्ष वा अप्रत्यक्ष सम्बन्ध राख्ने सरकारी तथा गैर सरकारी निकायहरु, संघ, संस्था तथा सरोकारवालाहरु जस्तै नेपाल सरकारको उर्जा जलस्रोत तथा सिचाई मन्त्रालय, विद्युत विकाश विभाग, उद्योग विभाग, विद्युत नियमन आयोग, विद्युत खरिद गर्ने नेपाल विद्युत प्राधिकरण, आयोजना निर्माणमा वित्तीय सहयोग प्रदान गर्ने बैंकहरु, आयोजना बिमा गर्ने कम्पनी, नेपाल धितोपत्र बोर्ड, नेपाल स्टक एक्सचेन्ज, सिडिएस एण्ड क्लियरिङ लिमिटेड आयोजना क्षेत्रका स्थानीय सरकारी तथा गैर सरकारी निकायहरु, जगेडा पार्टपूर्जा तथा उपकरणहरु आपूर्तिकर्ता स्वदेशी तथा विदेशी कम्पनीहरुसँग कम्पनीले सौहाद्रपूर्ण सुमधुर र सुदृढ सम्बन्ध कायम राख्दै आएको छ ।

च) संञ्चालक समितिमा भएको हेरफेर र सो को कारणः छैन ।

छ) कारोबारलाई असर पार्ने मुख्य कुराहरुः

विद्यमान ऐन कानूनमा हुने संशोधन वा परिवर्तनले तथा नयाँ कानूनहरुको निर्माणले निजि क्षेत्रबाट प्रवर्द्धन गरिने जलविद्युत आयोजनाको निर्माण तथा संचालनमा अनुकुल/प्रतिकुल असर पर्न सक्दछ ।

बन्द, हडताल, चक्काजाम, नाकाबन्दी जस्ता राजनीतिक घटनाक्रम, बाढी, पहिरो, खडेरी, भुकम्प आदि जस्ता अप्रत्यशित प्राकृतिक प्रकोप महामारी तथा इन्धनको मूल्य वृद्धि, बैंकको व्याजमा वृद्धि, विनिमय दरमा परिवर्तन आदि आर्थिक/वित्तीय कारणहरुले पनि आयोजनाहरुको विकाश निर्माण संचालन, मर्मत सम्भार आदिमा प्रतिकुल असर पार्दछन ।

खडेरी, अनावृष्टि, अतिवृष्टि, जलस्रोतको मुहानमा अप्रत्याशित जलाशय परिवर्तनका कारण हुने अनपेक्षित वातावण परिवर्तन आदिका कारण पानीको स्रोतमा कमी आएमा उत्पादन क्षमतामा ह्रास आउन सक्ने जोखिम हुन्छ ।

प्राकृतिक प्रकोप तथा नियन्त्रण बाहिरका परिस्थितिहरु सिर्जना भई आयोजनाको भौतिक संरचना तथा उपकरणहरुमा क्षति पुऱ्याएमा खर्च वृद्धि हुन सक्ने तथा व्यवसायिक आम्दानीमा कमी हुन सक्ने जोखिम हुन्छ ।

प्रसारण लाईनमा हुन सक्ने प्राविधिक वा यान्त्रिक गडबडीका कारण उत्पादित विद्युत आपूर्ति अवरुद्ध हुन सक्ने जाखिम हुन्छ ।

ज) लेखापरीक्षण प्रतिवेदनमा कुनै कैफियत उल्लेख भएको भए सो उपर सञ्चालक समितिको प्रतिकृयाः

यस कम्पनीले NFRS (Nepal Financial Reporting Standards) मापदण्ड बमोजिमको वित्तिय तथा आर्थिक विवरणहरु तयार गर्ने गरिएकोमा आ.व २०८१/०८२ र २०८२/०८३ मा पनि सोही बमोजिमको वित्तीय विवरण तयार पारिएको छ । लेखापरीक्षण प्रतिवेदनमा नियमित कारोवारमा देखिएको सामान्य प्रकृतिका कैफियत, प्रतिक्रिया र सुझावहरु माथी संचालक समितिको ध्यानकर्षण हुनुका साथै सो को सुधारका निम्ति आवश्यक प्रक्रिया चालिएको छ ।

झ) लाभांश बाँडफाँड गर्न सिफारिश गरिएको विवरणः

यस कम्पनीको मिति २०८३।०२।१८ मा बसेको संञ्चालक समितिको बैठकबाट आ.व २०८१/०८२ को लागि मितिः २०८२ साल आषाढ मसान्तको लेखापरीक्षण भएको वित्तीय विवरणको आधारमा आ.व २०८१/०८२ सम्मको संचित मुनाफाबाट हाल कायम चुक्ता पूँजी १,३६,३६,३७,०००/- (एक अर्व छत्तिस करोड छत्तिस लाख सैतिस हजार) को १०% को दरले हुने संख्या १३,६३,६३७ बराबर कित्ताको बोनस शेयर रकम रु. १३,६३,६३,७००

(रु. तेह्र करोड त्रिसठ्ठी लाख त्रिसठ्ठी हजार सात सय) र हाल कायम चुक्ता पूँजी रु. १,३६,३६,३७,०००/-को ०.५२६३% अर्थात रु.७१,७७,०३७/-(अक्षरुपी एकहत्तर लाख सतहत्तर हजार सैतिस रुपैयाँ) नगद लाभांश (लाभांश कर प्रयोजनार्थ) छुट्याई विद्युत नियमन आयोगको स्वीकृति पछि वितरण गर्न स्वीकृतिका लागि यसै बार्षिक साधारण सभामा प्रस्ताव गरिएको छ ।

त्यसै गरि यस कम्पनीको मिति २०८३।०४।२७ मा बसेको सञ्चालक समितिको बैठकबाट आ.व २०८२/०८३ को लागि मितिः २०८३ साल आषाढ मसान्तको लेखापरीक्षण भएको वित्तीय विवरणको आधारमा आ.व २०८२/०८३ सम्मको हाल कायम चुक्ता पूँजी १,३६,३६,३७,०००/- (एक अर्ब छत्तिस करोड छत्तिस लाख सैतिस हजार) को १२% को दरले हुने आउने १६,३६,३६,४४०/- (अक्षरुपी सोह्र करोड छत्तीस लाख छत्तीस हजार चार सय चालिस) नगद लाभांश प्रचलित कानुन बमोजिम कर कट्टी गरी वितरण गर्न निर्णय गरी स्वीकृतिको लागि यसै बार्षिक साधारण सभामा प्रस्ताव गरिएको छ ।

ञ) जफत गरिएको शेयर सम्बन्धी विवरणः छैन ।

ट) कम्पनीको सहायक कम्पनी सम्बन्धी विवरणः
यस कम्पनीको सहायक कम्पनी नभएको ।

ठ) सहायक कम्पनीसँग भएको कारोबारको विवरणः
यस कम्पनीको सहायक कम्पनी नभएको ।

ड) विगत आर्थिक वर्ष कम्पनीको आधारभूत शेयरधनीहरुले कम्पनीलाई उपलब्ध गराएको जानकारीः
कुनै जानकारी उपलब्ध गराएको छैन ।

ढ) विगत आर्थिक वर्षमा कम्पनीका शेयरधनीहरुले लिएको शेयर स्वामित्वको विवरण, सञ्चालक तथा पदाधिकारीहरु विवरण तथा निजहरुको संलग्नताः

१) आ.व. २०८२/०८३ को अन्तसम्ममा यस कम्पनीका १ प्रतिशत वा सो भन्दा बढी शेयर स्वामित्व निम्न बमोजिम रहेको छ र निजहरु कम्पनीको शेयरको कारोबारमा संलग्न रहेको पाइएको छैन ।

नाम, ठेगाना	शेयर प्रतिशत
नामः Sichuan Hechuan Investment Co. Ltd.	४३.१२%
नामः महेश्वर प्रकाश श्रेष्ठ	१०.०४%
नामः हिमालयन इन्फ्रास्ट्रक्चर फण्ड लि.	७.७३%
नामः रिजन श्रेष्ठ	५.५८%
नामः विनोद कुमार श्रेष्ठ	४.४०%
नामः पृथ्वी बाहादुर पाँडे	३.६७%
नामः लोटस इन्भेष्टमेन्ट प्रा. लि.	३.६७%
नामः प्रतिमा पाँडे	१.४७%
नामः शिवान्त बाहादुर पाँडे	१.४७%
नामः सोफिया पाँडे	१.४७%

२) आ.व. २०८२/०८३ को अन्तसम्ममा यस कम्पनीका सञ्चालक तथा पदाधिकारीहरु विवरण तथा निजहरुको संलग्नताः
यस कम्पनीका संस्थापक शेयरधनीहरुको तर्फबाट ५ जना, स्वतन्त्र संचालक १ जना तथा सर्वसाधारणबाट संचालक १ जना गरि जम्मा ७ जना संचालक समितिमा प्रतिनिधित्व गर्ने व्यवस्था रहेकोमा, हाल यस कम्पनीमा तपसिल बमोजिमको संचालक समिति रहेको छ ।

सि.न.	संचालकहरुको नाम	पद	शेयर कित्ता
१	रविन्द्र लाल श्रेष्ठ (स्वतन्त्र संचालक)	अध्यक्ष	-
२.	सोफिया पाँडे (संस्थापक शेयरधनी तर्फको प्रतिनिधि)	संचालक	व्यक्तिगत - २००,००० हिमालयन इन्फ्रास्ट्रक्चर फण्ड लि-१०,५४,२२७
३.	Mr. Tian Jiayuan (संस्थापक शेयरधनी तर्फको प्रतिनिधि)	संचालक	Sichuan Hechuan Investment Co. Ltd.- ५८,८०,०००
४.	Mrs. Zhu xianxian (संस्थापक शेयरधनी तर्फको प्रतिनिधि)	संचालक	Sichuan Hechuan Investment Co. Ltd.- ५८,८०,०००
५.	वरुण श्रेष्ठ (सर्वसाधारणबाट)	संचालक	१,०१०

ण) कम्पनीसँग सम्बन्धित सम्झौताहरुमा कुनै सञ्चालक तथा निजको नजिकको नातेदारको व्यक्तिगत स्वार्थको बारेमा उपलब्ध गराईएको जानकारीको व्यहोराः
यस प्रकारको जानकारी उपलब्ध नभएको ।

त) कम्पनीले आफ्नो शेयर आफैले खरिद गरेको विवरणः
हालसम्म कम्पनीले आफ्नो शेयर खरिद गरेको छैन ।

थ) आन्तरिक नियन्त्रण प्रणालीको विस्तृत विवरण:

कम्पनीले आफ्नो आन्तरिक नियन्त्रण प्रणालीलाई प्रभावकारी बनाउन एवं विभिन्न जोखिमहरू न्यूनीकरण गर्न समयानुकूल नीति निर्देशिकाहरु सञ्चालक समितिले पारित गरी लागू गर्नेछ । आन्तरीक लेखा प्रणाली सवल बनाई राख्न कम्पनी ऐन, २०६३ को दफा १६४ बमोजिम कम्पनीका सञ्चालक समितिका सदस्यहरु रहेको लेखापरीक्षक समिति गठन गरि सोही समितिको निर्देशन एवं अनुगमनमा कम्पनीको लेखा प्रणाली संचालन हुँदै आएको छ। यसका अतिरिक्त प्रचलित ऐन, कानुन तथा सम्बन्धित विभाग तथा निकायहरुबाट प्राप्त निर्देशनहरु एवं लेखापरीक्षकको सुझाव अनुसार कार्य सम्पादन गरिँदै आएको छ ।

द) गत वर्षको कुल व्यवस्थापन खर्चको विवरण:

कम्पनीको गत वर्षको कुल व्यवस्थापन खर्च निम्न बमोजिम रहेको छ ।

बिवरण	२०८०/०८१ (रु.)	२०८१/०८२ (रु.)	२०८२/०८३ (रु.)
प्रशासन तथा अन्य संचालन खर्च	७,०४०,८९९.-	१२,११४,६७२ ।-	१४,९१२,२२५ ।-

ध) लेखापरीक्षण समितिका सदस्यहरुको नामावली, निजहरुले प्राप्त गरेको पारिश्रमिक, भत्ता तथा सुविधा, सो समितिले गरेको काम कारवाहीको विवरण र सो समितिले कुनै सुझाव दिएको भए सोको विवरण:

लेखापरीक्षण समितिका सदस्यहरुको नामावली

संचालक	वरुण श्रेष्ठ	संयोजक
प्रमुख संचालन अधिकृत	सुन्दर श्रेष्ठ	सदस्य सचिव
लेखा अधिकृत	सवल प्रधान	सदस्य

त्यस्तो खर्च नभएको ।

न) सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख, कम्पनीका आधारभुत शेयरधनी वा निजको नजिकका नातेदार वा निज संलग्न रहेको फर्म, कम्पनी वा संगठित संस्थाले कम्पनीलाई कुनै रकम बुझाउन बाँकी भए सो कुरा:

यस कम्पनीका शेयरधनीहरुले आ-आफ्नो नाममा कायम रहेको शेयर वापतको सम्पूर्ण रकम चुक्ता भुक्तान गरिसकेको र अन्य कुनै पनि पदाधिकारी, शेयरधनी वा निजको नजिकको नातेदार वा निज संलग्न रहेको फर्म, कम्पनी वा संगठित संस्थाले कम्पनीलाई कुनै रकम बुझाउन बाँकी रहेको छैन ।

प) सञ्चालक, प्रबन्ध सञ्चालक, तथा पदाधिकारीहरुलाई आ.व. २०८१/०८२ र २०८२/०८३ मा भुक्तानी गरिएको पारिश्रमिक, भत्ता तथा सुविधाको रकम

नाम, थर	पद	२०८१/०८२ (रु.)	२०८२/०८३ (रु.)
नाम: श्री रविन्द्र लाल श्रेष्ठ	अध्यक्ष	४०,०००।-	६०,०००।-
नाम: श्री सोफिया पाँडे	संचालक	४०,०००।-	६०,०००।-
नाम: Mr. Tian Jiayuan	संचालक	४०,०००।-	३०,०००।-
नाम: Mrs. Zhu Xianxian	संचालक	४०,०००।-	३०,०००।-
नाम: श्री वरुण श्रेष्ठ	संचालक	४०,०००।-	६०,०००।-
नाम: श्री सुन्दर श्रेष्ठ	कम्पनी सचिव/प्रमुख संचालन अधिकृत	३२,६५,६४८।१२	३०,७८,७४८।४०

फ) शेयरधनीहरुले बुझिलिन बाँकी रहेको लाभांशको रकम : लाभांश वितरण यस कम्पनीको शेयर रजिष्ट्रार कार्यलयलाई भुक्तान गरिएको ।

ब) दफा १४१ बमोजिम सम्पत्ति खरिद वा बिक्री गरेको विवरण :

वित्तिय बिवरणमा उल्लेख भए अनुसार ।

भ) दफा १७५ बमोजिम सम्बद्ध कम्पनीबीच भएको कारोबारको विवरण : छैन ।

म) यस ऐन तथा प्रचलित कानुन बमोजिम सञ्चालक समितिको प्रतिवेदन खुलाउनु पर्ने अन्य कुनै कुरा: नभएको ।

य) अन्य आवश्यक कुराहरु:

शेयरधनी महानुभावहरु,

यस कम्पनीले आ.व. २०७९/०८० मा स्याग्दी जिल्लामा रहेको निर्माणाधिन तुँदी पावर कम्पनी लि. द्वारा प्रवद्धित राहुघाट मंगले जलविद्यत आयोजना (३५.५मे.वा.) र माथिल्लो राहुघाट जलविद्युत अयोजना (४८.५ मे.वा.) को शेयर पुँजीमा रु ४०,००,००,०००/- (अक्षरुपी चालीस करोड) रकम लगानी गरेको यहाँहरु समक्ष विदितै छ। राहुघाट मंगले जलविद्युत आयोजना (३५.५मे.वा.) को मिति २०८२ श्रावण २० गते र माथिल्लो राहुघाट जलविद्युत अयोजना (४८.५ मे.वा.) २०८२ कार्तिक ७ गते व्यापारिक उत्पादन शुरु भएको समेत जानकारी गराउँदछौं ।

१) मानव संशाधन व्यवस्था

यस कम्पनीको आयोजनामा चौबिसै घण्टा निरन्तर विद्युत उत्पादन भईरहने हुनाले आयोजना स्थलमा आवश्यक दक्ष तथा अर्धदक्ष एवं अनुभवी कर्मचारीहरुको व्यवस्था गरिएको छ। त्यसै गरी प्रशासनिक तथा लेखा सम्बन्धी कार्यमा पनि अनुभवी र दक्ष जनशक्तिको व्यवस्था गरिएको छ।

२) वित्तिय व्यवस्था तथा कर्जा भुक्तानी व्यवस्थाः

यस जलविद्युत आयोजनामा हाल नविल बैंक लि. को अगुवाईमा गठन भएको सहवित्तियकरण मार्फत परियोजना कर्जा लिई निर्माण सम्पन्न गरेको र विद्युत उत्पादन पश्चात नियमित रुपमा बैंकको साँवा किस्ताहरु समेत भुक्तानी गर्दै आएको छ। यस कम्पनीले गत वर्षहरुमा बैंकलाई बुझाएको कर्जाको साँवा तथा ब्याज (छोटो अवधि कर्जा बाहेक) निम्न अनुसार रहेको छ।

विवरण	२०८०/८१ (रु.)	२०८१/८२ (रु.)	२०८२/८३ (रु.)
आ.व. शुरुको कर्जा मौज्दात	२,२४६,५१४,१६५।-	१,९९६,५१४,१६५।-	२,१९०,४६५,९६९।-
थप कर्जा	-	४४३,९५१,८०४।-	९७०,०३८,१९६।-
चालु आ.व. मा साँवा भुक्तानी	२५०,०००,०००।-	२५०,०००,०००।-	३६०,०००,०००।-
आ.व.अन्त्यमा बाँकी कर्जा मौज्दात	१,९९६,५१४,१६५।-	२,१९०,४६५,९६९।-	२,८००,५०४,१६५।-
चालु आ.व. मा ब्याज भुक्तानी	२१६,५७९,१५८।-	१५८,२६९,८४४।-	१८९,६१२,४९७।-

यस २२ मे.वा आयोजनाको बाँकी रहेको कर्जा रकम २०८६ साल अषाढ मसान्तभित्र साथै २२ मे.वा आयोजना पुनः निमार्ण तथा थप १० मे.वा आयोजना रहेको कर्जा रकम २०८९ साल असोज मसान्तभित्र चुक्ता गरिसक्ने गरी भुक्तानी तालिका रहेकोले सोही बमोजिम कर्जा भुक्तानी गर्दै लगिनेछ। यसको साथै कम्पनीले यसै सहवित्तियकरणबाट चालु पुंजी व्यवस्थापन गर्न रु.पन्ध्र करोड कर्जा सिमा (L/C & Bank Guarante सहित) सुविधा रहेको छ।

३. बीमा व्यवस्थाः

यस कम्पनीले हाल पुनर्स्थापना सम्पति बीमा व्यवस्था अर्न्तगत कम्पनीको विद्युतगृह स्थल, विद्युतिय उपकरण तथा सिभिल संरचना आदि सम्पतिको सबै किसिमको जोखिम व्यहोर्ने गरी थप १० मे.वा सहित कुल बिमांक रु.**तीन अर्ब सतसट्ठी करोड चौवालीस लाख सात हजार छ सय छयासी रुपैया आठ पैसा मात्र** बराबरको बीमा गरिएको छ। सो बाहेक विद्युत उत्पादन कार्य ३० दिनभन्दा बढी दैवी प्रकोप वा अन्य कारणले बन्द भएमा सो बाट पर्ने व्यवसायिक क्षतिको समेत दाबी भुक्तानी पाउने गरी वार्षिक कुल मनाफा (Annual Gross Profit) मा अधिकतम क्षतिपूर्ति अवधि ६ महिनाको Loss of Profit वीमा व्यवस्था गरिएको छ। यसका साथै कम्पनीमा कार्यरत कर्मचारीहरुको सामूहिक दुर्घटना वीमा, स्वास्थ्य बिमा तथा आयोजना सम्बन्धित तेस्रो पक्ष वीमा समेत गरिएको छ।

र) धन्यवाद ज्ञापन,

अन्त्यमा,

यस साधारण सभाको अवसरमा कम्पनीको सञ्चालक र कम्पनीले निर्माण गरेको बागमती साना जलविद्युत आयोजनामा प्रत्यक्ष वा अप्रत्यक्षरुपमा निरन्तर सहयोग गरिरहनु भएका सम्पूर्ण सरकारी निकाय, गैर सरकारी निकाय र व्यक्तिहरुलाई कम्पनीको तर्फबाट आभार व्यक्त गर्न चाहान्छु। अन्त्यमा उपस्थित सम्पूर्ण शेयरधनी महानुभावहरुलाई कम्पनी र कम्पनीको सञ्चालक समितिप्रति देखाउनु भएको सहयोग, सद्भाव र अपार विश्वासलाई भविष्यमा पनि कायम राख्ने प्रतिवद्धता सहित धन्यवाद ज्ञापन गर्दै सञ्चालक समितिको तर्फबाट प्रस्तुत गरिएको आ.व. २०८१/०८२ र २०८२/०८३ को प्रतिवेदन माथि छलफल सहित अनुमोदनको लागि प्रस्तुत गर्दछु।

धन्यवाद।

....

सञ्चालक समितिको तर्फबाट,
श्री रविन्द्र लाल श्रेष्ठ
अध्यक्ष

BAGMATI SMALL HYDROPOWER PROJECT

Bagmati Small Hydropower Project is run of river (RoR) type of project with an installed capacity of (22+10) MW in Bagmati River which is a river originating from the Middle Mountain range and flows through the Kathmandu Valley (densely populated Capital city of Nepal). In the project area, Bagmati River is district boundary between Lalitpur and Makawanpur districts in Central Development Region of Nepal. The headworks site is located in Ipa Panchakanya VDC of Makawanpur districts about 100 m downstream from the confluence of Kulekhani Khola with Bagmati River at Dobhan and the other bank of the river at this site is located in Ghusel VDC of Lalitpur district. The powerhouse site is located at Besitole village of Ipa Panchakanya VDC on the right bank of Bagmati River. Waterways and all the hydraulic structures are along the right bank of Bagmati River. Geographically, project area covers the longitudes from 85^0 13‟ 43” E to 85^0 15‟ 20” E and latitudes from 27^0 30‟ 19” N to 27^0 32‟ 30” N.

The project headworks site is approximately 45 km from Kathmandu. The all weathered (black topped) road till Simaltar, Sisneri is at distance of 45 km from Kathmandu. Simaltar, Sisneri lies along the Kathmandu - Dakshinkali – Kulekhani - Hetauda road. The project headworks site lies about 4 km east of Simaltar, Sisneri on the right bank of the Bagmati River which can be accessed by a track road constructed by Nepalese Army.

Bagmati Small Hydropower project has started commercial operation 22 MW from 19 Chaitra 2075 & 10MW from 26 Chaitra 2082.

PROJECT SALIENT FEATURE

Project Location		**32MW**
Latitude of Project Area	27°30’19” N to 27°32’30” N	No Changes
Longitude of Project Area	85°13’43” E to 85°15’20” E	No Changes
Province	Bagmati	No Changes
District	Makwanpur / Lalitpur District	No Changes
Intake Site	Doban, Ipa Panchakanya VDC	No Changes
Powerhouse	Besitole, Ipa Panchakanya VDC	No Changes
General		
Name of River	Bagmati Khola	No Changes
Type of Scheme	Run-of-river	No Changes
Gross Head	213.00 m	No Changes
Net Head	207.48 m	204.33m
Design Discharge	12.40 m^3/s	18.0 m^3/s
Installed Capacity	2 X 11 MW	2X11 MW+1X10MW
Dry Season Energy	20.302 GWh	34.29 GWh
Wet Season Energy	107.789 GWh	150.47 GWh
Total Energy	128.092 GWh	184.76 GWh
Weir		
Length	55 m	No Changes
Crest Elevation Level	1023 m	No Changes
Intake Structure		

Type of Intake	Free Flow Side Intake with Trash Cleaning Mechanism	No Changes
No. of Intake Openings	3 Nos.	No Changes
Size of box canal	3.60 m x 2.60 m	No Changes
Gravel Trap		
Size (L X W)	17 m X 12 m	No Changes
Connecting Canal		
Length	77 m	No Changes
Size (W X H)	2.8 m X 2.8 m	No Changes
Desilting Basin		
No. of Bays	2 nos.	3 nos
Transition Length	20.0 m	No Changes
Size (L X W X H)	60.0 m X 8.50 m X 4.50 m	60.0 m X 8.50 m X 4.50 m
Headrace Tunnel		
Type	D-shaped Tunnel	No Changes
Length	2380 m	No Changes
Size (W X H)	3.5 m X 3.5 m	No Changes
Surge Tank		
Diameter	5.0 m	No Changes
Height	51.0 m	No Changes
Penstock Pipe		
Number	1	1
Diameter	2.80 m	No Changes
Length	637 m up to bifurcation	No Changes
Bifurcation Length	13.65 m	75m(additional 1 bifurcation)
Powerhouse		
Length x width	34.0 m x 20.0 m	50.0mx20.0mx24.0m
Number of generating units	2	3
Turbine type	Francis (Vertical axis)	Horizontal Axis
Turbine rated discharge	6.20 m^3/s	5.6 m^3/s
Generator rated capacity	2x11 MW	1X10 MW
Tailrace Canal		
Type	Gravity flow, RCC box Canal	Additional 1 tailrace
Length	65 m	65 m
RCC Box Canal Size (W X H)	3.0m X 2.0 m.	3.0m X 2.0 m.
Tail Water Level	810.0 m	816.5 m for additional 10MW
Transmission (66 kV)		
Connection point	Kulekhani- I Sub Station	No Changes
Transmission voltage	66 kV	No Changes
Length	13.6 km	No Changes

Brief about Foreign Investment Company.

Sichuan Hechuan Investment Co., Ltd. (SHIC) was established in December 2007, with a registered capital of 300 million RMB and total assets of 20.2 billion RMB. It is mainly engaged in funding and developing hydropower projects both domestic and overseas. It is controlled by Shuifa Group Co., Ltd. (Class A, Shandong Provincial Enterprise). So far, the company has 13 domestic and overseas wholly-owned and shareholding subsidiaries. It is company professional in hydropower sector with an influence in Sichuan, and even in Southwest China.

In recent years, Hechuan has been accurately targeting the development direction and been keeping on optimizing strategies for funding. It is committed to explore Nepal's hydropower market, with a good capacity of capital operation, developing and constructing projects. It has become an important platform and carrier for the Group to adjust its structure, to transform and upgrade itself, and to promote the priority of the international business.

At present, the company has more than 400 MW hydropower development rights in Nepal. Among them, Bagmati hydropower Project (22 MW) was put into production in April 2019 and additional (10MW) was put into production in April 2026, which is one of the earliest projects Chinese entity funded in Nepal, and Rasuwa Bhotekoshi Hydropower Project (120 MW),one of the largest China-funded projects, has launched construction in whole. The latter was listed in 2017 as the Sichuan Province's 'Belt and Road' Initiative key projects, and has been supported and appreciated by the Government of Nepal and other government departments from China. Other projects, Rahughat Mangale Hydropower Project (35.50 MW) and Upper Rahughat Hydropower Project (48.5 MW), have been on the right track too.

Meanwhile, the company has obtained the right to develop hydropower resources in Chabao River Basin, of centralized projects, scale and profitable return on investment. The total installed capacity will be 148 MW. Among them, Longtou Tan Hydropower Project (48 MW), Congen Hydropower Project (10 MW) have already been built and put into production and achieved efficient operation. Hydropower Project (24 MW), Long' er Jia Hydropower Project (24 MW) and Congen II hydropower Project (10 MW) are under construction. Qingping Power Project, Dazang Hydropower Project and Gazu Hydropower Project (10 MW, respectively) will start construction one after another. Besides, Haizi Dang Hydropower Project (21 MW) and Shanshu Ping Hydropower Project (20 MW) in Ganzi Prefecture have already put into production.

During its development, Hechuan has been adhering to the concept of Seeking excellence like water, developing to benefit the people, shouldering the group's hydropower investment responsibilities, utilizing the prestige and resource advantages of the team in the industry, rooting itself in the domestic hydropower market, and exploring hydropower investment in Nepal and other international markets. The company will focus on merger and acquisition of hydropower projects that have been already in operation or are under construction, and by which the company has determined to grow into an enterprise with total installed capacity of more than 10 million MW, and total assets of 10 billion RMB.

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PAN : 617266657

L.A. & ASSOCIATES
Chartered Accountants

INDEPENDENT AUDITOR's REPORT
TO THE SHAREHOLDERS OF MANDU HYDROPOWER LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Financial Statements of Mandu Hyrdopower Limited (the Company or "MANDU") which comprise the Statement of Financial Position (SoFP) as at Ashad 32, 2082 (corresponding to July 16, 2025), the Statement of Profit or Loss and Statement of Total Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow for the year then ended and notes to the financial statements, including a summary of Significant Accounting Policies.

In our opinion and to the best of our information and explanations provided to us, the accompanying Financial Statement referred to above present fairly, in all material respects, the financial position of the company as at Ashad 32, 2082 (July 16, 2025) and its financial performance and its cash flow for the year then ended in accordance with Nepal Financial Reporting Standards (NFRSs).

BASIS OF 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAN's Handbook of 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 for the year ended Ashad 32, 2082. 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.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the 'Auditor's Responsibilities for the Audit of the Financial Statement's section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

L.A. & Associates ★ Chartered Accountants ★ Kathmandu

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Key Audit Matters	How our Audit Addressed the Key Audit Matter
Impairment Loss and Insurance Recovery Relating to Flood Damage pertaining to Notes 2.3.3. the financial statements	
As disclosed in Note 2.3.3. to the financial statements, the Company's hydropower project sustained significant damage as a result of the flood that occurred during the year. Based on the assessment performed by an independent surveyor, management recognized an impairment loss of NPR 379.81 million. The Company also recognized insurance recoveries amounting to NPR 345.23 million, including an insurance claim receivable of NPR 145.23 million as at the reporting date. This matter was considered significant to our audit due to the materiality of the impairment loss and related insurance recovery, the significant management judgement involved in assessing the extent of damage, determining the recoverable amount of the affected assets, and evaluating the recognition and measurement of the insurance claim receivable.	Our audit procedures included, among others: • Obtained an understanding of management's process for assessing the flood-related damage and determining the resulting impairment loss. • Evaluated the competence, capabilities and objectivity of the independent surveyor engaged by management and reviewed the surveyor's report supporting the estimated loss. • Assessed the appropriateness of management's impairment assessment and verified the mathematical accuracy of the impairment loss recognized. • Examined insurance policies, claim submissions, correspondence with the insurer and claim settlement documentation. • Reviewed evidence supporting the recognition of the insurance claim receivable, including subsequent settlement and cash receipts received prior to the authorization of the financial statements. • Evaluated whether the recognition of the insurance claim receivable was consistent with the requirements of the applicable financial reporting framework.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Management is responsible for the preparation of the other information. The other information comprises the information included in the Management report, Report of the Board of Directors and Chairman's statement 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 during the course of our 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.

L.A. & Associates
Kathmandu
Chartered Accountants

RESPONSIBILITY OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial Statements in accordance with Nepal Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud and 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. The Board of Directors 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 controls 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.

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.

L.A. & Associates
Kathmandu
Chartered Accountants

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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Based on our examination, we would like to further report that:

i. We have obtained all the information and explanations, which were considered necessary for the purpose for our audit.

ii. The Company has kept proper books of accounts as required by law, in so far as it appears from our examination of those books of account.

iii. The Statement of Financial Position, Statement of Profit or Loss including Other Comprehensive Income, the Statement of Change in Equity and the Statement of Cash Flows and attached Schedules dealt with by this report are in agreement with the books of account maintained by the Company.

iv. During our examination of the books of account of the Company, we have not come across the cases where the Board of Directors or any member thereof or any representative or any office holder or any employee of the Company has acted contrary to the provisions of law or caused loss or damage to the Company, and

v. We have not come across any fraudulence in the accounts, based on our sample examination of the books.

For L.A. & Associates,
Chartered Accountants

L.A. & Associates
Kathmandu
Chartered Accountants

CA Sujit Koirala
Partner
Kathmandu, Nepal
Date: 2026/06/01
UDIN: 260603CA01653W3EZz

Mandu Hydropower Limited

Lazimpat, Kathmandu

Statement of Financial Position

As at 32nd Ashad 2082 (16th July 2025)

Particulars	*Note*	*As at 32nd Ashad 2082*	*As at 31st Ashad 2081*
ASSETS			
Non-Current Assets			
Property, plant and equipment	*3.1*	374,919	703,053
Intangible assets	*3.2*	3,003,137,123	3,509,430,475
Capital WIP	*3.3*	935,338,801	-
Financial Assets			
Financial Assets at Fair Value Through PL	*3.4*	400,000,000	400,000,000
Other Non Current Assets	*3.7*	21,527,374	3,671,474
Total Non-Current Assets		**4,360,378,217**	**3,913,805,003**
Current Assets			
Inventories	*3.5*	4,723,485	39,960,885
Trade and Other Receivables	*3.6*	1,216,337	118,280,523
Other Current Assets	*3.7*	347,386,183	10,693,889
Cash and cash equivalents	*3.8*	5,265,617	2,057,825
Total Current Assets		**358,591,622**	**170,993,122**
TOTAL ASSETS		**4,718,969,839**	**4,084,798,125**
EQUITY AND LIABILITIES			
Equity			
Share capital	*3.9*	1,363,637,000	1,363,637,000
Retained Earnings and Reserves	*3.10.*	539,383,843	640,525,681
Total Equity		**1,903,020,843**	**2,004,162,681**
Liabilities			
Non-Current Liabilities			
Loans and borrowings	*3.11*	2,190,465,969	1,746,514,165
Total Non-Current Liabilities		**2,190,465,969**	**1,746,514,165**
Current Liabilities			
Loans and borrowings	*3.11*	459,378,220	322,141,059
Employee Benefit	*3.12*	2,018,953	5,563,218
Trade and other payables	*3.13*	164,085,853	6,416,999
Total Current Liabilities		**625,483,026**	**334,121,276**
Total Liabilities		**2,815,948,995**	**2,080,635,444**
TOTAL EQUITY AND LIABILITIES		**4,718,969,839**	**4,084,798,125**

Notes 1 to 4.7 form an integral part of these financial statements.

As per our attached report on even date

Sabal Pradhan	Sophia Pande	Rabindra Lal Shrestha	CA Sujit Koirala
Sr. Finance Officer	**Director**	**Chairman**	Partner
			For: L.A. & Associates
			Chartered Accountants

Date: 1st June 2026

Place: Kathmandu

Mandu Hydropower Limited

Lazimpat, Kathmandu

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 32nd Ashad 2082 (16th July 2025)

Figures in NPR

Particulars	*Note*	*FY 2081-82*	*FY 2080-81*
Revenue from operations	*3.14*	204,742,193	734,132,966
Other Income	*3.15*	588,255,799	5,193
Total Income		**792,997,992**	**734,138,160**
Employee Benefit Expenses	*3.16*	24,661,932	25,944,110
Operation and Maintanence Expenses	*3.17*	22,999,470	59,114,904
Administrative Expenses	*3.18*	12,114,672	10,609,082
Deprecation, Amortization & Impairment of Assets	*3.19*	507,550,286	140,937,842
Finance Costs	*3.20.*	161,891,324	219,371,259
Total Expenditure		**729,217,683**	**455,977,198**
Profit/(Loss) Before Tax and Bonus		**63,780,309**	**278,160,962**
Provision for Staff Bonus		1,275,606	5,563,219
Income Tax Expense		-	-
Profit/(Loss) from continuing operations		**62,504,703**	**272,597,742**
Profit /(Loss) on Discontinued Operations (Net of tax)		-	-
Provision for Corporate Social Responsibility		625,047	3,567,556
Net Profit/(Loss) for the year		**61,879,656**	**269,030,186**
Other comprehensive Income			
Exchange Gain/Loss arising on translation of foreign operations		-	-
Acturial Gain/(Loss) on defined Employment benefit		-	-
Gain/Loss on Revaluation		-	-
Total Comprehensive gain/(loss) for the year, net of tax		**61,879,656**	**269,030,186**

Notes 1 to 4.7 form an integral part of these financial statements.

As per our attached report on even date

Sabal Pradhan	Sophia Pande	Rabindra Lal Shrestha	CA Sujit Koirala
Sr. Finance Officer	**Director**	**Chairman**	Partner
			For: L.A. & Associates
			Chartered Accountants

Date: 1st June 2026

Place: Kathmandu

Mandu Hydropower Limited

Lazimpat, Kathmandu

Statement of Cash Flows

For the year ended 32nd Ashad 2082 (16th July 2025)

Figures in NPR

Particulars	*FY 2081-82*	*FY 2080-81*
Cash Flows From Operating Activities		
Net Profit for the year	61,879,656	269,030,185
Adjustments for:		
Tax expense	-	-
Depreciation on property, plant and equipment	368,934	366,084
Amortization of Intangible Assets	127,371,158	140,571,758
Interest expense	161,891,324	219,371,259
Expenses towards CSR	-	
Prior Period Adjustments	-	-
Corporate Social Responsibility Fund	614,947	-
Working capital adjustments:		
(Increase)/ Decrease in Inventories	35,237,400	648,452
(Increase)/ Decrease in Trade Receivables	117,064,186	15,951,611
(Increase)/ Decrease in Other Current Assets	(336,692,294)	1,160,766
Increase / (Decrease) in Employee Benefits	(3,544,265)	779,082
Increase / (Decrease) in Trade and Other payables	157,668,854	(1,887,405)
Cash generated from operations	**321,859,900**	**645,991,792**
Income Tax Paid	-	-
Net Cash Flows From Operating Activities [A]	**321,859,900**	**645,991,792**
Cash Flows From / (Used In) Investing Activities		
Purchase of property, plant and equipment	(40,800)	-
(Increase)/ Decrease in CWIP	(935,338,801)	-
(Increase)/ Decrease in Intangible Assets	378,922,193	(149,550)
(Increase)/ Decrease in Other Non Current Assets	(17,855,900)	4,500
Purchase of Investment	-	-
Net Cash Flows From Investing Activities [B]	**(574,313,308)**	**(145,050)**
Cash Flows From Financing Activities		
Proceeds from issue of ordinary shares	-	163,637,000
Increase in Share Premium	-	170,598,065
Share issue expenses	-	-
Net (repayment of) increase in borrowings	581,188,964	(622,858,941)
Interest Expenses	(161,891,324)	(219,371,259)
Dividends paid	(163,636,440)	(136,363,700)
Net Cash Flows From Financing Activities [C]	**255,661,200**	**(644,358,835)**
Increase/(Decrease) In Cash And Cash Equivalents [A+B+C]	**3,207,791**	**1,487,908**
Cash and Cash Equivalent at the beginning of the year	2,057,825	569,918
Cash And Cash Equivalents At The End Of The Period	**5,265,617**	**2,057,825**

Notes 1 to 4.7 form an integral part of these financial statements.

As per our attached report on even date

Sabal Pradhan	Sophia Pande	Rabindra Lal Shrestha	CA Sujit Koirala
Sr. Finance Officer	**Director**	**Chairman**	Partner
			For: L.A. & Associates
			Chartered Accountants

Date: 1st June 2026
Place: Kathmandu

Mandu Hydropower Limited

Lazimpat, Kathmandu

Statement of Changes in Equity

For the year ended 32nd Ashad 2082 (16th July 2025)

Particulars	Notes	Share capital	Share Premium	Revaluation Reserve	Retained earnings	CSR Fund	Total
Balance as at 32nd Ashad 2080		**1,200,000,000**	-	-	**337,261,130**	-	**1,537,261,130**
Initial Public Offerings (IPO)		163,637,000	-	-	-	-	**163,637,000**
Profit for the year		-	-	-	269,030,186	-	269,030,186
Other comprehensive income (loss)		-	-	-	-	-	-
Dividend paid - Final for 2078-79		-	-	-	-	-	-
Bonus Share		-	-	-	-	-	-
Cash Dividend		-	-	-	(136,363,700)	-	(136,363,700)
Share Premium		-	170,598,065	-	-	-	170,598,065
CSR Fund		-	-	-	-	-	-
Increase / (Deacrese) in Advance for Share Capital		-	-	-	-	-	-
Issue of shares		-	-	-	-	-	-
Balance at 31st Ashad 2081		**1,363,637,000**	**170,598,065**	-	**469,927,616**	-	**2,004,162,681**
Profit for the year		-	-	-	61,879,656	-	61,879,656
Other comprehensive income (loss)		-	-	-	-	-	-
Dividend paid - Final for 2079-80		-	-	-	-	-	-
Bonus Share		-	-	-	-	-	-
Cash Dividend		-	-	-	(163,636,440)	-	(163,636,440)
Share Premium		-	-	-	-	-	-
CSR Fund		-	-	-	-	614,947	614,947
Increase in Share Capital		-	-	-	-	-	-
Share issue Expenses		-	-	-	-	-	-
Balance at 32nd Ashad 2082		**1,363,637,000**	**170,598,065**	-	**368,170,831**	**614,947**	**1,903,020,843**

Notes 1 to 4.7 form an integral part of these financial statements.

As per our attached report on even date

Sabal Pradhan
Sr. Finance Officer

Sophia Pande
Director

Rabindra Lal Shrestha
Chairman

CA Sujit Koirala
Partner
For: L.A. & Associates
Chartered Accountants

Date: 1st June 2026
Place: Kathmandu

Mandu Hydropower Limited

Lazimpat, Kathmandu

Notes to the Financial Statements

For the year ended on 32 Ashad 2082 (16 July 2025)

1. General Information

Mandu Hydropower Limited ("MANDU" or "the Company") was incorporated in 2069 B.S. as a public limited company under the Companies Act, 2063 with the objective of developing and operating hydropower projects through the application of appropriate technology, technical expertise, and skilled human resources. The Company had developed and commenced operation of the 22 MW Bagmati Small Hydropower Project; however, the project sustained significant damage due to the flood that occurred on 27 September 2024. Consequently, the project has remained under renovation and rehabilitation, and Commercial Operation Date (COD) for the project being restored had not been declared as of the fiscal year end 2081/82.

In addition, the Company is in the process of expanding the project capacity from 22 MW to 32 MW through the addition of 10 MW generation capacity, for which construction activities are currently ongoing. The decision regarding the project expansion was approved on 8^{th} April 2025 *(As per Power Purchase Agreement)*. The project is located at Ipa Besi-8, Bhimphedi, Makwanpur, Nepal. The principal shareholders of the Company include Himalayan Infrastructure Fund, Sichuan Hechuan Investment Co., and the general public. The registered corporate office of the Company is situated at Lazimpat, Kathmandu, Nepal.

The accompanied financial statements have been approved by the board of directors and authorized for issue in its meeting held on 1^{st} June 2026.

2. Significant Accounting Policies

2.1 Basis of Preparation and measurement

2.1.1 Statement of Compliance

The Financial statements have been prepared in accordance with applicable Nepal Financial Reporting Standards (NFRS) as issued by Accounting Standard Board Nepal and pronounced by The Institute of Chartered Accountants of Nepal (ICAN). The Financial Statements have also been prepared in accordance with the relevant presentational requirements of the Companies Act, 2063 of Nepal.

2.1.2 Basis of Preparation

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of products and the time between acquisition of assets of processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.1.3 Functional and Reporting Currency

The financial statements are prepared in Nepalese Rupees (NPR), which is also the functional currency. All financial information presented in Nepalese Rupees has been rounded to the nearest Rupees and hence there may not add up and may have rounding difference.

2.2 Critical accounting estimates and judgements

The preparation of the financial statements in conformity with NFRS requires the use of certain critical accounting estimates and judgments. It also requires management to exercise judgement in the process of applying the Company's accounting policies. The Company makes certain estimates and assumptions regarding the 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. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year primarily includes: -

2.2.1 Useful Life and Residual Value of Property, Plant and Equipment

Management reviews the useful life and residual values of property, plant and equipment at least once a year. Such life is dependent upon an assessment of both the technical life of the assets and also their likely economic life, based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

2.2.2 Impairment of Property, Plant and Equipment

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment 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). Recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is usually determined on the basis of discounted estimated future cash flows. 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.

2.2.3 Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallizing or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

2.2.4 Fair Value Measurements

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The management determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

2.2.5 Recognition Of Deferred Tax

Significant management judgement is required to determine the amount of deferred tax that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company.

2.3 Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated. The preparation of financial statements requires the use of certain accounting estimates. The areas where significant judgments and estimates have been made in preparing the financial statements and their effects are to be disclosed.

2.3.1 Service Concession Arrangements

Under IFRIC 12 – Service Concession Arrangements applies to public-to-private service concession arrangements if:
(a) The grantor controls or regulates what services the operator must provide with the infrastructure, to whom it must provide them and at what prices;
(b) The grantor controls through ownership, beneficial entitlement or otherwise any significant residual interest in the infrastructure at the end of the term of the arrangement;
(c) Is the infrastructure constructed or acquired by the operator from a third party for the purpose of the service arrangement OR is the infrastructure existing infrastructure of the grantor to which the operator is given access for the purpose of the service arrangement.

Infrastructure used in a public-to-private service concession arrangement for its entire useful life (whole life of assets) is within the scope of this IFRIC, if the conditions in (a) above are met.
These arrangements are accounted on the basis of below mentioned models depending on the nature of consideration and relevant contract law.

FINANCIAL ASSET MODEL
The Financial asset model is used when the Company, being an operator, has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services. Unconditional contractual right is established when the grantor contractually guarantees to pay the operator (a) specific or determinable amount; (b) the shortfall, if any; between amounts received from the users of the public services and specified or determinable amounts.

INTANGIBLE ASSET MODEL
The intangible asset model is used to the extent that the Company, being an operator, receives a right (a license) to charge users of the public service. A right to charge users of a public services is not an unconditional right to receive cash because the amounts are contingent on to the extent that public uses the services. Both type of arrangements may exist within a single contract to the extent that the grantor has given an unconditional guarantee of payment for the construction and the operation i.e. considered as a Financial asset and to the extent that the operator has to rely on the public using the service in order to obtain payment, the operation has an intangible asset.

INTANGIBLE ASSETS UNDER SERVICE CONCESSION ARRANGEMENT (SCA)
The Company manages concession arrangements which include power supply from its hydro power plant viz. 32 MW Bagmati Small Hydropower Project. The Company maintains and services the infrastructure during the concession period. Further, the concession arrangement gives MHPL right to use the hydro power project for generating electricity and earn revenue by selling electricity to NEA. The right to consideration gives rise to an intangible asset and accordingly, the intangible asset model is applied. Revenue from service concession arrangement under intangible asset model is recognized in accordance with the terms of the power purchase agreement as and when the power is supplied. The intangible asset is amortized over its expected useful life in a way that reflects the pattern in which the asset's economic benefits are consumed by the Company, starting from the date when the right to operate starts to be used. Based on these principles, the intangible asset is amortized in line with the actual usage of the specific public facility; with a maximum of the duration of the concession. Any asset carried under concession arrangements is derecognized on disposal or when no future economic benefits are expected from its future use or when the contractual rights to the financial asset expire.
The tenure of the Service Concession Arrangement of 32 MW Bagmati Small Hydropower Project for generation, transmission and distribution shall be ended on Ashad, 2106 B.S.

2.3.2 Property, Plant and Equipment

i. Freehold land is carried at historical cost and is not depreciated. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

ii. 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 are derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

iii. The Company identifies and determines cost of each component/part of the asset separately, if the component/part have a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

iv. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. v. 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 derecognition of the asset (calculated as the 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 derecognized.

vi. Assets in the course of construction are capitalized in the assets under capital work in progress account (CWIP). At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Where an obligation (legal or constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimate cost of dismantling, removing or restoring the site is capitalized along with the cost of acquisition or construction upon completion and a corresponding liability is recognized. Revenue generated from production during the trial period is capitalized.

Depreciation and Amortization

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method. 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 straight line basis on the estimated useful lives of the assets determined by the management. Depreciation on additions to fixed assets is charged on pro-rata basis in the year when it is available for use. The useful life of the assets and the corresponding rates at which the assets are depreciated are as follows:

Category of Assets	Depreciation Rate
Survey Equipment	15 %
Office Equipment and Furniture	25%
Vehicles	20%

Useful life is either the period of time which the asset is expected to be used or the number of production or similar units expected to be obtained from the use of asset. The estimated useful life, 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. Office furniture, equipment and vehicles costing less than NPR 5,000 per unit and plant equipment costing less than NPR 10,000 per unit is charged to the profit and loss account in the year of purchase. Leasehold improvements are depreciated over the period of lease or estimated useful life, whichever is lower, on straight line basis.

2.3.3 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts 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. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in sue. 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 for which the estimates of future cash flows have not been adjusted.

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 Statement of Profit and Loss.

During Ashoj 11th and 12th, 2081, the power plant of Mandu Hydropower Limited was significantly damaged by flooding, resulting in the suspension of production operations until the Asadh end 2082. Management has identified the power plant as a single cash-generating unit (CGU) for impairment assessment purposes.

Based on an assessment conducted by an independent surveyor, the estimated loss resulting from flood damage amounted to NPR 379,810,193.33. Accordingly, the Company recognized an impairment loss of NPR 379,810,193.33 in the Statement of Profit or Loss for the reporting period.

The Company submitted an insurance claim in respect of the flood-related losses. As at the reporting date, NPR 200,000,000 had been received from the insurer and was recognized during the reporting period. Subsequent to the reporting date, but prior to the authorization of these financial statements by the Board of Directors, the Company received an additional NPR 145,234,500 from the insurer. As the receipt of the outstanding claim amount was virtually certain at the reporting date and was confirmed prior to the authorization of the financial statements, the Company recognized NPR 145,234,500 as an insurance claim receivable as at the reporting date. Accordingly, total insurance claim income/receivable recognized in relation to the flood loss amounted to NPR 345,234,500.

The outstanding claim receivable of NPR 145,234,500 was subsequently settled in full after the reporting period.

2.3.4 Capital Work in Progress

Capital Work in Progress (CWIP) represents costs incurred by the Company in respect of hydropower projects that are under construction, rehabilitation, renovation, or expansion and are not yet available for their intended use as at the reporting date. Such costs include expenditures directly attributable to project development activities, including civil works, electro-mechanical equipment, engineering and consultancy charges, installation costs, transportation, borrowing costs, and other related expenditures incurred during the construction and development phase. The Company's CWIP primarily comprises the following two categories:

a. Rehabilitation and Restoration of Existing 22 MW Hydropower Project

The Company had previously developed and operated a 22 MW hydropower project. However, following the severe flood incident that occurred on 27 September 2024, substantial damage was caused to various components of the project, including civil structures, electro-mechanical installations, and related infrastructure. Consequently, the Company initiated extensive rehabilitation, reconstruction, and restoration works to reinstate the project's operational capacity.

Expenditures incurred in connection with the renovation and restoration activities, including replacement of damaged assets, reconstruction of infrastructure, engineering assessments, contractor payments, procurement of materials and equipment, and other directly attributable costs, have been capitalized under Capital Work in Progress. These costs will continue to remain under CWIP until the rehabilitation works are substantially completed and the project is ready for recommencement of commercial operations.

b. Expansion Project – Additional 10 MW Capacity

In addition to the restoration of the existing project, the Company is also undertaking an expansion of its generation capacity through the development of an additional 10 MW hydropower facility. The expansion project is aimed at increasing the overall generation capacity and enhancing the long-term operational and financial performance of the Company.

Costs incurred in relation to the expansion project, including feasibility and technical studies, project design, land and site development, civil construction works, procurement and installation of electro-mechanical equipment, transmission and related infrastructure, borrowing costs, and other directly attributable development expenditures, are recognized under Capital Work in Progress until the project is completed and ready for its intended use.

Upon completion of the respective projects and commencement of commercial operation, the accumulated balances under Capital Work in Progress will be transferred to the appropriate category of Property, Plant and Equipment in accordance with the Company's accounting policies and applicable financial reporting standards.

2.3.5 Borrowing Cost

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur.

2.3.6 Cash and cash equivalent

Cash and cash equivalents in the balance sheet comprise cash at banks and on 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 net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.3.7 Inventories

Cost of inventories includes cost of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Inventories of stores, spare parts and loose tools are stated at the lower of weighted average cost and net realizable value. Net realizable value represents the estimated selling price for inventories in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale.

2.3.8 Corporate Social Responsibility

A provision of 1% of net profit after tax has been allocated for CSR Fund as per the provision of Industrial Enterprise Act 2076, Clause 48 (1).

2.3.9 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be measured reliably.

i. **Revenue from sale of electricity**
   Revenue is recognized to the extent that it is probable that economic benefit will flow to the Company and that the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates and other similar allowances. Revenue is recognized when substantial risks and rewards of ownership is transferred to the buyer under the terms of the contract.
ii. **Other Income**
   Due to the damage caused by the flood, Mandu Hydropower Limited was covered under a comprehensive insurance policy for both loss of assets and loss of profit. Accordingly, the Company has lodged an insurance claim for loss of profit amounting to NPR 242,989,800, which has been recognized as income in the Statement of Profit or Loss during the year.
   Out of the total claim amount, NPR 160,000,000 was received during the reporting period, and the remaining balance has been recognized as insurance claim receivable as at the year end. Management considers the recovery of the remaining amount to be reasonably certain, and the outstanding balance was duly received subsequent to the reporting period.

2.3.10 Foreign Currency Transactions

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Nepalese Rupee (NPR).

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

At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated 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 a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in Statement of Profit and Loss in the period in the period in which they arise.

2.3.11 Employment Benefits

The Company have schemes of employment benefits namely provident fund, employee gratuity, other retirement benefit and accumulate leave as per the human resource policy.

Short term and long-term employment benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee and contractual employees, benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Provident Fund-Defined Contribution Plan

The Company pays pre-defined amount to Employee Provident Fund and does not have any legal or constructive obligation to pay additional amount in future. Contributions to Provident fund are charged to the statement of profit or loss in the year to which they relate.

Gratuity-Defined Contribution Plan

The Company is required to pay pre-defined amount to Social Security Fund as gratuity to employees. Changes in Labor Act has not fixed the amount to be paid on each month and instead require Company to deposit an amount calculated @8.33% of basic salary directly to specific fund account on monthly basis. The amount presented in financial statements is the actual liability of gratuity at each reporting date which is hold by company till now after deducting amount paid to those staff who has been retrenched.

2.3.12 Taxation

Income Tax

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

Current Tax

Current tax is the expected tax payable on the taxable income for the year using tax rates at the balance sheet date and any adjustment to tax payable in respect of previous years. The company has been granted 100% tax holiday for 10 years and 50% tax holiday for subsequent 5 years after that starting from the date of generation electricity for commercial purpose i.e. 2075-12-19 BS by the tax authorities under Income Tax Act 2058.

Deferred tax

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected realization or settlement of the carrying amount of assets and liabilities using tax rates at the balance sheet date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset 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 it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The company has not recognized deferred tax due to tax holiday for 10 years.

2.3.13 Earnings per Share including Diluted Earnings Per Share

The company presents the basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit and loss attributable to ordinary equity holders of the company by weighted average number of ordinary shares outstanding during the period.

The Formula used to calculate a company's diluted EPS is the company's net income minus preferred dividends divided by the weighted average number of shares outstanding plus the impact of Potential Ordinary Shares like Convertible preferred shares, options, warrants and other dilutive securities.

The company do not have any potential ordinary shares during the period covered by these financial statements.

2.3.14 Provisions, contingencies and commitments

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

When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting period.

2.3.15 Financial Instrument

i. Recognition

The company initially recognizes financial assets on trade date which is the date on which the company becomes a party to the contractual provisions of the instruments. A financial asset or financial liability is measured initially at fair value plus, or an item not at fair value through profit or loss, transactions costs that are directly attributable to its acquisition or issue.

ii. Classification and Measurement

Financial Assets

The classification and measurement of financial assets depend on how these are managed (the entity's business model) and their contractual cash-flows characteristics. These factors determine whether the financial assets are measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVPL').

At amortized cost: Financial assets at amortized cost are non-derivative financial assets with fixed or determinable payments for which the Company has intent and ability to hold till maturity. They are initially recognized at fair value plus any directly attributable transaction cost. Subsequent to initial recognition, such financial assets are measured at amortized cost using effective interest rate method less any impairment losses. These includes loans and receivables of the company.

At fair value through profit or loss: Financial assets are classified at fair value through profit or loss if the company manages such instruments and makes purchases and sales decisions based on its fair value. Attributable transaction costs and changes in fair value are taken to revenue. There are no financial assets that are measured at FVTPL in the reporting period.

At fair value through other comprehensive income: Financial assets at FVOCI are nonderivative financial assets that are not classified in any of the above category. Financial assets at FVOCI are recognized initially at fair value plus any directly attributable transaction cost. Subsequent to initial recognition, financial assets are measured at fair value, as far as such fair value is available, and changes therein, which are recognized in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognized, gain or loss accumulated in equity is reclassified to retained earnings. There are no financial assets that are measured at FVOCI in the reporting period.

Financial Liabilities

All financial liabilities are recognized initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument. Subsequent to initial recognition, these financial liabilities are measured at amortized costs using effective interest rate method. This include Trade & Other Payable and Short Term Borrowing.

iii. Derecognition

Financial Assets

The Company derecognizes a financial assets when the contractual rights to the cash flow from the financial assets expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of the ownership of the financial assets are transferred or in which the Company neither transfer nor retains substantially all of the risk and rewards of the ownership and it does not retain control of the financial assets.

On derecognition of a financial assets, the difference between the carrying amount of the assets (or the carrying amount allocated to the portion of the assets derecognized) and the sum of (i) the consideration received (including any new assets obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in Other Comprehensive Income (OCI) is recognized in retained earnings.

Financial Liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

iv. Offsetting

The financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when and only when, the Company has a legal right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

v. Amortized cost measurement

The 'amortized cost' of a financial asset and financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between initial amount recognized and the maturity amount minus any reduction for impairment.

vi. Fair value measurement

All assets, liabilities and equity items for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

► Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

► Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

► Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are measured at fair value in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.
Investment in unquoted shares are measured at fair value unless there is no any means for the measurement of fair value after all the necessary efforts have been made to do so. However, in absence fair value determination as per Level 1 & 2 Fair Value Measurement, the cost of the investment has been taken as a valuation parameter for projects under construction and measured at Fair Value through OCI.
Company has invested in Tundi Power Company Limited. The percentage of holding in Tundi Power Company Limited is 8.96%. It has been valued at Fair value through OCI as per NFRS 9.

vii. Identification and measurement of impairment financial assets

At each reporting date the Company assesses the objective evidence that a financial asset or group of financial assets is impaired or not. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset and that loss event has an impact on the estimated future cash flows of the financial assets or group of financial assets that can be reliably estimated.

- Objective evidence that financial assets are impaired includes:
- significant financial difficulty of the debtor
- breach of contract, such as default or delinquency by a debtor
- observable data relating to a group of assets such as adverse changes in the payment status of debtor

The amount of loss is measured as the difference between the asset's carrying amount and amount the management considers it as recoverable on the basis of financial position of the party and appropriate estimation made by the management. Receivables considered as less likely to be received are provided allowance for loss and charged to Statement of Profit or Loss.

In addition, for an investment in an unquoted equity security, a significant or prolonged decline in its net worth is objective evidence of impairment.

Impairment losses are recognized in Statement of Profit or Loss and reflected in an allowance account against debtors. Impairment losses on equity investment are routed through Statement of OCI. Interest on the impaired assets continues to be recognized through the unwinding of the discount. If an event occurring after the impairment was recognized causes the amount of impairment loss to decrease, then the decrease in impairment loss is reversed through income statement (OCI in case of available for sale investment).

If, in a subsequent period, the fair value of an equity investments increases and the increase can be related objectively to an event occurring after the impairment loss was recognized, then the impairing loss is reversed through profit or loss; otherwise, any increase in fair value is recognized through OCI.

2.3.16 Impairment of Non-Financial Assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost and value in use. An impairment loss is recognized in Statement of Profit or Loss. Provisions against impairment are reviewed at each reporting date and adjusted to reflect the current best estimates. Impairment charges are included in profit or loss except to the extent they reverse gains previously recognized in Other Comprehensive Income.

2.3.17 Leases

Premises taken and provided on lease are accounted for based on NAS 17 Leases. The lease rental income and lease rental expenses are recognized on a straight line basis over the period of lease agreement if the arrangement contains the lease which is an operating lease.

The Company has entered into operating lease arrangement for use of property at Lazimpat, Kathmandu. The lease rental is adjusted for inflation rate periodically and the same amount is booked as operating lease expenses, which the Company believes is more representative than the straight line method, in line with para 33 of NAS 17: Leases.

2.3.18 Staff bonus

A 2% bonus on net profit after tax in line with the provisions of the Electricity Act 2049.

2.3.19 Share Capital

Financial instruments issued by the company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The company’s equity shares are classified as equity instruments. Dividends on ordinary shares and preference shares classified as equity are recognized in equity in the period in which they are declared. Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments considering the tax benefits achieved thereon. The reserves include retained earnings which contains the accumulated profit of the organization.

2.3.20 Current versus non-current classification

The Company presents assets and liabilities in statement of financial position based on current/noncurrent classification. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities. The Company classifies an asset as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- 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.

  All other assets are classified as non-current. The Company classifies a liability as current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is 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.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.3.21 Events after Reporting Period

Events after reporting period refers to those events favorable or unfavorable which occurs after the reporting date to the date of approval of financial statements by the board of directors.

Any events, which provide the evidence of conditions that existed at the reporting date are adjusting events and they are adjusted in the financial statements. Events which provide evidence of conditions existing after the reporting date are called non-adjusting events. Effects of non-adjusting events are not adjusted in the financial statements, instead, their disclosure is made if material.

2.3.22 Operating Cycle

The Company considers its operating cycle to be of 12 months.

Mandu Hydropower Limited
Lazimpat, Kathmandu
Notes to the Financial Statements
As at 32nd Ashad 2082 (16th July 2025)

Figures in NPR

3.1 Property, plant and equipment

	Survey Equipment	Office Equipment and Furnitures	Vehicles	Software	Total
Gross Cost					
Balance as at 31st Ashad 2080	**1,822,125**	**7,820,476**	**10,928,388**	**73,450**	**20,644,439**
Additions	-	-	-	-	-
Revaluation and adjustments	-	-	-	-	-
Borrwing Cost Capitalized	-	-	-	-	-
Balance as at 31st Ashad 2081	**1,822,125**	**7,820,476**	**10,928,388**	**73,450**	**20,644,439**
Additions	-	40,800	-	-	40,800
Revaluation and adjustments	-	-	-	-	-
Borrwing Cost Capitalized	-	-	-	-	-
Balance as at 32nd Ashad 2082	**1,822,125**	**7,861,276**	**10,928,388**	**73,450**	**20,685,239**
Depreciation and impairment losses					
Balance as at 31st Ashad 2080	**1,509,530**	**7,123,097**	**10,928,388**	**14,288**	**19,575,302**
Charge for the year	117,224	234,070	-	14,791	366,084
Impairment Losses	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at 31st Ashad 2081	**1,626,754**	**7,357,167**	**10,928,388**	**29,079**	**19,941,386**
Charge for the year	117,224	236,920	-	14,791	368,934
Impairment Losses	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at 32nd Ashad 2082	**1,743,978**	**7,594,087**	**10,928,388**	**43,869**	**20,310,320**
Net book value					
As at 31st Ashad 2081	195,371	463,309	-	44,371	**703,053**
As at 32nd Ashad 2082	78,147	267,189	-	29,581	**374,919**

Impairment of Property, Plant and Equipment
No items of Property, Plant and Equipment have been impaired.

Mandu Hydropower Limited
Lazimpat, Kathmandu
Notes to the Financial Statements
As at 32nd Ashad 2082 (16th July 2025)

Figures in NPR

3.2 Intangible Assets

	Service Concession Arrangement	Total
Cost		
Balance as at 31st Ashad 2080	**4,241,098,574**	**4,241,098,574**
Additions	149,550	**149,550**
Revaluation and adjustments	-	-
Borrwing Cost Capitalized	-	-
Balance as at 31st Ashad 2081	**4,241,248,124**	**4,241,248,124**
Additions	888,000	**888,000**
Revaluation and adjustments	-	-
Borrwing Cost Capitalized	-	-
Balance as at 32nd Ashad 2082	**4,242,136,124**	**4,242,136,124**
Amortization		
Balance as at 31st Ashad 2080	**591,245,891**	**591,245,891**
Charge for the year	140,571,758	140,571,758
Impairment Losses	-	-
Disposals	-	-
Balance as at 31st Ashad 2081	**731,817,649**	**731,817,649**
Charge for the year	127,371,158	127,371,158
Impairment Losses	379,810,193	379,810,193
Disposals	-	-
Balance as at 32nd Ashad 2082	**1,238,999,001**	**1,238,999,001**
Net book value		
As at 31st Ashad 2080	3,649,852,683	**3,649,852,683**
As at 31st Ashad 2081	3,509,430,475	**3,509,430,475**
As at 32nd Ashad 2082	3,003,137,123	**3,003,137,123**

Security

Refer Note 3.11 for the details in respect of certain intangible assets hypothicated/ mortagaged as security for borrowings.

Impairment of Property, Plant and Equipment

Certain items of Property, Plant and Equipment have been identified as impaired. Refer to Note 2.3.3 for further explanation and details regarding the impairment assessment.

The tenure of the service concession arrangement of 32 MW Bagmati Small Hydropower Project for generation, transmission and distribution shall be ended onAshad 2106 B.S.

Mandu Hydropower Limited

Lazimpat, Kathmandu

Notes to the Financial Statements

As at 32nd Ashad 2082 (16th July 2025)

Figures in NPR

		As at 32nd Ashad 2082	As at 31st Ashad 2081
3.3	**Capital WIP**		
	Capital WIP (22MW)		
	Construction Work in Progess 22MW	440,305,495	-
	CWIP (Electromechanical Assets 22MW)	297,138,671	-
	CWIP (Hydromechanical Assets 22MW)	27,750,591	-
	CWIP (Construction Equipments 22MW)	5,614,639	-
	CWIP (Borrowing Cost Capitalized 22MW)	9,145,026	
		779,954,422	-
	Capital WIP (10MW)		
	Construction Work in Progess 10MW	139,192,558	-
	CWIP (Electromechanical Assets 10MW)	1,063,273	-
	CWIP (Hydromechanical Assets 10MW)	11,025,750	-
	CWIP (Borrowing Cost Capitalized 10MW)	4,102,799	
		155,384,379	-
	Total	**935,338,801**	-

		As at 32nd Ashad 2082	As at 31st Ashad 2081
3.4	**Financial Asset at Fair Value Through PL**		
	Fair value of the investment at the beginning of the Year	-	
	Addition/Transfer	400,000,000	400,000,000
	Investment Value	**400,000,000**	**400,000,000**
	Reclassifiacation	-	
	Fair value gain/(loss) through PL (Refer statement of comprehensive income)		
	Fair Value of Investment at the end of the Year	**400,000,000**	**400,000,000**
	Current		
	Non Current	**400,000,000**	**400,000,000**

		As at 32nd Ashad 2082	As at 31st Ashad 2081
3.5	**Inventories:**		
	Consumables	4,723,485	39,960,885
	Total	**4,723,485**	**39,960,885**

		As at 32nd Ashad 2082	As at 31st Ashad 2081
3.6	**Trade and Other Receivables**		
	Receivbale from NEA	1,216,337	118,280,523
	Total	**1,216,337**	**118,280,523**

Mandu Hydropower Limited

Lazimpat, Kathmandu

Notes to the Financial Statements

As at 32nd Ashad 2082 (16th July 2025)

Figures in NPR

3.7 Other Assets	*As at 32nd Ashad 2082*	*As at 31st Ashad 2081*
Non Current		
Project Land Advance	2,018,750	2,018,750
Deposits (NEA)	19,508,624	1,652,724
	21,527,374	**3,671,474**
Current		
Prepaid Expenses	10,389,334	7,843,699
Insurance Claim Receivables	228,224,300	-
Advance Tax	203,668	199,191
Advance to Suppliers	105,335,237	872,500
LC Margin	3,098,644	4,500
Staff Advance	135,000	1,774,000
	347,386,183	**10,693,889**
Total	**368,913,557**	**14,365,363**

3.8 Cash and Cash Equivalents:	*As at 32nd Ashad 2082*	*As at 31st Ashad 2081*
Cash in hand	83,427	23,156
Cash at Bank	5,182,190	2,034,669
	5,265,617	**2,057,825**

Mandu Hydropower Limited
Lazimpat, Kathmandu
Notes to the Financial Statements
As at 32nd Ashad 2082 (16th July 2025)

Figures in NPR

3.9 Share capital:	*As at 32nd Ashad 2082*	*As at 31st Ashad 2081*
Ordinary Shares	13,636,370	13,636,370
Other Equity Instruments	-	-
	13,636,370	**13,636,370**

Details of Ordinary Shares	*As at 32nd Ashad 2082*	*As at 31st Ashad 2081*
(a) Authorised Share Capital		
15,000,000 shares of Rs. 100 each	1,500,000,000	1,500,000,000
(b) Issued Share Capital		
13,636,370 shares of Rs. 100 each	1,363,637,000	1,363,637,000
(c) Subscribed and Fully Paid Up		
13,636,370 shares of Rs. 100 each	1,363,637,000	1,363,637,000
Total	**1,363,637,000**	**1,363,637,000**

Reconciliation of no. shares outstanding	*As at 32nd Ashad 2082*	*As at 31st Ashad 2081*
Balance at the beginning of the year	13,636,370	12,000,000
Add: Initial Public Offerings (IPO)	-	1,636,370
Total	**13,636,370**	**13,636,370**

3.10. Retained Earnings and Other Reserves	*As at 32nd Ashad 2082*	*As at 31st Ashad 2081*
Retained Earnings	368,170,831	469,927,616
Share Premium	170,598,065	170,598,065
CSR Fund	614,947	-
	539,383,843	**640,525,681**

Movement in Accumulated Profit **Particulars**	*As at 32nd Ashad 2082*	*As at 31st Ashad 2081*
Opening Retained Earnings	469,927,616	337,261,130
Profit/(Loss) during the year	61,879,656	269,030,186
Dividend Paid	(163,636,440)	(136,363,700)
Closing Retained Earnings	**368,170,831**	**469,927,616**

Movement in CSR Fund **Particulars**		
Opening Balance	-	-
Allocation to Fund During the Year	625,047	3,567,556
Expenses Made towards CSR Activities	(10,100)	(3,567,556)
	614,947	**-**

Mandu Hydropower Limited

Lazimpat, Kathmandu

Notes to the Financial Statements

As at 32nd Ashad 2082 (16th July 2025)

Figures in NPR

3.11 Loans and borrowings:	As at 32nd Ashad 2082	As at 31st Ashad 2081
Non-current loans and borrowings - Secured		
Term Loan	1,392,908,555	1,746,514,165
Bridge Gap Loan	797,557,414	-
	2,190,465,969	**1,746,514,165**
Current loans and borrowings - Secured		
Current Portion of Term Loan	360,000,000	250,000,000
Working Capital Loan	99,378,220	72,141,059
	459,378,220	**322,141,059**

a) The company has entered into an arrangement for consortium loan with Nabil Bank Limited, Nepal Bank Limited, Prabhu Bank Limited, Rastriya Banijya Bank Limited, Laxmi Sunrise Bank Limited, Hydroelectricity Investment and Development Company Limited, and Global IME Bank Limited. The loan is secured as charge by way of hypothecation of Land, Building and Plant & Machinery of Small Bagmati Hydropower Project. All these assets are classified as "Service Concession Arrangements".

b) Working capital loan is obtained from Nabil Bank Limited which is secured by way of assignment of revenue stream of Small Bagmati Hydropower Project.

3.12 Employee benefits	As at 32nd Ashad 2082	As at 31st Ashad 2081
Non-current		
Salary and Wages Payable	-	-
Total non-current	**-**	**-**
Current		
Salary Payable	637,993	-
Bonus Payable	1,275,606	5,563,219
Provident Fund Payables	57,477	-
Gratuity Payable	47,877	-
Total current	**2,018,953**	**5,563,218**

The gratuity payable relates to a defined contribution plan which includes contribution of 8.33% of basic salary of employees to the retirement funds of employees and bonus payable includes 2% staff bonus with the provision of Electricity Act 2049.

3.13 Trade and other payables:	As at 32nd Ashad 2082	As at 31st Ashad 2081
Duties and Taxes	6,656,194	2,250
Division Forest Office	-	1,145,000
North Hydro & Eng	-	1,611,211
Royalty Energy	24,172	2,365,456
Swachchha Urja Bikas Pvt. Ltd.	-	1,062,082
Retention Payables	32,856,364	-
Other Liabilities	20,689,526	231,000
Dividend Payables	103,859,597	-
	164,085,853	**6,416,999**

Kamladi, Kathmandu

Notes to the Financial Statements

As at 32nd Ashad 2082 (16th July 2025)

Figures in NPR

		FY 2081-82	FY 2080-81
3.14	**Revenue**		
	Revenue from Sale of Electricity	204,742,193	734,132,966
		204,742,193	**734,132,966**

		FY 2081-82	FY 2080-81
3.15	**Other income**		
	Interest Income	29,849	5,193
	Other Income	1,650	-
	Insurance Income (Property)	345,234,500	-
	Insurance Income (LOP)	242,989,800	-
		588,255,799	**5,193**

		FY 2081-82	FY 2080-81
3.16	**Employee benefit expenses:**		
	Salary Expenses	19,870,383	20,399,874
	Allowance and Benefits	2,228,222	2,424,094
	Provident Fund	1,164,105	1,176,294
	Gratuity Expenses	969,706	1,007,770
	Overtime Allowances	296,529	549,579
	Festival Attendance Allowances	102,987	326,499
	Contract Meet Allowances	30,000	60,000
		24,661,932	**25,944,110**

		FY 2081-82	FY 2080-81
3.17	**Operation and Maintanence Expenses**		
	Insurance Expenses	7,464,299	9,287,274
	Repair & Maintenance	3,548,357	27,882,221
	Bay Charges	972,000	-
	Royalty	6,294,844	16,882,659
	Security Expenses	1,821,108	1,817,040
	Site Office Expenses	2,322,000	2,586,839
	Site Office Procurement	193,232	636,591
	Site Visit Expenses	383,630	22,280
		22,999,470	**59,114,904**

Mandu Hydropower Limited

Lazimpat, Kathmandu

Notes to the Financial Statements

As at 31 Ashad 2081 (15 July 2024)

Figures in NPR

		FY 2081-82	FY 2080-81
3.18	**Administrative Expenses**		
	Advertisement Expenses	434,209	129,411
	Wages	1,870,868	1,903,090
	Employee Insurance	1,297,149	1,141,372
	Refreshment Expenses	55,962	453,500
	Leave Allowance	36,793	70,221
	AGM Expenses	82,097	164,875
	Audit Fee	169,500	169,500
	Audit Related Expenses	89,466	40,940
	Communication Expenses	449,944	539,465
	Data Collection Fee	500	-
	Electricity Expenes	-	50,392
	Fooding and Lodging	101,988	235,325
	Forestry Related Expenses (Royalty)	114,258	103,871
	Fuel and Lubricants	659,100	378,569
	Guest Expenses	-	532,455
	Insurance Vehicle	8,618	39,321
	Legal Expenses	438,300	641,930
	Local Conveyance Expenses	82,272	43,763
	Maintainance Expenses	477,819	786,029
	Medical Benefits	20,802	16,561
	Meeting Allowance	308,000	390,000
	Meeting Related Expenses	115,250	9,400
	Miscellaneous Expenses	24,400	2,676
	NEPSE Registration Fee	100,000	-
	Other Taxes	48,969	50,218
	Pooja Expenses	50,000	50,000
	Prining and Stationery	283,869	211,100
	Professional Fee	200,000	213,000
	Rating Expenses	618,108	423,581
	Registration & Renewal Fee	9,000	17,500
	Rent Expenses	660,000	660,000
	Share Related Expenses	100,000	100,000
	Translation Expenses	5,860	1,500
	Transportation Expenses	9,040	17,436
	Travelling Expenses	1,783,435	128,300
	Utilities Expenses	676,060	792,384
	Certification Fee	33,900	-
	CDS Annual Fee	220,000	-
	Visitant Expenses	338,850	-
	Consultancy Fees	41,176	-
	Courier Charges	1,300	-
	Vehicle Expenses-Tax	97,810	83,750
	Website Expenses	-	17,647
		12,114,672	**10,609,082**

		FY 2081-82	FY 2080-81
3.19	**Depreciation, amortisation included in the statement of profit or loss :**		
	Amortization on Intangible Assets	127,371,158	140,571,758
	Impairment of Intangible Assets	379,810,193	
	Depreciation on Tangible Assets	368,934	366,084
		507,550,286	**140,937,842**

		FY 2081-82	FY 2080-81
3.20.	**Finance cost**		
	Agency Fee	2,068,655	2,246,514
	Bank Charges	1,552,825	45,587
	Interest Expenses	158,269,844	216,579,158
	Loan Processing Expenses	-	500,000
		161,891,324	**219,371,259**

Mandu Hydropower Limited

Lazimpat, Kathmandu

Notes to the Financial Statements

For the period ended on 32 Ashad 2082 (16 July 2025)

4. Additional Information

4.1 Share Capital

The Company has only one class of equity shares having par value of NPR 100 per share. Every member holding equity shares therein shall have voting rights in proportion to the member's share of the paid up equity share capital. The Company declares and pays dividend in Nepalese rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

4.2 Dividend

Board of Directors have proposed 10 % Bonus Share and 0.5263% as Cash Dividend for the year 2081-82 (previous year 12% cash dividend). Accordingly, the total distribution by the company from the profits arising from 2080-81 is as follows:

Particulars	Cash Dividend
Paid for 2080-81 (Amount)	163,636,440

4.3 Reserves and Retained Earnings

Retained Earnings

Net profit for each year is added to this reserve. Company uses this to provide dividend to its shareholders.

No amount has been apportioned in other reserves.

4.4 Corporate Social Responsibility

In the Fiscal Year a provision of 1% of net profit after tax has been allocated for CSR Fund as per the provision of Industrial Enterprise Act 2076, Clause 48 (1). This fund will be used for social welfare for the people surrounding Bagmati Small Hydropower Project.

Particulars	FY 2080/81
Opening Balance	**Nil**
Allocation to Fund During the Year (1% of Net Profit) (A)	625,047
Expense made during the year	(10,100)

Closing Balance	**614,947**

4.5 Related Party Transactions

Related parties of the company comprises of key management personnel, organization having significant influence on the company, subsidiaries of the company and Board of Directors.

a. **Significant Influence**

Entities having significant influence over the Company is as follows:

i. **Himalayan Infrastructure Fund Limited (HIFL)**

Himalayan Infrastructure Fund Limited is major shareholder of the company. This company has two representatives in the current Board of the company. There is no transaction and outstanding balance at the year end.

ii. Sichuan Hechuan Investment Co

Sichuan Hechuan Investment Co is major shareholder of the company. This company has one representatives in the current Board of the company. There is no transaction and outstanding balance at the year end.

b. Those charged with Governance

Those charged with governance include the Board of Directors of the Company. The composition of Board on the reporting date is as follows:

Name	Position
Mr. Rabindra Lal Shrestha	Chairman
Mr. Tian Jiayuan	Director
Mrs. Sophia Pande	Director
Mrs. Zhu Xianxian	Director
Mr. Barun Shrestha	Public Director

Board members are paid Rs. 8,500 (net of withholding tax) per meeting as meeting fee for attending each meeting of Board. Meeting fee paid to members of Board for Board meetings during the year amounts to Rs. 200,000.

c. Key Management Personnel

The company's key management personnel are Chairman, Plant manager. Total compensation to key management personnel during the year:

Name	Position	Amount
Rabindra Lal Shrestha	Chairman	Nil
Janup Pokhrel	Plant Incharge	618,694

4.6 Earnings Per Share

Basic earnings per share (EPS) is calculated by dividing the net profit attributable to shareholders by weighted average number of shares outstanding at the end of the year.
Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the company by the weighted average number of ordinary shares outstanding during the year, plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. The following reflects the profit and share data used in the basic and diluted EPS computations:

Amount in Rs

Particulars	FY 2081/82	FY 2080/81
Net profit attributable to Shareholders for Basic and diluted earnings	61,879,656	269,030,186
Weighted average number of Ordinary Shares for basic EPS	13,636,370	13,636,370
Effect of Dilution:		
Share Option	Nil	Nil
Weighted average number of ordinary shares adjusted for the effect of dilution	13,636,370	13,636,370
Basic earnings per ordinary share	**4.54**	**19.73**
Dilutes earning per share	**4.54**	**19.73**

Since there is no convertible and other option, diluted earnings per share would be equal to Basic earnings per share.

Calculation of Weighted no. of shares:

Particulars	FY 2081/82	FY 2080/81
Opening number of shares	13,636,370	12,000,000
Issued during the year	-	1,636,370
Total Weighted No of shares	**13,636,370**	**13,636,370**

4.7 Capital Commitments, Contingencies and Guarantee issued

No records are maintained to track the capital commitment and contingent liability, accordingly these cannot be readily available and has therefore not been disclosed.

3rd Floor, Signature II, Sahid Sukramarg, Teku, Kathmandu, Nepal
PAN : 617266657

L.A. & ASSOCIATES
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF MANDU HYDROPOWER LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Financial Statements of Mandu Hydropower Limited (the Company or "MANDU") which comprise the Statement of Financial Position (SoFP) as at Ashad 32, 2083 (corresponding to July 16, 2026), the Statement of Profit or Loss and Statement of Total Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow for the year then ended and notes to the financial statements, including a summary of Significant Accounting Policies.

In our opinion and to the best of our information and explanations provided to us, the accompanying Financial Statement referred to above present fairly, in all material respects, the financial position of the company as at Ashad 32, 2083 (July 16, 2026) and its financial performance and its cash flows for the year then ended in accordance with Nepal Financial Reporting Standards (NFRSs).

BASIS OF 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAN's Handbook of 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 for the year ended Ashad 32, 2083. 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.

There are no KAM to be reported for the reporting period.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Management is responsible for the preparation of the other information. The other information comprises the information included in the Management report, Report of the Board of Directors and Chairman's statement 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.

L.A. & Associates Kathmandu Chartered Accountants

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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 during the course of our 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.

RESPONSIBILITY OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial Statements in accordance with Nepal Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the 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 controls 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.

L.A. & Associates Chartered Accountants Kathmandu

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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Based on our examination, we would like to further report that:

i. We have obtained all the information and explanations, which were considered necessary for the purpose for our audit.
ii. The Company has kept proper books of accounts as required by law, in so far as it appears from our examination of those books of account.
iii. The Statement of Financial Position, Statement of Profit or Loss including Other Comprehensive Income, the Statement of Change in Equity and the Statement of Cash Flows and attached Schedules dealt with by this report are in agreement with the books of account maintained by the Company.
iv. During our examination of the books of account of the Company, we have not come across the cases where the Board of Directors or any member thereof or any representative or any office holder or any employee of the Company has acted contrary to the provisions of law or caused loss or damage to the Company, and
v. We have not come across any fraudulence in the accounts, based on our sample examination of the books.

For L.A. & Associates,
Chartered Accountants

L.A. & Associates Kathmandu Chartered Accountants

CA Sujit Koirala
Partner
Kathmandu, Nepal
Date: 2026/08/12
UDIN: 260813CA01653qjNBA

Mandu Hydropower Limited

Lazimpat, Kathmandu

Statement of Financial Position

As at 32nd Ashad 2083 (16th July 2026)

Particulars	*Note*	*As at 32nd Ashad 2083*	*As at 32nd Ashad 2082*
ASSETS			
Non-Current Assets			
Property, plant and equipment	*3.1*	650,156	374,919
Intangible assets	*3.2*	4,621,408,937	3,003,137,123
Capital Work In Progress	*3.3*	-	935,338,801
Financial Assets			-
Financial Assets at Fair Value Through PL	*3.4*	400,000,000	400,000,000
Other Non Current Assets	*3.7*	21,527,374	21,527,374
Total Non-Current Assets		**5,043,586,467**	**4,360,378,217**
Current Assets			
Inventories	*3.5*	4,723,485	4,723,485
Trade and Other Receivables	*3.6*	166,085,918	1,216,337
Other Current Assets	*3.7*	18,059,686	347,386,183
Cash and cash equivalents	*3.8*	5,356,357	5,265,617
Total Current Assets		**194,225,445**	**358,591,622**
TOTAL ASSETS		**5,237,811,912**	**4,718,969,839**
EQUITY AND LIABILITIES			
Equity			
Share capital	*3.9*	1,363,637,000	1,363,637,000
Retained Earnings and Reserves	*3.10.*	857,471,321	539,383,843
Total Equity		**2,221,108,321**	**1,903,020,843**
Liabilities			
Non-Current Liabilities			
Loans and borrowings	*3.11*	2,400,504,165	2,190,465,969
Total Non-Current Liabilities		**2,400,504,165**	**2,190,465,969**
Current Liabilities			
Loans and borrowings	*3.11*	520,000,000	459,378,220
Employee Benefit	*3.12*	8,661,750	2,018,953
Trade and other payables	*3.13*	87,537,675	164,085,853
Total Current Liabilities		**616,199,425**	**625,483,026**
Total Liabilities		**3,016,703,591**	**2,815,948,995**
TOTAL EQUITY AND LIABILITIES		**5,237,811,912**	**4,718,969,839**

Notes 1 to 4.7 form an integral part of these financial statements.

As per our attached report on even date

Sabal Pradhan	Sophia Pande	Rabindra Lal Shrestha	CA Sujit Koirala
Sr. Finance Officer	Director	Chairman	Partner
			For: L.A. & Associates
			Chartered Accountants

Date: 12 August 2026
Place: Kathmandu

Mandu Hydropower Limited

Lazimpat, Kathmandu

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 32nd Ashad 2083 (16th July 2026)

Figures in NPR

Particulars	*Note*	*FY 2082-83*	*FY 2081-82*
Revenue from operations	*3.14*	794,934,701	204,742,193
Other Income	*3.15*	5,861	588,255,799
Total Income		**794,940,561**	**792,997,992**
Employee Benefit Expenses	*3.16*	28,051,477	24,661,932
Operation and Maintanence Expenses	*3.17*	61,428,462	22,999,470
Administrative Expenses	*3.18*	14,912,255	12,114,672
Deprecation, Amortization & Impairment of Assets	*3.19*	168,083,081	507,550,286
Finance Costs	*3.20.*	194,129,685	161,891,324
Total Expenditure		**466,604,960**	**729,217,683**
Profit/(Loss) Before Tax and Bonus		**328,335,601**	**63,780,309**
Provision for Staff Bonus		6,566,712	1,275,606
Income Tax Expense		-	-
Profit/(Loss) from continuing operations		**321,768,889**	**62,504,703**
Profit /(Loss) on Discontinued Operations (Net of tax)		-	-
Provision for Corporate Social Responsibility		3,217,689	625,047
Net Profit/(Loss) for the year		**318,551,200**	**61,879,656**
Other comprehensive Income			
Exchange Gain/Loss arising on translation of foreign operations		-	-
Acturial Gain/(Loss) on defined Employment benefit		-	-
Gain/Loss on Revaluation		-	-
Total Comprehensive gain/(loss) for the year, net of tax		**318,551,200**	**61,879,656**

Notes 1 to 4.7 form an integral part of these financial statements.

As per our attached report on even date

Sabal Pradhan	Sophia Pande	Rabindra Lal Shrestha	CA Sujit Koirala
Sr. Finance Officer	Director	Chairman	Partner
			For: L.A. & Associates
			Chartered Accountants

Date: 12 August 2026
Place: Kathmandu

Mandu Hydropower Limited

Lazimpat, Kathmandu

Statement of Cash Flows

For the year ended 32nd Ashad 2083 (16th July 2026)

Figures in NPR

Particulars	*FY 2082-83*	*FY 2081-82*
Cash Flows From Operating Activities		
Net Profit for the year	318,551,200	61,879,656
Adjustments for:		
Tax expense	-	-
Depreciation on property, plant and equipment	449,572	368,934
Amortization of Intangible Assets	167,633,509	127,371,158
Interest expense	194,129,685	161,891,324
Expenses towards CSR	(3,681,412)	
Corporate Social Responsibility Fund	3,217,689	614,947
Working capital adjustments:		
(Increase)/ Decrease in Inventories	-	35,237,400
(Increase)/ Decrease in Trade Receivables	(164,869,580)	117,064,186
(Increase)/ Decrease in Other Current Assets	329,326,497	(336,692,294)
Increase / (decrease) in Employee Benefits	6,642,797	(3,544,265)
Increase / (decrease) in Trade and Other payables	(76,548,177)	157,668,854
Cash generated from operations	**774,851,780**	**321,859,900**
Income Tax Paid	-	-
Net Cash Flows From Operating Activities [A]	**774,851,780**	**321,859,900**
Cash Flows From / (Used In) Investing Activities		
Purchase of property, plant and equipment	(724,810)	(40,800)
(Increase)/ Decrease in CWIP	935,338,801	(935,338,801)
(Increase)/ Decrease in Intangible Assets	(1,785,905,322)	378,922,193
(Increase)/ Decrease in Other Non Current Assets	-	(17,855,900)
Purchase of Investment	-	-
Net Cash Flows From Investing Activities [B]	**(851,291,331)**	**(574,313,308)**
Cash Flows From Financing Activities		
Proceeds from issue of ordinary shares	-	-
Increase in Share Premium	-	-
Share issue expenses	-	-
Net (repayment of) increase in borrowings	270,659,976	581,188,964
Interest Expenses	(194,129,685)	(161,891,324)
Dividends paid	-	(163,636,440)
Net Cash Flows From Financing Activities [C]	**76,530,291**	**255,661,200**
Increase/(Decrease) In Cash And Cash Equivalents [A+B+C]	**90,740**	**3,207,792**
Cash and Cash Equivalent at the beginning of the year	5,265,617	2,057,825
Cash And Cash Equivalents At The End Of The Period	**5,356,357**	**5,265,617**

Notes 1 to 4.7 form an integral part of these financial statements.

As per our attached report on even date

Sabal Pradhan	Sophia Pande	Rabindra Lal Shrestha	CA Sujit Koirala
Sr. Finance Officer	Director	Chairman	Partner
			For: L.A. & Associates
			Chartered Accountants

Date: 12 August 2026

Place: Kathmandu

Mandu Hydropower Limited

Lazimpat, Kathmandu

Statement of Changes in Equity

For the year ended 32nd Ashad 2083 (16th July 2026)

Figures in NPR

Particulars	Notes	Share capital	Share Premium	Revaluation Reserve	Retained earnings	CSR Fund	Total
Balance as at 32nd Ashad 2081		**1,363,637,000**	**170,598,065**	-	**469,927,616**	-	**2,004,162,681**
Profit for the year		-	-	-	61,879,656	-	61,879,656
Other comprehensive income (loss)		-	-	-	-	-	
Dividend paid - Final for 2080-81		-	-	-	-	-	-
Bonus Share		-	-	-	-	-	
Cash Dividend		-	-	-	(163,636,440)	-	(163,636,440)
Share issue Expenses		-	-	-	-	-	-
CSR Fund		-	-	-	-	614,947	614,947
Increase / (Deacrese) in Advance for Share Capital		-	-	-	-	-	-
Issue of shares		-	-	-	-	-	-
Balance at 32nd Ashad 2082		**1,363,637,000**	**170,598,065**	-	**368,170,832**	**614,947**	**1,903,020,844**
Profit for the year		-	-	-	318,551,200	-	318,551,200
Other comprehensive income (loss)		-	-	-	-	-	
Dividend paid - Final for 2081-82		-	-	-	-	-	-
Bonus Share		-	-	-	-	-	-
Cash Dividend		-	-	-	-	-	-
Increase in Share Premium		-	-	-	-	-	-
CSR Fund		-	-	-	-	3,217,689	3,217,689
CSR Expenses		-	-	-	-	(3,681,412)	(3,681,412)
Increase in Share Capital		-	-	-	-	-	-
Balance at 32nd Ashad 2083		**1,363,637,000**	**170,598,065**	-	**686,722,031**	**151,224**	**2,221,108,321**

Notes 1 to 4.7 form an integral part of these financial statements.

As per our attached report on even date

Sabal Pradhan Sr. Finance Officer	Sophia Pande Director	Rabindra Lal Shrestha Chairman	CA Sujit Koirala Partner **For: L.A. & Associates** **Chartered Accountants**

Date: 12 August 2026
Place: Kathmandu

Mandu Hydropower Limited

Lazimpat, Kathmandu

Notes to the Financial Statements

For the year ended on 32 Ashad 2083 (16 July 2026)

1. General Information

Mandu Hydropower Limited ("MHPL or the Company") was established and registered in 2069 BS as a public limited company under the Companies Act, 2063 with an aim to develop hydropower project using appropriate training, technology transfer and human resources. MHPL developed and operated 32 MW Bagmati Small Hydropower Project. The project is located at Ipa Besi-8, Bhimphedi, Makwanpur. MHPL main shareholders are Himalayan Infrastructure Fund, Sichuan Hechuan Investment Co. and General Public. The corporate office of the company is located at Lazimpat, Kathmandu.

The accompanied financial statements have been approved by the board of directors and authorized for issue in its meeting held on 12 August 2026.

2. Significant Accounting Policies

2.1 Basis of Preparation and measurement

2.1.1 Statement of Compliance

The Financial statements have been prepared in accordance with applicable Nepal Financial Reporting Standards (NFRS) as issued by Accounting Standard Board Nepal and pronounced by The Institute of Chartered Accountants of Nepal (ICAN). The Financial Statements have also been prepared in accordance with the relevant presentational requirements of the Companies Act, 2063 of Nepal.

2.1.2 Basis of Preparation

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of products and the time between acquisition of assets of processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.1.3 Functional and Reporting Currency

The financial statements are prepared in Nepalese Rupees (NPR), which is also the functional currency. All financial information presented in Nepalese Rupees has been rounded to the nearest Rupees and hence there may not add up and may have rounding difference.

2.2 Critical accounting estimates and judgements

The preparation of the financial statements in conformity with NFRS requires the use of certain critical accounting estimates and judgments. It also requires management to exercise judgement in the process of applying the Company's accounting policies. The Company makes certain estimates and assumptions regarding the 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. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year primarily includes: -

2.2.1 Useful Life and Residual Value Of Property, Plant And Equipment

Management reviews the useful life and residual values of property, plant and equipment at least once a year. Such life is dependent upon an assessment of both the technical life of the assets and also their likely economic life, based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

2.2.2 Impairment Of Property, Plant And Equipment

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment 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). Recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is usually determined on the basis of discounted estimated future cash flows. 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.

2.2.3 Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallizing or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

2.2.4 Fair Value Measurements

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The management determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

2.2.5 Recognition Of Deferred Tax

Significant management judgement is required to determine the amount of deferred tax that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company.

2.3 Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated. The preparation of financial statements requires the use of certain accounting estimates. The areas where significant judgments and estimates have been made in preparing the financial statements and their effects are to be disclosed.

2.3.1 Service Concession Arrangements

Under IFRIC 12 – Service Concession Arrangements applies to public-to-private service concession arrangements if:
(a) The grantor controls or regulates what services the operator must provide with the infrastructure, to whom it must provide them and at what prices;
(b) The grantor controls through ownership, beneficial entitlement or otherwise any significant residual interest in the infrastructure at the end of the term of the arrangement;
(c) Is the infrastructure constructed or acquired by the operator from a third party for the purpose of the service arrangement OR is the infrastructure existing infrastructure of the grantor to which the operator is given access for the purpose of the service arrangement.
Infrastructure used in a public-to-private service concession arrangement for its entire useful life (whole life of assets) is within the scope of this IFRIC, if the conditions in (a) above are met.
These arrangements are accounted on the basis of below mentioned models depending on the nature of consideration and relevant contract law.

FINANCIAL ASSET MODEL

The Financial asset model is used when the Company, being an operator, has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services. Unconditional contractual right is established when the grantor contractually guarantees to pay the operator (a) specific or determinable amount; (b) the shortfall, if any; between amounts received from the users of the public services and specified or determinable amounts.

INTANGIBLE ASSET MODEL

The intangible asset model is used to the extent that the Company, being an operator, receives a right (a license) to charge users of the public service. A right to charge users of a public services is not an unconditional right to receive cash because the amounts are contingent on to the extent that public uses the services. Both type of arrangements may exist within a single contract to the extent that the grantor has given an unconditional guarantee of payment for the construction and the operation i.e. considered as a Financial asset and to the extent that the operator has to rely on the public using the service in order to obtain payment, the operation has an intangible asset.

INTANGIBLE ASSETS UNDER SERVICE CONCESSION ARRANGEMENT (SCA)

The Company manages concession arrangements which include power supply from its hydro power plant viz. 32 MW Bagmati Small Hydropower Project. The Company maintains and services the infrastructure during the concession period. Further, the concession arrangement gives MHPL right to use the hydro power project for generating electricity and earn revenue by selling electricity to NEA. The right to consideration gives rise to an intangible asset and accordingly, the intangible asset model is applied. Revenue from service concession arrangement under intangible asset model is recognised in accordance with the terms of the power purchase agreement as and when the power is supplied. The intangible asset is amortized over its expected useful life in a way that reflects the pattern in which the asset's economic benefits are consumed by the Company, starting from the date when the right to operate starts to be used. Based on these principles, the intangible asset is amortized in line with the actual usage of the specific public facility; with a maximum of the duration of the concession. Any asset carried under concession arrangements is derecognised on disposal or when no future economic benefits are expected from its future use or when the contractual rights to the financial asset expire.

The tenure of the Service Concession Arrangement of 32 MW Bagmati Small Hydropower Project for generation, transmission and distribution shall be ended on Ashad, 2106 B.S.

2.3.2 Property, Plant and Equipment

i. Freehold land is carried at historical cost and is not depreciated. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

ii. 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 are derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

iii. The Company identifies and determines cost of each component/part of the asset separately, if the component/part have a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

iv. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. v. 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 derecognition of the asset (calculated as the 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 derecognized.

vi. Assets in the course of construction are capitalized in the assets under capital work in progress account (CWIP). At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Where an obligation (legal or constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimate cost of dismantling, removing or restoring the site is capitalized along with the cost of acquisition or construction upon completion and a corresponding liability is recognized. Revenue generated from production during the trial period is capitalized.

Depreciation and Amortization

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method. 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 straight line basis on the estimated useful lives of the assets determined by the management. Depreciation on additions to fixed assets is charged on pro-rata basis in the year when it is available for use. The useful life of the assets and the corresponding rates at which the assets are depreciated are as follows:

Category of Assets	Depreciation Rate
Survey Equipment	15 %
Office Equipment and Furniture	25%
Vehicles	20%

Useful life is either the period of time which the asset is expected to be used or the number of production or similar units expected to be obtained from the use of asset. The estimated useful life, 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. Office furniture, equipment and vehicles costing less than NPR 5,000 per unit and plant equipment costing less than NPR 10,000 per unit is charged to the profit and loss account in the year of purchase. Leasehold improvements are depreciated over the period of lease or estimated useful life, whichever is lower, on straight line basis.

2.3.3 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts 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. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in sue. 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 for which the estimates of future cash flows have not been adjusted.

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 Statement of Profit and Loss.

2.3.4 Capital Work in Progress

Capital Work in Progress (CWIP) represents costs incurred by the Company in respect of hydropower projects that are under construction, rehabilitation, renovation, or expansion and are not yet available for their intended use as at the reporting date. Such costs include expenditures directly attributable to project development activities, including civil works, electro-mechanical equipment, engineering and consultancy charges, installation costs, transportation, borrowing costs, and other related expenditures incurred during the construction and development phase. The Company's CWIP primarily comprises the following two categories:

a. **Rehabilitation and Restoration of Existing 22 MW Hydropower Project**
The Company had previously developed and operated a 22 MW hydropower project. However, following the severe flood incident that occurred on 27 September 2024, substantial damage was caused to various components of the project, including civil structures, electro-mechanical installations, and related infrastructure. Consequently, the Company initiated extensive rehabilitation, reconstruction, and restoration works to reinstate the project's operational capacity.

Expenditures incurred in connection with the renovation and restoration activities, including replacement of damaged assets, reconstruction of infrastructure, engineering assessments, contractor payments, procurement of materials and equipment, and other directly attributable costs, have been capitalized under Capital Work in Progress. 22 MW has resumed operation on 19 Shrawan 2082 so, all capital work in progress cost related to 22 MW has been transferred to intangible assets as on date.

b. **Expansion Project – Additional 10 MW Capacity**
In addition to the restoration of the existing project, the Company is also undertaking an expansion of its generation capacity through the development of an additional 10 MW hydropower facility. The expansion

project is aimed at increasing the overall generation capacity and enhancing the long-term operational and financial performance of the Company.

Costs incurred in relation to the expansion project, including feasibility and technical studies, project design, land and site development, civil construction works, procurement and installation of electro-mechanical equipment, transmission and related infrastructure, borrowing costs, and other directly attributable development expenditures, are recognized under Capital Work in Progress until the project is completed and ready for its intended use. 10 MW had started its operation from 26 Chaitra 2082 so, all capital work in progress cost related to 10 MW has been transferred to intangible assets as on date.

2.3.5 Borrowing Cost

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur.

2.3.6 Cash and cash equivalent

Cash and cash equivalents in the balance sheet comprise cash at banks and on 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 net of outstanding bank overdrafts as they are considered an integral part of the Company’s cash management.

2.3.7 Inventories

Cost of inventories includes cost of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Inventories of stores, spare parts and loose tools are stated at the lower of weighted average cost and net realizable value. Net realizable value represents the estimated selling price for inventories in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale.

2.3.8 Corporate Social Responsibility

A provision of 1% of net profit after tax has been allocated for CSR Fund as per the provision of Industrial Enterprise Act 2076, Clause 48 (1).

2.3.9 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be measured reliably.

i. **Revenue from sale of electricity**
   Revenue is recognized to the extent that it is probable that economic benefit will flow to the Company and that the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates and other similar

allowances. Revenue is recognized when substantial risks and rewards of ownership is transferred to the buyer under the terms of the contract.

2.3.10 Foreign Currency Transactions

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Nepalese Rupee (NPR).

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

At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated 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 a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in Statement of Profit and Loss in the period in the period in which they arise.

2.3.11 Employment Benefits

The Company have schemes of employment benefits namely provident fund, employee gratuity, other retirement benefit and accumulate leave as per the human resource policy.

Short term and long-term employment benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee and contractual employees, benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Provident Fund-Defined Contribution Plan

The Company pays pre-defined amount to Employee Provident Fund and does not have any legal or constructive obligation to pay additional amount in future. Contributions to Provident fund are charged to the statement of profit or loss in the year to which they relate.

Gratuity-Defined Contribution Plan

The Company is required to pay pre-defined amount to Social Security Fund as gratuity to employees. Changes in Labour Act has not fixed the amount to be paid on each month and instead require Company to deposit an amount calculated @8.33% of basic salary directly to specific fund account on monthly basis. The amount presented in financial statements is the actual liability of gratuity at each reporting date which is hold by company till now after deducting amount paid to those staff who has been retrenched.

2.3.12 Taxation

Income Tax

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

Current Tax

Current tax is the expected tax payable on the taxable income for the year using tax rates at the balance sheet date and any adjustment to tax payable in respect of previous years. The company has been granted 100% tax holiday for 10 years and 50% tax holiday for subsequent 5 years after that starting from the date of generation electricity for commercial purpose i.e. 2075-12-19 BS by the tax authorities under Income Tax Act 2058.

Deffered tax

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected realization or settlement of the carrying amount of assets and liabilities using tax rates at the balance sheet date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset 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 it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The company has not recognized deferred tax due to tax holiday for 10 years.

2.3.13 Earnings per Share including Diluted Earning Per Share

The company presents the basic and diluted earning per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit and loss attributable to ordinary equity holders of the company by weighted average number of ordinary shares outstanding during the period.

The Formula used to calculate a company's diluted EPS is the company's net income minus preferred dividends divided by the weighted average number of shares outstanding plus the impact of Potential Ordinary Shares like Convertible preferred shares, options, warrants and other dilutive securities.

The company do not have any potential ordinary shares during the period covered by these financial statements.

2.3.14 Provisions, contingencies and commitments

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

When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting period.

2.3.15 Financial Instrument

i. Recognition

The company initially recognizes financial assets on trade date which is the date on which the company becomes a party to the contractual provisions of the instruments. A financial asset or financial liability is measured initially at fair value plus, or an item not at fair value through profit or loss, transactions costs that are directly attributable to its acquisition or issue.

ii. Classification and Measurement

Financial Assets

The classification and measurement of financial assets depend on how these are managed (the entity's business model) and their contractual cash-flows characteristics. These factors determine whether the financial assets are measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVPL').

At amortized cost: Financial assets at amortized cost are non-derivative financial assets with fixed or determinable payments for which the Company has intent and ability to hold till maturity. They are initially recognized at fair value plus any directly attributable transaction cost. Subsequent to initial recognition, such financial assets are measured at amortized cost using effective interest rate method less any impairment losses. These includes loans and receivables of the company.

At fair value through profit or loss: Financial assets are classified at fair value through profit or loss if the company manages such instruments and makes purchases and sales decisions based on its fair value. Attributable transaction costs and changes in fair value are taken to revenue. There are no financial assets that are measured at FVTPL in the reporting period.

At fair value through other comprehensive income: Financial assets at FVOCI are nonderivative financial assets that are not classified in any of the above category. Financial assets at FVOCI are recognized initially at fair value plus any directly attributable transaction cost. Subsequent to initial recognition, financial assets are measured at fair value, as far as such fair value is available, and changes therein, which are recognized in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognized, gain or loss accumulated in equity is reclassified to retained earnings. There are no financial assets that are measured at FVOCI in the reporting period.

Financial Liabilities

All financial liabilities are recognized initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument. Subsequent to initial recognition, these financial liabilities are measured at amortized costs using effective interest rate method. This include Trade & Other Payable and Short Term Borrowing.

iii. Derecognition

Financial Assets

The Company derecognizes a financial assets when the contractual rights to the cash flow from the financial assets expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of the ownership of the financial assets are transferred or in which the Company neither transfer nor retains substantially all of the risk and rewards of the ownership and it does not retain control of the financial assets.

On derecognition of a financial assets, the difference between the carrying amount of the assets (or the carrying amount allocated to the portion of the assets derecognized) and the sum of (i) the consideration received (including any new assets obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in Other Comprehensive Income (OCI) is recognized in retained earnings.

Financial Liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

iv. Offsetting

The financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when and only when, the Company has a legal right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

v. Amortized cost measurement

The 'amortized cost' of a financial asset and financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between initial amount recognized and the maturity amount minus any reduction for impairment.

vi. Fair value measurement

All assets, liabilities and equity items for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

► Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

► Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

► Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are measured at fair value in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.
Investment in unquoted shares are measured at fair value unless there is no any means for the measurement of fair value after all the necessary efforts have been made to do so. However, in absence fair value determination as per Level 1 & 2 Fair Value Measurement, the cost of the investment has been taken as a valuation parameter for projects under construction and measured at Fair Value through OCI.
Company has invested in Tundi Power Company Limited. The percentage of holding in Tundi Power Company Limited is 8.96%. It has been valued at Fair value through OCI as per NFRS 9.

vii. Identification and measurement of impairment Financial assets

At each reporting date the Company assesses the objective evidence that a financial asset or group of financial assets is impaired or not. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset and that loss event has an impact on the estimated future cash flows of the financial assets or group of financial assets that can be reliably estimated.

- Objective evidence that financial assets are impaired includes:
- significant financial difficulty of the debtor
- breach of contract, such as default or delinquency by a debtor
- observable data relating to a group of assets such as adverse changes in the payment status of debtor

The amount of loss is measured as the difference between the asset's carrying amount and amount the management considers it as recoverable on the basis of financial position of the party and appropriate estimation made by the management. Receivables considered as less likely to be received are provided allowance for loss and charged to Statement of Profit or Loss.

In addition, for an investment in an unquoted equity security, a significant or prolonged decline in its net worth is objective evidence of impairment.

Impairment losses are recognized in Statement of Profit or Loss and reflected in an allowance account against debtors. Impairment losses on equity investment are routed through Statement of OCI. Interest on the impaired assets continues to be recognized through the unwinding of the discount. If an event occurring after the impairment was recognized causes the amount of impairment loss to decrease, then the decrease in impairment loss is reversed through income statement (OCI in case of available for sale investment).

If, in a subsequent period, the fair value of an equity investments increases and the increase can be related objectively to an event occurring after the impairment loss was recognized, then the impairing loss is reversed through profit or loss; otherwise, any increase in fair value is recognized through OCI.

2.3.16 Impairment of Non Financial Assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost and value in use. An impairment loss is recognized in Statement of Profit or Loss. Provisions against impairment are reviewed at each reporting date and adjusted to reflect the current best estimates. Impairment charges are included in profit or loss except to the extent they reverse gains previously recognized in Other Comprehensive Income.

2.3.17 Leases

Premises taken and provided on lease are accounted for based on NAS 17 Leases. The lease rental income and lease rental expenses are recognized on a straight line basis over the period of lease agreement if the arrangement contains the lease which is an operating lease.

The Company has entered into operating lease arrangement for use of property at Lazimpat, Kathmandu. The lease rental is adjusted for inflation rate periodically and the same amount is booked as operating lease expenses, which the Company believes is more representative than the straight line method, in line with para 33 of NAS 17: Leases.

2.3.18 Staff bonus

A 2% bonus on net profit after tax in line with the provisions of the Electricity Act 2049.

2.3.19 Share Capital

Financial instruments issued by the company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The company’s equity shares are classified as equity instruments. Dividends on ordinary shares and preference shares classified as equity are recognized in equity in the period in which they are declared. Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments considering the tax benefits achieved thereon. The reserves include retained earnings which contains the accumulated profit of the organization.

2.3.20 Current versus non-current classification

The Company presents assets and liabilities in statement of financial position based on current/noncurrent classification. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities. The Company classifies an asset as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- 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.

  All other assets are classified as non-current. The Company classifies a liability as current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is 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.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.3.21 Events after Reporting Period

Events after reporting period refers to those events favourable or unfavourable which occurs after the reporting date to the date of approval of financial statements by the board of directors.

Any events, which provide the evidence of conditions that existed at the reporting date are adjusting events and they are adjusted in the financial statements. Events which provide evidence of conditions existing after the reporting date are called non-adjusting events. Effects of non-adjusting events are not adjusted in the financial statements, instead, their disclosure is made if material.

2.3.22 Operating Cycle

The Company considers its operating cycle to be of 12 months.

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3.1 Property, plant and equipment

	Survey Equipment	Office Equipment and Furnitures	Vehicles	Software	Total
Gross Cost					
Balance as at 1st Shrawan 2081	1,822,125	7,820,476	10,928,388	73,450	20,644,439
Additions	-	40,800	-	-	40,800
Revaluation and adjustments	-	-	-	-	-
Borrwing Cost Capitalized	-	-	-	-	-
Balance as at 32nd Ashad 2082	1,822,125	7,861,276	10,928,388	73,450	20,685,239
Additions	-	724,810	-	-	724,810
Revaluation and adjustments	-	-	-	-	-
Borrwing Cost Capitalized	-	-	-	-	-
Balance as at 32nd Ashad 2083	1,822,125	8,586,086	10,928,388	73,450	21,410,049
Depreciation and impairment losses					
Balance as at 1st Shrawan 2081	**1,626,754**	**7,357,167**	**10,928,388**	**29,079**	**19,941,387**
Charge for the year	117,224	236,920	-	14,791	368,935
Impairment Losses	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at 32nd Ashad 2082	1,743,978	7,594,087	10,928,388	43,870	20,310,322
Charge for the year	78,147	341,843	-	29,581	449,571
Impairment Losses	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at 32nd Ashad 2083	1,822,125	7,935,930	10,928,388	73,450	20,759,893
Net book value					
As at 31st Ashad 2081	195,371	463,309	-	44,371	**703,052**
As at 32nd Ashad 2082	78,147	267,189	-	29,581	**374,919**
As at 32nd Ashad 2083	-	650,156	-	-	**650,156**

Impairment of Property, Plant and Equipment
No items of Property, Plant and Equipment have been impaired.

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3.2 Intangible Assets

	Service Concession Arrangement	Total
Cost		
Balance as at 31st Ashad 2081	**4,241,248,124**	**4,241,248,124**
Additions	888,000	**888,000**
Revaluation and adjustments	-	-
Borrwing Cost Capitalized	-	-
Balance as at 32nd Ashad 2082	**4,242,136,124**	**4,242,136,124**
Additions	1,785,905,322	**1,785,905,322**
Revaluation and adjustments	-	-
Borrwing Cost Capitalized	-	-
Balance as at 32nd Ashad 2083	**6,028,041,446**	**6,028,041,446**
Amortization		
Balance as at 31st Ashad 2081	**731,817,649**	**731,817,649**
Charge for the year	127,371,158	127,371,158
Impairment Losses	379,810,193	379,810,193
Disposals		-
Balance as at 32nd Ashad 2082	**1,238,999,000**	**1,238,999,000**
Charge for the year	167,633,509	167,633,509
Impairment Losses		-
Disposals		-
Balance as at 32nd Ashad 2083	**1,406,632,509**	**1,406,632,509**
Net book value		
As at 31st Ashad 2081	3,509,430,475	**3,509,430,475**
As at 32nd Ashad 2082	3,003,137,123	**3,003,137,123**
As at 32nd Ashad 2083	4,621,408,937	**4,621,408,937**

Security

Refer Note 3.10 for the details in respect of certain intangible assets hypothicated/ mortagaged as security for borrowings.

Impairment of Property, Plant and Equipment
No items of Property, Plant and Equipment have been impaired.

The tenure of the service concession arrangement of 32 MW Bagmati Small Hydropower Project for generation, transmission and distribution shall be ended onAshad 2106 B.S.

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3.3 Capital Work In Progress	*As at 32nd Ashad 2083*	*As at 32nd Ashad 2082*
Construction Work in Progess	1,019,722,397	585,112,692.00
CWIP (Electromechanical Assets)	564,909,241	298,201,943.00
CWIP (Hydromechanical Assets)	152,715,989	38,776,341.09
CWIP (Transmission Line Assets)	12,288,497	
CWIP (Borrowing Cost Capitalized)	36,269,199	13,247,825.00
Transfer to Intangible Assets	(1,785,905,322)	
	-	**935,338,801**

3.4 Financial Asset at Fair Value Through PL	*As at 32nd Ashad 2083*	*As at 32nd Ashad 2082*
Fair value of the investment at the beginning of the Year	-	
Addition/Transfer	400,000,000	400,000,000
Investment Value	**400,000,000**	**400,000,000**
Reclassifiacation	-	
Fair value gain/(loss) through PL (Refer statement of comprehensive income)		
Fair Value of Investment at the end of the Year	**400,000,000**	**400,000,000**
Current		
Non Current	**400,000,000**	**400,000,000**

3.5 Inventories:	*As at 32nd Ashad 2083*	*As at 32nd Ashad 2082*
Consumables	4,723,485	4,723,485
Total	**4,723,485**	**4,723,485**

3.6 Trade and Other Receivables	*As at 32nd Ashad 2083*	*As at 32nd Ashad 2082*
Receivbale from NEA	166,085,918	1,216,337
Total	**166,085,918**	**1,216,337**

3.7 Other Assets	*As at 32nd Ashad 2083*	*As at 32nd Ashad 2082*
Non Current		
Project Land Advance	2,018,750	2,018,750
Deposits (NEA)	19,508,624	19,508,624
	21,527,374	**21,527,374**
Current		
Prepaid Expenses	12,811,535	10,389,334
Insurance Claim Receivables	-	228,224,300
Advance Tax	204,547	203,668
Advance to Suppliers	4,904,210	105,335,237
LC Margin	46,844	3,098,644
Staff Advance	92,549	135,000
	18,059,686	**347,386,183**
Total	**39,587,060**	**368,913,557**

3.8 Cash and Cash Equivalents:	*As at 32nd Ashad 2083*	*As at 32nd Ashad 2082*
Cash in hand	84,000	83,427
Cash at Bank	5,272,357	5,182,190
	5,356,357	**5,265,617**

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3.9 **Share capital:**	*As at 32nd Ashad 2083*	*As at 32nd Ashad 2082*
Ordinary Shares	13,636,370	13,636,370
Other Equity Instruments	-	-
	13,636,370	**13,636,370**

Details of Ordinary Shares	*As at 32nd Ashad 2083*	*As at 32nd Ashad 2082*
(a) Authorised Share Capital		
15,000,000 shares of Rs. 100 each	1,500,000,000	1,500,000,000
(b) Issued Share Capital		
13,636,370 shares of Rs. 100 each	1,363,637,000	1,363,637,000
(c) Subscribed and Fully Paid Up		
13,636,370 shares of Rs. 100 each	1,363,637,000	1,363,637,000
Total	**1,363,637,000**	**1,363,637,000**

Reconciliation of no. shares outstanding	*As at 32nd Ashad 2083*	*As at 32nd Ashad 2082*
Balance at the beginning of the year	13,636,370	13,636,370
Add: Initial Public Offerings (IPO)	-	-
Total	**13,636,370**	**13,636,370**

3.10. **Retained Earnings and Other Reserves**	*As at 32nd Ashad 2083*	*As at 32nd Ashad 2082*
Retained Earnings	686,722,031	368,170,831
Share Premium	170,598,065	170,598,065
CSR Fund	151,224	614,947
	857,471,321	**539,383,843**

Movement in Accumulated Profit **Particulars**	*As at 32nd Ashad 2083*	*As at 32nd Ashad 2082*
Opening Retained Earnings	368,170,831	469,927,616
Profit/(Loss) during the year	318,551,200	61,879,656
Dividend Paid	-	(163,636,440)
Closing Retained Earnings	**686,722,031**	**368,170,831**

Movement in CSR Fund **Particulars**	*As at 32nd Ashad 2083*	*As at 32nd Ashad 2082*
Opening Balance	614,947	-
Allocation to Fund During the Year	3,217,689	625,047
Expenses Made towards CSR Activities	(3,681,412)	(10,100)
	151,224	**614,947**

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3.11 Loans and borrowings:	*As at 32nd Ashad 2083*	*As at 32nd Ashad 2082*
Non-current loans and borrowings - Secured		
Term Loan	2,200,504,165	1,392,908,555
Bridge Gap Loan	200,000,000	797,557,414
	2,400,504,165	**2,190,465,969**
Current loans and borrowings - Secured		
Term Loan	400,000,000	360,000,000
Working Capital Loan	120,000,000	99,378,220
	520,000,000	**459,378,220**

a) The company has entered into an arrangement for consortium loan with Nabil Bank Limited, Nepal Bank Limited, Prabhu Bank Limited, Rastriya Banijya Bank Limited, Laxmi Sunrise Bank Limited, Hydroelectricity Investment and Development Company Limited, and Global IME Bank Limited. The loan is secured as charge by way of hypothecation of Land, Building and Plant & Machinery of Small Bagmati Hydropower Project. All these assets are classified as "Service Concession Arrangements".

b) Working capital loan is obtained from Nabil Bank Limited which is secured by way of assignment of revenue stream of Small Bagmati Hydropower Project.

3.12 Employee benefits	*As at 32nd Ashad 2083*	*As at 32nd Ashad 2082*
Non-current		
Salary and Wages Payable	-	-
Total non-current	**-**	**-**
Current		
Salary Payable	-	637,993
Bonus Payable	7,842,318	1,275,606
Provident Fund Payables	104,160	57,477
Gratuity Payable	715,272	47,877
Total current	**8,661,750**	**2,018,953**

The gratuity payable relates to a defined contribution plan which includes contribution of 8.33% of basic salary of employees to the retirement funds of employees and bonus payable includes 2% staff bonus with the provision of Electricity Act 2049.

3.13 Trade and other payables:	*As at 32nd Ashad 2083*	*As at 32nd Ashad 2082*
Duties and Taxes	3,000	6,656,194
Royalty Energy	3,961,517	24,172
Retention Payables	41,348,850	32,856,364
Other Liabilities	42,224,309	20,689,526
Dividend Payables	-	103,859,597
	87,537,675	**164,085,853**

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		FY 2082-83	FY 2081-82
3.14	**Revenue**		
	Revenue from Sale of Electricity	794,934,701	204,742,193
		794,934,701	**204,742,193**

		FY 2082-83	FY 2081-82
3.15	**Other income**		
	Interest Income	5,861	29,849
	Other Income	-	1,650
	Insurance Income (Property)	-	345,234,500
	Recognition of LOP from Insurance	-	242,989,800
		5,861	**588,255,799**

		FY 2082-83	FY 2081-82
3.16	**Employee benefit expenses:**		
	Salary Expenses	22,385,274	19,870,383
	Allowance and Benefits	2,414,500	2,228,222
	Provident Fund	1,264,450	1,164,105
	Gratuity Expenses	1,056,636	969,706
	Overtime Allowances	648,540	296,529
	Festival Attendance Allowances	282,077	102,987
	Contract Meet Allowances	-	30,000
		28,051,477	**24,661,932**

		FY 2082-83	FY 2081-82
3.17	**Operation and Maintanence Expenses**		
	Insurance Expenses	10,438,880	7,464,299
	Repair & Maintenance	26,221,256	3,548,357
	Bay Charges	-	972,000
	Royalty	18,252,119	6,294,844
	Security Expenses	1,918,740	1,821,108
	Site Office Expenses	2,793,043	2,322,000
	Site Office Procurement	458,568	193,232
	NEA Energy Consumption	860,812	-
	Site Visit Expenses	485,044	383,630
		61,428,462	**22,999,470**

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3.18	Administrative Expenses	FY 2082-83	FY 2081-82
	Advertisement Expenses	77,292	434,209
	Wages	2,262,072	1,870,868
	Employee Insurance	1,164,828	1,297,149
	Refreshment Expenses	159,765	55,962
	Leave Allowance	-	36,793
	AGM Expenses	-	82,097
	Afforestation Expenses	21,500	
	Attestation Expenses	6,000	
	Audit Fee	226,000	169,500
	Audit Related Expenses	210,420	89,466
	CDS Annual Fee	-	220,000
	Certification Fee	395,500	33,900
	Communication Expenses	702,790	449,944
	Consultancy Fees	56,500	41,176
	Courier Charges	1,300	1,300
	Data Collection Fee	-	500
	Deceleration Expenses	678	-
	Fooding and Lodging	683,480	101,988
	Forestry Related Expenses (Royalty)	125,684	114,258
	Fuel and Lubricants	818,088	659,100
	Insurance Vehicle	26,890	8,618
	Land Taxes	43,100	-
	Legal Expenses	113,000	438,300
	Local Conveyance Expenses	72,498	82,272
	Maintainance Expenses	323,397	477,819
	Medical Benefits	18,971	20,802
	Meeting Allowance	450,000	308,000
	Meeting Related Expenses	227,527	115,250
	Miscellaneous Expenses	18,005	24,400
	Nepse Renewal Fee	100,000	100,000
	Other Taxes	-	48,969
	Pooja Expenses	145,691	50,000
	Prining and Stationery	280,297	283,869
	Professional Fee	-	200,000
	Rating Expenses	295,636	618,108
	Registration & Renewal Fee	160,500	9,000
	Rent Expenses	726,000	660,000
	Rts Annual Fee	100,000	-
	Share Related Expenses	-	100,000
	Translation Expenses	-	5,860
	Transportation Expenses	110,740	9,040
	Travelling Expenses	2,935,627	1,783,435
	Utilities Expenses	670,158	676,060
	Vehicle Expenses-Tax	96,800	97,810
	Visitant Expenses	1,067,874	338,850
	Website Expenses	17,647	-
		14,912,255	**12,114,672**

3.19. Depreciation, amortisation included in the statement of profit or loss :

	FY 2082-83	FY 2081-82
Amortization on Intangible Assets	167,633,509	127,371,158
Impairment of Intangible Assets	-	379,810,193
s	449,572	368,934
	168,083,081	**507,550,286**

3.20.	Finance cost	FY 2082-83	FY 2081-82
	Agency Fee	2,649,844	2,068,655
	Bank Charges	152,744	1,552,825
	Interest Expenses	189,612,497	158,269,844
	Loan Processing Expenses	1,714,600	-
		194,129,685	**161,891,324**

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For the period ended on 32 Ashad 2083 (16 July 2025)

4. Additional Information

4.1 Share Capital

The Company has only one class of equity shares having par value of NPR 100 per share. Every member holding equity shares therein shall have voting rights in proportion to the member's share of the paid up equity share capital. The Company declares and pays dividend in Nepalese rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

4.2 Dividend

Dividend is proposed by the Board of Directors and approved by shareholders in the Annual General Meeting. Board of Directors have 10% bonus share and 0.5263% cash dividend for tax purpose proposed for the year 2081-82 and 12% cash dividend (including tax) for the year 2082-83.

4.3 Reserves and Retained Earnings

Retained Earnings

Net profit for each year is added to this reserve. Company uses this to provide dividend to its shareholders.

No amount has been apportioned in other reserves.

4.4 Corporate Social Responsibility

In the Fiscal Year a provision of 1% of net profit after tax has been allocated for CSR Fund as per the provision of Industrial Enterprise Act 2076, Clause 48 (1). This fund will be used for social welfare for the people surrounding Bagmati Small Hydropower Project.

Particulars	FY 2082/83
Opening Balance	614,947
Allocation to Fund During The Year (1% of Net Profit) (A)	3,217,689
Expense made during the year	(3,681,412)
Closing Balance	151,224

4.5 Related Party Transactions

Related parties of the company comprises of key management personnel, organization having significant influence on the company, subsidiaries of the company and Board of Directors.

a. **Significant Influence**

Entities having significant influence over the Company is as follows:

i. **Himalayan Infrastructure Fund Limited (HIFL)**

Himalayan Infrastructure Fund Limited is major shareholder of the company. This company has one representatives in the current Board of the company. There is no transaction and outstanding balance at the year end.

ii. Sichuan Hechuan Investment Co

Sichuan Hechuan Investment Co is major shareholder of the company. This company has one representatives in the current Board of the company. There is no transaction and outstanding balance at the year end.

b. Those charged with Governance

Those charged with governance include the Board of Directors of the Company. The composition of Board on the reporting date is as follows:

Name	Position
Mr. Rabindra Lal Shrestha	Chairman
Mr. Tian Jiayuan	Director
Mrs. Sophia Pande	Director
Mrs. Zhu Xianxian	Director
Mr. Barun Shrestha	Public Director

Board members are paid Rs. 8,500 (net of withholding tax) per meeting as meeting fee for attending each meeting of Board. Meeting fee paid to members of Board for Board meetings during the year amounts to Rs. 240,000.

c. Key Management Personnel

The company's key management personnel are Chairman. Total compensation to key management personnel during the year :

Name	Position	Amount
Rabindra Lal Shrestha	Chairman	Nil

4.6 Earnings Per Share

Basic earnings per share (EPS) is calculated by dividing the net profit attributable to shareholders by weighted average number of shares outstanding at the end of the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the company by the weighted average number of ordinary shares outstanding during the year, plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. The following reflects the profit and share data used in the basic and diluted EPS computations:

Amount in Rs

Particulars	**FY 2081/82**	**FY 2081/82**
Net profit attributable to Shareholders for Basic and diluted earnings	318,551,200	61,879,656
Weighted average number of Ordinary Shares for basic EPS	13,636,370	13,636,370
Effect of Dilution:		
Share Option	Nil	Nil
Weighted average number of ordinary shares adjusted for the effect of dilution	13,636,370	13,636,370
Basic earning per ordinary share	**23.36**	**4.54**
Dilutes earning per share	23.36	4.54

Since there is no convertible and other option, diluted earning per share would be equal to Basic earning per share.

Calculation of Weighted no. of shares:

Particulars	**FY 2082/83**	**FY 2081/82**
Opening number of shares	13,636,370	13,636,370
Issued during the year	-	-
Total Weighted No of shares	**13,636,370**	**13,636,370**

4.7 Capital Commitments, Contingencies and Guarantee issued

No records are maintained to track the capital commitment and contingent liability, accordingly these cannot be readily available and has therefore not been disclosed.

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