

# पञ्चकन्या माई हाइड्रोपावर लिमिटेड Panchakanya Mai Hydropower Limited

2073/074 | **ANNUAL**  
2074/075 | **REPORT**



## BOARD OF DIRECTORS

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**Prem Bahadur Shrestha**  
*Chairman*

More than 50 years of experience in industries and business operations

Also has more than 10 years of experience in hydropower.

- Chairman of Panchakanya Group
- Chairman of Panchakanya Power Development Pvt. Ltd.



**Dhurba Kumar Shrestha**  
*Vice Chairman*

Bachelor Graduate. More than 32 years of experience in industries and business operations

- Vice Chairman of Panchakanya Group
- Past president of Siddhartha Nagar Chamber of Commerce and Industry
- Past president of Western Regional Chamber of Commerce and Industry.



**Mr. Santosh Kumar Pradhan**  
*Executive Director*

M.Sc. in Electrical Engineering from Moscow Power Engineering Institute, Russia

More than 38 years of experience in Power Sector of Government Utility including Hydropower Development in Private Sector

- Former Board Director, Butwal Power Company Limited
- Former Director, Nepal Electricity Authority



**Mr. Prakash Bista**  
*Company Secretary*

# विषय सूची

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## पञ्चकन्या माई हाईड्रोपावर लिमिटेड

ल.पु.म.न.पा. वडा नं. ३, पुल्चोक, ललितपुर

फोन नं. ०१-५००५५०२

इमेल: mail.mvhpl@gmail.com

## दोश्रो तथा तेस्रो वार्षिक साधारण सभा सम्बन्धि सूचना

यस कम्पनीको मिति २०७६।०१।१५ मा बसेको संचालक समितिको बैठकको निर्णय अनुसार कम्पनीको दोश्रो तथा तेस्रो वार्षिक साधारण सभा निम्न मिति, स्थान र समयमा देहायका विषयहरूमा छलफल तथा निर्णय गर्न बस्ने भएको हुँदा सम्पूर्ण शेयरधनीहरूको जानकारीको लागि यो सूचना प्रकाशित गरिएको छ ।

### वार्षिक साधारण सभा हुने मिति, स्थान र समय

मिति : २०७६।०२।२०, सोमवार (तद्अनुसार जुन ३, २०१९)

स्थान : कुपण्डोल ब्याङ्कवेट, कुपण्डोल, ललितपुर

समय :- ११.०० बजे

### छलफलका विषयहरू

#### (क) सामान्य प्रस्तावहरू

१. संचालक समितिको तर्फबाट अध्यक्षज्यूद्वारा प्रस्तुत वार्षिक प्रतिवेदन माथि छलफल गरी स्वीकृत गर्ने ।
  २. लेखापरीक्षकको प्रतिवेदन सहित आ.व. २०७३/०७४ तथा २०७४/०७५ को वित्तीय विवरणहरू उपर छलफल गरी पारित गर्ने ।
  ३. लेखापरीक्षण समितिको सिफारिस अनुसार आ.व. २०७५/०७६ को लागि लेखापरीक्षकको नियुक्ती तथा निजको पारिश्रमिक निर्धारण गर्ने ।
  ४. कम्पनीको सर्वसाधारण शेयर धनीहरू (समूह ख) बाट प्रतिनिधित्व गर्ने एक जना संचालकको निर्वाचन गर्ने । साथै संस्थापक शेयरधनीहरू (समूह क) बाट प्रतिनिधित्व गर्ने एक जना सञ्चालकको निर्वाचन गर्ने ।
- ख) विविध ।

## वार्षिक साधारण सभा सम्बन्धि सामान्य जानकारीहरू

१. साधारण सभामा उपस्थित हुने शेयरधनीहरूले सभामा भाग लिन आफ्नो शेयर प्रमाण पत्र वा आफ्नो परिचय स्पष्ट खुले फोटो सहितको कुनै प्रमाण पत्र अनिवार्य रूपमा प्रस्तुत गर्न पर्नेछ ।
२. कम्पनीको आर्थिक विवरण, वार्षिक प्रतिवेदन तथा अन्य जानकारी कम्पनीको रजिष्टर्ड कार्यालय पुल्चोक, ललितपुरबाट प्राप्त गर्न तथा कम्पनीको वेब साइट [www.panchakanyamai.com.np](http://www.panchakanyamai.com.np) मा हेर्न सकिने छ ।
३. साधारण सभाको प्रयोजनको लागि कम्पनीको शेयरधनी दर्ता पुस्तिका मिति २०७६।०२।०२ देखि मिति २०७६।०२।२० सम्म बन्द रहनेछ । शेयरधनी दर्ता पुस्तिका बन्द भएको मिति २०७६।०२।०२ को अघिल्लो दिन मिति २०७६।०२।०१ सम्म नेपाल स्टक एक्सचेञ्ज लिमिटेडमा कारोबार भएका शेयरधनीहरूले मात्र यस सभामा भाग लिन र मतदान गर्नका लागि योग्य हुनेछन् ।
४. शेयरधनीहरूको दस्तखतको लागि शेयरधनी उपस्थिति पुस्तिका विहान १०:०० बजेवाट खुल्ला गरिनेछ ।
५. संचालक निर्वाचनको विस्तृत कार्यक्रम निर्वाचन अधिकृतको कार्यालय कम्पनीको रजिष्टर्ड कार्यालय पुल्चोक, ललितपुरमा प्रकाशित हुने भएकोले त्यस सम्बन्धमा थप जानकारी राख्न ईच्छुक शेयरधनी तथा उम्मेदवारले कार्यालय समय भित्र सम्पर्क राख्न अनुरोध छ ।
६. साधारण सभामा भाग लिन वा मतदान गर्नको लागि आफ्नो प्रतिनिधि नियुक्त गर्न चाहने शेयरधनीहरूले प्रचलित कम्पनी कानूनले तोकेको ढाँचा अनुसारको प्रतिनिधि (प्रोक्सी) नियुक्त गर्नु पर्नेछ र सो सम्बन्धी निवेदन सभा शुरु हुन भन्दा ४८ घण्टा पहिले कम्पनीको रजिष्टर्ड कार्यालय, पुल्चोक, ललितपुरमा दर्ता गराई सक्नु पर्नेछ । यसरी प्रतिनिधि (प्रोक्सी) नियुक्त गरिएका व्यक्ति कम्पनीको शेयरधनी हुन आवश्यक छ । तर प्रतिनिधि नियुक्त गर्नु भएका शेयरधनी आफै उपस्थित भई हाजिरी पुस्तिकामा दस्तखत गरेमा वा निर्वाचनमा भाग लिएमा प्रतिनिधि (प्रोक्सी) स्वतः बदर हुनेछ ।
७. एक भन्दा बढी व्यक्तिहरूको संयुक्त नाममा शेयर दर्ता रहेको अवस्थामा सर्वसम्मत वाट प्रतिनिधि चयन गरिएको एक जनाले मात्र वा लगत किताबमा पहिलो नाम उल्लेख भएको व्यक्तिले सभामा भाग लिन सक्नु हुनेछ । कुनै संगठित संस्था वा कम्पनीले शेयर खरिद गरेको हकमा त्यस्ता संगठित संस्था वा कम्पनीले मनोनित गरेको प्रतिनिधिले शेयरवालको हैसियतले सभामा भाग लिन सक्नेछ ।
८. संचालक पदमा उम्मेदवार हुन चाहने शेयरधनीले तल ९ र १० मा उल्लेख भए बमोजिम कम्पनीको कार्यालय पुल्चोक, ललितपुरमा प्रकाशित निर्वाचन सम्बन्धि कार्यक्रमको सूचनामा उल्लेखित मितिमा निर्धारित समय भित्र कम्पनीको शेयरधनीहरू मध्ये एकजना शेयरधनी प्रस्तावक र अर्का एक जना शेयरधनी समर्थक सहित तोकिएको ढाँचा बमोजिम आफ्नो उम्मेदवारीको दरखास्त दर्ता गर्नु पर्नेछ । उम्मेदवारीबाट आफ्नो नाम फिर्ता लिन चाहेमा समेत सोहि निर्वाचन सम्बन्धि कार्यक्रम बमोजिम आफ्नो नाम फिर्ता लिन दरखास्त दर्ता गर्नुपर्नेछ । संचालक पदमा उम्मेदवारी दिने शेयरधनी अन्य उम्मेदवारको प्रस्तावक वा समर्थक हुन सक्ने छैन ।
९. संचालक पदको निर्वाचनमा उम्मेदवार हुने शेयरधनीले कम्पनीको नियमावली बमोजिम आवश्यक शेयर लिई प्रचलित कानून बमोजिम संचालक हुन योग्य रहेको हुनुपर्दछ ।
१०. यस कम्पनीको संचालक निर्वाचन निर्देशिका शेयरधनीहरूले यस कम्पनीको कार्यालय पञ्चकन्या भवन पुल्चोक, ललितपुरबाट प्राप्त गर्न सक्नेछन् । निर्वाचन सम्बन्धि अन्य जानकारी तथा कार्यक्रम सम्बन्धि सूचना २०७६।०२।०३ गतेका दिन कम्पनीको रजिष्टर्ड कार्यालयको सूचना पाटीमा टाँसिने छ ।
११. कुनै शेयरधनी महानुभावहरूले छलफलका विषयहरू मध्ये विविध शिर्षक अन्तर्गत कम्पनी सम्बन्धि कुनै विषयमा छलफल गर्न गराउन चाहेमा सभाहुनु भन्दा ७ दिन अगावै कम्पनी सचिव मार्फत संचालक समितिको अध्यक्षलाई लिखित रूपमा दिनुपर्नेछ ।
१२. साधारण सभा सम्बन्धि थप जानकारी आवश्यक परेमा कार्यालय समय भित्र कम्पनीको रजिष्टर्ड कार्यालय पुल्चोक, ललितपुर तथा शेयर रजिष्ट्रार श्री सनराइज क्यापिटल लि, कमल पोखरी मा सम्पर्क राख्नु हुन अनुरोध गरिन्छ ।

संचालक समितिको आज्ञाले  
**कम्पनी सचिव**



साधारण सभामा आफ्नो प्रतिनिधि नियुक्त गर्ने निवेदन (प्रोक्सी फारम)  
कम्पनी ऐन, २०६३ को दफा ७१ को उपदफा (३) संग सम्बन्धित

## प्रोक्सी फारम

श्री सञ्चालक समिति  
पञ्चकन्या माई हाइड्रोपावर लिमिटेड  
पूल्चोक, ललितपुर

बिषय : प्रतिनिधि नियुक्त गरेको बारे ।

महाशय,

.....जिल्ला ..... न.पा./ गा.पा.वडा नं. .... बस्ने म/ हामी .....  
.....ले त्यस कम्पनीको शेयरधनीको हैसियतले संवत् २०७६ साल जेष्ठ महिना २० गतेको दिन  
हुने दोस्रो र तेस्रो वार्षिक साधारण सभामा म/ हामी स्वयं उपस्थित भई छलफल तथा निर्णयमा सहभागी हुन नसक्ने  
भएकोले उक्त सभामा मेरो/ हाम्रो तर्फबाट भाग लिन तथा मतदान गर्नका लागि ..... जिल्ला.....  
न.पा./ गा.पा.वडा नं..... बस्ने त्यस कम्पनीका शेयरधनी श्री ..... लाई मेरो/ हाम्रो  
प्रतिनिधि मनोनित गरी पठाएको छु/ छौं ।

प्रतिनिधि नियुक्त भएको व्यक्ति :-

हस्ताक्षरको नमुना:

शेयरधनी नं. :

शेयर प्रमाणपत्र नं. :

मिति :

निवेदक

दस्तखत :

नाम :

ठेगाना :

शेयर प्रमाणपत्र नं. :

शेयर संख्या :

दृष्टव्य : यो निवेदन साधारण सभा हुनु भन्दा कमिमा ४८ घण्टा अगावै कम्पनीको रजिस्टर्ड कार्यालयमा पेश गरी सक्नु पर्नेछ ।

## पञ्चकन्या माई हाइड्रोपावर लिमिटेडको दोस्रो र तेस्रो बार्षिक साधारण सभामा संचालक समितिको तर्फबाट अध्यक्ष द्वारा प्रस्तुत

### बार्षिक प्रतिवेदन

श्री शेयरधनी महानुभावहरु,

यस पञ्चकन्या माई हाइड्रोपावर लिमिटेडको दोस्रो र तेस्रो बार्षिक साधारण सभामा उपस्थित हुनु भएका सम्पूर्ण शेयरधनी महानुभावहरु तथा आमन्त्रित अतिथीहरुलाई संचालक समिति तथा मेरो व्यक्तिगत तर्फबाट हार्दिक स्वागत तथा अभिवादन गर्दछु । आर्थिक वर्ष २०७३/७४ तथा २०७४/७५ मा कम्पनी द्वारा सम्पन्न गरिएका कार्यहरु तथा व्यवस्थापकीय गतिविधीहरुको साथै आर्थिक तथा वित्तिय विवरणहरुको अभिलेख स्वरुप यहाँहरु समक्ष प्रस्तुत गर्न पाउँदा मलाई अत्यन्त खुशी लागेको छ । सर्वप्रथम आ.व. २०७३/७४ को बार्षिक साधारण सभा आ.व. २०७४/७५ संगै गर्नु पर्ने कारण निम्न अनुसार रहेको व्यहोरा जानकारी गराउँदछौं:

यस कम्पनीको मिति २०७३/०४/३१ मा सम्पन्न भएको विशेष साधारण सभाले कम्पनीको साधारण शेयर निष्काशनको लागि बिक्री प्रबन्धकमा श्री एन सि.एम. मर्चेन्ट बैकिङ्ग लिमिटेड र नविल बैकिङ्ग लिमिटेड लाई नियुक्ति गरेको निर्णयलाई मिति २०७३/०९/१४ को कम्पनीको आ.व. २०७२/७३ को प्रथम बार्षिक साधारण सभा को निर्णयले अनुमोदन गरी सो शेयर निष्काशन कार्य सम्पन्न गर्न संचालक समितिलाई अख्तियारी दिने निर्णय गरिएको थियो ।

सार्वजनिक निष्काशनको लागि कम्पनीको तर्फबाट मिति २०७४/०९/१९ मा नेपाल धितोपत्र बोर्डमा धितोपत्र दर्ताको लागि निवेदन दिएको र मिति २०७४/०८/०५ मा नेपाल धितोपत्र बोर्ड बाट सो को स्वीकृती प्राप्त भएको थियो । “धितोपत्र निष्काशन तथा बाँडफाँड निर्देशिका, २०७४” को दफा ४९ अनुसार “सार्वजनिक निष्काशनको

लागि अनुमति प्राप्त गरिएसकेको संगठित संस्थाले नयाँ शेयर धनीहरु समेत समावेश नभई साधारण सभा गर्नु हुँदैन” भन्ने प्रावधान रहेको र मिति २०७५/०६/२३ मा नेपाल स्टक एक्सचेन्ज लिमिटेडका साधारण शेयर सूचिकरण गरिएको कारणले कम्पनीको आ.व. २०७३/७४ र आ.व. २०७४/७५ को बार्षिक साधारण सभा एकै पटक गर्नु परेको बारे शेयरधनी महानुभावहरुलाई जानकारी गराउन चाहन्छौं ।

निजी क्षेत्रबाट जलविद्युत आयोजनाको निर्माण तथा सञ्चालन गरी विद्युत उर्जा उत्पादन तथा वितरण गर्ने उद्देश्यले स्थापित यस कम्पनीले इलाम जिल्ला स्थित माई खोलाको पानी उपयोग गरी सन्दकपुर गाउँ पालिकामा १२ मेगावाट क्षमताको अप्पर माई र ६.१ मेगावाट क्षमताको माथिल्लो माई सी जलविद्युत आयोजनाहरु सफलतापूर्वक निर्माण सम्पन्न गरी उत्पादित विद्युत केन्द्रिय विद्युत प्रणालीमा जोडी नेपाल विद्युत प्राधिकरण लाई बिक्री गर्दै आईरहेको छ ।

दुइ वटा आयोजनाहरु मध्ये अप्पर माई जल विद्युत आयोजनाको व्यवसायिक उत्पादन २०७३ साल आषाढ ९ गते देखि शुरु भई सञ्चालनमा आएको छ । यस कम्पनीलाई उर्जा मन्त्रालय बाट १२ मेगावाट क्षमताको लागि विद्युत उत्पादनको अनुमति पत्र प्राप्त भएपनि नेपाल विद्युत प्राधिकरणको विद्यमान Q40 को प्रावधान अनुसार ९.९८ मेगावाट क्षमताको लागि मात्र विद्युत खरिद बिक्री सम्झौता सम्पन्न भएको छ । त्यसरी नै माथिल्लो माई सी जल विद्युत आयोजनाको २०७४ साल साउन ९ गते देखि व्यवसायिक उत्पादन शुरु भई हाल संचालनमा रहेको छ । यस आयोजनाको लागि पनि उर्जा मन्त्रालयबाट ६.१ मेगावाट क्षमताको विद्युत उत्पादनको

अनुमति पत्र प्राप्त भएपनि विद्युत खरीद विक्री सम्झौता भने ५.१ मेगावाट को मात्र भएको छ । कम्पनीले प्राप्त गरेको अप्पर माई र माथिल्लो माई सी जल विद्युत आयोजनाको विद्युत उत्पादनको अनुमति पत्र क्रमशः वि.सं.२१०२ साउन २२ र वि.सं.२१०५ असार २० गते सम्म कायम रहेको छ ।

दुई वटै आयोजनाहरुबाट उत्पादित विद्युत यस कम्पनीले निर्माण गरेको १८.५ कि.मि. लामो माबु-गोदक १३२ के.भी. प्रसारण लाइन बाट नेपाल विद्युत प्राधिकरणको गोदक सबस्टेशनको राष्ट्रिय विद्युत प्रणालीमा जोडिएको छ ।

**आर्थिक वर्ष २०७३/७४ र २०७४/७५ मा कम्पनीले गरेको आर्थिक कारोवार निम्न अनुसार रहको छ ।**

विवरण	आर्थिक वर्ष (रु.)			वृद्धि/ कमी (२०७४/०७५)		वृद्धि/ कमी (२०७३/०७४)	
	२०७४/०७५	२०७३/०७४	२०७२/०७३	रकम रु.	प्रतिशत	रकम रु.	प्रतिशत
विद्युत विक्रीबाट प्राप्त आम्दानी	३६५,४५७,७९१	२२२,६४६,९५५	२१,८६३,४०६	१४२,८१०,८३५	६४.१४	२००,७८३,५४९	९१८.३५
विविध आम्दानी	२,०९६,३९४	३०,८२०,६१५	४१,९९२	(२८,७२४,२२१)	९३.२०	३०,७७८,६२३	७,३२९६.४०
<b>जम्मा आम्दानी</b>	<b>३६७,५५४,१८५</b>	<b>२५३,४६७,५७०</b>	<b>२१,९०५,३९८</b>	<b>११४,०८६,६१५</b>	<b>४५.०१</b>	<b>२३१,५६२,१७२</b>	<b>१,०५७.१०</b>
घटाउनु पर्ने:							
प्रशासनिक खर्च	५०,५८४,१३०	१५,८१९,६३७	२,३३७,७७०	३४,७६४,४९३	२१९.७६	१३,४८१,८६७	५७६.७०
आयोजना संचालन खर्च	२३,५५२,९९७	११,९६६,१४८	४,११७,३३८	११,५८६,८४९	९६.८३	७,४८४,८१०	१९०.६३
वित्तीय खर्च	२३२,२०७,०१३	१२८,७६७,७९३	८,४७६,२८०	१०३,४३९,२२०	८०.३३	१२०,२९१,५१३	१,४१९.१५
ह्रासकट्टी	११९,९००,४६२	७९,८१४,५८३	१,६४१,७६५	४०,०८५,८७९	५०.२२	७८,१७२,८१८	४,७६१.५१
विशेष खर्च	-	-	२६,४१९	-	-	(२६,४१९)	(१००.००)
<b>जम्मा खर्च</b>	<b>४२६,२४४,६०२</b>	<b>२३६,३६८,१६१</b>	<b>१६,४९९,४७२</b>	<b>१८९,८७६,४४१</b>	<b>८०.३३</b>	<b>२१९,७६८,५८९</b>	<b>१,३२३.९४</b>
<b>संचालन मुनाफा / (नोक्सान)</b>	<b>(५८,६९०,४१७)</b>	<b>१७,०९९,४०९</b>	<b>५,३०५,८२६</b>	<b>(७५,७८९,८२६)</b>	<b>(४४३.२३)</b>	<b>११,७९३,५८३</b>	<b>२२२.२८</b>
कर्मचारी बोनस व्यवस्था	-	३३५,२८३	१०४,०३६	(३३५,२८३)	(१००.००)	२३१,२४७	२२२.२८
कर अधिको खुद मुनाफा / (नोक्सान)	(५८,६९०,४१७)	१६,७६४,१२६	५,२०१,७९०	(७५,४४४,५४४)	(४५०.१०)	११,५६२,३३६	२२२.२८
आयकर व्यवस्था	५२४,०९८	-	-	५२४,०९८	-	-	-
विलम्बित कर	४७,७६९,७७४	-	-	४७,७६९,७७४	-	-	-
<b>कर पछिको खुद नाफा / (नोक्सान)</b>	<b>(१०६,९८४,२९०)</b>	<b>१६,७६४,१२६</b>	<b>५,२०१,७९०</b>	<b>(१२३,७४८,४१६)</b>	<b>(७३८.१७)</b>	<b>११,५६२,३३६</b>	<b>२२२.२८</b>
शेयर संख्या	९,९५५,०००	८,८००,०००	७,२७५,०००	११५,५००,०००	१३.१३	१,५२५,०००	२०.९६
प्रति शेयर आम्दानी	(१०.७५)	१.९१	०.७२	(१२.६६)	(६६२.८३)	१.१९	१६६.४३

**कम्पनी ऐन, २०६३ को दफा १०९ को उपदफा (४) बमोजिमको विवरणहरु :**

### (क) विगत वर्षको कारोवारको सिंहावलोकन

यस कम्पनी द्वारा हाल सञ्चालन भई रहेका दुई वटा आयोजनाहरुको निर्माणको क्रममा विभिन्न राजनैतिक, आर्थिक तथा प्राकृतिक प्रकोप बाट विषम परिस्थितिको सामना गर्नु परेको थियो । २०७२ सालको बिनाशकारी

भुकम्प, मधेश आन्दोलन अनि देशले भोग्नु परेको नाकाबन्दी आदिको कारणले उपरोक्त दुवै आयोजनाहरु प्रभावित भएका थिए । विभिन्न कठिनाइको बावजुद यस कम्पनीले अप्पर माई र माथिल्लो माई सी जलविद्युत आयोजनाहरुको सफलतापूर्वक निर्माण कार्य सम्पन्न गरी सञ्चालनमा ल्याएको छ । उक्त आयोजनाहरु बाट उत्पादित विद्युत नेपाल विद्युत प्राधिकरणको १३२ के.भी. काबेली करिडोर प्रसारण लाइन मार्फत राष्ट्रिय प्रसारण लाइनमा जोडिएको छ ।



## (ख) राष्ट्रिय तथा अन्तर्राष्ट्रिय परिस्थितिबाट कम्पनीको कारोबारलाई परेको असर

आयोजना निर्माणमा भएको ढिलाई, मुद्रास्फीति, विदेशी मुद्रा सटहीमा भएको बृद्धिका कारणले आयोजनाको लागत केही बढ्न गएको छ। विगत वर्षमा अपेक्षित वर्षा नहुँदा र विश्व तापमान बृद्धिको कारण जल प्रवाह घटेको कारणले सुख्खा मौसममा प्रक्षेपण गरिए बमोजिमको क्षमतामा सञ्चालन हुन नसकी विद्युत उत्पादनमा कमी आएको छ। साथै नेपाल विद्युत प्राधिकरणको काबेली प्रसारण लाइनमा आएका समस्याहरूले पनि विद्युत प्रसारण निरन्तर हुन नसकेकोले पनि कम्पनीको कारोबारलाई केही असर पर्न गएको छ।

## (ग) प्रतिवेदन तयार भएको मिति सम्म चालु वर्षको उपलब्धी र भविष्यमा गर्नु पर्ने कुराको सम्बन्धमा सञ्चालक समितिको धारणा

यस कम्पनी बाट निर्माण सम्पन्न गरी सञ्चालनमा रहेको अप्पर माई जल विद्युत आयोजना र माथिल्लो माई सी जल विद्युत आयोजना बाट आ.व. २०७५/७६ को तेश्रो चौमासिक चैत्र मसान्त सम्म विद्युत उत्पादन गरिएको युनिट मध्ये जम्मा ५,३४,२२,३२६, किलोवाट आवर युनिट नेपाल विद्युत प्राधिकरण लाई बिक्री गर्न सफल भई जम्मा रु. २६,७४,१२,८३८/- आम्दानी गरेको छ।

नेपाल धितोपत्र बोर्डको स्वीकृती लिई यस कम्पनी द्वारा उद्योग प्रभावित क्षेत्र इलाम जिल्लाको बासिन्दाको लागि निष्काशन गरिएको १० प्रतिशत (११,००,००० कित्ता) शेयर मिति २०७४/११/२३ मा बाँडफाँड गरिएको थियो। साथै सनराइज क्यापिटल लिमिटेड को निष्काशन तथा बिक्री प्रबन्धकत्वमा सर्वसाधारणलाई निष्काशन गरिएको कम्पनीको १० प्रतिशत शेयर “नेपाल धितोपत्र बोर्डको निष्काशन तथा बाँडफाँड निर्देशिका २०७४” मा भएको व्यवस्था बमोजिम मिति २०७५/०४/११ मा बाँडफाँड गरिएको थियो। यस कम्पनीबाट निष्काशन

गरिएको शेयर मा स्थानिय तथा सर्वसाधारणहरूबाट अत्यन्त उत्साहजनक सहभागिता रहेकोमा हामी सम्पूर्ण महानुभावहरूमा हार्दिक आभार प्रकट गर्दछौं।

यसरी सर्वसाधारणमा वितरण गरिएको ११,००,००० कित्ता तथा उद्योग प्रभावित क्षेत्रका बासिन्दाको लागि वितरण गरिएको ११,००,००० कित्ता र कम्पनीका संस्थापकहरूले लगानी गरेको ८८,००,००० कित्ता समेत गरी जम्मा १,११,००,००० कित्ता शेयर वितरण भई मिति २०७५/०६/२३ मा नेपाल स्टक एक्सचेन्ज लिमिटेडमा सूचिकरण भएको छ। कम्पनीको शेयर रजिष्ट्रारमा सनराइज क्यापिटल लिमिटेड रहेको छ।

कम्पनीका लगानीकर्ता शेयरधनीहरूलाई दिगो प्रतिफलको सुनिश्चितताको लागि निम्न कार्यहरू अगाडी बढाउने नीति लिएका छौं :

नेपाल सरकार, उर्जा मन्त्रालयबाट यस कम्पनीले अप्पर माई जल विद्युत आयोजनाको लागि १२ मेगावाट र माथिल्लो माई सी जल विद्युत आयोजनाको लागि ६.१ मेगावाट क्षमताको विद्युत उत्पादनको अनुमतिपत्र प्राप्त गरेको र सो क्षमता अनुसार नै कम्पनीले आयोजनाहरू निर्माण सम्पन्न गरेको छ। साथै दुई वटै आयोजनाहरूको पूर्ण क्षमतामा विद्युत उत्पादन गर्न सफलतापूर्वक परीक्षण पनि सम्पन्न भइसकेको छ। तर यस कम्पनी र नेपाल विद्युत प्राधिकरण बीच भएको उक्त आयोजनाहरूको विद्युत खरिद बिक्री सम्झौता भने क्रमश ९.९८ मेगावाट र ५.१ मेगावाट को लागि मात्र भएको छ। नेपाल विद्युत प्राधिकरणको Q40 को प्रावधान अनुसार पूर्ण क्षमतामा आयोजना संचालन गर्न पानीको बहावमा बृद्धि गर्नु आवश्यक भएको हुनाले यस कम्पनीले माई खोला नजिक बाट बग्ने सन्दकपुर गाँउपालिकामा अवस्थित धुवाँ खोलाको पानी हाल सञ्चालनमा रहेको आयोजनामा थप गर्नको लागि Dhuwa Khola Diversion Scheme तयार गरी विद्युत विकास विभाग, उर्जा मन्त्रालयमा स्वीकृतीको लागि पेश

भएकोमा उक्त विभागबाट मिति २०७४।०८।०६ मा थप अध्ययनको लागि सैद्धान्तिक सहमती प्राप्त भएको छ। उक्त Dhuwa Khola Diversion Scheme अनुसार कार्य अगाडी बढाउन सकेको अवस्थामा थप ३ मेगावाट को विद्युत खरिद विक्री सम्झौता सम्पन्न गरी दुइवटै आयोजनाहरु पूर्ण क्षमतामा सञ्चालन गर्न सकिने र यसबाट थप आय आर्जन गर्न सकिने छ। १८ मेगावाट क्षमताको विद्युत उत्पादन गर्न सक्ने आयोजनाहरु निर्माण भई सकेकोले थप पानी Diversion गर्न मात्र अतिरिक्त खर्च लाग्ने भएकोले सो Scheme लाई अगाडी बढाउन प्राविधिक र आर्थिक दृष्टिकाणले उपयुक्त देखिएको छ। उक्त कार्य सम्पन्न गर्नको लागि सन्दकपुर गाउँपालिका र स्थानीयवासीहरु संग छलफल र अन्तरक्रिया जारी रहेको र सबै पक्ष संग सहमती गरी सो कार्य अगाडी बढाइने छ।

साथै केही समय अगाडी नेपाल र भारत सरकारबीच विद्युतको आदान प्रदान गर्दा Energy Banking System लागु गर्न सैद्धान्तिक सहमती भई सकेकोले यस कम्पनीका आयोजनाहरु पूर्ण क्षमतामा संचालन गर्दा उत्पादन गर्न सकिने अतिरिक्त उर्जा को विक्री बाट पनि कम्पनीले थप आम्दानी गर्न सक्ने सम्भावना रहेको छ।

राष्ट्रको विकासमा जल विद्युत आयोजनाको निर्माणले महत्वपूर्ण योगदान गर्ने भएकोले यस कम्पनीले भविष्यमा नयाँ उपयुक्त जल विद्युत आयोजनाहरु पहिचान गरी निर्माण गर्ने नीति लिएको छ।

### (घ) कम्पनीको औद्योगिक तथा व्यवसायिक सम्बन्ध

यस पञ्चकन्या माई हाइड्रोपावर लिमिटेडले आफ्नो व्यवसायिक तथा औद्योगिक कारोवारलाई पारदर्शी र परिस्कृत बनाउँदै लैजाने नीति अनुरूप संघ संस्था, सरकारी निकाय र शेयरधनी महानुभावहरु संग सुमधुर सम्बन्ध कायम राख्दै आएको छ। कम्पनीको व्यवसायिक क्षेत्र संग

सम्बन्धित सरोकारवाला संस्थाहरुमध्ये विद्युत विकास विभाग, उर्जा जलश्रोत तथा सिंचाई मन्त्रालय, नेपाल विद्युत प्राधिकरण, कम्पनी रजिष्ट्रारको कार्यालय, नेपाल धितोपत्र बोर्ड, नेपाल स्टक एक्सचेन्ज लिमिटेड, सिडिएस एण्ड कित्यरिङ्ग लिमिटेड तथा आयोजना निर्माणमा वित्तीय सहयोग प्रदान गर्ने बैकहरु, बिमा कम्पनी, सम्पूर्ण शेयरधनी महानुभावहरु तथा सरोकारवाला संग मैत्रीपूर्ण र असल व्यवसायिक सम्बन्ध कायम गर्दै लैजान कम्पनी कटिबद्ध रहेको छ।

### (ङ) सञ्चालक समितिमा भएको हेरफेर र सो को कारण

यस कम्पनीको नियमावली अनुसार कम्पनीका संस्थापक शेयरधनीहरुको समूह “क” बाट ४ जना, सर्वसाधारण शेयरधनीहरुको समूह “ख” बाट १ जना र स्वतन्त्र सञ्चालक १ जना गरी जम्मा ६ जना सञ्चालक ४ वर्षको लागि नियुक्त भई सञ्चालक समितिमा प्रतिनिधित्व गर्ने व्यवस्था रहेको छ। संस्थापक शेयर धनीहरुको समूह “क” बाट नियुक्त ४ जना शेयरधनीहरु मध्ये प्रबन्ध सञ्चालक श्री प्रदिप कुमार श्रेष्ठले आफ्नो कार्य व्यस्तताको कारणले दिनु भएको राजिनामा मिति २०७४।०६।२९ मा कम्पनीको संचालक समितिबाट स्वीकृत भएकोले यस कम्पनीमा तपसील बमोजिमको सञ्चालक समिति रहको छ :

सि.नं.	सञ्चालक	पद	समूह
१	श्री प्रेम बहादुर श्रेष्ठ	अध्यक्ष	क
२	श्री ध्रुव कुमार श्रेष्ठ	उपाध्यक्ष	क
३	श्री सन्तोष कुमार प्रधान	कार्यकारी निर्देशक	क

संस्थापक शेयरधनीहरुको समूह ‘क’ बाट १ जना, सर्वसाधारण शेयरधनीहरुको समूह ‘ख’ बाट १ जना र स्वतन्त्र सञ्चालक बाट १ जना निर्वाचन तथा नियुक्ति भई हालको सञ्चालक समितिमा थप हुनेछ।

**(च) कारोवारलाई असर पार्ने मुख्य कुराहरु :**

नेपालमा नयाँ संविधान लागु भई संघीयता कार्यान्वयनको क्रममा संघीय तथा प्रादेशिक सरकारहरुबाट जारी हुने नयाँ ऐन, कानून, नियमहरु तथा विद्यमान ऐन, कानूनमा हुन सक्ने संशोधन तथा परिवर्तनहरुले जलविद्युत आयोजनाहरुको निर्माण तथा सञ्चालनमा असर पर्न सक्ने छ।

- जलस्रोतको मुहानमा अप्रत्याशित परिवर्तन, खडेरी, अनावृष्टि तथा जलवायु परिवर्तन आदिका कारणले पानीको श्रोतमा कमी आएमा विद्युत उत्पादनमा कमी आउन सक्नेछ।
- बाढी पहिरो, भुकम्प, प्राकृतिक प्रकोप तथा काबु बाहिरका परिस्थितिहरु सृजना भई भौतिक संरचना तथा उपकरणहरुमा क्षति भएमा मर्मत सम्भारमा खर्च बृद्धि हुन सक्ने र व्यवसायिक आम्दानीमा कमी हुन सक्नेछ।
- विद्युत केन्द्रहरुमा जडित मेसिन तथा उपकरणहरु साथै प्रसारण लाइनमा हुन सक्ने प्राविधिक खराबीका कारणहरुले विद्युत आपूर्तिमा अवरोध हुन सक्ने छ।

माथि उल्लेखित सम्भावित जोखिमहरुलाई न्यूनिकरण गर्न मेशिन तथा उपकरणहरुको ह्रास खर्चको व्यवस्था साथै जलविद्युत केन्द्रहरुको सम्पूर्ण संरचना, मेसिन तथा उपकरणहरुको संभावित जोखिमलाई न्यूनिकरण गर्न बिमा गरिएको छ। साथै निरन्तर विद्युत आपूर्ति गर्नको लागि नियमित तथा आकस्मिक रुपमा मेसिनरी उपकरणहरु, सिभिल संरचना तथा प्रसारण लाइन आदिको निरीक्षण र मर्मत सम्भार गरिने व्यवस्था मिलाइएको छ। साथै कम्पनीका जल विद्युत केन्द्रहरुको नियमित मर्मत सम्भारको लागि आवश्यक पर्ने जगोडा पार्टपूजा (Spare Parts) को उचित व्यवस्था गरिएको छ।

**(छ) लेखा परीक्षण प्रतिवेदनमा कुनै कैफियत उल्लेख भएको भए सो उपर सञ्चालक समितिको प्रतिक्रिया**

लेखा परीक्षण प्रतिवेदनमा उल्लेख गरिएका नियमित कारोवारमा देखिएका सामान्य कैफियत, प्रतिक्रिया र सुझावहरु माथि कम्पनीका सञ्चालक समितिको ध्यानाकर्षण हुनुको साथै सो को सुधारको लागि आवश्यक कदम चालिएको छ।

लेखापरीक्षण प्रतिवेदनमा उल्लेख भए अनुसार Accounting Standards Board को सिफारीशमा नेपाल चार्टर्ड एकाउन्टेन्टस संस्था (ICAN) ले नेपाल वित्तिय प्रतिवेदन मापदण्ड (Nepal Financial Reporting Standard- NFRS) लागु गर्ने सम्बन्धी सूचना जारी गरेको र लेखा परीक्षण प्रतिवेदनमा पनि सो अनुसार नै गर्नु पर्ने उल्लेख भएको हुँदा कम्पनीले आगामी आर्थिक वर्ष देखि NFRS मापदण्ड अनुसार वित्तिय विवरण तयार गर्ने छ।

**(ज) लाभान्श बाँडफाँड गर्न सिफारीस गरिएको रकम**

कम्पनीको लाभान्श बाँडफाँड गर्न सिफारिस गरिएको छैन।

**(झ) शेयर जफत भएको भए जफत भएको शेयर संख्या, त्यस्तो शेयरको अंकित मूल्य, त्यस्तो शेयर जफत हुनु भन्दा अगावै सो बापत कम्पनीले प्राप्त गरेको जम्मा रकम र त्यस्तो शेयर जफत भएपछि सो शेयर बिज्री गरी कम्पनीले प्राप्त गरेको रकम तथा जफत भएको शेयर बापत रकम फिर्ता गरेको भए सो को विवरण**

आर्थिक वर्ष २०७४।७५ मा शेयर जफत सम्बन्धी कार्य भएको छैन।

## (ज) विगत आर्थिक वर्षमा कम्पनी र यसको सहायक कम्पनीको कारोबारको प्रगति र सो आर्थिक वर्षको अन्तमा रहेको स्थितिको पुनरावलोकन

यस कम्पनीको अरु कुनै सहायक कम्पनी छैन । यस कम्पनीको कारोबारको प्रगति र स्थिति माथि उल्लेख गरिएको छ ।

## (ट) कम्पनी तथा त्यसको सहायक कम्पनीले आर्थिक वर्षमा सम्पन्न गरेको प्रमुख कारोबारहरू र सो अवधिमा कम्पनीको कारोबारमा आएको कुनै महत्वपूर्ण परिवर्तन

यस कम्पनीको अरु कुनै सहायक कम्पनी छैन । कम्पनीले आर्थिक वर्षमा सम्पन्न गरेको प्रमुख कारोबारहरू र सो अवधिमा कम्पनीको कारोबारमा आएको महत्वपूर्ण परिवर्तन प्रतिवेदनमा संलग्न वासलात, नाफा नोक्सान हिसाब, नगद प्रवाह विवरण र लेखा सम्बन्धी टिप्पणीले स्पष्ट पार्दछ ।

## (ठ) विगत आर्थिक वर्षमा कम्पनीको आधारभूत शेयरधनीहरूले कम्पनीलाई उपलब्ध गराएको जानकारी

विगत आर्थिक वर्षमा कम्पनीको आधारभूत शेयरधनीहरूले कम्पनीलाई कुनै जानकारी उपलब्ध गराएको छैन ।

## (ड) विगत आर्थिक वर्षमा कम्पनीको सञ्चालक तथा पदाधिकारीहरूले लिएको शेयरको स्वामित्वको वितरण र कम्पनीको शेयर कारोबारमा निजहरू संलग्न रहेको भए सो सम्बन्धमा निजहरूबाट कम्पनीले प्राप्त गरेको जानकारी

आर्थिक वर्ष २०७४/७५ को अन्त्य सम्म यस कम्पनीका सञ्चालक तथा पदाधिकारीहरूको शेयरको स्वामित्व निम्न अनुसार रहेको र निजहरू कम्पनीको शेयरको कारोबारमा संलग्न रहेको पाइएको छैन ।

नाम	पद	शेयर संख्या
श्री प्रेम बहादुर श्रेष्ठ	अध्यक्ष	२७२५०००
श्री ध्रुव कुमार श्रेष्ठ	उपाध्यक्ष	६२५०००
श्री प्रदिप कुमार श्रेष्ठ	प्रबन्ध निर्देशक*	६२५०००
श्री सन्तोष कुमार प्रधान	कार्यकारी निर्देशक	२५००००

\* निज मिति २०७३/०४/०९ देखि मिति २०७४/०६/२९ सम्म प्रबन्ध निर्देशक पदमा कार्यरत रहेको ।

## (ढ) विगत आर्थिक वर्षमा कम्पनी संग सम्बन्धित सम्झौताहरूमा कुनै सञ्चालक तथा निजको नातेदारको व्यक्तिगत स्वार्थको बारेमा उपलब्ध गराइएको जानकारी व्यहोरा

त्यस प्रकारको जानकारी उपलब्ध भएको छैन ।

## (ण) कम्पनीले आफ्नो शेयर आफैले खरिद गरेको भए त्यसरी आफ्नो शेयर खरिद गर्नुको कारण, त्यस्तो शेयरको संख्या र अङ्कित मूल्य तथा त्यसरी खरिद गरे बापत कम्पनीले भुक्तानी गरेको रकम

कम्पनीले आफ्नो शेयर आफैले खरिद गरेको छैन ।

## (त) आन्तरिक नियन्त्रण प्रणाली भए वा नभएको र भएको भए सो को विस्तृत विवरण

कम्पनीको आन्तरिक नियन्त्रण प्रणालीलाई सुव्यवस्थित गर्नको लागि कम्पनीको कर्मचारी सेवा विनियमावली तथा आर्थिक प्रशासन सम्बन्धी विनियमावली बनाई लागु गरिएको छ ।

आन्तरिक लेखा प्रणाली सबल राख्न सञ्चालक समितिको सदस्यको अध्यक्षतामा लेखा परीक्षण समिति गठन गरिएको छ ।

कम्पनीको वित्तिय तथा लेखा सम्बन्धी प्रकृयाहरु र सम्पतीको जोखिम व्यवस्थापन र नियन्त्रणको लागि आ.व. २०७३/७४ र आ.व. २०७४/७५ मा स्वतन्त्र लेखा परीक्षक PP Pradhan & Co, Chartered Accountants बाट लेखा परीक्षण गराइएको छ । उक्त लेखा परीक्षण प्रतिवदेन कम्पनीको सञ्चालक समितिबाट स्वीकृत गरी साधारण सभा समक्ष अनुमोदनको लागि सिफारीस गरिएको छ ।

### **(थ) विगत आर्थिक वर्षको कुल व्यवस्थापन खर्चको विवरण**

कम्पनीको कुल व्यवस्थापन खर्च आर्थिक वर्ष २०७३/७४ मा रु. १,५८,१९,६३७/- र आ.व. २०७४/७५ मा रु. ५,०५,८४,१३०/- भएको छ । खर्चको विवरण नाफा नोक्सान हिसाबमा उल्लेख गरिएको छ ।

### **(द) लेखा परीक्षण समितिका सदस्यहरुको नामावली, निजहरुले प्राप्त गरेको पारिश्रमिक, भत्ता तथा सुविधा, सो समितिले गरेको काम कारवाहीको विवरण र सो समितिले कुनै सुझाव दिएको भए सो को विवरण:**

**लेखा समितिका सदस्यहरुको नामावली :**

अध्यक्ष - श्री ध्रुव कुमार श्रेष्ठ  
सदस्य - श्री ज्ञानेन्द्र श्रेष्ठ  
सदस्य - श्री ऊँ कार श्रेष्ठ

### **लेखा परीक्षण समितिको सिफारीश**

कम्पनीको आर्थिक वर्ष २०७५/७६ को आर्थिक कारोवारको लेखा परीक्षण गर्न लेखा परीक्षकको नियुक्तिको लागि कम्पनीमा विभिन्न लेखा परीक्षण संस्थाहरुबाट प्रस्तावित

दर रेट सहित प्राप्त हुन आएका कोटेशनहरुका आधारमा उपयुक्त र कम मूल्य प्रस्तावित गर्ने लेखापरीक्षक संस्था N.A.R.S Associates, Chartered Accountants लाई लेखापरीक्षण बापतको पारिश्रमिक मूल्य अभिवृद्धि कर बाहेक रु. १,२५,००० (अक्षरेपी एक लाख पच्चिस हजार रुपयाँ मात्र) उपलब्ध गराउने गरी आ.व. २०७५/७६ को लेखापरीक्षक नियुक्तिको लागि साधारण सभा समक्ष सिफारीश गरेको छ ।

लेखा परीक्षण समितिका सदस्यहरुलाई हाल बैठकभत्ता र अन्य कुनै पारिश्रमिक तथा सुविधा उपलब्ध गराइएको छैन ।

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

यस कम्पनीका शेयरधनीहरुले आफ्नो नाममा कायम रहेको शेयर बापतको सम्पूर्ण रकम चुक्ता भुक्तान गरी सकेको र अन्य कुनै पनि पदाधिकारी तथा संस्थाले कम्पनीलाई कुनै रकम बुझाउन बाँकी छैन ।

### **(न) सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख तथा पदाधिकारीहरु लाई भुक्तानी गरिएको पारिश्रमिक, भत्ता तथा सुविधाको रकम**

प्रथम साधारण सभाको निर्णय बमोजिम सञ्चालक समितिको बैठक भत्ता बापत प्रति बैठक अध्यक्षलाई रु. ३०००/- र अन्य सदस्यहरुलाई रु. २५००/- का दरले उपलब्ध गराइएको छ । आंशिक समय काम गर्ने गरी नियुक्त प्रबन्ध निर्देशकलाई (मिति २०७३/०४/१ देखि २०७४/०६/२९ सम्म) मासिक पारिश्रमिक बापत रु. ३,००,०००/- र कार्यकारी निर्देशकलाई मासिक पारिश्रमिक

वापत रु. २,५०,०००/- उपलब्ध गराइएको छ ।

### (प) शेयर धनीले बुझी लिन बाँकी रहेको लाभांशको रकम

यस कम्पनीले हाल सम्म कुनै लाभांश वितरण गरेको छैन ।

### (फ) दफा १४१ बमोजिम सम्पत्ती खरिद गरेको कुरा

गत आ.व. हरूमा खरिद गरिएका खर्च भएर नजाने पूँजिगत सामानको विवरण वार्षिक आर्थिक विवरणमा उल्लेख गरिएको छ ।

### (ब) दफा १७५ बमोजिम सम्बद्ध कम्पनी बीच भएको कारोबारको विवरण

कम्पनी ऐनको दफा १७५ बमोजिम आ.व. २०७३/७४ मा कुनै कारोबार नभएको र आ.व. २०७४/७५ मा भएको कारोबार लेखापरीक्षण प्रतिवेदनमा उल्लेख गरिएको छ ।

### (ग) ऐन तथा प्रचलित कानून बमोजिम सञ्चालक समितिको प्रतिवेदनमा खुलाउनु पर्ने कुरा

ऐन तथा प्रचलित कानून बमोजिम सञ्चालक समितिले वार्षिक प्रतिवेदनमा खुलाउनु पर्ने विषयको सम्बन्धमा पारदर्शी भई सदैव सचेत रहनेछ ।

### (घ) अन्य आवश्यक कुराहरु

१) कम्पनीले निर्माण गरेको १२ मेगावाट क्षमताको अप्पर माई जल विद्युत आयोजना निर्माणको लागि नविल बैक लिमिटेडको अगुवाईमा ५ वटा बैकहरुसंग भएको सहवित्तियकरण कर्जा सम्झौता अन्तर्गत स्वीकृत कर्जा तथा बैकिङ सुविधा वापतको

जम्मा रकम रु. १,५१,९०,००,०००/- (अक्षरेपी एक अरब एकाउन्न करोड नब्बे लाख रुपयाँ) उपयोग गरिएको छ ।

त्यसरी नै ६.१ मेगावाट क्षमताको माथिल्लो माई सी जल विद्युत आयोजना निर्माणको लागि नविल बैक लिमिटेडको अगुवाईमा ४ वटा बैकहरुसंग सहवित्तियकरण कर्जा सम्झौता अन्तर्गत स्वीकृत कर्जा वापत जम्मा रकम रु. ६७,३९,५३,०००/- (अक्षरेपी सठसठी करोड उनन्चालिस लाख त्रिपन्न हजार रुपयाँ मात्र) प्राप्त भएको छ ।

उपरोक्त दुई वटा आयोजनाको लागि बैंक बाट प्राप्त कर्जा जम्मा रु. २,१९,२९,५३,०००/- मध्ये आर्थिक वर्ष २०७५/७६ को चैत्र मसान्त सम्म जम्मा साँवा रु. ३१,८३,६४,०००/- (अक्षरेपी एकतीस करोड त्रियासी लाख चौंसठी हजार रुपयाँ) र व्याज रकम रु. ४३,०६,१८,३३३/- (अक्षरेपी त्रिचालिस करोड छ लाख अठार हजार तीन सय तेत्तिस रुपैयाँ) भुक्तानी गरि सकिएको र साँवा रकम जम्मा रु. १,८७,४५,८९,०००/- (अक्षरेपी एक अरब सतासी करोड पैतालिस लाख उनान्बे हजार मात्र) भुक्तानी गर्न बाँकी रहको छ ।

२) यस कम्पनीको अप्पर माई जल विद्युत आयोजनाको लागि मिति १७ अक्टोवर २०१८ देखि १५ अक्टोवर २०१९ सम्म एक वर्ष अवधीको लागि कुल विमांक रकम रु. ५६,४९,९७४/- को श्री हिमालय जनरल इन्सुरेन्स कम्पनी लिमिटेड र माथिल्लो माई सी जलविद्युत आयोजनाको लागि मिति १७ अगस्त २०१८ देखि १६ अगस्त २०१९ सम्म एक वर्षको लागि कुल विमांक रकम रु. २४,३७,६८०/- को श्री प्रिमियर इन्सुरेन्स कम्पनी (नेपाल) लिमिटेड संग विमा गरिएको छ ।



३) लेखापरीक्षण प्रतिवेदनमा उल्लेख भए अनुसार आ.व. २०७३।७४ मा कम्पनी नाफामा रहेको अवस्था भएपनि आ.व. २०७४।७५ मा कम्पनी घाटामा देखिनुको मुख्य कारण सुख्खा मौसममा विद्युत उत्पादन मा कमी आउनु, ह्रास कट्टी (Depreciation) बापत रु.११,९९,००,४६२।- रकम कट्टी र लेखा परीक्षकले विलम्बित कर (Deferred Tax) बापत रकम रु.४,७७,६९,७७४।- कायम गरेको कारणले हुन गएको हो । नेपाल सरकार आयकर ऐन २०५८ अनुसार जल विद्युत आयोजनाहरूलाई पहिलो १० वर्ष सम्म पुरै आयकर छुट र थप ५ वर्षको लागि ५० प्रतिशत आयकर छुट को प्रावधान रहेको हुनाले कम्पनीको नाफा नोक्सान तालिकामा उपरोक्त कर को प्रावधान राख्नको औचित्य देखिदैन ।

४) माननीय अर्थमन्त्रीद्वारा आ.व. २०७१।७२ को बजेट वक्तव्यमा विद्युत उत्पादकहरूले विद्युत उत्पादन गरी राष्ट्रिय प्रसारण लाइनमा जोडे पछि प्रति मेगावाट रु.५० लाखका दरले एकमुष्ट अनुदान दिने र आ.व. २०७४।७५ सम्म विद्युत उत्पादन गरी राष्ट्रिय प्रसारण लाइनमा जोडने उत्पादकहरूलाई यस्तो अनुदानमा १० प्रतिशत थप गरिने व्यवस्था अनुसार नेपाल सरकार उर्जा मन्त्रालय बाट मिति २०७२।३।१० मा जारी भएको “निर्माण सम्पन्न जल विद्युत आयोजनाहरूलाई प्रदान गरिने अनुदान सम्बन्धी कार्यविधि २०७२” अनुसार प्राप्त हुनु पर्ने उक्त अनुदान रकम हाल सम्म प्राप्त नभएकोले यस कम्पनी तथा स्वतन्त्र उर्जा उत्पादक संस्था, नेपाल (IPPAN) ले सो अनुदान सरकारबाट उपलब्ध गराउन ताकेता र पहल गरिरहेको छ ।

५) यस कम्पनीमा आ.व. २०७४।७५ मा अधिकृत स्तरमा प्राविधिक तर्फ ४ जना तथा प्रशासन तर्फ ३ जना र सहायक स्तरमा प्राविधिक तर्फ ३७ जना तथा प्रशासन तर्फ १५ जना गरी कुल ५९ जना कर्मचारीहरु कार्यरत रहेका छन् ।

## धन्यवाद ज्ञापन

यस सभामा भाग लिएर कम्पनीको संस्थागत हित तथा प्रगतिको लागि अमूल्य सुझावहरु, सृजनात्मक सल्लाह तथा अटुट साथ दिनु हुने हाम्रा सम्पूर्ण शेयरधनी महानुभावहरु तथा शुभ-चिन्तकहरुलाई हार्दिक धन्यवाद ज्ञापन गर्दछौं । यहाँहरुबाट प्राप्त हौसला, सहयोग, विश्वास र सदभावले हामीलाई आगामी दिनहरुमा दृढताका साथ अगाडी बढ्न प्रेरणा मिल्नेछ । कम्पनीलाई मार्गदर्शन, परामर्श तथा सहयोग पुर्याउनु हुने नेपाल सरकारका विभिन्न निकायहरु उर्जा जलस्रोत तथा सिंचाई मन्त्रालय, विद्युत विकास विभाग, नेपाल विद्युत प्राधिकरण, नेपाल धितोपत्र बोर्ड, नेपाल स्टक एक्सचेन्ज लिमिटेड, कम्पनी रजिष्ट्रारको कार्यालय, ऋण लगानी कर्ता बैंकहरु, शेयर रजिष्ट्रार सनराइज क्यापिटल लगायत सम्बद्ध निकायहरु तथा यस कम्पनीमा कार्यरत सम्पूर्ण लगनशील कर्मचारीहरु प्रति हार्दिक आभार व्यक्त गर्दै सञ्चालक समिति द्वारा प्रस्तुत प्रतिवेदन सभामा छलफल तथा अनुमोदनको लागि प्रस्तुत गर्दछौं ।

सञ्चालक समितिको तर्फबाट

**प्रेम बहादुर श्रेष्ठ**

अध्यक्ष

पञ्चकन्या माई हाइड्रोपावर लिमिटेड

## धितोपत्र दर्ता तथा निष्काशन नियमावली, २०७३ को नियम २६ को उपनियम (२) संग सम्बन्धित अनुसूचि १५ बमोजिमको विवरण

१. संचालक समितिको प्रतिवेदन : प्रतिवेदनमा खुलाउनु पर्ने विवरणहरु सम्बन्धित शिर्षक अन्तर्गत राखिएको

२. लेखापरीक्षकको प्रतिवेदन : सम्बन्धित शिर्षक अन्तर्गत राखिएको

३. लेखापरीक्षण भएको वित्तीय विवरण : सम्बन्धित शिर्षक अन्तर्गत राखिएको

४. कानूनी कारवाही सम्बन्धी विवरण :

(क) यस कम्पनी र नेपाल विद्युत प्राधिकरण बीच मिति २०६८।१२।२३ मा माथिल्लो माई सी जल विद्युत आयोजनाको लागि सम्पन्न भएको विद्युत खरिद बिक्री सम्झौता अनुसारको व्यापारिक उत्पादन गर्नु पर्ने मिति (RCOD) सम्ममा गर्नु पर्ने प्रगति नभएको भनी नेपाल विद्युत प्राधिकरणले यस कम्पनीले दिएको बैंक जमानत (Performance Guarantee) बापतको जम्मा रु. ३०,६०,०००।- (अक्षरुपी तीस लाख साठी हजार रुपैयाँ) जफत गर्ने निर्णय गरी २४, नभेम्बर २०१५ (तदनुसार २०७२/८/८) मा नबिल बैंक लिमिटेडलाई पत्र पठाएको थियो । यस कम्पनीले नेपाल विद्युत प्राधिकरण बाट बैंक जमानत जफत गर्ने निर्णय विरुद्धमा अन्तरिम आदेश सहितको निषेधाज्ञा जारी गरी पाउँ भनी मिति २०७२।८।९ मा तत्कालिन पुनरावेदन अदालत, पाटनमा रिट निवेदन दर्ता गरेको थियो ।

पुनरावेदन अदालत, पाटन बाट पहिलो सुनुवाईमा उक्त रिटमा अन्तरिम आदेश जारी भएता पनि दोश्रो सुनुवाईमा उक्त अन्तरिम आदेशले निरन्तरता नपाए पछि, यस कम्पनीले सर्वोच्च अदालतमा मिति २०७२।८।२२ मा बेरित को आदेश बदर गर्न र अन्तरिम आदेश जारी गरी पाउँ भनि निवेदन दर्ता गराएको र सर्वोच्च अदालतको संयुक्त इजलास बाट मिति २०७२।९।२० मा पुनरावेदन अदालतको आदेश बदर गरि दिएको र पहिलेको अन्तरिम आदेश लाई निरन्तरता दिएको थियो ।

अन्त्यमा उच्च अदालत, पाटनको मिति २०७३।७।२४ को आदेश अनुसार यस कम्पनीको माग दावी बमोजिमको निषेधाज्ञाको आदेश जारी भई बैंक जमानत जफत गर्ने नेपाल विद्युत प्राधिकरणको निर्णयलाई खारेज गरेको थियो ।

(ख) संगठित संस्थाको संस्थापक वा सञ्चालकले वा संस्थापक वा सञ्चालकको विरुद्धमा प्रचलित नियमको अवज्ञा वा फौजदारी अपराध गरेको सम्बन्धमा कुनै मुद्दा दायर गरेको वा भएको भए,

यस कम्पनीमा जानकारी नभएको

(ग) कुनै संस्थापक वा सञ्चालक विरुद्ध आर्थिक अपराध गरेको सम्बन्धमा कुनै मुद्दा दायर भएको भए,

यस कम्पनीमा जानकारी नभएको

## ५. संगठित संस्थाको शेयर कारोबार तथा प्रगतिको विश्लेषण

आ.व.०७३।७४ र ०७४।७५ मा शेयर कारोबार नभएको

## ६. समस्या तथा चुनौती

### (क) आन्तरिक समस्या तथा चुनौती

- यान्त्रिक उपकरणहरूमा आउन सक्ने प्राविधिक समस्या
- दक्ष जनशक्तिको व्यवस्थापन

### (ख) बाह्य समस्या तथा चुनौती

- संघिय संरचनाबाट हुने असर
- सरकारबाट पाइने सहूलियतमा हुने ढिला सुस्ती
- ऐन नियममा हुने परिवर्तन
- खडेरी, बाढी, पहिरो र प्राकृतिक प्रकोप बाट हुन सक्ने जोखिम

आन्तरिक समस्या तथा चुनौती समाधान गर्न व्यवस्थापनले अवलम्बन गरेको रणनीति प्रतिवेदनमा उल्लेख गरिएको छ ।

## ७. संस्थागत सुशासन

नेपाल धितोपत्र बोर्ड बाट जारी भएको संस्थागत सुशासन निर्देशिका २०७५ लागु भएकोले कम्पनीले यो निर्देशिका कार्यान्वयन प्रारम्भ गरेको छ । प्रचलित ऐन, नियम अनुसार सम्बन्धित नियमनकारी निकायहरु द्वारा जारी गरिएका निर्देशन तथा परिपत्रहरुको पूर्ण रुपमा पालना गर्दै संस्थागत सुशासन लाई उच्च प्राथमिकता दिदै नीति, निर्देशन र नियमको पालना गर्ने प्रतिबद्धता जाहेर गर्दछौं ।

### प्रेमबहादुर श्रेष्ठ

अध्यक्ष, सञ्चालक समिति

पञ्चकन्या माई हाइड्रोपावर लिमिटेड

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE SHARE HOLDERS OF PANCHAKANYA MAI HYDROPOWER LIMITED**

#### **REPORT ON THE FINANCIAL STATEMENTS**

We have audited the attached financial statements of Panchakanya Mai Hydropower Limited, for the period from 1 Shrawan 2073 to 31 Ashad 2074 (16 July 2016 to 15 July 2017), which comprises of the Balance Sheet as at 31 Ashad 2074, Profit & Loss Account, Cash Flow Statement, Statement of Changes in Equity for the year then ended, Schedules forming part of Financial Statements and Significant Accounting Policies and Notes to Accounts.

#### **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

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

#### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Nepal Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **OPINION**

In our opinion, except for the effect of the matter described in the following paragraph, the attached financial statements give a true and fair view of the financial position of Panchakanya Mai Hydro Power Limited as at 31 Ashad, 2074 (15 July 2017) and of its financial performance and cash flows for the year then ended in accordance with Nepal Accounting Standards.

Included in asset is an amount of approximately NPR 30.80 million which relates to cost of constructing a section of tunnel which was damaged. Insurance claim payment for the damage was received from the insurance company during the financial year. This claim receipt has been recognized as other income in the Profit & Loss account but the cost related to the damage is still shown under assets and has not been written off to the Profit & Loss account. Asset value is therefore overstated in the financial statements.


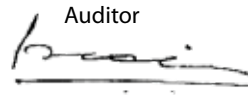
#### **REPORT ON REQUIREMENTS AS PER COMPANIES ACT 2063**

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

1. We have obtained all the information and explanations, which were considered necessary for the purpose for our audit.
2. The books of accounts as required by the prevailing Law have been maintained by the company.
3. The Balance Sheet, the Profit and Loss Account and Cash Flow Statement have been prepared in accordance with Nepal Accounting Standards and are in agreement with the books of accounts maintained by the company.
4. We have not come across the cases where the directors or any representative or any employee of the company has acted against Law or caused any loss or damage to the company or misappropriated any funds of the company.
5. We have no knowledge of accounting fraud committed by the company.
6. The weaknesses in the company's internal controls and accounting system identified during audit have been presented in the Management Letter with recommendations.

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.

Auditor



**Pratap P Pradhan**  
Principal  
PP Pradhan & co  
Chartered Accountants



## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year from 1 Shrawan 2073 to 31 Ashad 2074 (16 July 2016 to 15 July 2017)

Particulars	Sch.	Current Year NPR	Previous Year NPR
<b>OPERATING INCOME</b>			
Electricity Sale to NEA -UMHEP	12	222,646,955	21,863,406
<b>Total Operating Income</b>		<b>222,646,955</b>	<b>21,863,406</b>
<b>OPERATING EXPENSES</b>			
Power Plant Expenses - UMHEP	13	11,966,148	4,117,338
<b>Total Operating Expenses</b>		<b>11,966,148</b>	<b>4,117,338</b>
<b>GROSS OPERATING PROFIT</b>		<b>210,680,808</b>	<b>17,746,068</b>
<b>ADMINISTRATIVE AND OTHER EXPENSES</b>			
Administrative Expenses	15	15,819,637	2,337,770
Interest on Loan	14	128,767,793	8,476,280
Depreciation	15	79,814,583	1,641,765
Loss on Sale of Assets	15	-	26,419
<b>Total Administrative &amp; Other Expenses</b>		<b>224,402,013</b>	<b>12,482,235</b>
<b>INCOME FROM OTHER SOURCES</b>			
Interest Income		24,615	39,884
Other Income		30,796,000	2,108
Foreign Currency Exchange Gain/ (Loss)		-	-
Gain on Sale of Assets		-	-
<b>Total Income From Other Sources</b>		<b>30,820,615</b>	<b>41,992</b>
<b>PROFIT (LOSS) BEFORE EMPLOYEES BONUS &amp; TAX</b>		<b>17,099,409</b>	<b>5,305,825</b>
Provision for Employee's Bonus		335,283	104,036
Provision for Corporate Tax		-	-
Deferred Tax Expenses /(Income)		-	-
<b>NET PROFIT (LOSS) BEFORE APPROPRIATION</b>		<b>16,764,126</b>	<b>5,201,790</b>
<b>APPROPRIATION</b>			
Last Year Balance		5,201,790	-
Profit /Loss for this year		16,764,126	5,201,790
<b>Total</b>		<b>21,965,916</b>	<b>5,201,790</b>
Less: Dividend Paid		-	-
Total Dividend		-	-
Last Years Adjustment		-	-
<b>Balance Transferred to Balance Sheet</b>		<b>21,965,916</b>	<b>5,201,790</b>

**Prem Bahadur Shrestha**  
Chairman

**Dhurba Kumar Shrestha**  
Vice-Chairman

**Santosh Kumar Pradhan**  
Executive Director

**Dinesh Kumar Thapa**  
Finance Manager

**Pratap Prasad Pradhan**  
**PP Pradhan & Co**  
Chartered Accountants

**Date:** December 7, 2018  
**Place:** Kathmandu, Nepal



## STATEMENT OF CASH FLOWS

For the year from 1 Shrawan 2073 to 31 Ashad 2074 (16 July 2016 to 15 July 2017)

	2074-75	2073-74
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the year	16,764,126	5,201,790
<b>Adjustments for:</b>		
Depreciation	79,814,583	1,641,765
Written Off of Assets	-	26,419
Foreign Currency Exchange (Gain)/Loss	-	-
Interest Expenses	-	-
Interest Received	-	-
Dividend Received	-	-
Provision for Expenses	-	-
Expenses written off	-	-
Provisions	-	-
Loss on sale of Immoval assets	-	-
Other non cash expenses	-	-
<b>Movements in working Capital</b>		
1. Decrease(increased) in current assets	131,183,212	(22,632,460)
2. Increase (Decrease) in current liabilities	23,456,571	9,199,382
<b>Total Adjustments</b>	<b>234,454,365</b>	<b>(11,764,894)</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>251,218,492</b>	<b>(6,563,104)</b>
<b>CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES</b>		
1) Interest/Dividend Received	-	-
1) Purchase / Capitalization of Property Plant & Equipments	(2,263,901,806)	(1,699,341)
2) Decrease/(Increase) in Project WIP	1,512,909,382	(844,836,270)
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>(750,992,424)</b>	<b>(846,535,611)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
1) Increase/(Decreased) in Share Capital	152,500,000	266,000,000
2) Increase/(decrease) in Advance for Share Capital	(10,000,000)	(5,000,000)
3) Increased(Decreased) in Long Term Loan	267,540,254	437,277,845
4) Increase/(Decrease) in Short Term Loan	90,683,908	139,503,972
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>500,724,162</b>	<b>837,781,817</b>
<b>Net Changes in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>950,229</b>	<b>(15,316,898)</b>
Opening cash and bank balance	825,804	16,142,702
<b>Closing Cash and Bank Balance</b>	<b>1,776,033</b>	<b>825,804</b>

**Prem Bahadur Shrestha**  
Chairman

**Dhurba Kumar Shrestha**  
Vice-Chairman

**Santosh Kumar Pradhan**  
Executive Director

**Dinesh Kumar Thapa**  
Finance Manager

**Pratap Prasad Pradhan**  
**PP Pradhan & Co**  
Chartered Accountants

**Date:** December 7, 2018  
**Place:** Kathmandu, Nepal

## STATEMENT OF CHANGES IN EQUITY

As at 31st Ashad 2074 (15 July 2017)

	Equity Share Capital
<b>Balance as Ashad 32, 2071 (July 16, 2014)</b>	<b>312,048,000</b>
Changes in in Accounting Policy	-
Restated balance	312,048,000
Surplus on Revaluation of properties	-
Deficit on Revaluation of Investment	-
Current Translation Difference	-
Net gains and losses not recognized in the income statement	-
Net Profit for period	-
Dividend	-
Issue of Share Capital	149,452,000
<b>Balance as Ashad 31, 2072 (July 16, 2015)</b>	<b>461,500,000</b>
Changes in in Accounting Policy	-
Restated balance	461,500,000
Surplus on Revaluation of properties	-
Deficit on Revaluation of Investment	-
Current Translation Difference	-
Net gains and losses not recognized in the income statement	-
Net Profit for period	-
Dividend	-
Issue of Share Capital	266,000,000
<b>Balance as Ashad 31, 2073 (July 15, 2016)</b>	<b>727,500,000</b>
Changes in in Accounting Policy	-
Restated balance	727,500,000
Surplus on Revaluation of properties	-
Deficit on Revaluation of Investment	-
Current Translation Difference	-
Net gains and losses not recognized in the income statement	-
Net Profit for period	-
Dividend	-
Issue of Share Capital	152,500,000
<b>Balance as Ashad 31, 2074 (July 15, 2017)</b>	<b>880,000,000</b>

**Prem Bahadur Shrestha**  
Chairman

**Dhurba Kumar Shrestha**  
Vice-Chairman

**Santosh Kumar Pradhan**  
Executive Director

**Dinesh Kumar Thapa**  
Finance Manager

**Pratap Prasad Pradhan**  
**PP Pradhan & Co**  
Chartered Accountants

**Date:** December 7, 2018  
**Place:** Kathmandu, Nepal

## Schedules forming part of Financial Statements

### Share Capital

#### Schedule -1

Particulars	Current Year NPR	Previous Year NPR
<b>SHARE CAPITAL</b>		
AUTHORISED SHARE CAPITAL		
Authorised Equity Share Capital 19,500,000 Shares of NPR 100	1,950,000,000	1,950,000,000
<b>ISSUED SHARE CAPITAL</b>		
Issued Equity Share Capital 11,000,000 Shares of NPR 100	1,100,000,000	800,000,000
<b>SUBSCRIBED SHARE CAPITAL</b>		
Subscribed Equity Share Capital 8,800,000 Shares of NPR 100	8,800,000,000	727,500,000
<b>PAID UP SHARE CAPITAL</b>		
Paid Up Equity Share Capital 8,800,000 Shares of NPR 100	880,000,000	727,500,000
<b>Total of Paid Up Share Capital</b>	<b>880,000,000</b>	<b>727,500,000</b>
Less: Calls in Arrears	-	-
<b>Total</b>	<b>880,000,000</b>	<b>727,500,000</b>

### General Reserve & Accumulated Profits

#### Schedule- 2

Particulars	Current Year NPR	Previous Year NPR
<b>GENERAL RESERVES &amp; SURPLUS</b>		
Reserve & Surplus upto Last FY	5,201,790	-
This Year Balance	16,764,126	5,201,790
Other Reserve	-	-
<b>Total</b>	<b>21,965,916</b>	<b>5,201,790</b>

### Advance For Share Capital

#### Schedule-3.1

Particulars	"Current Year NPR"	"Previous Year NPR"
Prem Bahadur Shrestha	-	10,000,000
<b>Total</b>	<b>-</b>	<b>10,000,000</b>

### Medium and Long Term Loan

#### Schedule-3.2

Particulars	Current Year NPR	Previous Year NPR
Term Loan - UMHEP	1,406,563,865	1,495,188,845
Term Loan - UM C HEP	659,204,005	376,488,772
<b>Total</b>	<b>2,065,767,870</b>	<b>1,871,677,617</b>

## Schedule forming part of the financial statement

## Schedule-4.1

Up to 1st Shrawan 2073	Cost Price of the Assets	Addition during the year	Disposal during the Year	Total Current Year	Deprecia- tion brought forward	Depreciation during the year	Total Depri- ciation	Total Assets at year end
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
750,202	1,385,129	359,000	-	1,744,129	634,927	244,051	878,978	865,152
397,836	928,359	44,250	-	972,609	530,523	94,942	625,466	347,143
570,098	1,705,853	80,500	-	1,786,353	1,135,755	154,233	1,289,988	496,365
4,647,432	10,417,569	-	-	10,417,569	5,770,137	901,759	6,671,895	3,745,673
-	46,752	-	-	46,752	46,752	-	46,752	-
-	48,951	-	-	48,951	48,951	-	48,951	-
74,367	362,827	167,692	-	530,519	288,460	72,406	360,866	169,653
<b>6,439,935</b>	<b>14,895,440</b>	<b>651,442</b>	<b>-</b>	<b>15,546,882</b>	<b>8,455,505</b>	<b>1,467,391</b>	<b>9,922,896</b>	<b>5,623,986</b>
5,727,387	5,727,387	3,475,320	-	9,202,707	-	316,680	316,680	8,886,028
2,804,747	2,804,747	116,625	-	2,921,372	-	100,529	100,529	2,820,843
-	-	50,824,498	-	50,824,498	-	1,748,950	1,748,950	49,075,548
-	-	646,804,433	-	646,804,433	-	22,257,551	22,257,551	624,546,882
-	-	545,265,280	-	545,265,280	-	18,763,430	18,763,430	526,501,850
-	-	494,629,065	-	494,629,065	-	17,020,959	17,020,959	477,608,106
-	-	321,942,006	-	321,942,006	-	11,078,527	11,078,527	310,863,478
-	-	24,729,474	-	24,729,474	-	850,980	850,980	23,878,495
-	-	175,463,663	-	175,463,663	-	6,037,979	6,037,979	169,425,684
369,456	1,165,420	-	-	1,165,420	795,964	73,891	869,855	295,565
<b>8,901,590</b>	<b>9,697,554</b>	<b>2,263,250,364</b>	<b>-</b>	<b>2,272,947,918</b>	<b>795,964</b>	<b>78,249,476</b>	<b>79,045,440</b>	<b>2,193,902,478</b>
1,630,084	1,630,084	-	-	1,630,084	-	-	-	1,630,084
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
488,580	635,000	-	-	635,000	146,420	97,716	244,136	390,864
<b>2,118,664</b>	<b>2,265,084</b>	<b>-</b>	<b>-</b>	<b>2,265,084</b>	<b>146,420</b>	<b>97,716</b>	<b>244,136</b>	<b>2,020,948</b>
<b>17,460,189</b>	<b>26,858,078</b>	<b>2,263,901,806</b>	<b>-</b>	<b>2,290,759,884</b>	<b>9,397,889</b>	<b>79,814,583</b>	<b>89,212,472</b>	<b>2,201,547,412</b>

## DETAILS OF CAPITAL WORK IN PROGRESS (CWIP) : ASHAD END 2074

Schedule forming part of the financial statement

### UMHEP-CWIP

### Schedule 4.2

Account Head	Previous Year NPR	Addition During the Year NPR	Reclassified During the Year NPR	Current Year NPR
<b>UMHEP-Project Development Cost (WIP)</b>				
UMHEP-Project Study, License & PPA-WIP	8,135,350	-	(8,135,350)	-
UMHEP-Survey, Engineering & Consultancy-WIP	8,552,776	-	(8,552,776)	-
UMHEP-Staff Cost	16,891,598	48,534	(16,940,132)	-
UMHEP-Office Overhead	9,238,080	60	(9,238,140)	-
UMHEP-TADA & Transportation WIP	4,815,467	-	(4,815,467)	-
UMHEP-Vehicle Operation WIP	9,734,402	-	(9,734,402)	-
UMHEP-Photo, Audio & Video WIP	53,917	-	(53,917)	-
UMHEP-Field Consumable WIP	887,062	-	(887,062)	-
UMHEP-Pre Operation Expenses	53,694,774	-	(53,694,774)	-
	<b>112,003,425</b>	<b>48,594</b>	<b>(112,052,019)</b>	-
<b>UMHEP-IDC</b>	371,270,784	-	(371,270,784)	-
UMHEP-Financing Fees & Charges	3,692,381	-	(3,692,381)	-
UMHEP-Bank Commission & Others	13,014,202	538,870	(13,553,072)	-
UMHEP-Financing-consultancy fee and charges	4,339,728	696,984	(5,036,712)	-
UMHEP-Financing Expenses & Charges	2,948	-	(2,948)	-
UMHEP-Interest on BGL & Other Interest	11,065,299	-	(11,065,299)	-
	<b>403,385,341</b>	<b>1,235,854</b>	<b>(404,621,195)</b>	-
UMHEP-Land Acquisitions (WIP)				
Land Dev. & Acquisition-WIP	250,114	-	(250,114)	-
	<b>250,114</b>	-	<b>(250,114)</b>	-
<b>UMHEP-Infrastructure Development WIP</b>				
UMHEP-Camp, Shades, Stores & Temporary Housing-WIP	339,406	-	(339,406)	-
UMHEP-Permanent Housing-WIP	32,825,630	-	(32,825,630)	-
UMHEP-Access Road-WIP	63,992,747	371,000	(64,363,747)	-
	<b>97,157,783</b>	<b>371,000</b>	<b>(97,528,783)</b>	-
<b>UMHEP-Power Plants Civil Works (WIP)</b>				
UMHEP-CIVIL-Consultancy fees & Charges-WIP	478,296	-	(478,296)	-
UMHEP-CIVIL-Engineering Design-WIP	12,048,664	-	(12,048,664)	-
UMHEP-CIVIL-Physical Model & Study-WIP	5,182,400	-	(5,182,400)	-
UMHEP-CIVIL-Construction Contracts-WIP	290,748,216	123,811,791	(414,560,007)	-
UMHEP-CIVIL-Construction Mgmt & Supervision-WIP	34,239,760	240,427	(34,480,187)	-
UMHEP-CIVIL-Headworks Construction WIP	110,000	-	(110,000)	-
UMHEP-CIVIL-Waterway Construction WIP	98,900	239,365	(338,265)	-
UMHEP-CIVIL-PowerHouse Construction WIP	7,545,877	-	(7,545,877)	-
	<b>350,452,114</b>	<b>124,291,583</b>	<b>(474,743,696)</b>	-
<b>UMHEP-Power Plant Tunnel Works (WIP)</b>				
UMHEP-Tunnel-Consultancy Fee & Charges-WIP	395,500	-	(395,500)	-
UMHEP-Tunnel-Engineering Design-WIP	966,150	-	(966,150)	-
UMHEP-Tunnel-Construction Contracts-WIP	250,659,017	14,468,317	(265,127,335)	-
UMHEP-Tunnel-Construction Mgmt & Supervision-WIP	26,408,840	237,800	(26,646,640)	-
UMHEP-Tunnel-Bunker & Army Camp & Housing-WIP	4,478,707	-	(4,478,707)	-
UMHEP-Tunnel-Explosives & Supply Management-WIP	31,776,734	-	(31,776,734)	-
UMHEP-Tunnel-Supplies & Materials-WIP	66,893,491	-	(66,893,491)	-
UMHEP-Tunnel-Supporting Construction Works	1,069,963	-	(1,069,963)	-
	<b>382,648,403</b>	<b>14,706,117</b>	<b>(397,354,520)</b>	-
<b>UMHEP-Power Plant Penstock &amp; Hydro Mechanical (WIP)</b>				
UMHEP-HM-Engineering Design-WIP	599,350	-	(599,350)	-
UMHEP-HM-Construction Contracts-WIP	102,733,346	38,131,753	(140,865,099)	-
UMHEP-HM-Construction Mgmt & Supervision-WIP	9,136,572	150,000	(9,286,572)	-

UMHEP-HM-Construction Material & Supplies	85,549,057	-	(85,549,057)	-
	<b>198,018,325</b>	<b>38,281,753</b>	<b>(236,300,078)</b>	-
<b>UMHEP-Power Plant Electro Mechanical (WIP)</b>				
UMHEP-EM-Construction Contracts-WIP	341,425,012	14,049,378	(355,474,390)	-
UMHEP-EM-Construction Mgmt & Supervision-WIP	7,575,118	-	(7,575,118)	-
	<b>349,000,129</b>	<b>14,049,378</b>	<b>(363,049,507)</b>	-
<b>UMHEP- Construction Power -WIP</b>				
UMHEP-CP-11KV Transmission Line-WIP	8,339,403	-	(8,339,403)	-
UMHEP-CP-Distribution Line-WIP	41,239	-	(41,239)	-
UMHEP-CP-NEA, Electricity Purchased	9,770,380	-	(9,770,380)	-
	<b>18,151,023</b>	-	<b>(18,151,023)</b>	-
<b>UMHEP-Transmission Line &amp; Sub Station (WIP)</b>				
UMHEP-SS-Construction Mgmt & Supervision-WIP	1,500	-	(1,500)	-
UMHEP-TL-Charges & Development-WIP	1,226,134	-	(1,226,134)	-
UMHEP-TL-Survey, Design & Consultancy Fee Exp-WIP	4,507,688	-	(4,507,688)	-
UMHEP-TL-Construction Contracts-WIP	86,716,062	33,444,454	(120,160,515)	-
UMHEP-TL-Construction Mgmt & Supervision-WIP	2,891,573	-	(2,891,573)	-
	<b>95,342,957</b>	<b>33,444,454</b>	<b>(128,787,410)</b>	-
<b>UMHEP- Socio-Environment &amp; Mitigation (WIP)</b>				
UMHEP-Initial Environment Examination WIP	35,974	-	(35,974)	-
UMHEP-Mitigation Works	16,126,572	-	(16,126,572)	-
UMHEP-Donation and Social Related Exp-WIP	4,132,847	-	(4,132,847)	-
	<b>20,295,393</b>	-	<b>(20,295,393)</b>	-
<b>Total of UMHEP- CWIP</b>	<b>2,026,705,006</b>	<b>226,428,733</b>	<b>(2,253,133,739)</b>	-

**UM'C'HEP-CWIP****Schedule 4.3**

Account Head	Previous Year NPR	Additional During the Year NPR	Reclassified During the Year NPR	Current Year NPR
<b>UM'C'HEP-Project Development Cost (WIP)</b>				
UM'C'HEP-Study, License, & PPA Related Cost-WIP	4,678,771	141,250	-	4,820,021
UM'C'HEP-Survey, Engineering & Consultancy-WIP	8,408,432	963,325	-	9,371,757
UM'C'HEP-Staff Cost-Indirect-WIP	5,072,175	10,109,067	-	15,181,242
UM'C'HEP-Office Overhead-WIP	3,714,749	10,009,798	-	13,724,548
UM'C'HEP-TA/DA & Transportation cost-WIP	2,163,532	1,986,753	-	4,150,285
UM'C'HEP-Vehicle Operation-WIP	2,622,758	2,826,472	-	5,449,229
	<b>26,660,418</b>	<b>26,036,664</b>	-	<b>52,697,082</b>
<b>UM'C'HEP-IDC, Financing &amp; Fees-WIP</b>				
UM'C'HEP-IDC-WIP	13,974,877	49,527,540	-	63,502,417
UM'C'HEP-Financing Fees-WIP	3,581,228	-	-	3,581,228
UM'C'HEP-Bank Commission & Charges-WIP	2,809,216	16,077,495	-	18,886,712
UM'C'HEP-Financial Consultancy Charges, Fees & Exp.	1,520,980	655,965	-	2,176,945
	<b>21,886,302</b>	<b>66,261,000</b>	-	<b>88,147,302</b>
<b>UM'C'HEP-Land Acquisitions (WIP)</b>				
UM'C'HEP-Land Dev. & Acquisition-WIP	2,200,581	1,507,500	-	3,708,081
	<b>2,200,581</b>	<b>1,507,500</b>	-	<b>3,708,081</b>
<b>UM'C'HEP-Infrastructure Development WIP</b>				
UM'C'HEP-Camp & Temporary Housing-WIP	343,017	75,864	-	418,881
UM'C'HEP-Permanent Housing-WIP	-	3,265,024	-	3,265,024
UM'C'HEP-Access Roads-WIP	24,904,784	15,520,870	-	40,425,654
UM'C'HEP-Shades & Stores-WIP	261,450	-	-	261,450
	<b>25,509,251</b>	<b>18,861,758</b>	-	<b>44,371,010</b>



<b>UM'C'HEP-Power Plants Civil Works (WIP)</b>				
UM'C'HEP-CIVIL-Construction Contracts-WIP	15,871,403	209,173,627	-	225,045,030
UM'C'HEP-CIVIL-Construction Mgt. & Supervision-WIP	5,223,080	12,030,692	-	17,253,772
UM'C'HEP-CIVIL-HeadWorks-WIP	-	22,300	-	22,300
UM'C'HEP-CIVIL-Waterways-WIP	-	1,838,549	-	1,838,549
UM'C'HEP-CIVIL-PowerHouses-WIP	-	2,675,606	-	2,675,606
	<b>21,094,483</b>	<b>225,740,774</b>	-	<b>246,835,256</b>
<b>UM'C'HEP-Power Plant Tunnel Works (WIP)</b>				
UM'C'HEP-TUNNEL-Construction Contracts-WIP	54,690,289	78,118,217	-	132,808,506
UM'C'HEP-TUNNEL-Construction Mgt. & Supervision-WI	7,609,210	7,542,628	-	15,151,838
	<b>62,299,499</b>	<b>85,660,845</b>	-	<b>147,960,344</b>
<b>UM'C'HEP-Power Plant Penstock &amp; Hydro Mechanical (WIP)</b>				
UM'C'HEP-HM-Construction Contrscts-WIP	79,313,249	14,729,326	-	94,042,575
UM'C'HEP-HM-Construction Mgt. & Supervision-WIP	2,706,256	4,303,670	-	7,009,926
	<b>82,019,505</b>	<b>19,032,996</b>	-	<b>101,052,501</b>
<b>UM'C'HEP-Power Plant Electro Mechanical (WIP)</b>				
UM'C'HEP-EM-Construction Contracts-WIP	129,685,847	46,827,291	-	176,513,138
UM'C'HEP-EM-Construction Mgt. Supervision-WIP	1,571,878	2,155,327	-	3,727,206
	<b>131,257,725</b>	<b>48,982,619</b>	-	<b>180,240,344</b>
<b>UM'C'HEP-Construction Power</b>				
UM'C'HEP-CP-Disel & Other Lubricants -WIP	4,085,358	6,775,657	-	10,861,015
UM'C'HEP-CP-Distribution Line-WIP	2,534,934	149,766	-	2,684,700
	<b>6,620,291</b>	<b>6,925,423</b>	-	<b>13,545,715</b>
<b>UM'C'HEP-Transmission Line &amp; Sub Station (WIP)</b>				
UM'C'HEP-TL-Survey & Engineering Design-WIP	91,750	-	-	91,750
UM'C'HEP-TL-Construction Contracts-WIP	34,300,216	1,227,000	-	35,527,216
UM'C'HEP-TL-Construction Mgt. & Supervision-WIP	11,443,898	1,503,264	-	12,947,162
	<b>45,835,864</b>	<b>2,730,264</b>	-	<b>48,566,128</b>
<b>UMHEP- Socio-Environment &amp; Mitigation (WIP)</b>				
UM'C'HEP-Initial Environment Examination(IEE)-WIP	300,000	-	-	300,000
UM'C'HEP-Mitigation Related Expenses-WIP	9,147,880	11,815,280	-	20,963,160
UM'C'HEP-Donation Related Expenses-WIP	2,235,220	240,500	-	2,475,720
	<b>11,683,100</b>	<b>12,055,780</b>	-	<b>23,738,880</b>
<b>Total of UM'C'HEP- CWIP</b>	<b>437,067,019</b>	<b>513,795,624</b>	-	<b>950,862,643</b>

## Schedules forming part of Financial Statements

Financial Year 2073/74

### Commercial and Other Receivables

#### Schedule- 7

Particulars	Current Year NPR	Previous Year NPR
<b>Nepal Electricity Authority (NEA)</b>	29,254,413	21,863,406
	<b>29,254,413</b>	<b>21,863,406</b>

### Cash & Bank Balances

#### Schedule-8

Particulars	Current Year NPR	Previous Year NPR
<b>BANK</b>		
Nepal Investment Bank Ltd Current A/C 004 8163300	32,831	32,831
Nabil Bank Ltd. Current 010101 7500 819	-	-
Sunrise Bank Ltd. Ilam Current 012 012 0000 8 0c	474,708	480,859
NMB Bank Lts. Current-00100001941A	102,897	102,897
NABIL Bank Ltd. Kantipath Call & Current 0106017500107	5,744	-
Global Bank Ltd. HO Current 010 10 0006550	876,970	3,217
Sunrise Bank Ltd. HO Current 002 014 600 c	5,000	5,000
NMB - NMB Bank Ltd. - 066003003416790001	10,000	39,650
Nabil Bank Ltd. (UMHEP-C)-970101017500065	-	-
EBL - Everest Bank Ltd. 00110105200001	9,303	1,571
NBL - Nepal Bank Ltd.- 22556000002	139,582	59,842
Nabil Revenue Acc# 9701017500072 - UMHEP	-	-
<b>Total of Bank</b>	<b>1,657,035</b>	<b>725,866</b>
<b>CASH</b>		
Cash HO	46,494	18,940
Cash SO	72,504	80,998
<b>Total of Cash</b>	<b>118,998</b>	<b>99,938</b>
<b>Total of Bank &amp; Cash</b>	<b>1,776,033</b>	<b>825,804</b>

### Advances & Deposits

#### Schedule-9

Particulars	Current Year NPR	Previous Year NPR
Advance to Staffs (Office Purpose)	200,112	1,344,662
Advance to Consultant & Contractors	113,538,689	259,924,254
Advance to Land Owner for Land Purchase	2,388,444	1,765,656
MVHPL-Advance to Sundry Creditors	250,000	-
Advance to Material Supplier	6,073,799	1,823,799
MVHPL-Prepaid Exp	5,580,828	4,940,125
Advance Tax	75,710	75,710
Deposits & Margins	6,841,281	3,648,875
<b>Total</b>	<b>134,948,863</b>	<b>273,523,081</b>

### Current liabilities and payables

#### Schedule-10.1

Particulars	Current Year NPR	Previous Year NPR
MVHPL-Sundry Creditors	2,608,931	4,117,338
Audit Fee Payable	139,375	139,375
Liabilities to Employee	605,264	605,264
Other Miscellaneous Payables	-	257,770
Payable to Material Supplier	-	497,250
Payables to Consultants & Contractors	2,510,775	2,129,262
Provident Fund Payable (CIT)	1,294,165	-
MVHPL-Liabilities to Baord Directors & Members	4,984,862	-
Retention Money Payable	50,709,398	33,435,529
Salary Payable	2,275,134	253,837
TDS Payable	2,504,512	2,971,467
<b>Total</b>	<b>67,632,415</b>	<b>44,407,091</b>

**Short Term borrowing****Schedule-10.2**

Particulars	Current Year NPR	Previous Year NPR
Advance & Loans From ShareHolders	42,500,000	-
Bridge Gap Loan	-	96,000,000
Short Term Loan	220,000,000	-
Working Capital Loan	19,952,880	19,462,421
Term Loan -Upper Mai 12WM repayable within a year	-	73,450,000
Nabil Bank Ltd. Current 010101 7500 819 -OD	42,750	3,091,551
Nabil Bank Ltd. (UMHEP-C)-970101017500065-OD	192,250	-
<b>Total</b>	<b>282,687,880</b>	<b>192,003,972</b>

**Provisions****Schedule-11**

Particulars	Current Year NPR	Previous Year NPR
Provision for expenses	335,283	104,036
<b>Total</b>	<b>335,283</b>	<b>104,036</b>

**Electricity Sale - UMHEP****Schedule-12**

Particulars	Current Year NPR	Previous Year NPR
Electricity Sale to Nepal Electricity Authority	222,646,955	21,863,406
<b>Total</b>	<b>222,646,955</b>	<b>21,863,406</b>

**Power Plant Generation Expenses - UMHEP****Schedule-13**

Particulars	Current Year NPR	Previous Year NPR
Electricity Purchased from NEA	68,189	5,040
Royalties	5,572,938	512,784
Fines & Penalties	3,974,880	3,599,514
Power Plant Operation & Maintenance	1,938,018	-
Transmission Line & Substation Repair & Maintenance	412,122	-
<b>Total</b>	<b>11,966,148</b>	<b>4,117,338</b>

**Interest Expenses****Schedule 14**

Account Head	Current Year NPR	Previous Year NPR
Interest on Long Term Loan -UMHEP	125,293,416	8,474,670
Interest on Working Capital Loan - UMHEP	3,474,378	1,610
<b>Total Interest Expenses</b>	<b>128,767,793</b>	<b>8,476,280</b>

**Adminstrative Expenses****Schedule 15**

<b>Account Head</b>	<b>Current Year NPR</b>	<b>Previous Year NPR</b>
<b>UMHEP ADMINSTRATIVE EXPENSES</b>		
Staff Cost	5,495,615	291,200
Office Overhead	319,764	-
Vehicle Operation & Maintinance	-	-
Insurance	5,017,852	54,738
Power Plant Repair & Maintinance	-	-
Enviromental, Community & Mitigation	-	-
	<b>10,833,231</b>	<b>345,938</b>
<b>Other Administrative Expenses</b>		
MVHPL- Salary	2,371,814	610,838
MVHPL- Staff Insurance	96,289	-
MVHPL- Dashain Allowances	2,000	-
MVHPL-Rent	419,848	-
MVHPL-Electricity & water	35,633	28,231
MVHPL-House Keeping	1,733	32,446
MVHPL-Office Supplies, Equipment & Tools	2,533	23,181
MVHPL-Repair & Maintenance	-	3,490
MVHPL-Computer, Printer, & Photocopy Exp	35,984	19,002
MVHPL-Stationary, Printing, copy & Binding exp	69,739	13,940
MVHPL-Communication Related Exp	143,754	37,595
MVHPL-Postage & Charges	-	5,675
MVHPL-Advertisement, Publicity & Notice Exp	86,977	-
MVHPL-Books News Paper & Magazines	13,850	-
MVHPL-Gift & Donation	125,200	5,000
MVHPL-Membership & Renewal Fee & Exp	20,000	-
MVHPL-Transportation (Localconvience) & Taxes	71,446	32,110
MVHPL-Office Meeting Exp	1,545	-
MVHPL-Staff Refreshment Exp	86,689	48,187
MVHPL-Guest Entertainment Exp	107,784	103,542
MVHPL-Bank Charges, Mgt fee & Other Charges	317,266	1,100
MVHPL-Audit Fee & Exp	141,250	141,250
MVHPL-Board Meeting Fee & Exp	119,333	-
MVHPL-Rates, Taxes, Legal Fee & Exp	359,987	886,246
MVHPL- IPO Expenses	355,750	-
	<b>4,986,406</b>	<b>1,991,832</b>
MVHPL-Depreciation Exp	79,814,583	1,641,765
Disposal Of Assets - Loss	-	26,419
<b>Total of Adminstrative Expenses</b>	<b>95,634,220</b>	<b>4,005,954</b>

# Panchakanya Mai Hydropower Limited

## Significant Accounting Policies and Notes to Accounts

For Financial Year 2073/074 (2016/17)

### 1. General Information

Panchakanya Mai Hydro Power Public Limited (PMHPL), previously known as Mai Valley Hydropower Private Limited, was established on 16 Magh 2059 as East Nepal Development Endeavour Private Limited under Companies Act with the objectives of:

- Developing the infrastructure for production of electricity in different capacities,
- Distributing power produced throughout the country,
- Importing and exporting foreign equipment and hydro-power related equipment including management of technical manpower and others.

The Company has currently undertaken two Projects, Upper Mai Hydroelectric Project (12 MW) and Upper Mai 'C' (cascade) Hydroelectric Project (6.1MW) located at Mabu and Sulubung VDCs of Illam, east of Nepal.

Among two projects, Upper Mai Hydro Electricity Project with capacity of 12 MW has obtained license from DoED on 03 Bhadra 2067 which is effective from 23 Shrawan 2067 to 22 Shrawan 2102. Total capacity of the project has been revised from 9.98 MW to 12 MW on 01 Bhadra 2073. Power Purchase Agreement for the same has been entered on 13 Shrawan 2068. The project came into commercial operation on 09 Ashad 2074.

The other project, Upper Mai 'C', with the initial installed capacity of 5.1 MW has been extended to 6.1 MW duly approved from DoED on 04 Ashwin 2066. Generation license of the project has been obtained from DoED on 26 Ashad 2070 with effective from 21 Ashad 2070 with validity date till 20 Ashad 2105. The project came into commercial operation from 09 Shrawan 2074.

### 2. Significant Accounting Policies

#### 2.1 Basis of accounting and presentation

Except otherwise stated hereinafter, the financial statements are prepared in accordance with Nepal Accounting Standards.

#### 2.2 Fixed Assets

**2.2.1** Fixed assets are reflected at historical cost.

**2.2.2** Depreciation on Upper Mai HEP Project Assets has been calculated under Straight Line Method (SLM) up to the Project Generation License Period.

**2.2.3** Depreciation on other fixed assets has been considered under Written down Value (WDV) methods prescribed by Income Tax Act 2058 BS. These rates are not consistent with the provisions of Nepal Accounting Standards (NAS).

**2.2.4** Fixed assets are categorized as per the nature and durability of items purchased, irrespective of value (in some cases very insignificant values are accounted as fixed assets as well). Fixed Assets, UMHEP-132KV Transmission Line Land amounting NRs 2,804,747, UMHEP Land amounting `NPR 5,727,387 and UMHEP Construction Equipment's and Tools amounting NPR 1,165,420 previously shown under Property Plant & Equipment – Other, has been re- categorized and shown under Property Plant & Equipment-UMHEP during this Fiscal Year.

**2.2.5** Cost of fixed assets has been determined by including purchase price and all costs incidental to bring the asset to usable condition in line with Nepal Accounting Standards (NAS).

### 2.3 Capital Work in Process (CWIP)

The Company has categorized capital expenditures under Capital Work in Progress (CWIP) under different categories. The Company has the policy to include all project Overhead costs, direct or indirect, as part of the capital assets. Indirect overhead cost is allocated to different capital items proportionately on the basis of their cost.

#### 2.3.1 CAPITALIZATION OF WIP FOR UPPER MAI (12MW) PROJECT

The commercial operation of Upper Mai (12 MW) project had started on 9 Ashad 2073 but the company has capitalized the Upper Mai WIP as on 29.09.2073 and depreciation on the same capitalized assets has been calculated as per SLM basis and charged during the Financial Year 2073-74 accordingly.

#### 2.3.2 PRE-OPERATING COSTS-UMHEP

Pre-operating cost incurred under CWIP-UMHEP amounting to NPR 53,694,774 appearing under 'UMHEP-Project Development WIP' has been capitalized during the Fiscal Year. These expenses are of administrative in nature. The management is of the opinion that the expenses are directly related to project development and would not have been incurred if the project development had not

been started, hence they have been presented under CWIP. Nepal Accounting Standards (NAS 6, paragraph 19d) states that administration and general overhead cannot be included in cost of asset. However the management of the Company believes that as these costs would not have been incurred in the absence of the project, these costs are directly related to project development.

## 2.4 Revenue Recognition

Revenue of Upper Mai Hydroelectric Project for the year ended 31 Ashad 2074 is

NPR 222,646,955. Revenue has been booked from 1 Shrawan 2073 and depreciation has been charged for the period from 1 Shrawan, 2073 to 31 Ashad, 2074 although the capitalization of the cost associated with the revenue was done on 29 Poush, 2073. Company had claimed the total chargeable contract energy of Upper Mai Hydroelectric Project with the new rate of NPR 4.80 per KWh for Wet Season & 8.40 per KWh for Dry Season but NEA has calculated the revenue using old rate of NPR 3.90 per KWh in Wet Season & NPR 5.52 per KWh for Dry Season for energy up to 3.1MW. The company is in the process of negotiation for new PPA rates for 3.1MW too.

## 2.5 Other Income

Insurance claim of NPR 30,796,000 received during the year has been recorded as other income. However, the cost related to the claim received has not be written off from the total cost of asset under UMHEP. The management is of the opinion that the claim amount does not diminish the value of assets.

## 2.6 Recurring Inventory

Recurring inventory such as stationery, fuel etc. has been expensed off at the time of procurement as per general practice of the Company.

## 3. Explanatory Notes to Accounts

### 3.1 Share capital

Authorized capital of the company has been increased to NPR 1,950 million with issued capital of NPR 1,100 million duly approved from the Office of Company Registrar (CRO) on 30 Ashad 2074. The paid up capital is NPR 880 million on 30 Ashad 2074.

### 3.2 Borrowing

Company has availed total loan of NPR 2,065,801,683 as on 31 Ashad 2074 out of which loan of NPR 1,406,599,311 is the Term Loan for Upper Mai Hydroelectric Project (12 MW) from the Consortium Bank (Lead Bank: Nabil Bank Limited and Member Banks: Global IME Bank Limited, Everest Bank Limited, Nepal Bank Limited and NMB Bank Limited as member banks) and loan of NPR 659,202,372 is the Term Loan for Upper Mai C Hydroelectric Project (5.1MW) from Consortium Banks (Lead Bank: Nabil Bank Limited Member Banks: Everest Bank Limited, Global IME Bank Limited, Nepal Bank Ltd.).

Moreover, the company has borrowed a loan amount of NRs 42,500,000 from the Chairman of the company.

### 3.3 Shareholders

The number of shareholders has been increased from 3 to 13 which were duly approved from the Office of Company Registrar (CRO) on 24 Bhadra 2073. The major shareholder is Panchakanya Power Development Private Limited with a holding of 49.03%.

### 3.4 Related Party Transaction

There has been no related party transaction during Financial Year 2073-74.

### 3.5 Project development cost

Project development cost included in expenditure not written off for Upper Mai and Upper Mai "C" has been shown under the head UMHEP-CWIP & UM'C'HEP-CWIP respectively, accordingly previous year's figures has been regrouped.

### 3.6 Commercial Date of operation

Upper Mai Hydroelectric Project of Company has come into commercial operation from 09 Ashad 2073 and the Upper Mai C Hydroelectric Project of Company has come into commercial operation from 09 Shrawan 2074.

### 3.7 Subsequent Event

No significant event has happened after Balance Sheet date that requires disclosure.

### 3.8 Penalty Amount

NEA has calculated total penalty amount of NPR 3,974,880 for Upper Mai Hydroelectric Project due to the shortfall in the production of contracted amount of energy for the month of Jestha 2074.

### 3.9 Receivables

Management has considered all commercials and other receivables and advance and deposits as good requiring no provisioning.

### 3.10 Legal Case

As per the PPA, the Required Commercial Operation Date (ROCD) of the Upper Mai C Hydroelectric Project is 12 Chaitra 2071. As per clause 38.15 of the PPA, if PMHPL fails to achieve 50% physical progress at site within the ROCD, the performance guarantee of Rs. 3,060,000 will be invoked. NEA, vide its letter dated 09 Poush 2072, has invoked the guarantee claiming and demanding encashment of the same. PMHPL applied to the Appellate

Court against the decision of NEA on 09 Mangsir 2072. The Appellate court issued stay order in first hearing and later decided in favor of NEA on 22 Mangsir 2072. Later, PMHPL appealed in the Supreme Court against the decision of the Appellate Court on 23 Mangsir 2072. The Supreme Court issued a stay order to the Appellate Court to again review the decision. This decision was done in favor of Panchakanya Mai Hydro on 25 Kartik 2073 from Appellate court and company is in the process for cancelling the Performance Guarantee.

### 3.11 Contingent Liabilities

No contingent liability exists at the year end.

### 3.12 Regrouping of figures in Financials

Previous year's figures are regrouped or rearranged wherever necessary.

### 3.13 Rounding off figures

Figures are rounded off to the nearest rupee.



## INDEPENDENT AUDITOR'S REPORT

### TO THE SHARE HOLDERS OF PANCHAKANYA MAI HYDROPOWER LIMITED

#### QUALIFIED OPINION

We have audited the attached financial statements of Panchakanya Mai Hydropower Limited, for the period from 1 Shrawan 2074 to 32 Ashad 2075 (16 July 2017 to 16 July 2018), which comprises of the Balance Sheet as at 32 Ashad 2075, Profit & Loss Account, Cash Flow Statement, Statement of Changes in Equity for the year then ended, Schedules forming part of Financial Statements and Significant Accounting Policies and Notes to Accounts.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements give a true and fair view of the financial performance of **Panchakanya Mai Hydropower Limited** as at 32 Asadh 2075 (16 July 2018) and of its financial performance and cash flows for the year then ended in accordance with Nepal Accounting Standards

#### BASIS FOR QUALIFIED OPINION

Included in asset is an amount of approximately NPR 30.80 million which relates to cost of constructing a section of tunnel which was damaged in last fiscal year 73/74. Insurance claim payment for the damage was received from the insurance company during the fiscal year 73/74. This claim receipt was recognized as other income in the Profit & Loss account in FY 73/74 but the cost related to the damage was shown under assets and had not been written off to Profit & Loss account. The opening balance of asset value in this regards is therefore overstated in the financial statement.

Further, the Institute of Chartered Accountants of Nepal (ICAN) changed the applicable financial reporting framework for all other listed companies or all other entities not defined as SMEs (Small and Medium Enterprises) to Nepal Financial Reporting Standards (NFRS) from Nepal Accounting Standards (NAS) effective from financial year 2073/74 (2016/17) onwards. However, Panchakanya Mai Hydropower Limited has prepared accompanying financial statement in accordance with NAS. Please refer to notes to accounts 2.1 Basis of accounting and presentation.

#### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENT

Management of the company is responsible for the preparation and fair presentation of these financial statements in accordance with Nepal Accounting Standards. This responsibility includes:

designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENT

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Nepal Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

#### REPORT ON REQUIREMENTS AS PER COMPANIES ACT 2063

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

1. We have obtained all the information and explanations, which were considered necessary for the purpose for our audit.
2. The books of accounts as required by the prevailing Law have been maintained by the company.
3. The Balance Sheet, the Profit and Loss Account and Cash Flow Statement have been prepared in accordance with Nepal Accounting Standards. the Institute of Chartered Accountants of Nepal (ICAN) changed the applicable


financial reporting framework for all other listed companies or all other entities not defined as SMEs (Small and Medium Enterprises) to Nepal Financial Reporting Standards (NFRS) from Nepal Accounting Standards (NAS) effective from financial year 2073/74 (2016/17) onwards. However, Panchakanya Mai Hydropower Limited has prepared accompanying financial statement in accordance with NAS. Please refer to notes to accounts 2.1 Basis of accounting and presentation.

4. We have not come across the cases where the directors or any representative or any employee of the company has acted against Law or caused any loss or damage to the company or misappropriated any funds of the company.

5. We have no knowledge of accounting fraud committed by the company.
6. The weaknesses in the company's internal controls and accounting system identified during audit have been presented in the Management Letter with recommendations.

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.

Auditor



**Pratap P Pradhan**

Principal  
PP Pradhan & co  
Chartered Accountants

Date: 13 January 2019

Place: Kathmandu

## I. BALANCE SHEET

AAs at 32 Ashad 2075 (16 July 2018)

(in NPR)

	Sch.	Current Year NPR	Previous Year NPR
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property Plant & Equipment-UMHEP	4.1	2,115,667,780	2,193,902,478
Property Plant & Equipment-UMCHEP	4.1	1,160,821,147	-
Property Plant & Equipment-Other	4.1	4,236,892	7,644,934
Capital-WIP		-	-
UMHEP-12MW		-	-
UMCHEP -6.1MW	4.2	-	950,862,643
		<b>3,280,725,819</b>	<b>3,152,410,055</b>
<b>Current Assets</b>			
Commercial & Other Receivables	5	49,766,638	29,254,413
Cash & Bank	6	13,342,089	1,776,033
Advance & Deposits	7	12,961,965	134,948,863
		<b>76,070,692</b>	<b>165,979,309</b>
<b>Total Assets</b>		<b>3,356,796,511</b>	<b>3,318,389,364</b>
<b>Equity &amp; Liabilities</b>			
Share Capital	1	995,500,000	880,000,000
Reserve & Surplus	2	(85,018,374)	21,965,916
		<b>910,481,626</b>	<b>901,965,916</b>
<b>Other Funds &amp; Liabilities</b>			
Advance For Share Capital	3.1	-	-
Deferred Income	3.2	29,238,579	-
Deferred Tax	3.3	47,769,774	-
Medium & Long Term Loan		-	-
Secured Loan	3.4	1,969,949,247	2,065,767,870
Unsecured Loan		-	-
		<b>2,046,957,600</b>	<b>2,065,767,870</b>
<b>Current Liabilities &amp; Provisions</b>			
Current Liabilities and Payables			
Commercial & Other Payables	8.1	47,692,437	67,632,415
Short Term Loan	8.2	351,140,750	282,687,880
Provisions	9	-	335,283
Current Tax	10	524,098	-
		<b>399,357,286</b>	<b>350,655,577</b>
<b>Total Liabilities</b>		<b>3,356,796,511</b>	<b>3,318,389,364</b>

**Prem Bahadur Shrestha**  
Chairman

**Dhurba Kumar Shrestha**  
Vice-Chairman

**Santosh Kumar Pradhan**  
Executive Director

**Dinesh Kumar Thapa**  
Finance Manager

**Pratap Prasad Pradhan**  
**PP Pradhan & Co**  
Chartered Accountants

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year from 1 Shrawan 2074 to 32 Ashad 2075 (16 July 2017 to 16 July 2018)

Particulars	Sch.	Current Year NPR	Previous Year NPR
<b>OPERATING INCOME</b>			
Electricity Sale to NEA -UMHEP	11	233,790,023	222,646,955
Electricity Sale to NEA -UMCHEP	12	131,667,767	-
<b>Total Operating Income</b>		<b>365,457,791</b>	<b>222,646,955</b>
<b>OPERATING EXPENSES</b>			
Power Plant Expenses - UMHEP	13	8,202,276	11,966,148
Power Plant Expenses - UMCHEP	14	15,350,721	-
<b>Total Operating Expenses</b>		<b>23,552,997</b>	<b>11,966,148</b>
<b>GROSS OPERATING PROFIT</b>		<b>341,904,794</b>	<b>210,680,808</b>
<b>ADMINISTRATIVE AND OTHER EXPENSES</b>			
Administrative Expenses	16	50,584,130	15,819,637
Interest on Loan	15	232,207,013	128,767,793
Depreciation	16	119,900,462	79,814,583
Loss on Sale of Assets	16	-	-
<b>Total Administrative &amp; Other Expenses</b>		<b>402,691,605</b>	<b>224,402,013</b>
<b>INCOME FROM OTHER SOURCES</b>			
Interest Income		-	24,615
Other Income		1,218,274	30,796,000
Foreign Currency Exchange Gain/ (Loss)		-	-
Gain on Sale of Assets		878,120	-
<b>Total Income From Other Sources</b>		<b>2,096,394</b>	<b>30,820,615</b>
<b>PROFIT (LOSS) BEFORE EMPLOYEES BONUS &amp; TAX</b>		<b>(58,690,417)</b>	<b>17,099,409</b>
Provision for Employee's Bonus		-	335,283
Provision for Corporate Tax		524,098.48	-
Deferred Tax Expenses /(Income)		47,769,774	-
<b>NET PROFIT (LOSS) BEFORE APPROPRIATION</b>		<b>(106,984,290)</b>	<b>16,764,126</b>
<b>APPROPRIATION</b>			
Last Year Balance		21,965,916	5,201,790
Profit /Loss for this year		(106,984,290)	16,764,126
<b>Total</b>		<b>(85,018,374)</b>	<b>21,965,916</b>
Less: Dividend Paid		-	-
Total Dividend		-	-
Last Years Adjustment		-	-
<b>Balance Transferred to Balance Sheet</b>		<b>(85,018,374)</b>	<b>21,965,916</b>

**Prem Bahadur Shrestha**  
Chairman

**Dhurba Kumar Shrestha**  
Vice-Chairman

**Santosh Kumar Pradhan**  
Executive Director

**Dinesh Kumar Thapa**  
Finance Manager

**Pratap Prasad Pradhan**  
**PP Pradhan & Co**  
Chartered Accountants

## STATEMENT OF CASH FLOWS

For the year from 1 Shrawan 2074 to 32 Ashad 2075 (16 July 2017 to 16 July 2018)

(in NPR)

Particulars	Current Year NPR	Previous Year NPR
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit (Loss) before Bonus and Tax	(58,690,417)	16,764,126
Adjustments for:		
Depreciation	119,900,462	79,814,583
Written Off of Assets	776,389	-
Foreign Currency Exchange (Gain)/Loss	-	-
Interest Expenses	-	-
Interest Received	-	-
Dividend Received	-	-
Provision for Expenses	-	-
Expenses written off	-	-
Provisions	-	-
Loss on sale of Immoval assets	-	-
Other non cash expenses	-	-
Profit On Sale of Assets	(878,120)	-
Rental Income From Transmission Line	(1,218,274)	-
Movements in working Capital		
1. Decrease(increased) in current assets	101,474,672	131,183,212
2. Increase (Decrease) in current liabilities	(19,818,407)	23,456,571
<b>Total Adjustments</b>	<b>200,236,722</b>	<b>234,454,366</b>
<b>Net cash flow from operating Activities (A)</b>	<b>141,546,305</b>	<b>251,218,492</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
1) Interest/Dividend Received	-	-
2) Purchase / Capitalization of Property Plant & Equipments	(1,201,874,082)	(2,263,901,806)
3) Decrease/(Increase) in Project WIP	950,862,643	1,512,909,382
4) Increase in Project WIP (Cost of penstock Pipe Impaired after Landslide)	(4,258,057)	-
5) Insurance claim received on damage of Penstock Pipe	4,005,000	-
6) Rental income from Transmission line	30,000,000	-
7) Sale of asset	3,150,000	-
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>(218,114,496)</b>	<b>(750,992,424)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
1) Increase/(Decreased) in Share Capital	115,500,000	152,500,000
2) Increase/(decrease) in Advance for Share Capital	-	(10,000,000)
3) Increased/(Decreased) in Long Term Loan	(95,818,624)	267,540,254
4) Increase/(Decrease) in Short Term Loan	68,452,870	90,683,908
<b>Net Cash Flow from financial activities (C)</b>	<b>88,134,247</b>	<b>500,724,162</b>
<b>Net Changes in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>11,566,056</b>	<b>950,230</b>
Opening cash and bank balance	1,776,034	825,804
<b>Closing Cash and Bank Balance</b>	<b>13,342,089</b>	<b>1,776,034</b>

**Prem Bahadur Shrestha**  
Chairman

**Dhurba Kumar Shrestha**  
Vice-Chairman

**Santosh Kumar Pradhan**  
Executive Director

**Dinesh Kumar Thapa**  
Finance Manager

**Pratap Prasad Pradhan**  
**PP Pradhan & Co**  
Chartered Accountants

## STATEMENT OF CHANGES IN EQUITY

For the year ended 32 Ashad 2075 (16 July 2018)

(in NPR)

	Equity Share Capital
<b>Balance as Ashad 31, 2072 (July 16, 2015)</b>	<b>461,500,000</b>
Changes in in Accounting Policy	-
Restated balance	461,500,000
Surplus on Revaluation of properties	-
Deficit on Revaluation of Investment	-
Current Translation Difference	-
Net gains and losses not recognized in the income statement	-
Net Profit for period	-
Dividend	-
Issue of Share Capital	266,000,000
<b>Balance as Ashad 31, 2073 (July 15, 2016)</b>	<b>727,500,000</b>
Changes in in Accounting Policy	-
Restated balance	727,500,000
Surplus on Revaluation of properties	-
Deficit on Revaluation of Investment	-
Current Translation Difference	-
Net gains and losses not recognized in the income statement	-
Net Profit for period	-
Dividend	-
Issue of Share Capital	152,500,000
<b>Balance as Ashad 31, 2074 (July 15, 2017)</b>	<b>880,000,000</b>
Changes in in Accounting Policy	-
Restated balance	880,000,000
<b>Surplus on Revaluation of properties</b>	-
Deficit on Revaluation of Investment	-
Current Translation Difference	-
Net gains and losses not recognized in the income statement	-
Net Profit for period	-
Dividend	-
Issue of Share Capital/IPO Local	115,500,000
<b>Balance as Asadh 32, 2075 (July 16, 2018)</b>	<b>995,500,000</b>

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Chartered Accountants

## Schedules forming part of Financial Statements

### Share Capital

#### Schedule -1

Particulars	Current Year NPR	Previous Year NPR
<b>SHARE CAPITAL</b>		
AUTHORISED SHARE CAPITAL		
Authorised Equity Share Capital 19,500,000 Shares of NPR 100	1,950,000,000	1,950,000,000
<b>ISSUED SHARE CAPITAL</b>		
Issued Equity Share Capital 11,000,000 Shares of NPR 100	1,100,000,000	1,100,000,000
<b>SUBSCRIBED SHARE CAPITAL</b>		
Subscribed Equity Share Capital 11,000,000 Shares of NPR 100	1,100,000,000	880,000,000
<b>PAID UP SHARE CAPITAL</b>		
Paid Up Equity Share Capital 9,955,000 Shares of NPR 100	995,500,000	880,000,000
<b>Total of Paid Up Share Capital</b>	<b>995,500,000</b>	<b>880,000,000</b>
Less: Calls in Arrears	-	-
<b>Total</b>	<b>995,500,000</b>	<b>880,000,000</b>

### General Reserve & Accumulated Profits

#### Schedule -2

Particulars	Current Year NPR	Previous Year NPR
<b>GENERAL RESERVES &amp; SURPLUS</b>		
Reserve & Surplus upto Last FY	21,965,915	5,201,790
This Year Balance	(106,984,290)	16,764,126
<b>Other Reserve</b>	-	-
<b>Total</b>	<b>(85,018,374)</b>	<b>21,965,916</b>

### Advance For Share Capital

#### Schedule -3.1

Particulars	Current Year NPR	Previous Year NPR
Prem Bahadur Shrestha	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### Deferred Income

#### Schedule -3.2

Particulars	Current Year NPR	Previous Year NPR
Deferred Income	29,238,579	-
<b>Total</b>	<b>29,238,579</b>	<b>-</b>

### Deferred Tax

#### Schedule -3.3

Particulars	Current Year NPR	Previous Year NPR
Deferred Tax	47,769,774	-
<b>Total</b>	<b>47,769,774</b>	<b>-</b>

### Medium and Long Term Loan

#### Schedule -3.4

Particulars	Current Year NPR	Previous Year NPR
Term Loan - UMHEP	1,321,582,159	1,406,563,865
Term Loan - UM C HEP	648,367,087	659,204,005
<b>Total</b>	<b>1,969,949,247</b>	<b>2,065,767,870</b>



## Details of Fixed Assets (2074/75)

## Schedule forming part of the financial statement

Schedule-4.1

Account Head	Up to 1st Shrawan 2074	Cost Price of the Assets	Addition dur- ing the year	Disposal during the Year	Impair- ment during the year	Total Current Year	Depre- ciation brought forward	Depreciation during the year	Total Depri- ciation	Total Assets at year end
<b>Fixed Assets</b>										
Land	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-
Office Equipments	865,152	1,744,129	-	-	42,545	1,701,584	878,978	216,288	1,095,266	606,318
Furniture & Fixtures	347,143	972,609	364,915	-	35,675	1,301,849	625,466	147,605	773,071	528,778
Telephone, Photocopy, Computer & Accessories	496,365	1,786,353	-	-	23,801	1,762,552	1,289,988	124,716	1,414,704	347,848
Vehicles	3,745,673	10,417,569	2,315,000	2,271,880	5,751	10,454,938	6,671,895	1,029,095	7,700,990	2,753,948
Intangible Assets	-	46,752	-	-	-	46,752	46,752	-	46,752	-
Other Assets	-	48,951	-	-	-	48,951	48,951	-	48,951	-
Lease Hold Improvement expenses	169,653	530,519	-	-	127,240	403,279	360,866	42,413	403,279	-
	<b>5,623,986</b>	<b>15,546,882</b>	<b>2,679,915</b>	<b>2,271,880</b>	<b>235,012</b>	<b>15,719,905</b>	<b>9,922,896</b>	<b>1,560,117</b>	<b>11,483,013</b>	<b>4,236,892</b>
<b>UMHEP Fixed Assets</b>										
UMHEP-Land	8,886,028	9,202,707	-	-	-	9,202,707	316,680	316,680	633,359	8,569,348
UMHEP- 132KV Transmission Line Land	2,820,843	2,921,372	-	-	-	2,921,372	100,529	100,529	201,058	2,720,314
UMHEP Staffs Quarters & Buildings	49,075,548	50,824,498	-	-	-	50,824,498	1,748,950	1,748,950	3,497,900	47,326,598
UMHEP-Main Civil Surface	624,546,882	646,804,433	-	-	-	646,804,433	22,257,551	22,257,551	44,515,102	602,289,331
UMHEP-Civil Underground Tunnel	526,501,850	545,265,280	-	-	-	545,265,280	18,763,430	18,763,430	37,526,860	507,738,420
UMHEP- Power Plant Electromechani- cal	477,608,106	494,629,065	-	-	-	494,629,065	17,020,959	17,020,959	34,041,918	460,587,147
UMHEP- Hydromechanical Gates & Pipes	310,863,478	321,942,006	-	-	-	321,942,006	11,078,527	11,078,527	22,157,054	299,784,951
UMHEP- 11KV Power Supply & Distri- bution Line	23,878,495	24,729,474	-	-	-	24,729,474	850,980	850,980	1,701,960	23,027,515
Power Plant Substation & 132Kv Trans- mission Line	169,425,684	175,463,663	-	-	-	175,463,663	6,037,979	6,037,979	12,075,958	163,387,705
Construction Equipment & Tools	295,565	1,165,420	-	-	-	1,165,420	869,855	59,113	928,968	236,452
	<b>2,193,902,478</b>	<b>2,272,947,918</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,272,947,918</b>	<b>79,045,440</b>	<b>78,234,697</b>	<b>157,280,137</b>	<b>2,115,667,780</b>
<b>UMC'HEP Fixed Assets</b>										
Land	1,630,084	1,630,084	4,611,201.77	-	-	6,241,286	-	208,043	208,043	6,033,243
UMCHEP Staffs Quarters & Buildings	-	-	15,481,401.59	-	-	15,481,402	-	516,047	516,047	14,965,355
UMCHEP-Main Civil Surface	-	-	455,571,886.48	-	-	455,571,886	-	15,185,730	15,185,730	440,386,157
UMCHEP-Civil Underground Tunnel	-	-	263,089,360.79	-	-	263,089,361	-	8,769,645	8,769,645	254,319,715
UMCHEP- Hydromechanical Gates & Pipes	-	-	175,108,402.70	-	-	175,108,403	-	5,836,947	5,836,947	169,271,456
UMCHEP- Power Plant Electromechani- cal	-	-	224,937,273.43	-	-	224,937,273	-	7,497,909	7,497,909	217,439,364
Power Plant Substation & 132Kv Trans- mission Line	-	-	60,394,639.60	-	-	60,394,640	-	2,013,155	2,013,155	58,381,485
Construction Equipment & Tools	390,864	635,000	-	-	288,320	346,680	244,136	78,173	322,309	24,371
	<b>2,020,948</b>	<b>2,265,084</b>	<b>1,199,194,166</b>	<b>-</b>	<b>288,320</b>	<b>1,201,170,930</b>	<b>244,136</b>	<b>40,105,648</b>	<b>40,349,784</b>	<b>1,160,821,147</b>
<b>Total</b>	<b>2,201,547,412</b>	<b>2,290,759,884</b>	<b>1,201,874,081</b>	<b>2,271,880</b>	<b>523,332</b>	<b>3,489,838,753</b>	<b>89,212,472</b>	<b>119,900,462</b>	<b>209,112,934</b>	<b>3,280,725,819</b>

## Details of Capital Work in Progress (CWIP) :

Ashad 32, 2075 Schedule forming part of the financial statement

### UM'C'HEP-CWIP

### Schedule 4.2

Account Head	Previous Year NPR	Additional During the Year NPR	Reclassified During the Year NPR	Current Year NPR
<b>UM'C'HEP-Project Development Cost (WIP)</b>				
UM'C'HEP-Study, License, & PPA Related Cost-WIP	4,820,021	-	(4,820,021)	-
UM'C'HEP-Survey, Engineering & Consultancy-WIP	9,371,757	-	(9,371,757)	-
UM'C'HEP-Staff Cost-Indirect-WIP	15,181,242	13,830,096	(29,011,338)	-
UM'C'HEP-Office Overhead-WIP	13,724,548	80,943	(13,805,491)	-
UM'C'HEP-TA/DA & Transportation cost-WIP	4,150,285	51,800	(4,202,085)	-
UM'C'HEP-Vehicle Operation-WIP	5,449,229	(131,533)	(5,317,697)	-
	<b>52,697,082</b>	<b>13,831,307</b>	<b>(66,528,389)</b>	-
<b>UM'C'HEP-IDC, Financing &amp; Fees-WIP</b>				
UM'C'HEP-IDC-WIP	63,502,417	-	(63,502,417)	-
UM'C'HEP-Financing Fees-WIP	3,581,228	-	(3,581,228)	-
UM'C'HEP-Bank Commission & Charges-WIP	18,886,712	-	(18,886,712)	-
UM'C'HEP-Financial Consultancy Charges, Fees & Exp.	2,176,945	78,309	(2,255,254)	-
	<b>88,147,302</b>	<b>78,309</b>	<b>(88,225,611)</b>	-
UM'C'HEP-Land Acquisitions (WIP)				
UM'C'HEP-Land Dev. & Acquisition-WIP	3,708,081	-	(3,708,081)	-
	<b>3,708,081</b>	-	<b>(3,708,081)</b>	-
<b>UM'C'HEP-Infrastructure Development WIP</b>				
UM'C'HEP-Camp & Temporary Housing-WIP	418,881	-	(418,881)	-
UM'C'HEP-Permanent Housing-WIP	3,265,024	8,445,377	(11,710,401)	-
UM'C'HEP-Access Roads-WIP	40,425,654	805,000	(41,230,654)	-
UM'C'HEP-Shades & Stores-WIP	261,450	58,580	(320,030)	-
	<b>44,371,010</b>	<b>9,308,957</b>	<b>(53,679,966)</b>	-
<b>UM'C'HEP-Power Plants Civil Works (WIP)</b>				
UM'C'HEP-CIVIL-Construction Contracts-WIP	225,045,030	115,369,434	(340,414,464)	-
UM'C'HEP-CIVIL-Construction Mgt. & Supervision-WIP	17,253,772	411,791	(17,665,563)	-
UM'C'HEP-CIVIL-HeadWorks-WIP	22,300	-	(22,300)	-
UM'C'HEP-CIVIL-Waterways-WIP	1,838,549	127,600	(1,966,149)	-
UM'C'HEP-CIVIL-PowerHouses-WIP	2,675,606	3,602,381	(6,277,987)	-
	<b>246,835,256</b>	<b>119,511,206</b>	<b>(366,346,463)</b>	-
<b>UM'C'HEP-Power Plant Tunnel Works (WIP)</b>				
UM'C'HEP-TUNNEL-Construction Contracts-WIP	132,808,506	63,449,451	(196,257,957)	-
UM'C'HEP-TUNNEL-Construction Mgt. & Supervision-WI	15,151,838	152,550	(15,304,388)	-
	<b>147,960,344</b>	<b>63,602,001</b>	<b>(211,562,345)</b>	-
<b>UM'C'HEP-Power Plant Penstock &amp; Hydro Mechanical (WIP)</b>				
UM'C'HEP-HM-Construction Contrscts-WIP	94,042,575	39,589,726	(133,632,301)	-
UM'C'HEP-HM-Construction Mgt. & Supervision -WIP	7,009,926	170,553	(7,180,479)	-
	<b>101,052,501</b>	<b>39,760,279</b>	<b>(140,812,780)</b>	-
<b>UM'C'HEP-Power Plant Electro Mechanical (WIP)</b>				
UM'C'HEP-EM-Construction Contracts-WIP	176,513,138	640,600	(177,153,738)	-
UM'C'HEP-EM-Construction Mgt. Supervision-WIP	3,727,206	1,540	(3,728,746)	-
	<b>180,240,344</b>	<b>642,140</b>	<b>(180,882,484)</b>	-
<b>UM'C'HEP-Construction Power</b>				
UM'C'HEP-CP-Disel & Other Lubricants -WIP	10,861,015	127,252	(10,988,267)	-
UM'C'HEP-CP-Distribution Line-WIP	2,684,700	-	(2,684,700)	-
	<b>13,545,715</b>	<b>127,252</b>	<b>(13,672,966)</b>	-
<b>UM'C'HEP-Transmission Line &amp; Sub Station (WIP)</b>				
UM'C'HEP-TL-Survey & Engineering Design-WIP	91,750	-	(91,750)	-
UM'C'HEP-TL-Construction Contracts-WIP	35,527,216	-	(35,527,216)	-
UM'C'HEP-TL-Construction Mgt. & Supervision-WIP	12,947,162	-	(12,947,162)	-
	<b>48,566,128</b>	-	<b>(48,566,128)</b>	-
<b>UMHEP- Socio-Environment &amp; Mitigation (WIP)</b>				
UM'C'HEP-Initial Environment Examination(IEE)-WIP	300,000	-	(300,000)	-
UM'C'HEP-Mitigation Related Expenses-WIP	20,963,160	1,370,073	(22,333,233)	-
UM'C'HEP-Donation Related Expenses-WIP	2,475,720	100,000	(2,575,720)	-
	<b>23,738,880</b>	<b>1,470,073</b>	<b>(25,208,953)</b>	-
<b>Total of UM'C'HEP- CWIP</b>	<b>950,862,643</b>	<b>248,331,523</b>	<b>(1,199,194,167)</b>	-

## Schedules forming part of Financial Statements

Financial Year 2074/75

### Commercial and Other Receivables

### Schedule- 5

Particulars	Current Year NPR	Previous Year NPR
Nepal Electricity Authority (NEA)	49,766,638	29,254,413
	<b>49,766,638</b>	<b>29,254,413</b>

### Cash & Bank Balances

### Schedule- 6

Particulars	Current Year NPR	Previous Year NPR
<b>BANK</b>		
Nepal Investment Bank Ltd Current A/C 004 8163300	32,831	32,831
Nabil Bank Ltd. Current 010101 7500 819	-	-
Sunrise Bank Ltd. Ilam Current 012 012 0000 8 0c	4,336,030	474,708
NMB Bank Lts. Current-00100001941A	<b>102,897</b>	<b>102,897</b>
NABIL Bank Ltd. Kantipath Call & Current 0106017500107	5,744	5,744
Global Bank Ltd. HO Current 010 10 0006550	-	876,970
Sunrise Bank Ltd. HO Current 002 014 600 c	<b>5,000</b>	<b>5,000</b>
NMB - NMB Bank Ltd. - 066003003416790001	10,000	10,000
Nabil Bank Ltd. (UMHEP-C)-970101017500065	8,803,097	-
EBL - Everest Bank Ltd. 00110105200001	-	9,303
NBL - Nepal Bank Ltd.- 22556000002	-	139,582
Nabil Revenue Acc# 9701017500072 - UMHEP	-	-
Total of Bank	<b>13,295,600</b>	<b>1,657,035</b>
<b>CASH</b>		
Cash HO	46,490	46,494
Cash SO	-	72,504
<b>Total of Cash</b>	<b>46,490</b>	<b>118,998</b>
<b>Total of Bank &amp; Cash</b>	<b>13,342,089</b>	<b>1,776,033</b>

### Advances & Deposits

### Schedule-7

Particulars	Current Year NPR	Previous Year NPR
Advance to Staffs (Office Purpose)	15,000	200,112
Advance to Consultant & Contractors	5,203,917	113,538,689
Advance to Land Owner for Land Purchase	2,388,444	2,388,444
MVHPL-Advance to Sundry Creditors	250,000	250,000
Advance to Material Supplier	224,624	6,073,799
MVHPL-Prepaid Exp	1,787,686	5,580,828
Advance Tax	532,563	75,710
Deposits & Margins	2,559,732	6,841,281
<b>Total</b>	<b>12,961,965</b>	<b>134,948,863</b>

### Current liabilities and payables

### Schedule-8.1

Particulars	Current Year NPR	Previous Year NPR
MVHPL-Sundry Creditors	9,779,405	2,608,931
Audit Fee Payable	139,375	139,375
Liabilities to Employee	5,264	605,264
Other Miscellaneous Payables	3,919,544	-
Payable to Material Supplier	-	-
Payables to Consultants & Contractors	-	2,510,775
Citizen Investment Trust Payable (CIT)	-	1,294,165
Provident Fund Payable (PF)	7,200	-
MVHPL-Liabilities to Baord Directors & Members	77,350	4,984,862
Retention Money Payable	32,742,384	50,709,398
Salary Payable	-	2,275,134
Gratuity Payable	-	-
TDS Payable	1,021,915	2,504,512
<b>Total</b>	<b>47,692,437</b>	<b>67,632,415</b>

**Short Term borrowing****Schedule-8.2**

Particulars	Current Year NPR	Previous Year NPR
Advance & Loans From ShareHolders	241,000,000	42,500,000
Bridge Gap Loan	-	-
Short Term Loan	75,187,870	220,000,000
Working Capital Loan	19,952,880	19,952,880
Nabil Bank Ltd. Current 010101 7500 819 -OD	15,000,000	42,750
Nabil Bank Ltd. (UMHEP-C)-970101017500065-OD	-	192,250
<b>Total</b>	<b>351,140,750</b>	<b>282,687,880</b>

**Provisions****Schedule-9**

Particulars	Current Year NPR	Previous Year NPR
Provision for expenses	-	335,283
<b>Total</b>	<b>-</b>	<b>335,283</b>

**Current Tax****Schedule -10**

Particulars	Current Year NPR	Previous Year NPR
Electricity Sale to Nepal Electricity Authority	524,098	-
<b>Total</b>	<b>524,098</b>	<b>-</b>

**Electricity Sale - UMHEP****Schedule -11**

Particulars	Current Year NPR	Previous Year NPR
Electricity Sale to Nepal Electricity Authority	233,790,023	222,646,955
<b>Total</b>	<b>233,790,023</b>	<b>222,646,955</b>

**Electricity Sale - UM C HEP****Schedule -12**

Particulars	Current Year NPR	Previous Year NPR
Electricity Sale to Nepal Electricity Authority	131,667,767	-
<b>Total</b>	<b>131,667,767</b>	<b>-</b>

**Power Plant Generation Expenses - UMHEP****Schedule-13**

Particulars	Current Year NPR	Previous Year NPR
Electricity Purchased from NEA	22,785	68,189
Royalties	5,875,345	5,572,938
Fines & Penalties	-	3,974,880
Power Plant Operation & Maintenance	2,254,446	1,938,018
Transmission Line & Substation Repair & Maintenance	49,700	412,122
<b>Total</b>	<b>8,202,276</b>	<b>11,966,148</b>

**Power Plant Generation Expenses - UM C HEP****Schedule-14**

Particulars	Current Year NPR	Previous Year NPR
Electricity Purchased from NEA	-	-
Royalties	3,243,355	-
Fines & Penalties	11,369,351	-
Power Plant Operation & Maintenance	303,415	-
Transmission Line & Substation Repair & Maintenance	434,600	-
<b>Total</b>	<b>15,350,721</b>	<b>-</b>

**Interest Expenses****Schedule 15**

Account Head	Current Year NPR	Previous Year NPR
Interest on Long Term Loan -UMHEP	136,230,707	125,293,416
Interest on Working Capital Loan - UMHEP	2,888,758	3,474,378
Interest on Long Term Loan -UMCHEP	63,890,696	-
Interest on Working Capital Loan - UMCHEP	6,626	-
Interest on ShortTerm Loan -UMCHEP	29,190,226	-
<b>Total Interest Expenses</b>	<b>232,207,013</b>	<b>128,767,793</b>

**Adminstrative Expenses****Schedule 16**

Account Head	Current Year NPR	Previous Year NPR
<b>UMHEP ADMINSTRATIVE EXPENSES</b>		
Staff Cost	8,576,750	5,495,615
Office Overhead	1,281,261	319,764
Vehicle Operation & Maintinance	726,554	-
Insurance	5,634,422	5,017,852
Power Plant Repair & Maintinance	221,259	-
Enviromental, Community & Mitigation	2,859,500	-
Bank Comission & Charges	25,467	-
Other Miscellenious Expenses	617,463	-
	<b>19,942,676</b>	<b>10,833,231</b>

**UMCHEP ADMINSTRATIVE EXPENSES**

Staff Cost	7,833,694	-
Office Overhead	2,396,433	-
Vehicle Operation & Maintinance	444,627	-
Insurance	2,224,550	-
Power Plant Repair & Maintinance	41,734	-
Enviromental, Community & Mitigation	3,260,414	-
Bank Comission & Charges	713,023	-
Other Miscellenious Expenses	-	-
	<b>16,914,475</b>	<b>-</b>

**Other Administrative Expenses**

MVHPL-Salary	2,084,000	2,371,814
MVHPL-Allowance	-	-
MVHPL-Provident Fund	-	-
MVHPL-Paid In Lue of Leave	-	-
MVHPL-Daily Wages	-	-
MVHPL-Overtime	-	-
MVHPL-Fringe Benifit	-	-
MVHPL-Gratuity	-	-
MVHPL-Insurance	16,333	96,289
MVHPL-Staff Welfare	-	-
MVHPL-Dashain Allowance	50,000	2,000
MVHPL-Bonus	-	-
MVHPL-Rent	1,403,546	419,848
MVHPL-Electricity & water	66,512	35,633
MVHPL-House Keeping	190,983	1,733
MVHPL-Office Supplies, Equipment & Tools	141,299	2,533
MVHPL-Repair & Maintenance	190,713	-
MVHPL-Computer, Printer, & Photocopy Exp	68,305	35,984
MVHPL-Stationary, Printing, copy & Binding exp	124,696	69,739
MVHPL-Communication Related Exp	198,492	143,754
MVHPL-Postage & Charges	2,430	-

MVHPL-Advertisement, Publicity & Notice Exp	174,177	86,977
MVHPL-Books News Paper & Magazines	42,685	13,850
MVHPL-Gift & Donation	469,300	125,200
MVHPL-Membership & Renewal Fee & Exp	36,000	20,000
MVHPL-TADA & Travelling Exp	598,260	71,446
MVHPL-Transportation (Localconvenience) & Taxes	122,834	1,545
MVHPL-Office Meeting Exp	-	-
MVHPL-Training & Saminars	33,740	-
MVHPL-Staff Refreshment Exp	118,028	86,689
MVHPL-Guest Entertainment Exp	232,227	107,784
MVHPL-Medical Exp	-	-
MVHPL-Insurance exp	10,109	-
MVHPL-Discard	523,332	-
MVHPL-Consultancy Fee & Others	-	-
MVHPL-Bank Charges, Mgt fee & Other Charges	67,648	317,266
MVHPL-Bank Loan Commitment Fee	-	-
MVHPL-Photo, Audio & Vedio Expenses	-	-
MVHPL-Vehicle-Fuel & Lubricants	186,854	-
MVHPL-Vehicle-Repair & Maintenance Exp.	-	-
MVHPL-Vehicle-Insurance Exp.	-	-
MVHPL-Vehicle-Rates, Taxes & Other exp.	-	-
MVHPL-Audit Fee & Exp	141,250	141,250
MVHPL-Board Meeting Fee & Exp	91,000	119,333
MVHPL-Rates, Taxes, Legal Fee & Exp	1,315,845	359,987
MVHPL-Miscellaneous Fee & exp.	-	-
MVHPL-Deferred Expenses	-	-
Profit & Loss Appropriation Account	-	-
MVHPL- IPO Expenses	4,773,323	355,750.00
MVHPL-Net Impairment Loss	253,057	-
	<b>13,726,978</b>	<b>4,986,406</b>
MVHPL-Depreciation Exp	119,900,463	79,814,583
Disposal Of Assets - Loss	-	-
<b>Total of Adminstrative Expenses</b>	<b>170,484,592</b>	<b>95,634,220</b>

## Panchakanya Mai Hydropower Limited

### Significant Accounting Policies and Notes to Accounts For Financial Year 2074/75 (2017/18)

Figure in NPR

#### 1. General Information

Panchakanya Mai Hydropower Limited (PMHPL), previously known as Mai Valley Hydropower Private Limited, was established on 16 Magh 2059 as East Nepal Development Endeavour Private Limited under Companies Act with the objectives of:

- Developing the infrastructure for production of electricity in different capacities,
- Distributing power produced throughout the country,
- Importing and exporting foreign equipment and hydro-power related equipment including management of technical manpower and others.

The Company has currently undertaken two Projects, Upper Mai Hydroelectric Project (12 MW) and Upper Mai 'C' (cascade) Hydroelectric Project (6.1 MW) located at Mabu and Sulubung VDCs of Illam, east of Nepal.

Among two projects, Upper Mai Hydro Electricity Project with capacity of 12 MW has obtained license from DoED on 03 Bhadra 2067 which is effective from 23 Shrawan 2067 to 22 Shrawan 2102. Total capacity of the project has been revised from 9.98 MW to 12 MW on 01 Bhadra 2073. Power Purchase Agreement for the same has been entered on 13 Shrawan 2068. The project came into commercial operation on 09 Ashad 2073.

The other project, Upper Mai 'C', with the initial installed capacity of 5.1 MW has been extended to 6.1 MW duly approved from DoED on 04 Ashwin 2066. Generation license of the project has been obtained from DoED on 26 Ashad 2070 with effective from 21 Ashad 2070 with validity date till 20 Ashad 2105. The project came into commercial operation from 09 Shrawan 2074.

Panchakanya Mai Hydropower Limited has not prepared accompanying financial statement in accordance with NFRS.

Except otherwise stated hereinafter, the financial statements are prepared in accordance with Nepal Accounting Standards.

#### 2.2 Fixed Assets

2.2.1 Fixed assets are reflected at historical cost.

2.2.2 Depreciation on Upper Mai HEP Project Assets has been calculated under Straight Line Method (SLM) up to the Project Generation License Period.

2.2.3 Depreciation on Upper Mai C HEP Project Assets has been calculated under Straight Line Method (SLM) up to the Project Generation License Period.

2.2.4 Depreciation on other fixed assets has been considered under Written down Value (WDV) methods prescribed by Income Tax Act 2058 BS. These rates are not consistent with the provisions of Nepal Accounting Standards (NAS).

2.2.5 Cost of fixed assets has been determined by including purchase price and all costs incidental to bring the asset to usable condition in line with Nepal Accounting Standards (NAS).

2.2.6 Depreciation on sale of Fixed Assets has been calculated on monthly proportionate basis up to the period used during FY 2074/75. Full month depreciation is deducted for the used assets

#### 2. Significant accounting policies

##### 2.1 Basis of Accounting and Presentation

The Institute of Chartered Accountants of Nepal (ICAN) changed the applicable financial reporting framework for all other listed companies or all other entities not defined as SMEs (Small and Medium Enterprises) to Nepal Financial Reporting Standards (NFRS) from Nepal Accounting Standards (NAS) effective from financial year 2073/74 (2016/17) onwards.

##### 2.3 Capital Work in Process (CWIP)

The Company has categorized capital expenditures under Capital Work in Progress (CWIP) under different categories. The Company has the policy to include all project Overhead costs, direct or indirect, as part of the capital assets. Indirect overhead cost is allocated to different capital items proportionately on the basis of their cost.



### 2.3.1 CAPITALIZATION OF WIP FOR UPPER MAI (12 MW) PROJECT

The commercial operation of Upper Mai (12 MW) project had started on 9 Ashad 2073 and the company has capitalized the Upper Mai WIP on FY 2073-74 and depreciation on the same capitalized assets has been calculated as per SLM basis and charged during the Financial Year 2074-75 accordingly.

### 2.3.2 CAPITALIZATION OF WIP FOR UPPER MAI C (6.1 MW) PROJECT

The commercial operation of Upper Mai C (6.1 MW) project had started on 9 Shrawan 2074 but the company has capitalized the Upper Mai C WIP as on 09.04.2074 and depreciation on the same capitalized assets has been calculated as per SLM basis and charged during the Financial Year 2074-75 accordingly.

## 2.4 Revenue Recognition

### 2.4.1 UPPER MAI HEP

Revenue of Upper Mai Hydroelectric Project for the year ended 32 Ashad 2075 is NPR 233,790,023. Revenue has been booked from 1 Shrawan 2074 and depreciation has been charged for the period from 1 Shrawan 2074 to 32 Ashad 2075. Company had claimed the total chargeable contract energy of Upper Mai Hydroelectric Project with the new rate of NPR 5.09 per KWh for Wet Season and NPR 8.91 per KWh for Dry Season but NEA has calculated the revenue using old rate of NPR 3.90 per KWh in Wet Season and NPR 5.52 per KWh for Dry Season for energy up to 3.1 MW. The company is in the process of negotiation for new PPA rates for 3.1 MW also.

### 2.4.2 UPPER MAI C HEP

Revenue of Upper Mai C Hydroelectric Project for the year ended 32 Ashad 2075 is NPR 131,667,767. Revenue has been booked from 1 Shrawan 2074 and depreciation has been charged for the period from 1 Shrawan 2074 to 32 Ashad 2075. Company had claimed the total chargeable contract energy of Upper Mai C Hydroelectric Project with the rate of NPR 4.80 per KWh for Wet Season and 8.40 per KWh for Dry Season.

## 2.5 Other Income

### 2.5.1 TRANSMISSION LINE INCOME

NPR 30,456,853 has been received in the FY 2074 -75 against Transmission Line. However, only NPR 1,218,274 has been recognized as Other Income and remaining amount is shown as deferred Income over the period of Transmission Line.

### 2.5.2 SALE OF FIXED ASSETS

NPR 3,150,000 has been received from sale of company fixed assets. Out of which, profit on sale of asset of NPR 878,120 has been shown as other income.

## 2.6 Recurring Inventory

Recurring inventory such as stationery, fuel etc. has been expensed off at the time of procurement as per general practice of the Company.

## 3. Explanatory Notes to Accounts

### 3.1 Share capital

Authorized capital of the company has been increased to NPR 1,950 million with issued capital of NPR 1,100 million duly approved from the Office of Company Registrar (CRO) on 30 Ashad 2074. The paid up capital is NPR 995.5 million as on 32 Ashad 2075.

### 3.2 Borrowing

Company has availed total loan of NPR 1,969,949,247 as on 32 Ashad 2075 out of which loan of NPR 1,321,582,159 is the Term Loan for Upper Mai Hydroelectric Project (12 MW) from the Consortium Bank (Lead Bank: Nabil Bank Limited and Member Banks: Global IME Bank Limited, Everest Bank Limited, Nepal Bank Limited and NMB Bank Limited as member banks) and loan of NPR 648,367,087 is the Term Loan for Upper Mai C Hydroelectric Project (5.1MW) from Consortium Banks (Lead Bank: Nabil Bank Limited Member Banks: Everest Bank Limited, Global IME Bank Limited, Nepal Bank Ltd.).

Moreover, the company has borrowed a loan amount of NRs 241,000,000 from the Chairman of the company.

Moreover, the company has borrowed a loan amount of NRs 42,500,000 from the Chairman of the company.

### 3.3 Income Tax

The Company has adopted the policy of accounting and reporting tax related elements of Financial Statements in accordance with NAS 12 and it represents current tax and deferred tax for the year.

#### 3.3.1 Current Tax

Current tax payable (or recoverable) is based on the taxable profit for the year. Taxable profit differs from the profit reported in the Statement of Profit or Loss, because some item of income or expense are taxable or deductible in different years or may never be taxable or deductible.

Panchakanya Mai Hydropower Limited has been granted a 10 year tax holiday starting from the date of generating electricity for commercial purpose (i.e. 09 Ashad 2073 for Upper Mai Hydroelectric Project and 09 Shrawan 2074 for Upper Mai 'C' (cascade) Hydroelectric Project).

Other income has been taxed at 25%.

### 3.3.2 DEFERRED TAX

Deferred Tax is the tax expected to be payable or recoverable in future arising from:

- Temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in computation of taxable profit,
- Unused tax losses and/or
- Unused tax credits.

Deferred Tax is computed using balance sheet liability method. Deferred Tax Liabilities are generally recognized for all taxable temporary differences and Deferred Tax Assets recognized to the extent that is probable that taxable profit will be available against which Deferred Tax Assets can be utilized. The tax rate used for deferred tax is the rate that has been enacted as on 32 Asadh 2075, which is 25%.

The details of deferred tax related elements of financial statements are as given below:

Particulars	Amount
Carrying value of asset at 32 Asadh 2075	3,280,725,818.68
Tax base of asset at 32 Asadh 2075	3,089,646,723.01
<b>Temporary Difference</b>	<b>191,079,095.67</b>
Tax Rate	25%
<b>Closing Deferred Tax (Asset)/ Liabilities</b>	<b>47,769,773.92</b>
Less: Opening Deferred Tax (Asset)/ Liabilities	0.00
<b>Deferred Tax expense/ (Income)</b>	<b>47,769,773.92</b>

### 3.4 Related Party Transaction

During Financial Year 2074-75, there has been the following related party transactions:

- Loan of NPR 58,000,000 from Panchakanya Steel Private Limited shown as Advance & Loan from Shareholder.
- Loan of NPR 183,000,000 from Prem Bahadur Shrestha, chairman of Panchakanya Group, shown as Advance & Loan from Shareholder.
- Rent expense of NPR 270,000 during the year paid to Panchakanya Steel Private Limited.

### 3.5 Net Impairment Loss

During Fiscal Year 2074-75 there has been a Net impairment loss of NPR. 253,056.86 due to damage of Penstock Pipes as a result of landslide. The details are as follows:

Particulars	Amount
Cost of damaged penstock pipes	4,258,056.86
Receipt from Insurance claim	4,005,000.00
<b>Net impairment loss</b>	<b>253,056.86</b>

Additional cost incurred for the replacement of penstock pipes amounting to NPR 6,105,889.81 has been capitalized during the year after adjusting the impairment loss.

### 3.6 Commercial Date of operation

Upper Mai Hydroelectric Project of Company has come into commercial operation from 09 Ashad 2073 and the Upper Mai C Hydroelectric Project of Company has come into commercial operation from 09 Shrawan 2074.

### 3.7 Subsequent Event

No significant event has happened after Balance Sheet date that requires disclosure.

### 3.8 Penalty Amount

NEA has charged fine of NPR 11,369,350.96 for late commercial date of operation of Upper Mai Cascade Hydro-electricity Project (UMCHEP).

### 3.9 Receivables

Management has considered all commercials and other receivables and advance and deposits as good requiring no provisioning.

### 3.10 UMCHEP- Environmental, Community & Mitigation

NPR. 3,260,414 shown in Administrative Expenses of Upper Mai C includes repair & maintenance of Upper Mai C Access Road and compensation for damage of land due to heavy landslide in access road and penstock alignment.

### 3.11 Contingent Liabilities

No contingent liability exists at the year end.

### 3.12 Regrouping of figures in Financials

Previous year's figures are regrouped or rearranged wherever necessary.

### 3.13 Rounding off figures

Figures are rounded off to the nearest rupee.

## Energy Generation Table

### Upper Mai HEP (FY 073-074)

S.N	Month	Contract Energy as per PPA (kWh)	Energy Generation (kWh)	Approved Energy By NEA (kWh)
1	Shrawan 2073	6535555	7125510	6746379
2	Bhadra 2073	6535555	7553210	6535555
3	Ashwin 2073	6535555	7682160	7041888
4	Kartik 2073	6324731	5658650	5658650
5	Mangsir 2073	5065262	3528670	3528670
6	Poush 2073	3391182	2452950	2452950
7	Magh 2073	2138823	1871950	1871950
8	Falgun 2073	2053293	1682080	1682080
9	Chaitra 2073	2096401	1713390	1713390
10	Baisakh 2074	3205406	2025880	2025880
11	Jestha 2074	5296279	2445500	2445500
12	Ashad 2074	6746379	6491580	6491580
<b>Total</b>		<b>55924421</b>	<b>50231530</b>	<b>48194472</b>

**Upper Mai HEP (FY 074-075)**

S.No	Month	Contract Energy as per PPA (kWh)	Energy Generation (kWh)	Approved Energy By NEA (kWh)
1	Sharwan, 2074	6,746,379.00	6,976,253	6,976,253
2	Bhadra, 2074	6,535,555.00	7,248,664	7,248,664
3	Ashwin, 2074	6,535,555.00	7,544,780	7,276,320
4	Kartik, 2074	6,324,731.00	4,837,608	4,837,608
5	Mangsir, 2074	5,065,262.00	2,968,874	2,968,874
6	Poush, 2074	3,391,182.00	2,399,691	2,399,691
7	Magh, 2074	2,138,824.00	1,902,664	1,902,664
8	Falgun, 2074	2,053,294.00	1,680,744	1,680,744
9	Chaitra 2074	2,096,401.00	1,531,633	1,531,633
10	Baisakh 2075	3,205,405.00	2,310,079	2,310,079
11	Jestha 2075	5,296,279.00	3,640,997	3,640,997
12	Ashar 2075	6,746,380.00	6,884,155	6,873,791
<b>Total</b>		<b>56,135,247.00</b>	<b>49,926,143</b>	<b>49,647,320</b>

**Upper Mai C HEP (FY 074-075)**

S.No	Month	Contract Energy as per PPA (kWh)	Energy Generation (kWh)	Approved Energy By NEA (kWh)
1	Sarwan, 2074	2,676,475	1,905,077	1,905,077
2	Bhadra, 2074	3,568,633	3,292,776	3,292,776
3	Ashwin, 2074	3,568,633	3,795,590	3,718,512
4	Kartik, 2074	3,453,516	2,922,052	2,922,052
5	Mangsir, 2074	2,698,192	1,711,026	1,711,026
6	Poush, 2074	1,824,007	1,278,299	1,278,299
7	Magh 2074	1,128,182	978,896	978,896
8	Falgun 2074	1,073,025	849,526	849,526
9	Chaitra 2074	1,101,354	790,747	790,747
10	Baisakh 2075	1,714,959	1,296,501	1,296,501
11	Jestha 2075	2,914,428	2,152,153	2,152,153
12	Ashar 2075	3,683,750	3,690,370	3,690,370
<b>Total</b>		<b>29,405,154</b>	<b>24,663,012</b>	<b>24,585,933</b>
<b>Grand Total</b>		<b>85,540,401</b>	<b>74,589,155</b>	<b>74,233,253</b>

## Some Glimpses of the Project Sites

### 1. UPPER MAI HYDROELECTRIC PROJECT (12MW)



► Headworks



► Headrace Tunnel



► Power House and Camp Area



► Machine Hall



## 2. UPPER MAI C HYDROELECTRIC PROJECT (6.1MW)



► Headworks



► Surge Tank



► Machine Hall



► Switch Yard

### 3. SITE INSPECTION



► Company's Board of Director (*Upper Mai Powerhouse*)



► Company's Board of Director (*Upper Mai C Headrace Tunnel*)



► Nepal Electricity Authority (NEA) Team (*Upper Mai Project*)



► Consortium Member Bank Team (*Upper Mai C Control Panel*)



#### 4. TESTING AND COMMISSIONING OF THE PROJECT



► Commissioning of Upper Mai C Powerhouse



► Switchyard Testing



► Commissioning of Control Panel



► Rejoicing moment of NEA Grid Connection

## 5. COMPANY'S STAFF WORKING AT SITE



▶ Upper Mai Power House



▶ Upper Mai Headworks



▶ Upper Mai Plant



▶ Upper Mai C Plant



## 6. PUBLIC SHARE ISSUE



► Contract Signing with Share Issue Manager



► Public Share Distribution Program



► Audience during Public Share Distribution



► Contract Signing with NEPSE for Share Registration

## 7. INTERACTION WITH LOCAL PEOPLE



► Public Hearing of the Project



► Local People's Participation in Public Hearing



► Local People at Public Hearing



► Interaction with the Local Community

[illegible]

## Note

[illegible]







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