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**Super Khudi Hydropower Limited**  
Swayambhu, kathmandu

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**Annual Financial Report  
For the Financial Year  
2080-81**



M.K. Sah & Associates  
Chartered Accountants  
Balkhu, Kathmandu  
Tel. +977-4439445, Fax +977-1-4439445  
Email: [associatesmksah@gmail.com](mailto:associatesmksah@gmail.com)

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

## UDIN Document

Fiscal Year: 2080/81

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Member Name: MANOJ KUMAR SAH	Date of Signing Document: 2024-12-22
Document Type: Audit	Audit Type: Statutory Audit
Office Type: Unlisted Public Company	Office Name: SUPER KHUDI HYDROPOWER LIMITED
Type of Audit Opinion: Unqualified Opinion	Period (AD): 2023-07-17 to 2024-07-15
Office PAN: 303418795	

### Financial figures

S.N.	Heading	Amount
1	Total Asset/Liabilities	NRs. 2494979792
2	Gross Revenue/Turnover	NRs. 1144828920.55
3	Gross Expenses	NRs. 1012236269.15
4	Net Profit Or Loss	NRs. 132592651.40

Status: Active Document

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# M.K. Sah & Associates

Chartered Accountants  
ICAN Firm Reg. No.: 410  
COP No.: 501  
TPIN No.: 600302209

♦ Balkhu-14, 8A-Brihat Cluster  
Kathmandu, Nepal  
☎ +977-1-4539445  
✉ associatesmksah@gmail.com

## INDEPENDENT AUDITOR'S REPORT

### The Share holders of Super Khudi Hydropower Limited Report on the Audit of Financial Statements

#### Opinion

We have audited the accompanying financial statements of M/s Super Khudi Hydropower Limited, Swayambhu, Kathmandu, Nepal (hereinafter the company), which comprises the balance sheet as at Ashad 31, 2081 [July 15, 2024], profit and loss account, statement of changes in equity & cash flow statement for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of the company as at Ashad 31, 2081 [July 15, 2024] and its financial performance and its cash flows for the year then ended on that date in accordance with Nepal Financial Reporting Standards (NFRSs).

#### Basis of Opinion

We conducted our audit in accordance with Nepal Standards on Auditing (NSA's). 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 Institute of Chartered Accountant of Nepal's code for professional accountants (ICAN Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nepal, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAN Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

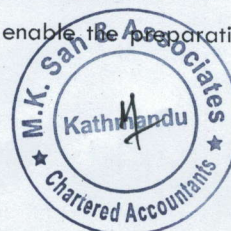
#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

No any key audit matters were identified that needs to be reported.

#### 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 Nepal Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.





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

Those charged with governance are responsible for overseeing the company's financial reporting process.

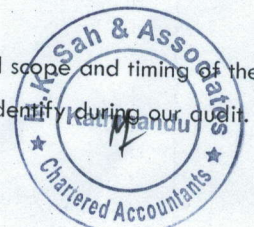
#### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with NSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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





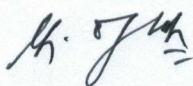
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Report on Other Legal and Regulatory Requirements**

We have obtained information and explanations asked for, which, to the best of our knowledge and belief were necessary for the purpose of our audit. In our opinion, proper books of account as required by law have been kept by the organization in so far as it appears from our examination of those books of account of the company. In our opinion the statement of financial position, statement of profit or loss, statement of other comprehensive income, statement of changes in equity & statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes have been prepared in accordance with the requirements of Companies Act, 2063 and are in agreement with the books of accounts maintained by the company.

**For M.K. Sah and Associates**

**Chartered Accountants**



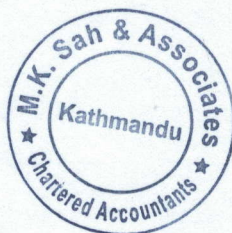
**CA. Manoj Kumar Sah, FCA**

**Proprietor**

**Date: 2081/09/07**

**Place: Kathmandu, Nepal**

**UDIN: 241231CA00545cz9xb**



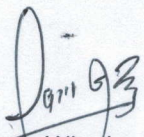


**Super Khudi Hydropower Limited.**  
**(Formerly Known as Super Khudi Hydropower Pvt. Ltd. )**  
**Swayambhu Kathmandu**  
**Statement of Financial Position**  
**As on Ashadh 31, 2081 (July 15, 2024)**


Particulars	Notes	As on Ashadh 31, 2081 (July 15, 2024) (NRS)	As on Ashadh 31, 2080 (July 16, 2023) (NRS) Restated	As on Shrawan 01, 2079 (July 17, 2022) (NRS) Restated
<b>Assets</b>				
<b>Non Current Assets</b>				
Property, Plant & Equipment	5	29,187,360	29,386,382	16,657,055
Intangible Assets Under Development (IAUD)	6	1,989,340,066.78	844,511,146	455,407,646
<b>Current Assets</b>				
<b>Financial Assets</b>				
Cash & Cash Equivalents	7	4,004,142	594,562	418,388
Other Current Assets	8	36,937,600	1,302,600	-
<b>Non-Financial Assets</b>				
Pre-Payments	9	346,992,338	270,954,657	-
Other Current Assets	10	88,518,285	16,052,335	177,223,293
Current Tax Assets	11	-	-	-
<b>Total Assets</b>		<b>2,494,979,792</b>	<b>1,162,801,682</b>	<b>649,706,382</b>
<b>Equity &amp; Liabilities</b>				
<b>Shareholder's Fund</b>				
Equity Share Capital	12	790,500,000	618,746,400	30,000,000
Advance for Share Capital	13	-	31,122,600	473,357,782
Accumulated Profit & Loss	14	215,553,261	82,960,609	40,653,994
<b>Non-Current Liabilities</b>				
<b>Financial Liabilities</b>				
Long Term Borrowing	15	1,181,908,788	127,552,000	-
<b>Current Liabilities</b>				
<b>Financial Liability</b>				
Short Term Borrowings	16	222,199,092	271,000,000	-
Other Liabilities	17	82,798,434	27,094,479	100,971,132
Non Financial Liabilities	18	2,020,217	4,325,594	4,723,474
<b>Total Capital &amp; Liabilities</b>		<b>2,494,979,792</b>	<b>1,162,801,682</b>	<b>649,706,382</b>

Summary Significant Accounting Policies and 1 to 31

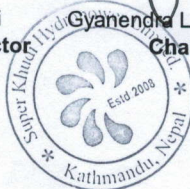
As per our attached report  
of even date

  
Newaraj Niraula  
Sr.Account Officer

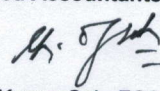
For & On Behalf of Board

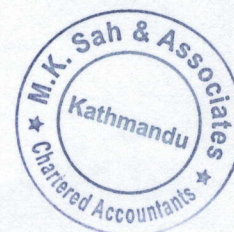
  
Ganesh Karki  
Managing Director

  
Gyanendra Lal Pradhan  
Chairman



For M.K Sah & Associates  
Chartered Accountants

  
Manoj Kumar Sah, FCA  
Proprietor



Date:  
Place: Kathmandu



**Super Khudi Hydropower Limited.**  
**(Formerly Known as Super Khudi Hydropower Pvt. Ltd. )**

**Swayambhu Kathmandu**  
**Statement of Profit & Loss**

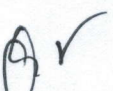
**For the Year Ended Ashadh 31, 2081 (July 15, 2024)**

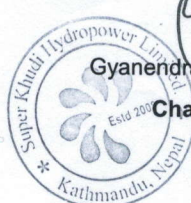
<u>Particulars</u>	<u>Notes</u>	<u>Year Ended</u> <u>Ashadh 31, 2081</u> <u>(July 15, 2024)</u> <u>(NRS)</u>	<u>Year Ended</u> <u>Ashadh 31, 2080</u> <u>(July 16, 2023)</u> <u>(NRS) Restated</u>
Revenue from Operation	19	-	-
Cost of revenue	20	-	-
<b>Gross Profit</b>		<b>-</b>	<b>-</b>
Construction Revenue as per IFRIC-12	21	1,144,828,920.55	389,103,500.20
Construction Expenses as per IFRIC-12	22	(996,196,415.38)	(338,586,408.11)
<b>Profit as Per IFRIC-12</b>		<b>148,632,505.17</b>	<b>50,517,092.09</b>
<b>Expenditure</b>			
Administrative Expenses	23	11,667,236.38	7,001,743.02
Depreciation	24	4,372,617.39	1,208,733.70
Amortization of Project Assets		-	-
<b>Total Expenditure</b>		<b>16,039,853.77</b>	<b>8,210,476.72</b>
<b>Profit From Operations</b>		<b>132,592,651.40</b>	<b>42,306,615.37</b>
Financial Income		-	-
Financial Charges		-	-
<b>Net Profit/(Loss) Before Tax</b>		<b>132,592,651.40</b>	<b>42,306,615.37</b>
<b>Income Tax Expenses:</b>			
Current Year Income Tax		-	-
Deferred Tax Expenses/(Income)		-	-
<b>Net Profit for the Year</b>		<b>132,592,651.40</b>	<b>42,306,615.37</b>
<b>Earning Per Share</b>			
Basic	25	16.77	6.84
Diluted	25	16.77	6.84
Summary Significant Accounting Policies and Notes to the Financial Statements	1 to 31	As per our attached report of even date	

**For & On Behalf of Board**

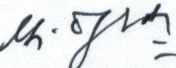
  
**Nawaraj Niraula**  
**Sr.Account Officer**

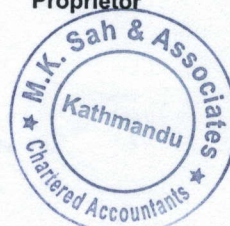
  
**Ganesh Karki**  
**Managing Director**

  
**Gyanendra Lal Pradhan**  
**Chairman**



**For M.K Sah & Associates**  
**Chartered Accountants**

  
**Manoj Kumar Sah, FCA**  
**Proprietor**



**Date:**

**Place: Kathmandu**



**Super Khudi Hydropower Limited.**  
**(Formerly Known as Super Khudi Hydropower Pvt. Ltd. )**  
**Swayambhu Kathmandu**

**Statement of Other Comprehensive Income**  
**For the Year Ended Ashadh 31, 2081 (July 15, 2024)**

<u>Particulars</u>	<u>Note</u>	Year Ended Ashadh 31, 2081 (July 15, 2024) (NRS)	Year Ended Ashadh 31, 2080 (July 16, 2023) (NRS) Restated
<b>Profit for the year</b>		<b>132,592,651</b>	<b>42,306,615</b>
<b>Other Comprehensive Income, Net of Income Tax</b>			
a) Items that will not be reclassified to profit or loss			
Gains/(losses) from investment in equity instruments measured at fair value		-	-
Gains/(losses) on revaluation		-	-
Actuarial gains/(losses) on defined benefit plans		-	-
Income tax relating to above items		-	-
<b>Net other comprehensive income that will not be reclassified to profit or loss</b>		<b>-</b>	<b>-</b>
b) Items that are or may be reclassified to profit or loss			
Gains/(losses) on cash flow hedge		-	-
Exchange gains/(losses)(arising from translating financial assets of foreign operation)		-	-
Income tax relating to above items		-	-
Reclassify to profit or loss		-	-
<b>Net other comprehensive income that are or may be reclassified to profit or loss</b>		<b>-</b>	<b>-</b>
c) Share of other comprehensive income of associate accounted as per equity method		-	-
<b>Other Comprehensive Income for the year, Net of Income Tax</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the Period</b>		<b>132,592,651</b>	<b>42,306,615</b>
<b>Total Comprehensive Income attributable to:</b>			
Share Holders		132,592,651	42,306,615
<b>Total Comprehensive Income for the Period</b>		<b>132,592,651</b>	<b>42,306,615</b>



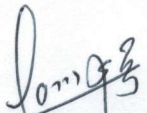


**Super Khudi Hydropower Limited.**  
**(Formerly Known as Super Khudi Hydropower Pvt. Ltd. )**  
**Swayambhu Kathmandu**  
**Standalone Statement of Cash Flow**  
**For the Year Ended Ashadh 31, 2081 (July 15, 2024)**

<u>Particulars</u>	<u>Year Ended</u> <u>Ashadh 31, 2081</u> <u>(July 15, 2024)</u> <u>(NRS)</u>	<u>Year Ended</u> <u>Ashadh 31, 2080</u> <u>(July 16, 2023)</u> <u>(NRS) Restated</u>
<b>A. Cash Flow from Operating Activities:</b>		
Net Profit Before Tax	132,592,651.40	42,306,615.37
Adjustment for:		
Depreciation and Amortization	4,372,617.39	1,208,733.70
Interest Expenses	-	-
Prior Period Expenses	-	-
<b>Operating Profit Before Working Capital Changes</b>	<b>136,965,268.79</b>	<b>43,515,349.07</b>
<b>Changes in Working Capital</b>		
Decrease/(Increase) in Other Financial Current Assets	(35,635,000.00)	(1,302,600.00)
Decrease/(Increase) in Pre-payments	(76,037,681.02)	(270,954,657.23)
Decrease/(Increase) in Other Non-Financial Current Assets	(72,465,949.97)	161,170,957.41
Decrease/(Increase) in Current Tax Assets	-	-
Decrease/(Increase) in Other Non-Current Financial Liabilities	-	-
Decrease/(Increase) in Other Current Financial Liabilities	55,703,955.19	(73,876,652.55)
Decrease/(Increase) in Other Non-Current Financial Liabilities	(2,305,376.53)	(397,880.55)
<b>Operating Cash Flows After Changes in Working Capital</b>	<b>(130,740,052.33)</b>	<b>(185,360,832.92)</b>
<b>Net Cash Flow from Operating Activities</b>	<b>6,225,216.46</b>	<b>(141,845,483.85)</b>
<b>B. Cash Flow from Investing Activities:</b>		
Purchase of Property and Equipment	(4,173,596.00)	(13,938,060.00)
Sale of Property and Equipment	-	-
(Increase) /Decrease in Intangible assets under development	(1,144,828,920.55)	(389,103,500.20)
<b>Net Cash Flow From Investing Activities</b>	<b>(1,149,002,516.55)</b>	<b>(403,041,560.20)</b>
<b>C. Cash Flow from Financing Activities:</b>		
Decrease/(Increase) in Equity	140,631,000.00	146,511,217.99
Decrease/(Increase) in Long term Borrowings	1,054,356,788.33	127,552,000.00
Decrease/(Increase) in Short term Borrowings	(48,800,908.30)	271,000,000.00
Bonus Paid	-	-
Dividends Paid	-	-
Interest Paid	-	-
<b>Net Cash Flow From Financing Activities</b>	<b>1,146,186,880.03</b>	<b>545,063,217.99</b>
<b>Total Cash Flows from All Activities (A+B+C)</b>	<b>3,409,579.94</b>	<b>176,173.94</b>
Opening Cash & Bank Balances	594,562.04	418,388.10
<b>Closing Cash &amp; Bank Balances</b>	<b>4,004,141.98</b>	<b>594,562.04</b>

As per our attached report of even date

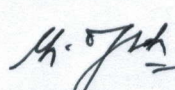
For & On Behalf of Board

  
Nawaraj Niraula  
**Sr.Account Officer**

Date:  
Place: Kathamndu

   
Ganesh Karki      Gyanendra Lal Pradhan  
**Managing Director**      **Chairman**

For M.K Sah & Associates  
Chartered Accountants

  
Manoj Kumar Sah, FCA  
**Proprietor**





**Super Khudi Hydropower Limited.**  
**(Formerly Known as Super Khudi Hydropower Pvt. Ltd. )**  
**Swayambhu Kathmandu**  
**Statement of Changes in Equity**  
**For the Year Ended Ashadh 31, 2081 (July 15, 2024)**

Particulars	Share Capital	Share Capital Advance	Fair Value Reserve	Revaluation Reserve	Retained Earning	Total
Balance at Shrawan 01, 2079	30,000,000	473,357,782	-	-	40,653,994	544,011,776
Issue of Share Capital	588,746,400	-	-	-	-	588,746,400
Previous Year Taxes	-	-	-	-	-	-
Share Capital Advance	-	(442,235,182)	-	-	-	(442,235,182)
Total Comprehensive Income for the Year	-	-	-	-	42,306,615	42,306,615
Dividend Paid	-	-	-	-	-	-
<b>Balance at Ashad 2080</b>	<b>618,746,400</b>	<b>31,122,600</b>	<b>-</b>	<b>-</b>	<b>82,960,609</b>	<b>732,829,609</b>
Balance at Shrawan 01, 2080	618,746,400	31,122,600	-	-	82,960,609	732,829,609
Issue of Share Capital	171,753,600	-	-	-	-	171,753,600
Adjustment/Restatement on NFRS Transition date:						
Previous Year Taxes	-	-	-	-	-	-
Share Capital Advance	-	(31,122,600)	-	-	-	(31,122,600)
Total Comprehensive Income for the Year	-	-	-	-	132,592,651	132,592,651
Interim Dividend Paid	-	-	-	-	-	-
<b>Balance at Ashad end 2081</b>	<b>790,500,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>215,553,261</b>	<b>1,006,053,261</b>






**Super Khudi Hydropower Limited.**  
**(Formerly Known as Super Khudi Hydropower Pvt. Ltd. )**  
**Swayambhu Kathmandu**  
**Significant Accounting Policies and Notes to Accounts**

**Notes**

**1 Corporate Overview:**

Super Khudi Hydropower Pvt. Ltd ("the Company"), a private limited company registered under Companies Act, 2063 as on 17<sup>th</sup> December 2008 with Reg No: 58603/065/066, having its registered office at Swayambhu-15, Kathmandu, Nepal has been converted to Limited company as on 10<sup>th</sup> July 2023 with registration no 315055/079/080. Project site is located in Marsyangdi Rural Municipality of Lamjung district.

It is a high head project with 5.85 m<sup>3</sup>/s design discharge, 531.86 m gross head and 26 MW installed capacity.

It is located at the upstream of existing Khudi Hydropower Project (4.0 MW) in Marsyangdi Rural Municipality of Lamjung district. The project area lies at about 14 km from Besisahar, the district headquarter of Lamjung, and 188 km from Kathmandu. Geographically the project area lies within 84°18'32"E / 84°19'26"E to 84°20'44"E and 28°18'22"N to 28°21'19"N/ 28°21'50"N.

Company has entered into Power Purchase Agreement with Nepal Electricity Authority in Baishakh 11,2076.

**2 Significant Accounting Policies:**

**2.1 Statement of Compliance**

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

These financial statements for the year ended 31 Ashadh, 2081 are the first report prepared by complying NFRS. For all periods upto and including the year ended 31 Ashadh, 2080, the Company prepared its financial statements in accordance with the Nepal Accounting Standards (hereinafter referred to as 'Previous GAAP') for its statutory reporting requirement in Nepal. The financial statements for the year ended 31 Ashadh, 2080 and the opening Balance Sheet as at 01 Shrawan, 2079 have been restated in accordance with NFRS for comparative information.

Reconciliations and explanations of the effect of the transition from Previous GAAP to NFRS on the Company's Statement of Financial Position, Statement of Profit or Loss and Change in Equity and Statement of Cash Flows are provided in Notes 30.

**2.2 Retrospective application of NRFR exemptions availed by the company on First time adoption:**

NFRS 1 allows first-time adopters certain exemptions from retrospective application of certain requirements under NFRS. The Company has elected to apply the following optional exemptions from retrospective application:

a) Deemed cost for property, plant and equipment

The Company has elected to measure all its property, plant and equipment, Intangible Assets at the Previous GAAP in carrying amount as its deemed cost on 01.04.2079.

b) Estimated Salvage Value:

Company has taken the estimated salvage value as certain portion of deemed cost of aquisition.

**2.3 Basis of Preparation**

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening NFRS Financial Position as at 01 Shrawan, 2079 being the 'date of transition to NFRS'. All assets and liabilities have been reclassified as current or non-current as per the Company's normal operating cycle. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or noncurrent classification of assets and liabilities.

**2.4 Reporting Period**

The Company follows the Nepalese financial year based on the Nepalese calendar starting from first day of Shrawan (Mid July) of each year to the last day of Ashad (Mid July) of the next year. Corresponding dates for the english calender are as follows.

Relevant Financial Statement Date/Period		Nepalese Calendar Date/ Period	Calendar Date/ Period
Date of Transition to NFRS		01 Shrawan 2079	17th July, 2022
Comparative Reporting Date		31 Ashad 2080	16th July, 2023
Reporting Date		31 Ashad 2081	15th July, 2024
Comparative Reporting Period		01 Shrawn 2079 – 31 Ashad 2080	17th July, 2022 - 16th July,
Reporting Period		01 Shrawn 2080 – 31 Ashad 2081	17th July, 2023 - 15th July,

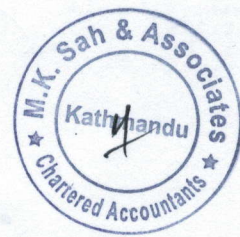
**2.5 Accounting Convention:**

These financial statements are prepared under historical cost convention except for certain material items that have been measured at fair value as required by the relevant NFRS.

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## Significant Accounting Policies and Notes to Accounts

### 2.6 Presentation Currency:

The financial statements are prepared in Nepalese Rupee ("NPR"), which is the company's functional currency.

### 2.7 Presentations:

The financial Statement are prepared in Nepalese Rupee and rounded off to nearest rupees. The figures for previous year are rearranged and reclassified wherever necessary for the purpose of facilitating comparison. Appropriate disclosure are made wherever necessary.

#### Statement Of Financial Position (SOFPP) :

The elements of Statement of Financial Position (SoFP) other than equity is presented in order of their liquidity by considering current and non-current nature which are further detailed in relevant sections. The company present assets and liabilities in statement of financial position based on current & non-current classification.

The company classifies an assets as current when it is:

- i) Expected to be realised or intended to sold or consumed in normal operating cycle.
- ii) Held primarily for the purpose of trading.
- iii) Expected to be realised within 12 month after the reporting period
- iv) Cash or cash equivalents.

All other assets are classified as non-current .

The company classifies liability as current when it is;

- i) Expected to be settled in normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) Expected to be settled within 12 month after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non current assets/liabilities.

The statement of profit & loss has been prepared using classification "by function" Method.

The statement of cash flow has been prepared using indirect method

#### Statement of Profit & loss and Other Comprehensive Income:

The elements of Statement of Profit or Loss (SoPL) and Other Comprehensive Income (OCI) have been prepared using classification 'by function' method. The details of revenue, expenses, gains and/ or losses have been disclosed in the relevant section of this notes.

Earnings per share (EPS) has been disclosed in the face of 'SoPL and OCI' in accordance with NAS 33.

#### Statement of Cash Flow:

Statement of Cash Flows (SoCF) has been prepared using indirect method and the activities have been grouped under three major categories (Cash flows from operating activities, Cash flows from investing activities and Cash flows from financing activities) in accordance with NAS 07.

#### Statement of Change in Equity:

The Statement of Changes in Equity (SoCE) has been prepared disclosing changes in each elements of equity.

### 2.8 Use of Accounting Estimates :

The preparation of the financial statements in conformity with Nepal Financial Reporting Standards requires the use of certain critical accounting estimates and judgments. It also requires management to exercise judgment in the process of applying the Company's accounting policies. The Company makes certain estimates and assumptions regarding the future events.

Estimates and judgments are continuously evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year primarily includes:-

#### a Useful life and residual value of Property, Plant and Equipment:

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

#### b Impairment of Property, Plant and Equipment:

At the end of each reporting period, the Company reviews the carrying amount of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is usually determined on the basis of discounted estimated future cash flows. This involves management estimates on anticipated commodity prices, market demand and supply, economic and regulatory environment, discount rates and other factors. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of assets.

#### c Contingencies:

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





## Significant Accounting Policies and Notes to Accounts

### d Fair Value Measurements:

The company's assets and liabilities are measured at fair value, wherever necessary, for financial reporting purposes. The management determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. No such measurement has been done during the current financial period.

### e Classification of legal matters and Tax litigations:

The litigations and claims to which the company is exposed to are assessed by management with the assistance of legal department. Disclosure related to such provisions, as well as contingent liabilities, also require judgement and estimations, if any.

### 2.9 Going Concern

The financial statement are prepared on going concern basis, as management is satisfied that the company has the resources to continue the business for the foreseeable future. In making this assessment, the management has considered a wide range of information relating to present and future conditions, including future projection of profitability, cash flow and capital resources.

### 2.10 Materiality:

The company for the preparation of financial statements determines materiality based on the nature or magnitude, or both. Materiality is a pervasive constraint in financial reporting because it is pertinent to all of the qualitative characteristics.

## 3 Elements of Financial Statement

### 3.1 Property, Plant & Equipments

- a Property, Plant and Equipment (PPE) are those tangible assets used for generation and supply of energy, for administrative purpose or for rentals to others. These are recognized as PPEs, if and only if it is probable that future (i.e. for more than one accounting period) economic benefits associated with the items will flow to the Company; and the cost of the item can be measured reliably.
- b Items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.
- c Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate assets are derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
- d The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part have a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives.
- e The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
- f An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal, any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognized.
- g The Company identifies impairable fixed assets based on cash generating unit concept at the period-end for the purpose of arriving at impairment loss thereon, if any, being the difference between the book value and recoverable value of relevant assets. Impairment loss when crystallizes is charged to revenue for the period.  
  
There is no any impairment charges during the year.
- h Expenditure incurred to replace a component of an item of fixed assets that is accounted for separately, including major inspection and overhaul expenditure, is capitalized. Other subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of fixed assets. All other expenditures are recognized in the statement of profit or loss as an expenses as incurred.
- i As per the paragraph-49 of NAS 16 Property, Plant and Equipment, the depreciation charge for a period is usually recognized in Statement of Profit or Loss. However, sometimes, the future economic benefits embodied in an asset are absorbed in producing other assets. In this case, the depreciation charge constitutes part of the cost of the other asset and is included in its carrying amount. Hence, the depreciation accrued on property, plant and equipment till the start of Commercial Operation Date (COD) of the project is charged to Intangible assets under development while the remaining depreciation is recognized in Statement of Profit or Loss.

### 3.2 Intangible Assets:

Intangible assets comprise the value of computer application software licensed for use of the company. These intangible assets are carried at its cost less accumulated amortization and any accumulated impairment losses. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates. Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. These assets are amortized over their useful life estimated as 7 years from the date of acquisition or over the period of the license, whichever is less.

### 3.3 Depreciation & Amortization:

- a Depreciation is recognized so as to write off the cost of assets (other than properties under construction), using the diminishing balance method.
- b The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.





### Significant Accounting Policies and Notes to Accounts

c The estimated useful life of the assets has been taken as follows:-

Particulars		Useful Life(inYears) Assets Existing as on 01.04.2079	Useful Life (in Years) Addition After 01.04.2079
Buildings			30
Furniture, Fixtures & Office Equipments		5 to 12	5 to 12
Vehicles		6 to 16	6 to 16
Other Assets		5 to 12	5 to 12

#### 3.4 Service Concession Arrangements:

Under IFRIC 12 – Service Concession Arrangements applies to public-to-private service concession arrangements if:

- The grantor controls or regulates what services the operator must provide with the infrastructure, to whom it must provide them, and at what prices; and
- The grantor controls through ownership, beneficial entitlement or otherwise any significant residual interest in the infrastructure at the end of the term of the arrangement.
- Is the infrastructure constructed or acquired by the operator from a third party for the purpose of the service arrangement OR is the infrastructure existing infrastructure of the grantor to which the operator is given access for the purpose of the service arrangement.

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

#### Intangible Assets Model:

The intangible asset model is used to the extent that the company, being an operator, receives a right (a license) to charge users of the public service. A right to charge users of a public services is not an unconditional right to receive cash because the amounts are contingent on to the extent that public uses the services.

The Company manages concession arrangements which include power supply from its hydro power plant. The Company maintains and services the infrastructure during the concession period. These concession arrangements set out rights and obligations related to the infrastructure and the services to be provided. The right to consideration gives rise to an intangible asset and accordingly, the intangible asset model is applied.

#### Intangible assets under development

The Company recognizes an asset arising from a service concession arrangement when it has a right to charge for use of the concession infrastructure. An intangible asset received as consideration for providing construction services in a service concession arrangement is measured at fair value on initial recognition with reference to the fair value of the services provided. Subsequent to initial recognition, the intangible asset is measured at cost, which includes capitalized borrowing cost, less accumulated amortization and accumulated impairment losses.

The Company has classified an arrangement for sale of power as a service concession arrangement. Accordingly, the carrying amount of assets under construction and capital advances has been reclassified as an intangible asset in accordance with IFRIC 12 on Service Concession Arrangement.

Particulars	As on Ashadh 31, 2081	Addition During FY 2080-81	As on Ashadh 31, 2080	Addition During FY 2079-80	As on Shrawan 01, 2079
Pre Operating Cost.	7,882,329.00	-	7,882,329.00	-	7,882,329.00
Civil Construction Work.	431,372,386.78	286,181,659.62	145,190,727.16	145,190,727.16	-
Hydro-Mechanical Works	417,458,554.52	417,458,554.52	-	-	-
Electro-Mechanical Works	10,541,747.00	10,541,747.00	-	-	-
Access Road & Bridge.	355,532,131.43	59,093,708.34	296,438,423.09	75,906,690.47	220,531,732.62
Transmission Line.	29,882,754.02	11,292,734.00	18,590,020.02	-	18,590,020.02
Environment & Social Impact Mitigation.	47,869,191.04	23,820,024.00	24,049,167.04	17,685,727.04	6,363,440.00
Engineering, Management & Admin Cost.	221,170,932.97	69,370,649.19	151,800,283.78	57,082,406.92	94,717,876.86
Project Land Cost	63,355,174.12	335,974.12	63,019,200.00	26,544,997.00	36,474,203.00
Project Finance Charges	157,302,224.11	118,101,364.59	39,200,859.52	16,175,859.52	23,025,000.00
Intangible Assets As per IFRIC-12	246,972,641.79	148,632,505.17	98,340,136.62	50,517,092.09	47,823,044.53
<b>Total</b>	<b>1,989,340,066.78</b>	<b>1,144,828,920.55</b>	<b>844,511,146.23</b>	<b>389,103,500.20</b>	<b>455,407,646.03</b>

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## Significant Accounting Policies and Notes to Accounts

### Income Recognition:

Income shall be recognized and measured in accordance with NFRS-15 for the service it performs. Income from the concession arrangements earned under the intangible asset model consists of the

- (i) Fair Value of the contract revenue, which is deemed to be fair value of consideration transferred to acquire the asset; and
- (ii) Payments actually received from the users.

The intangible asset is amortized over its expected useful life in a way that reflects the pattern in which the asset's economic benefits are consumed by the Company, starting from the date when the right to operate starts to be used. Based on these principles, the intangible asset is amortized in line with the actual usage of the specific public facility, with a maximum of the duration of the concession.

Any asset carried under concession arrangements is derecognized on disposal or when no future economic benefits are expected from its future use or disposal or when the contractual rights to the financial asset expire.

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

The company has recognized an intangible asset with respect to the consider arising out of the management. The company has recorded revenue 1902285254.35127 representing revenue from the construction cost incurred company as on Ashadh 31, 2081 with respect to the aforesaid.

The revenue recognized in relation to construction during the period represents the fair value of the construction services provided in constructing the project. The company recognized Intangible ssets under development of 1989340066.78 representing right to charge fee to users for the use of infrastructure of the arrangement

### NFRS-IS: Revenue from contract with customers

As per NFRS-15, For the purpose of revenue recognition, following steps has to be satisfied:

- i. Identifying the contract
- ii. Identifying performance obligations
- iii. Determination of the transaction price
- iv. Allocation of the transaction price to the performance obligations in the contract.
- iv. Recognize Revenue When (or As) the Entity Satisfies a Performance Obligation.

### Benchmarking Profit Margin.

Profit is recognized as per IRR of the project (14.92%). Company has recognized the contract cost of the project as expenses.

Particulars	2080-81	2079-80	2078-79
Cost Incurred	996,196,415.38	338,586,408.11	320,529,789.07
Add: Profit as per IRR @ 14.92%	148,632,505.17	50,517,092.09	47,823,044.53
Revenue Recognized as per IFRIC-12	1,144,828,920.55	389,103,500.20	368,352,833.60

### 3.5 Employee Benefits:

#### a Short term employment benefits

- i A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.
- ii Liabilities recognized in respect of short-term employee and contractual employees, benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.
- iii Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the obligation as at the Balance sheet date, if any.

#### b Staff Bonus

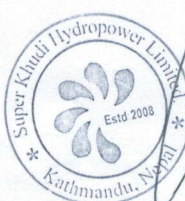
Employee Bonus has not been booked.

### 3.6 Borrowing Cost

In accordance with NAS 23, borrowing costs attributable to the arrangement shall be recognised as an expense in the period in which they are incurred unless the operator has a contractual right to receive an intangible asset (a right to charge users of the public service). In this case borrowing costs attributable to the arrangement shall be capitalised during the construction phase of the arrangement in accordance with that Standard. Borrowing cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

Particulars	Amount
Borrowing Cost during 80-81	108,651,142.81
Borrowing Cost during 79-80	16,038,599.52
Borrowing Cost till Date of Transition	23,025,000.00
Total Borrowing Cost Capitalized till Date	147,714,742.33

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## Significant Accounting Policies and Notes to Accounts

### 3.7 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Such investment are normally those with less than three months' original maturities or less than from the acquisition date that are subject to an insignificant risk of changes in their values and used by the company in the management of short term commitment. Cash and cash equivalent are classified as financial assets and treated accordingly.

For the purpose of cash flow statement, cash and cash equivalent comprise of cash and non-mandatory balances with banks and amount due from bank with maturity of less than three months.

### 3.8 Investment in Subsidiaries:

Subsidiaries are the entities that are controlled by the company. The company controls an entity when the company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the investee. Investments in subsidiaries are accounted at cost less impairment, if any.

### 3.9 Trade & Other Payables:

Trade payables denotes the net amount payables to the suppliers after deducting provisions, if any. Company considers the carrying amount as approximately at fair value due to short term maturity of those instruments. Advances given, if any, to suppliers has been shown separately as advance to vendors.

### 3.10 Provisions, Contingencies & Commitments

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date and discounted at pre-tax rate reflecting current market assessments of the time value of the money and the risk specific to the liability. These are reviewed at each year end date and adjusted to reflect the best current estimates.

Company has not made any provision for warranty expenses during the year.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed with the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amounts cannot be made. No contingent asset is recognized but disclosed by way of notes to accounts.

Contingent assets is not recognized in financial statements since this may result in the recognition of the income that may never be realized. However, when the realization of income is virtually certain, then the related assets is not a contingent assets and is recognized.

### 3.11 Related Party Transaction:

All transactions with related parties are carried out by the Company at arm's length prices.

### 3.12 Loan & Advances

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

### 3.13 Taxation:

#### a Current Tax:

Current income tax is recognized in the income statement except to the extent that it relates to items recognized directly to equity. Current tax is the expected tax payable on the taxable income for the year using tax rates at the reporting date.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using the applicable tax rates.

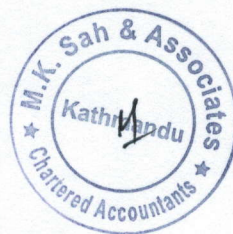
Current tax assets and current tax liabilities are offset only if there is legally enforceable right to set off the recognized amounts, and it is intended to realize the assets and settle the liability on net basis or simultaneously.

Company has no Income tax Expenses during the period.

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## Significant Accounting Policies and Notes to Accounts

### b Deferred Tax:

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected realization or settlement of the carrying amount of assets and liabilities using tax rates at the balance sheet date. The principal temporary difference arises from depreciation of fixed assets and carry forward of losses. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. The company has no any deferred tax assets and liabilities as on reporting period.

### 3.14 Lease:

At inception of a contract, an entity shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. A period of time may be described in terms of the amount of use of an identified asset (for example, the number of production units that an item of equipment will be used to produce).

An entity shall reassess whether a contract is, or contains, a lease only if the terms and conditions of the contract are changed.

For a contract that is, or contains, a lease, an entity shall account for each lease component within the contract as a lease separately from non-lease components of the contract, unless the entity applies the practical expedient.

### a Lessee:

For a contract that contains a lease component and one or more additional lease or non-lease components, a lessee shall allocate the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The relative stand-alone price of lease and non-lease components shall be determined on the basis of the price the lessor, or a similar supplier, would charge an entity for that component, or a similar component, separately. If an observable stand-alone price is not readily available, the lessee shall estimate the stand-alone price, maximising the use of observable information.

At the commencement date, a lessee shall measure the right-of-use asset at cost. The cost of the right-of-use asset shall comprise:

- (a) the amount of the initial measurement of the lease liability;
- (b) any lease payments made at or before the commencement date, less any lease incentives received;
- (c) any initial direct costs incurred by the lessee; and
- (d) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

After the commencement date, a lessee shall measure the right-of-use asset applying a cost model, unless it applies either of the measurement models.

#### Practical inexpedience to adopt lease agreement:

Company has analyzed the applicability of NFRS 16- Leases and arrived at the conclusion that it is practically inexpedient to adopt either assets/ liability method or straightlinign of lease liability method due to peculiarity of usage pattern of leasehold space. Agreement clause specifies the monthly rental payment based on usage of area by company which keeps on fluctuating periodically and there can't be proper estimation of future usage of space. To apply NFRS 16, basic data of monthly lease liability should be there which is not ascertainable in the company's lease agreement,hence considering this practical inexpedience, lease expenses has been recognised on the basis of actual floor area usage each month.

### 3.15 Cash Flow Statement:

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated. The Cash flow statement is separately attached with the Financial Statements of the company.

### 3.16 Prior Period Items:

Prior period items, if any, are recognized separately to statement of profit and loss. There is no such items recognized during the period.

### 3.17 Financial Instruments:

#### a Financial Assets

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

Subsequent Measurement: For purpose of subsequent measurement, financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortized cost

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### Significant Accounting Policies and Notes to Accounts

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit or loss, or recognized in other comprehensive income. A financial asset that meets the following two conditions is measured at amortized cost.

**Business Model Test:** The objective of the company's business model is to hold the financial asset to collect the contractual cash flows.

**Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through Other Comprehensive Income (OCI).

**Business Model Test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

**Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

**b Impairment of financial assets:**

The Company assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets measured at amortized cost is impaired.

If there is objective evidence that an impairment loss on financial assets measured at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset shall be reduced either directly or through the use of an allowance account. The amount of the loss shall be recognized in profit or loss.

**c Financial Liability:**

All financial liabilities are initially recognized at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Financial liabilities are classified as measured at amortized cost or fair value through profit or loss (FVTPL). A financial liability is classified as FVTPL if it is classified as held for trading, or it is a derivative or is designated as such on initial recognition. Financial Liabilities at FVTPL are measured at fair value and net gain or losses, including any interest expense, are recognized in statement of profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or loss on de-recognition is also recognized in statement of profit or loss.

**3.18 Foreign Currency Transaction:**

- i The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Nepalese Rupee (NPR).
- ii In preparing the financial statements the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.
- iii At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.
- iv Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognized immediately in profit or loss.

**3.19 Share Capital**

Financial instruments issued by the company are classified as equity only to the extent that they do not meet the definition of financial liability or financial assets. The company's equity shares are classified as equity instruments.

**3.20 Earning Per Share**

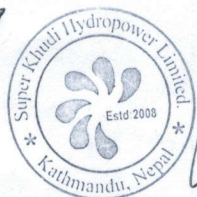
Basic earning per share is calculated by dividing the profit attributable to ordinary equity shareholders of the company for the period by the weighted average number of ordinary shares outstanding during the year. For the calculation of diluted earning per share the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares that arise in the respect of convertible instruments, if any.

There are no any potential ordinary shares that would dilute basic earning per share, hence diluted earning per share is same as basic earning per shares.

**3.21 Share Based Payments :**

Share based payment transaction is a transaction in which entity receives goods and services as consideration for equity instruments (including shares or share options) of the entity (referred to as "equity settled share passed transaction"). There is no share based transactions during the year.

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#### Significant Accounting Policies and Notes to Accounts

##### 4 First Time Adoption of NFRS:

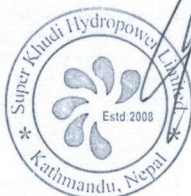
As stated in Note 2.1, these are the Company's first financial statements prepared in accordance with NFRS. The comparative figures have also been presented alongside.

The adoption of NFRS has been carried out in accordance with NFRS 1, First-time Adoption of NFRS. NFRS 1 requires that all NFRS and interpretations that are issued and effective for the first NFRS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared financial statements which comply with NFRS for year ended 31 Ashadh, 2081, together with the comparative information as at and for the year ended 31 Ashadh, 2080 and the opening NFRS Balance Sheet as at 1 Shrawan, 2079, the date of transition to NFRS.

In preparing these NFRS financial statements, the Company has availed certain exemptions and exceptions in accordance with NFRS 1, as explained below.

The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under NFRS and Previous GAAP have been recognized directly in retained earnings or another appropriate category. This note explains the adjustments made in restating its Previous GAAP financial statements, including the Statement of Financial Position as at 1 Shrawan, 2079 and the financial statements as at and for the year ended 31 Ashadh, 2080.

*Sanjay*



*OR*





**Super Khudi Hydropower Limited.**  
**(Formerly Known as Super Khudi Hydropower Pvt. Ltd. )**  
**Swayambhu Kathmandu**

**Note 5: Plant, Property & Equipment**

All assets of long-term nature (fixed) like , building, fixtures and fittings, office equipment and appliances, vehicles and other asstes owned by the company is presented under this head. WDV value as on 1st Shrawn, 2079 has been assumed as starting point of cost of acquisition and for re-computation depreciation has been done based on expected useful life of assets accordingly.

Particulars	Building	Furniture, Fixtures & Office Equipmennts	Vehicles	Other Assets	Total as on 31.03.2081
<b>Cost</b>					
As on Shrawan 01 2079	-	5,421,372.41	254,900.00	1,434,190.00	7,110,462.41
Addition during the year					
Acquisition	-	121,160.00	13,775,000.00	41,900.00	13,938,060.00
Capitalization	-	-	-	-	-
Disposal during the year	-	-	-	-	-
<b>Balance as on Ashad end 2078</b>	-	5,542,532.41	14,029,900.00	1,476,090.00	21,048,522.41
Addition during the Year					
Acquisition	14,600,741.00	41,300.00	-	861,500.00	902,800.00
Capitalization	-	-	-	-	14,600,741.00
Disposal during the year	-	-	-	-	-
<b>Balance as on Ashad End 2081</b>	14,600,741.00	5,583,832.41	14,029,900.00	2,337,590.00	36,552,063.41
<b>Depreciation and Impairment</b>					
As on Shrawan 01 2079	-	1,558,187.03	78,169.33	146,995.75	1,783,352.12
Depreciation charge for the year	-	761,285.00	199,316.79	248,131.91	1,208,733.70
Impairment for the year	-	-	-	-	-
Adjustments	-	2,319,472.03	277,486.12	395,127.66	2,992,085.82
As on Ashad end 2080	-	635,321.57	1,890,410.02	293,667.69	4,372,617.39
Depreciation charge for the year	1,553,218.11	-	-	-	-
Adjustments	-	-	-	-	-
<b>As on Ashad End 2081</b>	1,553,218.11	2,954,793.61	2,167,896.14	688,795.35	7,364,703.21
Capital Work in Progress	11,329,945.00	-	-	-	11,329,945.00
<b>Net Book Value</b>					
As on Ashad End 2081	13,047,522.89	2,629,038.80	11,862,003.86	1,648,794.65	29,187,360.20
As on Ashad End 2080	11,329,945.00	3,223,060.38	13,752,413.88	1,080,962.34	29,386,381.59
As on Ashad End 2079	11,329,945.00	3,863,185.38	176,730.67	1,287,194.25	16,657,055.29



Super Khudi Hydropower Limited  
 Kathmandu, Nepal  
 Estd 2008



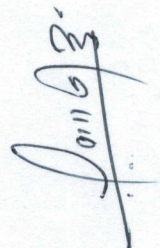
**Super Khudi Hydropower Limited.**  
(Formerly Known as Super Khudi Hydropower Pvt. Ltd. )  
Swayambhu Kathmandu

**Note 6: Intangible Assets Under Development (IAUD)**

Particulars	As on Ashadh 31, 2081 (July 15, 2024) (NRS)	Addition During FY 2080-81	As on Ashadh 31, 2080 (July 16, 2023) (NRS)	Addition During FY 2079-80	As on Shrawan 01, 2079 (July 17, 2022) (NRS)
Pre Operating Cost.	7,882,329.00	-	7,882,329.00	-	7,882,329.00
Civil Construction Work.	431,372,386.78	286,181,659.62	145,190,727.16	145,190,727.16	-
Hydro-Mechanical Works	417,458,554.52	417,458,554.52	-	-	-
Electro-Mechanical Works	10,541,747.00	10,541,747.00	-	-	-
Access Road & Bridge.	355,532,131.43	59,093,708.34	296,438,423.09	75,906,690.47	220,531,732.62
Transmission Line.	29,882,754.02	11,292,734.00	18,590,020.02	-	18,590,020.02
Environment & Social Impact Mitigation.	47,869,191.04	23,820,024.00	24,049,167.04	17,685,727.04	6,363,440.00
Engineering, Management & Admin Cost.	221,170,932.97	69,370,649.19	151,800,283.78	57,082,406.92	94,717,876.86
Project Land Cost	63,355,174.12	335,974.12	63,019,200.00	26,544,997.00	36,474,203.00
Project Finance Charges	157,302,224.11	118,101,364.59	39,200,859.52	16,175,859.52	23,025,000.00
Intangible Assets As per IFRIC-12	246,972,641.79	148,632,505.17	98,340,136.62	50,517,092.09	47,823,044.53
<b>Total</b>	<b>1,989,340,066.78</b>	<b>1,144,828,920.55</b>	<b>844,511,146.23</b>	<b>389,103,500.20</b>	<b>455,407,646.03</b>

**6.1 Pre Operating Cost.**

Particulars	As on Ashadh 31, 2081 (July 15, 2024) (NRS)	Addition During FY 2080-81	As on Ashadh 31, 2080 (July 16, 2023) (NRS)	Addition During FY 2079-80	As on Shrawan 01, 2079 (July 17, 2022) (NRS)
DDA Expenses	1,141,175.00	-	1,141,175.00	-	1,141,175.00
Depreciation	443,340.62	-	443,340.62	-	443,340.62
EIA Expenses	1,654,845.08	-	1,654,845.08	-	1,654,845.08
Flow Measurement Expenses	37,647.50	-	37,647.50	-	37,647.50
License Fee	4,105,000.00	-	4,105,000.00	-	4,105,000.00
Membership Fee	75,000.00	-	75,000.00	-	75,000.00
Public Hearing	121,551.00	-	121,551.00	-	121,551.00
Sediment Analysis	303,769.80	-	303,769.80	-	303,769.80
<b>Total</b>	<b>7,882,329.00</b>	<b>-</b>	<b>7,882,329.00</b>	<b>-</b>	<b>7,882,329.00</b>

  
 Kathmandu, Nepal  
 Estd 2008





### 6.2 Civil Construction Work.

Particulars	As on Ashadh 31, 2081 (July 15, 2024) (NRS)	Addition During FY 2080-81	As on Ashadh 31, 2080 (July 16, 2023) (NRS)	Addition During FY 2079-80	As on Shrawan 01, 2079 (July 17, 2022) (NRS)
Explosive & Army related exp.	42,888,277.00	16,327,674.73	26,560,602.27	26,560,602.27	-
Construction of Army Bunkar.	21,819,327.50	16,169,327.50	5,650,000.00	5,650,000.00	-
Insurance Premium Project	8,462,419.47	-	8,462,419.47	8,462,419.47	-
Tunnel Works	358,202,362.81	253,684,657.39	104,517,705.42	104,517,705.42	-
<b>Total</b>	<b>431,372,386.78</b>	<b>286,181,659.62</b>	<b>145,190,727.16</b>	<b>145,190,727.16</b>	<b>-</b>

### 6.3 Hydro-Mechanical Works

Particulars	As on Ashadh 31, 2081 (July 15, 2024) (NRS)	Addition During FY 2080-81	As on Ashadh 31, 2080 (July 16, 2023) (NRS)	Addition During FY 2079-80	As on Shrawan 01, 2079 (July 17, 2022) (NRS)
Custom Clearance exp-HM	901,917.00	901,917.00	-	-	-
Custom Duty-HM	3,759,320.00	3,759,320.00	-	-	-
Insurance premium Marine.	318,976.05	318,976.05	-	-	-
Pipe Erection works	10,479,727.39	10,479,727.39	-	-	-
SSAW Steel Pipes(Penstock)	360,458,567.66	360,458,567.66	-	-	-
Steel Plate	8,432,851.00	8,432,851.00	-	-	-
Transprt exp-HM	33,107,195.42	33,107,195.42	-	-	-
<b>Total</b>	<b>417,458,554.52</b>	<b>417,458,554.52</b>	<b>-</b>	<b>-</b>	<b>-</b>

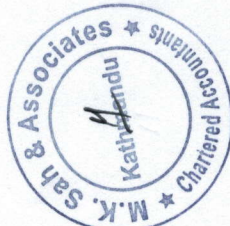
### 6.4 Electro-Mechanical Works

Particulars	As on Ashadh 31, 2081 (July 15, 2024) (NRS)	Addition During FY 2080-81	As on Ashadh 31, 2080 (July 16, 2023) (NRS)	Addition During FY 2079-80	As on Shrawan 01, 2079 (July 17, 2022) (NRS)
Custom Clearance exp-HM	184,001.00	184,001.00	-	-	-
Steel Plate	5,650.00	5,650.00	-	-	-
Transprt exp-HM	10,352,096.00	10,352,096.00	-	-	-
<b>Total</b>	<b>10,541,747.00</b>	<b>10,541,747.00</b>	<b>-</b>	<b>-</b>	<b>-</b>



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6.5 Access Road & Bridge.					
Particulars	As on Ashadh 31, 2081 (July 15, 2024) (NRS)	Addition During FY 2080-81	As on Ashadh 31, 2080 (July 16, 2023) (NRS)	Addition During FY 2079-80	As on Shrawan 01, 2079 (July 17, 2022) (NRS)
Access Road Maintenance	79,465.00	-	79,465.00	11,865.00	67,600.00
Road & Construction	355,452,666.43	59,093,708.34	296,358,958.09	75,894,825.47	220,464,132.62
<b>Total</b>	<b>355,532,131.43</b>	<b>59,093,708.34</b>	<b>296,438,423.09</b>	<b>75,906,690.47</b>	<b>220,531,732.62</b>

6.6 Transmission Line.					
Particulars	As on Ashadh 31, 2081 (July 15, 2024) (NRS)	Addition During FY 2080-81	As on Ashadh 31, 2080 (July 16, 2023) (NRS)	Addition During FY 2079-80	As on Shrawan 01, 2079 (July 17, 2022) (NRS)
Materials for construction power 11 Kv at Project	16,280,553.31	-	16,280,553.31	-	16,280,553.31
Conductor Expenses	1,394,451.64	-	1,394,451.64	-	1,394,451.64
Construction License for TL	3,000,000.00	3,000,000.00	-	-	-
Construction of TL(Adit)	651,274.00	651,274.00	-	-	-
Land for TL	3,300,000.00	3,300,000.00	-	-	-
Construction Power Expenses	5,256,475.07	4,341,460.00	915,015.07	-	915,015.07
<b>Total</b>	<b>29,882,754.02</b>	<b>11,292,734.00</b>	<b>18,590,020.02</b>	<b>-</b>	<b>18,590,020.02</b>

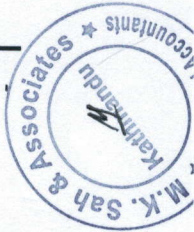
6.7 Environment & Social Impact Mitigation.					
Particulars	As on Ashadh 31, 2081 (July 15, 2024) (NRS)	Addition During FY 2080-81	As on Ashadh 31, 2080 (July 16, 2023) (NRS)	Addition During FY 2079-80	As on Shrawan 01, 2079 (July 17, 2022) (NRS)
Environment Protection exp.	17,713,618.00	8,160,786.00	9,552,832.00	9,552,832.00	-
Social Mitigation	14,387,885.04	8,978,550.00	5,409,335.04	3,136,395.04	2,272,940.00
Social Mitigation/Pre	984,000.00	-	984,000.00	984,000.00	-
Land Compensation	4,144,938.00	4,144,938.00	-	-	-
Social Measures	10,638,750.00	2,535,750.00	8,103,000.00	4,012,500.00	4,090,500.00
<b>Total</b>	<b>47,869,191.04</b>	<b>23,820,024.00</b>	<b>24,049,167.04</b>	<b>17,685,727.04</b>	<b>6,363,440.00</b>





# 6.8 Engineering, Management & Admin Cost.

Particulars	As on Ashadh 31, 2081 (July 15, 2024) (NRS)	Addition During FY 2080-81	As on Ashadh 31, 2080 (July 16, 2023) (NRS)	Addition During FY 2079-80	As on Shrawan 01, 2079 (July 17, 2022) (NRS)
Administrative Expenses	16,400.00	16,400.00	-	-	-
Advertisement Expenses	312,262.50	12,202.50	300,060.00	11,695.00	288,365.00
Audit Fee	185,850.00	-	185,850.00	-	185,850.00
Electric Associates	668,964.94	412,069.00	256,895.94	141,012.50	115,883.44
Bank Charge	105,815.45	80,321.40	25,494.05	20,034.08	5,459.97
Land Tax	217,569.00	217,569.00	-	-	-
Cleaning Expenses	749,611.81	315,668.00	433,943.81	236,940.00	197,003.81
Consultancy Fee	71,991,462.68	36,403,483.86	35,587,978.82	35,587,978.82	-
Contract Termination Expenses	561,137.00	-	561,137.00	561,137.00	-
Dashain Allowance	1,130,832.00	1,130,832.00	-	-	-
Dashain Expenses	516,138.78	-	516,138.78	312,151.00	203,987.78
Electricity & Water Expenses	4,835,658.83	3,499,608.87	1,336,049.96	1,009,365.78	326,684.18
Engineering & Consultancy Fee	75,106,619.01	-	75,106,619.01	-	75,106,619.01
ERT Expenses	477,424.55	-	477,424.55	(0.45)	477,425.00
Exchange Gain / (Loss)	(816,241.66)	(816,241.66)	-	-	-
Field visit Expenses	2,613,926.23	239,720.00	2,374,206.23	41,025.00	2,333,181.23
Financial Closure Expenses	149,719.35	-	149,719.35	-	149,719.35
Food expenses	533,747.00	344,452.00	189,295.00	133,160.00	56,135.00
Fuel Expenses	2,094,072.72	898,302.00	1,195,770.72	709,506.10	486,264.62
General Administration Expenses	28,250.00	-	28,250.00	-	28,250.00
Grateful Tours	337,725.00	261,710.00	76,015.00	76,015.00	-
Gratuity Expenses	1,647,951.09	610,720.00	1,037,231.09	495,409.56	541,821.53
Guest & Hospitality	507,894.00	395,885.00	112,009.00	-	112,009.00
Office rent	1,107,000.00	-	1,107,000.00	-	1,107,000.00
Independent Power Producers.(IPPAN)	212,000.00	50,000.00	162,000.00	162,000.00	-
Insurance Expenses	310,109.13	86,392.99	223,716.14	151,935.14	71,781.00
Internate Expenses	358,704.83	92,638.00	266,066.83	91,557.83	174,509.00
IPO- Issue management exp	-	-	-	-	-
IT Support Expenses	223,984.00	96,000.00	127,984.00	91,984.00	36,000.00
Kitchen Expenses	818,409.77	529,120.00	289,289.77	179,689.97	109,599.80
kitchen Utensils	90,635.00	39,725.00	50,910.00	7,540.00	43,370.00
labour Expenses	624,625.39	-	624,625.39	170,525.39	454,100.00
Leave Payment	1,143,086.33	393,578.00	749,508.33	445,468.00	304,040.33
Legal Fee	113,000.00	113,000.00	-	-	-
Local Transport Expenses	2,590.00	-	2,590.00	-	2,590.00



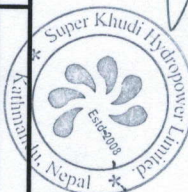
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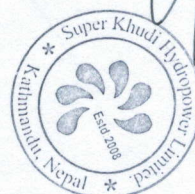
Meeting Allowance	216,360.00	200,000.00	16,360.00	360.00	16,000.00
Miscellaneous Expenses	5,025,003.26	194,327.00	4,830,676.26	4,688,118.46	142,557.80
Office Maintenance Expenses	20,000.00	-	20,000.00	-	20,000.00
Networking Expenses	5,068.50	-	5,068.50	1,170.00	3,898.50
Petrol Expenses	6,214.00	-	6,214.00	5,544.00	670.00
Postage/ Courier Expenses	3,470.00	-	3,470.00	-	3,470.00
PPA Related Expenses	90,000.00	90,000.00	-	-	-
Other Expenses	56,207.13	56,207.13	-	-	-
Printing & Stationary Expenses	587,862.88	158,467.00	429,395.88	211,244.86	218,151.02
Project Related Cost	103,934.00	-	103,934.00	-	103,934.00
Project Site Expenses	59,750.00	-	59,750.00	-	59,750.00
Rates and Taxes	1,030,878.00	-	1,030,878.00	979,193.00	51,685.00
Rating Fee	-	-	-	-	-
Renewal Expenses	1,171,245.00	117,710.00	1,053,535.00	152,035.00	901,500.00
Repair & Maintenance	1,924,023.29	916,285.93	1,007,737.36	672,564.11	335,173.25
Road Maintenance	31,142.00	-	31,142.00	15,142.00	16,000.00
Safety Expenses	144,792.25	109,867.25	34,925.00	34,925.00	-
Salary Expenses	25,478,619.59	11,635,678.12	13,842,941.47	6,320,484.23	7,522,457.24
Server maintenance Expenses	28,758.16	-	28,758.16	19,718.16	9,040.00
Site Clothing Expenses	45,714.00	-	45,714.00	3,000.00	42,714.00
Site Expenses	1,265,660.00	41,200.00	1,224,460.00	24,640.00	1,199,820.00
Staff Logistics Expenses	265,362.00	251,842.00	13,520.00	1,250.00	12,270.00
Staff Welfare Expenses	49,506.00	-	49,506.00	712.00	48,794.00
Survey Expenses	1,086,653.00	-	1,086,653.00	1,001,752.00	84,901.00
Tax Expenses.	1,979,149.80	1,912,657.80	66,492.00	66,492.00	-
Telephone expenses	58,008.00	32,228.00	25,780.00	13,520.00	12,260.00
Transportation Expenses	700,302.38	94,259.00	606,043.38	358,348.38	247,695.00
Travelling Expenses	6,602,857.00	4,768,302.00	1,834,555.00	1,388,376.00	446,179.00
Underwriting Expenses	3,038,000.00	3,038,000.00	-	-	-
Wages	906,112.00	297,452.00	608,660.00	442,442.00	166,218.00
Water Measurement Expenses.	139,290.00	-	139,290.00	24,000.00	115,290.00
Water Supplies Expenses	8,600.00	2,250.00	6,350.00	1,200.00	5,150.00
Worship Expenses	65,456.00	30,760.00	34,696.00	20,046.00	14,650.00
<b>Total</b>	<b>221,170,932.97</b>	<b>69,370,649.19</b>	<b>151,800,283.78</b>	<b>57,082,406.92</b>	<b>94,717,876.86</b>





6.9 Project Land Cost					
Particulars	As on Ashadh 31, 2081 (July 15, 2024) (NRS)	Addition During FY 2080-81	As on Ashadh 31, 2080 (July 16, 2023) (NRS)	Addition During FY 2079-80	As on Shrawan 01, 2079 (July 17, 2022) (NRS)
Advance Rent (Land)	-	-	-	-	-
Land Purchase	60,247,714.00	-	60,247,714.00	23,983,950.00	36,263,764.00
Land Registration	703,756.00	10,000.00	693,756.00	483,317.00	210,439.00
Mortgage Loan Related Expenses	1,531,730.00	-	1,531,730.00	1,531,730.00	-
Rent for Land.	871,974.12	325,974.12	546,000.00	546,000.00	-
<b>Total</b>	<b>63,355,174.12</b>	<b>335,974.12</b>	<b>63,019,200.00</b>	<b>26,544,997.00</b>	<b>36,474,203.00</b>

6.10 Project Finance Charges					
Particulars	As on Ashadh 31, 2081 (July 15, 2024) (NRS)	Addition During FY 2080-81	As on Ashadh 31, 2080 (July 16, 2023) (NRS)	Addition During FY 2079-80	As on Shrawan 01, 2079 (July 17, 2022) (NRS)
Bank Gurantee Charge	208,890.00	71,630.00	137,260.00	137,260.00	-
Interest on Bridge Gap Loan	59,778,816.25	44,907,003.38	14,871,812.87	14,871,812.87	-
Interest on Hp Loan	1,131,477.30	1,116,499.97	14,977.33	14,977.33	-
Interest on Term Loan	41,450,016.61	40,598,207.29	851,809.32	851,809.32	-
Interest on TL-KBL	10,713,566.43	10,713,566.43	-	-	-
Interest on TL-HBL	11,265,098.03	11,265,098.03	-	-	-
Interest on Import BLC	50,767.71	50,767.71	-	-	-
LC Charge	9,378,591.78	9,378,591.78	-	-	-
Loan Management Fee	23,325,000.00	-	23,325,000.00	300,000.00	23,025,000.00
<b>Total</b>	<b>157,302,224.11</b>	<b>118,101,364.59</b>	<b>39,200,859.52</b>	<b>16,175,859.52</b>	<b>23,025,000.00</b>





**Super Khudi Hydropower Limited.**  
**(Formerly Known as Super Khudi Hydropower Pvt. Ltd. )**

Swayambhu Kathmandu

Notes forming part of the Financial Position As on Ashadh 31, 2081 (July 15, 2024)

**Note 7: Cash & Cash Equivalents**

These balances have been used as Cash and Cash Equivalents for the presentation of Statement of Cash Flows as well. Banks and financial institution in Nepal are closely regulated by the Central Bank. The Company closely assesses the risks of these instruments and there are no apparent indication of impairment of these balances.

<u>Particulars</u>	As on Ashadh 31, 2081 (July 15, 2024) (NRS)	As on Ashadh 31, 2080 (July 16, 2023) (NRS) Restated	As on Shrawn 01, 2079 (July 17, 2022) (NRS) Restated
Cash In Hand	36,871.09	23,000.00	-
<b>Balance with Banks:</b>			
Macchapuchre Bank Ltd.	10,000.00	10,000.00	10,000.00
Bank Of Kathmandu Ltd.	1,775.51	193,542.51	193,542.51
Himalayan Bank Ltd.	9,406.36	10,456.36	5,091.36
Kumari Bank Ltd -OD	50,567.33	-	-
Himalayan Bank Ltd.-OD	5,269.43	-	-
Globe IME Bank Ltd -335	6,675.00	6,675.00	6,675.00
Global IME Bank Ltd -233	3,883,577.26	350,888.17	203,079.23
<b>Total</b>	<b>4,004,141.98</b>	<b>594,562.04</b>	<b>418,388.10</b>

**Note 8: Other Financial Current Assets**

<u>Particulars</u>	As on Ashadh 31, 2081 (July 15, 2024) (NRS)	As on Ashadh 31, 2080 (July 16, 2023) (NRS) Restated	As on Shrawn 01, 2079 (July 17, 2022) (NRS) Restated
Cash Margin	36,937,600.00	1,302,600.00	-
<b>Total</b>	<b>36,937,600.00</b>	<b>1,302,600.00</b>	<b>-</b>

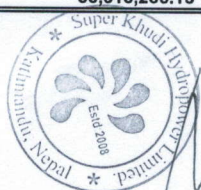
**Note 9: Prepayments**

<u>Particulars</u>	As on Ashadh 31, 2081 (July 15, 2024) (NRS)	As on Ashadh 31, 2080 (July 16, 2023) (NRS) Restated	As on Shrawn 01, 2079 (July 17, 2022) (NRS) Restated
Mobilization Advance	-	-	-
Civil Contract-Baibhab/Adwin	293,874,770.00	258,874,770.00	-
Hydro Mechanical Work-Cream Hydel Pvt.Ltd.	52,952,135.24	-	-
Civil Works-Explosive-Synex Power Pvt. Ltd.	-	12,079,887.23	-
Prepaid Insurance	165,433.01	-	-
<b>Total</b>	<b>346,992,338.25</b>	<b>270,954,657.23</b>	<b>-</b>

**Note 10: Other Non-Financial Current Assets**

<u>Particulars</u>	As on Ashadh 31, 2081 (July 15, 2024) (NRS)	As on Ashadh 31, 2080 (July 16, 2023) (NRS) Restated	As on Shrawn 01, 2079 (July 17, 2022) (NRS) Restated
<b>Advance for Road Contract</b>			
Baibhab/Adwin-Road Contract	-	-	167,881,357.99
<b>Advance for Civil Work</b>			
Synex Power Pvt. Ltd.-Explosive	-	3,070,026.16	5,422,571.61
<b>Advance for Transmission Line</b>			
Transweld Nepal Pvt Ltd	-	1,457,700.00	-
Advance for House Rent	-	450,000.00	202,500.00
Advance for Civil Construction	74,746,232.84	-	-
Advance for Land Purchase	4,909,360.00	5,018,657.00	-
Advance Rent for Land	453,736.29	-	-
Other Advances	8,408,956.00	6,055,952.00	3,716,862.97
<b>Total</b>	<b>88,518,285.13</b>	<b>16,052,335.16</b>	<b>177,223,292.57</b>

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**Note 11: Current Tax Assets**

<u>Particulars</u>	As on Ashadh 31, 2081 (July 15, 2024) (NRS)	As on Ashadh 31, 2080 (July 16, 2023) (NRS) Restated	As on Shrawan 01, 2079 (July 17, 2022) (NRS) Restated
Opening Tax Receivables	-	-	-
Add: Addition During the Year	-	-	-
Less: Income Tax Payable During the Year	-	-	-
Closing Income Tax Receivables	-	-	-

**Note 12: Share Capital**

<u>Particulars</u>	As on Ashadh 31, 2081 (July 15, 2024) (NRS)	As on Ashadh 31, 2080 (July 16, 2023) (NRS) Restated	As on Shrawan 01, 2079 (July 17, 2022) (NRS) Restated
<b>Authorised:</b>			
17,500,000 Ordinary Share of Rs 100 each	1,750,000,000.00	1,110,000,000.00	1,110,000,000.00
<b>Issued :</b>			
15,500,000 Ordinary Share of Rs 100 each	1,550,000,000.00	1,000,000,000.00	30,000,000.00
<b>Subscribed &amp; Paid Up:</b>			
79,05,000 Ordinary Share of Rs 100 each	790,500,000.00	618,746,400.00	30,000,000.00
Previous Year (61,87,464) Equity Shares of Rs. 100 each			
During 2077-78 (3,00,000) Equity Shares of Rs. 100 each			
<b>Total</b>	<b>790,500,000.00</b>	<b>618,746,400.00</b>	<b>30,000,000.00</b>

**Note 12.1: Equity Share Capital Movements**

<b>Note 12: Share Capital</b>	As on Ashadh 31, 2081 (July 15, 2024) (NRS)	As on Ashadh 31, 2080 (July 16, 2023) (NRS) Restated	As on Shrawan 01, 2079 (July 17, 2022) (NRS) Restated
Opening Share Capital	618,746,400.00	30,000,000.00	30,000,000.00
Add: Ordinary Share Issued	171,753,600.00	588,746,400.00	-
Add: Bonus Share Issued	-	-	-
<b>Total</b>	<b>790,500,000.00</b>	<b>618,746,400.00</b>	<b>30,000,000.00</b>

**Rights, Preferences and Restrictions attached to Equity Share Capital**

The Company has only one class of equity shares having a par value of 100 per share. Each shareholder is entitled to one vote per equity share. In the event of liquidation of the company, the equity shareholders are eligible to receive remaining assets of the company, in proportion to their shareholding, after distribution of all preferential amounts.

**Details of the shareholdings more than 1%**

<b>Name of the Shareholder</b>	<b>FY 2079-80 No of Shares</b>	<b>FY 2078-79 No of Shares</b>	<b>FY 2077-78 No of Shares</b>
Gyanendra Lal Pradhan.	2,718,526.00	1,884,758.00	298,100.00
Baidhai Investment Pvt Ltd.	1,185,768.00	250,000.00	-
Ganesh Karki.	589,178.00	989,178.00	-
Batu Lamichhane	589,178.00	989,178.00	-
Bimala Shrestha Pradhan.	471,759.00	471,759.00	-
Super Khudi Investment Pvt Ltd.	460,759.00	460,759.00	-
B.G Group Pvt.Ltd.	250,000.00	250,000.00	-
Yug Jung Karki	196,688.00	278,688.00	-
Barnan Lamichhane.	196,688.00	278,688.00	-
UN Maharjan	195,000.00	-	-
Yug Holding Pvt Ltd	195,000.00	-	-
Kabita lamichhane	185,000.00	-	-
Chetan Pradhan	122,870.00	122,870.00	-
Nivita Pradhan	122,870.00	122,870.00	-
Bibena Lamichhane	92,500.00	-	-
Jigyasha Lamichhane	92,500.00	-	-





The detailed structure of equity is given as below :

Particulars	FY 2079-80 Percentage of holding	FY 2078-79 Percentage of holding	FY 2077-78 Percentage of holding
Promoters	100	100	100
Public	-	-	-
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

**Note 13: Advance for Share Capital**

Particulars	As on Ashadh 31, 2081 (July 15, 2024) (NRS)	As on Ashadh 31, 2080 (July 16, 2023) (NRS) Restated	As on Shrawn 01, 2079 (July 17, 2022) (NRS) Restated
Gyanendra Lal Pradhan	-	10,432,750.00	184,870,382.01
Bimala Shrestha Pradhan	-	1,972,550.00	-
Barnan Lamichhane	-	-	-
Chetan Pradhan	-	526,000.00	-
Hydro Solution Pvt.Ltd	-	131,550.00	-
Nivita Pradhan	-	526,000.00	-
Super Khudi Investment	-	1,972,550.00	-
Batu Lamichhane	-	7,780,600.00	112,010,200.00
Ganesh Karki	-	7,780,600.00	176,477,200.00
<b>Total</b>	<b>-</b>	<b>31,122,600.00</b>	<b>473,357,782.01</b>

**Note 14: Accumulated Profit & Loss**

Particulars	As on Ashadh 31, 2081 (July 15, 2024) (NRS)	As on Ashadh 31, 2080 (July 16, 2023) (NRS) Restated	As on Shrawn 01, 2079 (July 17, 2022) (NRS) Restated
Opening	82,960,609.37	40,653,994.01	-
Profit During the Year	132,592,651.40	42,306,615.37	40,653,994.01
<b>Total</b>	<b>215,553,260.77</b>	<b>82,960,609.37</b>	<b>40,653,994.01</b>

**Note 15: Long Term Borrowing**

Particulars	As on Ashadh 31, 2081 (July 15, 2024) (NRS)	As on Ashadh 31, 2080 (July 16, 2023) (NRS) Restated	As on Shrawn 01, 2079 (July 17, 2022) (NRS) Restated
Term Loan - Global IME Bank Ltd.	744,808,541.23	89,000,000.00	-
Term Loan - Kumari Bank Ltd.	211,891,425.41	29,000,000.00	-
Term Loan-Himalayan Bank Ltd.	217,170,930.15	-	-
HP Loan - Ba Pra 01-028 cha 8182	6,227,009.76	7,400,000.00	-
HP Loan - Pra-1-28 Cha 6720.	1,810,881.78	2,152,000.00	-
<b>Total</b>	<b>1,181,908,788.33</b>	<b>127,552,000.00</b>	<b>-</b>

**Note 16: Short Term Borrowings**

Particulars	As on Ashadh 31, 2081 (July 15, 2024) (NRS)	As on Ashadh 31, 2080 (July 16, 2023) (NRS) Restated	As on Shrawn 01, 2079 (July 17, 2022) (NRS) Restated
Bridge Gap Loan	222,199,091.70	271,000,000.00	-
<b>Total</b>	<b>222,199,091.70</b>	<b>271,000,000.00</b>	<b>-</b>

**Security:**

- The Loan is Secured against mortgage of entire fixed Assets ( Intangible assets), Current Assets .
- The Loan is Secured by way of charge on license issued by Government of Nepal, Ministry of Water Resources, unconditional and irrevocable charge on PPA with NEA. .
- Corporate guarantee of Hydro Solutions Pvt. Ltd. Covering the entire exposure.
- Pledge over the shares of the Board of directors and shareholders holding share in excess of 5%
- Joint and personal guarantee of Board of Directors and Promoters with stake more than 2.5% individually.

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**Note 17: Other Financial current Liabilities**

<u>Particulars</u>	<u>As on</u> <u>Ashadh 31, 2081</u> <u>(July 15, 2024)</u> <u>(NRS)</u>	<u>As on</u> <u>Ashadh 31, 2080</u> <u>(July 16, 2023)</u> <u>(NRS) Restated</u>	<u>As on</u> <u>Shrawn 01, 2079</u> <u>(July 17, 2022)</u> <u>(NRS) Restated</u>
<b>Retention-Baibhab/Adwin-Contractor</b>			
For Road Access	8,926,311.45	6,311,545.60	2,099,193.52
For Civil Construction	15,849,662.08	4,624,677.24	-
For Hydro Mechanical Work	927,409.50	-	-
Rent Payable-Smita Agrawal	90,000.00		
<b>Retirement Benefit</b>			
Social Security Fund Payable	185,925.00	200,880.00	150,102.00
<b>Employee Payables</b>			
Salary Payable	1,625,193.00	1,749,035.00	738,971.02
<b>Account Payables</b>			
Hydro Solution Pvt. Ltd.	11,123,485.53	-	27,808,630.98
Ramechhap Sherpa Construction Pvt Ltd	-	-	52,521,598.59
Baibhab/Adwin-Road Contract	-	6,281,969.14	
Sundry Creditors	22,380,238.00	7,772,094.15	16,093,242.34
Loan From Directors	21,226,838.96	-	-
M.K Sah & Associates.	197,000.00	98,500.00	53,150.00
Other Payables	266,370.75	55,777.95	1,506,243.18
<b>Total</b>	<b>82,798,434.27</b>	<b>27,094,479.08</b>	<b>100,971,131.63</b>

**Note 18: Non Financial Current Liability**

<u>Particulars</u>	<u>As on</u> <u>Ashadh 31, 2081</u> <u>(July 15, 2024)</u> <u>(NRS)</u>	<u>As on</u> <u>Ashadh 31, 2080</u> <u>(July 16, 2023)</u> <u>(NRS) Restated</u>	<u>As on</u> <u>Shrawn 01, 2079</u> <u>(July 17, 2022)</u> <u>(NRS) Restated</u>
<b>TDS Payable</b>			
TDS On Audit Fee	3,035.00	1,535.00	1,050.00
TDS On Advertisement	1,079.00	929.00	774.00
TDS On Consultancy	248,162.79	490,852.30	31,874.00
TDS On Training Fee	1,500.00	-	-
TDS On Transportation	18,905.38	18,033.38	5,050.00
TDS On Rent	324,128.20	70,001.00	220,500.00
TDS On Salary	694,978.53	792,715.53	788,363.60
TDS On Wages	8,869.39	5,967.39	-
TDS Land Rent	32,597.41	-	-
TDS On Others	686,961.57	2,945,560.20	3,675,862.75
<b>Total</b>	<b>2,020,217.27</b>	<b>4,325,593.80</b>	<b>4,723,474.35</b>

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# Super Khudi Hydropower Limited.

Swayambhu Kathmandu

Notes forming part of Statement of Profit & Loss As on Ashadh 31, 2081 (July 15, 2024)

## Note 19: Revenue from Operation

<u>Particulars</u>	Year Ended Ashadh 31, 2081 (July 15, 2024) (NRS)	Year Ended Ashadh 31, 2080 (July 16, 2023) (NRS) Restated
Revenue from Sale of Electricity	-	-
<u>Total</u>	-	-

## Note 20: Cost of Revenue

<u>Particulars</u>	Year Ended Ashadh 31, 2081 (July 15, 2024) (NRS)	Year Ended Ashadh 31, 2080 (July 16, 2023) (NRS) Restated
Project Operation Cost	-	-
Direct Cost	-	-
<u>Total</u>	-	-

## Note 21: Construction Revenue as per IFRIC-12

<u>Particulars</u>	Year Ended Ashadh 31, 2081 (July 15, 2024) (NRS)	Year Ended Ashadh 31, 2080 (July 16, 2023) (NRS) Restated
Construction Revenue	1,144,828,920.55	389,103,500.20
<u>Total</u>	1,144,828,920.55	389,103,500.20

## Note 22: Construction Expenses as per IFRIC-12

<u>Particulars</u>	Year Ended Ashadh 31, 2081 (July 15, 2024) (NRS)	Year Ended Ashadh 31, 2080 (July 16, 2023) (NRS) Restated
Construction Expenses	996,196,415.38	338,586,408.11
<u>Total</u>	996,196,415.38	338,586,408.11

## Note 23: Administrative Expenses

<u>Particulars</u>	Year Ended Ashadh 31, 2081 (July 15, 2024) (NRS)	Year Ended Ashadh 31, 2080 (July 16, 2023) (NRS) Restated
Audit Fee	100,000.00	100,000.00
General Administration Expenses	24,835.00	43,739.00
Lease	2,541,272.00	2,062,500.00
IPO- Issue management exp	50,000.00	-
Office Maintenance Expenses	24,143.50	218,601.65
Rating Fee	401,150.00	-
Training Fee	100,000.00	-
Salary Expenses	8,425,835.88	4,576,902.37
<u>Total</u>	11,667,236.38	7,001,743.02





# **Note 24: Depreciation**

<u>Particulars</u>	Year Ended Ashadh 31, 2081 (July 15, 2024) (NRS)	Year Ended Ashadh 31, 2080 (July 16, 2023) (NRS) Restated
Depreciation during the year	4,372,617.39	1,208,733.70
<b><u>Total</u></b>	<b>4,372,617.39</b>	<b>1,208,733.70</b>

# **Note 25: Earning Per Share**

The Company has not issued any potential equity shares during the year and accordingly, hence, the basic and diluted earnings per share are same.

<u>Particulars</u>	Year Ended Ashadh 31, 2081 (July 15, 2024) (NRS)	Year Ended Ashadh 31, 2080 (July 16, 2023) (NRS) Restated
Profit / (Loss) for the year	132,592,651	42,306,615
Weighted average number of equity shares outstanding	7,905,000	6,187,464
<b>Earning per share - Basic</b> (Face value of Rs. 100 per share)	<b>16.77</b>	<b>6.84</b>
Add: weighted avergae number of potential equity shares	-	-
Weighted average number of equity shares (including dilutive shares) outstanding	7,905,000	6,187,464
<b>Earning per share - Diluted</b> (Face value of Rs. 100 per share)	<b>16.77</b>	<b>6.84</b>

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**Super Khudi Hydropower Limited.**  
**(Formerly Known as Super Khudi Hydropower Pvt. Ltd. )**  
**Swayambhu Kathmandu**  
**Significant Accounting Policies and Notes to Accounts**

**Notes**

**26 Events After Reporting Date**

No Circumstances have arisen since the reporting date which would require adjustments to, or disclosure in the financial statements.

**27 Related Party Disclosure**

**a) (a) A person or a close member of that person's family is related to a reporting entity if that person:**

- (i) has control or joint control over the reporting entity;
- (ii) has significant influence over the reporting entity; or
- (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

**(b) An entity is related to a reporting entity if any of the following conditions applies:**

- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment defined benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

**b) The Company has not Identify the the related parties for the disclosure requirement of NAS 24**

Particulars	Status
Holding Company	None
Wholly Owned Subsidiary Company	None
Joint Ventures	None

**c) Key Managerial Personnel:**

Gyanendra lal Pradhan	Chairman
Ganesh karki	MD
Batu lamichhane	Director

**d) Followings transactions were carried out with Key Managerial Personnel in the ordinary course of business.**

Name	Nature of expenses	F.Y. 2080/81 Amount (in Rs)
1 Gyanendra lal Pradhan	Regular Employee Benefits	3,600,000
2 Ganesh karki	Regular Employee Benefits	1,800,000
3 Batu lamichhane	Regular Employee Benefits	1,800,000

**f) Other Related Party Transaction**

Name of the related Party	Transaction		Outstanding Balance	
	FY 2080-81	FY 2079-80	FY 2080-81	FY 2079-80
Hydro Solution Pvt.Ltd.	33,370,348	33,370,349	(11,123,486)	-
Hydro Solution Pvt.Ltd has provided consultancy service related to project.				

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## 28 Financial Risk Management:

The Company's financial risk management is an integral part of how to plan and execute its business strategies.

### i) Market risk:

Market risk is the risk of loss of future earnings, fair value or future cash flows arising out of change in the price of a financial instrument. These include change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through evaluation and identification of risk factors with the object of governing/mitigating them according to Company's objectives and declared policies in specific context of impact thereof on various segments of financial instruments. The Board provides oversight and reviews the Risk management policy from time to time.

### ii) 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. In order to balance the Company's position with regards to interest income and interest expense and to manage the interest rate risk, it performs a comprehensive interest rate risk management. The Company is not exposed to significant interest rate risk as at the respective reporting dates.

### iii) Foreign currency risk:

The Company is subject to the risk that changes in foreign currency values impact the Company's imports of property, plant and equipment. The Company is not exposed to foreign exchange risk arising from various currency exposures.

### iv) Credit Risk:

Credit risk is that risk that a counter party 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 bank and financial institutions.

### v) Cash Deposit:

Credit risk from bank balances with banks and financial institutions are managed by maintaining the balances with highly reputed commercial banks only.

### vi) Liquidity Risk:

The company's monitors risk to a sortage of funds on a regular basis through cash forecast. The company's objective is to maintain a balance continuity of funding and flr flexibility through the use of bank overdrafts and term loans. Access to source of funding is sufficient.

## 29 Capital Management:

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the company. The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimize returns to the shareholders. The capital structure of the Company is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditorto sustain future development and growth. The Company's focus is on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required, without impacting the risk profile of the Company. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

As the company is into construction of the hydropower plant, so significant amount of capital is investing for the project and for the same company has also entered into debt arrangements for funding significant portion of the total capital requirement for the project.





Details of Funding are:

Particulars	FY 2080-81 Amount (in Rs)	FY 2079-80 Amount (in Rs)	FY 2078-79 Amount (in Rs)
Short Term Borrowings	222,199,091.70	271,000,000.00	-
Long Term Borrowings	1,181,908,788.33	127,552,000.00	-
<b>Net Debt</b>	<b>1,404,107,880.03</b>	<b>398,552,000.00</b>	<b>-</b>
Equity Share Capital	790,500,000.00	618,746,400.00	30,000,000.00
Other Equity	215,553,260.77	82,960,609.37	40,653,994.01
<b>Total Equity</b>	<b>1,006,053,260.77</b>	<b>701,707,009.37</b>	<b>70,653,994.01</b>
Debt/Equity	1.40	0.57	0.00

In order to achieve this overall objective, the company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

### 30 Transition to NFRS - Reconciliations:

The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to NFRS in accordance with NFRS 1:

- 30.1 Reconciliation of equity as at 01 Shrawan, 2079 & 31 Ashadh, 2080 (Transition date and Previous year end date).
- 30.2 Reconciliation of Statement of profit or loss for the year ended 31 Ashadh, 2080.

Reconciliation of Statement of financial position as at 01 Shrawan, 2079 & 31 Ashadh, 2080 (Transition date and Previous year end date).

- 30.3 year end date).
- 30.4 Reconciliation of Statement of cash flow for the year ended 31 Ashadh, 2080.

### 31 Miscellaneous:

Previous GAAP information has been reclassified/ regrouped in accordance with the NFRS, wherever necessary, based on the

- i) audited financial statements of the Company for the year ended 31 Ashadh, 2080.
- iii) Few balance confirmations for purchase and creditors are in the process of obtaining from them.
- iii) Notes 1 to 30 form the integral part of Financial Position and Statement of Profit and Loss.

*Sanjay*

*GR* *QV*





**Super Khudi Hydropower Limited.**  
Swayambhu Kathmandu

**Disclosure effect of transition from previous GAAP to NFRSS**

**Note 30.1 Reconciliation of equity**

		Amount in NPR	
Particulars	Explanatory Note (EN)	As on 01.04.2079	As on 31.03.2080 (End of last period presented under previous GAAP)
		(Date of Transition)	
<b>Total equity under Previous GAAP</b>		503,357,782	649,869,000
<b>Adjustments under NFRSS:</b>			
Recognition of income as per IFRIC 12	1	40,653,994.0	82,960,609
Deferred tax		-	-
<b>Total Adjustment to equity</b>		40,653,994	82,960,609
<b>Total Equity under NFRSS</b>		544,011,776	732,829,609

EN

**Explanation**

Revenue has been recognized as per due to applicability of IFRIC-12 creating intangible Assets. Revenue is recognized based on the progress of construction activities using the percentage-of-completion method (input or output-based measures) under NFRS 15.

1

*[Handwritten signature]*





**Super Khudi Hydropower Limited.**  
**Swayambhu Kathmandu**  
 Disclosure effect of transition from previous GAAP to NFRSs

**Note 30.2 Reconciliation of profit and loss**

		Amount in NPR
		For the year ended
		31.03.2080
Explanatory Note (EN)	(the latest period presented under previous GAAP)	
<b>Previous GAAP</b>		
<b>Adjustments under NFRSs:</b>		
1	Reclassification of Depreciation	(1,544,098)
2	Remeasurement on PPE	335,364
3	Reclassification of Preliminary Administrative Expenses	(7,001,743)
4	Recognition of income as per IFRIC 12	50,517,092
<b>Total Adjustment to profit or loss</b>		<b>42,306,615</b>
<b>Profit or loss under NFRSs</b>		<b>42,306,615</b>
<b>Other Comprehensive Income</b>		
<b>Total Comprehensive income under NFRSs</b>		<b>42,306,615</b>

EN	Explanation
1	Depreciation which was capitalized to capital WIP transfer to Income Statement
2	Recalculation of depreciation on PPE as per life of individual fixed assets.
3	Expenses related to administrative overhead which was capitalized to capital WIP transfer to Income Statement
4	Income has been recognized as per NFRS 15 due to applicability of IFRIC 12.

*[Signature]*





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Swayambhu Kathmandu

Disclosure effect of transition from previous GAAP to NFRSS

**Note 30.3: Effect of NFRSS adoption for the statement of financial position**

		As on 01.04.2079 (Date of Transition)			As on 31.03.2080 (End of last period presented under previous GAAP)				
Particulars	Explanatory Note	Previous GAAP	Effect of Transition to NFRSs due to Reclassification	Effect of Transition to NFRSs due to Remeasurement	Opening NFRSs statement of Financial Position	Previous GAAP	Effect of Transition to NFRSs due to Reclassification	Effect of Transition to NFRSs due to Remeasurement	Amount as per NFRSs
<b>Assets</b>									
Property, Plant & Equipment	1	53,212,900.03	(36,555,844.74)	-	16,657,055.29	92,717,735.88	(63,666,717.93)	335,363.65	29,386,381.59
Project WIP	2	374,107,307.29	(374,107,307.29)	-	-	691,140,982.57	(691,140,982.57)	-	-
Intangible Assets Under Development (IAUD)		-	407,584,601.50	47,823,044.53	455,407,646.03	-	746,171,009.21	98,340,136.62	844,511,145.83
Cash & Cash Equivalents		418,388.10	-	-	418,388.10	594,562.04	-	-	594,562.04
Advances & Receivables	3	181,313,792.57	(181,313,792.57)	-	-	296,412,592.39	(296,412,592.39)	-	-
Other Financial Current Assets		-	-	-	-	-	1,302,600.00	-	1,302,600.00
Pre-payments		-	-	-	-	-	270,954,657.23	-	270,954,657.23
Other Non-Financial Current Assets		-	177,223,292.57	-	177,223,292.57	-	16,052,335.16	-	16,052,335.16
Current Tax Assets		-	-	-	-	-	-	-	-
<b>Total Assets</b>		<b>609,052,387.99</b>	<b>(7,169,050.52)</b>	<b>47,823,044.53</b>	<b>649,706,382.00</b>	<b>1,080,865,872.88</b>	<b>(16,739,691.30)</b>	<b>98,675,500.27</b>	<b>1,162,801,681.85</b>
<b>Liabilities</b>									
Secured Loan	4	-	-	-	-	398,552,000.00	(398,552,000.00)	-	-
Other Financial Non-Current Liabilities		-	-	-	-	-	-	-	-
Long Term Borrowing		-	-	-	-	-	127,552,000.00	-	127,552,000.00
Short Term Borrowings		-	-	-	-	-	271,000,000.00	-	271,000,000.00
Other Liabilities & Provision	5	105,694,605.98	(105,694,605.98)	-	-	31,420,072.88	(31,420,072.88)	-	-
Other Financial Current Liabilities		-	100,971,131.63	-	100,971,131.63	-	27,094,479.08	-	27,094,479.08
Other Non-Financial Current Liabilities		-	4,723,474.35	-	4,723,474.35	-	4,325,593.80	-	4,325,593.80
<b>Total Liabilities</b>		<b>105,694,605.98</b>	<b>-</b>	<b>-</b>	<b>105,694,605.98</b>	<b>429,972,072.88</b>	<b>-</b>	<b>-</b>	<b>429,972,072.88</b>
<b>Equity</b>									
Equity Share Capital		30,000,000.00	-	-	30,000,000.00	618,746,400.00	-	-	618,746,400.00
Advance Share Capital		473,357,782.01	-	-	473,357,782.01	31,122,600.00	-	-	31,122,600.00
Revaluation reserve		-	-	-	-	1,024,800.00	(1,024,800.00)	-	-
Accumulated Profit & Loss		-	(7,169,050.52)	47,823,044.53	40,653,994.01	-	(15,714,891.30)	98,675,500.27	82,960,608.97
<b>Total Equity</b>		<b>503,357,782.01</b>	<b>(7,169,050.52)</b>	<b>47,823,044.53</b>	<b>544,011,776.02</b>	<b>650,893,800.00</b>	<b>(16,739,691.30)</b>	<b>98,675,500.27</b>	<b>732,829,608.97</b>
<b>Total Equity and Liabilities</b>		<b>609,052,387.99</b>	<b>(7,169,050.52)</b>	<b>47,823,044.53</b>	<b>649,706,382.00</b>	<b>1,080,865,872.88</b>	<b>(16,739,691.30)</b>	<b>98,675,500.27</b>	<b>1,162,801,681.85</b>

Explanatory Note	Explanation
1	Land of value and other assets related to project previously capitalized under PPE under Normal GAAP has now reclassified into Intangible assets under development. Revaluation reserve is also reversed accordingly.
2	Preoperating expenses related to project is reclassified under Intangible assets under development and administrative expenses as per nature of expenses.
3	Under the previous reporting framework, certain current assets were grouped under Advance & Receivables. However, under NFRS, these assets have been classified into Financial Assets and Non-Financial Assets based on their nature and the criteria outlined in the standards.
4	Reclassification of borrowings as per nature and term of maturity
5	Current Liabilities which were grouped under other payables have been classified into Financial and Non-Financial Liabilities based on their nature and the criteria outlined in the standards.





# Super Khudi Hydropower Limited.

Swayambhu Kathmandu

Disclosure effect of transition from previous GAAP to NFRSS

## Note 30.4 Effect of NFRSS adoption for statement of cash flows

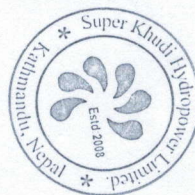
Amount in NPR

For the year ended 31.03.2080

(the latest period presented under previous GAAP)

Particulars	Explanatory Note*	Previous GAAP	Effect of Transition to NFRSS	Amount as per NFRSS
Net cash flows from operating activities		(187,775,299)	45,929,815.41	(141,845,484)
Net cash flows from investing activities		(357,111,745)	(45,929,815.41)	(403,041,560)
Net cash flows from financing activities		545,063,218	-	545,063,218
<b>Net increase/(decrease) in cash and cash equivalent</b>		<b>176,174</b>	<b>0</b>	<b>176,174</b>
Cash and cash equivalent at the beginning of the period		418,388	-	418,388
<b>Cash and cash equivalent at the end of the period</b>		<b>594,562</b>	<b>0.00</b>	<b>594,562</b>

*[Signature]*



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