

**INDEPENDENT AUDITOR'S REPORT  
TO THE SHAREHOLDERS OF  
BALEPHI HYDROPOWER LIMITED**

We were engaged to audit the accompanying financial statements of **Balephi Hydropower Ltd.**, which comprise the Balance Sheet as at Ashadh 31, 2076, (July 16, 2019) and the related Income Statement, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date.

**Management's Responsibility for the financial Statements**

Management of the company is responsible for the preparation and fair presentation of these financial Statements in accordance with Nepal Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with Nepal Standards on Auditing. Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

**Basis of Disclaimer of Opinion**

The financial statements of the company are not complied with Nepal Financial Reporting Standards. As a result, we were unable to determine whether any adjustments were necessary in respect of the financial statements.

**Disclaimer of Opinion**

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements.

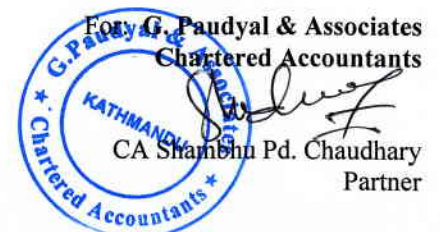
**Report on Other Legal & Regulatory Requirements**

On the basis of our examination and explanations given to us, we would like to report that:

- i. We have obtained all the information and explanations, which were considered necessary for the purpose for our audit.
- ii. Company has kept proper books of accounts as required by law, except as required by Nepal Financial Reporting Standards.
- iii. The Balance Sheet, Income Statement, Statement of Cash Flows, Statement of Changes in Equity 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.

Place: Kathmandu

Date: 2076-6-28



**Balephi Hydropower Ltd.**  
**Balance Sheet**  
**As at Ashad 31, 2076 (July 16, 2019)**

Particulars	Schedule	Current Year	Previous Year
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipment,(Net)	1	190,386,151.80	145,465,260.00
Capital Work in Progress		3,492,650,215.91	1,819,749,321.00
<b>Total Non-Current Assets</b>		<b>3,683,036,367.71</b>	<b>1,965,214,581.00</b>
<b>Current Assets</b>			
Cash & Cash Equivalents	2	2,890,763.00	1,747,101.00
Advances & Deposits	3	382,190,572.00	438,688,801.00
<b>Total Current Assets</b>		<b>385,081,335.00</b>	<b>440,435,902.00</b>
<b>Total Assets</b>		<b>4,068,117,702.71</b>	<b>2,405,650,483.00</b>
<b>Equity &amp; Liabilities</b>			
<b>Equity</b>			
Share Capital	4	1,182,109,686.00	1,180,309,687.00
Shareholder's Advance		148,600,001.00	-
Reserve & Surplus	5	(83,215,427.29)	(76,941,005.00)
<b>Total Equity</b>		<b>1,247,494,259.71</b>	<b>1,103,368,682.00</b>
<b>Non Current Liabilities</b>			
Long Term Loans	6	2,060,979,115.00	621,575,703.00
Other Non Current Liabilities	7	17,164,198.00	4,872,668.00
<b>Total Non Current Liabilities</b>		<b>2,078,143,313.00</b>	<b>626,448,371.00</b>
<b>Current Liabilities</b>			
Sundry Creditors		167,181,852.00	129,294,355.00
Bridge Gap Loans	8	558,262,400.00	527,379,218.00
Other Payables	9	17,035,878.00	19,159,857.00
<b>Total Current Liabilities</b>		<b>742,480,130.00</b>	<b>675,833,430.00</b>
<b>Total Equity &amp; Liabilities</b>		<b>4,068,117,702.71</b>	<b>2,405,650,483.00</b>

Notes to the Accounts

11

As per our attached report of even date

Kathmandu

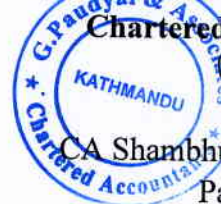
Date: 07/16/2019



Chairman

For: G. Paudyal & Associates

Chartered Accountants



CA Shambhu Pd. Chaudhary  
Partner

Director

Accountant

**Balephi Hydropower Ltd.**  
**Income Statement**  
**For the Year Ended Ashad 31, 2076 (July 16, 2019)**

Particulars	Schedule	Current Year	Previous Year
Revenue From Power Sales		-	-
Interest From Bank		-	363.00
Other Income		102,391.00	75,548.00
<b>Total Income</b>		<b>102,391.00</b>	<b>75,911.00</b>
Less:			
Plant Operation Expenses		-	-
Administration Expenses	10	5,157,939.00	6,515,511.00
<b>Profit Before Interest &amp; Depreciation</b>		<b>(5,055,548.00)</b>	<b>(6,439,600.00)</b>
Less:			
Interest Expenses		-	-
Depreciation		1,218,874.29	680,679.00
<b>Profit / (Loss) Before Tax</b>		<b>(6,274,422.29)</b>	<b>(7,120,279.00)</b>
Current Tax			
Deferred Tax			
<b>Profit / (Loss) After Tax</b>		<b>(6,274,422.29)</b>	<b>(7,120,279.00)</b>

Notes to the Accounts

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As per our attached report of even date

Kathmandu

**For: G. Paudyal & Associates**

Date: 076-6-28

**Chartered Accountants**



Chairman

Director

Accountant

**Balephi Hydropower Ltd.**  
**Cash Flow Statement**  
**For the Year Ended Ashad 31, 2076 (July 16, 2019)**

Particulars	Current Year	Previous year
<b>A. Cash Flow From Operating Activities :</b>		
Net Profit after Tax	(6,274,422.29)	(7,120,279.00)
Add : Depreciation	1,218,874.29	680,679.00
<b>Net Cash Inflow before Changes in Working Capital</b>	<b>(5,055,548.00)</b>	<b>(6,439,600.00)</b>
Changes in Current Assets	56,498,229.00	165,769,257.00
Changes in Current Liabilities	66,646,700.00	502,713,820.00
Changes in Non Current Liabilities	12,291,530.00	4,872,668.00
<b>Net Cash flow from Operating Activities (A)</b>	<b>130,380,911.00</b>	<b>666,916,145.00</b>
<b>B. Cash Flow From Investing Activities :</b>		
Purchase of Fixed Assets	(79,782,018.00)	(153,257,725.00)
Increase in Work In Progress	(1,639,258,643.00)	(857,569,118.00)
<b>Net Cash Flow From Investing Activities (B)</b>	<b>(1,719,040,661.00)</b>	<b>(1,010,826,843.00)</b>
<b>C. Cash Flow From Financing Activities :</b>		
Increase in Long Term Bank Loan	1,439,403,412.00	226,286,957.00
Changes in Share Capital	1,799,999.00	118,545,826.00
Changes in Advance for Shares	148,600,001.00	-
<b>Net Cash Flow From Financing Activities (C)</b>	<b>1,589,803,412.00</b>	<b>344,832,783.00</b>
<b>Net Cash Flows ( A+B+C)</b>	<b>1,143,662.00</b>	<b>922,085.00</b>
Add : Opening Cash & Cash Equivalent	1,747,101.00	825,016.00
<b>Closing Cash &amp; Cash Equivalent</b>	<b>2,890,763.00</b>	<b>1,747,101.00</b>

Kathmandu

Date: 2076-6-28



Chairman

Director

Accountant

As per our attached report of even date

For: **G. Paudyal & Associates**

**Chartered Accountants**



CA Shambhu Pd. Chaudhary  
Partner

## Balephi Hydropower Ltd.

### Statement of Changes in Equity

For the Year Ended Ashad 31, 2076 (July 16, 2019)

Particulars	Share Capital	Share Premium	Revaluation Reserve	Accumulated Profit/(Loss)	Total
Balance as on 01.04.2074	1,180,309,687.00			(69,820,726.00)	1,110,488,961.00
Issue of Share Capital Profit/(Loss) for the Year	-			(7,120,279.00)	-
<b>Balance as on 32.03.2075</b>	<b>1,180,309,687.00</b>	<b>-</b>	<b>-</b>	<b>(76,941,005.00)</b>	<b>1,103,368,682.00</b>
Balance as on 01.04.2075	1,180,309,687.00			(76,941,005.00)	1,103,368,682.00
Issue of Share Capital	1,799,999.00				1,799,999.00
Shareholders Advance	148,600,001.00				148,600,001.00
Profit/(Loss) for the Year				(6,274,422.29)	(6,274,422.29)
<b>Balance as on 31.03.2076</b>	<b>1,330,709,687.00</b>	<b>-</b>	<b>-</b>	<b>(83,215,427.29)</b>	<b>1,247,494,259.71</b>

As per our attached report of even date

Kathmandu  
Date: 07/07/2019

G. Paudyal & Associates  
Chartered Accountants  
KATHMANDU  
CA Shambhu Pd. Chaudhary  
Partner

Chairman

Director

Accountant

**Balephi Hydropower Ltd.**

Schedules Forming part of the Financial Statements  
For the Year Ended Ashad 31, 2076 (July 16, 2019)

Particulars	Rate	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		Opening Balance	Addition	Total	Opening WDV	On Addition	During the year	Total	Current Year	Previous Year
<b>Pool B</b>	25%									
Computer & Printers		939,951.00	394,260.00	1,334,211.00	132,256.00	83,490.00	215,746.00	626,673.00	707,538.00	529,024.00
External Hard Disk		9,500.00		9,500.00	1,002.00	-	1,002.00	6,494.00	3,006.00	4,008.00
Furniture & Fixtures		1,476,021.00	142,062.00	1,618,083.00	192,496.00	35,515.38	228,011.38	934,049.38	684,033.63	769,983.00
Fan		17,400.00		17,400.00	3,459.00	-	3,459.00	7,022.00	10,378.00	13,837.00
Walkie Talkie & Mobile Phone		549,125.00	41,244.00	549,125.00	90,361.00	-	90,361.00	278,041.00	271,084.00	361,445.00
Office Equipments		59,050.00		100,294.00	12,968.00	6,167.92	19,135.92	26,314.92	73,979.08	51,871.00
Spiral Binding Machine		9,700.00		9,700.00	1,137.00	-	1,137.00	6,291.00	3,409.00	4,546.00
<b>Pool C</b>	20%									
Vehicle		3,060,747.00	577,566.00	3,638,313.00	433,679.00	125,173.29	558,852.29	1,884,885.29	1,753,427.71	1,734,714.00
		13,070,310.00	2,641,000.00	15,711,310.00	1,918,610.00	525,400.00	2,444,010.00	5,921,270.00	9,790,040.00	9,593,050.00
<b>Pool D</b>	15%									
Solar Inverter & battery		13,070,310.00	2,641,000.00	15,711,310.00	1,918,610.00	525,400.00	2,444,010.00	5,921,270.00	9,790,040.00	9,593,050.00
Machinery Tools		120,130.00		120,130.00	12,095.00	-	12,095.00	51,595.00	68,535.00	80,630.00
Civil Equipments		1,264,555.00		1,264,555.00	179,079.00	-	179,079.00	249,771.00	1,014,784.00	1,193,863.00
		138,854,082.00	76,563,452.00	215,417,534.00	7,791,379.00	11,359,757.91	31,019,162.91	38,810,541.91	176,606,992.10	131,062,703.00
<b>Pool E</b>		140,238,767.00	76,563,452.00	216,802,219.00	19,850,579.00	11,359,757.91	31,210,336.91	39,111,907.91	177,690,311.10	132,337,196.00
Office Setup	3 Yrs	1,899,382.00		1,899,382.00	633,127.00		633,127.00	791,409.00	1,107,973.00	1,741,100.00
Tally Software	5 Yrs	74,000.00		74,000.00	14,800.00		14,800.00	29,600.00	44,400.00	59,200.00
		1,973,382.00	-	1,973,382.00	647,927.00	-	647,927.00	821,009.00	1,152,373.00	1,800,300.00
<b>Grand Total</b>		158,343,206.00	79,782,018.00	238,125,224.00	22,850,795.00	12,010,331.20	34,861,126.20	47,739,072.20	190,386,151.80	145,465,260.00



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**Balephi Hydropower Ltd.**  
**Schedules Forming part of the Financial Statements**  
**For the Year Ended Ashad 31, 2076 (July 16, 2019)**

Cash & Cash Equivalents	Schedule 2	
Particular	Current Year	Previous year
Cash Balance (As Certified by the Management)	2,509,946.00	1,319,474.00
<b>Bank Balance</b>		
Everest Bank Limited	25,873.00	26,123.00
Nepal Bank Ltd.	43,504.00	43,504.00
Global Ime Bank Ltd.	(275,119.00)	-
Nepal Investment Bank Ltd.	353,000.00	353,000.00
Sanima Bank Ltd.	228,559.00	-
NIDC Development Bank Ltd.	5,000.00	5,000.00
<b>Total</b>	<b>2,890,763.00</b>	<b>1,747,101.00</b>

Advances & Deposits	Schedule 3	
Particular	Current Year	Previous Year
Advance to Contractors/Vendors	158,537,086.00	235,222,365.00
Advance for Land	40,184,000.00	35,600,000.00
<b>Other Advances &amp; Deposit</b>		
46 MW- Upper Balephi	556,800.00	13,879,880.00
Ayush Rajak	5,000.00	
Advance Yard/Store Rent	59,550.00	68,151.00
Bhupendra Parajuli- Advance	2.00	
Chandra Kumari Silwal	310,547.00	
Dhruba Panta- Transportation	50,000.00	
EIA Advance	50,000.00	50,000.00
Ganga Bahadur Silwal	981,445.00	
Gyana Bahadur Silwal-Land Rent	621,094.00	
Hira Bahadur Silwal	527,344.00	
Initial & Mobilisation Advance	647,655.00	
Keshav Adhikari	150,362.00	
Labour Advance	363,200.00	263,200.00
Laxman Khadka	4,000.00	
Other Advances	142,202,236.00	122,873,411.00
Pratap Lama	25,000.00	
Prepaid Insurance	5,285,061.00	5,777,003.00
Rajkumar Raut	1,000.00	
Santosh Kasaju	60,000.00	
Sharan Jyoti	590,000.00	
Sher Bahadur Shrestha(7012)	20,000.00	
Social Mitigation-Advance	292,000.00	
Staff Advances	424,105.00	557,690.00
Tej Bahadur Silwal	500,000.00	
Tej Bahadur Silwal-Land Rent	621,094.00	
Universal Star Technology Ltd.		1,500,692.00
Vehicle & Machine Advance	500,000.00	6,471,800.00



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# Balephi Hydropower Ltd.

**Schedules Forming part of the Financial Statements  
For the Year Ended Ashad 31, 2076 (July 16, 2019)**

<b>Margin Deposits</b>		
10% Margin by bank	4,707,950.00	143,495.00
Cash Margin	777,841.00	-
L/C Margin EM	14,577,529.00	12,397,500.00
L/C Margin TL	264,000.00	1,267,614.00
L/C Margin-Civil	4,666,605.00	2,337,500.00
NRB MARGIN	313,566.00	-
<b>Other Deposits</b>		
DOED Deposit	5,000.00	5,000.00
House Rent Deposit	272,000.00	272,000.00
Deposit for Transmission Line	3,000,000.00	
Deposit	37,500.00	1,500.00
<b>Total</b>	<b>382,190,572.00</b>	<b>438,688,801.00</b>

## Share Capital

Schedule 4

Particulars	Current Year	Previous Year
<b>Authorised Capital</b>		
2,40,00,000 Equity Shares @ Rs 100. Each	2,400,000,000.00	2,400,000,000.00
<b>Issued Capital</b>		
2,40,00,000 Equity Shares @ Rs 100. Each	2,400,000,000.00	2,400,000,000.00
<b>Paid Up Capital</b>		
Paid Up Capital	1,182,109,686.00	1,180,309,687.00
<b>Total</b>	<b>1,182,109,686.00</b>	<b>1,180,309,687.00</b>

## Reserve & Surplus

Schedule 5

Particular	Current Year	Previous Year
Profit / ( Loss) Upto Previous Year	(76,941,005.00)	(69,820,726.00)
Profit / ( Loss) For The Year	(6,274,422.29)	(7,120,279.00)
<b>Total</b>	<b>(83,215,427.29)</b>	<b>(76,941,005.00)</b>

## Long Term Loan

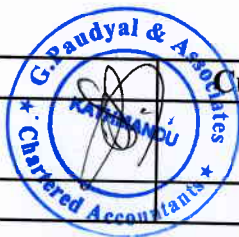
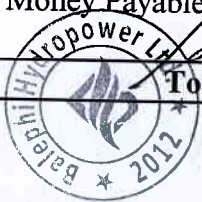
Schedule 6

Particular	Current Year	Previous Year
Everest Bank Limited-Term Loan	441,587,768.00	130,073,400.00
Global IME Bank Limited-Term Loan	623,753,005.00	198,169,634.00
Nepal SBI Bank Limited-Term Loan	323,409,856.00	96,115,844.00
NIDC Development Bank Limited-Term Loan	229,684,546.00	67,494,673.00
Sanima Bank Limited-Term Loan	442,543,940.00	129,722,152.00
<b>Total</b>	<b>2,060,979,115.00</b>	<b>621,575,703.00</b>

## Other Non Current Liabilities

Schedule 7

Particular	Current Year	Previous Year
Retention Money Payable	17,164,198.00	4,872,668.00
<b>Total</b>	<b>17,164,198.00</b>	<b>4,872,668.00</b>



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# Balephi Hydropower Ltd.

**Schedules Forming part of the Financial Statements  
For the Year Ended Ashad 31, 2076 (July 16, 2019)**

## Bridge Gap Loans

Schedule 8

Particular	Current Year	Previous Year
Global IME Bank Limited-BG Loan	471,762,400.00	527,379,218.00
Everest Bank Ltd.	86,500,000.00	-
<b>Total</b>	<b>558,262,400.00</b>	<b>527,379,218.00</b>

## Other Payables

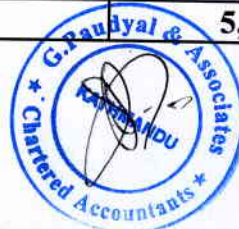
Schedule 9

Particular	Current Year	Previous Year
Audit Fee Payable	223,000.00	223,000.00
Binod Shrestha	47,515.00	47,515.00
CIT Payable	87,500.00	36,000.00
Interest Payable	-	753,611.00
Municipal Tax	177,778.00	32,640.00
Payable of Operator & Driver OT	-	409,100.00
Salary Payable	5,355,754.00	5,298,964.00
Mukesh Patel (Moonlight)	419,671.00	-
Labour Wages Payable	1,203,418.00	-
Sharad Sharda	-	14,000.00
Umesh Kasaju	-	2,285,247.00
Withholding & Other Tax Payables	9,521,242.00	10,059,780.00
<b>Total</b>	<b>17,035,878.00</b>	<b>19,159,857.00</b>

## Administrative Expenses

Schedule 10

Particular	Current Year	Previous Year
Advertisement Expenses	85,215.00	350,241.00
Audit Fee	226,000.00	226,000.00
Communication & Internet	411,334.00	295,676.00
Donation	500.00	
Fine & Penalty	189,140.00	
Guest Relation Expenses	630,845.00	615,922.00
IPO Expenses	1,864,500.00	
Late Fee	2,800.00	3,526,333.00
Miscellaneous		15,500.00
Office Rent	1,333,333.00	1,425,084.00
Parking Charges	48,455.00	3,690.00
ROC Filing Fees	33,200.00	
Staff Training Expenses	20,000.00	11,000.00
Staff Welfare Expenses	160,000.00	46,065.00
Staffs Lunch(HO)	152,617.00	
<b>Total</b>	<b>5,157,939.00</b>	<b>6,515,511.00</b>



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**Balephi Hydropower Limited**  
For the Year Ended Ashad 31, 2076 (July 16, 2019)

**Details of Capital Work in Progress**

S.N.	Particular	Current Year	Addition	Previous year
<b>A</b>	<b>Civil of Project</b>			
	Civil Construction Material	473,362,875.00	257,605,435.00	215,757,440.00
	ACSR Conductor Wire	819,533.00	-	819,533.00
	Labrotary Setup	513,500.00	513,500.00	-
	Other Works-Civil	64,091,193.00	5,360,630.00	58,730,563.00
	Headworks, Desander and Syphon	363,625,461.00	300,713,428.00	62,912,033.00
	Others(Swithchyard, Compound Wall, Protection Work)	3,704,342.00	3,704,342.00	-
	Headrace Tunnel	580,389,464.00	311,176,349.00	269,213,115.00
	Surge Tank	21,207,421.00	21,207,421.00	-
	Power House	75,357,587.00	53,464,818.00	21,892,769.00
	Site Office & Buildings	50,000,000.00	-	50,000,000.00
<b>B</b>	<b>Electromechanical Works</b>			
	Transmission Line Cost	97,788,136.00	9,234,626.00	88,553,510.00
	Turbines	3,571,171.00	3,571,171.00	-
	Bank Comission/charge-EM Works	3,765,467.00	1,000.00	3,764,467.00
	Earthing Plate for EM Works	1,983,112.00	1,983,112.00	-
	Plant & Machinery Cost-EM	164,546,294.00	109,449,649.00	55,096,645.00
	Route Survey & Planing	68,930,000.00	68,930,000.00	-
<b>C</b>	<b>Financial Cost</b>			
	Interest Expenses (BG Loan)	124,568,438.00	63,528,934.00	61,039,504.00
	Interest Expenses(Term Loan)	189,005,465.00	133,689,567.00	55,315,898.00
	SLA Management Fee	18,521,576.00	621,576.00	17,900,000.00
<b>D</b>	<b>Hydro Mechanical Works</b>			
	Gates, Stoplogs, Trashracks Etc	29,009,662.00	29,009,662.00	-
	Plates, Pipe Expansion Joints, Stipners Manhole	73,149,916.00	73,149,916.00	-
<b>E</b>	<b>PPA Pre PPA and Pre Fesibility Expenses</b>			
	PPA Expenses	19,950,000.00	-	19,950,000.00
	Advertisement Expenses for Generation Licence	223,288.00	-	223,288.00
	Connection Agreement Expenses	5,000,000.00	-	5,000,000.00
	Detail Study Preparation of Project	6,500,000.00	-	6,500,000.00
	Due Diligence Study Report	1,130,000.00	-	1,130,000.00
	EIA Expenses	1,500,000.00	-	1,500,000.00
	EIA Survey Expenses	3,000,000.00	-	3,000,000.00
	Infrastructure Cost for Project Development	22,175,000.00	-	22,175,000.00
	Licenses Fee Cost	20,040,100.00	100.00	20,040,000.00
	PPA Bank Gurrantee Commission	1,647,000.00	-	1,647,000.00
	PPA & Prefeasibility Expenses (Licenses Purchase)	1,300,000.00	-	1,300,000.00
	Pre PPA & Pre Feasibility 2070.71	33,700,000.00	-	33,700,000.00
<b>F</b>	<b>Project Operating Cost</b>			
	Access Road & Infrastructure Development Cost	351,867,963.00	32,627,333.00	319,240,630.00
	Environment/Social Mitigation	97,570,646.00	18,578,562.00	78,992,084.00
	Land Purchase and Development Cost	256,119,910.00	12,456,027.00	243,663,883.00
	Miscellanoues and Insurance	34,060,352.00	31,381,917.00	2,678,435.00



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**Balephi Hydropower Limited**  
For the Year Ended Ashad 31, 2076 (July 16, 2019)

**Details of Capital Work in Progress**

<b>G</b>	<b>Project Supervision/Management</b>			
	Bank Comission/charge	1,903,453.00	1,857,251.00	46,202.00
	Bank Guarrantee Charges of EXIM Code	32,400.00	-	32,400.00
	Communication for Site Office	336,909.00	7,400.00	329,509.00
	Consultancy Fee	28,261,712.00	16,573,540.00	11,688,172.00
	Daily Allowance	51,400.00	51,400.00	-
	Dashain Allowances	1,700,845.00	1,700,845.00	-
	Design and Drawing	12,571,000.00	-	12,571,000.00
	Detailed Engineering Design of Project	9,759,750.00	-	9,759,750.00
	Electricity Charge	244,689.00	179,274.00	65,415.00
	Electricity Expenses for the Project	978,451.00	352,017.00	626,434.00
	Fooding Expenses of Excavator Op	453,471.00	211,342.00	242,129.00
	Fooding Expenses(Site Office)	157,410.00	95,220.00	62,190.00
	Fuel Expenses	1,691,025.00	1,055,815.00	635,210.00
	Geophysical Test of Project	1,166,725.00	-	1,166,725.00
	Ime Charges	900.00	-	900.00
	Insurance Expenses	6,991,922.00	6,839,142.00	152,780.00
	Insurance Expenses (Vechicle) 2071.72	33,947.00	-	33,947.00
	Land Rent	75,000.00	25,000.00	50,000.00
	Loding/Unloading Wages Charge	144,360.00	9,800.00	134,560.00
	Medicine Expenses	42,584.00	26,314.00	16,270.00
	Meeting Allowances	28,236.00	28,236.00	-
	Meeting Expenses	105,849.00	105,849.00	-
	Mess Expenses(Powerhouse/Intake)	8,835,390.00	5,296,944.00	3,538,446.00
	Mess Expenses(Store/yard)	517,082.00	324,815.00	192,267.00
	Miscellaneous Expenses	5,780.00	-	5,780.00
	Office & Kitchen Setup(Site)	1,309,526.00	834,650.00	474,876.00
	Office and Kitchen Expenses.	654,009.00	178,526.00	475,483.00
	Office Setup Expenses	1,736,142.00	-	1,736,142.00
	Operation & Upkeep of Civil Equipments	3,479,800.00	441,175.00	3,038,625.00
	Printing, Stationary and Office Supplies	569,747.00	249,908.00	319,839.00
	Purchase PVC Pipe	81,702.00	-	81,702.00
	Registration and Renewable Charges	755,425.00	750,000.00	5,425.00
	Renewal Registration	122,085.00	122,085.00	-
	Repair & Maintanance	3,669,810.00	2,237,302.00	1,432,508.00
	Road Tax	5,635.00	2,760.00	2,875.00
	Salary Expenses	76,938,494.00	45,309,734.00	31,628,760.00
	Salary Expenses(Site)	840,250.00	-	840,250.00
	Security for Civil Works	508,299.00	34,525.00	473,774.00
	Site Visit Expenses	487,076.00	137,459.00	349,617.00
	Soil Test	83,620.00	-	83,620.00
	Steel(Rod) Unloading Charges	16,900.00	-	16,900.00
	Sukute Yard Office & Store Setup	141,858.00	13,428.00	128,430.00
	Tax and Duties	35.00	35.00	-
	Transportation Expenses	2,024,575.00	415,425.00	1,609,150.00
	Travelling Expenses	757,188.00	512,109.00	245,079.00
	Tunnel Design Work	9,021,920.00	6,124,600.00	2,897,320.00
	Wages for Excavator and Tipper Driver OT	655,206.00	246,106.00	409,100.00
	Wages in Site	4,558,708.00	4,506,837.00	51,871.00
	Walkie Talkie Licence Fee	62,500.00	-	62,500.00
	Yard/Store Rent Expenses	487,672.00	442,700.00	44,972.00
<b>H</b>	<b>Depreciation of Civil Equipments</b>			
	Civil Equipments	38,810,541.91	31,019,162.91	7,791,379.00
	Vehicle	4,842,272.00	2,444,010.00	2,398,262.00
	Machinery Tools	244,058.00	179,079.00	64,979.00
	<b>Total</b>	<b>3,492,650,215.91</b>	<b>1,672,900,894.91</b>	<b>1,819,749,321.00</b>



# BALEPHI HYDRO POWER LIMITED

## Kathmandu, Nepal

### SCHEDULE TO AND FORMING PART OF FINANCIAL STATEMENTS FY 2075/76

#### Schedule – 14: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

##### 1. Introduction

Balephi Hydropower Ltd. (BHL), formerly known as Huaning Development, was initially incorporated on 2068.11.30 under the provisions of Companies Act 2063 as a private limited company. Later the company was converted to Public Limited company (Reg No. 161420/073/074) on 2073.09.18. The main objective of the company is to promote hydropower sector of Nepal.

BHL currently promotes and develops a 36 MW capacity Hydropower Project at Balephi River, Sindhupalchowk District.

##### 2. Approval of Financial Statements by Board of Directors

The accompanied financial statements have been adopted by the board of directors in its meeting dated ..... and recommended for its approval in the upcoming annual general meeting of shareholders.

##### 3. Accounting Convention

The Financial Statements are prepared under the historical cost convention in accordance with the applicable relevant Nepal Accounting Standards (NAS), Electricity Act 2049, Company Act 2063, and other relevant laws unless otherwise stated.

##### 4. Use of estimates and Judgments

The preparation of the financial statements in conformity with NAS and Generally Accepted Accounting Principles (GAAP) requires management to adopt accounting policies that are appropriate in the circumstance. The selection of those policies depends on managements judgments.

Preparation of the financial statements in in accordance with adopted policies requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities, etc. as at the date of the financial statements, and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates, but that difference is not expected to be significant.

Changes in accounting estimates and policies are accounted taken in to account in the period when the changes is effected.

##### 5. Going Concern.

The financial statements are prepared on going concern basis. The license obtained by the company requires that the project be handed over to government after the expiry of licenses period of 35 years.





## 7. Foreign Exchange Fluctuation

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements has been recognized (using the closing rate) as foreign exchange gain or loss and reported in income statement. The management considers rates published by Nepal Rastra Bank for Forex transactions.

As at the end of the reporting period, there are no significant monetary items except advances to suppliers on normal course.

## 8. Share Capital

Paid up Share capital reported on the balance sheet is based on the records of the company. The company considers the amount received by company and allotted by board towards shares as paid up capital. Amount received but not allotted by board is not reported as paid up capital.

In previous AGM of the company, capital structure of the company was amended. The amendment was made to align the share structure in accordance with prevailing laws to enable the company for public issue of its shares. Accordingly, issued capital of the company has been reduced to 18,279,700.00 Nos of shares. In aligning the capital structure, shares not paid by shareholders were forfeited. There are no reserve shares of forfeited shares as same were cancelled on reduction. The company is yet to make public offering of shares. Changes in capital as above has been approved and recorded by Office of Company Registrar on 2075.10.23. The reduction was made by way of forfeiture of shares. The change in capital has no impact on paid up amount of shares.

Promoters Shareholders have committed shares to the extent of 14623760 no of shares. Of the amount so committed amount received from shareholders has been shown as paid up capital to the extent of amount in returns filed with OCR and remaining amount has been shown as shareholder's advance pending filing of return with OCR.

## 9. Income Tax

### i. Income tax provision:

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date.

### ii. Deferred Tax

Deferred Income Tax is provided on temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined in consideration to applicable tax rates and regulations by the Balance Sheet date and are expected to apply when the related deferred income tax assets is realized or the deferred income tax liability is settled.

As at the end of the reporting period there are no significant timing difference on carrying amount and tax base. Considering the tax holiday period, the management is of the view that the impact of deferred tax is minimal.

### iii. Income tax assessment

The company makes self-assessment of tax which are subject to assessment by tax authorities. The reported amount of tax liability may change when assessed by tax authorities.

## 10. Investment

Investment is valued at lower of cost or market price in case of listed securities and stated at cost in case of unlisted securities. There are no investment at the end of the year.

## 11. Material & Consumables



Material and consumables intended for use in the project construction (i.e. for construction of project infrastructures) are presented as materials under project WIP. Expenses incurred for making the materials and consumables available for use in construction are added as cost of materials. Works completed and certified are reported under respective line item under WIP. The management considers that inventory valuation technique based on work certification is appropriate in the circumstance. Materials and consumables are reported at cost.

#### **12. Receivables**

Receivables are stated at the carrying amount after assessing recoverability of the amount. Provision is made if the amount of receivables are impaired.

#### **13. Borrowing Costs**

Borrowing costs related to project financing, for the tenure up to commercial date of operation/making assets ready for put to use, shall be capitalized under the related project cost, and thereafter they are treated as expenses. As the construction is under progress the borrowing cost is reported under project WIP.

#### **14. Employee Benefits**

The company has adopted policy to make provision for employee benefits on accrual basis based on the appointment terms. Based on the terms of employment agreed orally or in writing with employees, management does not estimate material amount of liability.

#### **15. Related Party Transaction:**

Significant related party transaction includes payment of remuneration to management team which includes directors of the company.

#### **16. Guarantee**

The company has provided guarantee of Rs. 3 lakh for obtaining Exim Code. Further the company has provided guarantee for custom office Birjung for availing exemption of duty and VAT on imports made for purchase of project assets and guarantee to Nepal Electricity Authority for Power Purchase Agreement.

#### **17. Contingent Liability and Commitment**

The company has made purchase arrangements/commitment through business agreements for procurement of machineries and equipment's and services under contract with various vendors. There are no other known contingent liabilities.

#### **18. Regrouping and reclassification**

Comparatives are regrouped and reclassified to facilitate comparison.



**आय विवरण**

(व्यवसाय, रोजगारी तथा लगानीबाट आय हुने करदाताको लागि)

- संलग्न गर्ने:** अनुसूची १ प्राकृतिक व्यक्तिको करको गणना गर्न (फाराम-आयकर-डे-१०-०२-०३-६४)  
 अनुसूची २ निकायको करको गणना गर्न (फाराम-आयकर-डे-११-०२-०३-६४)  
 अनुसूची ५ व्यवसायको आयको गणना गर्न (फाराम-आयकर-डे-१५-०२-०३-६४)  
 अनुसूची ६ रोजगारीको आयको गणना गर्न (फाराम-आयकर-डे-१६-०२-०३-६४)  
 अनुसूची ७ लगानीको आयको गणना गर्न (फाराम-आयकर-डे-१७-०२-०३-६४)  
 अनुसूची ८ गैर व्यवसायीक करयोग्य सम्पत्तिको निसर्गबाट भएको लाभको गणना गर्न (फाराम-आयकर-डे-१८-०२-०३-६४)  
 अनुसूची १० कर मिलान दावी गर्ने भए (फाराम-आयकर-डे-०१-०२-०३-६४)  
 अनुसूची ११ औषधोपचार कर मिलान दावी गर्ने भए (फाराम-आयकर-डे-०२-०२-०३-६४)  
 अनुसूची १२ वैदेशीक कर मिलान दावी गर्ने भए (फाराम-आयकर-डे-०६-०२-०३-६४)

आयवर्ष: २०७५/७६

आ.रा.का.को नाम: \_\_\_\_\_

कर निर्धारणको विवरण (दफा ९९)

संसय कर निर्धारणको विवरण

आंशिक अवधिको (कारोवार चालू रहने)

आंशिक अवधिको (कारोवार बन्द गर्ने) ..... मिति सम्मको

पूरा आयवर्षको (कारोवार चालू रहने)

पूरा आयवर्षको (कारोवार बन्द गर्ने) ..... मिति सम्मको

**१ करदाता सम्बन्धि विवरण**

स्था.ले.नं.	6 0 1 2 4 2 9 4 4				
नाम	Balephi Hydropower Ltd.				
ठेगाना	घर नं.	वार्ड नं.	गाउँ / टोल र बाटोको नाम	म.न.पा. न.पा.	उ.म.न.पा. गा.वि.स.
फोन	मोबाइल		ईमेल		जिल्ला
करदाताको किसिम	प्राकृतिक व्यक्ति <input type="checkbox"/> एकलो <input type="checkbox"/> दम्पति <input type="checkbox"/> एकलो अपांग <input type="checkbox"/> दम्पति अपांग <input type="checkbox"/> एकलो निवृत्तिभरण <input type="checkbox"/> दम्पति निवृत्तिभरण <input type="checkbox"/> गैर बासिन्दा प्राकृतिक व्यक्ति <input type="checkbox"/> ट्रस्ट <input checked="" type="checkbox"/> निकाय				

**२ करदाताको छनौट सम्बन्धि विवरण**

एकलो प्राकृतिक व्यक्ति  दम्पति  दम्पति भए पति / पत्निको स्था.ले.नं  भएको  नभएको

स्था.ले.नं. भए, सो स्था.ले.नं. उल्लेख गर्ने

मेरो पति / पत्निले दाखिला गरेको यो आयविवरणमा कायम हुने कर दायित्व सम्बन्धमा म पनि पूर्ण रूपले जिम्मेवार हुन मन्जुर गर्दछु।  
 पति / पत्निको नाम \_\_\_\_\_ दस्तखत \_\_\_\_\_

**३ करदाताको घोषणा**

प्रस्तुत आय विवरण ठीक, सांचो र पूर्ण भएको घोषणा गर्दछु। यसै साथ संलग्न विवरण अमुंसारका अन्तरिक राजश्व विभागले तोकेका कागजातहरू पेश गरेको छु। यो आय विवरण र यस आय विवरण साथ पेश गरेका अन्य विवरण, कागजात वा फाटवारीहरू झुठ्ठा ठहरिएमा कानून बमोजिम

करदाता वा प्रतिनिधिको दस्तखत \_\_\_\_\_  
 प्रतिनिधिले दस्तखत गरेको भए, प्रतिनिधिको नाम \_\_\_\_\_  
 मिति \_\_\_\_\_  
 म्याद थप भए विवरण दाखिला गर्ने अन्तिम मिति \_\_\_\_\_

**४ लेखापरिक्षण प्रमाणीकरण**

I..... ले आयकर ऐन, २०५८ को दफा ८१ बमोजिम राखका / कागजातहरू जांच गरेको छु / छौं । प्राप्त विवरण तथा जानकारीले कारोवारको स्थितिको यथार्थ चित्रण गरेको व्यहोरा प्रमाणित गर्दछु / गर्दछौं। यो आय विवरण प्रमाणित गर्ने सम्बन्धमा मेरा ।

लेखापरिक्षकको दस्तखत	_____		
लेखापरिक्षकको नाम	C.A. Shambhu Pd. Chaudhary		
व्य.ले.प्र.प.नं.	६६		
स्था.ले.नं.	६०३७८५५६७	मिति	_____

**५ कार्यालय प्रयोजनको लागि मात्र**

विवरण दर्ता नं.	_____
विवरण दर्ता मिति	_____
विवरण बुझ्ने कर अधिकृतको नाम	_____
विवरण बुझ्ने कर अधिकृतको दस्तखत	_____

\*\*\*\* फाराम भनें तरिकाकोलागी निर्देशीका हेर्नुहोला \*\*\*\*



आ.रा.का. क्षेत्र नं.

फाराम-आयकर-डे-११-०२-०३-६४

आय विवरण  
अनुसूची २  
करको गणना (निकायको लागि)

आयवर्ष २०७५/७६

आ.रा.का.को नाम :

संसय कर निर्धारणको विवरण  कर निर्धारणको विवरण (दफा ९९)

संसोधित करनिर्धारण

करदाता सम्बन्धि विवरण

स्था.ले.नं. 6 0 1 2 4 2 9 4 4  
नाम Balephi Hydropower Ltd.

करको गणना

१	२	३	४	५	६	७	८	९	१०	११	१२	१३
आयको किसिम	करको किसिम	आय श्रोतको मुलुक	आय गणना गर्दा समावेश हुने रकमहरू	कटौती रकम	आय / (नोक्सानी)	निर्धारणयोग्य आय	छुटको किसिम	छुट रकम	कर छुट पाएको संस्थालाई दिएको बन्दा	करयोग्य आय	करको दर प्रतिशतमा	जम्मा लाग्ने कर
	व्यवसाय आयकर	नेपाल	१०२,३९१.००	७९,१७६,९४२.९७	(७९,०७३,४४१.९७)						२४%	
१												
२												
३												
४												
५												
६												
७												
८												
९												
१०												

हिलो बुझाए बापत लाग्ने शुल्क (दफा ११७)

व्याज (दफा ११८)

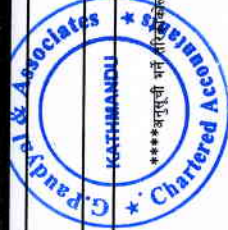
व्याज (दफा ११९)

जम्मा तिर्नु पर्ने कर

शुल्क र व्याज गणना गरेको भए गणनाको अन्तिम मिति

करदाताले पेश गरेको भए तल प्रमाणित गर्ने

कर अधिकृतले संसोधन गरेको भए तल प्रमाणित गर्ने



लेखा परिसरको दस्तखत

मिति

कर अधिकृतको दस्तखत

मिति

\*\*\*\*अनुसूची भन्ने शिर्षककागरी निर्देशिका हेर्नु होला \*\*\*\*

Handwritten signature

**आय विवरण**  
**अनुसूची ५**  
(व्यवसायबाट भएको आयको गणना)

आयवर्ष २०७५/७६

आ.रा.का.को नाम :

संसय कर निर्धारणको विवरण       कर निर्धारणको विवरण (दफा ९९)       संशोधित करनिर्धारण

**१ करदाता सम्बन्धी विवरण**

स्था.ले.नं.	6	0	1	2	4	2	9	4	4
नाम	Balephi Hydropower Ltd.								
करको किसिम		करको दर प्रतिशतमा		विदेशीस्रोत भए मुलुकको नाम					

**२ आयको गणना**

आयको गणना गर्दा समावेश हुने रकमहरू	रु.
१ सेवा शुल्क (दफा ७.२ क)	-
२ व्यापारिक मौज्जातको निसर्गबाट प्राप्त रकम (दफा ७.२.ख)	-
३ व्यवसायिक सम्पत्ति वा व्यावसायिक दायित्वको निसर्गबाट प्राप्त खुद लाभ (दफा ७.२.ग)	-
४ हासयोग्य सम्पत्तिको निसर्गबाट प्राप्त गरेको मानिने रकम (दफा ७.२.घ)	-
५ व्यवसायका सम्बन्धमा कुनै व्यक्तिबाट प्राप्त गरेको उपहार (दफा ७.२.ङ)	-
६ व्यवसायको सम्बन्धमा कुनै प्रतिबन्ध स्वीकार गरे बापत प्राप्त गरेको रकम (दफा ७.२.च)	-
७ व्यवसायसंग प्रत्यक्ष रूपमा सम्बन्धित लगानीबाट प्राप्त गरेको रकम (दफा ७.२.छ)	-
८ लेखांकनको तरिकामा परिवर्तन गर्दा आय गणनामा समावेश गर्नुपर्ने रकम (दफा २२.६)	-
९ लेखाको तरिका अनुसार आयमा समावेश गर्नु पर्ने रकम (दफा २४.३)	-
१० मुद्राको मूल्यांकनको फरकको कारणले गर्दा समेत बढी भुक्तानी पाएको रकम (दफा २४.४)	-
११ ढुबैको ऋण लाभायतका रकमहरू भिन्ना भएको मध्ये असुल उपर भएको रकम (दफा २५.१)	-
१२ दीर्घकालीन करारको हकमा सम्पन्न प्रतिशत अनुसार समावेश हुने रकम (दफा २६.१)	-
१३ प्रचलित व्याज दरभन्दा कम दरमा व्याज तिरेको भए कम भएजति रकम (२७.१.घ)	-
१४ भुक्तानी पाउनु पर्ने रकम अन्य व्यक्तिले भुक्तानी पाएको भए सो रकम (दफा २९)	-
१५ क्षतिपूर्ति बापत प्राप्त गरेको रकम (दफा ३१)	-
१६ आयमा समावेश गर्नु पर्ने अन्य रकमहरू (विवरण संलग्न गर्ने)	१०२,३९१.००
१७ १ नं. देखि १६ नं. सम्मको जोड	१०२,३९१.००

सि.नं. १७ को अंक आय विवरणको करको गणना गर्ने फारामको हरफको महल नं. ४ मा सार्ने ।

आयको गणना गर्दा कटौती हुने खर्चहरू	
१८ दफा १४ बमोजिम कटौती हुने व्याज खर्च	-
१९ दफा १५ बमोजिम कटौती हुने व्यापार मौज्जातको लागतको खर्च	-
२० दफा १६ बमोजिम कटौती हुने मर्मत तथा सुधार खर्च	-
२१ दफा १७ बमोजिम कटौती हुने प्रदूषण नियन्त्रण खर्च	-
२२ दफा १८ बमोजिम कटौती हुने अनुसन्धान र विकास खर्च	-
२३ दफा १९ बमोजिम कटौती हुने ङास खर्च	-
२४ दफा ५९ (१ क) बमोजिम कटौती हुने जगेडा रकम	१,२१८,८७४.२९
२५ उपरोक्त बाहेक आयकर ऐन, २०५८ बमोजिम कटौती हुने अन्य खर्चहरू (विवरण संलग्न गर्ने)	-
२६ विदेशमा तिरेको कर (दफा ७१.४)	४,९६८,२९९.००
२७ १९ नं. देखि २६ नं. सम्मको जोड	६,१८७,१७३.२९

आयको गणना गर्दा कटौती हुने नोक्सानी	
२८ यस आ.व.को अन्य व्यवसायको नोक्सानी (दफा २०.१.क)	-
२९ गत आ.व.बाट जिम्मेवारी सरेको व्यवसायको नोक्सानी (दफा २०.१.ख)	७२,९८८,७६९.६८
३० २८ नं. र २९ नं. को जोड	७२,९८८,७६९.६८
३१ जम्मा कटौती (२७ नं. र ३० नं. को जोड)	७९,१७५,९४२.९७
३२ व्यवसायको आय / नोक्सानी (१७-३१)	(७९,०७३,५५१.९७)
३३ अन्य व्यवसायको आयमा कटौती गरेको नोक्सानी (हरफ ३२ मा नोक्सानी भए मात्र)	-
३४ व्यवसायको आय / नोक्सानी (३२+३३)	(७९,०७३,५५१.९७)

सि.नं. ३४ को अंक आय विवरणको करको गणना गर्ने फारामको हरफको महल नं. ३ मा सार्ने । नोक्सानी भए (कोष्ठ) मा राख्ने ।

**३ कर छुट**

३५ छुट हुनु पर्ने कारण	छुट रकम
३६ छुट पछिको निर्धारण योग्य आय	

**४ करदाता / कर अधिकृतबाट प्रमाणीकरण**

करदाता वा प्रतिनिधिको दस्तखत	कर अधिकृतले संसोधन गरेको भए
मिति	कर अधिकृतको दस्तखत
लेखा परिक्षकको दस्तखत	मिति
मिति	



\*\*\*अनुसूची भनें तरिकाकोलागी निर्देशिका हेर्नुं होला \*\*\*



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कर मिलान दावीको विवरण

क्र.सं.	१	२	३	४	५	६	७	८	९	१०	११	१२
	कर दावीको किसिम	राजस्व शिर्षक नम्बर	दाखीलाको तरिका	दाखीला निस्सा नम्बर	बैंकको नाम	शाखा	दाखीला मिति	कार्यालयको नाम	अग्रिम कर कटौतीको किसिम	अग्रिम कर कटौती गनेको स्था.ले.नं. (भाए)	अग्रिम कर कटौती गर्नेको नाम	कर मिलान दावी रकम
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संलग्न फारम नं. १०२/२०१२

करदाताबाट प्रमाणीकरण

करदाता वा प्रतिनिधीको दस्तखत	लेखा परीक्षकको दस्तखत
मिति	मिति



२०१२ सूचना: गलत वा झुठ्या दावी गरमा आयकर ऐन बमोजिम सजाय हुनेछ

\*\*\*अनुपूची भने तरिकाकोलागी निर्देशिका हेनु होला \*\*\*

AW



**Auditor's Notes on Certification of Income Tax Return of  
Balephi Hydropower Ltd.  
For the F/Y 2075/76**

We have examined the books of accounts maintained by the company as per Section 81 of Income Tax Act 2058. We certify that the transactions of the company is true and fair on the basis of books of accounts and other related documents provided to us. Our notes regarding the certification is as follows:

**Details of Expenses deductible as per Income Tax Act 2058**

Account Head	Total Expenses	Expenses Deductible	Expenses not Deductible	Expenses Deductible under separate Section	Annex	Remarks
<b>Administrative Expenses</b>						
Advertisement Expenses	85,215.00	85,215.00				
Audit Fee	226,000.00	226,000.00				
Communication & Internet	411,334.00	411,334.00				
Donation	500.00	-	500.00			
Fine & Penalty	189,140.00	-	189,140.00			
Guest Relation Expenses	630,845.00	630,845.00				
IPO Expenses	1,864,500.00	1,864,500.00				
Late Fee	2,800.00	2,800.00				
Office Rent	1,333,333.00	1,333,333.00				
Parking Charges	48,455.00	48,455.00				
ROC Filing Fees	33,200.00	33,200.00				
Staff Training Expenses	20,000.00	20,000.00				
Staff Welfare Expenses	160,000.00	160,000.00				
Staffs Lunch(HO)	152,617.00	152,617.00				
<b>Grand Total</b>	<b>5,157,939.00</b>	<b>4,968,299.00</b>	<b>189,640.00</b>	-		



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**Huaning Development Pvt. Ltd.**  
**For the F/Y 2075/76**

**Calculation of Taxable Income**

Particulars	Amount
Net Profit before Tax	(6,274,422.29)
Add: Expenses not deductible <i>Administrative Expense</i> 189,640.00	189,640.00
<b>Taxable Income</b>	<b>(6,084,782.29)</b>
Add: <i>Carry Forward Loss From Previous Years</i>	(72,988,769.68)
<b>Taxable Profit/(Loss) for the year</b>	<b>(79,073,551.97)</b>



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7/11