

REPORT

CONFIDENTIAL

**AUDIT REPORT AND AUDITED FINANCIAL STATEMENT
OF**

Bindhyabasini Hydropower Development Co. Ltd.

New Baneshwor, Kathmandu

(FY 2074-75)

Performed By:

Saroj Koirala & Associates

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Shareholders,

Bindhyabasini Hydropower Development Co. Ltd.
New Baneshwor, Kathmandu

Report on the Financial Statements

We have audited the accompanying financial statements of **M/S Bindhyabasini Hydropower Development Co. Ltd.**, which comprise the Balance Sheet as at Ashadh 32, 2075, the income statement, statement of changes in equity, statement of cash flows and significant accounting policies and other explanatory notes as on that date.

Management's Responsibility for the Financial Statements

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



Auditor's Responsibility

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

Basis for Disclaimer of Opinion

The applicable financial reporting framework for the company was changed to Nepal Financial Reporting Standards from Nepal Accounting Standards (Previous local GAAP), effective from fiscal year starting 17 July 2016. Change in financial reporting framework required transition to Nepal Financial Reporting Standard as at 17 July 2016 and presentation of at least three financial position. Two consolidated statement of comprehensive income, two statement of cash flows, two statement of change in equity and related notes, including comparative information. However financial statement has not been prepared based on transitional provision of Nepal Financial Reporting Standards 1 which requires identification, restatement, presentation and disclosure of financial information based on new accounting policies as per Nepal Financial Reporting Standards.

The cumulative effect of not restating, presenting and disclosing financial information based on transitional provision of Nepal Financial Reporting Standards is uncertain and could be material and persuasive.

Disclaimer of Opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence for cumulative effect of not restating financial items and making additional disclosure as required by first time adopter of Nepal Financial Reporting Standards of to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements which have not been prepared in accordance with Nepal Financial Reporting Standards.

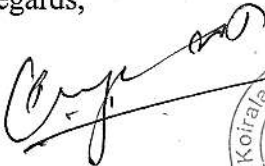
Report on Other Legal and Regulatory Requirements

We have obtained information and explanation asked for, which to the best of our knowledge and belief, were necessary for the purpose of our audit. In our opinion the balance sheet, the profit and loss account and the cash flow statements prepared in accordance with Nepal Accounting Standards, are in agreement with the book of account of the company.

To the best of our information and according to the explanation given to us and from our examination of account of the Company necessary for the purpose of our audit, we have not come across cases where Board of Directors or any employee of the company have acted contrary to the provision of the law, or committed any misappropriation relating to the account or caused loss or damage to the company.

Except as noted in the preceding paragraph and our opinion on the financial statements not prepared in accordance with the applicable financial reporting framework required for the fiscal year, the financial statement have been prepared, in all material respects, in accordance with reporting framework as per the requirement of Nepal Accounting Standards.

Regards,



CA. Saroj Koirala
For: Saroj Koirala & Associates
Chartered Accountants
Place: Kathmandu



Date: Ashwin 15, 2075

Bindhyabasini Hydropower Development Co. Ltd.
New Baneshwor, Kathmandu, Nepal

Balance Sheet
as at Ashadh end, 2075

Amount in Nrs

SN.	Particulars	Schedule No.	Current Year	Previous Year
A.	<u>Capital and Liability</u>			
1	Capital and Reserve Fund			
a.	Share Capital	1	736,913,400.00	736,913,400.00
b.	Reserve Fund and Accumulated Profit	2	-	-
2	Medium and Long Term Loan	3		
a.	Secured loan		868,333,420.04	212,259,104.31
b.	Unsecured loan		-	-
	Total (1+2)		1,605,246,820.04	949,172,504.31
B.	<u>Assets</u>			
1	<u>Fixed Asset</u>	4		
a.	Net block of Fixed Assets		-	-
b.	Capital WIP		1,605,740,234.50	903,380,488.99
2	Investment	5	44,761,900.00	33,886,900.00
3	Current Assets		461,160,336.58	280,964,514.79
a.	Closing Inventory	6	-	-
b.	Receivables	7	105,716,377.41	58,574,502.08
c.	Cash and Other Balance	8	3,801,589.83	5,783,505.52
d.	Advance, Loan and Deposits	9	351,642,369.34	216,606,507.19
	Total Assets		2,111,662,471.08	1,218,231,903.78
4	Current Liabilities and Provision			
a.	Current Liabilities	10		
1.	Trade and Other Payable		434,144,580.77	182,907,309.72
2.	Short Term loan		72,271,070.27	86,152,089.75
b.	Provisions	11	-	-
	Total Current Liabilities and Provision		506,415,651.04	269,059,399.47
5	Net working Capital (3-4)		(45,255,314.46)	11,905,115.32
6	Pre-operating Expenses	12	-	-
	Total (1+2+5+6)		1,605,246,820.04	949,172,504.31

Contingent Liabilities

13

Notes to the Annual Accounts


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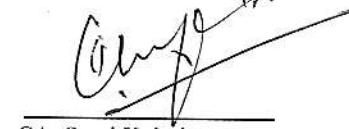
Schedule 1 to 15 are integral part of this Financial Statements.

As per our report of even dates.


Janardan Aryal
Accountant


Bharat Bdr. Pandey
Finance Director


Sita Acharya
Chairman


CA, Saroj Koirala
For: Saroj Koirala & Associates
Chartered Accountants
Date: 2075/06/15



Bindhyabasini Hydropower Development Co. Ltd.
New Baneshwor, Kathmandu, Nepal


Income Statement
For The Period From 1st Shrawan, 2074 to 32nd Ashadh, 2075

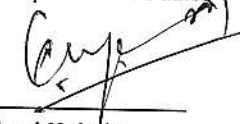
Amount in Nrs			
Particulars	Schedule No.	Current Year	Previous Year
Income		-	-
Sales Income		-	-
Cost of Good Sold		-	-
Gross Profit		-	-
Other Income		-	-
Operating Expenses		-	-
Trade Expenses		-	-
Distribution Expenses		-	-
Administrative Expenses		-	-
Operating Profit	14	-	-
Non- Operating Expenses		-	-
Interest Expenses		-	-
Depreciation		-	-
Income from Subsidiary Company		-	-
Income from other Investment		-	-
Investment written off		-	-
Gain/(Loss) on Disposal of Assets		-	-
Loss on Dropdown of Business work		-	-
Extra Ordinary gain/Loss		-	-
Profit Before tax		-	-
Tax		-	-
Profit After tax		-	-
Net Profit		-	-
Appropriation		-	-
a) General Reserve Fund		-	-
b) Proposed Dividend		-	-
Ordinary Share		-	-
Preference Share		-	-
c) Other reserve Fund		-	-
d) Transfer to Balance Sheet		-	-

As per our report of even dates


Janardan Aryal
Accountant


Bharat Bdr. Pandey
Finance Director


Sita Acharya
Chairman


CA, Saroj Koirala
For: Saroj Koirala & Associates
Chartered Accountants
Date: 2075/06/15




Bindhyabasini Hydropower Development Co. Ltd.
New Baneshwor, Kathmandu, Nepal

Cash Flow Statement
For The Period From 1st Shrawan, 2074 to 32nd Ashadh, 2075

Amount in NRS

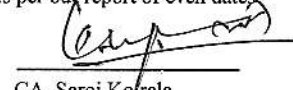
Sn.	Particulars	Current Year	Previous Year
A.	<u>Cash Flow From Operating Activities</u>		
	1) Net profit/ (loss) Before Tax and Extra Ordinary Income and Expenses	-	-
	Adjustment		
	Add:		
	a) Depreciation	-	-
	b) Pre-operating expenses written off	-	-
	c) Interest Paid	-	-
	d) Provisions	-	-
	e) Loss on Sales of Fixed Assets	-	-
	f) Other Non Cash Expenses	-	-
	Less:		
	a) Profit on Sales of Fixed Assets	-	-
	2) Cash Flow before Working Capital Activities	-	-
	a) Decrease/ (Increase) in Current Asset	(182,177,737.48)	(65,344,331.50)
	b) Increase/ (Decrease) in Current Liabilities	237,356,251.57	151,920,159.98
	c) Cash from Operation	55,178,514.09	86,575,828.48
	d) Interest Paid	-	-
	e) Tax Paid	-	-
	f) Cash Flow Before Extra Ordinary Item	-	-
	h) Profit/(Loss) from Extra ordinary Item	-	-
	Net Cash from Operating Activities	55,178,514.09	86,575,828.48
B.	<u>Cash flows from Investing activities</u>		
	1) Interest/Dividend Received	-	-
	2) Sales/(Purchase) of Fixed Assets/Investment	(10,875,000.00)	(7,500,000.00)
	3) Decrease/(Increase) in Loan and Deposits	656,074,315.73	212,259,104.31
	4) Decrease/(Increase) in capital work in progress	(702,359,745.51)	(304,621,429.60)
	5) Decrease/(Increase) in Pre Operating Expenses	-	-
	6) Sales/(Purchase) of Debenture	-	-
	7) Cash Inflow from Other Investing Activities	-	-
	Net Cash used in Investing Activities	(57,160,429.78)	(99,862,325.29)
C.	<u>Cash flows from Financing Activities</u>		
	1) Proceeds from issuance of share capital (Other Than Bonus Share)	-	-
	2) Proceeds/(Payment) from long term borrowings	-	-
	3) Dividend Paid	-	-
	4) Cash Inflow from Other Financing Activities	-	-
	Net Cash used in Financing Activities	-	-
	Net increase in cash and cash equivalents (A+B+C)	(1,981,915.69)	(13,286,496.81)
	Cash and cash equivalents at beginning of period	5,783,505.52	19,070,002.33
	Cash and cash equivalents at end of period	3,801,589.83	5,783,505.52


Janardhan Aryal
Accountant


Bharat Bdr. Pandey
Finance Director


Sita Acharya
Chairman

As per our report of even dates


CA, Saroj Koirala
For: Saroj Koirala & Associates
Chartered Accountants
Date: 2075/06/15



Bindhyabasini Hydropower Development Co. Ltd.
New Baneshwor, Kathmandu, Nepal

Statement of change in Equity for the Year ended Ashadh end, 2075

S N	Particulars	Share Capital	Share Premium	Revaluation Reserve	Translation Reserve	Accumulated Profit	Total
1	Balance as on Ashadh end, 2074	736,913,400.00	-	-	-	-	736,913,400.00
2	Change in accounting policies	-	-	-	-	-	-
3	Restated Balance	736,913,400.00	-	-	-	-	736,913,400.00
4	Surplus on Revaluation of Properties	-	-	-	-	-	-
5	Deficit on the revaluation of Investment	-	-	-	-	-	-
6	Currency translation Difference	-	-	-	-	-	-
7	Net gains and losses not recognized in Income statement	-	-	-	-	-	-
8	Net profit/(loss) for current year	-	-	-	-	-	-
9	Dividend	-	-	-	-	-	-
10	Paid Up Share	-	-	-	-	-	-
11	Call in advance	-	-	-	-	-	-
12	Surplus on Revaluation of Investment	-	-	-	-	-	-
12	Balance as on Ashadh end, 2075	736,913,400.00	-	-	-	-	736,913,400.00


Amount in Nrs

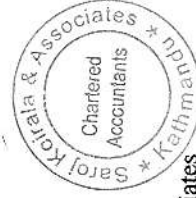
As per our report of even dates



Janardhan Aryal
 Accountant


Bharat Bdr. Pandey
 Finance Director




Sita Acharya
 Chairman




CA, Saroj Koirala
 For: Saroj Koirala & Associates
 Chartered Accountants

Bindhyabasini Hydropower Development Co. Ltd.
Baneshwor , Kathmandu, Nepal
Schedules Forming Part of Annual Financial Statements

SCHEDULE 1 : Share Capital

Particulars	Amount in Nrs	
	Current Year	Previous Year
a) Authorized 20,000,000 Ordinary shares of Rs. 100 each.	2,000,000,000.00	2,000,000,000.00
b) Issued 15,000,000 Ordinary shares of Rs. 100 each.	1,500,000,000.00	1,500,000,000.00
c) Paid Up 7,369,134 Ordinary shares of Rs. 100 each.	736,913,400.00	736,913,400.00
Total NRs.	736,913,400.00	736,913,400.00

SCHEDULE 2 : Reserve Fund And Accumulated Profit

Particulars	Amount in Nrs	
	Current Year	Previous Year
a) Capital Reserve	-	-
Share Premium	-	-
Debenture Premium	-	-
b) Revenue Reserve	-	-
General Reserve	-	-
Profit/Loss Adjustment Reserve	-	-
c) Accumulated Profit	-	-
Profit/Loss of previous year	-	-
Profit/Loss of the year	-	-
Total NRs.	-	-

SCHEDULE 3 : Medium and Long Term Loan

Particulars	Amount in Nrs	
	Current Year	Previous Year
a) Secured Loan	868,333,420.04	212,259,104.31
1) Long Term Loan	868,333,420.04	212,259,104.31
1a) Bank Term Loan - Rudhi Khola A	701,429,631.33	212,259,104.31
1b) Bank Term Loan - Rudhi Khola B	166,903,788.71	-
3) Other Secured Loan	-	-
b) Unsecured Loan	-	-
Total NRs.	868,333,420.04	212,259,104.31

4. Fixed Assets

4.1 Capital WIP Assets-Rudi A

4.1.1 Capital WIP Assets- Pre-Operating Expenses

Particulars	Amount in Nrs	
	Current Year	Previous Year
Other Office Expenses	11,695,028.87	1,468,367.06
Ad and Publicity Exp	128,415.74	122,278.90
Audit Expenses	175,322.30	175,322.30
Cleaning Charge	27,966.94	22,093.52
Company Update Exp	323,066.20	323,066.20
Consumable Goods	225,938.53	199,556.16
Daily Allowances	111,772.82	111,772.82
Depreciation Expenses	7,387,756.86	7,387,756.86
Donation & Charity	377,825.64	374,325.64
Electricity Charge	346,760.47	295,950.45
Electricity Site	4,239.50	1,382.50
Fooding Charge	802,621.74	802,621.74
Fuel Charge	897,231.60	775,531.40
Office Rent	2,698,507.60	2,314,526.80



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Bindhyabasini Hydropower Development Co. Ltd.

Baneshwor , Kathmandu, Nepal

Schedules Forming Part of Annual Financial Statements

Industry Registration	70,000.00	70,000.00
Insurance Premium/ Tractor	183,511.52	183,511.52
IPPAN MEMBERSHIP	41,370.20	31,085.00
Late Fee	2,618.85	2,618.85
License Expenses /Rudi A	68,000.00	68,000.00
Local Transportation Exp	796,033.20	796,033.20
Medical Exp	136,797.32	114,186.17
Meeting Allowances/ TADA	1,118,831.56	753,135.54
Meeting Exp	441,020.66	403,935.63
Office Canteen Exp	111,638.10	111,638.10
Pooja Exp	47,136.13	43,516.31
PPA Exp of Rudi A	1,050,000.00	1,050,000.00
Printing & Stationery	528,359.46	457,757.12
Project Evacuation of Rudi A	220,500.00	220,500.00
Registration and Renewable	683,131.40	683,131.40
Repair (Bike)	413,774.91	290,538.64
Repair (Other)	30,062.50	30,062.50
Salary Expense	23,533,486.90	22,773,161.39
Telephone Exp	385,388.79	322,629.64
Vehicle Tax	287,684.22	177,059.12
Training Exp	14,350.00	14,350.00
Pre Operating Exp	6,673,100.00	6,673,100.00
Salary Site Office	842,523.76	603,059.90
Drinking Water	21,763.63	13,564.04
Staff Tiffin	280,088.61	202,592.12
CC Meeting Exp	90,000.00	74,000.00
Misc. Exp	24,568.54	20,540.17
Other Income	(193,704.31)	(193,704.31)
Excavator Income	(83,995.80)	(83,995.80)
Interest on Deposit	(664,428.24)	(626,920.26)
Repair & Maintenance Expenses	466,829.21	92,358.31
Bank Charge & Commission	57,453.02	33,679.34
Computer Repair	2,494.00	2,494.00
Dashain Expenses	760,934.77	365,239.00
Employer's Contribution	154,165.33	58,511.36
Fines & Penalties	34,535.74	27,721.45
Generation License- Rudi A	4,000,000.00	4,000,000.00
Other Allowances	3,436,936.17	288,704.90
Other Site Allowances	166,921.31	166,910.02
Staff Insurance	174,304.43	63,480.25
W/off Expenses	(7.36)	(0.40)
Software Update	18,615.07	18,615.07
Mobil Expenses	1,200.00	1,200.00
Discount	0.23	-
Dividend Received From UMH	(416,402.18)	-
Office Renovat Exp	74,541.03	-
Puja Exp - Rudi A	15,995.00	-
Staff Dress	39,953.46	-
Total	71,344,535.94	54,772,551.64



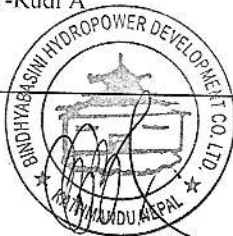
Bindhyabasini Hydropower Development Co. Ltd.
Baneshwor , Kathmandu, Nepal
Schedules Forming Part of Annual Financial Statements

4.1.2. Capital WIP Assets- Civil Construction Works

		Amount in Nrs	
Particulars	Current Year	Previous Year	
Headrace Pipelines Work	37,195,637.14	37,195,637.14	
S-Mod to Rudi A Headpond Section	23,961,387.15	23,961,387.15	
Diesel Exp	2,311,911.03	1,896,911.03	
Cement for Civil Works	9,677,238.74	9,677,238.74	
Electricity Civil Rudi A	1,087,588.24	542,402.00	
Road Construction Rudi A	4,963,250.00	4,963,250.00	
Rod & Steel Rudi	8,897,321.97	8,897,321.97	
Soil Test- EGC A/c	90,400.00	90,400.00	
Vehicle Rent for Soil Test-Rudi A	20,555.56	20,555.56	
IPC No. 1 Civil / Rudi A	22,026,715.85	22,026,715.85	
IPC No - 2 Civil /Rudi A	24,346,151.71	24,346,151.71	
IPC No. 3 Civil / Rudi A	22,489,289.72	22,489,289.72	
IPC No. 4-Civil-Rudi A	29,396,586.92	-	
IPC No 5- Civil	29,791,278.96	-	
IPC No -6 Civil- Rudi A	18,817,389.68	-	
IPC No. 7 Civil -Rudi A	13,048,306.85	-	
IPC No. 8- Civil Rudi A	19,325,697.91	-	
IPC No- 9- Civil- Rudi A	24,334,580.33	-	
IPC No. -10 Civil- Rudi A	36,721,598.33	-	
IPC No - 11- Civil Rudi A	29,454,377.18	-	
IPC No -12- Civil Rudi A	19,964,456.67	-	
Powerhouse-Rudi A	1,186,142.60	-	
Non Shrinkage Cement -Rudi A	864,043.20	-	
Pipe Cutting Machine Repair -Rudi A	15,000.00	-	
Transportation Cost of Materials Supply -Rudi A	147,095.56	-	
Transportation of AAC Block -Rudi A	282,221.67	-	
Total	380,416,222.97	156,107,260.87	

4.1.3. Capital WIP Assets- Metal Works/ Hydromechanical Works

		Amount in Nrs	
Particulars	Current Year	Previous Year	
Birgunj Site Visit Exp	40,665.00	40,665.00	
Insurance Premium for HM	112,656.48	112,656.48	
LC Charge by Bank	19,293.00	17,643.00	
LC Commission by Bank	124,647.90	124,647.90	
Railway Freight Exp. /Plates	7,904,311.02	7,904,311.02	
Sheet Steel Plates	109,382,292.97	101,272,831.02	
LC Clearence Charge for Sheet Steel Plates Rudi A	1,268,313.00	1,268,313.00	
Consultancy Charge for HM -Rudi A	1,880,500.00	1,880,500.00	
Electricity HM Rudi A	2,089,211.95	1,360,473.00	
HM IPC No.1	27,468,054.09	27,468,054.09	
HM IPC No. 2	16,477,007.87	16,477,007.87	
Insurance Exp for Sheet Steel Plate -Rudi A	8,896.49	8,896.49	
Transportation of Plates	23,305,346.00	22,463,496.00	
HM IPC 4-Rudi A	12,523,584.34	-	



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Bindhyabasini Hydropower Development Co. Ltd.

Baneshwor , Kathmandu, Nepal

Schedules Forming Part of Annual Financial Statements

HM- IPC 5	12,366,114.73	-
HM - IPC No- 06- Rudi A	20,511,118.04	-
HM IPC No -3/ Rudi A	13,948,115.45	-
HM IPC No. -7 -Rudi A	14,038,551.72	-
HM IPC No. -8- Rudi A	11,300,000.00	-
Acid - Rudi A	14,520.50	-
Custom Clearing HM Rudi A	95,264.00	-
Transportation of Hydra - Rudi A	147,888.89	-
Total	275,026,353.44	180,399,494.87

4.1.4.Capital WIP Assets- Plant and Machinery & Equipments

Amount in Nrs

Particulars	Current Year	Previous Year
Exavator & Breaker	5,605,746.37	5,605,746.37
Other Fixed Assets	207,084.22	207,084.22
Repair & Maintenance (Excavator)	5,806,624.42	5,237,668.18
Allowances for India Trip	1,008,124.40	1,008,124.40
Insurance Exp	332,597.97	215,205.89
JCB	2,257,030.00	2,257,030.00
Machinery & EQP	6,807,075.20	6,807,075.20
Travelling (EM)	626,727.48	626,727.48
Bank Charge & Commission for EM	2,150.00	2,150.00
EM L/C Charge for Rudi A	1,573,944.96	1,573,944.96
EM Works Rudi A	13,672,243.97	-
415V LT Switchgear	1,360,572.20	1,346,541.20
DG Set	1,509,513.32	1,494,007.32
EOT Crane	6,366,549.33	6,297,876.33
Generator- Rudi A	46,253,730.80	45,795,212.80
NGT/LAVT Panel	1,995,754.76	1,975,994.76
Underground Earthing	1,131,028.50	1,685,380.16
EM Electrical Accessories	3,643,874.43	16,600.00
TPSC India Visit Exp -Rudi A	557,258.67	209,715.00
EM Equipment	113,294,584.59	-
Theodolite -Rudi A	144,640.00	-
Total	214,156,855.59	82,362,084.27

4.1.5. Capital WIP Assets- 33/132 KV Interconnection at Leknath

Amount in Nrs

Particulars	Current Year	Previous Year
	-	-
Total	-	-



MAC



Bindhyabasini Hydropower Development Co. Ltd.
Baneshwor , Kathmandu, Nepal
Schedules Forming Part of Annual Financial Statements

4.1.6. Capital WIP Assets -Transmission Line & Switchyard

Particulars	Amount in Nrs	
	Current Year	Previous Year
Construction Power Exp	9,847,676.87	9,845,676.87
Grid Connection Exp	5,650,000.00	5,650,000.00
Transmission Line License Exp	51,426.00	51,426.00
Construction Power Materials	599,509.45	599,509.45
Grid Exp	8,571.00	8,571.00
Mis Exp/ TL	285,700.00	285,700.00
Transformer for Rudi A	2,462,560.80	2,462,560.80
Wages/Construction Power-Rudi A	175,809.27	175,809.27
Wages/TL	7,001,585.86	1,836,585.86
ABC Cable	1,689,350.00	1,689,350.00
Cement for Construction Power	7,684,475.35	7,684,475.35
Erection of EM Tools Rudi A	406,800.00	-
IPC No- 1 -TL -Rudi A	14,320,314.29	-
IPC No-2-TL- Rudi A	4,024,500.65	-
Total	54,208,279.54	30,289,664.60

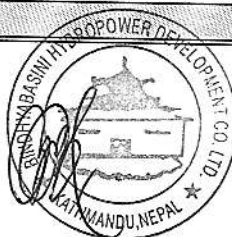
4.1.7. Capital WIP Assets -Land Purchased & Development

Particulars	Amount in Nrs	
	Current Year	Previous Year
Land at Site	21,055,500.40	20,882,780.40
Distri Bandhak Charge for Rudi A	60,560.00	60,560.00
Dristi Bandak Charge Rudi	-	-
Wages for Land Development Cost	-	-
Total	21,116,060.40	20,943,340.40

4.1.8. Capital WIP Assets - Site Office Building & Camping Facilities

Particulars	Amount in Nrs	
	Current Year	Previous Year
Site Office Construction-Rudi A	10,028,789.64	7,032,589.32
Site Office Exp	164,640.00	164,640.00
Land Lease From Dudhman Gurung	44,444.44	44,444.44
Land Lease From Tek BRD	44,444.44	44,444.44
Helmet/Raincoat	9,577.00	9,577.00
Site Office Set Up	824,822.90	578,426.79
Wages/Exavator	42,247.47	42,247.47
Wages For Camping Facilities-Rudi A	80,808.09	80,808.09
Wages Site-Rudi A	126,407.36	8,585.86
Cement for Camping Facilities	1,595,779.67	1,595,779.67
Freeze /site Office-Rudi A	30,585.14	30,585.14
Camping Roofing	86,250.77	-
Water Tank	66,000.00	-
Total	13,144,796.92	9,632,128.22

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4.1.9. Capital WIP Assets -Office Equipment & Furniture

Amount in Nrs

Particulars	Current Year	Previous Year
Computer Accessories	270,192.38	178,490.68
Computer Accessories Site	862,285.56	814,287.96
Dispanser	1,328.90	1,328.90
GPS	14,831.25	14,831.25
Heaters & Fans	2,835.00	2,835.00
Other Equipments	196,957.77	196,957.77
Office Furnitures	962,619.10	962,619.10
Attendance Device	15,820.00	15,820.00
Survey Accessories	2,892.43	2,892.43
Total Station	2,285.60	2,285.60
Book case/site	19,428.57	19,428.57
Computer Parts	47,254.95	10,184.63
Furniture & Fixture	49,311.82	49,311.82
Freeze Head Office - Rudi A	19,570.00	-
Projector Curtain - Rudi A	9,028.12	-
Total	2,476,641.45	2,271,273.71

4.1.10. Capital WIP Assets- Vehicle

Amount in Nrs

Particulars	Current Year	Previous Year
Bank Charge & Commission for Vehicle Loan	357,204.49	357,204.49
Hydraulic Tractor	1,273,885.18	1,273,885.18
Interest Expenses for Vehicle	545,558.17	545,558.17
Mahindra Pick Up	1,871,370.33	1,871,370.33
Repair & Maintenance (Pickup)	1,359,988.24	976,442.16
Repair /Tractor	291,280.36	98,072.96
Unicorn Motorbyke	117,090.13	117,090.13
Yamaha YBR SS Motorcycle	216,656.00	216,656.00
Yamaha YBX Motorbike	20,736.14	20,736.14
Super Splender DRS Bike	130,800.00	130,800.00
Repair Prado	223,967.27	75,511.70
Repair Vehicle	214,230.43	214,230.43
Bolero Pick Up -292- Rudi A	12,882.78	-
Bolero Pickup -Rudi A	2,482,884.00	-
Total	9,118,533.52	5,897,557.69

4.1.11. Capital WIP Assets- Infrastructure & Access

Amount in Nrs

Particulars	Current Year	Previous Year
Rudi A Power House to S Mod Rabaidada Road Section	7,278,505.80	7,278,505.80
Rudi Dovan -Mugribesi Road Section-Rudi A	2,655,106.10	2,655,106.10
Seto Pahren-Mugribesi Bypass Road Section-Rudi A	8,968,627.53	8,968,627.53
Road Construction- I-Rudi A	6,300,266.68	235,266.68
Dozer Rent	2,561,525.99	49,525.99
Wages/Road Construction	6,404,550.74	3,630,320.02
Hum Pipe Rudi A	802,287.82	802,287.82
Rudi Crusing	3,858,773.66	3,858,773.66
Barel Pump- Rudi A	2,000.10	-
HDEP Pipe -Rudi A	167,805.00	-
Total	38,999,449.42	27,478,413.60



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4.1.12. Capital WIP Assets- Environment Mitigation & Social Contribution

Amount in Nrs

Particulars	Current Year	Previous Year
Community Exp	527,787.00	527,787.00
Guest Entertainment	565,166.57	536,479.43
Public Relation Exp	2,821,308.62	2,687,098.20
Site Visit/Tractor Accident	135,609.00	135,609.00
Bagaicha/Pasagaon Road	1,500,000.00	1,500,000.00
Earth Quake Exp	144,600.00	144,600.00
Land Rent at Bhorletar	11,111.11	11,111.11
R&M of Road (Rambazar to Mugri Besi)	7,584,485.00	7,584,485.00
Road Support for Baluwa Besi	600,000.00	600,000.00
Wages/Mitigation	10,101.01	10,101.01
Social Mitigation Expenses-Rudi A	4,918,903.64	1,524,713.60
Compensation Exp Rudi A	450,000.00	450,000.00
Social Mitigation - Dipendra-Rudi A	571,400.00	-
Social Mitigation- Pasagaun Manalal _rudi A	1,250,000.00	-
Social Mitigation -Rudi A- Election	1,714,230.00	-
Total	22,804,701.95	15,711,984.35

4.1.13. Capital WIP Assets- Project Supervision, Engineering & Management

Amount in Nrs

Particulars	Current Year	Previous Year
Communication /Site	199,542.18	99,884.20
Consumable Goods /Site	811,696.96	694,785.03
Discharge Measurement Charge	858,798.92	858,798.92
DPR Exp	3,743,402.40	3,743,402.40
Due Diligence Study of Rudi Khola A HEP	791,000.00	791,000.00
EIA Exp of Rudi A	1,229,358.00	1,229,358.00
EIA Report of Rudi A	672,350.00	672,350.00
Other Site Exp	244,078.45	229,095.20
PPA Exp	1,000,572.80	1,000,572.80
Sediment Expenses	354,335.20	354,335.20
Site Lodging & Fooding Exp	1,936,186.94	1,660,840.92
Site Office Canteen Exp	407,683.78	407,683.78
Site Office Rent	116,390.10	116,390.10
Site Printing & Stationery	90,550.79	60,671.48
Survey Exp	2,052,391.98	2,052,391.98
Transportation (Site)	2,362,278.56	1,643,697.12
Wages for Camping Facilities	2,243,600.20	1,171,600.20
Wages Other Site	85,960.16	32,000.00
Wages Site	774,931.03	235,360.56
Consultancy Fee	3,284,482.35	3,284,482.35
Financial Consultancy Exp of Rudi A	1,254,300.00	752,580.00
Insurance Premium -PS	1,152.80	1,152.80
Salary Exp-PS	7,544,750.20	2,471,073.01
Salary Site Office-PS	10,593,024.31	5,342,109.81
Site Mess Exp.	2,224,369.69	545,652.49



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Site Visit Exp	924,701.02	338,508.35
Technical Bill Verification of Rudi A	1,903,724.39	570,650.00
Training Exp-PS	17,546.05	14,117.65
Yojana	120,000.00	120,000.00
Safety Dresses	617,072.58	202,253.03
HM Works Rudi A	140,000.00	140,000.00
Site Visit Allowances-Rudi A	388,701.90	183,831.02
Audit Fee	32,284.10	-
Breaker Allowance to Kumar	182,500.00	-
Breaker Allowance to Tirtha	206,180.00	-
Charge for Exim Code- Rudi A	11,000.00	-
Email Update Expenses- Rudi A	22,070.70	-
Repair Printer	16,090.00	-
Repair Welding Machine - Rudi A	14,500.00	-
Salary Exp -PS- Subarna -Rudi A	171,420.00	-
Tender Document Preparation -Rudi A	520,867.31	-
Walkie Talkie - Rudi A	190,476.19	-
Total	50,356,322.04	31,020,628.40

4.1.14. Capital WIP Assets- Project Insurance

Amount in Nrs

Particulars	Current Year	Previous Year
	-	
Total	-	-

4.1.15. Capital WIP Assets-Miscellaneous & Price Contingency

Amount in Nrs

Particulars	Current Year	Previous Year
	-	
Total	-	-

4.1.16. Capital WIP Assets-Interest During Construction

Amount in Nrs

Particulars	Current Year	Previous Year
Management Fee for Rudi A (BUDB)	375,000.00	375,000.00
Management Fee for Rudi A (GBLIME)	2,686,375.00	2,686,375.00
Management Fee for Rudi A (KDB)	500,000.00	500,000.00
Management Fee for Rudi A (NMB Bank)	750,000.00	750,000.00
Management Fee for Rudi A (Vibor)	670,750.00	670,750.00
Management Fee of Rudi A Loan (Sanima)	6,245,263.66	5,926,875.00
Interest on Loan Rudi A	13,036,468.77	4,018,633.39
Interest on Term Loan Rudi A	51,142,808.35	4,058,894.74
Total	75,406,665.78	18,986,528.13



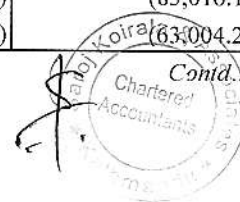
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4.2. Capital WIP Assets- Rudi B

4.2.1. Capital WIP Assets- Pre-Operating Expenses

Amount in Nrs

Particulars	Current Year	Previous Year
Other Office Expenses	799,316.36	629,300.17
Ad and Publicity Exp	279,106.26	204,208.10
Audit Expenses	106,277.70	106,277.70
Cleaning Charge	14,916.06	10,510.48
Company Update Exp	199,633.80	199,633.80
Consumable Goods	110,269.97	91,181.34
Daily Allowances	57,844.82	57,844.82
Depreciation Expenses	3,166,181.51	3,166,181.51
Donation & Charity	283,939.36	283,939.36
Electricity Charge	184,924.54	146,812.56
Electricity Site	32,954.19	592.50
Fooding Charge	346,927.52	346,927.52
Fuel Charge	467,945.33	373,284.53
Office Rent	1,423,992.40	1,135,973.20
Industry Registration	30,000.00	30,000.00
Insurance Premium/ Tractor	81,864.64	81,864.64
IPPAN MEMBERSHIP	25,629.80	17,915.00
Late Fee	1,122.37	1,122.37
Local Transportation Exp	810,942.80	810,942.80
Medical Exp	63,717.18	50,672.33
Meeting Allowances/ TADA	703,599.78	429,295.99
Meeting Exp	287,008.69	259,611.72
Office Canteen Exp	47,844.90	47,844.90
Pooja Exp	22,731.87	20,016.69
PPA Expenses of Rudi B	72,000.00	72,000.00
Printing & Stationery	279,709.84	226,751.90
Project Evacuation of Rudi B	94,500.00	94,500.00
Registration and Renewable	292,770.60	292,770.60
Repair (Bike)	236,521.33	144,083.36
Repair (Other)	12,922.50	12,922.50
Rudi Khola B License Exp	4,000,000.00	4,000,000.00
Salary Expense	11,277,724.06	10,707,422.30
Telephone Exp	193,450.78	146,375.93
Vehicle Tax	181,237.78	89,562.88
Training Exp	6,150.00	6,150.00
Pre Operating Exp	2,859,900.00	2,859,900.00
Salary Site Office	438,073.08	258,454.24
OTC Charge-Rudi B	155,720.00	155,720.00
Drinking Water	14,523.37	8,372.96
Staff Tiffin	175,976.39	119,084.88
CC Meeting Exp	32,353.00	24,000.00
Misc. Exp	22,725.25	13,133.62
Other Income	(83,016.13)	(83,016.13)
Excavator Income	(63,004.20)	(63,004.20)



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Interest on Deposit	(440,730.82)	(381,042.76)
Repair & Maintenance Expenses	351,069.87	70,633.99
Bank Charge & Commission	18,299.73	7,406.09
Computer Repair	5,934.71	2,770.71
Dashain Expenses	570,765.23	273,961.00
Employer's Contribution	115,634.67	43,888.64
Fines & Penalties	25,904.22	20,793.51
Other Allowances	2,578,001.83	216,553.93
Other Site Allowances	125,185.85	125,197.14
Staff Insurance	130,743.57	47,615.75
Udhog Darta of Rudi B	125,000.00	125,000.00
Guest Entertainment	63,367.85	41,690.99
Software Update	13,962.93	13,962.93
Dividend Received From UMH	(312,338.07)	-
Staff Dress	29,968.54	-
Total	33,149,699.62	28,195,570.79

4.2.2. Capital WIP Assets- Civil Construction Works

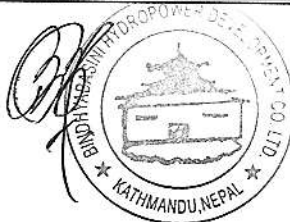
Amount in Nrs

Particulars	Current Year	Previous Year
Civil Construction Works (Rudi B)	18,538,200.99	13,482,200.99
Headrace Pipelines Work	10,367,894.00	10,367,894.00
Diesel Exp	7,768,219.00	6,533,178.00
Pipeline Alignment Excavation-Rudi B	565,000.00	565,000.00
Project Road (Pipeline) Excavation Rudi B	8,908,581.00	6,663,271.00
Road Construction-Rudi B	206,620.00	8,000.00
Cement for Civil Works	7,258,775.83	7,258,775.83
Rod & Steel Rudi	6,673,770.03	6,673,770.03
IPC No. 1 Civil / Rudi B	10,244,033.78	-
Transportation Cost of Materials Supply -Rudi B	110,334.54	-
Soil Test - Rudi B	285,438.00	-
Total	70,926,867.17	51,552,089.85

4.2.3. Capital WIP Assets- Metal Works/ Hydromechanical Works

Amount in Nrs

Particulars	Current Year	Previous Year
Insurance Exp for Sheet Steel Plates -Rudi B	70,734.61	70,734.61
LC Charge by Bank -Rudi B	94,612.00	91,712.00
Sheet Steel Plates Rudi B	36,769,595.72	47,425,275.11
Transportation of Plates	6,977,750.00	-
Custom Charge-Plates-Rudi B	207,809.00	-
Hydra Rent -Rudi B	1,723,250.00	-
TT Charge - Rudi B	5,943.60	-
Total	45,849,694.93	47,587,721.72



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4.2.4. Capital WIP Assets- Plant and Machinery & Equipments

		Amount in Nrs	
Particulars	Current Year	Previous Year	
Excavator & Breaker	1,501,436.59	1,501,436.59	
Other Fixed Assets	51,771.05	51,771.05	
Repair & Maintenance (Excavator)	4,533,262.38	3,307,935.89	
Allowances for India Trip	384,025.60	384,025.60	
Insurance Exp	164,671.44	74,899.11	
JCB	1,692,970.00	1,692,970.00	
Machinery & EQP	1,707,168.80	1,707,168.80	
Travelling (EM)	153,474.52	153,474.52	
Repair JCB-Rudi B	528,525.56	293,491.79	
EM Equipment	11,571,007.26	-	
Total	22,288,313.20	9,167,173.35	

4.2.5. Capital WIP Assets- 33/132 KV Interconnection at Leknath

		Amount in Nrs	
Particulars	Current Year	Previous Year	
	-	-	
Total	-	-	

4.2.6. Capital WIP Assets -Transmission Line & Switchyard

		Amount in Nrs	
Particulars	Current Year	Previous Year	
Construction Power Exp	19,834,515.72	9,834,515.72	
Grid Connection Exp	1,412,500.00	1,412,500.00	
Transmission Line License Exp	38,574.00	38,574.00	
Construction Power Materials	449,684.55	449,684.55	
Grid Exp	6,429.00	6,429.00	
Mis Exp/ TL	214,300.00	214,300.00	
Wages/Construction Power Rudi B	(174,957.10)	49,695.92	
Wages/TL	6,369,464.64	1,294,464.64	
ABC Cable	818,753.00	-	
Cement for Construction Power	6,483,150.73	6,483,150.73	
Rod & Wire for Construction Power Rudi B	39,838.13	39,838.13	
Transformer for Rudi B	1,801,920.60	1,801,920.60	
Total	37,294,173.27	21,625,073.29	

4.2.7. Capital WIP Assets -Land Purchased & Development

		Amount in Nrs	
Particulars	Current Year	Previous Year	
Land at Site	12,426,909.60	10,797,797.60	
Dristi Bandak Charge Rudi B	170,000.00	170,000.00	
Wages for Land Development Cost	2,111,760.00	1,535,760.00	
Total	14,708,669.60	12,503,557.60	

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4.2.8. Capital WIP Assets - Site Office Building & Camping Facilities

Amount in Nrs

Particulars	Current Year	Previous Year
Site Office Construction of Rudi Khola B	3,221,351.06	1,838,116.00
Site Office Set Up	920,869.61	113,243.21
Cement for Camping Facilities	3,215,897.42	3,215,897.42
Freeze/site Office-Rudi B	42,508.86	22,938.86
LED TV -Rudi B	41,650.00	-
Water Pump for Rudi B	60,227.87	-
Total	7,502,504.82	5,190,195.49

4.2.9. Capital WIP Assets -Office Equipment & Furniture

Amount in Nrs

Particulars	Current Year	Previous Year
Computer Accessories	232,908.42	128,121.72
Computer Accessories Site	815,344.04	617,659.04
Dispanser	569.53	569.53
GPS	6,356.25	6,356.25
Heaters & Fans	11,159.00	1,215.00
Other Equipments	84,410.47	84,410.47
Office Furnitures	412,551.05	412,551.05
Attendance Device	6,780.00	6,780.00
Office Eqps (Rudi B)	1,122,457.00	1,122,457.00
Survey Accessories	51,124.57	51,124.57
Total Station	1,714.40	1,714.40
Book case/site	14,571.43	14,571.43
Computer Parts	1,627,840.05	1,595,126.37
Furniture & Fixture	186,148.18	186,148.18
Projector Curtain - Rudi B	6,771.88	-
Solar Battery - Rudi B	64,460.00	-
Total	4,645,166.27	4,228,805.01

4.2.10. Capital WIP Assets- Vehicle

Amount in Nrs

Particulars	Current Year	Previous Year
Bank Charge & Commission for Vehicle Loan	107,259.78	105,368.91
Hydraulic Tractor	318,471.30	318,471.30
Interest Expenses for Vehicle	136,389.54	136,389.54
Mahindra Pick Up	467,842.58	467,842.58
Repair & Maintenance (Pickup)	889,660.02	599,926.88
Repair /Tractor	259,591.53	114,144.04
Unicorn Motorbyke	29,272.53	29,272.53
Yamaha YBR SS Motorcycle	54,164.00	54,164.00
Yamaha YBX Motorbyke	5,184.03	5,184.03
Super Splender DRS Byke	32,700.00	32,700.00
Repair Prado	212,067.69	100,512.98
Insurance Premium Bolero Pick Up- Rudi B	35,863.00	35,863.00
Mahindra Bolero Pickup	2,422,350.00	2,422,350.00
Repair Maintenance (Prado)-Rudi B	607,241.63	600,818.63
Repair Vehicle - Rudi B	160,691.57	160,691.57
Prado Repair	14,131.18	12,941.18
Prado Ac Repair	84,566.42	84,566.42
JCB Tyare -Rudi B	97,000.01	-
Total	5,934,446.81	5,281,207.59



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4.2.11. Capital WIP Assets- Infrastructure & Access

Amount in Nrs

Particulars	Current Year	Previous Year
Dozer Cost	3,167,364.78	709,777.78
Road Construction for Rudi B	208,126.00	144,251.00
Rod & Wires	2,233,888.26	2,233,888.26
Access Road Maintenance & Repairing Works Bhoretar	5,613,960.00	5,613,960.00
Access Road Powerhouse to Surgetank	27,096,422.00	27,096,422.00
Cement for Road Construction Rudi B	1,077,397.14	1,077,397.14
Cruser Rent -Rudi B	2,670.00	2,670.00
Diesel Expenses-Infrastructure & Access Road-Rudi B	10,527,386.00	3,876,350.00
JCB Rent-Rudi B	2,701,055.28	1,106,055.28
Repair Kulo- Rudi B	9,000.00	9,000.00
Repair Rudi Dobhan-Rudi B	8,155.00	8,155.00
Road Repair Rudi B	2,081,353.07	2,081,353.07
Rudi Crossing -Rudi B	4,401,995.18	2,018,200.00
Wages Rudi B Road Construction	5,777,455.13	2,500,000.00
Rudi Dovan Crossing Repairing Works	958,960.00	958,960.00
Total	65,865,187.84	49,436,439.53

4.2.12. Capital WIP Assets- Environment Mitigation & Social Contribution

Amount in Nrs

Particulars	Current Year	Previous Year
Public Relation Exp	1,470,623.38	1,193,543.80
Bagaicha/Pasagaon Road	500,000.00	500,000.00
Compensation for Land	248,500.00	150,000.00
Nagadhir Sirjansil Youth Club	20,000.00	20,000.00
Repair Singdi Road	33,636.36	33,636.36
Singdi Sarokar Samiti-Rudi B	1,890,000.00	1,890,000.00
Social Mitigation Bhoje-Rudi B	250,000.00	250,000.00
Social Mitigation Birjung-Rudi B	836,740.00	606,740.00
Social Mitigation Exp-Rudi B	826,139.16	379,026.40
Social Mitigation Gam	30,000.00	30,000.00
Social Mitigation Gam-Rudi B	735,000.00	35,000.00
Social Mitigation Mukti-Rudi B	10,000.00	10,000.00
Social Mitigation Ratan-Rudi B	3,000.00	3,000.00
Social Mitigation -Rudi B	1,515,363.20	751,000.00
Sports Exp/rudi B	2,480.00	2,480.00
Pasgaun Thati Ma. V. -Rudi B	250,000.00	100,000.00
Store Rent-Rudi B	22,222.22	22,222.22
Social Mitigation - Dipendra-Rudi B	428,600.00	-
Land Lease at Bhoretar -Rudi B	150,000.00	-
Social Mitigation -Rudi B-Election	835,770.00	-
Social Mitigation Education -Rudi B	146,341.00	-
Social Mitigation -Ram Bahadur -Rudi B	280,000.00	-
Total	10,484,415.32	5,976,648.78

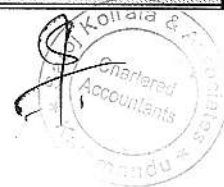


Bindhyabasini Hydropower Development Co. Ltd.
Baneshwor , Kathmandu, Nepal
Schedules Forming Part of Annual Financial Statements

4.2.13. Capital WIP Assets- Project Supervision, Engineering & Management

Amount in Nrs

Particulars	Current Year	Previous Year
Communication /Site	149,048.58	72,937.80
Consumable Goods /Site	318,008.74	255,092.43
Discharge Measurement Charge	214,699.73	214,699.73
DPR Exp	935,850.60	935,850.60
EIA Exp (Rudi B)	207,130.00	207,130.00
EIA Report of Rudi B	717,550.00	717,550.00
Other Site Exp	185,145.90	57,273.80
PPA Exp	250,143.20	250,143.20
Sediment Expenses	88,583.80	88,583.80
Site Lodging & Fooding Exp	718,439.69	515,171.71
Site Office Canteen Exp	101,920.94	101,920.94
Site Office Rent	31,320.02	31,320.02
Site Printing & Stationery	51,220.57	20,156.52
Survey Exp	1,567,057.67	1,567,057.67
Transportation (Site)	1,226,167.54	376,705.38
Wages for Camping Facilities	2,219,418.07	294,920.51
Wages Other Site	48,474.84	8,000.00
Wages Site	618,684.80	104,514.88
Consultancy Fee	719,341.18	719,341.18
DDA Exp of Rudi B HEP	836,200.00	836,200.00
Insurance Premium -PS	288.20	288.20
Project Management of Rudi Khola B HEP	1,605,730.00	1,605,730.00
Salary Exp-PS	5,947,847.74	1,853,520.99
Salary Site Office-PS	8,045,588.38	4,007,049.79
Site Mess Exp.	1,996,117.31	736,932.51
Site Visit Exp	1,137,570.64	137,570.64
Site Visit Exp with Bank	74,815.00	74,815.00
Training Exp-PS	6,101.01	3,529.41
Transportation-PS	1,205,000.00	1,205,000.00
Wages -PS	1,220,628.34	505,277.00
Yojana	30,000.00	30,000.00
Safety Dresses	443,082.44	151,707.47
Repair Excavator-Rudi B	393,918.50	165,199.00
Site Visit Allowances - Rudi B	258,285.73	105,363.10
Financial Consultancy Exp of Rudi B	678,000.00	271,200.00
Technical Consultancy Fee Rudi B	304,578.11	172,325.00
Audit Fee	24,215.90	-
Email Update Expanses- Rudi B	16,554.96	-
Salary Exp -PS- Subarna -Rudi B	128,580.00	-
Tender Document Preparation	531,916.69	-
Walkie Talkie - Rudi B	142,873.81	-
Wages -Gam Bahadur - Rudi B	20,202.00	-
Total	35,416,300.63	18,400,078.28



Bindhyabasini Hydropower Development Co. Ltd.
New Baneshwor, Kathmandu, Nepal

SCHEDULE- 4A: Fixed Assets

Particulars	Depreciation Rate	Cost				Depreciation		Amount in Nrs		
		Previous Year (Rs.)	Current year (Rs.)	Sales Adjustment/ Disposal (Rs.)	Balance (Rs.)	Previous Year (Rs.)	Current year (Rs.)	Balance (Rs.)	Current year (Rs.)	Previous Year (Rs.)
a) Land										
1) Self										
2) Lease										
b) Building	5%									
1) Self										
2) Lease										
c) Machinery And Equipment	15%									
1) Plant and Machinery										
d) Furniture and Fixture, Office Equipment	25%									
e) Vehicle	20%									
f) Goodwill										
g) Patent, Copy right, Trade Mark and Design										
h) Others										
Current Year Balance (Nrs)										
Previous Year Balance (Nrs)										

SCHEDULE- 4B: Capital WIP Assets- Rudi Khola A & Rudi Khola B

S.N	Particulars	Gross Assets - Rudi Khola A			Gross Assets - Rudi Khola B			Gross Assets Rudi Khola A & B		
		Opening Balance	Addition	Closing	Opening Balance	Addition	Total	Opening Balance	Addition	Total
1	Capital WIP Assets- Pre-Operating Expenses	54,772,551.64	16,571,984.30	71,344,535.94	23,195,570.79	4,954,128.83	33,149,699.62	82,968,122.43	21,526,113.13	104,494,235.56
2	Capital WIP Assets- Civil Construction Works	156,107,260.87	224,308,962.10	380,416,222.97	51,552,089.85	19,374,777.32	70,926,867.17	207,659,350.72	243,683,739.42	451,343,090.14
3	Capital WIP Assets- Metal Works/ Hydo-mechanical Works	180,399,494.87	94,626,858.57	275,026,353.44	47,587,721.72	(1,738,026.79)	45,849,694.93	227,987,216.59	92,888,831.78	320,876,048.37
3	Capital WIP Assets- Plant & Machinery & Equipments	82,362,084.27	131,794,771.32	214,156,855.59	9,167,173.35	13,121,139.85	22,288,313.20	91,529,257.62	144,915,911.17	236,445,168.79
5	Capital WIP Assets- 33/132 KV Interconnection at Leknath									
6	Capital WIP Assets- Transmission Line & Switchyard	30,289,664.60	23,918,614.94	54,208,279.54	21,625,073.29	15,669,099.98	37,294,173.27	51,914,737.89	39,587,714.92	91,502,452.81
7	Capital WIP Assets- Land Purchased & Development	20,943,340.40	172,720.00	21,116,060.40	12,503,557.60	2,205,112.00	14,708,669.60	33,446,898.00	2,377,832.00	35,824,730.00
8	Capital WIP Assets- Site Office Building & Camping Facilities	9,632,128.22	3,512,668.70	13,144,796.92	5,190,195.49	2,312,309.33	7,502,504.82	14,822,323.71	5,824,978.03	20,647,301.74
9	Capital WIP Assets- Office Equipment & Furniture	2,271,273.71	205,367.74	2,476,641.45	4,228,805.01	416,361.26	4,645,166.27	6,500,078.72	621,729.00	7,121,807.72
10	Capital WIP Assets- Vehicle	5,897,557.69	3,220,975.83	9,118,533.52	5,281,207.59	653,239.22	5,934,446.81	11,178,765.28	3,874,215.05	15,052,980.33
11	Capital WIP Assets- Infrastructure & Access	27,478,415.60	11,521,035.82	38,999,449.42	49,436,439.53	16,428,748.31	65,865,187.84	76,914,853.13	27,949,784.13	104,864,637.26
12	Capital WIP Assets- Environment Mitigation & Social Contribution	15,711,984.35	7,092,717.60	22,804,701.95	5,976,648.78	4,507,766.54	10,484,415.32	21,688,633.13	11,600,484.14	33,289,117.27
13	Capital WIP Assets- Project Supervision, Engineering & Management	31,020,628.40	19,335,693.64	50,356,322.04	18,400,078.28	17,016,222.35	35,416,300.63	49,420,706.68	36,351,915.99	85,772,622.67
14	Capital WIP Assets- Project Insurance									
15	Capital WIP Assets- Miscellaneous & Price Contingency									
16	Capital WIP Assets- Interest During Construction									
Total		18,986,528.13	56,420,137.65	75,406,665.78	8,363,016.96	14,736,359.10	23,099,376.06	27,349,545.09	71,156,496.75	98,506,041.84
		635,972,910.75	592,702,508.21	1,228,675,418.96	267,507,578.24	109,657,237.30	377,164,815.54	903,380,488.99	702,359,745.51	1,605,740,234.50



Bindhyabasini Hydropower Development Co. Ltd.
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Schedules Forming Part of Annual Financial Statements

4.2.14. Capital WIP Assets- Project Insurance

Amount in Nrs

Particulars	Current Year	Previous Year
	-	-
Total	-	-

4.2.15. Capital WIP Assets-Miscellaneous & Price Contingency

Amount in Nrs

Particulars	Current Year	Previous Year
	-	-
Total	-	-

4.2.16. Capital WIP Assets-Interest During Construction

Amount in Nrs

Particulars	Current Year	Previous Year
Management Fee for Rudi B (GBLIME)	500,000.00	500,000.00
Management Fee for Rudi B HEP (Manjushree)	485,625.00	485,625.00
Management Fee for Rudi B HEP Om, Traveni, KDBL)	1,614,550.00	1,614,550.00
Management Fee for Rudi B HEP (Sanima)	5,130,000.00	5,130,000.00
Interest on Loan-Rudi B	5,057,812.66	278,016.96
Management Fee for Rudi B HEP (Vibor)	354,825.00	354,825.00
Interest on Term Loan- Rudi B	9,956,563.40	-
Total	23,099,376.06	8,363,016.96

SCHEDULE 5 : Investment

Amount in Nrs

Particulars	Current Year	Previous Year
a) Investment in Listed Company (other than Subsidiary Company and other related organization)	-	-
b) Investment in shares	44,761,900.00	33,886,900.00
1) Peoples Energy Limited	20,875,000.00	10,000,000.00
2) United Modi Hydropower Ltd.	22,438,700.00	22,438,700.00
3) Jalabidhyut Lagani Tatha Bikash Company	1,448,200.00	1,448,200.00
Total NRs.	44,761,900.00	33,886,900.00

SCHEDULE 6 : Stock

Amount in Nrs

Particulars	Current Year	Previous Year
a) Store, Spare Parts and Loose Tools	-	-
b) Stock	-	-
1) Raw Materials	-	-
2) Work In Progress	-	-
3) Finished Goods	-	-
4) Goods In Transit	-	-
5) Other Stock	-	-
Total NRs.	-	-

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Bindhyabasini Hydropower Development Co. Ltd.
Baneshwor, Kathmandu, Nepal
Schedules Forming Part of Annual Financial Statements

SCHEDULE 7 : Receivables

Amount in Nrs

Particulars	Current Year	Previous Year
a) Secured Receivable	-	-
b) Unsecured Receivable	104,165,665.24	58,574,502.08
Advance to J Aryal	-	9,940.92
Ramesh Sharma	10,000.00	10,000.00
Ekata Construction Pvt. Ltd.	89,975.00	73,250.00
CEC	-	25,000.00
B Subedi	-	200,000.00
Anil Khanal/Tansmission	1,500,000.00	1,500,000.00
Sanjiv Dahal	112,500.00	65,000.00
Advance for Crane Rent	3,982.30	300,000.00
Advance to Birjung Gurung	543,581.00	600,000.00
Mohan Bahadur Khatri	18,680.00	2,000.00
Advance for EM Rudi A- Ananda	105,526.00	700,000.00
Sanima Bank Control Account Rudi A	147,963.50	1,006,491.27
TT to Nepal Logistics Rudi A	465,537.97	465,537.97
EM Advance Rudi B	48,398,314.64	15,358,885.00
LC-ILCO19987374- Rudi B	28,723,054.34	18,067,374.95
Sanima Bank Rudi B Control Account	27,989.90	32,012.33
L/C Margin for EM Rudi B	13,579,604.00	13,579,604.00
TT to Nepal Logistics Rudi B	10,438,956.59	6,533,079.46
Con-Tech Concrete & Allied Ind	-	46,326.18
c) Other Receivables	1,550,712.17	-
Advance to Krishna Prasad Pandit	19,980.00	-
AS Construction	500.00	-
ASHRA International Pvt. Ltd.	500,000.00	-
Jaya Ram Timilsina	495.00	-
KB Gurung Expenses	511,500.00	-
MAW Earth Movers	34,855.55	-
Nepal Tent & Tarpaulin Pvt. Ltd.	31,640.00	-
Pramod Timilsina	32,500.00	-
Ram Bahadur Gurung -Advance for Land	400,000.00	-
Continental Trading Ent	19,241.62	-
Total NRs.	105,716,377.41	58,574,502.08

SCHEDULE 8 : Cash and Other Balance

Amount in Nrs

Particulars	Current Year	Previous Year
a) Cash Balance	341,370.30	41,689.12
Cash in hand	224,004.30	(75,676.88)
Cash /ADBL	117,366.00	117,366.00
b) Bank Balance	3,460,219.53	5,741,816.40
GBL 959	37,102.89	67,102.89
GBL Kamaladi AC 945	5,000.00	5,000.00
Sanima 1056407 Rudi B	364,622.88	4,676,697.40
Kailash Bikas Bank Ltd.	46,501.93	43,982.61
Sanima Bank 1187301	3,006,991.83	949,033.50
Total NRs.	3,801,589.83	5,783,505.52

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Bindhyabasini Hydropower Development Co. Ltd.
Baneshwor , Kathmandu, Nepal
Schedules Forming Part of Annual Financial Statements

SCHEDULE 9 : Advance, Loan and Deposit

Amount in Nrs

Particulars	Current Year	Previous Year
a) Advance and Loan	1,348,105.69	4,498,527.47
1) Subsidiary Company	-	-
2) Controlled Entity	-	-
3) Other Related Entity	-	-
4) Staffs	-	-
Bal Bahadur	17,950.00	6,950.00
Saroj Bhattarai	300,000.00	750,000.00
5) Director/Managing Director	-	-
6) Officer	-	-
7) Others	-	-
Advance to Mahesh Ghimire	400,000.00	400,000.00
Mohan Raj Panta Exp	14,286.47	14,286.47
L. Poudel Exp	-	26,165.00
Hp Pandit Exp	-	2,978,383.00
BB Pandey Exp	-	168,465.00
Saroj Bhattarai/Site	600,869.22	120,963.00
Advance from Tam Pd	-	3,315.00
Advance to Pravat Adhikari	15,000.00	15,000.00
Advance to Prem Jirel	-	5,000.00
Advance to Saroj Neupane	-	10,000.00
b) Margin & Deposit	21,352,383.82	22,098,383.82
Bhurungdi Khola HEP	50,000.00	50,000.00
Cash Margin to GBL for PPA of Rudi A	816,000.00	816,000.00
Cash Margin to Sanima for PPA of Rudi B	3,960,000.00	3,960,000.00
DoED Dharauti for Rudi B Gen License	700,000.00	700,000.00
Hugdi Khola HEP	50,000.00	50,000.00
Togo Khola HEP	50,000.00	50,000.00
Cash Margin at Sanima for PPA of Rudi A 2MW	1,200,000.00	1,200,000.00
EM L/C Margin-Rudi A	13,021,383.82	14,972,383.82
Margin for Exim Code	300,000.00	300,000.00
DOED Dharauti for Transmission Line	1,000,000.00	-
Margin for Performance Guarantee	205,000.00	-
d) Advance to Suppliers	328,810,539.32	189,878,255.39
Bohara Enterprises	720,000.00	720,000.00
Dhawa Singh Tamang/Jagga Adv	90,000.00	90,000.00
Tek Bahadur Tamang/Adv. for Land	180,000.00	180,000.00
Krishna BK	124,000.00	124,000.00
Raj Auto	20,000.00	20,000.00
RK Rauniar	1,431,687.00	1,431,687.00
High Himalaya Hydro Construction-Rudi A	90,053,567.10	11,048,440.27
3HC -Rudi B	35,345,224.05	25,000,000.00
L/C-ILC0103173/74 A/c	67,345,658.63	35,078,817.18
LC-ILCO 19977374- Rudi A	344,868.65	8,454,330.60
Rabin Nirman Sewa Pvt Ltd	3,022,135.26	10,000,000.00
Indra GC	177,674.38	177,675.00
Ele High Himal	1,375,613.52	319,933.73
Ele North Hydro	1,305,570.01	341,599.27
Advance to 3HC for Rudi A	7,313,799.18	56,800,000.00
Advance to North Hydro & Engg/ Rudi A	2,980,339.66	25,555,277.71
IPC Advance to North Hydro Rudi A	35,427,905.17	14,534,473.63

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Bindhyabasini Hydropower Development Co. Ltd.

Baneshwor , Kathmandu, Nepal

Schedules Forming Part of Annual Financial Statements

Mind Space Marketing	2,019.68	2,021.00
Gausuwa Gurung - Site Camp Rudi A	68,000.00	-
Interstate Multi- Model Transport Pvt Ltd	868,594.00	-
Ramkaji Gurung - Site Camp Rudi A	46,790.00	-
Ranjan Gurung - Site Camp Rudi A	32,000.00	-
Sundry Debtors -Rudi A	279,379.59	-
Advance to North Hydro & Engineering - Rudi B	25,000,000.00	-
IPC Advance to 3HC -Rudi B	55,000,000.00	-
Fewa Inter Continental Trading Pvt. Ltd.	21,184.00	-
Kaizen Auto Parts	18,528.69	-
Kushal Shrestha Exp	200,000.75	-
Shankar Oxygen Gas Pvt. Ltd	16,000.00	-
c) Other Advance	131,340.51	131,340.51
Advance Income Tax	4,780.51	4,780.51
Prepaid Insurance	126,560.00	126,560.00
Total NRs.	351,642,369.34	216,606,507.19



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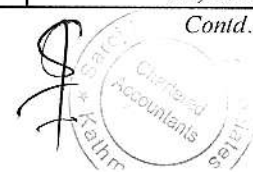
Bindhyabasini Hydropower Development Co. Ltd.
Baneshwor , Kathmandu, Nepal
Schedules Forming Part of Annual Financial Statements

SCHEDULE 10 : Current Liabilities

Amount in Nrs

Particulars	Current Year	Previous Year
a) Short Term Loan	72,271,070.27	86,152,089.75
1) Secured	72,271,070.27	86,152,089.75
1a) Bank-Bridgegap Loan- Rudi A	23,566,070.27	67,802,089.75
1b) Bank-Bridgegap Loan- Rudi B	48,705,000.00	18,350,000.00
2) Unsecured	-	-
b) Deposits	-	-
c) Retention Money	51,832,467.43	16,905,807.99
Retention Money-3H Rudi B	477,866.67	24,590.84
Retention Money-TPSC India	28,735,205.50	11,719,005.07
Retention Money-High Himalaya Rudi A	12,990,053.26	3,217,740.31
Retention Money-North Hydro Rudi A	5,691,705.60	1,944,471.77
Retention Money Rabin Nirman Sewa	1,623,434.95	-
Retention Money -TPSC India- Rudi B	2,314,201.45	-
d) Payable to Directors	31,523.52	207,036.00
K.P. Acharya Exp	-	75,000.00
DS Shrestha Exp	11,523.00	11,523.00
BH Subedi Exp	12,000.00	12,000.00
GP Adhikari - Exp	4,000.00	4,000.00
Sandep Acharya Exp	4,000.52	104,513.00
e) Expenses Payable	3,028,221.37	6,158,113.60
Audit Fees Payable	55,750.00	111,500.00
Salary Payable	2,465,171.37	5,466,763.60
Meeting Allowance Payable	410,000.00	134,000.00
PF Payable	97,300.00	445,850.00
f) TDS Payable	1,322,393.70	2,932,278.28
TDS on Dozer Rent	410,699.50	30,600.00
TDS On AS Construction	3,982.30	-
TDS on Prado Repair	-	98.98
Rent TDS	-	16,800.00
Rent TDS (Ecavator)	-	27,540.00
Wages TDS	3,774.18	-
Audit Tds	750.00	750.00
Salary TDS Payable	652,794.24	467,280.23
TDS On Transportation	-	254,550.00
SST 1%	97,595.08	86,110.92
TDS on Repair	1,913.34	270.85
TDS on Repair-Kaizen	-	896.40
TDS on Wages Construction Power	-	488.90
Tds on Wages Road Construction	-	106,138.90
TDS on Wages Road Repair	-	15,256.00
TDS on Wages Survey Exp	-	101.01
TDS on Wages Transmission Line	52,400.00	26,260.00
TDS on Technical Consultancy-Sanima Hydro	5,880.25	8,700.00
TDS on Financial Consultancy-Rudi A	3,330.00	8,325.00
TDS on Financial Consultancy-Rudi B	2,700.00	3,600.00
TDS on HM IPC Bill-Rudi A	-	583,341.53
TDS on Contract -High Himalaya	-	914,099.44
TDS on Consultancy	13,975.00	279,825.00
TDS on Allowances	-	79,716.12
TDS on Meeting Exp	72,599.81	-
Meeting Allowance TDS Payable	-	21,529.00

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Bindhyabasini Hydropower Development Co. Ltd.

Baneshwor, Kathmandu, Nepal

Schedules Forming Part of Annual Financial Statements

g) Advance Share Capital	141,876,169.34	63,181,169.34
h) Advance from Directors	149,354,087.32	73,298,523.96
i) Payable to Contractors	83,343,308.39	13,798,123.95
Neupane Engineering	551,340.27	159,314.96
TPSC India Payable A/C- Rudi B	5,785,503.63	-
Fewa Inter Continental Trading Pvt. Ltd.	-	32,259.00
Aero Bricks Company Pvt Ltd	282,215.70	359,072.10
Mani Dahal Exp	4,059.00	4,059.00
Gautam Overseas	124,177.80	328,355.50
Kausiki Infosys	15,613.00	-
TPSC India Payable A/c	57,950,815.61	1,589,692.14
North Hydro & Engg / Transportation- Rudi A	10,742,878.00	9,912,203.00
Kaizen Auto Parts	-	8,861.75
Seed Infra - Exp	2,000.00	2,000.00
Sagarmatha Construction	-	1,207,545.50
Wood & Steel Furniture	49,160.00	49,160.00
Sanima Hydro & Engineering Pvt. Ltd.	437,081.25	145,601.00
Asian Electricals	9,944.90	-
BM Enterprises	143,782.70	-
DS Shrestha -Sapati A/C	5,000,000.00	-
National Electrical Trading	27,347.95	-
OM Shree Ishaneshwor Hardware	229,907.44	-
Suraj Pandey NHC	303,073.00	-
North Hydro & Engg/ Transportation -Rudi B	885,125.00	-
Brother General Suppliers	28,171.64	-
Elite Automotives Pvt. Ltd.	151,554.76	-
Sugam Oil Suppliers	582,896.00	-
Unique Ideal Automobiles Pvt. Ltd.	33,761.19	-
Global Exim Solutions Pvt Ltd	2,899.55	-
j) Other Payable	3,356,409.70	6,426,256.60
TN Acharya & Co.	50.00	1,010,190.00
PPLS Energy	-	5,000,000.00
Other Payables	400,000.00	400,000.00
MR Pant Exp	4,066.60	4,066.60
Ram Bdr Gautam - Exp	2,000.00	2,000.00
Rameshwor Shrestha	110,000.00	10,000.00
Advance from Tam Pd	80,386.00	-
Ripoo Mardence	62,555.00	-
Nagendra Kumar Adhikari	1,000.00	-
Tune Gear	292,350.00	-
Hydro Equipment	1,361,943.10	-
Bouddhanath Nirman Sewa	28,250.00	-
CEC	1,013,809.00	-
Total NRs.	506,415,651.04	269,059,399.47

SCHEDULE 11 : Provisions

Particulars	Amount in Nrs	
	Current Year	Previous Year
a) Provision for Tax	-	-
b) Provision for Staffs Welfare	-	-
c) Provision for Gratuity	-	-
d) Provision for Pension	-	-
e) Provision for Medical Expenses and Insurance	-	-
f) Other Provision	-	-
Total NRs.	-	-



Bindhyabasini Hydropower Development Co. Ltd.
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Schedules Forming Part of Annual Financial Statements

SCHEDULE 12 : Expenses Not Written Off (Pre-operating expenses)

Amount in Nrs

Particulars	Current Year	Previous Year
a) Opening Pre Operating Expenses	-	-
b) Pre Operating Expenses (Loss till previous year)	-	-
c) Pre-Operation Expenses	-	-
d) Expenses on Issuance of Share and Debenture	-	-
e) Other	-	-
Total NRs.	-	-

SCHEDULE 13 : Contingent Liabilities

Amount in Nrs

Particulars	Current Year	Previous Year
a) Claim Against Company	-	-
b) Capital Expenditure incurred on Uncompleted Contract	-	-
c) Uncalled Liability for Partly Paid up Share individually or jointly	-	-
e) Unpaid Dividend for the Cumulative Preference Share during the year	-	-
f) Other Contingent Liability	-	-
Total NRs.	-	-

SCHEDULE 14 : Administrative Expenses

Amount in Nrs

Particulars	Current Year	Previous Year
	-	-
Total NRs.	-	-

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Bindhyabasini Hydropower Development Co. Ltd.

New Baneshwor, Kathmandu

Schedules are forming part of the financial statements

Schedule 15: Accounting policies & Notes to the Annual financial statements

A. Background of the Company

Bindhyabasini Hydropower Development Co. Ltd. is registered on 2057/09/03 in Company Registrar Office with registration no. 14541 and registered in Inland Revenue Department with PAN 303439675. The company is converted to Public Limited Company on 30th Falgun, 2073 with registration no: 165341/073/074. The main objective of the company is to develop hydropower projects. The company has operated two projects namely Rudi Khola A Hydropower Project of 8.8 MW & Rudi Khola B Hydropower Project of 6.6 MW in Kaski & Lamjung District.

B. Accounting policies

The Financial Statements of the Company are prepared on the basis of the following accounting policies.

1. Basis of preparation

The Balance Sheet, Income Statement and Cash Flow Statement, together with the Accounting Policies and Notes (Financial Statements) are prepared under the historical cost convention on an accrual basis and are in accordance with Nepal Accounting Standards and relevant practices in Nepal and as per the requirement of the Companies Act 2063, except otherwise stated.

2. Use of estimates

The preparation of the financial statements in conformity with Nepal Accounting Standard requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of Balance Sheet. Actual amount could differ from those estimates. Any differences from those estimates are recorded in the period in which they are identified.

3. Comparative information

The accounting policies have been consistently applied by the company and are consistent with those used in the previous year.

4. Expenses

Expenses include losses as well as the expenses that arise in the course of the ordinary activities of the entity. Expenses that arise in the course of the ordinary activities of the entity include, for example, cost of sales, wages and depreciation. They usually take the form of an outflow or depreciation of assets such as cash and cash equivalents, inventory, property, plant and equipment.



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5. Current Assets

An asset is classified as current assets when it satisfies any of the following criteria:

- a. it is expected to be realized in, or is held for sale or consumption in, the normal course of the entity's operating cycle; or
- b. it is held primarily for the trading purposes or for the short – term and expected to be realized within twelve months of the balance sheet date; or
- c. is cash or a cash equivalent asset which is not restricted in its use for at least twelve months after the balance sheet date.

6. Current Liabilities

A liability shall be classified as a current liability when it satisfies any of the following criteria:

- a. it is expected to be settled in the normal course of entity's operating cycle; or
- b. it is held primarily for the purpose of being trade;
- c. is due to be settled within twelve months of the balance sheet date; or
- d. the entity does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

7. Cash and Cash Equivalents

Cash and cash equivalents are defined as cash in hand, demand deposits and short term highly liquid investments, readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

For the purpose of cash flow statements, cash and cash equivalents consists of cash in hand and deposits in banks.

8. Inventory

Inventories are stated at the lower of cost and net realizable value, except stores and spares and loose tools, which are stated at cost or under.

9. Property, Plant and Equipment

The cost of an item of property, plant and equipment shall be recognised as an asset, if and only if:

- a) it is probable that future economic benefits associated with the item will flow to the entity; and
- b) the cost of the item can be measured reliably.

Property, plant and equipments are stated at cost of acquisition less accumulated depreciation. Acquisition cost includes taxes, duties, freight, insurance and other incidental expenses related to acquisition and installation. Revenue expenses incidental and related to projects are capitalized along with the related fixed assets, where appropriate.

10. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue and associated costs incurred or to be incurred can be reliably



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measured. Revenue is measured at the fair value of the consideration received or receivable net of any rebates. During the year there are no export sales.

11. Foreign currency transactions

There are no foreign currency transactions during the accounting period. Foreign currency transactions are accounted for at the exchange rates prevailing at the year end.

12. Fixed Assets and Depreciation

Fixed assets are stated at acquisition cost less accumulated depreciation. Acquisition cost includes taxes, duties, freight, insurance and other incidental expenses related to acquisition and installation. Revenue expenses incidental and related to projects are capitalized along with the related fixed assets, where appropriate.

Fixed assets have been disclosed in financial statement and the depreciation has been charged during the year as per the Income Tax Act 2058.

13. Impairment

Impairment is recognized whenever carrying value of an asset is less than the recoverable amount of asset.

14. Borrowing Costs

Borrowing costs are interest and other costs incurred by an entity in connection with the borrowing of funds.

Borrowing costs are recognized as an expense in the period in which they are incurred, except to the extent that they are capitalized when the costs are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset.

15. Investments

Investment made by the company is valued at cost or market value whichever is lower.

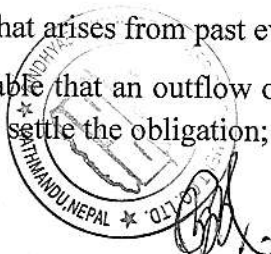
16. Government Grants

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. Government grants are recognized as income over the periods necessary to match them with the related costs which they are intended to compensate on a systematic basis.

17. Contingent Liability

A contingent liability is:

- a. a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- b. a present obligation that arises from past events but is not recognized because:
 - i. it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or



- ii. the amount of the obligation cannot be measured with sufficient reliability.

Any liability of contingent nature, if material, is disclosed in separate schedule, forming the part of Balance Sheet.

18. Contingent Assets

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

Any asset of contingent nature, if material, is disclosed in separate schedule, forming the part of Balance Sheet.

19. Provisions

Provisions are recognized if the following three conditions are met:

- a. An entity has a present obligation (legal or constructive) as a result of past event;
- b. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c. A reliable estimate can be made of the amount of the obligation.

20. Construction Contracts

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contract is recognized as revenue and expenses respectively by reference to the stage of completion of the contract activity at the balance sheet date. An expected loss on the construction contract is immediately recognized as an expense.

21. Investment Property

Investment property is property (land or a building-or part of a building-or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both, rather than for:

- a. use in the production or supply of goods or services or for administrative purposes; or
- b. sale in the ordinary course of business.

Investment property is measured at initially at cost at recognition. Transaction costs are included in initial measurement. After recognition either the fair value model or cost model is applied and the same policy is applied to all the investments.

22. Leases

A lease has been classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease has been classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

23. Amortization

Amortization of intangible asset is provided using the straight-line method based on useful lives of assets as estimated by the management.



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24. Non-current Assets Held for Sale and Discontinued Operations

A non-current asset (or disposal group) are classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

A non-current asset (or disposal group) classified as held for sale are measured at the lower of its carrying amount and fair value less costs to sell.

25. Intangible Asset

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

26. Employee Benefits

Employee benefits are forms of consideration given by an entity in exchange for service rendered by employee.

27. Research and Development Expenditure

All revenue expenses pertaining to research and development are charged to the Profit and Loss Account in the year in which these are incurred and expenditure of capital nature is capitalized as fixed assets.

28. Income Tax

Provision for the income tax is made as per Income Tax Act 2058.

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C. Notes to the account

1. Shares Capital

The authorized share capital of the company is **Nrs. 2,000,000,000** with 20,000,000 shares of Rs. 100 each and the issued share capital is **Nrs. 1,500,000,000** with 15,000,000 shares of Rs. 100 each. The paid up share capital of the company is **Nrs. 736,913,400**.

2. Reserve Fund & Accumulated Profit

Since the company is on the process of constructing hydro power projects, the all expenses are capitalized as capital work in progress thus reserve has not been created.

3. Medium and Long Term Loan

a. Secured Term Loan

Company has outstanding balance of **Nrs. 868,333,420.04** as secured term loan at the end of the financial year.

b. Unsecured Term Loan

Company has not obtained any unsecured term loan during the current period.

4. Fixed Assets and Depreciation

Since the assets purchased by the company are capitalized as capital work in progress, fixed assets have not been booked.

5. Capital WIP

Total cumulative Capital WIP of the company till the Ashadh end 2075 is **Nrs. 1,605,740,234.50**.

6. Investment Property

The company has made investment in the shares of the following company during the period.

Particulars	Amount (Nrs.)
Peoples Energy Limited	20,875,000.00
United Modi Hydropower Ltd.	22,438,700.00
Jalbidhyut Lagani Tatha Bikash Co.	1,448,200.00
Total	44,761,900.00

7. Current Assets

a. Closing Stock

Closing stock of the company at the end of the financial year is nil.

b. Receivables

Total receivable at the end of the financial year is **Nrs. 105,716,377.41**.



c. Cash & Bank balance

Total cash & bank balance of the company at the Ashadh end 2075 is Nrs. 3,801,589.83, out of which cash balance includes Nrs. 341,370.30 & bank balance includes Nrs. 3,460,219.53. Bank balance includes balance at GBL 959 Nrs. 37,102.89, GBL Kamaladi AC 945 Nrs. 5,000.00, Kailash Bikas Bank Ltd. Nrs. 46,501.93, Sanima Bank Ltd. Nrs. 3,006,991.83 & Sanima 1056407 Rudi B Nrs. 364,622.88.

d. Advance, Loan & Deposits

Advance, Loan & Deposits includes advance & loan of Nrs. 1,348,105.69, margin & deposit of Nrs. 21,352,383.82, Advance to Suppliers of Nrs. 328,810,539.32 and other advance of Nrs. 131,340.51 and .

8. Current Liabilities

The company has total current liabilities of Nrs. 506,415,651.04 at the Ashadh end, 2075 which includes, short term loan of Nrs. 72,271,070.27 (i.e. Bank-Bridge gap Loan), Retention Money of Nrs. 51,832,467.43, Payable to Directors of Nrs. 31,523.00, Payable to contractors of Nrs. 83,343,308.39, Expenses Payable of Nrs. 3,028,221.37, TDS Payable of Nrs. 1,322,393.70, Others Payables of Nrs. 3,356,409.70, advance from Directors of Nrs. 149,354,087.32 & advance share capital of Nrs. 141,876,169.34.

9. Provisions

There is no any provision at Ashadh end, 2075.

10. Contingent liabilities

There are no any contingent liabilities of the company during financial year.

11. Income Tax

Provision for income tax has not been made as profit loss statement is not prepared for the financial year 2075/76.

12. Income

Income such as interest on deposit, etc is capitalized as Capital WIP Assets pre-operating expenses.

13. Operating Expenses

Operating expenses of the company is capitalized as Capital WIP Assets pre-operating expenses.

14. Events after the balance sheet date

There is no any adjusting and non adjusting events occurred during the period.

15. Figures are rounded off

Figures have been rounded off to two decimal points.

16. Previous year figures

Previous Years figures have been regrouped/rearranged as and when necessary.

