



बुङ्गल हाइड्रो लिमिटेड

Bungal Hydro Limited



पाँचौं वार्षिक प्रतिवेदन
आ.व. २०८१/०८२

बिषय सुची



शिव प्रसाद घिमिरे
संस्थापक अध्यक्ष



उमेश श्रेष्ठ
संचालक



खगेरवर बोहरा
संचालक



राजेश कुमार श्रेष्ठ
संचालक



तिर्थ राज चटौत
संचालक



बिरेन्द्र बहादुर मल्ल
संचालक



सुदिप घिमिरे
प्रमुख कार्यकारी अधिकृत



प्रबुध प्रणव पन्थी
कम्पनी सचिव

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बुङ्गल हाइड्रो लिमिटेड

धोवीघाट, ललितपुर

वार्षिक साधारण सभा सम्बन्धी सुचना

(प्रथम पटक प्रकाशित मिति २०८२/०९/०७)

आदरणीय शेयरधनी महानुभावहरू,

यस कम्पनीको संचालक समितिको मिति २०८२/०९/०७ गतेका दिन बसेको बैठकको निर्णयानुसार कम्पनीको वार्षिक साधारण सभा निम्न मिति, स्थान, समयमा बस्ने र उक्त साधारण सभामा निम्न विषयहरू उपर छलफल गरि निर्णय गरिने भएकोले सम्पूर्ण शेयरधनी महानुभावहरूमा जानकारी एवं उपस्थितिको लागि हार्दिक अनुरोध गरिन्छ ।

सभा हुने मिति, स्थान र समय

मिति : २०८२ साल पौष २९ गते मंगलवार
स्थान : सिद्धार्थ कटेज, धोविघाट, ललितपुर
समय : बिहानको ११:०० बजे

छलफलका विषयहरू

क) सामान्य प्रस्ताव

१. अध्यक्षज्यूको मन्तव्य तथा पाँचौ वार्षिक साधारण सभाका लागि संचालक समितिको तर्फबाट प्रस्तुत वार्षिक प्रतिवेदन उपर छलफल गरी पारित गर्ने ।
२. यस कम्पनीको लेखापरीक्षकद्वारा प्रस्तुत आ.व. २०८१/८२ को लेखापरीक्षण प्रतिवेदन सहितको वित्तीय विवरण (वासलात, नाफा नोक्सान हिसाब, नगद प्रवाह विवरण, अनुसुची सहितको वित्तीय विवरणहरू) अनुमोदन गर्ने ।
३. कम्पनी ऐन, २०६३ को दफा १११ बमोजिम आ.व. २०८२/८३ का लागि लेखापरीक्षकको नियुक्ति गर्ने र पारिश्रमिक तोक्ने सम्बन्धमा ।
४. कम्पनीको नियमावलीको नियम २७ (२) बमोजिम संस्थापक समूहबाट प्रतिनिधित्व गर्ने ४ जना र सर्वसाधारण समूहबाट प्रतिनिधित्व गर्ने २ जना सञ्चालकको निर्वाचन गर्ने ।
५. सञ्चालक समितिका सदस्यहरूको पारिश्रमिक तथा बैठक भत्ता छलफल गरी पारित गर्ने ।

ख) विविध ।

साधारण सभा सम्बन्धी थप जानकारी:

१. कम्पनीको वार्षिक साधारण सभा प्रयोजनका लागि मिति २०८२/०९/१८ गते शुक्रबार १ दिन कम्पनीको धितोपत्रको दाखिल खारेज कार्य बन्द (Book Close) गरिनेछ। नेपाल स्टक एक्सचेन्स लिमिटेडमा मिति २०८२/०९/१७ गते बिहबार सम्म कारोबार भई, शेयर खरिद गरी आफ्नो नाममा शेयर नामसारी भई आएका शेयरधनीहरू सो सभामा भाग लिन र निर्वाचनमा सहभागी हुन योग्य हुनेछन्।
२. कम्पनीको साधारण सभामा उपस्थित हुने शेयरधनी महानुभावहरूले आफ्नो कुनै सक्कल आधिकारीक परिचय खुल्ने प्रमाण सहित वा हितग्राही खाता खोलिएको कागजात साथमा लिई आउनुहुन अनुरोध छ प्रतिनिधी नियुक्ति गर्ने व्यक्ति, कम्पनी वा संगठित संस्था भएमा त्यस्तो कम्पनी तथा संस्थाको छाप सहित अधिकार प्राप्त व्यक्तिको दस्तखत गरेको पत्र सहित उपस्थित हुनु पर्नेछ।
३. सभामा भाग लिन आउनु हुने सबै शेयरधनी महानुभावहरू वा निजका प्रतिनिधिहरूले सभा हुने स्थानमा रहेको शेयरधनी हाजिरी किताबमा दस्तखत गर्नु पर्नेछ। उक्त हाजिरी पुस्तिका बिहान ९:३० बजे देखि खुल्ला रहनेछ।
४. सभामा भाग लिनको निमित्त प्रतिनिधि (प्रोक्सी) नियुक्त गर्नको लागि शेयरधनीले कम्पनीको कायम अर्को शेयरधनीलाई प्रतिनिधि नियुक्त गरी सो प्रतिनिधि नियुक्त फारम सभा सुरु हुनु भन्दा कम्तीमा ४८ घण्टा अगावै कम्पनीको रजिष्टर्ड कार्यालय, ललितपुर नगरपालिका वडा नं ३, धोबिघाट, ललितपुरमा दर्ता गरी सक्नुपर्नेछ। एकजना शेयरधनीले एक भन्दा बढी प्रतिनिधि (प्रोक्सी) मुकरर गरेमा सबै प्रतिनिधि (प्रोक्सी) स्वतः बदर हुनेछ। तर प्रतिनिधि नियुक्ति गरिसके पछि सम्बन्धित शेयरधनीले उक्त प्रतिनिधि बदर गरी अर्को मुकरर गर्ने भएमा सोको लिखित सूचना सोही अवधि भित्र कम्पनीको रजिष्टर्ड कार्यालय ललितपुर नगरपालिका वडा नं. ३, धोबिघाट, ललितपुरमा दर्ता गरिसक्नु पर्ने छ।
५. छलफलको विषय मध्ये विविध शीर्षक अन्तर्गत कुनै विषय उपर छलफल गर्न चाहनु भएमा सम्बन्धित विषय खुलाई साधारण सभा हुनुभन्दा कम्तीमा ७ (सात) कार्य दिन अगावै कम्पनी सचिव मार्फत संचालक समितिको अध्यक्षलाई लिखित जानकारी दिनु पर्नेछ।
६. शेयरधनी महानुभावहरूलाई कम्पनीको साधारण सभा सम्बन्धी थप जानकारी आवश्यक परेमा कम्पनीको रजिष्टर्ड कार्यालय ललितपुर नगरपालिका वडा नं. ३, धोबिघाट, ललितपुरमा वा यस कम्पनीको शेयर रजिष्ट्रार हिमालयन क्यापिटल लिमिटेड, कमलादी, काठमाडौंमा कार्यालय समय भित्र सम्पर्क राख्नुहुन अनुरोध छ। साथै, वार्षिक प्रतिवेदन लगायतका सूचनाहरू कम्पनी वेबसाइट: bungalhydro.com.np मा समेत हेर्न तथा डाउनलोड गर्न सकिनेछ।

साधारण सभामा आफ्नो प्रतिनिधि नियुक्त गर्ने निवेदन
(प्रोक्सी फारम) कम्पनी ऐन २०६३ को दफा ७१ को उपदफा (२) सँग सम्बन्धित

श्री सञ्चालक समिति
बुङ्गल हाइड्रो लिमिटेड
धोविघाट-०३, ललितपुर।

विषय: प्रतिनिधि नियुक्त गरेको बारे।

महाशय,

..... जिल्ला म.न.पा./उ.प.न.पा./न.पा./गा.पा./वडा नं बस्ने
म/हामी ले त्यस कम्पनीको शेयरधनीको हैसियतले विक्रम संवत् २०८२ साल पौष २९
गते हुने पाँचौं साधारण सभामा म/हामी स्वयं उपस्थित भई छलफल तथा निर्णयमा सहभागी हुन नसक्ने
भएकाले हक्त सभामा मेरो/हाम्रो तर्फबाट भाग लिन तथा मतदान गर्नका लागि जिल्ला
..... न.पा./उ.प.न.पा./गा.पा./वडा नं बस्ने त्यस कम्पनीका शेयरधनी
श्री लाई मेरो/हाम्रो प्रतिनिधी मनोनित गरी पठाएको छु/छौं।

प्रतिनिधि नियुक्त भएको व्यक्तिको नाम:

हस्ताक्षरको नमूना:

शेयरधनी नं:

मिति:

निवेदक:

दस्तखत:

नाम:

ठेगाना:

शेयरधनी नं:

रुजु गर्ने :

प्रमाणित गर्ने :

अध्यक्षजूको मन्तव्य

आदरणीय शेयरधनी महानुभावहरू,

आजको यस बुङ्गल हाइड्रो लिमिटेडको पाचौं वार्षिक साधारण सभामा आफ्नो अमूल्य समय दिएर उपस्थित हुनुभएका यस कम्पनीका सञ्चालक साथीहरू, शेयरधनी महानुभावहरू, विभिन्न शेयरधनी संस्थाका प्रतिनिधिहरू, नियामक निकायबाट पाल्नु भएका प्रतिनिधिहरू, सञ्चारकर्मीहरू, कम्पनीमा कार्यरत कर्मचारीहरू लगायत यस सभामा आसीन सम्पूर्ण महानुभावहरूमा, म कम्पनीको सञ्चालक समितिको तर्फबाट साथै मेरो व्यक्तिगत तर्फबाट नमस्कार तथा हार्दिक स्वागत गर्दछु ।

यस कम्पनी मिति २०७३ जेष्ठ ३१ मा स्थापना भइ मिति २०७८ अषाढ ३१ गते देखि पब्लिक कम्पनीमा परिणत भई सुदुरपश्चिम प्रदेशको बझाङ जिल्लाको बुङ्गल नगरपालिका साविकको कफलसेरी र पिपलकोट गा.वि.स. बीच भएर बहने सानीगाड खोला बाट १०,७०० किलोवाट क्षमताको विद्युत उत्पादन गर्ने उद्देश्य अनुरूप माथिल्लो सानीगाड जलविद्युत आयोजना (१०.७० मे.वा.) को निर्माण कार्य सम्पन्न गरी भाद्र ०२, २०८० वाट ब्यापारीक उत्पादन बाट व्यापारिक उत्पादन गरी विद्युत बिक्रीबाट नियमित आम्दानी गर्दै आइरहेको व्यहोरा यहाँहरूलाई जानकारी गराउँदछु । यस आयोजनाको वार्षिक सरदर उत्पादन ६२.७०६ गिगावाट घण्टा विद्युत शक्ति रहेको छ । यस आयोजनाको अनुमतिपत्र २१०७ साल चैत्र १३ गते सम्म गरी ३५ वर्ष सम्म वहाल रहने व्यहोरा म यहाँहरूलाई जानकारी गराउँदछु ।

शेयरधनी महानुभावहरू,

आजको यस साधारणसभामा आर्थिक बर्ष. २०८१/०८२ को अवधिमा यस कम्पनी तथा आयोजनाको वित्तिय लगायत समग्र गतिविधिहरूका बारेमा शेयरधनी महानुभावहरूलाई जानकारी गराउन चाहन्छु । यस आर्थिक बर्ष. २०८१/२०८२ कम्पनीको लागी विगतका आर्थिक बर्ष हरूको तुलनामा उपलब्धिमुलक रहेको कुरा यहाँहरूलाई जानकारी गराउन पाउँदा म अत्यन्तै हर्षित छु । यस आर्थिक बर्षमा हाम्रो कम्पनीद्वारा प्रवर्द्धित माथिल्लो सानीगाड जलविद्युत आयोजना (१०.७० मे.वा.) ले निरन्तर रूपमा विद्युत उत्पादन गरी नेपाल विद्युत प्राधिकरणलाई विक्री गर्न सफल भएको छ । यो सफलताको श्रेय आयोजना सञ्चालनमा अनवरत खटिइरहने कर्मचारीहरूलाई दिँदै यस कार्यको उच्च मूल्याङ्कन गर्दै विशेष धन्यवाद दिन चाहन्छु । विगतका वर्ष भन्दा यस आर्थिक बर्षमा आयोजनाले सम्झौता गरिएको उर्जा उत्पादनमा पनी बढोत्तरी गरेको छ । सुख्खा मौसममा जलवायु परिवर्तनको प्रभावले गर्दा यथेष्ट वर्षा नहुँदा सोचे अनुरूप उत्पादन नभएपनी विगतका वर्षको तुलनामा उत्पादन वृद्धी भएको छ । हामीले सो को लागी हेडवर्कसमा अन्य जलश्रोतहरू थप्न मिल्ने स्थानबाट थप्ने काम पनी गरेका छौं ।

शेयरधनी महानुभावहरू,

हाल नेपालमा १७० हाराहारी जलविद्युत आयोजनाहरू सञ्चालनमा रहेका छन् । यी आयोजनाहरूको कुल जडित क्षमता ३६०० मेगावाट हाराहारी रहेको छ । तर, सुख्खा याममा जम्मा १६५० मेगावाट हाराहारी मात्र विद्युत उत्पादन हुने गरेको पाइन्छ भने यो मौसममा उर्जाको अधिकतम माग भने करिब २००० मेगावाट भन्दा बढी पुग्ने गरेको छ । यसरी हेर्दा सुख्खा मौसममा करिब ३५० मेगावाट भन्दा धेरै विद्युत अझैपनि अपुग नै रहेको देखिन्छ

। यस्तो अपुग उर्जा चर्को शुल्क तिरेर भारतबाट आयात गर्नुपर्ने अवस्था विद्यमान नै छ । सुख्खा मौसममा हुने यस्तो उर्जा संकट व्यवस्थापनमा हाम्रो आयोजनाले महत्वपूर्ण टेवा पुऱ्याएको विश्वास लिएको छु । मिति २०८० भाद्र २ गते विद्युतको व्यापारिक उत्पादनको मिति प्राप्त भए पश्चात् आर्थिक बर्ष. २०८०/८१ मा कम्पनीले पिपिए सम्झौता बमोजिमको कूल उर्जा ५ करोड ४६ लाख ८० हजार ३८५ किलोवाट आवर मध्ये ३ करोड ९४ लाख ६० हजार ६४५ किलोवाट आवर बराबरको विद्युत नेपाल विद्युत प्राधिकरणलाई आपूर्ति गरेको छ । जुन पिपिए सम्झौता बमोजिम कूल उर्जाको ७२.१७% बराबर हो । त्यसैगरी, आर्थिक बर्ष. २०८१/८२ मा कम्पनीले पिपिए सम्झौता बमोजिमको कूल उर्जा ६ करोड २७ लाख ६ हजार ७४० किलोवाट आवर मध्ये ५ करोड ४ लाख ६० हजार २७१ किलोवाट आवर बराबरको विद्युत नेपाल विद्युत प्राधिकरणलाई आपूर्ति गरेको छ । जुन पिपिए सम्झौता बमोजिम कूल उर्जाको ८०.३०% बराबर हो । जसबाट विद्युत बिक्री वापत हामीले कूल रु.२७,२२,६५,४२०/- (सत्ताईस करोड बाईस लाख पइसठ्ठी हजार चार सय बीस मात्र) रकम प्राप्त गरियो भने रोयल्टि वापत रु. ६९,२७,७३५/- (रुपैया उन्नसत्तरी लाख सत्ताईस हजार सात सय पैइतीस मात्र) रकम तिर्दा सुख्खा मौसमको कारण पिपिए बमोजिम न्यून उत्पादन गरे वापत (त्वपभ यच एबथ) को पेनाल्टी रकम रु ८४,५२,८१३/- (रुपैया चौरासी लाख बाउन्न हजार आठ सय तेरह मात्र), सो अवधीमा ऋणको व्याज रु २२,०५,१३,०७०/- (रुपैया बाईस करोड पाँच लाख तेरह हजार सत्तरी मात्र), हास कट्टी तथा परिशोधन रु. ११,८५,६८,९७४/- (रुपैया एघार करोड पचासी लाख अरसठ्ठी हजार नौ सय चौहत्तरी मात्र), व्यवस्थापन तथा आयोजनाको सम्भारमा रु. ४,५४,१५, ९१९ /- (रुपैया चार करोड चौवन्न लाख पन्ध्र हजार नौ सय उन्नाईस मात्र) लगायतका खर्च हुँदा रु. ११.९१ करोड खुद नोक्सान भएको छ ।

साथै २०८२ श्रावण देखि २०८२ मंसिरसम्म कम्पनीले पिपिए सम्झौता बमोजिमको कूल उर्जा ३.४७ करोड किलोवाट आवर मध्ये ३.२३ करोड किलोवाट आवर बराबरको विद्युत नेपाल विद्युत प्राधिकरणलाई आपूर्ति गरेको छ, जुन सम्झौता बमोजिम कूल उर्जाको ९३.०१% बराबर हो । सो बाट रु. १५.९७ करोड बराबरको विद्युत विक्री वापतको आम्दानी गरिएको छ । आगामी आ.व. २०८२/८३ मा सम्झौताको लक्षित उत्पादन हासिल गर्न सकिने दिशामा कम्पनी उन्मुख रहेको छ। कम्पनीको लागी यो सफलताको विषय हो ।

शेयरधनी महानुभावहरू,

यसवर्ष पनि हिउँदमा पर्याप्त वर्षा र हिमपात नहुँदा आयोजनाको पूर्ण क्षमतामा विद्युत उत्पादन हुन सकेन । बैंकको उच्च ब्याजदरको कारण कम्पनीको आम्दानीको ठुलो अंश ऋणको साँवा तथा ब्याज भुक्तानीमा नै खर्च भैरहेको छ । यसलाई मध्यनजर गर्दै कम्पनीले थप पुँजीको स्रोत जुटाउनको लागि शेयरको प्रारम्भिक सार्वजनिक निष्काशन (IPO) जारी गर्ने प्रक्रियाको लागि - निष्काशन कर्ताको रूपमा हिमालयन क्यापिटल लिमिटेडलाई नियुक्त गरिएकोछ भने शेयर प्रत्याभुतिकर्तामा सानिमा क्यापिटल लिमिटेड कोष सँग सम्झौता गरिएकोछ । विद्युत नियमन आयोगबाट अनुमति प्राप्त गरि धितोपत्र बोर्डमा मिति २०८०/१२/०६ गते आवेदन समेत बुझाइएकोमा नेपाल धितोपत्र बोर्डले मिति २०८१/०३/१५ गते प्रारम्भिक सार्वजनिक निष्काशन जारी गर्ने प्रक्रियाको अन्तिम स्विकृत दिएको छ । सो पश्चाप हामीले सर्वसाधारणलाई शेयर निष्कासन प्रकृया मिति २०८१/०३/२९ शुरु भएकोमा र सो सम्पन्न भएपछी नेपाल स्टक एक्चेन लिमिटेडमा मिति २०८२/०७/२३ सूचिकरण भयो ।

यसरी प्रारम्भिक सार्वजनिक निष्काशन जारी बाट प्राप्त रकमले बैंकको कर्जा भुक्तानी भएपश्चात् कर्जा रकम घट्न गई ब्याज वापतको खर्चमा उल्लेख्य रूपले कमी आउनेछ । यसले कम्पनीको आम्दानीमा वृद्धि हुन जाने विश्वास लिएको छु ।

शेयरधनी महानुभावहरू,

हामीलाई उर्जाको माग विस्तार गर्नको लागि मजबुत संरचनाहरूको आवश्यकता रहेको छ। देशका दूरदराजमा ट्रान्समिसन लाईन अझै पुग्न बाँकी छन्। सहरी क्षेत्रमा पनी ग्रीडले उर्जाको चाप धान्न नसक्दा विद्युत सट हुने समस्या पनी बेलाबेलामा अनुभव हुने गरेको छ। यसमा म सम्बन्धीत निकायको ध्यानाकर्षण गराउन चाहन्छु ।

यस कम्पनीको स्थापना, निर्माण र सञ्चालनमा सहयोग गर्नुहुने बैंक तथा वित्तिय संस्थाहरू, ठेकेदार कम्पनी, परामर्शदाता, सरकारी निकाय र प्रतिष्ठानहरू, बझाङ जिल्लाका जनप्रतिनिधि तथा स्थानीयवासीहरू, अन्य सरोकारवालाहरू र सम्पूर्ण कर्मचारीहरूलाई हार्दिक धन्यवाद व्यक्त गर्दछु ।

अन्त्यमा, सम्पूर्ण शेयरधनी महानुभावहरूलाई कम्पनी र सञ्चालक समितिप्रति देखाउनु भएको सहयोग, सद्भाव र विश्वासका साथै व्यस्त समयका बावजुद पनि आफ्नो अमूल्य समय छुट्याई यस सभालाई सफलतापूर्वक सम्पन्न गर्न सहयोग गरिदिनु भएकोमा पुनः एक पटक हार्दिक कृतज्ञता तथा धन्यवाद ज्ञापन गर्न चाहन्छु ।

धन्यवाद

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शिव प्रसाद घिमिरे
 (अध्यक्ष)

बुङ्गल हाइड्रो लिमिटेड

सञ्चालक समितिको वार्षिक प्रतिवेदन
 आर्थिक वर्ष २०८१/८२ को वार्षिक प्रतिवेदन

शेयरधनी महानुभावहरू,

यस कम्पनीको पाचौं वार्षिक साधारण सभामा सञ्चालक समितिको तर्फबाट आ.व २०८१/८२ को प्रतिवेदन प्रस्तुत गर्न पाउँदा अत्यन्त खुसी लागेको छ ।

बुङ्गल हाइड्रो लि.को माथिल्लो सानीगाड जलविद्युत आयोजनाको निर्माण कार्य सम्पन्न भै टेस्टिङ तथा कमिसनिङ सकी २०८० भाद्र २ गते विद्युतको व्यापारिक उत्पादन शुरु भएको छ । यस आयोजनाबाट उत्पादित विद्युत १३२ के.भी.को प्रसारण लाईन मार्फत नेपाल विद्युत प्राधिकरणको बलौच स्थित सबस्टेशन मा जोडि राष्ट्रिय ग्रिडमा आवद्ध गरिएको छ ।

१०.७० मे.वा.को माथिल्लो सानीगाड जलविद्युत आयोजना

बुङ्गल हाइड्रो लि.ले स्वदेशी वित्तिय श्रोत परिचालन गरी बझाङ जिल्लामा १०.७० मे.वा. क्षमताको माथिल्लो सानीगाड जलविद्युत आयोजना निर्माण भैरहेको छ । यसमा संस्थागत र व्यक्तिगत शेयरधनीहरू रहेका छन् । बुङ्गल हाइड्रो लि.को विद्युत गृहमा उत्पादित उर्जा १३२ के.भी.को ३७ कि. मि. लामो प्रसारण लाईन मार्फत नेपाल विद्युत प्राधिकरणको बलान्च स्थित सबस्टेशन मा जडान गरिनेछ । उत्पादित सबै विद्युत नेपाल विद्युत प्राधिकरणले खरिद गर्ने छ ।

विगत वर्षको कारोबारको सिंहावलोकन :

परिस्कृत वित्तीय विवरण

वि.सं. २०८२ आषाढ मसान्त सम्मको वित्तीय विवरण श्री बि. लामा एण्ड एसोसियट्स, चार्टर्ड एकाउन्टेन्ट्स द्वारा लेखापरिक्षण सम्पन्न गरिएको छ । कम्पनिको आ. व. २०८०/०८१ तथा २०८१/०८२ को लेखा परिक्षित तुलनात्मक आर्थिक विवरण देहाय बमोजिम छ ।

विवरण	आ.व. २०८१/०८२	आ.व. २०८२/०८३
कुल सम्पत्ति	३,०८,९७,३०,१२४	३,१९,९५,३८,६०३
कुल नेटवर्क	४२,४९,६९,४८४	५४,४२,६२,४६१
जुक्त पूँजी	५३,९५,००,०००	५३,९५,००,०००
ऋण	२,४१,५६,५२,६२९	२,४०,४०,५६,४४५
विद्युत सेम्टी	२१,३९,९६,८४७	२७,२२,६५,४२०
विद्युत सेम्टी मुक्तानी	६९,२७,४३५	४८,२४,४२३
सञ्चालन नाफा (नोक्सान)	(११,९९,६०,२७६)	(२२,४९,९२,४५९)

लाभांश बाँडफाँड गर्न सिफारीस गरिएको रकम

यस आ.व. मा कम्पनीको लाभांश बाँडफाँड गर्न सिफारिस गरिएको छैन ।

कम्पनी तथा त्यसको सहायक कम्पनीले आर्थिक वर्षमा सम्पन्न गरेको प्रमुख कारोबारहरू र सो अवधीमा कम्पनीको कारोबारमा आएको कुनै महत्वपूर्ण परिवर्तन संख्या र अक्तित मूल्य तथा त्यसरी खरिद गरे बापत कम्पनीले भुक्तानी गरेको रकम

कम्पनीले आफ्नो शेयर आफैले खरिद गरेको छैन ।

आन्तरिक नियन्त्रण प्रणाली भए वा नभएको र भएको भए सो को विस्तृत विवरण

कम्पनीको आन्तरिक नियन्त्रण प्रणालीलाई सुव्यवस्थित गर्नको लागि आवश्यक विनियमावली बनाई लागू गरिएको छ । आन्तरिक लेखा प्रणाली सबल राख्न निकट भविष्यमा सञ्चालक समितिको सदस्यको अध्यक्षतामा लेखापरीक्षण समिति गठन गरिने तयारी रहेको छ ।

लेखा लेखापरीक्षक नियुक्तिको सिफारीस

कम्पनीको आर्थिक वर्ष २०८२/८३ को आर्थिक कारोवारको लेखा परिक्षण गर्न कम्पनी ऐनको दफा १११ बमोजिम लेखापरीक्षक संस्था श्री एस. एस. ए. एसोसियट्सको नियुक्ति गर्न र लेखापरीक्षण बापतको पारिश्रमिक मूल्य अभिवृद्धि कर बाहेक रु. २,५०,००० (अक्षरेपी दुई लाख पचास हजार रुपैयाँ मात्र) उपलब्ध गराउने गरी आ.व. २०८२/८३ को लेखापरीक्षक नियुक्तिको लागि साधारण सभा समक्ष सिफारीस गरेको छ ।

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 शेयरधनीहरूले 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 ।

सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख तथा पदाधिकारीहरू लाई भुक्तानी गरिएको, पारिश्रमिक, भत्ता तथा पदाधिकारीहरू लाई भुक्तानी गरिएको, पारिश्रमिक, भत्ता तथा सुबिधाको रकम

मिति २०८१/०९/२६ मा सम्पन्न भएको वार्षिक साधारण सभाको निर्णय बमोजिम सञ्चालक समितिको बैठक भत्ता वापत प्रति बैठक अध्यक्षलाई रु.१५,०००/- र अन्य सदस्यहरूलाई रु.१४,०००/- का दरले उपलब्ध गराइएको छ । सो बाहेक सञ्चालक समितिको मिति २०८०/१२/०८ को निर्णय बमोजिम कार्यकारी अध्यक्षको मासिक रु. २,००,०००/- पारिश्रमिक रकम उपलब्ध गराइएको छ ।

शेयर धनीले बुझी लिन बाँकी रहेको लाभांशको रकम

यस कम्पनीले हाल सम्म कुनै लाभांश वितरण गरेको छैन ।

दफा १७५ बमोजिम सम्बद्ध कम्पनी बीच भएको कारोबारको विवरण

कम्पनी ऐनको दफा १७५ बमोजिम आ.व.२०८०/८१ मा भएको कारोबार लेखापरीक्षण प्रतिवेदनमा उल्लेख गरिएको छ ।

ऐन तथा प्रचलित कानून बमोजिम सञ्चालक समितिको प्रतिवेदनमा खुलाउनु पर्ने कुरा

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

संस्थागत सुशासन

आफ्नो दृष्टिकोण, लक्ष तथा मूल्य मान्यताहरूलाई पछ्याउने क्रममा नैतिक, इमान्दार तथा पारदर्शी भई शेयर धनीहरूको विश्वासलाई कायम राख्न हामी प्रयत्नरत् छौं । हामीसञ्चालक समितिको काम कारवाही तथा यसको कार्य संपादन, आन्तरिक नियन्त्रण प्रणाली एवं जोखिम व्यवस्थापनका सम्बन्धमा पारदर्शी रहने ध्येयले प्रत्येक वर्ष संस्थागत सुशासन प्रतिवेदन तयार गर्दछौं । संस्थागत मूल्य संरचनामा कम्पनीको दृष्टिकोण, लक्ष, मूल्य मान्यता, व्यवसायिक नीति तथा सिद्धान्तहरू, संस्थागत सुशासनका नियमहरू, आचरण तथा नैतिकता सम्बन्धी नियमहरू तथा निर्देशिकाहरू समाविष्ट छन् । सो मूल्य संरचना कम्पनीका कर्मचारी देखी सञ्चालकहरू सम्म सबैलाई लागू हुन्छ । यसका मुलभुत पक्षहरू कानून व्यवस्थाको पालना, स्वच्छता, पूर्णता, इमान्दारिता तथा वातावरणीय प्रभाव तथा सरोकारवालाहरूको हितलाई मध्यनजर गर्दै व्यक्तिगत तथा व्यवसायिक सम्बन्धमा उच्च स्तरको नैतिकता तथा व्यवहारको अभ्यासका निमित्त प्रवृत्त हुने रहेका छन् । यसै भावका साथ प्रचलित कानून बमोजिम पेश गर्नु पर्ने प्रतिवेदनहरू समयमै नियमनकारी निकायहरूमा पेश गरिएको छ । संस्थागत सुशासन प्रतिवेदन कम्पनीको वार्षिक प्रतिवेदनमा अलग्गै प्रकाशित गरिएकोछ ।

शेयरधनीहरूको सुभाव तथा संचार

शेयरधनीहरूवाट प्राप्त सुभावहरूलाई सकारात्मक लिइएको छ र त्यसको गाम्भिर्यता तथा कम्पनीको व्यवसायिक हितका आधारमा कार्यान्वयन गरिएको छ । कम्पनीको त्रैमासिक प्रतिवेदन, संक्षिप्त आर्थिक प्रतिवेदन, वार्षिक प्रतिवेदन, वार्षिक साधारण सभाको निर्णय पुस्तिकाहरू शेयरधनीहरूको जानकारीको लागि कम्पनीको वेभपेजमा हेर्न व्यवस्था मिलाउने कार्यको शुरुवात गरिएको छ । कम्पनीले आफ्नो निरन्तर सुधारका लागि शेयरधनीहरूलाई सुभावहरू दिन प्रोत्साहित गर्दछ र शेयरधनीहरूका सुभावहरूको स्वागत गर्दछ ।

कृतज्ञता ज्ञापन

कम्पनीको प्रगतिको लागि आ.व. २०८१/८२ मा कम्पनीको सुधारका लागि नेपाल सरकार तथा यसका निकायहरू, विद्युत नियमन आयोग, नेपाल राष्ट्र बैंक, लगानी बोर्ड, नेपाल धितोपत्र बोर्ड, नेपाल विद्युत प्राधिकरण, विदेशी साभेदारहरू, सेवाग्राही, ठेकेदारहरू, बिक्रेता, सप्लायर, संवद्ध संस्थाहरू, बैंकहरू, लेखापरीक्षकहरू, उपभोक्ताहरू र अन्य संस्था तथा व्यक्तिहरूवाट भएको योगदानको कदर गर्दछौं ।

सञ्चालक समिति अर्न्तगतका समितिहरूका सदस्यहरू, व्यवस्थापन समूह तथा कर्मचारीहरूलाई कम्पनीलाई अगाडि बढाउने कार्यका लागि तथा शेयरधनीहरूलाई हामी प्रति देखाउनुभएको विश्वासको कदर गर्दछौं । धन्यवाद ।

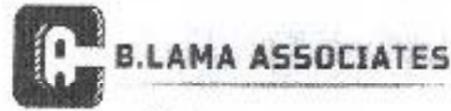
सञ्चालक समितिको तर्फबाट

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शिव प्रसाद घिमिरे

(अध्यक्ष)

Financial Statement as per (NFRS) for Fiscal Year 2081/82



Chartered Accountants
Email: b.lamaassociates@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Bungal Hydro Limited

Opinion

We have audited the accompanying financial statements of **Bungal Hydro Limited**, Kathmandu, Nepal which comprise the Statement of Financial Position as at Ashadh 32, 2082 (corresponding to 16th July 2025), Statement of Profit or Loss and other Comprehensive Income, Statement of cash flows and Statement of Changes in Equity 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 aspects, the financial position of the company as at Ashadh 32, 2082 (corresponding to 16th July 2025), and of its financial performance and its cash flows for the year ended in accordance with the Nepal Financial Reporting Framework.

Basis of Opinion

We conducted our audit in accordance with Nepal Standards 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, 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 judgment, were of most significance in our audit of the standalone financial statements for the year ended Ashadh 32, 2082. These matters were addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key Audit Matter	How our audit addressed the key audit matter
Long-Term and Short-Term Borrowings As on Ashadh 32 2082, the Long-Term and Short-Term Borrowings is Rs. 2,119,996,876 and 294,996,053 respectively which is 68.61% and 9.55% of the total Assets of the current fiscal year.	<ul style="list-style-type: none"> We confirmed that any new borrowings were taken during the current fiscal year. We reviewed all loan repayment through bank statements. We also obtained balance confirmation as on Ashadh 32 2082 from the respective banks to verify the Loan as per ledger is tallying with Borrowing balance shown by the banks.
Carve-Out Under NFRS 9 As on Ashadh 32 2082, Carve-out issued by ICAN through the 354th Meeting of Council dated 2082/05/30, on the recommendation of the Accounting Standards Board as per section 11 (da) of Nepal Chartered Accountants Act, 2053 (First Amendment 2059) has been opted for the accounting treatment of long-term loan in the effective implementation of Effective Interest Rate.	<ul style="list-style-type: none"> We have disclosed the impact of processing fees in the notes to account of financial statement, including its monetary impact to the extent practicable.

Other Information

Management is responsible for the other information. The other information comprises the information included in Directors Report of Annual Report but does not include the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.



Management's Responsibility for Financial Statement

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Nepal Financial Reporting Standards (NFRS) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud and 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 Responsibility

Our objectives are to obtain reasonable assurance 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 exists. Misstatement can arise from fraud and error and considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of the users taken on the basis of these financial statements.

Report on Other Legal and Regulatory Requirements

- a. We have obtained prompt replies to our queries and explanations asked for.
- b. The financial statements are in agreement with the books of accounts maintained by the company.
- c. The accounts and records of the company have been accurately maintained in accordance with the law and practice.
- d. In our opinion and to the best of our information and according to the explanation 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 except for the section 86 of the Companies Act and the business of the Company appears to have been conducted satisfactorily.

Basanta
Basanta Lama, CA
Proprietor



For B. Lama Associates,
Chartered Accountants
Place: Kathmandu, Nepal
Date: 2025.12.21
UDIN: 251222CA02057CYTd3

Bungal Hydro Limited

Dhobighat, Lalitpur, Nepal

STATEMENT OF FINANCIAL POSITION
As at 31st Ashadh 2082 (July 16th 2025)

Particulars	Note	Figures in NPR	
		As at 31st Ashadh 2081	As at 31st Ashadh 2082
ASSETS			
Non Current Assets			
Property, Plants and Equipments	1	7,358,525	8,209,306
Capital Work-In-Progress	1	-	-
Intangible Assets	2	3,026,998,703	3,144,899,198
Intangible Assets under Construction	2	-	-
Capital Advances	6	-	-
Financial Assets			
Other Financial Assets	7	-	-
Other Assets	8	-	-
Total Non-Current Assets		3,064,357,551	3,152,908,504
Current Assets			
Capital Advances	6	3,097,751	3,097,751
Financial assets			
Cash and cash equivalents	4	505,110	8,395,876
Bank balance other than cash and cash equivalents	5	2,881,203	723,185
Other Financial Assets	7	3,705,015	8,870,471
Other Assets	8	45,185,530	25,542,836
Total Current Assets		55,172,594	46,638,099
Total Assets		3,089,730,124	3,199,546,603
EQUITY AND LIABILITIES			
Equity share capital	10	539,500,000	539,500,000
Reserve for Share	11	-	-
Retained Earnings	11	(114,530,516)	4,762,461
Total Equity		424,969,484	544,262,461
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	12	2,062,421,514	2,118,381,021
Other liabilities	13	-	-
Other financial liabilities	14	-	-
Deferred tax	9	-	-
Total Non-Current Liabilities		2,062,421,614	2,118,381,021
Current Liabilities			
Financial Liabilities			
Borrowings	12	363,331,015	285,875,753
Other liabilities	13	751,306	1,594,265
Other financial liabilities	14	248,356,709	249,025,100
Total Current Liabilities		612,339,025	536,895,121
Total Liabilities		2,674,760,639	2,655,276,141
Total Equity and Liabilities		3,089,730,124	3,199,546,603

The accompanying notes are an integral part of these financial statements.

Pranod Acharya
Group General Manager

Tirtha Raj Choudhary
Director

Date:
Place: Lalitpur



Sudip B. Ghimire
Group General Manager

Rajesh K. Shrestha
Director

Basanta Lama, CA
Proprietor
B. Lama Associates
Chartered Accountants



Bungal Hydro Limited
Dhobighat, Lalitpur, Nepal

Statement of Profit or loss and Other Comprehensive Income
For the year ended 32nd Ashadh 2082 (July 16th 2025)

Figures in NPR

Particulars	Note	As at 32nd Ashadh 2082	As at 31st Ashadh 2081
Revenue	15	272,265,122	212,196,844
Cost of sales			
Royalty Expenses	16	(6,927,735)	(4,824,723)
Operational Bay Charges		-	-
Internal Consumption	16	(17,172)	(29,268)
Amortisation expenses	2	(117,706,193)	(107,981,546)
Other Direct Expenses		(31,004,475)	(21,013,275)
Gross Profit		116,615,547	29,948,032
Construction Revenue as per IFRIC 12	17	-	141,742,583
Less: Construction expenses as per IFRIC 12	17	-	(151,243,134)
Notional Profit recognized as per IFRIC 12		-	10,499,451
Total Income		116,615,547	40,447,483
Depreciation for the period	1	(868,451)	(1,091,050)
Other Income		-	-
Administrative and other operating expenses	18	(14,394,272)	(4,930,019)
Profit from operation		101,752,704	34,426,414
Finance incomes		-	-
Finance costs	19	(220,513,080)	(259,339,173)
Profit Before Tax		(118,760,376)	(224,912,759)
Income Tax Expense			
Current tax		-	-
Deferred tax credit/(charge)		-	-
Profit for the period		(118,760,376)	(224,912,759)
Other Comprehensive Income			
<i>Items that will not be reclassified to profit or loss in subsequent periods</i>			
Gains in revaluation of property		-	-
Tax relating to items that will not to be reclassified to profit or loss		-	-
<i>Items that may be reclassified to profit or loss in subsequent periods</i>			
Changes in the fair value of debt instruments at fair value through other comp		-	-
Other comprehensive gain/(loss) for the year, net of tax		-	-
Total Comprehensive gain/(loss) for the year, net of tax		(118,760,376)	(224,912,759)
Earnings per equity share of Rs. 100 each			
Basic Earnings per share - Rs.		(22.09)	(41.69)
Diluted Earnings per share - Rs.		(22.09)	(41.69)

The accompanying notes are integral part of these financial statements.

[Signature]
Prasanna Acharya
Company Secretary

[Signature]
Tirtha Raj Chalise
Director



[Signature]
Shiva Raj Chintre
Company Secretary

[Signature]
Rajesh K. Shrestha
Director

[Signature]
Bansari Lama, CA
Proprietor
B. Lama Associates,
Chartered Accountants



Date:
Place: Lalitpur

Bungal Hydro Limited
Dhobighat, Lalitpur, Nepal

Statements of Changes in Equity
As at 32nd Ashadh 2082 (July 16th 2025)

Particulars	Figures in NPR			
	Equity Share Capital	Advance for Share	Share Premium	Retained Earnings and Reserves
Balance as 31st Ashadh 2080	455,000,000	75,407,700	-	703,860,119
Effect of Revaluations due to Change in Accounting Policies	-	-	-	-
Revised Balance on 1st Shrawan 2081	455,000,000	75,407,700	-	703,860,119
Profit for the year	-	-	-	(224,912,759)
Other comprehensive income	-	-	-	-
Total Comprehensive Income	-	-	-	(224,912,759)
Advance Received	84,500,000	(73,407,700)	-	6,092,300
Private Placement Issue	-	-	-	(720,200)
Share Issue Cost	-	-	-	4,762,461
Balance as at 31st Ashadh 2081	539,500,000	-	-	119,160,276
Profit for the year	-	-	-	(118,760,376)
Other comprehensive income	-	-	-	-
Total Comprehensive Income	-	-	-	(118,760,376)
Advance Received	-	-	-	-
Private Placement Issue	-	-	-	(132,700)
Share Issue Cost	-	-	-	(114,570,516)
Balance as at 32nd Ashadh 2082	539,500,000	-	-	424,969,484

The accompanying notes are integral part of these financial statements.

[Signature]
Prasanna Acharya
Company Secretary

[Signature]
Tirtha Raj Chalise
Director



[Signature]
Shiva Raj Chintre
Company Secretary

[Signature]
Rajesh K. Shrestha
Director

[Signature]
Bansari Lama, CA
Proprietor
B. Lama Associates,
Chartered Accountants



Bungal Hydro Limited
Dhobighat, Lalitpur, Nepal

Statement of Cash Flows
As at 32nd Ashadh 2082 (July 16th 2025)

	Figures in NPR	
	2081-82	2080-81
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	(119,150,276)	(224,912,759)
Adjustments for:		
Deferred Tax Credit		
Depreciation of property, plant and equipment	808,481	1,091,050
Amortization of intangible fixed assets	117,700,492	137,381,546
Finance cost	239,513,070	259,339,173
Working Capital Adjustments:		
(Increase)/Decrease in financial assets	5,165,456	(5,413,123)
(Increase)/Decrease in Capital Advances	-	44,553,258
Increase / (Decrease) in financial liabilities	(2,111,358)	(18,977,619)
Increase / (Decrease) in other current liabilities	-	-
(Increase) / Decrease in other assets	(19,642,694)	(25,204,911)
Cash generated from operations	203,333,172	137,856,615
Income tax paid	-	-
Bonus paid	-	-
NET CASH FLOWS FROM OPERATING ACTIVITIES	203,333,172	137,856,615
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Property, plant and Equipment	(18,000)	(973,826)
(Increase)/Decrease in Project work-in-progress	-	(141,742,585)
(Increase)/Decrease in Other Investments	-	-
Bank balance other than cash and cash equivalents	(2,158,026)	321,000
NET CASH FLOWS FROM INVESTING ACTIVITIES	(2,176,026)	(141,394,411)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of Shares through Private Placement	-	83,279,800
Share Issued Cost	(132,700)	-
Advance for Share Received	-	(78,407,700)
Advance to directors	-	-
Borrowing (repaid) / taken (net)	11,595,856	255,232,348
Finance cost paid	(220,513,070)	(259,339,173)
NET CASH FLOWS FROM FINANCING ACTIVITIES	(209,049,914)	2,265,275
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(7,892,768)	(2,272,521)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	8,395,878	10,668,399
CASH AND CASH EQUIVALENTS AT END OF YEAR	503,110	8,395,878

The accompanying notes are integral part of these financial statements.

Prmod Acharya
Prmod Acharya
Deputy General Manager



Shiva P. Ghimire
Shiva P. Ghimire
Chairman

Rajesh K. Shrestha
Rajesh K. Shrestha
Director

Basanta Lama, CA
Basanta Lama, CA
Proprietor



Date:
Place: Lalitpur

Bungal Hydro Limited

Notes to the financial statements for the year ended 32nd Ashadh 2082

Note no: 1	Property, plant and equipment:					
	Building	Office Equipment	Furniture & Fixture	Computers	Network and Servers	Total
Cost						
Balance at 1st Shrawan 2080	5,763,533	289,604	3,663,294	932,017	-	11,479,782
Additions	-	813,189	159,627	-	-	972,826
Transfer from CWIP	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Balance at 31st Ashadh 2081	5,763,533	1,102,803	3,822,921	932,017	7,494	12,452,609
Additions	-	18,000	-	-	-	18,000
Transfer from CWIP	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Balance at 32nd Ashadh 2082	5,763,533	1,120,803	3,822,921	932,017	7,494	12,470,609
Accumulated depreciation						
Balance at 1st Shrawan 2080	107,007	202,317	1,825,895	643,351	7,494	3,152,153
Charge for the year	187,701	181,540	375,938	288,666	57,205	1,091,350
Disposals	-	-	-	-	-	-
Balance at 31st Ashadh 2081	294,708	383,857	2,201,833	932,017	7,494	4,243,903
Charge for the year	187,729	196,502	381,265	-	-	868,481
Disposals	-	-	-	-	-	-
Balance at 32nd Ashadh 2082	482,437	580,359	2,583,098	932,017	7,494	5,111,783
Net Closing Balance						
Balance at 1st Shrawan 2080	5,056,536	87,287	1,837,399	288,666	-	8,227,530
Balance at 31st Ashadh 2081	5,468,825	718,946	1,621,088	-	457,612	8,209,306
Balance at 32nd Ashadh 2082	5,281,067	540,444	1,239,823	-	297,461	7,358,325

of Note no. 12 for the details of security of assets pledged as security for borrowings.



Rajesh K. Shrestha
Rajesh K. Shrestha
Director

Basanta Lama, CA
Basanta Lama, CA
Proprietor





Bungal Hydro Limited
Notes to the financial statements for the year ended 32nd Ashadh 2082

Figures in NPR

Particulars	Intangible Assets under IFRIC 1	Intangible Assets Under construction	Computer Software
Balance at 1st Shrawan 2080	-	3,110,338,159	-
Addition During the period of FY 2080/81	10,490,451	131,273,134	-
Transfer of Intangible Assets under construction	5,241,581,293	(1,241,581,293)	-
Amortisation during the Year	(107,233,246)	-	-
Balance as on 31st Ashadh 2081	3,144,699,198	-	-
Addition during the year	-	-	-
Transfer of Intangible Assets Under Construction	-	-	-
Amortisation during the year	(117,700,493)	-	-
Balance at 32nd Ashadh 2082	3,026,998,705	-	-

Note 2.1: Details of Intangible Assets Under IFRIC 12

Particulars	As at 32nd Ashadh 2082	During the FY 2081/82	As at 31st Ashadh 2081	During the FY 2080/81	Residual* As at 32nd Ashadh 2080
Project Initial Expenses:	20,000,000	-	10,000,000	-	20,000,000
Civil Construction Works	1,247,258,584	-	1,347,358,584	77,020,455	4,270,229,129
Interest Capitalization	664,837,435	-	664,837,435	25,970,813	638,866,622
Project Supervision & Consultancy	105,781,756	-	105,781,256	740,150	105,041,106
Environmental Mitigation & Social Contribution	47,238,985	-	47,238,986	1,151,180	44,087,815
Infrastructure Development / Access Road	26,344,822	-	26,344,822	-	26,344,822
Plant & Machinery - IIM	303,381,769	-	303,381,707	11,625,622	291,756,085
Resource & Loan Arrangement Fees	17,640,216	-	17,640,216	6,417,028	11,223,188
Plant and Machinery - FM	227,212,478	-	217,515,478	2,262,154	225,253,329
Project Administrative Expenses	20,786,550	-	20,786,550	2,159,492	68,647,057
Rural Development	46,987,387	-	46,987,387	-	46,987,387
Transmission Line and Power	63,797,042	-	63,293,042	1,906,240	61,386,802
Add: Intangible Assets recognized as per IFRIC 12	240,894,870	-	210,894,870	10,999,451	230,355,419
Total Intangible Assets	3,252,698,744	-	3,252,698,744	141,742,585	3,110,338,159
Opening Accumulated Amortisation expenses	(107,381,946)	-	-	-	-
Amortisation Expenses for the year	(117,700,493)	-	(117,381,546)	-	-
Closing Accumulated Amortisation	(225,082,039)	-	(107,381,546)	-	-
Net Intangible Assets Under Construction	3,026,998,705	-	3,144,699,198	-	3,110,338,159

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Bungal Hydro Limited

Notes to the financial statements for the year ended 32nd Ashadh 2082

Figures in NPR

Note no: 4
Cash and cash equivalents

Particulars	As at 32nd Ashadh 2082	As at 31st Ashadh 2081
Balances with banks	-	-
Local currency account	-	-
In current accounts	472,625	8,162,578
In call accounts	-	-
In deposits accounts	-	-
Cash in hand	30,485	33,000
Total	503,110	8,195,578

a) Refer Note no: 12 for the details in respect of certain assets hypothecated/mortgaged as security for borrowings.

Note no: 5
Bank balance other than cash and cash equivalents

Particulars	As at 32nd Ashadh 2082	As at 31st Ashadh 2081
Balances with Bank in deposit account	-	-
Embarked balance with bank	2,881,218	723,183
Total	2,881,218	723,183

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(Signature)





Bungal Hydro Limited

Notes to the financial statements for the year ended 32nd Ashadh 2082

Figures in NPR

Note no: 6
Capital Advances

Particulars	As at 32nd Ashadh 2082		As at 31st Ashadh 2081	
	Current	Non-current	Current	Non-current
Advance for Land Purchase	3,097,731	-	3,097,731	-
Total	3,097,731	-	3,097,731	-

a) Refer Note no: 11 for the details in respect of advance assets hypothecated/mortgaged as security for borrowings.

Note no: 7
Other financial assets (Current and Non-current)

Particulars	As at 32nd Ashadh 2082		As at 31st Ashadh 2081	
	Current	Non-current	Current	Non-current
Advances to Staff	-	-	-	-
Site Office /d vanben	-	-	188,199	-
Other Advances	3,705,815	-	8,682,272	-
Total	3,705,815	-	8,870,471	-

a) Refer Note no: 12 for the details in respect of certain assets hypothecated/mortgaged as security for borrowings.

Note no: 8
Other assets (Current and Non-current)

Particulars	As at 31st Ashadh 2081		As at 31st Ashadh 2081	
	Current	Non-current	Current	Non-current
Contractor's Advances	-	-	-	-
Advances to Suppliers	114,622	-	114,622	-
Receivable from NEA	40,825,518	-	28,779,263	-
Prepaid Insurances	139,491	-	427,277	-
Consultant's Advances	4,106,300	-	1,211,675	-
Total	45,185,330	-	25,542,836	-

a) Refer Note no: 12 for the details in respect of certain assets hypothecated/mortgaged as security for borrowings.



Praveen

Rishabh



Bungal Hydro Limited

Notes to the financial statements for the year ended 32nd Ashadh 2082

Figures in NPR

Note no: 9
INCOME TAXES

A. Tax expense recognized in the Statement of Profit and Loss

	Year ended	
	32nd Ashadh, 2082	31st Ashadh, 2081
Current tax expenses	-	-
Current tax on profits for the year	-	-
Adjustments for under provision in prior periods	-	-
Deferred tax credit/charge	-	-
Original on settlement of temporary differences	-	-
Adjustments (credits) related to previous years - (net)	-	-
Income tax expense reported in Statement of Profit or Loss	-	-

B. Tax expense recognized in Other comprehensive income

	Year ended	
	32nd Ashadh, 2082	31st Ashadh, 2081
Deferred tax	-	-
Origination and reversal of temporary differences	-	-
Adjustments (credits) related to previous years - (net)	-	-
Income tax charged to OCI	-	-

C. The movement in deferred tax assets and liabilities during the year ended 31 Ashadh, 2081 and 31 Ashadh, 2082:

	As at		Credit/(charge) in Other Comprehensive Income	As at
	31st Ashadh, 2080	31st Ashadh, 2081		
i. Movement during the year ended 31 Ashadh, 2081	-	-	-	-
ii. Movement during the year ended 32nd Ashadh, 2082	-	-	-	-
Deferred tax assets/(liabilities) Arising from Depreciation and Amortisation Total	-	-	-	-

ii. Movement during the year ended 32nd Ashadh, 2082

	As at		Credit/(charge) in Other Comprehensive Income	As at
	31st Ashadh, 2081	31st Ashadh, 2081		
Deferred tax assets/(liabilities) Arising from Depreciation and Amortisation Total	-	-	-	-

Praveen

Rishabh





Bungal Hydro Limited

Notes to the financial statements for the year ended 31st Ashadh 2082

Particulars	As at		Amount
	No. of Shares	31st Ashadh, 2081	
A. Equity Shares Authorised			
Equity Shares of Rs. 100 each with voting rights	8,300,000	8,300,000	830,000,000
Issued			
Equity Shares of Rs. 100 each with voting rights	5,395,000	5,395,000	539,500,000
Subscribed and Fully Paid			
Equity Shares of Rs. 100 each with voting rights	5,395,000	5,395,000	539,500,000
	5,395,000	5,395,000	539,500,000

B. Reconciliation of the number of shares outstanding at the beginning and end of the year

	As at 31st Ashadh, 2082	As at 31st Ashadh, 2081
Balance as at the beginning of the year	5,395,000	4,520,000
Add: Issue of shares through Private Placement	845,000	-
Balance as at end of the year	5,395,000	5,395,000



Rishabh
Prasanna



Maharaja

Bungal Hydro Limited

Notes to the financial statements for the year ended 31st Ashadh 2082

Particulars	As at		Share %	Share %
	No. of Shares	31st Ashadh, 2081		
Janaajee Investment P. Ltd.	95,143,700	95,143,700	17.24%	17.26%
Bungal Hydro Investment Pvt. Ltd.	78,301,800	78,301,800	14.51%	14.51%
Shiva Shaukar Hydro Investment Ltd	150,192,100	150,192,100	27.84%	27.84%
Barni Investor Ltd	66,815,600	66,815,600	12.38%	12.38%
Najase Investment Pvt Ltd	11,500,000	11,500,000	2.13%	2.13%
Indira Mach	10,119,200	10,119,200	1.88%	1.88%
Sweets Doodal	10,051,000	10,051,000	1.86%	1.86%
Sabita Laxmi Hydro Investment Pvt. Ltd.	10,000,000	10,000,000	1.85%	1.85%
Chop Narayan Shrestha	10,000,000	10,000,000	1.85%	1.85%
Baneshwor Datta	7,166,100	7,166,100	1.33%	1.33%
Kumar Bahadur Mishra	5,774,500	5,774,500	1.07%	1.07%
Ravi Dev Dhangra	5,400,000	5,400,000	1.00%	1.00%

D. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of NPR 100 per share. Every member holding equity shares therein shall have voting rights in proportion to the number of shares of the class of equity shares held by him. The Company declares and pays dividend in Nepalese rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the equity shareholders.



Rishabh
Prasanna



Maharaja



Bungal Hydro Limited

Notes to the financial statements for the year ended 32nd Ashadh 2082

Figures in NPR

Note no: 11

Particulars	Advances for Share	Retained Earnings	Reserves Due to DEAC Adjustment	Total
Balance at 1st Shrawan 2080	78,407,700	-	2,40,395,419	308,803,119
Changes due to application of IFRIC 12	-	-	-	-
Balance at 1 Shrawan 2080	78,407,700	-	2,40,395,419	308,803,119
Profit for the year	-	(227,458,021)	10,499,451	(216,958,570)
Amortization of National Profit	-	-	(7,954,189)	(7,954,189)
Other comprehensive income	-	-	-	-
Advance Received	(78,407,700)	-	-	(78,407,700)
Private Placement Issue	-	-	-	-
Issue of Further Public Offering	-	-	-	-
Issue of bonus share	-	-	-	-
Share Issue Cost	-	-	(750,000.00)	(750,000.00)
Dividends to shareholders	-	-	-	-
Balance at 1st Ashadh 2081	-	(227,458,021)	232,220,481	4,762,460
Profit for the year	-	(119,144,010)	-	(119,144,010)
Amortization of National Profit	-	-	(9,016,266)	(9,016,266)
Other comprehensive income	-	-	-	-
Advance Received	-	-	-	-
Private Placement Issue	-	-	-	-
Issue of Further Public Offering	-	-	-	-
Issue of bonus share	-	-	-	-
Share Issue Cost	-	-	(132,700)	(132,700)
Dividends to shareholders	-	-	-	-
Balance at 32nd Ashadh 2082	-	1557,002,031	223,074,515	(314,530,514)



Rashmi
Maharaj

Bungal Hydro Limited

Notes to the financial statements for the year ended 32nd Ashadh 2082

Figures in NPR

Particulars	As at 32nd Ashadh 2082		As at 31st Ashadh 2081	
	Current	Non-Current	Current	Non-Current
Unsecured Borrowings				
Advances from Directors	659,700	-	659,700	-
Secured Borrowings from Banks				
Term loan	67,575,262	2,052,421,614	27,520,000	2,118,331,021
Bridge Gap Loan	294,996,053	-	257,496,053	-
Total	363,231,015	2,052,421,614	285,675,753	2,118,381,021

1) Term loan and Bridge Gap Loan include loans obtained under a Syndicated Credit Facilities Agreement from a consortium of the following Banks:
Lead Bank: Himalayan Bank Ltd.
Participating Banks: Prabhu Bank Ltd., Laxmi Bank Ltd., Nepal Investment Bank Ltd.

2) The Secured Borrowings have been secured by way of first legal charge in favour of the Consortium Banks on Pari-passu basis, by the way of registered mortgage over the entire present and future fixed assets (Land, Buildings, and other constructions, plant & equipment of hydro-mechanical, Electro-mechanical, transmission line & office equipment, etc) and current assets (bills & receivables, spare parts, etc.) created with or without financing owned by the borrower.

3) Terms of Repayment of Term Loans. The Principal Repayment of Loans will commence only after the commencement of commercial generation of electricity.



Maharaj
Rashmi



Bungal Hydro Limited

Notes to the financial statements for the year ended 32nd Ashadh 2082

Figures in NPR

Particulars	As at 31st Ashadh 2081		As at 31st Ashadh 2081	
	Current	Non-Current	Current	Non-Current
Other liabilities (current and non-current)				
Statutory dues				
TDS Payable	751,306	-	1,594,265	-
Total	751,306	-	1,594,265	-

a) As per the provision of Labor Act enacted and effective from 19th Bhadra, 2074, gratuity plan has been converted into contribution plan from defined benefit plan. Contribution for gratuity has been deposited to Citizen Investment Trust (CIT) and are charged to the profit or loss statement in the year to which they relate as the company has no further defined obligations beyond monthly contributions.

Note no. 14 Other Financial Liabilities

Particulars	As at 31st Ashadh 2081		As at 31st Ashadh 2081	
	Current	Non-Current	Current	Non-Current
Employees Accounts Payable	1,975,627	-	2,497,130	-
Retention Payable	4,853,093	-	43,703,104	-
Consultants Payable	10,412,550	-	33,017,614	-
Creditors Payables	2,579,916	-	350,702	-
Contractor's Payables	157,882,945	-	101,547,906	-
Debtors Lease Liability	-	-	-	-
Interest Payables on Loan	48,169,473	-	50,807,068	-
Other Payable	22,503,099	-	17,701,580	-
Total	248,356,703	-	249,625,103	-



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Figures in NPR

Bungal Hydro Limited

Notes to the financial statements for the year ended 32nd Ashadh 2082

Note no: 15 Revenue and Other Income

	For the FY 2081-82	For the FY 2080-81
Sale of Electricity to NEA	272,265,422	213,196,844
Other Income	-	-
Total Income during the reporting period	272,265,422	213,196,844

Note no: 16 Construction revenue (As per IFRIC 12)

	For the FY 2081-82	For the FY 2080-81
Construction revenue as per IFRIC 12	-	141,742,585
Construction costs as per IFRIC 12	-	131,243,134
Notional Profit as per IFRIC 12	-	10,499,451

Note no: 17 Direct Expenses

	For the FY 2081-82	For the FY 2080-81
Royalty Expenses	6,927,735	4,824,725
Operational Bay Charges	-	-
Internal Consumption	17,172	29,268
Other Direct Expenses		
SCADA Integration Fee	2,985,036	-
Site Fuel Expenses	227,021	178,467
Site Insurance Expenses	7,321,008	6,922,745
Site Office Expense	63,749	281,958
Site Repair and Maintenance	1,886,564	760,029
Employee Benefit Expenses	9,701,133	7,993,354
Penalty for Short Supply	8,452,812	26,325,791
Penalty for Late COD	-	28,235,346
Site Mess Expense	367,153	315,586
Total Direct Expenses	37,949,382	75,867,266

Bungal Hydro Limited

Notes to the financial statements for the year ended 32nd Ashadh 2082

Figures in NPR

Note no: 18

Administrative and other operating expenses

	For the FY 2081-82	For the FY 2080-81
Advertisement Expenses	11,300	15,848
Audit Fee Expenses	282,500	282,500
Communication Expenses	7,600	77,750
Consultancy Expenses	192,100	226,200
Employee Benefits Expenses	3,869,426	2,128,343
Fine & Penalties Expenses	116,374	181,596
Meeting Allowances	1,007,000	875,000
Meeting Expenses	52,361	13,500
Office Expenses	267,219	263,257
Office Rent Expenses	217,800	181,500
Printing and Stationery Expenses	41,994	120,370
Renewal & Registration Expenses	34,050	1,510
Social Contribution & Compensation Expenses	7,880,993	452,272
Travel Expenses	378,835	57,473
Utilities Expenses	34,721	42,900
Total	14,394,272	4,930,019

Note no: 19

Financial Charges

	For the FY 2081-82	For the FY 2080-81
Bank Charges	85,224	233,633
Interest on TL	195,744,029	187,406,608
Interest on STL	24,633,817	71,698,932
Loan Management Fees and Commission	50,000	-
Total	220,513,070	259,339,173

Bungal Hydro Limited

Notes to the financial statements for the year ended 31st Ashadh 2081

Figures in NPR

Note no: 20

RELATED PARTY DISCLOSURES

(a) Relationship

Relationship	Related Parties
Company with Common Directors	Kalanga Hydro Limited
	Sanigad Hydro Limited

(b) Those charged with governance

Those charged with governance of BHL include members of Board of directors namely:

Name	Designation
Shiva Prasad Ghimire	Chairman
Direndra Bahadur Malla	Director
Rajesh Kumar Shrestha	Director
Khageshwar Bohora	Director
Tirtha Raj Chatur	Director
Umesh Shrestha	Director

The following provides expenses incurred for those charged with governance of BHL:

Nature of Expense	Current year	Previous year
Meeting Allowances	1,007,000	875,000
Total	1,007,000	875,000

(c) Transactions with key management personnel

Key Management personnel includes:

	Particulars	Current year	Previous Year
i) Mr. Shiva Prasad Ghimire (Executive Chairperson)	Short-term employee benefits	2,200,000	-
		2,200,000	-

Bungal Hydro Limited

Notes to the financial statements for the year ended 32nd Ashadh 2082

Figure in NPR

Note 1: Background

Bungal Hydro Ltd. is a limited company registered with office of Company Registered on 2073/02/31(Registration No-150772/7273), having registered office in Lalitpur, and currently the company has been transformed into a public company on 31/03/2078.

The principal objective of the company is to explore survey, design, construct and manage power project and provides related consultancy services in Nepal. Company is developing 10.70 MW Hydro Electric Projects from Sunigd River in Bajhang District.

Note 2: Significant accounting policies

2.1 Basis of Preparation and measurement

i. Statement of Compliance

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

New Standards issued by ICAN which are applicable at 16th July 2025

NFRS 15 "Revenue from Contracts with Customers" is the new NFRS standard governing the accounting principles for revenue which is applicable for FY 2081-82 (2024-25). Revenue from service concession arrangement under the intangible asset model is recognized based on the principles laid down under IFRIC-12 and in accordance with the terms of the power purchase agreement as and when the power is supplied. The intangible asset is amortized over its expected useful life in a way that reflects the pattern in which the asset's economic benefits are consumed by the Company, starting from the date when the right to operate starts to be used. Based on these principles, the intangible asset is amortized in line with the actual usage of the specific public facility, with a maximum of the duration of the concession.

The company has applied intangible asset model to recognize the asset as per IFRIC 12 – Service concession arrangements. Income from the concession arrangements earned under the intangible asset model consists of:

- i. fair value of contract revenue, which is deemed to be fair value of consideration transferred to acquire the asset; and
- ii. payments received from the users.

The cost for such improvements to concession assets is based on actual costs incurred by the Company in the execution of the upgradation, considering the requirements in the concession agreement. The amount of revenue recognized is equal to the amount of costs incurred plus 8% markup on cost, considering the fair value of the amount transferred.

New Standards which are yet to be adopted at 16th July 2025

Bungal Hydro Limited has not opted for the adoption of the new set of NFRS pronounced by ICAN, which may relate to it, but not specifically relevant to the company. These standards include:

Bungal Hydro Limited

Notes to the financial statements for the year ended 32nd Ashadh 2082

Figure in NPR

NFRS 17 "Insurance Contracts" would be effective from July 16, 2024 and early application is allowed. The effect of application of NFRS 17 is being studied and initial assessment is that our business would not be materially affected by NFRS 17.

NAS 29 "Financial Reporting in Hyperinflationary Economies" applicable from 16th July 2021, has not been adopted based and initial assessment is that our business would not be materially affected by NAS 29.

ii. Basis of preparation

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

The financial statements are presented in the functional and presentation currency of the Company i.e., Nepalese Rupee ("NPR") which is the currency of the primary economic environment in which the Company operates.

iii. Basis of measurement

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

2.2 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with Nepal Financial Reporting Standards requires the use of certain critical accounting estimates and judgments. It also requires management to exercise judgment in the process of applying the Company's accounting policies. The Company makes certain estimates and assumptions regarding future events. Estimates and judgments are continuously evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year primarily include: -

Useful life and residual value of property, plant and equipment

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

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Impairment of property plant and equipment

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

Contingencies

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

Fair value measurements

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The management determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third-party qualified valuers to perform the valuation as per necessity. The management works closely with qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

Recognition of deferred tax assets

A significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company.

2.3 Service Concession Arrangements

IFRIC 12 applies to public-to-private service concession arrangements if:

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

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

Financial asset model: The Financial asset model is used when the Company, being an operator, has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services. Unconditional contractual right is established when the grantor contractually guarantees to pay the operator (a) specific or determinable amount; (b) the shortfall, if any, between amounts received from the users of the public services and specified or determinable amounts.

Intangible asset model: The intangible asset model is used to the extent that the Company, being an operator, receives the right (a license) to charge users of the public service. A right to charge users of public service is not an unconditional right to receive cash because the amounts are contingent on to the extent the public uses the services. Both types of arrangements may exist within a single contract to the extent that the grantor has given an unconditional guarantee of payment for the construction and the operation i.e., considered as a financial asset and to the extent that the operator has to rely on the public using the service in order to obtain payment, the operation has an intangible asset.

Intangible Assets under Service Concession Arrangement (SCA)

The Company manages concession arrangements which include power supply from its hydropower plants viz. Upper Kalanga Hydropower Project (10.70 MW). The Company maintains and services the infrastructure during the concession period. Further, the concession arrangement gives BHL the right to use the hydropower project for generating electricity and earn revenue by selling electricity to NEA and local consumers. The right to consideration gives rise to an intangible asset and accordingly, the intangible asset model is applied.

Revenue from service concession arrangement under the intangible asset model is recognized in accordance with the terms of the power purchase agreement as and when the power is supplied. The intangible asset is amortized over its expected useful life in a way that reflects the pattern in which the asset's economic benefits are consumed by the Company, starting from the date when the right to operate starts to be used. Based on these principles, the intangible asset is amortized in line with the actual usage of the specific public facility, with a maximum of the duration of the concession.

Any asset carried under concession arrangements is derecognized on disposal or when no future economic benefits are expected from its future use or when the contractual rights to the financial asset expire. The tenure of the Service Concession Arrangement of 10.70 MW Bungal for generation, transmission, and distribution shall be ended on 13th Chaitra 2107 B.S.

The entity has opted to take the carve-out option provided by the Institute of Chartered Accountants of Nepal regarding Effective Interest Rate method which is valid till 2082/83 and will have potential impact on intangible assets as all processing cost have been capitalized. Potential impact of NFRS 9 has been disclosed below:

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Name of the Bank	Term Loan I	Term Loan II	Term Loan IV
Himalayan Bank Limited	660,000,000	140,740,000	353,000,000
Prabhu Bank Limited	300,000,000	63,970,000	-
Laxmi Sunrise Bank Limited	700,000,000	63,970,000	147,000,000
Nepal Investment Bank Limited	100,000,000	21,320,000	-
Approval Limit	1,360,000,000	290,000,000	500,000,000
Disbursement Date	2/21/2074	2/21/2074	9/29/2080
Processing Fee	8,940,000	1,450,000	3,750,000
Effective Interest Rate	8.26%	8.24%	8.27%
Amount to expensed or capitalized under NFRS 9	4,151,853	659,876	266,226
Overbooked amount of amortization expenses	4,788,146	790,123	3,483,773

Current year amortization of intangible assets and notional profit has been disclosed below:

Particulars	FY 2080/81	Amortization	FY 2081/82
Intangible Assets (under IFRIC 12)	3,144,699,198	117,700,493	3,026,998,705
Notional Profit	232,940,681	9,016,266	223,924,415

2.4 Property, plant and equipment

- All items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.
- Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset are derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.
- The Company identifies and determines the cost of each component/ part of the asset separately if the component/ part has a cost that is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.
- The residual values, useful lives, and methods of depreciation of property, plant, and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
- An item of property, plant, and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net

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Figure in NPR

disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

2.5 Other Intangible Assets

- Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.
- Certain computer software costs are capitalized and recognized as intangible assets based on materiality, accounting prudence, and significant benefits expected to flow therefrom for a period longer than one year.
- Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

2.6 Depreciation and Amortization

- Depreciation is recognized so as to write off the cost of assets (other than properties under construction) less their residual values over their useful lives, using the Straight-Line Method.
- Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.
- Depreciation is provided on the Straight-Line Method based on the estimated useful lives of the assets determined by the management. Depreciation on additions to fixed assets is charged on a pro-rata basis in the year when it is available for use. The general useful lives of the assets and the corresponding rates at which the assets are depreciated are as follows:

Category of asset	Estimated useful life	Depreciation Rate
Building		
Pre-fab Building*	30.70 Years	3.257%
Office Equipment	5 Years	20%
Computers	3 Years	33.33%
Furniture & Fixture	10 Years	10%
Vehicles	8 Years	12.5%
Network and Servers	6 Years	16.67%

- Computer software is amortized over the period of validity of license on straight-line basis.
- The useful life of all assets has been estimated in accordance with Appendix 1 of Application Guidance to NAS 16, except for the Land*, and Pre-fab building *, as the useful life of such assets have been determined to be up to the validity of the electricity generation license.
- Useful life is either the period during which the asset is expected to be used or the number of production or similar units expected to be obtained from the use of asset.

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The estimated useful life, residual values, and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

vii. Residual Values of all items of Property, Plant, and Equipment is taken to be zero for the purpose of calculation of depreciation amount.

viii. All components of Property, Plant and Equipment with Written Down Value less than NPR 5,000 are charged to the profit and loss account in the year.

ix. Leasehold improvements are depreciated over the period of lease or estimated useful life, whichever is lower, on straight-line basis.

2.7 Impairment of tangible and intangible assets

i. At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise, they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

ii. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

iii. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

iv. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

v. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss.

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2.8 Borrowing cost

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction, or production of an asset that necessarily takes a substantial period to get ready for its intended use or sale are capitalized as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are incurred in the period in which they occur.

2.9 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.10 Inventories

The cost of inventories includes the cost of purchase, costs of conversion, and other costs incurred in bringing the inventories to their present location and condition. Inventories of stores, spare parts, and loose tools are stated at the lower of weighted average cost and net realizable value. The net realizable value represents the estimated selling price for inventories in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale.

2.11 Revenue recognition

i) Sale of Electricity

Revenue is recognized to the extent that it is probable that economic benefit will flow to the Company and that the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates and other similar allowances. Revenue is recognized when substantial risks and rewards of ownership are transferred to the buyer under the terms of the contract.

ii) Other Electricity services

Fees from other electricity services are accounted on an accrual basis as and when the right to receive arises.

iii) Dividend income

Dividend income (net of withholding taxes) from investments is recognized when the shareholder's right to receive payment has been established (if it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably). In the case of a stock dividend, only the number of shares is increased.

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iv) Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.12 Foreign currency transactions

- i. The functional currency of the Company and its subsidiaries is determined based on the primary economic environment in which it operates. The functional currency of the Company is the Nepalese Rupee (NPR).
- ii. In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.
- iii. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing at the date when the fair value was determined.
- iv. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.
- v. Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which they arise.

2.13 Employment Benefits

The Company does not have any schemes of long-term employment benefits. The expenses related to short term employee benefits are recognized through Statement of Profit and Loss, in the period in which they are incurred.

2.14 Taxation

Income Tax

Income tax on the profit or loss for the year comprises current taxes and deferred taxes. Income tax is recognized in the profit or loss statement except to the extent that it relates to items recognized directly to equity.

Current tax

Current tax is the expected tax payable on the taxable income for the year using tax rates at the balance sheet date and any adjustment to tax payable in respect of previous years.

However, the company has not generated any taxable income for the income years 2081/82. Thus, it has no current tax liability.

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Notes to the financial statements for the year ended 32nd Ashadh 2082

Figure in NPR

Deferred tax

- i. Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected realization or settlement of the carrying amount of assets and liabilities using tax rates at the balance sheet date.
- ii. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.
- iii. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The entity will enjoy a Tax Holiday for 15 years, after the commencement of commercial generation of electricity, in the following manner:

First 10 years: 100% Exemption and 11th to 15th Years: 50% Exemption

2.15 Earnings per share

Basic earnings per share is computed by dividing the profit/ (loss) for the year by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit/ (loss) for the year as adjusted for dividend, interest, and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares decreases the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted at the beginning of the period unless they have been issued at a later date.

2.16 Provisions, contingencies, and commitments

- i. Provisions are recognized when the Company has a present obligation (legal or constructive) because of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
- ii. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain.

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Figure in NPR

- iii. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.
- iv. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost
- v. A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.
- vi. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. Contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize contingent liability but discloses its existence in the financial statements.
- vii. A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity
- viii. Commitments include the amount of purchase order (net of advances) issued to parties for the completion of assets.
- ix. Provisions, contingent liabilities, contingent assets, and commitments are reviewed at each reporting period.

2.17 Financial Instruments

I. Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities, and financial guarantee contracts are initially measured at transaction cost, and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of a financial asset or financial liabilities. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognized in the statement of profit and loss. In case of interest-free or concession loans/debentures/preference shares given to subsidiaries, associates, and joint ventures, the excess of the actual amount of the loan over the initial measure at fair value is accounted as an equity investment.

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Investment in equity instruments issued by subsidiaries, associates and joint ventures are measured at cost less impairment.

Investment in preference shares/debentures of the subsidiaries are treated as equity instruments if the same are convertible into equity shares or are redeemable out of the proceeds of equity instruments issued for the purpose of redemption of such investments. Investments in preference shares/debentures not meeting the aforesaid conditions are classified as debt instruments at amortized cost.

ii. Effective Interest method

The entity has opted to take the carve-out option provided by the Institute of Chartered Accountants of Nepal regarding Effective Interest Rate method which is valid till 2082/83. Potential impact of NFRS 9 has been disclosed below:

Name of the Bank	Term Loan I	Term Loan II	Term Loan IV
Himalayan Bank Limited	660,000,000	140,740,000	333,000,000
Prabhu Bank Limited	300,000,000	63,970,000	-
Laxmi Sunrise Bank Limited	300,000,000	63,970,000	147,000,000
Nepal Investment Bank Limited	100,000,000	21,320,000	-
Approval Limit	1,360,000,000	290,000,000	500,000,000
Disbursement Date	2/21/2074	2/21/2074	9/29/2080
Processing Fee	8,940,000	1,450,000	3,750,000
Effective Interest Rate	8.26%	8.24%	8.27%
Amount to expensed or capitalized under NFRS 9	4,151,853	659,876	266,226
Overbooked amount of amortization expenses	4,788,146	790,123	3,483,773

iii. Financial assets

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business model whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company in respect of equity investments (other than in subsidiaries, associates, and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument-by-instrument basis at the time of initial recognition of such equity investments.

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Figure in NPR

Financial assets not measured at amortized cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the shorter maturity of these instruments.

Impairment of financial assets

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred "loss event"), has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

De-recognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset, and the transfer qualifies for de-recognition under NERS 9.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the carrying amounts measured at the date of de-recognition and the consideration received is recognized in a statement of profit or loss.

iv. Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received net of direct issue costs.

Financial Liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost, using the effective interest rate method where the time value of money is significant. Interest-bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortized cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings in the statement of profit and loss.

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Figure in NPR

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

De-recognition of financial liability

Financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

v. Off-setting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

vi. Fair Value measurement:

The Company measures financial instruments, such as investment in equity instruments, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability, or
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, if market participants act in their economic best interest.

A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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Figure in NPR

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.18 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

The company as a Lessee

At the commencement date, the Company shall recognize a right to use asset at cost and a lease liability at the present values of the lease payments that are not paid at that date. The lease payment shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the company shall use its incremental borrowing rate.

After the commencement date, the company shall measure the right to use asset applying a cost model or measurement model. To apply a cost model, the company shall measure the right of use asset at cost less any depreciation and any accumulated impairment losses adjusted for remeasurement of lease liability as mentioned below.

After the commencement date, the company shall measure the lease liability by

- (a) Increasing the carrying amount to reflect interest on the lease liability;
- (b) Reducing the carrying amount to reflect the lease payments made; and
- (c) Re-measuring the carrying amount to reflect any reassessment or lease modifications to reflect revised in-substance fixed lease payments.

The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. A lease is classified at the inception date as a finance lease or an operating lease.

The Company has adopted NIRS 16 - Leases, which requires the recognition of Right-of-Use (ROU) assets and corresponding lease liabilities for all leases unless specific exemptions apply.

For leases with termination clauses and significant uncertainty about the expected lease term, the Company has assessed that the lease does not meet the criteria for recognizing a ROU asset and lease

Bungal Hydro Limited

Notes to the financial statements for the year ended 32nd Ashadh 2082

Figure in NPR

liability. Instead, such leases are accounted for as operating leases, and lease payments are recognized as an expense on a straight-line basis over the lease term.

The rent agreement, originally executed for five years from 2074/08/01, has expired and has not yet been renewed.

Uncertainty in Lease Term: Due to operational and strategic uncertainties regarding the use of the leased premises, the Company cannot reasonably determine the lease term with sufficient certainty. As a result, the lease has been treated as an operating lease.

2.19 Non-current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts are recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

The criteria for held for sale classification is regarded as met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable, and it will genuinely be sold, not abandoned. Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment, and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortized.

As of the reporting date, no assets of the company have been classified as Held for Sale.

2.20 Capital Management

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

The Company's aim is to translate profitable growth to superior cash generation through efficient capital management. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditor, and market confidence and to sustain the future development and growth of its business. The Company's focus is on keeping a strong total equity base to ensure independence, and security, as well as high financial flexibility for potential future borrowings, if required, without impacting on the risk profile of the Company. The Company will take appropriate steps to maintain, or if necessary, adjust its capital structure. The management monitors the return on capital as well as the level of dividends to shareholders. The Company's goal

Bungal Hydro Limited

Notes to the financial statements for the year ended 32nd Ashadh 2082

Figure in NPR

is to continue to be able to return excess liquidity to shareholders by continuing to distribute dividends in future periods.

No changes were made in the objectives, policies, or processes for managing capital during the years ended 32nd Ashadh 2082.

2.21 Segment reporting

The Company is engaged in the business of generation and sale of electricity. The Chief Operating Decision Maker (CODM) reviews the Company's performance and allocates resources on the basis of the business as a whole. Accordingly, the Company has a single operating and reportable segment, and no separate segment information is presented.

Information about products and services

The Company derives its revenue solely from the generation and sale of electricity.

Geographical information

The Company generates electricity from a single geographical location within Nepal, and all revenue is earned from customers located in Nepal. All non-current assets of the Company are also located within Nepal.

Information about major customers

During the year, 100% of the Company's revenue was derived from a single customer, Nepal Electricity Authority (NEA), which therefore represents a major customer as defined under NFRS 8. The revenue from this customer relates entirely to the Company's sole operating segment.

2.22 Staff bonus

A 2% bonus on net profit on electricity income in line with the provisions of the Electricity Act 2049, 2% bonus on dividend income and a 10% bonus on income from other sources as per Bonus Act 2031 have to be provided to the staff, by BHL. However, no such bonus has yet been provided to the staffs as the company has not earned profit during the year.

2.23 SCADA Integration Fees

The Company incurs certain one-time charges payable to the Nepal Electricity Authority (NEA) in connection with grid interconnection, SCADA software integration, and control system synchronization during project commissioning.

These charges do not result in acquisition or control of any tangible or intangible asset by the Company, as the related software and control systems remain under the ownership and management of NEA.

Accordingly, such integration fees are recognized as revenue expenditure in the year in which they are incurred, in line with NAS 38 – Intangible Assets and the Conceptual Framework for Financial Reporting under NFRS. This amounts to Rs 2,985,036.

[Handwritten signatures and blue circular stamps of Bungal Hydro Limited and Chartered Accountants]

Bungal Hydro Limited

Notes to the financial statements for the year ended 32nd Ashadh 2082

Figure in NPR

2.24 Reclassification of Share Issue Cost

During the current fiscal year, share issue costs amounting to NPR 720,200 relating to fiscal year 2080/81 and NPR 132,700 relating to fiscal year 2081/82 were reclassified from adjustment against share capital to adjustment against retained earnings. This reclassification has been appropriately disclosed in the Statement of Changes in Equity.

As a result of this reclassification, the share capital balance for fiscal year 2080/81 increased from NPR 538,779,800 to NPR 539,500,000, while retained earnings decreased from NPR 5,482,661 to NPR 4,762,461.

Impact of Reclassification on Equity-

Particulars (FY 2080-81)	Before Reclassification (NPR)	After Reclassification (NPR)	Increase/ (Decrease)
Share Capital	538,779,800	539,500,000	720,200
Retained Earnings	5,482,661	4,762,461	(720,200)

[Handwritten signatures and blue circular stamps of Bungal Hydro Limited and Chartered Accountants]

आयोजनाका मुख्य विशेषताहरू

क्र.सं.	विवरण	व्यहोरा
१	आयोजनाको नाम	माथिल्लो सानीगाड जलविद्युत आयोजना
२	नदिको नाम	सानीगाड नदि
३	ठेगाना	कपालसेरि / पिपलकोट गा.वि.सा
४	आयोजना समावेश क्षेत्र	६४.९६ वर्ग कि.मी
५	डिजाइन डिस्चार्ज	३.४० घन मिटर प्रति सेकेण्ड
६	खुद हेड	४००.३५ मिटर
७	कुल हेड	४४०.०० मिटर
८	क्षमता	१०.७० मे.वा.
९	सुरुङ्गको लम्बाई	२.८१२ कि.मी.
१०	पेनस्टक पाइप	२३४० मिटर
११	हेडरेस पाइप	इन्भर्टेड डि सेप
१२	विद्युत गृहको प्रकार	सतही
१३	टर्बाइन संख्या	२ वटा
१४	टर्बाइनको प्रकार	पेल्टन टर्बाइनहरू
१५	प्रसारण लाइन	३६ कि.मी.
१६	सबस्टेसन	बलौच
१७	कुल उर्जा	६२.७०६ गिगावाट घण्टा
१८	पहुँच मार्ग	१३ कि.मी.(जय पृथ्वी व.सिंह राजमार्ग बाट)
१९	उत्पादन शुरू हुने मिति	२०८०/०२/३०
२०	वित्तीय व्यवस्था सम्पन्न	बि. सं. २०७४/०२/२१
२१	पि. पि. ए मिति	बि. सं. २०७२/०३/१५

आयोजनाका फोटाहरू



BOD's SITE VISIT



SHARES ALLOTMENT



POWER HOUSE



SWITCHYARD



DESANDING BASIN



CONTROL PANELS



MAIN INLET VALVE



MACHINE HALL



HEAD WORKS



RUNNER O&M



AGREEMENT WITH NEPSE



CHAIRMAN'S VISIT



CHAIRMAN'S VISIT



BANK'S TEAM VISIT



IPO INAUGURATION FOR LOCALS



बुङ्गल हाइड्रो लिमिटेड
Bungal Hydro Limited





०१-५५२९९२७
०१-५५२४३३५



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**Kalanga Complex,
Dhobighat, Lalitpur-03**