

G.P.Rajbahak & Co.
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF BANDIPUR CABLE CAR AND TOURISM LTD

Opinion

We have audited the financial statements of Bandipur Cable Car and Tourism Ltd., which comprise the Statement of Financial Position as at Ashadh 31, 2080 (*July 16, 2023*), and the Statement of Profit or Loss, and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the Financial Position of the Company as at Ashadh 31, 2080 (*July 16, 2023*), and its financial performance and its cash flows for the year then ended in accordance with Nepal Financial Reporting Standards [NFRS].

Basis for Opinion

We conducted our audit in accordance with Nepal Standards on Auditing [NSA]. 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 ethical requirements that are relevant to our audit of the financial statements in Nepal, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Other Matter

The auditor's report is intended solely for the intended users and should not be distributed to or used by other parties.

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

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

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

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance whether the financial statements as a whole are free from material misstatement, whether caused 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.



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, international omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on company's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to related disclosures in the financial statements or, if such disclosure are inadequate, to modify our audit opinion. Our conclusions are based on the audit evidences obtained up to date of our auditor's report. However, future events or conditions may cause the Company to cease as a going concern.
- Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the Company's Activities to express an opinion on Financial Statements.

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

Report on Other Legal and Regulatory Requirements

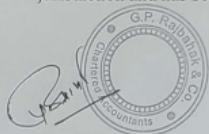
We have determined to communicate following matters in accordance with the requirements of Companies Act, 2063, Company Directive, 2072 and other regulatory requirements:-

- We have obtained all the information and the explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
- Based on our audit, proper books of accounts as required by law have been kept by the Company.
- The Statement of Financial Position, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Cash Flows, and the Statement of Changes in Equity dealt with by this report are in agreement with the books of accounts maintained by the Company.
- In our opinion and to the best of our information and according to the explanations and from our examination of the books of accounts of the Company, we have not come across any case where the Board of Directors or any office bearer of the Company have acted contrary to the provisions of law, or committed any misappropriation or caused any loss



or damage to the Company or acted in a manner, as would jeopardize the interest and security of the Company, its shareholders and its stakeholders.

- The business of the Company has been conducted satisfactorily and operated within its jurisdiction and has been functioning properly.



CA Pradeep Lama
Partner
G. P. Rajbahak & Co.,
Chartered Accountants

Date: December 4, 2023

Place: Kathmandu

UDIN: 231210CA020690uHzy

Bandipur Cable Car and Tourism Ltd.

Bandipur-04, Tanahun

Statement of Financial Position

As at Ashadh 31, 2080 (July 16, 2023)

Particulars	Note	As at	As at	Amount in NRs.
		Ashadh 31, 2080	Ashadh 32, 2079	As at Ashadh 31, 2078
I. ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	3	225,735,962	206,016,651	205,950,060
(b) Capital Work-In-Progress	3	1,796,784,773	1,026,144,199	474,477,320
(c) Intangible Assets	4	20,736,819	23,128,149	6,797
(d) Deferred Tax Assets		-	-	1,194
(e) Investment		-	-	-
(f) Other Non-Financial Asset		-	-	-
Total Non Current Assets		2,043,257,554	1,255,289,000	680,435,371
(2) Current Assets				
(a) Financial Assets				
(i) Cash and Cash Equivalents	6	71,989,311	25,037,460	6,206,425
(ii) Trade Receivables		-	-	-
(iii) Other Financial Assets	7	300,609,650	70,529,492	10,839,325
(b) Inventories		-	-	-
(c) Other Current Assets	8	196,234,359	130,829,037	171,264,685
Total Current Assets		568,833,320	226,395,989	188,310,436
TOTAL ASSETS		2,612,090,874	1,481,684,989	868,745,806
II. EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	9	1,252,029,800	200,000,000	200,000,000
(b) Advance for Share Capital		457,264,161	447,669,901	216,973,051
(c) Retained Earnings	10	(98,121,606)	(56,057,809)	(27,214,320)
Total Equity		1,611,172,355	591,612,092	389,758,731
Liabilities				
(1) Non-current liabilities				
(a) Financial Liabilities	11	765,123,724	567,706,637	263,036,832
(b) Deferred Tax Liabilities	5	708,643	529,735	-
Total Non Current Liabilities		765,832,368	568,236,373	263,036,832
(2) Current liabilities				
(a) Financial Liabilities				
(i) Short Term Borrowings	12	133,052,992	128,337,214	184,379,925
(ii) Trade Payables	13	79,776,794	159,305,739	29,342,666
(iii) Provisions		-	-	-
(b) Other Current Liabilities	14	22,256,365	34,193,572	2,227,653
Total Current Liabilities		235,086,151	321,836,525	215,950,244
Total Liabilities		1,000,918,519	890,072,898	478,987,076
TOTAL EQUITY AND LIABILITIES		2,612,090,874	1,481,684,989	868,745,806

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

Ram Chandra Sharma
Chairman

Shiva Prasad Sharma
Director

Taranath Upadhyaya
Director

Hari Dutt Paudel
Director

Kiran Pokhrel
Vice - President

Anil Shrestha
Finance Officer



G.P. Rajbhandark & Co.
Chartered Accountants

Place:- Kathmandu
Date:- 2080.08.18

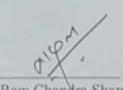


Bandipur Cable Car and Tourism Ltd.
Bandipur-04, Tanahun
Statement of Profit or Loss
For the year ended on Ashadh 31, 2080 (July 16, 2023)

Particulars	Note	Amount in NRs.	
		Year ended Ashadh 31, 2080	Year ended Ashadh 32, 2079
Revenue from Operation		-	-
Cost of Operation		-	-
Gross Profit		-	-
Other Income	15	52,290	13,999,965
Employee Benefit Expenses	16	3,980,900	2,085,929
Administrative Expenses	17	28,053,054	4,119,059
Selling & Distribution Expense		-	-
Other Operating Expense		-	-
Depreciation and Amortisation Expenses	3,4	4,363,217	1,760,637
Profit from operation		(36,344,881)	6,034,341
Finance Costs	19	3,076,428	144,367
Non-Operating Expense	18	2,463,580	34,202,534
Profit before tax and staff bonus		(41,884,889)	(28,312,561)
Staff Bonus Expense		-	-
Profit before tax		(41,884,889)	(28,312,561)
Current Tax Expense		-	-
Deferred Tax Expense	5	178,908	530,929
Total Tax Expenses		178,908	530,929
Profit from Continuing Operations		(42,063,797)	(28,843,489)
Profit/(Loss) on discontinued operations (net of tax)			
Net Profit for the year		(42,063,797)	(28,843,489)
Earnings Per Share			
Basic and Diluted EPS		(3.36)	(14.42)

The accompanying notes are an integral part of the Financial Statements.

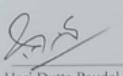
As per our report of even date


Ram Chandra Sharma
Chairman

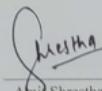

Shiva Prasad Sharma
Director


Taranath Upadhyaya
Director


G.P. Rajbahak & Co.
CA. Pradeep Lama
Partner
G.P. Rajbahak & Co.
Chartered Accountants


Hari Dutta Paudel
Director


Kiran Pokharel
Vice - President


Anil Shrestha
Finance Officer

Place:- Kathmandu
Date:- 2080.08.18



Bandipur Cable Car and Tourism Ltd.

Bandipur-04, Tanahun

Statement of Other Comprehensive Income

For the year ended on Ashadh 31, 2080 (July 16, 2023)

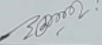
Particulars	Note	Year ended Ashadh 31, 2080	Figures in NRs. Year ended Ashadh 32, 2079
I Profit/(Loss) for the Year		(42,063,797)	(28,843,489)
(a) Items that will be reclassified to profit or loss			
- Actuarial gains/(loss) on defined benefit obligations		-	-
- Net gains/(loss) on Available for sale of investments		-	-
- Income tax relating to above items		-	-
(b) Items that will not be reclassified to profit and loss		-	-
II Other Comprehensive Income for the year, net of tax		-	-
III Total Comprehensive Income for the year, net of tax (I+II)		(42,063,797)	(28,843,489)

Attributable to:

Equity Share Holders

The accompanying notes are an integral part of the Financial Statements.


Ram Chandra Sharma
Chairman


Shiva Prasad Sharma
Director


Taranath Upadhyaya
Director


Hari Dutta Paudel
Director


Kiran Pokharel
Vice - President


Amit Shrestha
Finance Officer

As per our report of even date



G.P. Rajbahak & Co.
Chartered Accountants

Place:- Kathmandu
Date:- 2080.08.18



Bandipur Cable Car and Tourism Ltd.

Bandipur-04, Tanahun

Statement of Changes in Equity

For the year ended on Ashadh 31, 2080 (July 16, 2023)

Figures in NRs.

Particulars	Equity Share Capital	CSR Reserve	Retained Earnings	Securities Premium	Total Equity
Balance as at Shrawan 01, 2078	200,000,000	-	(27,214,320)	-	172,785,680
Adjustment for prior period items		-	-	-	
Profit for the year	-	(28,843,489)	-	-	(28,843,489)
Other comprehensive income	-	-	-	-	
Advance for Share Capital	447,669,901	-	-	-	447,669,901
As at Ashadh 32, 2079	647,669,901		(56,057,809)	-	591,612,092
Issue of Share Capital	1,052,029,800	-	-	-	1,052,029,800
Adjustment for prior period items	-	-	-	-	
Profit for the year	-	(42,063,797)	-	-	(42,063,797)
Other comprehensive income	-	-	-	-	
Total Comprehensive income during the year	1,052,029,800		(42,063,797)		1,009,966,003
Transfer to reserve during the year	-	-	-	-	
Change in Advance Share Capital	9,594,260	-	-	-	9,594,260
As at Ashadh 31, 2080	1,709,293,961		(98,121,606)		1,611,172,355

The accompanying notes are an integral part of the Financial Statements.


Ram Chandra Sharma
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Shiva Prasad Sharma
Director


Taranath Upadhyaya
Director


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Director


Kiran Pokharel
Vice - President


Amit Shrestha
Finance Officer

As per our report of even date

U.A. Pradeep Kumar
G.P. Rajbanshi & Co.
Chartered Accountants

Place:- Kathmandu
Date:- 2080.08.18



Bandipur Cable Car and Tourism Ltd.
Bandipur-04, Tanahun
Statement of Cash Flows
For the year ended on Ashadh 31, 2080 (July 16, 2023)

Particulars	Year ended Ashadh 31, 2080	Year ended Ashadh 31, 2079	Figures in NRs.
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax	(41,884,889)	(28,312,561)	
Adjustments for:			
Depreciation and amortisation	4,363,217	1,760,637	
Prior Period Adjustments	-	-	
Finance cost	3,076,428	144,367	
Cash Generated Before Working Capital Changes	(34,445,244)	(26,407,557)	
Movement In Working Capital			
Increase / (decrease) in trade payables	(79,528,945)	129,963,074	
Increase / (decrease) in other financial liabilities	-	-	
Increase / (decrease) in other liabilities	(11,937,207)	31,965,919	
(Increase) / decrease in trade receivables	-	-	
(Increase) / decrease in other financial assets	(230,080,158)	(59,690,167)	
(Increase) / decrease in other assets	(65,405,322)	40,435,648	
(Increase) / decrease in inventories	-	-	
Net cash flow from / (used in) operating activities	(421,396,876)	116,266,918	
B. Cash flow from / (used in) investing activities			
Sale/ (Purchase) of property, plant and equipment	(21,691,197)	(24,948,581)	
(Increase) / Decrease in Investments	-	-	
Capitalised WIP	(594,700,750)	(551,666,879)	
Net cash flow from / (used in) investing activities	(616,391,947)	(576,615,460)	
C. Cash flow from / (used in) financing activities			
Increase/(Decrease) in Share Capital	1,052,029,800	-	
Increase/(Decrease) in Securities Premium	-	-	
Finance Cost	(179,016,252)	(144,367)	
Short term borrowings	4,715,778	(56,042,711)	
Increase/ (Decrease) in Long Term Loan	197,417,087	304,669,805	
Increase/ (Decrease) in Other Comprehensive Income	-	-	
Increase/ (Decrease) in Advance for Share Capital	9,594,260	230,696,850	
Net cash flow from / (used in) financing activities	1,084,740,673	479,179,577	
Net increase / (decrease) in cash and cash equivalents (a+b+c)	46,951,851	18,831,035	
Cash and cash equivalents at the beginning of the year	25,037,460	6,206,425	
Cash and cash equivalents at the end of the year	71,989,311	25,037,460	
Components of cash and cash equivalents			
Cash on hand	4,741	4,866	
Balances with banks	71,984,570	25,032,594	
Cash and cash equivalents	71,989,311	25,037,460	

The accompanying notes are an integral part of the Financial Statements.

Ram Chandra Sharma
Chairman

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Director

Taranath Upadhyaya
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Kiran Pokharel
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Anil Shrestha
Finance Officer

As per our report of even date



G.P. Rajbahluk & Co.
Chartered Accountants

Place- Kathmandu
Date- 2080.08.18



Bandipur Cable Car and Tourism Ltd.

Significant Accounting Policies and Notes to the Financial Statements

As at Ashadh 31, 2080 (July 16, 2023)

1 Corporate Information

Bandipur Cable Car and Toursim Ltd. (the Company) is a public Limited company , incorporated under the Companies Act, 2063 of Nepal .The registered place & the principal place of operation is located at Bandipur-4, Tanahun, Nepal. Bandipur Cable Car and Tourism Ltd ("the Company") initially was a private limited company established on Poush 22, 2069 (January 06, 2013) as per the Company Act 2063 and later on converted into Public Company on Bhadra 17, 2078 (August 29, 2021) .

The principal objective of the Company is to build and operate the cable car and promote tourism related activity within the territory of Nepal.

2 Reporting Period

The accounting policies set out below have been applied consistently to all periods presented in these financial statements unless otherwise stated.

The Company follows the Nepalese financial year based on Nepalese calendar. The corresponding dates for the English calendar are as follows :

Relevant Financial Statement	Date in B.S.	Date in A.D.
Comparative NFRS Date		
NFRS Transition date	Shrawan 01 2078	16-Jul-21
Comparative Statement of Financial Position Date	Ashad 32, 2079	16-Jul-22
Comparative reporting period	Shrawan 1, 2078 - Ashad 32, 2079	July 16, 2021 - July
Current Year NFRS Date		
NFRS Statement of Financial Position Date	Ashad 31, 2080	16-Jul-22
NFRS reporting period	Shrawan 1, 2079 - Ashad 31, 2080	July 17, 2022 - July

2.1 Approval of Financial Statements by Directors

The accompanied Financial Statements have been authorized by the Board of Directors vide its resolution dated 2080.08.12 and recommended for its approval by the Annual General Meeting of the shareholders.

2.2 Basis Of Preparation, Measurement And Significant Accounting Policies

The financial statements have been prepared in accordance with the Nepal Financial Reporting Standards (NFRS) issued by the Accounting Standards Board Nepal. The financial statements have been prepared on a going concern basis.The term NFRS, which includes all the standards and the related interpretations, as published by the Accounting Standards Board (ASB) Nepal and pronounced by The Institute of Chartered Accountants of Nepal (ICAN), is consistently used.

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

2.3 Statement of Compliance

This is the first time adoption of NFRS by the company, and it complies with necessary NFRS requirements as required by ICAN.

2.4 Critical Accounting Estimates

The preparation of the financial statements in conformity with Nepal Financial Reporting Standards(NFRS) requires the use of certain critical accounting estimates and judgments. It also requires management to exercise judgment in the process of applying the company's accounting policies. The company makes certain estimates and assumption 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. In future, actual result may differ from these estimates and assumptions.



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B. D. B.
2080/07

Q. Mehta

S. K.

S. R. O. M. X



2.5 Functional and Presentation Currency

The financial statements are prepared and presented in Nepalese Rupees, which is the functional currency of the company as well.

2.6 Going Concern

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

2.7 Discounting

When the realization of assets and settlement of obligation is for more than one year, the Company considers the discounting of such assets and liabilities where the impact is material. Various internal and external factors have been considered for determining the discount rate to be applied to the cash flows of company.

2.8 Materiality

In the Financial Statements, materiality and aggregation is dealt with in compliance with Nepal Accounting Standard-NAS1 "Presentation of Financial Statements". Each material class of similar items is presented separately and items that are not similar in nature or function are also presented separately unless these are immaterial.

2.9 Rounding

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

2.10 Comparative information

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

2.11 Events after the reporting date

Events after the reporting date are those events, favorable and unfavorable, that occur between the reporting date and the date when the financial statements are authorized for issue. All material and important events that occurred after the reporting date have been considered and appropriate disclosures have been made in line with NAS 10 – "Events After the Reporting Period".

2.12 Current versus Non-Current classification

The company presents assets and liabilities in the balance sheet based on Current / Non-Current classification.

The company present assets and liabilities in the statement of financial position based on current/non current 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 purposes of current/non current classification of assets.

The Company classifies an asset as current when it is:

- i) Expected to be realized or intended to be sold or consumed in normal operating cycle.
 - ii) Held primarily for the purposes of trading.
 - iii) Expected to be realized within twelve months after the reporting period.
 - iv) Cash and cash equivalent unless restricted from being exchanged or settle a liability for at least 12 months after.
- All other assets are classified as non-current.

The Company classifies an liability as current when it is:

- i) Expected to be settled in normal operating cycle.
- ii) Held primarily for the purposes of trading.
- iii) Settled within twelve months after the reporting period.
- iv) No conditional right to defer the settlement for at least twelve months after the reporting period.



All other liability are classified as non current.
Deferred Tax Asset and liabilities are classified as non current assets and liabilities.

2.13 Property, Plant and Equipment Recognition

Property, Plant and equipment are stated at cost of acquisition less accumulated depreciation and accumulated impairment provisions, if any when it is probable that future economic benefits associated with the item will flow to the Company and it can be used for more than one year and the cost can be measured reliably. All Property Plant and Equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction including duties and non-refundable taxes, expenses directly related to bringing the asset to the location and condition necessary for their intended use and in the case of qualifying assets, the attributable borrowing costs.

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 benefit associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other minor repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

i) Depreciation

Depreciation on property, plant and equipment other than free hold land is provided on Straight Line Method based on the estimated useful life as per management estimates. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

The company based its assumptions and estimations on parameters available when the financial statements were prepared.

Particulars	Useful Life (in yrs)	Salvage Value
Plant and Machinery	5	0%
Furniture and fixture	8	0%
Office equipments	5	0%
Vehicles	10	0%

De-recognition

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

2.14 Capital Work in Progress

These are expenses of capital nature directly incurred in the construction of buildings, major plant and machinery and system development, awaiting capitalization. Capital work-in-progress would be transferred to the relevant asset when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Capital work-in-progress is stated at cost less any accumulated impairment losses.

2.15 Intangible Assets

Intangible assets are initially recognized at cost. Subsequently intangible assets are carried at cost less accumulated amortization and accumulated impairment losses. An intangible asset is recognized if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably.

Amortization

The useful lives of intangible assets are assessed to be either finite or indefinite. An intangible asset shall be regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected generate net cash inflow for the entity.



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30/02/2002
Chatterjee

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S/ OMV



Amortization is recognized in Statement of Profit & Loss on straight line method (SLM) over the estimated useful life of the intangible assets from the date that it is available for use since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit & Loss.

Useful Life of Intangible Assets based on SLM is categorized as stated below:

Particulars	Useful Life (in yrs)
Website	5
Software Development	10
Leasehold Assets	12

2.16 Impairment of assets

The carrying amount of assets are reviewed at each date of the financial statement, if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is recognised under Impairment expenses in the year in which an asset is identified as impaired.

2.17 Cash and Cash Equivalents:

Cash and cash equivalents have an original maturity of less than three months. These enable the company to meet its short-term liquidity requirements.

Cash and bank balances comprise cash in hand and balances with Banks as on reporting date.

2.18 Share Capital

Financial instruments issued by the company which evidences a residual interest in the asset of the company after deducting all the liabilities are classified as the equity instruments. Such equity instruments is presented as share capital in the statement of financial position which represents the par value of equity shares issued. The company has classified financial instruments as equity when there is no contractual obligation to transfer cash, other financial assets or issue available number of own equity instruments.

2.19 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the company and the revenue and associated cost incurred or to be incurred can reliably be measured. Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring the goods or services to a customer i.e., on transfer of control of the goods or service to the customer. Revenue from operation is net of Indirect Taxes, returns and discounts.

Income recognition for the revenue streams is as below:-

i) Revenue from Operations

Revenue from the sale of goods shall be recognized when all the following conditions have been satisfied;

- > The company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- > The company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- > The amount of revenue can be measured reliably;
- > It is probable that the economic benefits associated with the transaction will flow to the company; and
- > The costs incurred or to be incurred in respect of the transaction can be measured reliably.

> Sales is recognized at fair value of consideration received or receivables. Sales is recognized at net of VAT

The company has not commenced the operation by the end of fiscal year and hence the sales has not been recorded in the books.

ii) Other Income

> Other Incomes have been recognized on accrual basis in the financial statement.

> Interest income is recognized on the time proportion basis using the effective interest rate.



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2.20 Foreign Currency Transactions

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Nepalese Rupees using the spot foreign exchange rate ruling at that date and all differences arising on non-trading activities are taken to 'Other Operating Income' in the Statement of Profit or Loss. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the rates of exchange prevailing at the end of the reporting period.

Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items in foreign currency measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Foreign exchange differences arising on the settlement or reporting of monetary items at rates different from those which were initially recorded are dealt with in the Statement of Profit or Loss. However, foreign currency differences arising on available-for-sale equity instruments are recognized in other comprehensive income

The company does not have any foreign currency denominated assets, liabilities, income and expenses.

2.21 Employee Benefits

i) Short term-Employment Benefits:

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

ii) Post- Employment Benefits

A defined contribution plan is a post employment plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amount. The Company has no schemes of retirement benefits for staffs in the form provident fund (defined contribution plan) as per the requirement of the Labour Act, 2074.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The company's net obligation in respect of defined benefit plans calculated by estimating the amount of future benefit that employees have been earned in the current and prior periods, discount that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. The company has no schemes of retirement benefits for staffs in the form of defined benefit plan.

2.22 Income Tax

As per Nepal Accounting Standard- NAS 12 (Income Taxes) tax expense is the aggregate amount included in determination of profit or loss for the period in respect of current and deferred taxation. Income Tax expense is recognized in the statement of Profit or Loss, except to the extent it relates to items recognized directly in equity or other comprehensive income in which case it is recognized in equity or in other comprehensive income. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to tax authorities.

Current Tax

Current tax assets and liabilities consist of amounts expected to be recovered from or paid to Inland Revenue Department in respect of the current year, using the tax rates and tax laws enacted or substantively enacted on the reporting date and any adjustment to tax payable in respect of prior years

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.



Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities. Deferred income tax is recognized using the statement of financial position and its tax base. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in the financial statements, except when the deferred income tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date 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 deferred income tax asset to be utilized. The Company has recognized deferred tax asset/liabilities on the items through which such temporary difference has arisen.

Deferred tax is calculated on temporary differences using the effective tax rate of 25% (Previous Year 25%). Deferred tax liabilities (net of liabilities) have been recognized in respect of all tax loss and other temporary differences giving rise to deferred tax asset where the management believe it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized in accordance with NFRS.

2.23 Inventories

As per NAS 2, "Inventories", Inventories shall be carried at the lower of net realizable value or cost. Cost comprises of all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the necessary estimated expenses.

Company does not possess any inventories during the reporting date.

2.24 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial asset is any asset that is:

- a) Cash
- b) An equity instrument of another entity;
- c) A contractual right:
 - i) To receive cash or another financial asset from another entity; or
 - ii) To exchange financial assets or financial liabilities with another entity under conditions that are potentially favorable to the entity; or
- d) A contract that will or may be settled in the entity's own equity instruments and is:
 - i) a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
 - ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

The company's principal financial assets comprises of assets held at fair value, trade and other receivables as well as advances.

A financial liability is any liability that is:

- a) Contractual obligation:
 - (i) To deliver cash or another financial asset to another entity; or
 - (ii) To exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the entity; or
- b) a contract that will or may be settled in the entity's own equity instruments and is:
 - i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
 - ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.



While the company's financial liabilities consist of long-term borrowings, short term borrowings and trade payables.

Recognition and measurement

The Company recognizes financial assets and financial liabilities initially at its fair value plus in the case of Financial Assets and financial liabilities not "at Fair value through Profit or Loss", transaction costs that are attributable to the acquisition or issue of the financial assets and financial liabilities. The transaction costs of FinancialAssets carried "at Fair Value through Profit or Loss" are expensed in the Statement of Profit & Loss.

Subsequent Measurement of Financial Assets

i) Financial Assets measured at amortized cost:

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These instruments are recognized at amortized cost using effective interest rate. This classification includes trade receivables, advances and deposit. These instruments are mostly non-interest bearing and where interest component is present the implicit interest rate approximates effective interest rate. Therefore, it is assumed that the carrying amount represents the amortized cost of the assets.

ii) Financial Assets at fair value through other Comprehensive Income (FVTOCI):

A financial asset is measured at Fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are measured at fair value and changes are taken to statement of other comprehensive income. This classification includes equity securities held to maturity.

iii) Financial Assets at Fair value through profit or loss (FVTPL):

A financial asset which is not classified in any of the above categories is measured at FVTPL. These financial assets are measured at fair value and changes are taken to state loss. This classification includes quoted or unquoted equity securities held

Subsequent Measurement of financial liabilities:

After initial recognition, financial liabilities that are not carried at fair value through profits or loss are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in the Statement of Profit or Loss when the liabilities are derecognized, and through amortization process.

All financial liabilities held by the company are classified as financial liabilities held at amortized cost using effective interest rate. Financial liabilities held by the company are both interest bearing and non-interest bearing.

The non-interest-bearing instruments'carrying value represents the amortized cost. For interest bearing financial liabilities which comprises of the bank loans, interest charged by the bank approximates effective interest rate and the rate is considered for calculation of amortized cost of liability and the finance cost. The effect of initial charges and its impact on effective interest rate is considered not material and the carrying value is considered to approximate the amortized cost.

De-recognition:

The Company De-recognizes financial assets when the right to receive cash flows from the assets have expired or when it has transferred substantially all risks and rewards of ownership. If substantially all the risks and rewards have been neither retained nor transferred and the Company has retained control, the assets continue to be recognized to the extent of the Company's continuing involvement. Financial liabilities are derecognized when the obligation under the liability is discharged, cancelled or expired.

Impairment of financial assets

At each reporting date the Company assesses whether there is any objective indication that an asset or a group of financial assets may have been impaired. If such indication exists, the recoverable amount is determined. A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events occurring after the initialrecognition of the asset (a loss event), and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.



The Company considers the following factors in assessing objective evidence of impairment:

- i) Whether the counterparty is in default of payments.
- ii) When a counterparty files for bankruptcy, and this would avoid or delay discharge of its obligation.
- iii) Where the Company initiates legal recourse of recovery in respect of a credit obligation if the counterpart.
- iv) Where the Company consents to a restructuring of the obligation, resulting in a diminished financial obligation, demonstrated by a material forgiveness of debt or postponement of scheduled payments.
- v) Where there is observable data indicating that there is a measurable decrease in the estimated future cash flows of a group of financial assets, although the decrease cannot yet be identified with specific individual financial assets

Offsetting of Financial Instruments

The company offsets the financial assets and liabilities, and presents the net amount in the Statement of Financial Position when and only when, it has a legal right to set off the amounts and intends either to settle them on a net basis or to realize the assets and settle the liability simultaneously.

2.25 Financing and Borrowing Cost:

As per NAS 23, "Borrowing Cost", 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 an asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

2.26 Provisions, Contingent assets and Contingent Liabilities

As per NAS 37, "Provisions, Contingent Liabilities and Contingent Assets", Provision is a liability of uncertain timing or amount. An entity recognizes provision when three basic criterias as listed below are met:

- i) there is a present obligation as a result of past events.
- ii) it is probable that an outflow of resources embodying the future economic benefits will be required to settle the obligation
- iii) a reliable estimate can be made of the amount of the obligation

Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the entity or a present obligation that arises from the past events but is not recognised.

Contingent liabilities are not recognised but disclosed in financial statements.

Contingent assets 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.

Contingent assets are not recognised but disclosed in the financial statements.

Company does not have any contingent liability for the reporting period.

2.27 Leases

The determination of whether an arrangement is a lease or it contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. The lease rentals under such agreement are recognized in the statement of profit or loss as per the terms of the lease.

The Company recognizes rental expense from operating lease on a straight-line basis over the term of operating lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for lessors expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue.

As per NFRS 16, "Leases", at the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.



30/08/2021: Jyotitha /
X/ Omay /
X/ Suresh /



However on our assumption of lease for either short-term leases or leases for which the underlying asset is of low value, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

The Company has elected not to recognize ROU Assets and lease liabilities for leases of low value assets and short term leases for which the lease term ends within 12 months of the date of initial recognition. Since the amount of lease rentals is of low value, NFRS 16 has not been applied and lease rentals has been recognized in Statement of Profit or Loss considering the lease as operating lease.

2.28 Related Party Disclosures

A) Relationships

A party is related to an entity if:

- (a) directly, or indirectly through one or more intermediaries, the party;
 - (i) controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
 - (ii) has an interest in the entity that gives it significant influence;
 - (iii) has joint control over the entity;
- (b) the party is an associate (An associate is an entity, including an unincorporated entity such as a partnership, over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture.) of the entity.

B) Directors

Key Management Personnel and their immediate family members are also considered to be related parties for disclosure purpose as per NAS-24 "Related Party Disclosures".

As per Nepal Accounting Standard (NAS 24) "Related Party Disclosures", Key Management Personnel are those having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly. The Company considers the members of its Board , Chief Executive Officer and all managerial level executives as Key Management Personnel (KMP) of the company.

Following is the list of the directors and Vice-President bearing office at the July 16, 2023:

1) Ram Chandra Sharma	Chairman
2) Shiva Prasad Sharma	Director
3) Taranath Upadhyaya	Director
4) Krishna Raj Adhikari	Director
5) Hari Dutta Paudel	Director
6) Rama Sapkota	Director
7) Babu Ram Aryal	Director
8) Harka Bahadur Adhikari	Alternate Director
9) Kiran Pokhrel	Vice-President

Details of transactions and payments to the directors is listed below:

Name	Nature of Transaction	For FY 2079-80 Amount (NRs.)
Hari Dutta Paudel	Remuneration	444,956
Kiran Pokhrel	Remuneration	1,025,320
Krishna Raj Adhikari	Remuneration	482,550
Ramchandra Sharma	Remuneration	1,368,331
Shiva Prasad Sharma	Remuneration	1,171,126
Taranath Upadhyaya	Remuneration	498,000

As per NAS 24," Related Party Disclosure", Significant influence may be gained by virtue of 20 percent or more voting power but not more than 50 percent voting power.

Significant share holder comprises of:

Name	Shareholding %
R.K.D. Holdings Limited	20.90%

[Handwritten signatures of Directors: Hari Dutta Paudel, Shiva Prasad Sharma, Taranath Upadhyaya, Krishna Raj Adhikari, Ramchandra Sharma, Babu Ram Aryal, Harka Bahadur Adhikari, Kiran Pokhrel, and Hari Dutta Paudel again.]



2.29 Earnings per share (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all potentially dilutive securities.

	Year ended Asthadhi 31, 2080	Year ended Asthadhi 31, 2079
(a) Net profit/ (loss) after tax as per statement of profit and loss attributable to equity shareholders	(42,063,797)	(28,843,489)
(b) Net Profit/ (loss) attributable to equity shareholders adjusted for income dilution	(42,063,797)	(28,843,489)
(c) Weighted average number of equity shares for Basic EPS	12,520,298	2,000,000
(d) Weighted average number of equity shares for Diluted EPS	12,520,298	2,000,000
(e) Basic earnings per share (in Rs.)	(3.36)	(14.42)
(f) Diluted earnings per share (in Rs.)	(3.36)	(14.42)
(g) Face value per equity share	100	100

2.30 Cash Flow Statement

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

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

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

a) Operating Activities:

are the principal revenue generating activities of the reporting entity and other activities that are not classified as investing or financing

b) Investing Activities:

are the acquisition and disposal of long-term assets and other long term investments.

c) Financing Activities:

are activities that result in changes in the size and composition of the contributed equity and borrowed capital of the company.

2.31 CSR Reserve

Section 54 of Industrial Enterprises Act, 2076 provides the statutory requirement to set aside at least one percent of its annual profit in each fiscal year for the purpose of performing the corporate social responsibility.

The company has not created any CSR Reserve since it is yet to have operational income.

2.32 Comparative Information

The accounting policies have been consistently applied by the company and are consistent with those used in the previous year. Area in which accounting policies are changed , treatment of same has been given in the financial statement. Previous years figure have been regrouped and/or rearranged wherever necessary to facilitate comparison.



20/02/2022: Jyoti Shrestha S. J. D. M. X. [Signature]

Property, Plant and Equipment

Details of property, plant and equipment of the company as under:

Note - 3

Particulars

Amount in N.Rs.

Particulars	Land	Building	Furniture and Fixtures	Computer & Office Equipments	Vehicles	Plant and Machinery	Total	Capital Work in Progress	Amount in N.Rs.
Cost									
Cost as at 01/04/2078	19,671,250	-	680,780	860,740	15,232,235	89,027	208,534,050	47,477,320	683,011,370
Addition during the FY 2078/79	-	-	462,895	251,812	-	1,080,392	1,795,099	551,566,879	553,461,978
Revaluations & adjustments	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-
Balance as on 31/03/2079	19,671,250	-	1,143,684	1,112,561	15,232,235	1,169,419	210,329,449	1,025,144,199	1,236,473,348
Balance as at 01/04/2079	19,671,250	-	1,143,684	1,112,561	15,232,235	1,169,419	210,329,449	1,025,144,199	1,236,473,348
Addition during the FY 2079/80	20,717,660	-	276,654	676,983	-	-	21,691,197	770,640,574	792,331,771
Revaluations & adjustments	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-
Balance as on 31/03/2080	21,240,880	-	1,420,318	1,789,544	15,232,235	1,169,419	232,020,346	1,796,784,773	2,028,905,119
Accumulated Depreciation									
Balance as at 01/04/2078	-	-	266,095	273,575	2,030,965	13,354	2,583,990	-	2,583,990
Charge for the FY 2078/79	-	-	107,302	188,192	1,377,524	55,949	1,778,908	-	1,778,908
Deposits	-	-	-	373,398	461,768	3,408,489	68,843	4,312,497	4,312,497
Balance as on 31/03/2079	-	-	-	373,398	461,768	3,408,489	68,843	4,312,497	4,312,497
Balance as at 01/04/2079	-	-	134,198	220,190	1,377,524	23,975	1,971,986	-	1,971,986
Charge for the FY 2079/80	-	-	507,595	681,957	4,786,013	308,818	6,284,384	-	6,284,384
Deposits	-	-	-	-	-	-	-	-	-
Balance as on 31/03/2080	-	-	-	-	-	-	-	-	-
Closing Balance as at 01/04/2078	19,671,250	-	414,693,64	587,173,26	13,201,271	75,673	208,980,060	47,447,320	680,477,381
Closing Balance as at 31/03/2079	19,671,250	-	770,286	650,793	11,833,47	1,006,575	206,016,651	1,025,144,199	1,321,108,851
Closing Balance as at 31/03/2080	21,240,880	-	912,743	1,107,586	10,446,223	860,600	225,755,062	1,796,784,773	2,022,520,735



Intangible assets

Note --

Particulars	Website	Computer Software	Lease Hold Assets	Amount in NRs. Total Intangible Assets
Cost				
Decreed Cost as at 01.04.2078	13,274	-	-	13,274
Addition during the FY 2078.79	732,637	22,100,000	320,845	23,153,482
Disposals	-	-	-	-
Balance as on 32.03.2079	745,912	22,100,000	320,845	23,166,757
Balance as at 01.04.2079	745,912	22,100,000	320,845	23,166,757
Addition during the FY 2079.80	-	-	-	-
Disposals	-	-	-	-
Balance as on 31.03.2080	745,912	22,100,000	320,845	23,166,757
Amortization				
Balance as at 01.04.2078	6,478	-	-	6,478
Charge for the FY 2078.79	2,719	-	29,411	32,129
Disposals	-	-	-	-
Balance as on 32.03.2079	9,196	-	29,411	38,607
Balance as at 01.04.2079	9,196	-	29,411	38,607
Charge for the FY 2079.80	149,246	2,210,000	32,085	2,391,331
Disposals	-	-	-	-
Balance as on 31.03.2080	158,442	2,210,000	61,495	2,429,938
Closing Balance as at 01.04.2078	6,797	-	-	6,797
Closing Balance as at 32.03.2079	736,715	22,100,000	291,434	23,128,149
Closing Balance as at 31.03.2080	587,469	19,890,000	259,350	20,736,819



Ramon *Shrestha* *G.P. Rabbanik* *Chartered Accountant*

Deferred tax

Note -5
Amounts (NRs.)

Particulars	As at Ashadh 31, 2080	As at Ashadh 32, 2079	As at Ashadh 31, 2078
Assets Base as per Financials	34,063,971	37,473,551	14,285,607
Assets Base as per Tax	31,229,397	35,354,609	14,290,381
Deductible/(Taxable) Temporary Difference	(2,834,574)	(2,118,941)	4,774
Liability Base as per Financials	-	-	-
Liability Base as per Tax	-	-	-
Deductible/(Taxable) Temporary Difference	-	-	-
Total of temporary/(taxable) difference	(2,834,574)	(2,118,941)	4,774
Tax rate	25%	25%	25%
Deferred Tax Liabilities/(Assets)	(708,643)	(529,735)	1,194
Total	(708,643)	(529,735)	1,194
Deferred tax (expense)/income	178,908	530,929	-

Cash and Cash Equivalent

Note -6
Amounts (NRs.)

Particulars	As at Ashadh 31, 2080	As at Ashadh 32, 2079	As at Ashadh 31, 2078
Cash in Hand (as certified by management)	4,741	4,866	4,721
Cheque/Draft in hands	-	-	-
Balance with Banks	71,984,570	25,032,594	6,201,704
Total	71,989,311	25,037,460	6,206,425

Bank Balances

Note -6.1
Amounts (NRs.)

Particulars	As at Ashadh 31, 2080	As at Ashadh 32, 2079	As at Ashadh 31, 2078
Nepal Bank Ltd.	1,812,971	1,813,221	413,471
Nepal SBI Bank Ltd	4,233,047	9,088,234	3,774,702
Citizen Bank International Ltd	33,800	33,800	33,800
NIC Asia Bank Ltd	65,283,390	13,914,702	1,903,237
NMB Bank Ltd	621,362	182,637	76,495
Navayug Multipurpose Cooperative Ltd. 10-00453-9	-	-	-
Total	71,984,570	25,032,594	6,201,704

Other Financial Asset

Note - 7
Amounts (NRs.)

Particulars	As at Ashadh 31, 2080	As at Ashadh 32, 2079	As at Ashadh 31, 2078
Advance for Investment	289,015,000	-	-
Advance for Fixed Assets	-	-	10,679,325
Advance to Other Parties	11,594,650	70,529,492	160,000
Total	300,609,650	70,529,492	10,839,325

Other Current Asset

Note - 8
Amounts (NRs.)

Particulars	As at Ashadh 31, 2080	As at Ashadh 32, 2079	As at Ashadh 31, 2078
Advances to Suppliers	15,327,545	13,419,596	65,875,704
Letter of Credit Margin	14,467,000	8,905,000	-
VAT Receivable	158,970,919	107,632,490	53,745,886
Advance Tax	626,365	645,249	17,058
Other Receivable and Advances	6,462,140	226,701	51,626,066
Prepaid Expenses	380,389	-	-
Total	196,234,359	130,829,037	171,264,685



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Bandipur Cable Car and Tourism Ltd.

Bandipur-04, Tanahun

Schedules forming an integral part of the Financial Statement as on 31st Ashadh , 2080 (16th July, 2023)

Equity Share Capital

Note - 9

Particulars	As at Ashadh 31, 2080	As at Ashadh 32, 2079	As at Ashadh 31, 2078
Authorized Capital (30,000,000 shares of Rs. 100 each)	30,000,000,000	1,000,000,000	1,000,000,000
Issued Capital (25,500,000 shares of Rs. 100 each)	2,550,000,000	750,000,000	750,000,000
Subscribed and Paid- Up Capital (12,520,298 shares of Rs.100 each)	1,252,029,800	200,000,000	200,000,000
Total	1,252,029,800	200,000,000	200,000,000

a) Reconciliation of the number of Shares

Equity Shares	No of Shares	As at 16th July 2023 Amount(in lakhs)
Balance at the beginning of the year	2,000,000	200,000,000
Balance as at the end of the year	12,520,298	1,252,029,800

b) Right , Preferences and Restrictions attached to Shares

Equity Shares: The company has one class of equity shares having a par value of NRs.100 per share. Each share holder is eligible for one vote per share held. The dividend proposed by the shareholder is subject to the approval of the shareholders in annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholder eligible to receive the remaining assets of the company after the distribution of the preferential amounts, in proportion to their shareholding.

Retained Earnings

Note -10

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

Particulars	As at Ashadh 31, 2080	As at Ashadh 32, 2079	As at Ashadh 31, 2078	Figures in NRs.
Opening balance	(56,057,809)	(27,214,320)	(20,608,315)	
Prior Period Adjustment	-	-	-	
Net profit after tax during the year	(42,063,797)	(28,843,489)	(6,606,005)	
Other comprehensive Income	-	-	-	
Total	(98,121,606)	(56,057,809)	(27,214,320)	

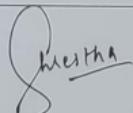
Non Current Liabilities

Note - 11

Figures in NRs.

Particulars	As at Ashadh 31, 2080	As at Ashadh 32, 2079	As at Ashadh 31, 2078
Term Loan	757,341,086	558,636,007	250,321,423
Hire Purchase Loan	7,782,638	9,070,631	10,219,662
Unsecured Loan	-	-	2,495,747
Total	765,123,724	567,706,637	263,036,832








Short Term Borrowing

Note - 12
Figures in NRs.

Particulars	As at Ashadh 31, 2080	As at Ashadh 32, 2079	As at Ashadh 31, 2078
Working Capital Loan	-	131,765,000	127,188,182
Bridge Gap Loan	131,765,000	127,188,182	183,134,000
HP Loan (Current Portion)	1,287,992	1,149,032	1,245,925
Trust Receipt Loan	-	-	-
Total	133,052,992	128,337,214	184,379,925

Note: These loan are secured as first charges by way of hypothecation of all current assets and the fixed asset of the company.

Trade Payables

Note - 13
Figures in NRs.

Particulars	As at Ashadh 31, 2080	As at Ashadh 32, 2079	As at Ashadh 31, 2078
Creditors for Goods & Services	79,776,794	159,305,739	29,342,666
Total	79,776,794	159,305,739	29,342,666

Other Current Liabilities

Note - 14
Amounts (NRs.)

Particulars	As at Ashadh 31, 2080	As at Ashadh 32, 2079	As at Ashadh 31, 2078
Salary and Wages Payable	1,427,461	245,721	143,899
Other Miscellaneous Payable	7,615,252	25,249,655	-
Rent Payable	-	144,000	44,211
Reverse VAT Payable	5,999,675	3,152,761	-
Statutory Dues IE VAT, Excise , Income Tax Payable	6,918,476	5,258,610	1,916,418
Audit Fee Payable	295,500	142,825	123,125
Total	22,256,365	34,193,572	2,227,653



Bandipur Cable Car and Tourism Ltd.

Bandipur-04, Tanahun

Schedules forming an integral part of the Financial Statement
for the year ended 32nd Ashadh, 2079 (16th July, 2022)

Other Income

Particulars	Year ended Ashadh 31, 2080	Note - 15 Amounts (N.Rs.)	
		Year ended Ashadh 32, 2079	
Miscellaneous Income	32,290	132,664	
Proceeds of Bid Document	20,000	15,000	
Gain on sale of Shares (Current Investment)	-	8,741,976	
Dividend income	-	670,806	
Insurance Claim Income	-	141,200	
Interest Income	-	4,298,320	
Total	52,290	13,999,965	

Employee Benefit Expenses

Particulars	Year ended Ashadh 31, 2080	Note - 16 Amounts (N.Rs.)	
		Year ended Ashadh 32, 2079	
Salary Expenses	3,618,867	1,390,000	
Mess Expenses	362,033	695,929	
Total	3,980,900	2,085,929	

Administrative Expenditure

Particulars	Year ended Ashadh 31, 2080	Note - 17 Amounts (N.Rs.)	
		Year ended Ashadh 32, 2079	
Audit Fee	300,000	145,000	
Insurance Expenses	112,910	-	
Internet Expenses	20,500	31,500	
Legal and Consultancy Expenses	294,850	178,000	
Printing and Stationery Expenses	131,405	314,234	
Miscellaneous Expenses	294,921	1,299,766	
Water and Electricity Expenses	5,690	78,831	
Advertisement Expenses	144,630	126,464	
Office Expenses	299,151	216,930	
Service Fee and Charges	160,000	-	
Vehicle Fuel Expenses	670,886	-	
Renewal and Registration Expenses	425,400	2,500	
Rent Expenses	473,333	499,444	
Repair and Maintenance - Machinery & Equipments	3,950	-	
Repair and Maintenance - Others	10,000	-	
Repair and Maintenance - Vehicles	445,984	-	
Loading Wage Expenses	-	124,000	
Survey & Reimbursement Expenses	-	191,916	
Agent Commission	20,109,847	80,323	
Electrical Materials Expenses	-	1,800	
Kitchen Expenses	1,045	115,588	
Wage Expenses	-	51,800	
AGM Expenses	449,685	376,125	
Web hosting	3,450	-	
Telephone Expenses	21,695	130,142	
Travelling Expenses	3,673,722	154,695	
Total	28,053,054	4,119,059	



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Non- Operating Expense

Note - 18

Particulars	Year ended Ashadh 31, 2080	Year ended Ashadh 32, 2079	Amounts (NRs.)
Forex Loss	2,463,580	-	
Provision for Receivables	-	34,202,534	
Total	2,463,580	34,202,534	

Finance Cost

Note - 19

Particulars	Year ended Ashadh 31, 2080	Year ended Ashadh 32, 2079	Amounts (NRs.)
Interest Expenses	2,529,826	-	
Bank Charges	546,602	-	
Total	3,076,428	144,367	



20.1 First time adoption of NFRS

Note - 20

The Company has prepared the opening balance sheet as per NFRS as of Shrawan 1, 2078 (the transition date) by recognising all assets and liabilities whose recognition is required by NFRS, not recognising items of assets or liabilities which are not permitted by NFRS, by reclassifying items from previous GAAP to NFRS as required under NFRS, and applying NFRS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

i) Deemed cost of property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value of all its property, plant and equipment recognised as of Shrawan 1, 2078 (transition date) measured as the previous GAAP and used that carrying value as deemed cost as of the transition date.

20.2 Reconciliation between previous GAAP and NFRS

The following reconciliations provide the effect of transaction to NFRS from previous GAAP in accordance with NFRS 1.

a) Retained Earnings as at 01-04-2078

Particular	Amount
Retained Earnings under previous GAAP on 01-04-2078	(27,210,739)
<i>Adjustments:</i>	
Change in accounting policy:	
Depreciation	-
Assets written off	(4,774)
Present Value of Defined Benefit Obligation	-
Deferred tax adjustment (net)	1,194
Retained Earnings under NFRS	(27,214,320)

b) Net Profit for the year ended 32-03-2079

Particulars	For FY 2078-79
Profit/(loss) after tax under previous GAAP	(29,850,965)
<i>Adjustments:</i>	
Impact of Depreciation	1,353,287
Impact of Gratuity expense	
Impact of Deferred Tax	(345,812)
Total Comprehensive Income/(loss) as per NFRS	(28,843,490)

c) There are no material adjustments to the statements of cash flows as reported under previous GAAP.



21 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Note - 21

The Company's principal financial liabilities comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets comprise trade and other receivables, and cash and short-term deposits that arrive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

21.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings and deposits.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's bank overdraft and short term deposits.

The Company manages its interest rate risk by negotiating with highly reputed commercial banks.

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).

The Company manages its foreign currency risk by not holding the payables in foreign currencies for longer duration. Also, to the extent doable, the Company hedges its foreign exchange exposures by executing forward contracts to minimize risk caused by foreign exchange fluctuations. There are no open forward contracts as at Ashad 31, 2080 (July 16, 2023).

21.2 Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks and financial institutions.

21.3 Liquidity risk

The Company monitors its risk to a shortage of funds on a regular basis through cash forecasts.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans. Access to sources of funding is sufficient.