



**INDEPENDENT AUDITOR'S REPORT**  
**To the Shareholders' of Bandipur Cable Car and Tourism Ltd.**

**Opinion**

We have audited the financial statements of **Bandipur Cable Car and Tourism Ltd.**, which comprise the Balance Sheet as at 32 Ashad, 2079 (corresponding to 16 July, 2022), and the income statement, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the Balance Sheet of the company as at 32 Ashad, 2079, and its income statement and its cash flows for the year then ended in accordance with Nepal Accounting Standard (NAS).

**Basis of Opinion**

We conducted our audit in accordance with Nepal Standard on Auditing (NSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ICAN's *Handbook of Code of Ethics for Professional Accountants* together with the ethical requirements that are relevant to our audit of the financial statements in Nepal, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAN's *Handbook of Code of Ethics for Professional Accountants*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key Audit Matters are those matters that in our professional judgement, were of most significance in our audit of the financial statements of the current period and include most significant assessed risk of material (whether due to fraud) identified including those which has greatest effect on overall audit strategy, allocation of resources in audit and directing effort of the engagement team. We have determined that there are no key audit matters to communicate in our report.

**Other Information**

Management is responsible for other information. The other information comprises the information included in the Annual Report and Report of Board of Directors, but not includes the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent



with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

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

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

As a part of an audit in accordance with NSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and access the risks of material misstatement of financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are

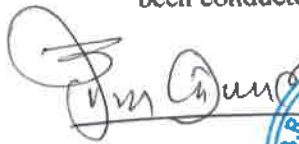

required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

### **Report on Other Legal and Regulatory Requirements**

Based on our examination of the financial statements as per Company's Act, we report that:

- a) We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
- b) The accounts and records of the Company have been maintained as required by law and practice in a manner to reflect the real affairs of the Company.
- c) The Balance Sheet, Income Statement and the Cash Flow Statement dealt with by this report are in agreement with the books of account of the Company.
- d) In our opinion and to the best of our information and according to explanations given to us, the Board of Directors, the representative or any employee of the Company has not acted contrary to the provision of law relating to accounts nor caused direct loss or damage to the company deliberately or acted in a manner that would jeopardized the interest and security of the Company and the business of the Company appears to have been conducted satisfactorily.

  
.....  
CA Balaram Parajuli  
Proprietor  
B.R. Parajuli and Associates, Chartered Accountants



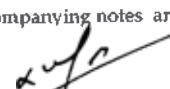
Place: Kathmandu  
Date: 2079/09/29  
UDIN: 230113CA00960wa3oh

**BANDIPUR CABLE CAR AND TOURISM LTD.**  
**BANDIPUR-03, TANAHUN**  
**Statement of Financial Position**  
**As on Ashad 32, 2079 (July 16, 2022)**

Particulars	Notes	Ashad 32, 2079	Amount in NPR Ashad 31, 2078
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, Plant and Equipment	4	204,970,724	205,954,835
Intangible Assets	5	22,825,563	6,796
Capital Work in Progress	5.1	1,026,144,199	474,477,320
Investment	6.1	70,409,099	160,000
Deferred Tax Asset	12.2	-	-
Other Non-Financial Asset	7	-	10,679,325
<b>Total Non Current Assets</b>		<b>1,324,349,586</b>	<b>691,278,276</b>
<b>Current Assets</b>			
<b>Financial Assets</b>			
i) Financial Assets held to maturity	6.2	-	-
ii) Cash and Cash Equivalents	8.1	25,157,854	6,206,425
<b>Other Non-Financial Assets</b>			
i) Other Current Asset	7	130,829,037	171,264,685
ii) Income Tax Asset		-	-
<b>Total Current Assets</b>		<b>155,986,891</b>	<b>177,471,111</b>
<b>Total Assets</b>		<b>1,480,336,476</b>	<b>868,749,387</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share Capital	9	200,000,000	200,000,000
Advance for Share Capital		439,698,063	216,973,051
Reserve and Surplus	10	(49,089,866)	(27,210,739)
<b>Total Equity</b>		<b>590,608,197</b>	<b>389,762,311</b>
<b>Non Current Liabilities</b>			
<b>Financial Liabilities</b>			
i) Loans & Borrowing	11.1	568,855,669	261,787,010
Retirement Benefit Obligations		-	-
Deferred Tax Liability	12.2	185,117	-
<b>Total Non Current Liabilities</b>		<b>569,040,786</b>	<b>261,787,010</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
i) Loans & Borrowing	11.2	127,188,182	185,629,747
ii) Trade & Other payable	11.3	183,947,239	29,342,666
Other Non-Financial Liabilities	13.1	9,552,072	2,227,653
<b>Total Current Liabilities</b>		<b>320,687,494</b>	<b>217,200,066</b>
<b>Total Equity &amp; Liabilities</b>		<b>1,480,336,476</b>	<b>868,749,387</b>

As per our Attached Report of Even Date

Accompanying notes are an integral part of this financial statements

  
 Ram Chandra Sharma  
 Chairman


  
 Kiran Pokharel  
 Chief Executive Officer

  
 CA. Balaram Varajuli  
 B.R. Parajuli & Associates  
 Chartered Accountant

  
 Shiva Prasad Sharma  
 Director

  
 Taranath Upadhyaya  
 Director

  
 Hari Dutta Paudel  
 Director

  
 Hari Prasad Subedi  
 Senior Accounts Officer  
 Date: 2078.09.18  
 Place: Kathmandu, Nepal




**BANDIPUR CABLE CAR AND TOURISM LTD.**  
**BANDIPUR-03, TANAHUN**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the Period from Shrawan 1, 2078 to Ashad 32, 2079 (July 16, 2021 to July 16, 2022)**

Particulars	Notes	Amount in NPR	
		Ashad 32, 2079	Ashad 31, 2078
<b>Income from Operation</b>			
Service Charge	14	-	-
<b>Gross Income</b>			
Other Operating Income	15	13,999,965	2,615,827
<b>Total Income from Operations</b>		<b>13,999,965</b>	<b>2,615,827</b>
<b>Less: Operating Expense</b>			
Employee Benefit Expenses	16	1,390,000	-
Administrative Expenses	17	4,959,355	6,861,308
Selling & Distribution Expense		-	-
Other Operating Expense	18	34,202,534	-
<b>Profit from Operations</b>		<b>(26,551,924)</b>	<b>(4,245,481)</b>
Depreciation and amortisation	19	3,113,924	2,356,944
Finance Cost		-	-
<b>Profit Before Income Tax</b>		<b>(29,665,848)</b>	<b>(6,602,424)</b>
Tax Expenses		185,117	-
Current Tax	12.1	-	-
Deferred Tax	12.2	185,117	-
<b>Profit From Continuing Operations</b>		<b>(29,850,965)</b>	<b>(6,602,424)</b>
<b>Profit/(Loss) on Discontinued Operations (Net of Tax)</b>		<b>-</b>	<b>-</b>
<b>Profit For the Year</b>		<b>(29,850,965)</b>	<b>(6,602,424)</b>
<b>Other Comprehensive Income / (Expenses)</b>			
Net Gains / (loss) on Available-for-Sale Investments		-	-
Actuarial Gains / (Losses) on Defined Benefits Plan		-	-
<b>Total Other Comprehensive Income / (Expenses)</b>		<b>-</b>	<b>-</b>
Less: Tax Expense relating to Components of OCI		-	-
<b>Total Other Comprehensive Income for the Year</b>		<b>-</b>	<b>-</b>
<b>Attributable to:</b>			
Equity Share Holders		<b>(29,850,965)</b>	<b>(6,602,424)</b>

As per our Attached Report of Even Date

Accompanying notes are an integral part of this financial statements

  
 Ram Chandra Sharma  
 Chairman

  
 Kiran Pokharel  
 Chief Executive Officer

  
 CA. Baram Parajuli  
 B.R. Parajuli & Associates  
 Chartered Accountant

  
 Shiva Prasad Sharma  
 Director

  
 Taranath Upadhyaya  
 Director

  
 Hari Dutta Paudel  
 Director

  
 Hari Prasad Subedi  
 Senior Accounts Officer






**BANDIPUR CABLE CAR AND TOURISM LTD.**  
**BANDIPUR-03, TANAHUN**  
**Statement of Changes in Equity**  
**For the Year Ended Ashad 32, 2079**

Amount in NPR.


Particular	Share Capital	Advance for Share Capital	Accumulated Profit/ Loss	General Reserve	CSR Reserve	Securities Premium	Total
<b>Balance at the Beginning of the Period</b>	200,000,000	67,411,848	(20,608,315)	-	-	-	246,803,533
<b>Readjusted Opening</b>	200,000,000	67,411,848	(20,608,315)	-	-	-	246,803,533
Issue of Share Capital	-	-	-	-	-	-	-
Receipt of Advance Share Capital	-	149,561,203	-	-	-	-	149,561,203
Profit for the Year	-	-	(6,602,424)	-	-	-	(6,602,424)
Available for Sale Reserve	-	-	-	-	-	-	-
Transferred to Securities Premium	-	-	-	-	-	-	-
Transferred to General Reserve	-	-	-	-	-	-	-
Issue of Bonus Share	-	-	-	-	-	-	-
Cash Dividend Paid	-	-	-	-	-	-	-
Transfer to CSR Reserve	-	-	-	-	-	-	-
Expenses from CSR Fund	-	-	-	-	-	-	-
<b>Balance at the End of the FY 2077/78</b>	200,000,000	216,973,051	(27,210,739)	-	-	-	389,762,311
<b>Balance at the Beginning of the FY 2078/79</b>	200,000,000	216,973,051	(27,210,739)	-	-	-	389,762,311
<b>Readjusted Opening</b>	200,000,000	216,973,051	(27,210,739)	-	-	-	389,762,311
Issue of Share Capital	-	-	-	-	-	-	-
Receipt of Advance Share Capital	-	222,725,012	-	-	-	-	222,725,012
Profit for the Year	-	-	(29,850,965)	-	-	-	(29,850,965)
Available for Sale Reserve	-	-	-	-	-	-	-
Transferred to Securities Premium	-	-	-	-	-	7,971,838	7,971,838
Transferred to General Reserve	-	-	-	-	-	-	-
Transferred to CSR Reserve	-	-	-	-	-	-	-
Expenses from CSR Fund	-	-	-	-	-	-	-
Issue of Bonus Share	-	-	-	-	-	-	-
Cash Dividend Paid	-	-	-	-	-	-	-
<b>Balance at the End of the FY 2078/79</b>	200,000,000	439,698,063	(57,061,704)	-	-	7,971,838	590,608,197

As per our report of even date

  
**C.A. Balam Parajuli**  
**B.R. Parajuli & Associates**  
 Chartered Accountant

  
**Shiva Prasad Sharma**  
 Director

  
**Kiran Pokharel**  
 Chief Executive Officer

  
**Hari Dutta Paudel**  
 Director

  
**Ram Chandra Sharma**  
 Chairman

  
**Taranath Upadhyaya**  
 Director



**BANDIPUR CABLE CAR AND TOURISM LTD.**

**BANDIPUR-03, TANAHUN**

**Statement of Cashflow**



**For the Period from Shrawan 1, 2078 to Ashad 32, 2079 (July 16, 2021 to July 16, 2022)**


Particulars	Amount in NPR	
	Ashad 32, 2079	Ashad 31, 2078
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before Tax	(29,665,848)	(6,602,424)
<b>Adjustments for:</b>		
Loss on sale of assets	-	-
Interest expense	-	-
Depreciation expenses	3,113,924	2,356,944
Income tax Paid	-	-
<b>Cash flow from Operating Activities before working capital changes</b>	<b>(26,551,924)</b>	<b>(4,245,481)</b>
Increase/(Decrease) in Liabilities	103,487,428	205,430,654
(Increase)/Decrease in Other Assets	51,114,974	(101,557,233)
<b>Net Cash Flow from Operating Activities (1)</b>	<b>128,050,478</b>	<b>99,627,940</b>
<b>B. Cash Flow from Financing Activities</b>		
Increase/(Decrease) in Share Capital	222,725,012	149,561,203
Increase/(Decrease) in Securities Premium	7,971,838	-
Increase/(Decrease) in Long Term Loan	307,068,659	93,987,010
Dividend Paid	-	-
Interest paid	-	-
Tax Paid	-	-
<b>Net Cash Flow from Financing Activities (2)</b>	<b>537,765,509</b>	<b>243,548,213</b>
<b>C. Cash Flow from Investing Activities</b>		
(Increase)/Decrease in Investments	(70,249,099)	-
(Increase)/Decrease in Fixed Deposits	-	-
Sale/(Purchase) of Tangible & Intangible Fixed Assets	(24,948,582)	(49,550,045)
(Increase)/Decrease in WIP	(551,666,879)	(288,252,232)
<b>Net Cash Flow from Investing Activities (1)</b>	<b>(646,864,559)</b>	<b>(337,802,277)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (1+2+3)</b>	<b>18,951,428</b>	<b>5,373,876</b>
Cash and Cash Equivalents at beginning of the year/period	6,206,425	832,549
Cash and Cash Equivalents at end of the year/period	25,157,854	6,206,425


As per our report of even date

  
\_\_\_\_\_  
Ram Chandra Sharma

  
\_\_\_\_\_  
Kiran Pokharel

  
\_\_\_\_\_  
CA. Balam Parajuli  
B.R. Parajuli & Associates  
Kathmandu  
Nepal  


  
\_\_\_\_\_  
Shiva Prasad Sharma  
Director

  
\_\_\_\_\_  
Taranath Upadhyaya  
Director

  
\_\_\_\_\_  
Hari Dutta Paudel  
Director

  
\_\_\_\_\_  
Hari Subedi  
Senior Accounts Officer



## Bandipur Cable Car & Tourism Limited

Pokhara-08, Kaski

Notes to Financial Statements as of Ashad 32, 2079 (July 16, 2022)

### 1. Overview of the Company

Bandipur Cable Car and Tourism Limited (The "Company") initially named as Bandipur Cable Car Pvt. Ltd., at the office of Company registrar having its registration no.108644/69/70 with registered address as Bandipur, Tanahun. Later the company converted into Public limited company also with new name as Bandipur Cable Car & Tourism Public Limited as on 29th August, 2021 with registration no. as 270364/078/79. The registered office and principal place of business is located at Tanahun, Nepal. The PAN of company is 600918925. The company is not listed in Nepal Stock Exchange Limited yet.

The principal objective of the company is to Build & Operate the Cable Car and promotes other Tourism Related Activity within the territory of Nepal.

The substantial share of the company was purchased by RKD Holding Ltd. (previously company named "Real Estate & Construction Public Limited") as on Ashadh, 2075. Hence, this organization is the subsidiary company of the former organization.

The Board of Directors of the company acknowledges the responsibility of preparation of financial statements of the company.

### 2. Statement of Compliance:

Financial statements have been prepared in accordance with Nepal Accounting Standards (NAS) as published by the Accounting Standards Board (ASB) - Nepal and issued by Institute of Chartered Accountant of Nepal (ICAN).

#### 2.1 Approval of financial statements

Accompanied financial statements have been adopted by Board of Directors on its meeting held on December 21, 2022 and have been recommended for approval by shareholders in the Annual General Meeting.

### 3. Basis of Preparation

The company while complying with reporting standards, makes critical accounting judgement as having potentially material impact on Financial Statements. The significant accounting policies that relate to financial statements as a whole along with judgements made are described herein.

Where an accounting policy is generally applicable to a specific item, it is described within that relevant note. NAS requires company to exercise judgement in making accounting estimates. Description of such estimates has been given in relevant sections wherever they have been applied.

#### 3.1 Reporting Pronouncements

The Financial Statements that comprise of components mentioned above have been prepared in accordance with Nepal Accounting Standards ("NAS") pronounced by the Institute of Chartered





Accountants of Nepal and its disclosure requirement and in compliance with Company Act, 2063 unless otherwise stated.

### 3.2 Accounting Conventions

Financial statements have been prepared on a historical cost basis, unless modified by revaluation of financial assets and liabilities at fair value through profit or loss.

Financial statements have been prepared on a going concern basis where accounting policies and judgements as required by the standards to be consistently used and in case of deviations disclosed specifically.

### 3.3 Presentation

Financial Statements have been presented in the nearest Nepalese Rupees.

For presentation of Statement of Financial Position, assets and liabilities have been bifurcated into current and non-current distinction under Liquidity basis.

Statement of Profit or Loss has been prepared using classification 'by nature' method.

Cash flows from operation within the Statement of Cash Flows have been derived using indirect method.

#### 3.3.1 Presentation currency

Financial statements are denominated in Nepalese Rupees (NPR), which is functional and presentation currency of the company.

#### 3.3.2 Current and Non-Current distinction

##### Assets

Apart from Property, Plant and Equipment, Deferred tax assets and Investment, all the assets are taken as current assets unless specific additional disclosure is made in notes for current and non-current distinction.

##### Liabilities

Apart from defined benefit plan obligations, long term loan and deferred tax liability, all liabilities are taken as current liabilities unless specific additional disclosure is made in notes for current and non-current distinction.

### 3.4 Accounting Policies and Accounting Estimates

Company, under Nepal Accounting Standards (NAS), is required to apply accounting policies to most appropriately suit its circumstances and operating environment. Further, the company is required to make judgement in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect Financial Statements. This may later be determined that a different choice could have been more appropriate.



Accounting policies have been included in the relevant notes for each item of Financial Statements. The effect and nature of the changes, if any, have been disclosed.

NAS requires the company to make estimates and assumptions that will affect the assets, liabilities, disclosure of contingent assets and liabilities, and profit or loss as reported in Financial Statements.

Company applies estimates in preparing and presenting Financial Statements. Estimates and underlying assumptions are reviewed periodically. Revision to accounting estimates are recognized in the period in which estimates are revised and applied prospectively.

Disclosures of the accounting estimates have been included in the relevant section of the notes wherever estimates have been applied along with the nature and effect of changes of accounting estimates, if any.

### 3.5 Financial Periods

The company follows the Nepalese financial year based on the Nepalese calendar (i.e., Shrawan 1, 2078 to Ashad 32, 2079).

### 3.6 Discounting

Discounting has been applied where assets and liabilities are non-current and the impact of the discounting is material.

No discounting has been made in regards to deferred tax liability.

## 4. Property, Plant & Equipment

### Accounting Policy


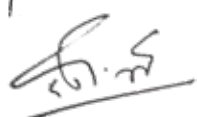
NAS 16 provides guidance on recognition, measurement and disclosure on property, plant and equipment. Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit or Loss during the financial period in which they are incurred.

Depreciation on other assets is calculated using the Written Down Value method to allocate their cost to their residual values over their estimated useful lives, as follows:

Building and Construction	0%
Furniture and Fixtures	25%
Computers	25%
Office Equipment	25%
Vehicle	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Statement of Financial Position date. The value of the assets fully depreciated but continued to be in use is considered not material.








At each reporting date, assets are also assessed for indicators of impairment. In the event that an asset's carrying amount is determined to be greater than its recoverable amount, the asset is written down immediately to the recoverable amount.

Assets with cost below NPR 5,000 are charged off as revenue expenditure. Gains and losses on disposal are included in the Statement of Profit or Loss.

Particulars	Original Cost	Addition Current Year	Disposal of Assets	Total Assets	Accumulated Depreciation till Ashad 31, 2078	Depreciation F/Y 2078/79	Accumulated Depreciation till Ashad 32, 2079	WDV as on Ashad 32, 2079
Land	191,671,250	-	-	191,671,250	-	-	-	191,671,250
Furniture and Fixture, Computer and Office Equipment	1,548,335	714,707	-	2,263,041	541,694	359,762	901,456	1,361,586
Vehicle	15,232,235	-	-	15,232,235	2,030,965	2,640,254	4,671,219	10,561,017
Other Equipment	89,027	-	-	89,027	13,354	11,351	24,705	64,322
Leasehold Asset	-	320,845	-	320,845	-	59,950	59,950	260,895
Other Asset	-	1,080,392	-	1,080,392	-	28,737	28,737	1,051,655
<b>Total</b>	<b>208,540,847</b>	<b>2,115,944</b>	<b>-</b>	<b>210,656,790</b>	<b>2,586,012</b>	<b>3,100,054</b>	<b>5,686,066</b>	<b>204,970,724</b>

## 5. Intangible Asset

### Accounting Policy

#### Acquired Intangible Assets

Intangible assets are initially measured at fair value, which reflects market expectations of the probability that the future economic benefits embodied in the asset will flow to the Company, and are amortized on the basis of their expected useful lives.

Amortization on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives.

Website is the only intangible asset in the company.

#### Explanatory Notes

Particulars	Original Cost	Addition Current Year	Disposal of Assets	Total Assets	Accumulated Depreciation till Ashad 31, 2078	Depreciation F/Y 2078/79	Accumulated Depreciation till Ashad 32, 2079	WDV as Ashad 32, 2079
<b>Intangible Assets</b>								
Website	13,274	732,637	-	745,912	6,478	1,761	8,239	737,673
Software	-	22,100,000	-	22,100,000	-	12,110	12,110	22,087,890
<b>Total</b>	<b>13,274</b>	<b>22,832,637</b>	<b>-</b>	<b>22,845,912</b>	<b>6,478</b>	<b>13,870</b>	<b>20,348</b>	<b>22,825,563</b>

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## 5.1 Capital Work in Progress

### Accounting Policies

Property, plant and equipment are tangible items that:

- (a) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- (b) are expected to be used during more than one period.

### Initial Recognition

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

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

The recognition of costs ceases when the asset is ready for use. This is when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

### Explanatory Note

Since the asset is still not ready to use as intended by the Management, the company has recognized the cost incurred on the asset as "Capital Work in Progress".

Details of the Capital Work in Progress are as follows:

Particulars	Balance as on Shrawan 1, 2078	Addition for the year	Transfer to Fixed Asset	Balance as on Ashad 32, 2079
Building and Civil Cost	427,451,573	395,751,325	-	823,202,898
Cable Car Plant & Machinery	11,457,000	97,800,269	-	109,257,269
Finance and Interest Capitalized Cost	35,568,748	57,995,108	-	93,563,856
Mechanical Electric Plumbing	-	120,177	-	120,177
<b>Total</b>	<b>474,477,320</b>	<b>551,666,879</b>	<b>-</b>	<b>1,026,144,199</b>

## 6. Investment

### Accounting Policies

The Company classifies its financial assets into following measurement categories:

- a) Financial assets held for Trading;
- b) Loans and receivables;
- c) Held-to-maturity; and
- d) Available-for-sale.



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### Financial assets held for trading

A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term.

Financial assets may be designated at fair value through profit or loss when:

- The designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities on a different basis
- A group of financial assets and/or liabilities is managed and its performance evaluated on a fair value basis
- The assets or liabilities include embedded derivatives and such derivatives are required to be recognized separately.

### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and it is expected that substantially all of the initial investment will be recovered, other than because of credit deterioration.

### Held-to-maturity

Held-to-maturity assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the intention and ability to hold to maturity.

### Available for Sale Investment

An Available for sale investment is one that is not a loan or receivable nor held to maturity nor held for trading purposes.

NAS 39 Financial Instruments: Recognition and Measurement requires that available for sale investments are remeasured to fair value at each reporting date. Any difference is recognized as other comprehensive income and accumulated as a separate reserve in equity.

### Initial recognition

All financial instruments are initially recognized at fair value, which is normally the transaction price. For those financial assets not carried at fair value through profit and loss, directly attributable transaction costs shall be added at initial recognition.

Purchases and sales of financial assets held at fair value through profit or loss are initially recognized on the trade-date (the date on which the Company commits to purchase or sell the asset).

Loans are recognized when cash is advanced to the borrowers.





## Subsequent measurement

Financial assets held at fair value through profit or loss are subsequently carried at fair value, with gains and losses arising from changes in fair value taken directly to the net trading income in the statement of profit or loss.

Available-for-sale financial assets are subsequently carried at fair value, with gains and losses arising from changes in fair value taken to Other Comprehensive Income, unless the Company makes irrevocable election to make changes in fair value through Statement of Profit or Loss.

Financial assets are subsequently measured at amortized cost, with any difference between proceeds net of directly attributable transaction costs and the redemption value recognized in the statement of profit or loss over the period of the borrowings using the effective interest method.

## Derecognition

Financial assets are derecognized when rights to receive cash flows from the assets have expired or where the company has transferred substantially all risks and rewards of ownership. If substantially all risks and rewards have been neither retained nor transferred and the company has retained control, assets continue to be recognized to the extent of the company's continuing involvement.

### 6.1 Investment (Non-Current)

#### i) Available for Sale Investment

- The Company classifies its investment in Nawayug Multipurpose Cooperative Ltd. as "Available for Sale" Investment.
- There has been no any change in Investment value held at Nawayug Multipurpose Cooperative Ltd.

Particulars	Ashad 32, 2079	Ashad 31, 2078
Investment	160,000	160,000
<b>Total</b>	<b>160,000</b>	<b>160,000</b>

#### ii) Financial Asset held for Trading

##### ii) Financial Assets held for trading

Particulars	Ashad 32, 2079	Ashad 31, 2078
Investment in Secondary Market & Derivatives	70,249,099	-
<b>Total</b>	<b>70,249,099</b>	<b>-</b>
<b>Total Non-current Investment (i+ii)</b>	<b>70,409,099</b>	<b>160,000</b>



## 6.2 Investment (Current)

### Accounting Policies

Held-to-maturity assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the intention and ability to hold to maturity.

### Explanatory Notes

- The Company do not have any Financial Assets held till maturity.

Particulars	Ashad 32, 2079	Ashad 31, 2078
Financial Assets held to maturity	-	-
<b>Total</b>	-	-
<b>Total Current Investment</b>	-	-

## 7. Other Non-Financial Assets

### Accounting Polices

Other Non-Financial Assets includes Prepaid Expenses, Advances & Other Receivables. Those assets that fall under the classification of financial instruments are carried at amortized costs and assets that do not fall within the definition are carried at its cost.

These instruments are regularly monitored for impairment.

### Explanatory Notes

#### i) Other Non-Financial Asset (Non-Current)

Particulars	Ashad 32, 2079	Ashad 31, 2078
Advance for Property, Plant & Equipment	-	10,679,325
Deposits Against Appeals	-	-
Other Deposits	-	-
<b>Total</b>	-	<b>10,679,325</b>



ii) **Other Non-Financial Asset (Current)**

Particulars	Ashad 32, 2079	Ashad 31, 2078
Advance to Suppliers	13,419,596	65,875,704
Employee Advances	-	627
Letter of Credit Margin	8,905,000	-
VAT Receivable	107,632,490	53,745,886
Advance Tax	645,249	17,030
Other receivable and advance	226,701	51,625,439
<b>Total</b>	<b>130,829,037</b>	<b>171,264,685</b>

**8. Financial Assets**

**8.1 Cash & Cash Equivalents**

**Accounting Policies**

Cash and cash equivalents comprise cash balances, call deposits and other short term highly liquid investments. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included within borrowings in current liabilities on the balance sheet.

**Explanatory Notes**

Particulars	Ashad 32, 2079	Ashad 31, 2078
Cash in Hand	4,866	4,721
Cash at Bank	25,152,988	6,201,704
<b>Total</b>	<b>25,157,854</b>	<b>6,206,425</b>

**Details for Bank Balance**

Particulars	Ashad 32, 2079	Ashad 31, 2078
Nepal Bank Ltd.	1,813,221	413,471
Nepal SBI Bank Ltd.	9,088,234	3,774,702
Citizen Bank International Ltd.	33,800	33,800
NIC Asia Bank Ltd.	13,914,702	1,903,237
NMB Bank Ltd.	182,637	76,495
Nawayug Multipurpose Cooperative Ltd.	120,394	-
<b>Total</b>	<b>25,152,988</b>	<b>6,201,704</b>

Cash and Bank Balance comprise cash which is retained by organization, account official staff and bank comprises bank account with several banks and financial institutions.

**9. Share Capital**

**Accounting Policy**

Financial instruments issues are classified as equity when there is no contractual obligation to transfer cash, other financial assets or issue available number of own equity instruments.

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Incremental costs directly attributable to the issue of new shares are shown in equity as deduction net of taxes from the proceeds.

Dividends on ordinary shares classified as equity are recognized in equity in the period in which they are declared.

#### Explanatory Notes

Particulars	Number	Per Unit Value	Amount
Authorized Capital	10,000,000	100	1,000,000,000
Issued Capital	7,500,000	100	750,000,000
Subscribed Capital	2,000,000	100	200,000,000

#### Share Capital

##### Ordinary Shares (Number)

Particulars	Ashad 32, 2079	Ashad 31, 2078
Fully Paid Ordinary Shares at the beginning of the Year	2,000,000	2,000,000
Number of Bonus shares issued	-	-
Fully Paid Ordinary Shares at the end of the Year (Number)	2,000,000	2,000,000
Per unit Value of the Shares	100	100
Fully Paid Ordinary Shares (Amount)	200,000,000	200,000,000

#### 10. Reserve

##### Accounting Policy

##### 10.1 General Reserve

There is no any provision related to allocation of the net profit to the General Reserve Fund.

The company is still yet to commence it operations.

##### 10.2 Capital Reserve

A Capital reserve in generally created out of profits or gains of a capital nature there has been no sale of fixed assets nor revaluation of assets or liabilities during the year. So, no variance has been noted for Capital Reserve.

The company do not have any capital reserve in its books.

##### 10.3 Securities Premium

Section 29 of the Companies Act, 2063 provides the requirement for the securities premium which applies to the issue of securities. The requirement is attracted when the securities are offered at a price which exceeds the nominal value. The requirement states that a sum in excess of the face value, out of the proceeds thereof, shall be deposited in a premium account to be opened to that effect.




The Company has securities premium of NPR 7,971,838 as at the end of the reporting period.

#### 10.4 Corporate Social Responsibility Reserve

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

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

#### 10.5 Movement in reserves

Movements in reserves are given in detail in Statement of Changes in Equity.

The reserves include following reserves.

#### Explanatory Notes

Particulars	Ashad 32, 2079	Ashad 31, 2078
Securities Premium	7,971,838	-
Capital Reserve	-	-
General Reserve	-	-
Accumulated Profit	(57,061,704)	(27,210,739)
CSR Reserve	-	-
<b>Total</b>	<b>(49,089,866)</b>	<b>(27,210,739)</b>

### 11. Financial Liabilities

#### Accounting Policy

Financial liabilities are classified as either held

- at fair value through profit or loss, or
- at amortized cost.

Management determines classification of its financial liabilities at initial recognition or, where applicable, at the time of reclassification.

#### Financial assets and liabilities held at fair value through Profit or Loss

This category has two sub-categories: financial liabilities held for trading, and those designated at fair value through profit or loss at inception. A financial liability is classified as held for trading if acquired principally for the purpose of selling in the short term.

Financial liabilities may be designated at fair value through profit or loss when:

- The designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities on a different basis
- A group of financial liabilities is managed and its performance evaluated on a fair value basis





- The liabilities include embedded derivatives and such derivatives are required to be recognized separately.

### Financial liabilities held at amortized cost

Financial liabilities, not classified held at fair value through profit or loss includes payables which are classified as amortized cost instruments.

### Initial recognition

All financial instruments are initially recognized at fair value, which is normally the transaction price. For those financial liabilities not carried at fair value through profit and loss, directly attributable transaction costs shall be deducted at initial recognition.

Purchases and sales of financial liabilities held at fair value through profit or loss are initially recognized on the trade-date (the date on which the Company commits to purchase or sell the asset).

Loans are recognized when cash is advanced to the borrowers.

### Subsequent measurement

Financial liabilities held at fair value through profit or loss are subsequently carried at fair value, with gains and losses arising from changes in fair value taken directly to the net trading income in the statement of profit or loss.

Financial liabilities are subsequently measured at amortized cost, with any difference between proceeds net of directly attributable transaction costs and the redemption value recognized in the statement of profit or loss over the period of the borrowings using the effective interest method.

### Derecognition

Financial liabilities are derecognized when they are extinguished. A financial liability is extinguished when the obligation is discharged, cancelled or expires.

### Explanatory Notes

#### 11.1 Loans & Borrowings (Non-Current)

##### a) Secured Loan

Particulars	Ashad 32, 2079	Ashad 31, 2078
Term Loan:	558,636,007	250,321,423
<i>Nepal SBI Bank Ltd.</i>	413,956,512	162,244,955
<i>NMB Bank Ltd.</i>	144,679,494	88,076,468
Hire Purchase Loan:	10,219,662	11,465,587
<i>Nepal SBI Bank Ltd.</i>	10,219,662	11,465,587
<b>Total</b>	<b>568,855,669</b>	<b>261,787,010</b>

The company has classified these financial liabilities at amortized cost.




b) Unsecured Loan

Particulars	Ashad 32, 2079	Ashad 31, 2078
Unsecured Loan	-	-
<b>Total</b>	-	-
<b>Total Loans &amp; Borrowing (a+b)</b>	<b>568,855,669</b>	<b>261,787,010</b>

11.2 Loans & Borrowings (Current)

a) Secured Loan

Particulars	Ashad 32, 2079	Ashad 31, 2078
<b>Bridge Gap Loan:</b>	<b>127,188,182</b>	<b>183,134,000</b>
Nepal SBI Bank Ltd.	83,500,000	100,000,000
NMB Bank Ltd.	43,688,182	83,134,000
<b>Total</b>	<b>127,188,182</b>	<b>183,134,000</b>

11.3 Trade and Other Payables (Current)

Particulars	Ashad 32, 2079	Ashad 31, 2078
Trade Payable for Goods and Services	159,305,739	29,342,666
Bizbazar Limited	24,641,500	-
<b>Total</b>	<b>183,947,239</b>	<b>29,342,666</b>

12. Taxation

Accounting Policy

Income tax payable on profits is based on the applicable provisions of Income Tax Act, 2058 and is recognized as an expense in period in which profits arise.

Deferred tax is provided in full, using liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rate applicable to the Company as at the reporting date which is expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized where it is probable that future taxable profit will be available against which the temporary differences can be utilized. Current and deferred tax relating to items which are charged or credited directly to equity, is credited or charged directly to equity

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and is subsequently recognized in the statement of profit or loss together with the current or deferred gain or loss.

## 12.1 Current Tax

The Company's current tax liabilities are calculated using the Income Tax Act, 2058 as applicable in Nepal. 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.

The details of tax expenses are as given below:

	Ashad 32, 2079	Ashad 31, 2078
Current Tax Expenses*	-	-
Previous Years' Tax Expenses	-	-
Deferred Tax Expenses/(Income)	185,117	-
<b>Total</b>	<b>185,117</b>	<b>-</b>

\*No current tax expense has incurred due to the net loss of NPR 29,850,965 for the reporting period

## 12.2 Deferred Tax

Deferred tax is provided in full, using liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rate applicable to the Company as at the reporting date which is expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized where it is probable that future taxable profit will be available against which the temporary differences can be utilized. Current and deferred tax relating to items which are charged or credited directly to equity, is credited or charged directly to equity and is subsequently recognized in the statement of profit or loss together with the current or deferred gain or loss.

Deferred tax liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences.

### Explanatory Note

E/Y 2078/79

Particulars	Carrying Amount	Tax Base	Temporary Difference
Property, Plant & Equipment	204,970,724	204,954,752	15,972
Intangible Assets	22,825,563	22,101,067	724,496
Capital Work in Progress	1,026,144,199	1,026,144,199	-
Defined Benefit Plan			
<b>Total</b>			<b>740,468</b>

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Tax rate	25%
Deferred Tax Liability/ (Assets) as on Ashad 32, 2079	185,117
Deferred Tax Liability/(Assets) as on Ashad 31, 2078	-
Deferred Tax Expense/(Income) for the year	185,117

Taxable temporary differences have been created for the year which results into deferred tax liability that will result in taxable amounts in determining taxable profit (tax loss) of future periods when the carrying amount of the asset or liability is recovered or settled.

### 13. Non-Financial Liabilities- Current Liabilities

#### Accounting Policy

Non-financial liabilities are recorded and reported at cost based on legal and constructive obligation to the Company.

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provision for bonus is created as per Bonus Act, 2030.

Provision for taxation is created with the best estimate (i.e., as per the taxation laws of Nepal).

#### Explanatory Note

Particulars	Ashad 32, 2079	Ashad 31, 2078
Audit Fee Payable	142,825	123,125
House Rent Payable	-	44,211
Lease Rent Payable	144,000	-
Salary Payable	245,721	143,899
TDS Payable	5,258,610	1,916,418
Reverse VAT Payable	3,152,761	-
Other Payable	608,155	-
<b>Total</b>	<b>9,552,072</b>	<b>2,227,653</b>

### 14. Revenue

#### Accounting Policy

Revenue for the rendering of services is recognised by reference to the stage of completion of the transaction at the end of the reporting period, if the outcome of the transaction can be reliably estimated. This is the case when all the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably;






- iv) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

If the outcome of such a transaction cannot be estimated reliably, revenue is recognized only to the extent that expenses recognised are recoverable.

#### Explanatory Notes

Particulars	Ashad 32, 2079	Ashad 31, 2078
<b>Revenue from Operation</b>		
Service Charges	-	-
Other Income	-	-
<b>Total</b>	-	-

Hence, the company is still in the completion of its physical infrastructure. No revenue from direct operating activities have been generated by the company.

#### 15. Other Operating Income

##### Accounting Policy

Other operating income includes revenue from all other operating activities which are not related to the principal activities of the company, such as gains/losses from disposals, interest income, dividend income, etc.

##### Explanatory Notes

Finance Income		Note: 15.1
Particulars	Ashad 32, 2079	Ashad 31, 2078
Interest From Deposits	120,394	-
Interest From Loan	4,175,769	2,371,979
<b>Total</b>	<b>4,298,320</b>	<b>2,371,979</b>

Other Income		Note: 15.2
Particulars	Ashad 32, 2079	Ashad 31, 2078
Share Form Charges	-	243,848
Insurance Claim Income	141,200	-
Miscellaneous Income	132,664	-
Proceeds of Bid Document	15,000	-
Gain on sale of shares	8,741,976	-
Dividend Income	670,806	-
<b>Total</b>	<b>9,701,646</b>	<b>243,848</b>
<b>Total Operating Income</b>	<b>13,999,965</b>	<b>2,615,827</b>

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## 16. Employee Benefit Expense

### Accounting Policy

NAS 19: Employee Benefits prescribe the accounting and disclosure for employee benefits (that is, all forms of consideration given by an entity in exchange for service rendered by employees).

The standard provides for the recognition, measurement and disclosure of the following employee benefits:

- i) Short term employee benefits
- ii) Post-employment benefits
- iii) Other long term employee benefits
- iv) Termination benefits

The cost of providing employee benefits should be recognized in the period in which the benefit is earned by the employee, rather than when it is paid or payable.

When an employee has rendered service to an entity during the reporting period, the reporting entity shall recognize the undiscounted amount of the short-term employee benefits expected to be paid in exchange for that service:

- a) As a liability (accrued expense)
- b) As an expense, unless another NFRS requires or permits the inclusion of the benefits in the cost of the asset (NAS 2 Inventories and NAS 16 Property, Plant & Equipment).

### Staff Bonus

The Company set asides every year as staff bonus 10% of its accounting profit when there is net profit for the reporting period.

### Explanatory Notes

Following employee benefits costs are charged to the cost of Capital Work in Progress.

The company has not created any provision for staff bonus since it has incurred net loss for the reporting period.

Particulars	Ashad 32, 2079	Ashad 31, 2078
Salary and Allowance	1,390,000	-
<b>Total</b>	<b>1,390,000</b>	<b>-</b>
Staff Bonus	-	-
<b>Total Staff Cost including Staff Bonus</b>	<b>-</b>	<b>-</b>



## 17. General and Administrative Expenses

### Accounting Policy

Expenses are decreases in economic benefits during the accounting period in the form of outflows or depletions of assets or incurrences of liabilities that result in decreased in equity, other than those relating to distribution to equity participants.

All general and administrative expenses are recognized when the benefit is received by the company.

### Explanatory Notes

Particulars	Ashad 32, 2079	Ashad 31, 2078
House Rent Expenses	499,444	282,711
Audit Fee	145,000	125,000
Printing and Stationary	314,234	420,741
Telephone & Communication Expenses	130,142	61,680
Miscellaneous Expenses	1,299,766	1,111,864
Bank Charges	144,367	25,737
Water & Electricity Expenses	78,831	28,519
Registration & Renewal Charges	2,500	123,962
Repair & Maintenance	-	111,067
Advertisement	126,464	58,268
Office Expenses	216,930	2,920,857
Insurance Expenses	-	162,436
Consultancy Fee	175,500	106,195
Internet Expenses	31,500	114,009
Legal Expenses	2,500	10,000
Kitchen Expenses	115,588	219,091
Staff Mess Expense	695,929	940,610
Webhosting	-	9,550
AGM Expenses	376,125	-
Loading Wage Expenses	124,000	-
Survey & Reimbursement Expenses	191,916	-
Agent Commission	80,323	-
Electrical Materials Expenses	1,800	-
Transportation & Travelling expenses	154,695	-
Wages Expenses	51,800	-
Postage & Courier Charges	-	300
Branch Expansion Expenses	-	19,503
TADA	-	3,000
Networking Expenses	-	5,100
Medical Expenses	-	1,109
<b>Total</b>	<b>4,959,355</b>	<b>6,861,308</b>

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## 18. Other Operating Expenses

### Accounting Policy

Financial assets held at fair value through profit or loss are subsequently carried at fair value, with gains and losses arising from changes in fair value taken directly to the net trading income in the statement of profit or loss.

Available-for-sale financial assets are subsequently carried at fair value, with gains and losses arising from changes in fair value taken to Other Comprehensive Income, unless the Company makes irrevocable election to make changes in fair value through Statement of Profit or Loss.

Financial assets are subsequently measured at amortized cost, with any difference between proceeds net of directly attributable transaction costs and the redemption value recognized in the statement of profit or loss over the period of the borrowings using the effective interest method.

### Explanatory Notes

Particulars	Ashad 32, 2079	Ashad 31, 2078
Provision for Impairment on Investment	34,202,534	-
<b>Total</b>	<b>34,202,534</b>	<b>-</b>

- The Company has classified its investment in the Secondary Market as "**Financial Assets Held for Trading**".
- Net loss of NPR 34,202,534, due to the change in the fair value of the investment as on Ashad 32, 2079, has been recognized in the Statement of Profit or Loss for the reporting period.

## 19. Depreciation and Amortization

### Accounting Policy

The Company's accounting policy related to depreciation of property plant and equipment has been discussed in Note 4 & 5.

Amortization of expenses, wherever appropriate is apportioned on the basis of the pattern of the economic benefit derived, which is usually on the time apportioned basis.



## Explanatory Notes

Particulars	Accumulated Depreciation till Ashad 31, 2078	Depreciation F/Y 2078/79	Accumulated Depreciation till Ashad 32, 2079
<b>A. Property, plant and equipment</b>			
Land			
Furniture and Fixture, Computer and Office Equipment	541,694	359,762	901,456
Vehicle	2,030,965	2,640,254	4,671,219
Other Equipment	13,354	11,351	24,705
Leasehold Asset	-	59,950	59,950
Electric Vehicle at Site	-	28,737	28,737
<b>Total</b>	<b>2,586,012</b>	<b>3,100,054</b>	<b>5,686,066</b>
<b>B. Intangible Assets</b>			
Website	6,478	1,761	8,239
Software	-	12,110	12,110
<b>Total</b>	<b>6,478</b>	<b>13,870</b>	<b>20,348</b>
<b>Total (A+B)</b>	<b>2,592,490</b>	<b>3,113,924</b>	<b>5,706,414</b>

### 20. Foreign Currencies

The Company does not have any foreign currency denominated Assets, Liabilities, income and Expenses.

### 21. Related Party Disclosures

The Company identifies following as the related parties under the requirements of NAS 24.

- Shareholders having shareholding of 5% or more during the year.
- Companies represented by the Directors.
- Directors of the Company and their close family members if any
- Key Managerial Personnel and their close family members if any.

## Explanatory Notes

### 21.1 Significant Shareholders

Name of the Share Holder	Ashad 32, 2079 % of Holding
RKD Holdings Ltd.	54.09%
Panchase Cable Car & Tours Ltd.	25%
Taranath Upadhyaya	10.50%

- Significant shareholders comprise 89.59% of the total share capital of the company.



## 21.2 Transaction with Significant Shareholders

Name of the Share Holder	Nature	Ashad 32, 2079
RKD Holdings Ltd.	Share Capital	108,180,000
Panchase Cable Car & Tours Ltd.	Share Capital	50,000,000
Taranath Upadhyaya	Share Capital	21,000,000
<b>Total</b>		<b>179,180,000</b>

## 21.3 Transactions with and payments to directors of the Company

Company has conducted eleven Board Meetings for taking Decisions as per MOA & AOA of the company. However, meeting allowances has not been provided as company is yet to start its commercial operation.

Details of the board of directors and their composition, and changes if any during the period, are disclosed in the **Annual Report**.

There have been no transactions with the close family member of the directors.

## 21.4 Transactions with and payments to Key Management Personnel

There has been no transaction and payments to Key Management Personnel.

## 22. Events after reporting period

### Accounting Policy

The company monitors and assess events that may have potential impact to qualify as adjusting and/or non-adjusting events after the end of the reporting period. All adjusting events are adjusted in the books with additional disclosures and non-adjusting material events are disclosed in the notes with possible financial impact, to the extent ascertainable.

### Explanatory Notes

There are no material events that has occurred subsequent to Ashad 32, 2079 till the signing of this financial statement.

## 23. Contingent Liabilities and commitments

### Accounting Policy

Where appropriate, the Company recognizes a provision for liabilities when it is probable that an outflow of economic resources embodying economic benefits will be required and for which a reliable estimate can be made of the obligation(s).

The Company seeks to comply with all applicable laws and regulations, but may be subject to regulatory actions and investigations, the outcome of which are generally difficult to predict and can be material to the Company.

### Explanatory Notes

The Company has no contingent Liabilities and commitments as on the reporting date.





## 24. Cashflow statement

### 24.1 Cash and cash equivalent

#### Accounting Policy

For the purpose of the cash flow statement, cash and cash equivalents comprise balances with Banks.

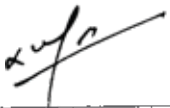
## 25. Dividend

#### Accounting Policy

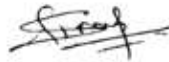
Distribution of profit to the shareholders is done by way of payment of cash dividend and /or issue of bonus shares. Applicable withholding taxes are deducted from such distribution. The distributions are proposed by the board and approved by the general meeting. The proposed dividend and bonus shares are not adjusted in the books, instead disclosed by way of notes.

#### Explanatory Notes

No Dividend is Proposed by the company since it is yet to commence its operations.



Ram Chandra Sharma  
Chairman



Kiran Pokharel  
Chief Executive Officer



CA. Baram Parajuli  
B.R. Parajuli & Associates  
Chartered Accountant



Shiva Prasad Sharma  
Director



Taranath Upadhyaya  
Director



Hari Dutta Paudel  
Director



Hari Subedi  
Senior Accounts Officer

