

दसौं

वार्षिक प्रतिवेदन

आ.ब. २०७९/०८०



माउन्टेन इनर्जी नेपाल लि.
Mountain Energy Nepal Ltd.

सञ्चालक समिति



सुहृद राज चिमिरे
अध्यक्ष



अरुण कुमार के.सी.
सञ्चालक



डा. हरिशंकर श्रेष्ठ
स्वतन्त्र सञ्चालक



मनज दत्त खनाल
सञ्चालक



मोहन गुरुड
सञ्चालक



रचना अधिकारी
सञ्चालक



सुनील प्रसाद राजमण्डारी
सञ्चालक

उच्च व्यवस्थापन



दामोदर श्रेष्ठ
प्रमुख कार्यकारी अधिकृत



सम बहादूर मट्ट
कम्पनी सचिव



राजेन्द्र प्रसाद शर्मा
सञ्चालन तथा लेखा प्रबन्धक



Mistri Khola HEP-Bishwakarma Mandir at Powerhouse

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Headworks of Mistri Khola HEP



माउन्टेन इनर्जी नेपाल लि.
दसौं वार्षिक साधारण सभा-२०८०/१२/१३
प्रोक्सी फारम (प्रतिनिधि पत्र)

श्री संचालक समिति
माउन्टेन इनर्जी नेपाल लिमिटेड,
डिल्लीवजार, काठमाण्डौ ।

विषय : प्रतिनिधि नियुक्त गरेको वारे ।

महाशय,

.....जिल्ला म.न.पा/न.पा./गा.पा. वडा नं. वस्ने म/हामी
त्यस कम्पनीको शेयरधनीको हैसियतले संबत् २०८० साल चैत्र महिना १३ गतेका दिन हुने दसौं वार्षिक साधारण सभामा
म/हामी स्वयं उपस्थितभई छलफल तथा निर्णयमा सहभागी हुन नसक्ने भएकाले उक्त सभामा मेरो/हाम्रो तर्फबाट भाग लिनको
लागि..... जिल्ला म.न.पा/न.पा./गा.पा. वडा नं. वस्ने श्री
..... लाई मेरो/हाम्रो प्रतिनिधि नियुक्त गरि पठाएको छु/पठाएका छौं ।

प्रतिनिधि नियुक्त भएको व्यक्तिको,

हस्ताक्षरको नमुना :

नाम :

शेयरधनी प्रमाण पत्र नम्बर/वि.ओ.आई.डि. नम्बर:

निवेदक

दस्तखत :

नाम :

ठेगाना :

शेयरधनी प्रमाणपत्र नं/बी.ओ.आई.डी. नम्बर:

मिति :

शेयर संख्या:

मिति :

द्रष्टव्य : यो निवेदन वार्षिक साधारणसभा हुन भन्दा ४८ घण्टा अगावै कम्पनीको रजिष्टर्ड कार्यालय डिल्लीवजार काठमाण्डौमा पेश गरिसक्नु पर्नेछ । कम्पनीको शेयरधनी वाहेक अन्यलाई प्रोक्सी दिन पाइने छैन ।

प्रवेश पत्र

१. शेयरधनीको नाम:

२. ठेगाना :

३. शेयरधनी प्रमाणपत्र नं/बी.ओ.आई.डी. नम्बर:

४. लिएको शेयर संख्या :

५. शेयरधनीको दस्तखत :

श्री माउन्टेन इनर्जी नेपाल लिमिटेडको मिति २०८०/१२/१३ मा हुने दसौं वार्षिक साधारण सभामा उपस्थित हुन जारी गरिएको प्रवेश पत्र ।

.....
कम्पनी सचिव

द्रष्टव्य: सभा कक्षमा प्रवेश गर्न यो प्रवेश पत्र अनिवार्य रुपमा लिई आउनु हुन अनुरोध छ । अन्यथा सभा कक्षमा प्रवेश गर्न पाइने छैन ।



माउन्टेन इनर्जी नेपाल लि.
Mountain Energy Nepal Ltd.



माउन्टेन इनर्जी नेपाल लिमिटेड दसौं वार्षिक साधारणसभा सम्बन्धी सूचना

श्री शेयरधनी महानुभावहरू,

यस कम्पनीको मिति २०८०/११/२० गते बसेको एक सय नौ (१०९) सञ्चालक समितिको बैठकको निर्णयानुसार यस माउन्टेन इनर्जी नेपाल लिमिटेडको दसौं वार्षिक साधारण सभा निम्न लिखित मिति, समय र स्थानमा देहायका विषयहरू उपर छलफल गरि पारित गर्ने भएकोले सम्पूर्ण शेयरधनी महानुभावहरूको जानकारीको लागि यो सूचना प्रकाशित गरिएको छ ।

वार्षिक साधारण सभा हुने मिति, समय र स्थान:

मिति : २०८० साल चैत्र १३ गते मंगलबार (तदनुसार २६ मार्च, २०२४)

समय : बिहान १०:३० बजे

स्थान : Amrapali Banquet Catering & Events, भाटभटेनी, काठमाडौं ।

छलफलका विषयहरू:

दसौं वार्षिक साधारण सभाका प्रस्तावहरू:

(क) साधारण प्रस्तावहरू:

१. संचालक समितिको तर्फबाट प्रस्तुत आ.व. २०७९/०८० को वार्षिक प्रतिवेदन उपर छलफल गरि पारित गर्ने सम्बन्धमा ।
२. यस कम्पनीको लेखा परिक्षकको प्रतिवेदन, सहित २०८० आषाढ मसान्त सम्मको वासलात, २०७९/०८० को नाफा नोक्सान हिसाव तथा नगद प्रवाह विवरण र सोही अवधिको वार्षिक वित्तिय विवरणसंग सम्बद्ध अनुसूचिहरू उपर छलफल गरि पारित गर्ने सम्बन्धमा ।
३. कम्पनी ऐन २०६३ को दफा १११ अनुसार यस कम्पनीको आ.व. २०८०/०८१ को लागि लेखा परिक्षण गर्न लेखा परिक्षक नियुक्ती गर्ने र निजको पारिश्रमिक तोक्ने सम्बन्धमा ।

(ख) विशेष प्रस्तावहरू:

१. संचालक समितिले प्रस्ताव गरे बमोजिम आ.व. २०७९/०८० को लागि चुक्ता पूंजीको १५% का दरले हुने रु. २९,५२,०४,०५०।- (अक्षरेपी उनान्तीस करोड बाउन्न लाख चार हजार पचास रुपैया) बोनस शेयर बितरण गर्न र सोमा लाग्ने कर प्रयोजनको निमित्त ०.७८९५% अर्थात रु.१,५५,३७,५७३।- (अक्षरेपी एक करोड पचपन्न लाख सैतिस हजार पाँच शय त्रिहत्तर रुपैया) नगद लाभांश (लाभांश कर प्रयोजनार्थ) बितरण गर्न स्वीकृति प्रदान गर्ने ।
२. कम्पनीको प्रवन्ध पत्रको दफा ६ (ख) संशोधन गर्ने सन्बन्धमा ।
३. सम्बन्धित निकायबाट प्रवन्ध पत्र तथा नियमावलीमा सामान्य संशोधन गर्न माग भए अनुरूप आवश्यक संशोधन गर्न संचालक समितिलाई अख्तियारी प्रदान गर्ने ।

(ग) विविध

सञ्चालक समितिको आज्ञाले,
कम्पनी सचिव



वार्षिक साधारणसभासम्बन्धी सामान्य जानकारीहरू:

१. सर्वसाधारणको वार्षिक साधारण सभा प्रयोजनको लागि मिति २०८०/११/३० गते एक दिन कम्पनीको शेयरधनी दर्ता किताव वन्द गरिने छ । नेपाल स्टक एक्सचेन्ज लिमिटेडमा मिति २०८०/११/२९ गते सम्म कारोवार भई शेयर खरिद गरि आफ्नो नाममा शेयर नामसारी भई आएका शेयरधनीहरू सो सभामा भाग लिन योग्य रहनेछन् ।
२. वार्षिक साधारण सभामा भाग लिन आउनु हुने शेयरधनी महानुभावहरूले आफ्नो परिचय खुल्ने प्रमाण कागज तथा हितग्राही खाता खोली शेयर अभौतिकरण गरिएको विवरण देखिने Demat Account Statement वा शेयर प्रमाण पत्र साथमा लिई आउन हुन अनुरोध छ, अन्यथा सभाकक्ष भित्र प्रवेश गर्न पाइने छैन ।
३. सम्पूर्ण शेयरधनी महानुभावहरूको जानकारीका लागि कम्पनीको संक्षिप्त आर्थिक विवरण यसै साथ प्रकाशित गरिएको छ । आर्थिक विवरण लगाएतका वार्षिक साधारण सभामा पेश हुने सम्पूर्ण प्रस्तावहरू तथा सधारण सभा सम्बन्धि अन्य जानकारीको लागि कम्पनीको **website: mountainenergy.com.np** मा पनि हेर्न सक्नुहुने छ ।
४. सभामा आफु उपस्थित नभई प्रतिनिधि नियुक्त गर्न चाहने शेयरधनी महानुभावहरूले सभा सुरु हुने समय भन्दा कम्तीमा ४८ घण्टा अगावै यस कम्पनीको केन्द्रिय कार्यालय डिल्लीवजार, काठमाण्डौंमा प्रोक्सी फारम दर्ता गरि सक्नुपर्ने छ । सभामा भाग लिनका लागि प्रतिनिधि नियुक्त गरिसकेपछि उक्त प्रतिनिधि बदर गरि अर्कै मुकरर गर्ने भएमा सोको लिखित सूचना सोही अवधि भित्र कम्पनीको रजिष्टर्ड कार्यालयमा दर्ता गरिसक्नु पर्नेछ । यसरी प्रतिनिधि (प्रोक्सी) नियुक्त गरिएको व्यक्ति समेत कम्पनीको शेयरधनी हुनुपर्ने छ ।
५. संरक्षक रहनु भएका शेयरधनी महानुभावहरूका तर्फबाट कम्पनीको शेयर लगत कितावमा संरक्षकको रूपमा नाम दर्ता भएको व्यक्तिले, संयुक्त रूपमा शेयर खरिद गरिएको अवस्थामा शेयर लगत कितावमा पहिले नाम उल्लेख भएको व्यक्ति अथवा सर्वसम्मतीबाट प्रतिनिधि नियुक्त गरिएको एक व्यक्तिले र कुनै संगठित संस्था वा कम्पनीले शेयर खरिद गरेको हकमा त्यस्ता संगठित संस्था वा कम्पनीले मनोनित गरेको प्रतिनिधिहरूले शेयरधनीको हैसियतले सभामा भाग लिन सक्नुहुने छ ।
६. छलफलका विषय सूचि मध्ये विधिध शिर्षक अन्तर्गत छलफल गर्न इच्छुक शेयरधनीले सभा हुनु भन्दा ७ (सात) दिन अगावै सो सम्बन्धि प्रस्ताव कारण सहित उल्लेख गरि कम्पनी सचिव मार्फत संचालक समितिको अध्यक्षलाई लिखित रूपमा दिनु पर्नेछ । तर त्यसलाई पारित गरिनुपर्ने प्रस्तावको रूपमा राखिने छैन ।
७. शान्ति सुरक्षाको कारण साधारण सभामा उपस्थित हुने शेयरधनी महानुभावहरूलाई यथाशक्य भोला, व्याग नल्याउनुहुन अनुरोध छ । सभाको सुरक्षाका लागि खटिएका सुरक्षाकर्मीहरूले शेयरधनी महानुभावहरू लगाएत सभाकक्षमा प्रवेश गर्ने सबैको भोला, ब्याग र शरीर जाँच गर्न सक्ने भएको हुँदा सो कार्यमा सहयोग गरिदिनुहुन अनुरोध छ ।
८. अन्य आवश्यक जानकारीको लागि यस कम्पनीको केन्द्रिय कार्यालय का.म.न.पा. वडा नं. ३० डिल्लीवजार काठमाण्डौं वा फोन नं. ०१-४५३७७०५, ०१-४५४९६४८ मा सम्पर्क राख्नुहुन अनुरोध गर्दछौं ।



माउन्टेन इनर्जी नेपाल लि. को दसौं वार्षिक साधारण सभामा संचालक समितिको तर्फबाट अध्यक्षद्वारा प्रस्तुत वार्षिक प्रतिवेदन

आदरणीय शेयरधनी महानुभावहरु,

यस माउन्टेन इनर्जी नेपाल लिमिटेडको दसौं वार्षिक साधारण सभामा उपस्थित सम्पूर्ण महानुभावहरुलाई संचालक समितिको तर्फबाट हार्दिक स्वागत गर्दछु। यस अवसरमा कम्पनीको आर्थिक वर्ष २०७९/८० को वित्तीय विवरण लगायत अन्य गतिविधिहरु र कृयाकलापहरुको विवरण संक्षिप्त रूपमा यस सभामा प्रस्तुत गर्न गईरहेको छु।

विगतका वर्षहरुमा यस कम्पनीलाई दिनुभएको अमूल्य समय र सहयोग प्रति म कम्पनीका शेयरधनी एवं संचालकहरु प्रति आभारी छु।

संचालक समितिको विवरण

हाल यस कम्पनीमा निम्न बमोजिमको संचालक समिति रहेको छ।

श्री सुहृद राज घिमिरे	अध्यक्ष
श्री अरुण कुमार के.सी	संचालक
श्री मोहन गुरुङ	संचालक
श्री सुनिल प्रसाद राजभण्डारी	संचालक
श्री भनक दत्त खनाल	संचालक
श्री रचना अधिकारी	संचालक
डा. हरिशंकर श्रेष्ठ	स्वतन्त्र संचालक

वित्तीय अवस्था

कम्पनी ऐन, २०६३ को दफा १०९ को उपदफा ४ बमोजिम विवरण तथा लेखा परिक्षण सहितको वासलात र अन्य विवरण छुट्टै पेश गरेको छु। उपरोक्त वित्तीय विवरणको सारांश तथा २०८० आषाढ मसान्तको (लेखा परिक्षण भएको) एवं पुष मसान्त २०८० को अपरिष्कृत वित्तीय अवस्था छोटकरीमा तल प्रस्तुत गरेको छु।



२०८० आषाढ मसान्तको तुलनात्मक वित्तीय अवस्था

(रकम रु लाखमा)

विवरण	पुष मसान्त २०८० (अपरिष्कृत)	आषाढ मसान्त २०८०	आषाढ मसान्त २०७९
अधिकृत पूंजी	३,००,००	३,००,००	३,००,००
जारी पूंजी	२,००,००	२,००,००	२,००,००
चुक्ता पूंजी	१,९६,८०	१,९६,८०	१,९६,८०
जगेडा तथा संचित मुनाफा	१५,२१७	११,७५०	१०,१११
कुल ईक्वीटी	३४,८९७	३१,४३०	२९,७९२
दिर्घकालिन कर्जा	३३,०३२	३४,७१०	३८,५३५
अन्य दायित्व	५८२	५५२	७७६
अल्पकालिन कर्जा	३,५१२	३६९७	३१८३
स्थिर सम्पत्ति बाँकी मूल्य	२८६	२९०	३०५
आयोजना लागत (बाँकी) - तादी	६,४०५	६,५४५	६,७९७
आयोजना लागत (बाँकी) - मिष्ट्री	५२,६०१	५३,७५३	५४,९३२
आयोजना खर्च मिष्ट्री- २ (हाल सम्मको)	७५५	७५१	६९३
ख्याती (Goodwill)	१४४	१४७	१५३
खर्चको लागि पेशकी तथा धरौटी	५२९	५३७	१,८४५
अन्य भूक्तानी प्राप्त गर्न बाँकी रकम	७,६०५	७,४८४	४,७९५
नगद तथा बैंक मौज्जात	२,९१५	८७९	२,७६३
कुल आय	७,३५३	११,८२४	१२,४१०
प्रत्यक्ष खर्च	(२,२३२)	(४,७८१)	(३,५०८)
यस वर्षको ओभरहेड ह्यास खर्च सहित	(२५८)	(४१९)	(३५४)
वित्तीय खर्च (खुद)	(१,३१७)	(२,८४७)	(२,४२७)
आयकर समायोजन	(४५)	(२९)	(१२)
खुद आय	३,५०१	३,७४८	६,१०९

हाल, यस कम्पनीले तादी खोला जलविद्युत आयोजनाको लागि लिएको दिर्घकालिन कर्जा पुर्ण रुपमा चुक्ता गरि सकेको समेत जानकारी गराउँदछु ।

लाभांश घोषणा वारे:

गत आर्थिक वर्षमा कम्पनीले आर्जन गरेको मुनाफा एवं कम्पनीले आयोजनामा लगानी गर्नु पर्ने आवश्यकतालाई समेत ध्यानमा राखि आ.ब. २०७९/८० मा यस कम्पनीका शेयरधनी महानुभावहरुलाई १५ प्रतिशत वोनस शेयर तथा कर प्रयोजनको लागि ०.७८९५ प्रतिशत नगद लाभांश वितरणको प्रस्ताव गरिएको छ ।

कम्पनी अन्तर्गतका आयोजनाहरु :

(क) तादी खोला जलविद्युत आयोजना (५ मे.वा.)

यस कम्पनी द्वारा संचालित तादी खोला (थप्रेक) जलविद्युत आयोजना (५ मे.वा.) को मिति २०६८ मंसिर १३ मा नेपाल सरकार, ऊर्जा मन्त्रालयबाट विद्युत उत्पादनको अनुमतिपत्र (वि.वि.वि. ०६८/६९ वि.उ.०५४) प्राप्त भएको र उक्त अनुमतिपत्र मिति २१०३ मंसिर ०५ गते सम्म बहाल रहनेछ । उक्त आयोजनाको व्यावसायिक उत्पादन कार्य २०६९ चैत्र १४ गतेबाट सुरु भई हाल सन्तोषजनक रुपमा संचालन भइरहेको छ ।

(ख) मिष्ट्री खोला जलविद्युत आयोजना (४२ मे.वा.)

यस कम्पनी द्वारा संचालित मिष्ट्री खोला जलविद्युत आयोजना (४२ मे.वा.) को मिति २०६८ कार्तिक २३ मा नेपाल सरकार, ऊर्जा मन्त्रालयबाट विद्युत उत्पादनको अनुमतिपत्र (वि.वि.वि. ०६८/६९ वि.उ.०५३) प्राप्त भएको र उक्त अनुमतिपत्र मिति २१०३ कार्तिक १९ गते सम्म बहाल रहनेछ । उक्त आयोजनाको व्यावसायिक उत्पादन कार्य २०७८ आषाढ ३ गतेबाट सुरु भई यस अघि Contingency Plan (७४ प्रतिशत मात्र विद्युत उर्जा प्रवाह भइरहेको) मा संचालन हुँदै आएकोमा, ने.वि.प्रा. ले कुशमा- न्यू वुटवल प्रसारण लाईनको निर्माण सम्पन्न गरि संचालनमा ल्याए पश्चात उक्त Contingency Plan मिति २०८०/०९/१२ मा समाप्त भई हाल सन्तोषजनक रुपमा संचालन भइरहेको छ ।

यस कम्पनीले मिष्ट्री खोला जलविद्युत आयोजना (४२ मे.वा.) को विद्युत खरिद विक्रि सम्झौता (PPA) बमोजिम विद्युत विक्रिको बिलिङ गरेको रकममा नेपाल विद्युत प्राधिकरणले विमती जनाई बिलिङ गरेको रकम भन्दा कम भुक्तानी गरे पश्चात् उठेको विवादमा दुबै पक्षबाट मध्यस्थताबाट विवाद निरूपण गर्ने सहमति भएवाट नेपाल मध्यस्थता परिषदमा चलेको मध्यस्थतामा मिति २०८० कार्तिक ३ मा मध्यस्थबाट निर्णय (Award) भई उक्त मुद्दामा कम्पनीले दावी मिति सम्मको लागि व्याज बाहेक रु. २८,३७,०४,८६७०८ को दावी गरेकोमा दफा १२ अन्तर्गतको रु.१७,४१,८०,१९५१०८ तथा दफा ३८.१८ अन्तर्गतको रु. ८,९८,९७,८७११९१ गरि जम्मा रकम रु. २६,४०,७८,०६६१९९ नेपाल विद्युत प्राधिकरणले यस कम्पनीलाई भुक्तानी गर्नुपर्ने गरि निर्णय भएकोमा नेपाल विद्युत प्राधिकरणले मध्यस्थबाट भएको उक्त निर्णय (Award) चित्त नबुझाई उच्च अदालतमा पुनः मुद्दा दायर गरेको अवस्था छ ।

(ग) मिष्ट्री खोला-२ जलविद्युत आयोजना (१२ मे.वा.)

मिष्ट्री खोला-२ जलविद्युत (१२ मे.वा) क्यास्केड आयोजनाको संभाव्यता अध्ययनको अध्यावधिक प्रतिवेदन Hydro Consult Engineering Ltd. बाट प्राप्त भएको छ । यस आयोजनाको प्रारम्भिक वातावरणिय परिक्षण (IEE) उर्जा, जलस्रोत तथा सिंचाई मन्त्रालय बाट मिति २०७९ श्रावणमा स्वीकृत भई मिति २०७९/१२/२९ मा विद्युत उत्पादन अनुमति पत्र समेत प्राप्त भईसकेको छ । यस आयोजनाको Detail Design तथा Tender Document तयार गर्ने कार्यको लागी यस कम्पनीको मिति २०८०/०२/०२ को संचालक समितिको बैठकको निर्णयबाट परामर्शदाता कम्पनी Hydro – Consult Engineering Ltd. लाई ठेक्का प्रदान गर्ने निर्णय गरेको छ । साथै यस आयोजनाको विद्युत खरिद विक्रि सम्झौता (PPA) को लागि मस्यौदामा हस्ताक्षर भई विद्युत नियमन आयोगबाट स्वीकृति समेत प्राप्त भईसकेकोले, नेपाल विद्युत प्राधिकरणले PPA हस्ताक्षरको लागि पत्राचार समेत गरिसकेको छ ।

मिष्ट्री खोला २ जलविद्युत आयोजनाको स्वीकृत प्रारम्भिक वातावरणीय परीक्षण (IEE) प्रतिवेदनको विषयमा स्थानियबाट मुद्दा दायर भएकोमा सर्वोच्च अदालतबाट मिति २०८०/१०/१४ मा अन्तिम सुनुवाई हुँदा रिट जारी हुने जानकारी प्राप्त भएको तर के कति आधारमा रिट जारी भएको हो भोलिका दिनमा पुर्ण पाठ आए पछि मात्र थाहा हुने व्यहोरा जानकारी गराउँदछौं ।

माउन्टेन इनर्जी नेपाल लि. को आ.व. २०८०/८१ को कार्यक्रमहरु :

आ.व. २०८०/८१ मा निम्न कार्यक्रमलाई प्रमुख प्राथमिकतामा राखिएको छ ।

- तादी खोला (थप्रेक) जलविद्युत आयोजना (५ मे.वा.) को विद्युत उत्पादनलाई निरन्तरता दिने ।
- मिष्ट्री खोला जलविद्युत आयोजना (४२ मे.वा) को विद्युत उत्पादनलाई निरन्तरता दिने ।
- मिष्ट्री खोला जलविद्युत आयोजना (४२ मे.वा) को विद्युत खरिद विक्रि सम्झौता (PPA) बमोजिम दावी गरेको रकमको सन्दर्भमा, नेपाल विद्युत प्राधिकरणले पुनः उच्च अदालतमा दायर गरेको मुद्दाको लागि आवश्यक जवाफ दिने कार्यलाई निरन्तरता दिने ।
- मिष्ट्री खोला-२ जलविद्युत (१२ मे.वा) क्यास्केड आयोजनाको सर्वोच्च अदालतबाट फैसलाको पुर्ण पाठ आए पछि सोही अनुसार अघि बढ्ने ।

कम्पनीले विगतमा गरेको कृयाकलाप तथा कारोवारको समिक्षा गरि आगामी बर्षमा गर्नुपर्ने कामका बारेमा यहाँहरुबाट प्राप्त राय सुझावहरु संस्थाको लागि सदाभै मार्गदर्शनका रुपमा रहने कुरामा हामी विश्वस्त छौं ।

अन्त्यमा, कम्पनीलाई विभिन्न माध्यमद्वारा सहयोग तथा मार्गदर्शन प्रदान गर्ने सम्पूर्ण शेयरधनी महानुभावहरु, नेपाल सरकारका सम्बन्धित निकायहरु, नेपाल विद्युत प्राधिकरण, ऋण लगानीकर्ता बैंक तथा वित्तिय संस्थाहरु, विभिन्न नियमनकारी निकायहरु, लेखापरिक्षक तथा कम्पनीमा कार्यरत कर्मचारीहरु लगाएत सम्पूर्ण सहयोगीहरुमा संचालक समितिको एवं मेरो व्यक्तिगत तर्फबाट हार्दिक धन्यवाद ज्ञापन गर्न चाहान्छु ।

धन्यवाद ।

सुहृद राज घिमिरे

अध्यक्ष

माउन्टेन इनर्जी नेपाल लिमिटेड

मिति: २०८० चैत्र १३ गते



माउन्टेन इनर्जी नेपाल लिमिटेड कम्पनी ऐन २०६३ को दफा १०९(४) बमोजिमको प्रतिवेदन

(क) विगत वर्षको कारोबारको सिंहावलोकन,

कम्पनीको आ.व. २०७९/८० को तुलनात्मक वित्तीय विवरणको सारांश तल प्रस्तुत गरेको छु ।

(रकम रु लाखमा)

विवरण	आषाढ मसान्त २०८०	आषाढ मसान्त २०७९
अधिकृत पूंजी	३,००,००	३,००,००
जारी पूंजी	२,००,००	२,००,००
चुक्ता पूंजी	१,९६,८०	१,९६,८०
जगेडा तथा संचित मुनाफा	१,१७,५०	१,०१,११
कुल ईक्वीटी	३,१४,३०	२,९७,९१
दिर्घकालिन कर्जा	३,४७,१०	३,८५,३५
अन्य दायित्व	५,५२	७,७५
अल्पकालिन कर्जा	३६,९७	३१,८३
स्थिर सम्पत्ति बांकी मूल्य	२,९०	३,०५
आयोजना प्रत्यक्ष लागत-तादी	६५,४५	६७,९७
आयोजना प्रत्यक्ष लागत-मिस्त्री	५,३७,५३	५,४९,३२
आयोजना प्रत्यक्ष लागत मिस्त्री-२	७,५१	६,९३
ख्याती (Goodwill)	१,४७	१,५३
व्यापार र अन्य प्राप्त गर्न बांकी रकम	७४,८४	४७,९५
खर्चको लागि पेस्की तथा धरौटी	३,५८	१२,३०
लिन बांकी पेस्की तथा धरौटी	१,७९	६,१५
नगद तथा बैंक मौज्दात	८,७९	२७,६३
समायोजित कुल आय ढ	१,१८,२४	१,२३,४४
समायोजित प्रत्यक्ष खर्च ढढ	(२२,३८)	(९,८५)
यस वर्षको ओभरहेड ह्रास खर्च सहित	(२८,८५)	(२७,६०)
वित्तीय खर्च (खुद)	(२८,४७)	(२४,२७)
आयकर समायोजन	(२८,६७)	(१३)
खुद आय ढ	३७,४८	६१,०९

* NFRS समायोजित

(ख) राष्ट्रिय तथा अन्तर्राष्ट्रिय परिस्थितिबाट कम्पनीको कारोबारलाई कुनै असर परेको भए सो असर: कुनै नकरात्मक असर परेको छैन ।

(ग) प्रतिवेदन तयार भएको मितिसम्म चालू वर्षको उपलब्धि र भविष्यमा गर्नु पर्ने कुराको सम्बन्धमा सञ्चालक समितिको धारणा - मिष्ट्री खोला जलविद्युत आयोजना-४२ मे.वा. को ब्यवसायिक उत्पादन कार्य मिति २०७८।०३।०३ बाट सुचारु भई संचालनमा आइरहेको । त्यसै गरि, तादी खोला जलविद्युत आयोजना थप्रेक-५ मे.वा. आ.व. २०६९/७० देखि संचालनमा आइरहेको ।

(घ) कम्पनीको औद्योगिक वा व्यावसायिक सम्बन्ध - कम्पनीको औद्योगिक वा व्यावसायिक सम्बन्धमा कुनै प्रतिकूल अवस्था नरहेको ।

(इ) सञ्चालक समितिमा भएको हेरफेर र सोको कारण :-

सञ्चालक समितिमा श्री मनोहर दास मुलले प्रवन्ध संचालक पदबाट मिति २०८०/०५/०७ मा राजिनामा दिनुभएको र बाँकी अवधिको लागि उक्त रिक्त रहेको संचालक पदमा संस्थापक शेयरधनी श्री सुनिल प्रसाद राजभण्डारी लाई एवं कम्पनीको प्रमुख कार्यकारी अधिकृतमा ईन्जिनियर श्री दामोदर श्रेष्ठलाई नियुक्त गरिएको छ ।

(च) कारोबारलाई असर पार्ने मुख्य कुराहरू-

छैन ।

(छ) लेखापरीक्षण प्रतिवेदनमा कुनै कैफियत उल्लेख भएको भए सोउपर सञ्चालक समितिको प्रतिक्रिया :-

लेखापरीक्षण प्रतिवेदनमा कुनै कैफियत नरहेकोले संचालक समितिले कुनै प्रतिक्रिया गर्नु नपरेको ।

(ज) लाभांश बाँडफाँड गर्न सिफारिस गरिएको रकम :-

हाल कायम चुक्ता पूँजीको १५ प्रतिशत बोनस शेयर र साथै कर प्रयोजनार्थ ०.७८९५ प्रतिशत नगद लाभांश बाँडफाँड गर्न सिफारिस गरिएको छ ।

(झ) शेयर जफत भएको भए जफत भएको शेयर संख्या, त्यस्तो शेयरको अङ्कित मूल्य, त्यस्तो शेयर जफत हुनुभन्दा अगावै सोबापत कम्पनीले प्राप्त गरेको जम्मा रकम र त्यस्तो शेयर जफत भएपछि सो शेयर बिक्री गरि कम्पनीले प्राप्त गरेको रकम तथा जफत भएको शेयरबापत रकम फिर्ता गरेको भए सोको विवरण :-

छैन ।

(ञ) विगत आर्थिक वर्षमा कम्पनी र यसको सहायक कम्पनीको कारोबारको प्रगति र सो आर्थिक वर्षको अन्तमा रहेको स्थितिको पुनरावलोकन :-

यस कम्पनीको कारोबारको अवस्था माथि बुँदा (क) मा प्रस्तुत गरिएको छ । यस कम्पनीको छुट्टै सहायक कम्पनी नरहेको ।

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

छुट्टै सहायक कम्पनी नरहेको

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

त्यस्तो जानकारी नगरिएको ।

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

कम्पनीका सञ्चालक तथा पदाधिकारीहरूले लिएको शेयरको स्वामित्व निम्नानुसार रहेको :

नाम	पद	शेयर कित्ता
श्री सुहृद राज घिमिरे	अध्यक्ष	२६२,४००
श्री अरुण कुमार के.सी	संचालक	३८९,७५०
श्री भनक दत्त खनाल (प्रतिनिधि- हिमालयन विल्डर्स एण्ड इन्जिनियरिङ प्रा.लि.)	संचालक	७२,०००
श्री मोहन गरुङ	संचालक	८२,०००
श्री मनोहर दास मुल*	संचालक	४९२,०००
श्री सुनिल प्रसाद राजभण्डारी	संचालक	२७,०६०
श्रीमती रचना अधिकारी	संचालक	१,०००
डा. हरी शंकर श्रेष्ठ	स्वतन्त्र संचालक	

कम्पनीको शेयर कारोबारमा निजहरू संलग्न रहेको जानकारी निजहरूबाट कम्पनीले प्राप्त गरेको छैन ।

*श्री मनोहर दास मुलले प्रवन्ध संचालक पदबाट मिति २०८०/०५/०७ मा राजिनामा दिनुभएको छ ।



- (ढ) विगत आर्थिक वर्षमा कम्पनीसँग सम्बन्धित सम्झौताहरूमा कुनै सञ्चालक तथा निजको नजिकको नातेदारको व्यक्तिगत स्वार्थको बारेमा उपलब्ध गराइएको जानकारीको व्यहोरा, :-
कम्पनीसँग सम्बन्धित सम्झौताहरूमा कुनै सञ्चालक तथा निजको नजिकको नातेदारको व्यक्तिगत स्वार्थको बारेमा जानकारी उपलब्ध गराइएको छैन ।
- (ण) कम्पनीले आफ्नो शेयर आफैले खरिद गरेको भए त्यसरी आफ्नो शेयर खरिद गर्नुको कारण, त्यस्तो शेयरको संख्या र अङ्कित मूल्य तथा त्यसरी शेयर खरिद गरेबापत कम्पनीले भुक्तानी गरेको रकम :-
कम्पनीले आफ्नो शेयर आफैले खरिद नगरेको ।
- (त) आन्तरिक नियन्त्रण प्रणाली भए वा नभएको र भएको भए सोको विस्तृत विवरण :-
कम्पनीको आन्तरिक नियन्त्रण प्रणाली भएको र सो प्रणाली आन्तरिक लेखा परिक्षण समिति अन्तर्गत रहेको ।
- (थ) विगत आर्थिक वर्षको कुल व्यवस्थापन खर्चको विवरण,
विगत आर्थिक वर्षको कुल व्यवस्थापन खर्च रु.३,२३,११,८७१ रहेको उक्त खर्चको विस्तृत विवरण वित्तिय विवरणको नोट ८ मा दिइएको छ ।
- (द) लेखापरीक्षण समितिका सदस्यहरूको नामावली, निजहरूले प्राप्त गरेको पारिश्रमिक, भत्ता तथा सुविधा, सो समितिले गरेको काम कारवाहीको विवरण र सो समितिले कुनै सुझाव दिएको भए सोको विवरण :-
कम्पनीमा निम्नानुसारको लेखा परिक्षण समिति रहेको छ ।

नाम
श्री चा.ए. श्रीमती रचना अधिकारी, संयोजक
श्री भनक दत्त खनाल, सदस्य
श्री मोहन गुरुड, सदस्य

- त्यस्तो खर्च नभएको ।
- (ध) 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 :-
त्यस्तो रकम बुझाउन बाँकी नरहेको ।
- (न) सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख तथा पदाधिकारीहरूलाई भुक्तानी गरिएको पारिश्रमिक, भत्ता तथा सुविधाको रकम :-
बैठक भत्ता बाहेक अन्य कुनै भत्ता तथा सुविधाको रकम भुक्तान गरिएको छैन ।
- (प) शेयरधनीहरूले बुझिलिन बाँकी रहेको लाभांशको रकम :-
बाँकी नरहेको ।
- (फ) दफा १४१ बमोजिम सम्पत्ति खरिद वा बिक्री गरेको कुराको विवरण, :-
यस कम्पनीमा छुट्टै सहायक कम्पनी नरहेका, तसर्थ त्यस्तो सम्पत्ति खरिद वा बिक्री नभएको ।
- (व) दफा १७५ बमोजिम सम्बद्ध कम्पनी बीच भएको कारोबारको विवरण,
त्यस्तो कारोबार नभएको ।
- (भ) यस ऐन तथा प्रचलित कानूनबमोजिम सञ्चालक समितिको प्रतिवेदनमा खुलाउनु पर्ने अन्य कुनै कुरा :-
अन्य आवश्यक विवरण सञ्चालक समितिको प्रतिवेदन अन्तर्गत अध्यक्षज्यूको प्रतिवेदनमा उल्लेख गरिएकोछ ।
- (म) अन्य आवश्यक कुराहरु :-
छैन

भवदिय
सुहृद राज घिमिरे
अध्यक्ष
माउन्टेन इनर्जी नेपाल लि.

TADI KHOLA HYDROELECTRIC PROJECT

Tadi Khola Hydroelectric Project is a run of river (ROR) type of project with an installed capacity of 5 MW. The project lies in Thaprek VDC of Nuwakot District in Bagmati Zone. The intake site is located at 'Chamete-Kavre Dovaan' and the powerhouse site is located near the intake of Simara Irrigation Scheme.

The design discharge has been diverted by constructing the weir of 6.0 m high from the river bed and 36 m long, and conveyed to the turbines through intake, gravel trap, approach canal, settling basin, forebay, box culvert and penstock pipe (surface and buried penstock pipe). The water is discharged back to the Tadi khola through tailrace culvert. The total length of box culvert is 471m with 2m x 2m internal dimension. Similarly penstock pipe up to bifurcation is 1770 m with an internal diameter of 1.9 m.

The surface powerhouse is located on the right bank of the Tadi Khola. It has two horizontal Francis units each having installed capacity of 2.5 MW. In the powerhouse, there is an assembly bay and a control building.

The switchyard is located on top of terrace north of the powerhouse on a hill above the powerhouse. The project site is accessible through the black topped road leading to Trishuli Bazaar of Nuwakot from Kathmandu branching at Ganagate (Battar). Gangate is 3 km east of Trishuli Bazaar. There is a black topped road of about 91 km from Kathmandu to Project site. It takes about four hours from Kathmandu and about one hour from Trishuli to reach the project site.

Tadi Khola Hydroelectric Project has begun commercial operation on 14 Chaitra 2069.

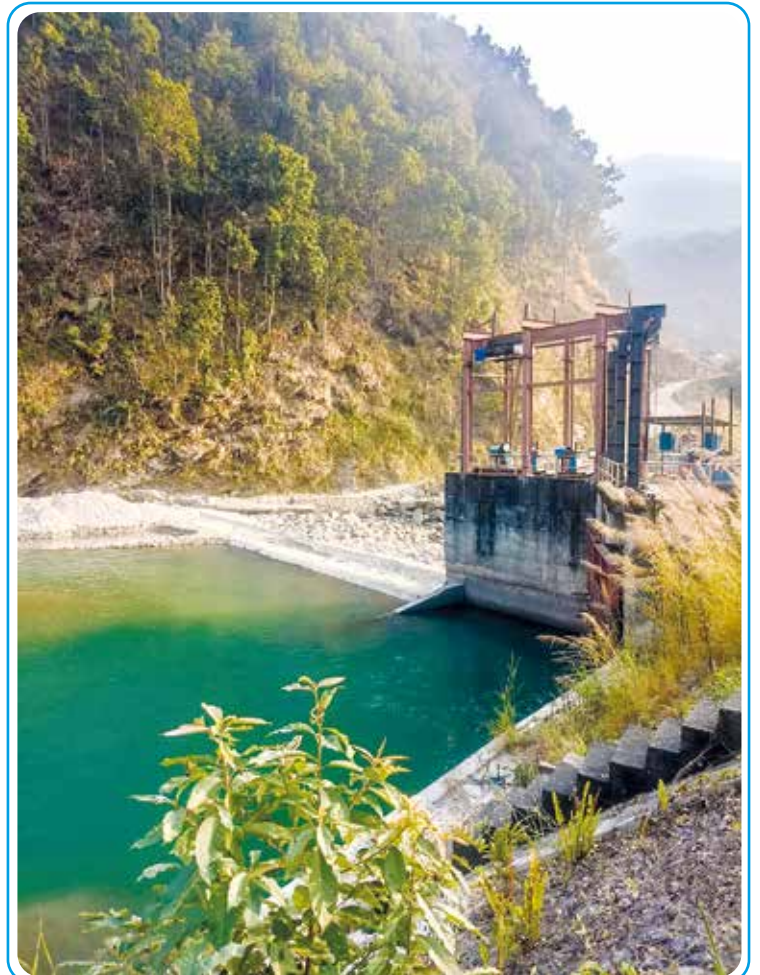
PROJECT SALIENT FEATURE

a)	Project Location	
	Latitude	: 27° 55' 36" N to 27° 55' 00" N
	Longitude	: 85° 21' 08" E to 85° 19' 15" E
	Development Region	: Central Development Region
	District	: Nuwakot
	Intake Site	: Satbise, Sundaradevi VDC
	Powerhouse Site	: Kosgade, Ralukadevi, VDC
b)	General	
	Name of River	: Tadi Khola
	Type of Scheme	: Run-of-river
	Gross Head	: 74.12 m
	Net Head	: 65.48 m
	Design Discharge	: 8.9 m ³ /sec
	Installed Capacity	: 5 MW
	Dry Season Energy	: 7.41 GWh
	Wet Season Energy	: 25.48 GWh
	Total Energy	: 32.90 GWh
c)	Hydrology	
	Catchment Area	: 247 km ²
	Design Discharge	: 8.91 m ³ /sec
	Design Flood Discharge	: 613.0 m ³ /s (1 in 100 yr. flood)



Desanding Basin of Tadi Khola HEP

Headworks of Tadi Khola HEP





- d) Intake Structure
Type of intake : Side intake
No. of Intake Openings : 2 Nos. of 3.2 m (w) X 2.4 m (h)
Invert Level of Intake : El. 795.60 masl
No. of approach canal : 1
Size of approach canal : 2.82 m (w) X 2.3 m (h)
- e) Bedload sluice
No. of Openings : 2 Nos. of 2.8 m (w) X 2.5 m (h)
Invert Level of Bedload sluice : El. 794.00 masl
- f) Desanding Basin/Forebay
Inlet transition : 20.00 m
No of chamber : 2
Dimension (L x B x H) : 44 m x 5.0 m x 6.1 m
Outlet transition : 13.00 m
- g) Box Culvert
Length : 471.77 m
Size : 2.0 m x 2.0 m
- h) Penstock
Length of penstock pipe : 1770.00 m
Internal diameter : 1.9 m
Thickness : 8 mm, 10mm and 12 mm
- i) Powerhouse
Type : Semi-Underground
Dimension : 25.80 m x 16.20 m x 16.20 m
Turbine setting level : El 727 masl
Number of units : Two
Type of turbine : Francis Turbine (horizontal axis)
Installed capacity : 5 MW
Generators : Synchronous three phase 6.25MVA
Speed of Turbine : 750 RPM
- j) Tailrace Canal
Type : Concrete Conduit
Length : 69 m
Material : RCC
Size : 2.9 m x 1.80 m
Tailrace water level : 724.38 masl
- k) Switchyard
Dimension : 14.0m x 28.0m
- l) Transmission Line
Type : 33 KV
Length : 8.50 km



Powerhouse Control Room of Tadi Khola HEP



**Protection Wall for
Headworks of Tadi Khola HEP**

MISTRI KHOLA HYDROELECTRIC PROJECT

INTRODUCTION

Mistri Khola Hydroelectric Project (MKHP) is a run-of-river type project on Mistri Khola, a major tributary of Kaligandaki River. It is located in Myagdi district of Nepal.

The project has an installed capacity of 42 MW (3x14 MW).

The project site is about 100 km northwest of Pokhara. The headwork site is located about 70 m downstream from confluence of Nilgiri and Ghalemdi Rivers, and about 8 km north of Tatopani Bazaar. Headworks structure comprises of 22.85 m concrete gravity dam with two undercluce gates and frontal intake. Settling Basins with two inverted D with V-shaped bottom hopper bays are fed upon by two 44 m long approach tunnels.

The headrace tunnel is 2270 m long shotcrete lined (partially concrete lined) with finished diameter of 4m, and inverted D in shape. A concrete lined surge shaft is located about 40m upstream of the outlet portal. The steel penstock is 1415 m long 2.15 m/2.05 m dia upto bifurcation. The pipe then splits into three branch pipes of 1.2 m dia with a combined length of 240 m to feed three turbines in the powerhouse.

The powerhouse, located on the left bank of Kaligandaki River, is surface type structure which houses three 14 MW vertical axis pelton turbines and the corresponding generating units. The switchyard is located in the upper terrace of the powerhouse back-slope. A 132 kV about 4 km long transmission line connects the switchyard to NEA's Dana Sub-station.

Following entities constituted the whole institutional arrangement of Mistri Khola Hydroelectric Project:

Employer	Mountain Energy Nepal Ltd., Nepal
Engineer	Hydro Consult Engineering Limited (HCE), Nepal
Civil Works Contractor	High Himal Hydro Construction Pvt. Ltd. (3HC), Nepal
Hydro-mechanical Contractor	Nepal Hydro and Electric Limited (NHE), Nepal
Penstock Pipes and Fittings Supplier	Changsha Jetsun Trade Development Co. Limited, China
Penstock Pipes and Fittings Installation	Workshop of Engineering Services Pvt. Ltd., Nepal
Electromechanical Contractor	Voith Hydro Pvt Ltd, India
Transmission Line Contractor	Urja International Pvt. Limited, Nepal
Settling basin Flushing System (S4) Supplier/Contractor	Sediment Systems Dr.ing. H. Stole AS, Norway
Lender Banks/ Financial Institutions	Nabil Bank Ltd. (NABIL) (Lead bank) Hydroelectricity Investment and Development Company Ltd. (HIDCL) Nepal Investment Bank Ltd. (NIBL) Laxmi Bank Ltd. (LxBL) Nepal Bank Ltd. (NBL)



Flow measurement at tailrace of Mистри Khola HEP



Project Commissioning Date

After testing & trial run of the machines, the Project was commissioned on 3rd Ashad 2078. The Project was successfully commissioned for installed capacity 42MW.

SALIENT FEATURES

AS BUILT SALIENT FEATURES

The as-built salient features of the project are as follows:

TYPE OF SCHEME : Run-of-River

LOCATION

Headworks Area : Baskot, Narchyang VDC
 Powerhouse Area : Narchyang Village
 River : Mistri Khola
 Project Area : Latitude 28°30'00"N to 28°33'00"N
 : Longitude 83°39'00"E to 83°42'00"E
 Access to Project : 100 km from Pokhara

BASIC FEATURES

Dam Crest Level : 1562.85 masl
 Turbine Centre level : 1260.10 masl
 Gross Head : 302.75 m
 Design Discharge to Turbines : 17.1 m³/s
 Installed Capacity : 42 MW

HYDROLOGY

Catchment Area at Intake : 280 km²
 Design Discharge to Turbines : 17.1 m³/s
 Probability of exceedance of Design Flow : 40 Percentile
 Compensation Discharge at the Intake : 0.41 m³/s
 Catchment Area at Powerhouse site : 3770 km²

FLOOD

1 in 100 years Design Flood at Weir : 700 m³/s
 1 in 100 years Flood at Powerhouse : 1100 m³/s
 1 in 20 years Dry Season Flood : 35 m³/s

RIVER DIVERSION

Diversion Tunnel Shape : Inverted D
 Diameter : 2.80 m
 Length : 135.5 m

DAM

Type : Concrete gravity founded on bedrock
 Crest Length : 29.5 m including piers



Downstream View of Dam of Mistri Khola HEP



Eroded needle tips changed in 2080.06.04 in Unit#1 of Mistri Khola HEP

Spillway Type	:	Free overflow weir with two undersluice spillway gates
Energy Dissipation Arrangement	:	Flip bucket at the dam guiding the jet to exposed bedrock downstream of the toe of the dam
Crest Level of the Trash Passage	:	1561.85 masl
Length of Trash Passage	:	8.00 m
Crest Level of the Main Overflow Spillway	:	1562.85 masl
Length of the Main Overflow Spillway	:	16.50 m
Length of dam, including Piers	:	29.5 m
Service Bridge Deck Level	:	1570.85 masl
Height	:	25 m from river bed to bridge deck level

UNDERSLUICES IN DAM

Opening Size	:	3 m (W) x 4 m (H)
No of Openings	:	Two
Invert Level	:	1545.85 masl
Under-sluice Gate Type	:	Radial gates with 4 side closing arrangement
Maintenance Arrangement	:	Stop logs in grooves at the upstream face of the dam, 3 m (W) x 4 m (H)

INTAKE

Frontal Intake	:	8 m (W) x 5 m (H) at the trash rack location
No. of Openings	:	One
Invert Level of Sill	:	1555.35 masl
Design Discharge	:	20.4 m ³ /s
Slope of the Trash Rack Front	:	Eight to one (8:1)
Maximum Light Opening between Bars in TR	:	60 mm
Trash rack Cleaning Arrangement	:	Trash rack cleaning machine located at the bridge deck over the trash passage

INLET TUNNEL

No of Tunnels	:	Two
Shape	:	Inverted-D
Length	:	42.15 m
Finished Diameter	:	4m dia. Inverted –D Shape
Cross-section Area (finished)	:	14.28 m ²
Lining	:	Concrete lining of straight approach tunnel from the bend to the settling basin due to hydraulics

SETTLING BASINS

Type	:	Underground with free surface flow during all normal operation water levels
Number of Basins	:	Two
Shape	:	Inverted D with V-shaped bottom hopper
Standard Fall Diameters Used in Design	:	0.20 mm and 0.15 mm
Trap Efficiency for 0.20 mm	:	97%
Trap Efficiency for 0.15 mm	:	85%
Uniform Cross-section Area (finished)	:	8 m (W) x 6.7 m (H)



River diversion for Under sluice sill beam repairing Work of Mistri Khola HEP



River diversion during sill beam work-at dam of Mistri Khola HEP

2.8 m hopper depth, height from invert to crown 12.5 m	
Length of Uniform Cross-section Part	: 85 m
Length of Inlet Transition	: 25 m
Length of Outlet Transition including Head pond	: 6.8 m

Flushing System

Flushing Tunnel	: Serpent Sediment Sluicing System (S4)
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2 m*2 m Inverted-D (dimension varied towards Settling Basin max. up to 2 m *3 m), 36.5 m long, Inverted D shaped

HEADRACE TUNNEL

Section Type	: Inverted-D, shotcrete lined
Finish Diameter	: 4 m with 20 cm thick invert concrete
Length	: 2270 m

SURGE SHAFT

Diameter	: 5m finished
Height	: 59.7 m
Inclination	: 71.6° with horizontal
Ventilation Tunnel	: 8 m long, 6.9 m *3.25 m Inverted-D
Horizontal connection tunnel to HRT	: 10 m long, 4 m*4.2 m Inverted -D

PENSTOCK

Material	: Steel
Type	: Buried
No of Branching	: Three
Diameter	: 2.15 m/2.05 m before Branching 1.7 m dia. 6.9 m length after First Branching 1.2 m dia. 67.61*3 pipe lines after Second Branching
Length	: 1375 m before Branching (2.05 m and 2.15 m dia); Cone at transition to HRT 4 m 7.25 m after First Branching (1.7 m dia) 67.61 m (1.2 m dia)* 3 pipe lines to Three Units
Pipe Shell Thickness	: 10 – 28 mm

POWERHOUSE

Type	: Surface
Internal Dimension	: 50.4 m (L) x 16 m (W) x 20 m (H)
Turbine Axis Level	: 1260.10 masl
Machine Floor Level	: 1261.40 masl



Monthly Inspection of tailrace gates of Mistri Khola HEP



Nozzle overhauling in Unit#2, 2080 Magh of Mistri Khola HEP

TAILRACE

Type	:	Free Flow Box Culvert
Length	:	51 m (Unit 3 to Outlet)
Size	:	3.5 m (B) x 2.3 m (H)

TURBINES

Type of Turbine	:	Pelton (Vertical)
No. of Units	:	Three
No. of Jets per Turbine	:	Six
Rated net head	:	285 m
Unit Discharge	:	5.7 m ³ /s
Rated Speed	:	500 rpm
Rated Efficiency	:	90.10%

GENERATORS

No. of Units	:	Three
Type	:	Synchronous 3 Phase
Rated Power	:	16.5 MVA
Power Factor	:	0.85
Rated Speed	:	500 rpm
Frequency	:	50 Hz
Voltage	:	11kV
Efficiency	:	97.50%

TRANSFORMER

No. of Units	:	Three
Phase	:	Three
Voltage Level	:	11kV/132 kV
Type	:	Outdoor
Cooling	:	Oil immersed ONAN/ONAF

TRANSMISSION LINE

Voltage	:	132 kV Double Circuit
Length	:	4.2 km
Connection	:	Interconnection point at Dana Substation



U#1 Tailrace culvert- inner side of Mistri Khola HEP



U#1 Tailrace culvert outer part of Mistri Khola HEP

MISTRI KHOLA-2 HYDROELECTRIC PROJECT

INTRODUCTION

Mistri Khola 2 Hydroelectric Project (MK2HEP) was identified by Mountain Energy Nepal Ltd. (MEN) as potential cascade projects for Mistri Khola Hydroelectric Project (MKHEP) developed by Mountain Energy Nepal Ltd. Survey license for the project has been issued to MEN on 29/04/2074.

The project is located in the Myagdi District in the Dhaulagiri Zone of the Western Development Region of Nepal, Province No 4. The project boundary coordinates as issued by the Department of the Electricity Development (DoED) range from latitudes 28°30'21" N to 28°29'00" N and the longitudes 83°38'51"E to 83°39'47" E.

The project area is accessible from Kathmandu through Kathmandu-Pokhara-Beni, a 280 km black topped road following a 20 km gravel road from Beni to the headworks area (which is already in the phase of upgrading). Though the headworks area is accessible, upgrading of existing roads and construction of a few new roads and a bridge are required for access to the proposed powerhouse and tunnel portal areas.

The main structures for diversion of the flow from the tailrace of Mistri Khola HEP comprise a balancing pond. Diversion structure for Ghatte Khola comprises of a weir, intake and settling basin that will be connected with the Balancing pond. Surface water conveyance system comprises of 1052 m long rectangular headrace culvert with dimension 3.5 m x 2.5 m (B x H) and 103m long syphon structure. The headrace tunnel is 1316 m long shotcrete lined (partially concrete lined) with finished dimension of 4 m x 4 m inverted D in shape. The discharge is conveyed to the 113.5m long steel lined Inclined Shaft and 85 m long horizontal Penstock tunnel. The flow is then discharged to a surface powerhouse located at the left bank of Kaligandaki River and is equipped with 2 horizontal axis Francis turbines, which utilize the rated net head of 72.54 m.

The MoU on Connection Agreement was signed with Nepal Electricity Authority on 2076/4/26 and PPA is in the process in NEA.

SALIENT FEATURES

PROJECT	:	Mistri Khola 2 Hydroelectric Project
Installed Capacity	:	12.00 MW
LOCATION		
Rural Municipality	:	Annapurna (Former: Narchyan and Shikha VDC)
District	:	Myagdi
Zone	:	Dhaulagiri
Province No	:	4
Project Area	:	Latitude 28° 29' 00" N to 28° 30' 21" N
	:	Longitude 83° 38' 51" E to 83° 39' 47" E
Access to Project	:	100 km from Pokhara

HYDROLOGY

Catchment Area of Mistri Khola HEP at Intake	:	298.8 km ²
Catchment Area of Ghatte Khola at Intake	:	7.10 km ²
CA of Mistri Khola HEP at PH	:	3946.3 km ²
CA of Mistri Khola 2 HEP at PH	:	3966.5 km ²
Design Discharge of Mistri Khola HEP	:	18.23 m ³ /s
Design Discharge of Ghatte Khola	:	0.51 m ³ /s
Design Discharge to Turbines of Mistri Khola 2 HEP	:	18.74 m ³ /s



FLOOD

1 in 100 years Flood at Balancing Pond Area	:	1,611 m ³ /s
1 in 100 years Flood at Powerhouse Area	:	1,625 m ³ /s

GHATTE KHOLA DIVERSION

HEADWORKS

i. WEIR

Type	:	Gabion/Boulder Weir
Length	:	3.70 m
Weir Crest Elevation	:	1265.10 masl

ii. UNDERSLUICE

No. of Opening	:	1
Size of Opening	:	0.75 * 1.0 (B * H)
Invert Level	:	1262.98 masl

iii. INTAKE

Type	:	Side Intake
No. of Orifice	:	One
Size of Orifice	:	1.3 m * 0.5 m (B * H)
Orifice Invert Level	:	1264.40 masl

iv. GRAVEL TRAP

Size	:	1.5 m * 1.3 m (L * B)
Bed Slope	:	1 in 10
Flushing Pipe	:	0.3m dia.

v. APPROACH CANAL

Shape	:	Rectangular
Width	:	0.8 m
Length	:	11.00 m
Bed Slope	:	1 in 100

vi. SETTLING BASIN

No. of Bays	:	1
Size of Uniform Section (Each Bay)	:	10.2 m * 2.0 m * 2.6 m (L * B * H)
Design Particle Size	:	0.20 mm
Settling Basin Trap Efficiency	:	80%
Flow Velocity in the Basin	:	0.178 m/s
Bed Slope	:	1 in 40
Flushing Pipe	:	0.3mØ

MAIN WATERWAYS

i. BALANCING POND

Normal Water Level at Start	:	1257.75 masl
Length	:	10.75 m (Including transition)

Uniform Section Size : 6.0 m * 4.0 m (B * H) (Including FB)
 Spillway Crest Elevation : 1257.75 masl

ii. HEADRACE CULVERT

Type : Rectangular, Buried
 Length : 1051.81 m
 Size : 3.5 m * 2.5 m (B * H) (Including FB)
 Slope : 1 in 1000

iii. SYPHON

Length of Uniform Section : 103 m
 Size : 3.5 m * 2.0 m (B * H)

iv. HEADRACE TUNNEL

Section Type : Inverted-D
 Excavation Size : 4.0 m * 4.0 m (B * H)
 Length : 1316.13 m

v. HEADPOND CAVERN

Section Type : Inverted-D
 Total Length : 14.75 m
 Width of uniform section : 5.00 m
 Invert Level at the start : 1252.49 m

vi. EMERGENCY SPILLING TUNNEL

Section Type : Inverted-D
 Diameter : 4.0 m
 Length : 116.80 m

vii. INCLINED SHAFT

Section Type : Circular
 Diameter : 4.0 m
 Length : 113.45 m

viii. HORIZONTAL PENSTOCK TUNNEL (Including Bifurcation Tunnel)

Section Type : Inverted-D
 Finished Dimension : 4.0 m * 4.0 m (B * H)
 Length : 85.42 m

ix. PENSTOCK PIPE

Section Type : Circular
 Diameter : 2.25m
 Length : 158.59 m

x. BIFURCATION PIPE

Section Type : Circular
 Diameter : 1.60m
 Length : 38.22 m



POWERHOUSE

Type	:	Surface
Dimension	:	35.00m(L) x 15.50m(W) x 29.15m(H)
Control Building	:	35.00m(L) x 7.90m(W) x 10.95m(H)

TAILRACE CULVERT

Maximum Tail Water Level	:	1178.99 masl
Normal Tail Water Level	:	1178.81 masl
Minimum Tail Water Level	:	1177.25 masl
Type	:	Rectangular
Length	:	256.27 m
Finished Dimension	:	4.0 m * 2.7 m (B * H)

TURBINES

Type of Turbine	:	Francis (Horizontal Axis)
No. of Units	:	Two
Turbine Axis Level	:	1178.56 masl
Unit Discharge	:	9.37 m ³ /s
Rated Efficiency	:	93.0%

GENERATOR

Type	:	Salient Pole, Synchronous
Generation Voltage	:	11 kV
Frequency	:	50 Hz
Efficiency	:	97.0%

TRANSFORMER

Type	:	Three-Phase, Step-up
Rated Capacity	:	14 MVA
Voltage Ratio	:	11/132 kV
Efficiency	:	99.0%

TRANSMISSION LINE

Voltage Level	:	132 kV
Length	:	3.0 km
Conductor Type	:	ACSR "BEAR"
From	:	Switchyard of MK2HEP
To	:	Switchyard of MKHEP

ENERGY GENERATION

Gross Head	:	78.94 m
Rated Net Head	:	72.54 m
Installed Capacity	:	12.00 MW
Mean Annual Energy	:	67.80 GWh
Dry Season Energy	:	20.05 GWh
Wet Season Energy	:	47.75 GWh

PROJECT COST ESTIMATE

Total Cost of Project	:	2,086.15 million NRs. (Before IDC)
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CONSTRUCTION PERIOD

:	2.5 years
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B R Pandey & Associates

Chartered Accountants

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Kathmandu, Nepal

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E-mail: bpandey@ntc.net.np

INDEPENDENT AUDITOR'S REPORT

THE SHAREHOLDERS OF MOUNTAIN ENERGY NEPAL LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Mountain Energy Nepal Limited ("the Company")**, which comprise the Statement of Financial Position as at Ashad 31, 2080 (July 16, 2023), the Statement of Profit or Loss (including Other Comprehensive Income), the Statement of Change in Equity and the Statement of Cash Flows for the year then ended on that date, and a summary of the significant accounting policies and other explanatory information (hereafter referred to as "the financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid the financial statements presents fairly, in all material respects, the financial position of the Company, as at Ashad 31, 2080 (July 16, 2023), and its financial performance, changes in equity, cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, in accordance with Nepal Financial Reporting Standards and comply with Company Act, 2063 and other prevailing laws.

Basis for Opinion

We conducted our audit of the financial statements 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 Handbook of "The Code of Ethics for Professional Accountants" issued by The Institute of Chartered Accountants of Nepal (ICAN), and we have fulfilled our other ethical responsibilities in accordance with the ICAN's Handbook of "The 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 audit opinion on the financial statements.

Key Audit Matters

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

We have determined that there are no any key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Management is responsible for the preparation of the other information. The other information comprises the information included in the Management report, Report of the Board of Directors and Chairman's statement but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.





Responsibility of Management and Those Charged with Governance for the Financial Statements

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

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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



Report on Other Legal and Regulatory Requirements

Based on our examination, we would like to further report that:

- i. We have obtained all the information and explanations, which were considered necessary for the purpose for our audit.
- ii. The Company has kept proper books of accounts as required by law, in so far as it appears from our examination of those books of account.
- iii. The Statement of Financial Position, Statement of Profit or Loss (including other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows and attached Schedules dealt with by this report are in agreement with the books of account maintained by the Company.
- iv. During our examination of the books of account of the Company, we have not come across the cases where the Board of Directors or any member thereof or any representative or any office holder or any employee of the Company has acted contrary to the provisions of law or caused loss or damage to the Company and
- v. We have not come across any fraudulence in the accounts, based on our sample examination of the books

Place: Kathmandu

Date: 2080.09.22

UDIN: 240108CA00411s94HP

For, B. R. Pandey & Associates
Chartered Accountants



.....
Bhoj Raj Pandey, FCA





MOUNTAIN ENERGY NEPAL LTD.
Statement of Financial Position as on 31st Ashadh 2080

Particulars	Notes	As at 31 st Ashadh, 2080	As at 32 nd Ashadh 2079
ASSETS			
Non-current assets			
Property, plant and equipment	10	28,983,607	30,512,126
Intangible assets	11	6,029,821,862	6,172,929,506
Intangible assets under development	12	75,092,704	69,342,387
Goodwill (arising on acquisition of Aadhishakti)		14,682,604	15,311,858
Deferred tax assets	22	527,338	121,211
Total non-current assets		6,149,108,115	6,288,217,088
Current assets			
Trade and other receivables	13	748,366,228	479,488,462
Prepayments	14	35,769,031	122,975,491
Loan and advances	15	17,912,763	61,520,805
Cash and cash equivalents	16	87,885,128	276,279,157
Total current assets		889,933,150	940,263,915
Total assets		7,039,041,265	7,228,481,003
EQUITY AND LIABILITIES			
Equity			
Share capital	17	1,968,027,000	1,968,027,000
Retained earnings	18	1,175,022,234	1,011,134,723
Total equity		3,143,049,234	2,979,161,723
Liabilities			
Non-current liabilities			
Loans and borrowings	19	3,471,026,386	3,853,472,403
Total non-current liabilities		3,471,026,386	3,853,472,403
Current liabilities			
Trade and other payables	20	55,227,645	77,560,877
Loans and borrowings	19	369,738,000	318,286,000
Total current liabilities		424,965,645	395,846,877
Total liabilities		3,895,992,031	4,249,319,280
Total equity and liabilities		7,039,041,265	7,228,481,003

The accompanying notes form an integral part of the financial statements.

As per our report of even date

Rajendra Prasad Sharma
Manager-Finance & Operation

Damodar Shrestha
Chief Executive Officer

Arun Kumar K. C.
Director

Suhrid Raj Ghimire
Chairman

Bhoj Raj Pandey
Proprietor

B.R. Pandey & Associates

Date: 2080.09.22

Place: Kathmandu

MOUNTAIN ENERGY NEPAL LTD.
Statement of Profit or Loss and other Comprehensive Income
For the period ended 31st Ashadh, 2080

Particulars	Notes	1 st Shrawan 2079 to 31 st Ashadh, 2080	1 st Shrawan 2078 to 32 nd Ashadh, 2079
Revenue	5	1,182,383,269	1,234,416,354
Cost of sales	6		
-Amortization on Project Assets		(254,292,535)	(252,201,339)
-Other Direct Costs		(223,768,232)	(98,552,796)
Gross profit		704,322,502	883,662,219
Net Construction Revenue (As per IFRIC 12)	7	-	6,605,987
Administrative expenses	8	(32,311,871)	(21,582,031)
Depreciation and amortisation	10	(1,934,013)	(2,182,181)
Operating profit		670,076,618	866,503,994
Finance income	9	10,906,907	5,026,165
Finance costs	9	(295,638,069)	(247,700,161)
Staff Bonus		(7,706,909)	(12,344,480)
Other Income		-	709,246
Profit before tax		377,638,547	612,194,764
Income tax expenses			
Current tax	22	(3,273,337)	(1,256,541)
Deferred tax income/(expense)	22	406,127	
Profit for the period		374,771,337	610,938,223
Other comprehensive income		-	-
Total comprehensive income		374,771,337	610,938,223

Total profit and comprehensive income is attributable to the owners of the company.
The accompanying notes form an integral part of the financial statements.

As per our report of even date

Rajendra Prasad Sharma
Manager-Finance & Operation

Damodar Shrestha
Chief Executive Officer

Arun Kumar K. C.
Director

Suhrid Raj Ghimire
Chairman

Bhoj Raj Pandey
Proprietor

B.R. Pandey & Associates

Date: 2080.09.22

Place: Kathmandu



MOUNTAIN ENERGY NEPAL LIMITED
Kathmandu, Nepal
Statement of Cash Flow
For the period from 1st Shrawan 2079 to 31st Ashadh, 2080
(17th July, 2022 to 16th July, 2023)

Particulars	1 st Shrawan 2079 to 31 st Ashadh, 2080	1 st Shrawan 2078 to 32 nd Ashadh, 2079
A. Cash Flow from Operating Activities		
Net Profit before Tax	377,638,547	612,194,764
Adjustments for:		
Depreciation expenses	1,934,013	2,182,181
Amortisation of Goodwill on Acquisition	629,254	629,254
Amortization on Intangible Assets	254,292,535	252,201,339
Interest Income	(10,906,907)	(5,026,165)
Interest Expenses	295,638,069	247,700,161
Income tax paid	(3,273,337)	(1,256,541)
Net Profit/loss on sale of Tangible assets		
CSR Fund	(3,695,303)	(5,043,357)
Prior Period Adjustment	(28,097)	
Cash Flow before Change in Working Capital	912,228,774	1,103,581,636
Increase/(Decrease) in liabilities	(353,327,249)	70,456,340
(Increase)/Decrease in Current Assets	(138,063,264)	(535,266,761)
Net Cash Flow from Operating Activities (1)	420,838,261	638,771,215
B. Cash Flow from Financing Activities		
Changes in share capital	-	-
Dividend Paid	(207,160,426)	-
Interest Paid	(295,638,069)	(247,700,161)
Net Cash Flow from Financing Activities (2)	(502,798,495)	(247,700,161)
C. Cash Flow from Investing Activities		
Changes in non-current assets		
Net Sale/(Purchase) of Tangible Fixed Assets	(405,494)	(1,211,430)
Sale/(Purchase) of Intangible Assets (Project Assets)	(111,184,891)	(154,119,595)
Project under development	(5,750,317)	(7,473,817)
Interest Income	10,906,907	5,026,165
Net Cash Flow from Investing Activities (3)	(106,433,795)	(157,778,677)
Net Increase/(Decrease) in cash and cash Equivalents (1+2+3)	(188,394,029)	233,292,377
Cash and cash equivalents at beginning of the year	276,279,157	42,986,780
Cash and Cash Equivalents at end of the year/period	87,885,128	276,279,157

Components of Cash and Cash Equivalents

Balance with Banks

Collateralised Borrowing and Lending Obligation

As per our report of even date

Rajendra Prasad Sharma
Manager-Finance & Operation

Damodar Shrestha
Chief Executive Officer

Arun Kumar K. C.
Director

Suhrid Raj Ghimire
Chairman

Bhoj Raj Pandey
Proprietor

B.R. Pandey & Associates

Date: 2080.09.22

Place: Kathmandu

MOUNTAIN ENERGY NEPAL LIMITED

Kathmandu, Nepal

Statement of Changes in Equity
For the period from 1st Shrawan 2079 to 31st Ashadh, 2080
(17th July, 2022 to 16th July, 2023)

Particular	Share Capital	Accumulated Profit/ Loss	IFRIC Reserve	Total
Balance as on 2079/04/01	1,968,027,000	738,778,659	272,356,064	2,979,161,723
Ammortization IFRIC Intangible Assets for 2077/78		804,914	(804,914)	
Ammortization IFRIC Intangible Assets for 2078/79		10,732,187	(10,732,187)	
Adjusted Balance as on 2079/04/01	1,968,027,000	750,315,760	260,818,963	2,979,161,723
Profit for the Year		374,771,337		374,771,337
Dividend Paid		(207,160,426)		(207,160,426)
Prior Period Adjustment		(28,097)		(28,097)
Corporate Social Responsibility Fund		(3,747,713)		(3,747,713)
Corporate Social Responsibility Fund Reversed		52,410		52,410
Ammortization of IFRIC Intangible Assets		10,732,187	(10,732,187)	-
Balance As at Ashadh 31, 2080	1,968,027,000	924,935,458	250,086,776	3,143,049,234

As per our report of even date

Rajendra Prasad Sharma
Manager-Finance & Operation

Damodar Shrestha
Chief Executive Officer

Arun Kumar K. C.
Director

Suhrid Raj Ghimire
Chairman

Bhoj Raj Pandey
Proprietor

B.R. Pandey & Associates

Date: 2080.09.22

Place: Kathmandu



Mountain Energy Nepal Ltd.

Notes to Financial Statement

1. Reporting entity

Mountain Energy Nepal Limited (“The Company”) is a limited liability company domiciled in Nepal. The registered office of the Company is Ward No. 30, Kathmandu, Nepal. The principal objective of the company is to produce hydroelectricity in Nepal and to make the investment in the companies producing the hydroelectricity. The company operates two hydropower project, namely, Tadi Khola Project of 5 MW and Mistri Khola Project of 42 MW as per the terms of licence issued by Ministry of Electricity. The generated electricity is sold to NEA at per the rate provided in Power Purchase Agreement (PPA) entered into between NEA and the company. The company is a public limited company incorporated under the Companies Act, 2063.

The Company does not have any subsidiary or an interest in associate or joint venture. Thus, these financial statements are separate financial statements of the Company.

1.1 Board of Directors

The composition of Board of Directors as on 31st Ashadh 2080 is as follow:

Name	Position
Suhrid Raj Ghimire	Chairman
Manohar Das Mool	Director
Arun Kumar KC	Director
Mohan Gurung	Director
Jhanak Dutta Khanal	Director
Rachana Adhikary	Director
Dr. Hari Shankar Shrestha	Independent Director

2. Basis of preparation

a) Statement of compliance

The financial statements have been prepared in accordance with Nepal Financial Reporting Standards (NFRSs) as published by Accounting Standard Board (ASB) Nepal.

The financial statements were authorized for issue by the Board of Directors on 2080.09.22

b) Functional currency

These financial statements are presented in Nepalese Rupee (NPR), which is the Company’s functional currency.

c) Use of estimates and judgements

The preparation of the financial statements in conformity with NFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses, actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in Note 3-whether the arrangement classifies as a service concession arrangement.

Further, management uses valuation techniques to determine the fair value of financial instruments. This involves developing estimates and assumptions consistent with how market participants would price the instrument, Management bases its assumptions in observable data as far as possible. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

a) Intangible assets

(i) Service concession arrangement revenue - Mistri Khola Project

Mistry Khola Project " Project I " obtained operation license from Department of Electricity Development (DOED) on Kartik 20, 2068 for the period of 35 years to construct and operate a 42 MW hydropower project, and the license expires on Kartik 19, 2103. This is service concession arrangement entered into between the Company and DOED, that conferred the right to the Company to implement the project and recover the project cost and reasonable return, through the sale of electricity to Nepal Electricity Authority (NEA) as per the rate provided by the Power Purchase Agreement (PPA) between the Company and NEA.

Service concession agreement with the Government of Nepal does not contain a renewal option. As per the terms of license, license grantor controls through ownership, any significant residual interest in the infrastructure (project assets) at end of the term of the arrangement (licenses period).

NEA shall purchase the contractual energy generated by Mistri Khola Project as specified in the PPA agreement subject to Mistri Khola able to generate such contractual energy.

Mistri Khola project recognizes an Intangible Asset arising from a service concession arrangement (construction and creation of Project assets, which will be returned to Government of Nepal on expiry of lease period of 35 years from the effective date of agreement) when it has a right to sale the electricity generated by hydropower project. An intangible asset is measured at fair value on initial recognition and subsequent to initial recognition, the intangible asset is measured at cost, which includes capitalized borrowing cost, less accumulated amortization and accumulated impairment losses.

Mistri Khola Project has recognised an intangible asset with respect to the creation of project assets that gives right to the company to generate electricity and sale it to NEA as specified in PPA. The Mistri Khola Project has recognised an intangible asset of NRs. 5,801,502,044 for the right to sell electricity to NEA as specified in PPA though construction of project assets under the service concession arrangement. Revenue is recognised under IFRIC 12 upto the year ended 15th July 2022 only.

The estimate of effective useful life of an intangible asset in a service concession arrangement is the period from when the Company is able to bill the NEA for the supply of electricity generated by the hydropower infrastructure to the end of the concession period.

Mistri Khola Project started to generate the electricity and sells to NEA from Ashadh 3, 2078. Project Assets has been accounted as Intangible assets which are amortized over remaining useful life (Operation License period) of 304.5 months. The useful life of project asset is the tenure calculated from commercial date of operation. The amortization expense is included in the Cost of Sales.



On September 28, 2021 (Ashwin 12, 2078) project received project construction completion certificate from the the Contractor at the reporting date, and on this day final capitalisation of the entire Project Assets was completed.

Revenue from sale of electricity to NEA is recognized at the rate specified in the Power Purchase Agreement, as per NAS 18 Revenue, which is disclosed in Note (b).

(ii) Service concession arrangement revenue - Tadi Khola Project

Tadi Khola Project “the Project II” obtained operation license from Department of Electricity Department (DOED) on Mangsir 06, 2068 (November 22, 2011) for the period of 35 years to construct and operate a 5 MW hydropower project, and the license expires on Mangsir 05, 2103. This is service concession arrangement entered into between the company and DOED, that conferred the right to the Company to implement the project and recover the project cost and reasonable return, through the sale of electricity to NEA as per the rate provided by the Power Purchase Agreement (PPA) between the Company and Nepal Electricity Authority (NEA).

Service concession agreement with the Government of Nepal does not contain a renewal option. As per the terms of license, license grantor controls through ownership, any significant residual interest in the infrastructure (project assets) at end of the term of the arrangement (licenses period).

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

Project Assets, accounted as Intangible assets, are amortized over remaining useful life (Operation License period) of 338 months. The useful life of project asset is the tenure calculated from commercial date of operation. The amortization expense is included in the Cost of Sales.

Revenue from sale of electricity to NEA is recognized at the rate specified in the Power Purchase Agreement, as per NAS 18 Revenue, which is disclosed in Note (b).

b) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

(i) Sale of Electricity

Revenue from sale of electricity is recognized on the basis of meter reading on the first day of the immediate next month in accordance with Power Purchase Agreement (PPA).

(ii) Interest income

For all financial instruments measured at amortized cost, interest income or expense is recorded using the effective interest rate (EIR).

c) Lease Payments

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Payments made under operating leases are recognized in profit or loss on a straight-line basis over the term of the lease.

d) Taxation

Income Tax expense represents the sum of the current tax and deferred tax.

(i) Current Tax

Current tax which comprises expected tax payable or receivables is based on taxable profit or loss for the year based on Nepalese tax laws and any adjustments to the tax payable or receivable in respect of previous years. The Company's liability for current tax is to be calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and liabilities are offset if certain criteria are met.

Tax Holiday

The Company's operations are subject to tax holiday as per section 11(3gha) of Income Tax Act, 2058. The Company enjoy the full tax holiday for first 10 years of operation, then after for next five year tax concession at 50% of applicable tax rate on income generated from sale of electricity generated (ordinary activities).

Tadi is in tax holiday up to Chaitra 13, 2079, then after for next five years, tax concession is 50% of applicalbe tax rate.

Mistry is in tax holiday up to Ashadh 02, 2088, then after for next five years, tax concession is 50% of applicalbe tax rate.

(ii) Deferred Tax

Deferred tax is recognized on temporary difference between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred Tax Assets(DTA) are generally recognized for all deductible temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences 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 is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred Tax Liabilities (DTL) and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the assets realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

DTA and DTL are offset if certain criteria is met.

e) Foreign currency transaction

In preparing the financial statements of the Company, transaction in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the date. Non-monetary items carried at the fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

f) Property, plant and equipment

Property, plant and equipment are tangible items that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and are expected to be used during more than one period. Property, plant and equipment are stated at the cost less accumulated depreciation and accumulated impairment losses.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation is recognized so as to write off the cost of assets less their residual values over their estimated useful lives. The estimated useful lives, 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. The depreciation rates of various assets are as follows:

S.N.	Types of assets	Rate of depreciation
1	Furniture and Fixtures	25%
2	Office Equipment	20%
3	Miscellaneous Assets	10%
4	Vehicles	10%

As item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

g) Intangible assets (owned)

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

Intangible asset acquired separately with finite lives

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. Amortization is recognized on a straight-line basis over their estimated useful lives, and is generally recognized in the statement of profit and loss. The estimated being accounted for on a prospective basis.

Intangible assets created on acquisition of Tadi Khola Project is amortised on SLM basis from the date of acquisition of Bhadra 28, 2075 upto the license expiry date of Mangsir 05, 2103. Consequently entire Intangible Assets would be amortised over 338 months on SLM basis.

Intangible assets (Mistri Khola Project) is amortised on SLM basis from the date of Commercial operation (Ashadh 3, 2078) upto the license expiry date of Kartik 19, 2103. Consequently entire Intangible Assets would be amortised over 304.5 months on SLM basis.

h) Goodwill (on Acquisition of subsidiary)

On acquisition of subsidiary, Aadishakti Bidhyut Bikas Co Ltd, under the "Acquisition Method" as per Nepal Financial Reporting Standards "Business Combination", Goodwill has been recognized on difference of carrying amount of Investment made and Net assets taken over.

Goodwill resulted due to acquisition of subsidiary is treated similarly to Intangible Assets (Project Assets) of the Tadi Khola Project that confer right to recover cost and reasonable returns. Consequently, Goodwill is amortized on a straight-line basis over their estimated useful lives, and is generally recognized in the statement of profit and loss. The estimated being accounted for on a prospective basis from the date of acquisition i.e. Bhadra, 28 2075. This treatment of Goodwill departs from the Goodwill Accounting provided by Nepal Financial Reporting Standards.

i) Impairment

At the end of each reporting period, the Company reviews the carrying amount 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 in order 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 group of cash generating units for which a reasonable and consistent basis can be identified.

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.

Recoverable amount is the higher of fair value less cost to sell 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 or cash generating unit.

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.

When an impairment loss subsequently reverses, the carrying amount of the asset (or 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.

j) Employee benefits

Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has present or constructive obligation to pay this amount as a result of past service provided by the employees and the obligation can be estimated reliably.

Retirement benefits and other long-term employee benefits

The Company provides long term employee benefits and retirement benefits in accordance to its by-laws which is in compliance with the local laws and regulations.

k) Provisions and contingent liabilities

(i) Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the



present obligation at the end of the reporting period, taking in to account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of time value of money and the risks specific to the liability (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

- (ii) A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

1) Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured 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 or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

(i) Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss (FVTPL), 'held to maturity' investments, 'available for sale' (AFS) financial assets and 'loans receivables' based on the characteristics of each instrument. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Of these categories, the company only has loans and receivables.

(a) Loans and receivables

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

Interest income is recognized by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

(b) Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or, where appropriate, a shorter period, to the net carrying amount of the financial instrument.

(c) Impairment of financial assets

Financial assets, being loans and receivables, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For all financial assets other than available for sale assets, objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty; or
- Breach of contract, such as a default or delinquency in interest or principal payments; or
- It becomes probable that the borrower will enter bankruptcy or financial re-organization; or
- The disappearance of an active market for that financial asset because of financial difficulties.

For financial assets carried at amortized cost, the amount of the impairment loss recognized is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets.

For financial assets measured at amortized cost, if, in a subsequent period, the amount of the impairment loss decreases, and the decrease can be related objectively to an event occurring after the impairment is reserved does not exceed what the amortized cost would have been had the impairment not been recognized.

(d) Derecognition of financial assets

The company de-recognizes a financial asset only when the contractual right to the cash flows from the assets expire, or when it transfers the financial asset and substantially all the risk and rewards of ownership of the asset to another entity. If the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

(ii) Financial liabilities and equity

(a) Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(b) Equity Instruments

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



Borrowings from promoter which are not intended to be repaid are treated as equity (additional paid capital) in the financial statements.

(c) Financial Liabilities

Financial liabilities are classified as either financial liabilities ‘at fair value through profit or loss’ or ‘other financial liabilities’. Of these categories, the Company only has “other financial liabilities”.

(d) Other financial liabilities

Other financial liabilities (including other payables) are subsequently measured at amortized cost using the effective interest method. The effective interest method is method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, of (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(e) Derecognition of financial liabilities

The company derecognizes financial liabilities when, and only when, the Company’s obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

m) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

n) Equity and reserves

Share Capital represents the nominal (par) value of ordinary equity shares that have been issued.

4. New standards and interpretations not yet adopted

NFRS-17 Insurance Contract:

NFRS 17 would be effective from July 16, 2024 and early application is allowed. Effect of applicabltn of NFRS 17 is being studied and itntial assement is that our business would not be maerialy affected by NFRS 17. The company will adopt the standard when it becomes madatory for application.

5. Revenue

Particulars	31 st Ashadh 2080	32 nd Ashadh 2079
Sale of electricity-Mistri Khola	1,099,829,287	1,077,801,552
Deductible Exps: NEA Tatopani Compensation Expense	(35,517,323)	-
Net Revenue from Mistri Khola Project	1,064,311,964	1,077,801,552
Sale of electricity-Tadi Khola	118,071,305	156,614,802
Total	1,182,383,269	1,234,416,354

6. Cost of Sales

Amortization on intangible asset included in Cost of Sales has been shown separately in Statement of Profit and Loss.

Particulars	31st Ashadh 2080	32nd Ashadh 2079
Tadi Khola Project	69,014,170	49,645,470
Amortisation of intangible assets (Project Assets_Tadi Khola)	28,001,233	27,932,339
NFRS: Amortisation of increment cost of borrowings	233,713	233,712
Amortisation of Goodwill on Acquisition	629,254	629,254
Fuel & electricity expense	7,550	12,636
Repair & maintenance for project	-	2,725
Repair & maintenance-electromechanical	6,705,173	3,012,455
Royalty expense	2,860,167	3,632,043
Insurance Premium	3,925,912	2,588,562
Hydropower site		
Communication expenses	96,150	53,325
Electrical expenses	1,272,385	405,812
Gift & Greetings-ADM	773,380	304,600
Office overhead- Labour Charge/Office Utilities	194,000	209,300
Guest/Entertainment/Refreshment/Fooding Exp.	182,355	211,337
Hygenic & Cleaning	5,555	10,232
Local conveyance	132,270	103,650
Fuel & Lubricants Expenses	334,419	205,717
Repairs & maintenance-vehicle	238,351	124,834
Repair & Maintance -Site office	-	46,075
Repair & Maintance Building-Site	36,261	14,400
Repair & Maintance-Hydrmechanical	6,390,993	1,708,777
Repair & Mainatnce-Civil Works	7,318,947	-
Staff salary-Site & Office	9,512,747	8,122,423
Miscellaneous	163,355	10,412
Mistri Khola Project	409,046,597	301,108,665
Amortisation of intangible assets (Project Assets_Mistri Khola)	226,291,302	224,269,000
Royalty expense	25,481,172	25,753,020
Fuel & electricity expense (Electricity for Power House)	253,368	409,320
Repair & Maintenance of Project	-	787,860
Repair & maintenance-electromechanical	25,772,732	15,398,490
Repair & Maintenance-HM	8,353,410	2,421,908
Repair & Maintenance-Civil Work	38,787,794	20,169,994
Repair & Maintance-Transmission Line	-	2,246,609
Repair & Maintance -Vechile-Project Site	47,672	-
Communication Expenses-Site	253,622	-
Electrical Expenses-Site	936,629	-
Fuel & Lubricants-Site	1,653,426	-



Insurance Premium-Mistri	12,870,095	9,543,114
Office Utilities Expenses	734,521	109,350
Operation & Maintenance Exp	51,412,307	-
Consultancy Fee	8,093,371	-
Transportation & Miscellaneous	1,060,870	-
Engineering Salary-Engineering Cost	7,044,306	-
Grand Total	478,060,767	350,754,135

7. Net Construction Revenue (As per IFRIC 12)-Mistri Khola Project

Particulars	31st Ashadh 2080	32nd Ashadh 2079
Construction Revenue (As per IFRIC 12)	-	139,824,445
Construction Costs (As per IFRIC 12)	-	(133,218,458)
Net Construction revenue	-	6,605,987

8. Administrative Expenses

Particulars	31st Ashadh 2080	32nd Ashadh 2079
Head office		
Administration salary and allowances	9,716,756	8,945,424
Gratuity expense	794,769	682,960
Advertisement Expenses	187,004	161,185
Annual Maintenance Service	22,060	21,560
AGM Expenses	487,887	544,330
Arbitration Fees	1,347,922	-
Audit Fees	248,600	226,000
Regulatory Reporting fee	135,600	67,800
Bank & Comm.Charges	620,097	575,601
Guest Hospitality and Refreshment expenses	309,675	159,516
Communication expenses HO	339,720	109,473
Consultancy Fees	3,776,911	331,775
Custom Clearing Charge-Administration	231,712	77,692
Custom Duty	1,615,337	56,149
Dashain allowance	773,601	713,205
Dashain expenses	57,000	-
Donation Exp.	10,000	20,000
Electrical Expenses	-	11,020
Electricity and Water	461,300	475,353
Fines and Penalties	3,000	149,850
Fuel & Lubricants Expenses	498,165	435,083
Gifts and Greetings	671,611	331,615
Hygenic, Medical & Cleaning	33,557	30,526
Insurance Premium	148,873	249,283

Legal Fees & Exp	2,200	469
Local Conveyance	116,750	173,250
Office Rent	3,572,923	3,528,763
Registration & Renewal Expenses	513,950	101,937
Repair & Maintenance-Office & Equipment	75,093	139,563
Repairs & Maintenance- Office Vehicle	651,913	537,587
RTS/ RTA (Shares)-Adm	341,666	200,000
Corporate Social Responsibility	52,410	1,071,100
Meeting Allowance	331,920	411,566
Meeting Expenses	379,085	256,012
Printing & Stationery	243,252	197,588
Vehicle Tax-Adm	212,725	184,600
Misc exp-Admin	785,542	404,196
Lodging & Fooding Exp-Site	251,224	-
Travelling-Air Ticket-Adm	2,290,061	-
Total	32,311,871	21,582,031

9. Finance income and cost

The finance income and finance costs include the following interest income and expense in respect of assets & liabilities.

Particulars	31st Ashadh 2080	32nd Ashadh 2079
<u>Tadi Project</u>		
Interest on overdraft loan	113,014	3,242
Interest on long term loan	7,075,793	13,941,503
<u>Mistri Project</u>		
Interest on overdraft loan	319,479	-
Interest on long term loan	284,082,093	292,264,734
Agency Fees	4,047,690	-
Finance costs	295,638,069	306,209,479
Less: Amounts Capitalized on Qualifying Assets (Mistri Khola Project)		(58,509,318)
Total finance Cost	295,638,069	247,700,161
Finance Income		
Interest income on short-term bank deposits	10,906,907	5,026,165
Total finance income	10,906,907	5,026,165
Net Finance costs	284,731,162	242,673,996



10. Property plant and equipments

Particulars	Building	Office Equipments	Furniture and fixtures	Vehicles	Misc. assets	Total
Cost						
Balance at 17 July 2022 (1 Shrawan, 2079)	-	3,988,780	14,507,150	27,919,223	1,223,148	47,638,301
Additions	-	173,784	231,709	-	-	405,493
Deletion	-	-	-	-	-	-
Balance at 16 July 2023 (31st Ashadh, 2080)	-	4,162,564	14,738,859	27,919,223	1,223,148	48,043,794
Depreciation						
Accumulated depreciation at 17 July 2022 (1 Shrawan, 2079)	-	2,904,795	1,078,067	12,688,718	454,594	17,126,175
Depreciation upto for the curen financial year	-	240,649	93,459	1,523,050	76,855	1,934,013
Deletion for the year	-	-	-	-	-	-
Accumulated depreciation at 16 July 2023 (31st Ashadh, 2080)	-	3,145,444	1,171,526	14,211,768	531,449	19,060,187
Net book value at 16 July 2023 (31st Ashadh, 2080)	-	1,017,120	13,567,333	13,707,455	691,699	28,983,607

Carrying Amounts

As at 16 July 2023 (31st Ashadh, 2080)	28,983,607
As at 16 July 2022 (32nd Ashadh, 2079)	30,512,126

11. Total Intangible Assets (HydroPower Project Assets)

As at 16 July 2023 (31st Ashadh, 2080)

WDV	Amortization
6,029,821,862	254,292,535

11.1 Intangible assets (Tadi Khola_Project Assets)

Particulars	Building	Land & Land Development	Civil Works	Hydro Mechanical	Electro Mechanical	Transmission Line	Total
Cost							
Balance as at 17 July 2022 (1st Shrawan, 2079)	6,570,845	24,283,928	472,927,793	140,003,956	106,388,382	36,586,008	786,760,912
Additions	2,824,663	-	-	-	-	-	-
Deletion	-	-	-	-	-	-	-
"Balance As at 16 July 2023 (31st Ashadh, 2080)"	9,395,508	24,283,928	472,927,793	140,003,956	106,388,382	36,586,008	789,585,575
Amortisation							
Accumulated Amortisation as at 16th July 2022 (32nd Ashadh, 2079)	894,258	3,304,913	64,362,953	19,053,793	14,478,893	4,979,160	107,073,970
Amortisation for the period from 1 Shrawan 2079 to 31 Ashadh, 2080	302,179	862,151	16,790,336	4,970,554	3,777,102	1,298,911	28,001,233
Deletion for the year	-	-	-	-	-	-	-
Impairment charge	-	-	-	-	-	-	-
Accumulated Amortisation as at 16th July 2023 (31 Ashadh, 2080)	1,196,437	4,167,064	81,153,289	24,024,347	18,255,995	6,278,071	135,075,203
Net book value at 16th July 2023 (31 Ashadh, 2080)	8,199,071	20,116,864	391,774,504	115,979,609	88,132,387	30,307,937	654,510,372

Net carrying amounts

As at 16 July 2023 (31st Ashadh, 2080)	654,510,372
As at 16th Jul 2022 (32nd Ashadh, 2079)	679,686,942



11.2 Intangible assets (Mistri Khola_Project Assets)

Particulars	Land & Land Development	Civil Works	Access Road & Bridges	Hydro Mechanical	Electro Mechanical	Transmission Line	Total
Cost							
Balance as at 17 July 2022 (1st Shrawan, 2079)	183,941,881	3,006,689,624	395,493,256	663,785,632	1,352,552,672	133,377,267	5,735,840,332
Additions		27,485,243	-	-	80,874,985	-	108,360,228
Deletion	-	-	-	-	-	-	-
Balance As at 16 July 2023 (31st Ashadh, 2080)	183,941,881	3,034,174,867	395,493,256	663,785,632	1,433,427,657	133,377,267	5,844,200,560
Amortisation							
Accumulated Amortisation as at 16th July 2022 (32nd Ashadh, 2079)	6,282,710	128,044,614	16,585,895	28,310,206	57,685,860	5,688,483	242,597,768
Amortisation for the period from 1 Shrawan 2079 to 31 Ashadh, 2080	7,237,058	118,778,536	15,560,390	26,116,156	53,351,532	5,247,630	226,291,302
Deletion for the year	-	-	-	-	-	-	-
Impairment charge	-	-	-	-	-	-	-
Accumulated Amortisation as at 16th July 2023 (31 Ashadh, 2080)	13,519,768	246,823,150	32,146,285	54,426,362	111,037,392	10,936,113	468,889,070
Net book value at 16th July 2023 (31 Ashadh, 2080)	170,422,113	2,787,351,717	363,346,971	609,359,270	1,322,390,265	122,441,154	5,375,311,490
Net book value at 16th Jul 2022 (32nd Ashad, 2079)	177,659,171	2,878,645,010	378,907,361	635,475,426	1,294,866,812	127,688,784	5,493,242,564

Net carrying amounts

As at 16 July 2023 (31st Ashadh, 2080) 5,375,311,490

As at 16th Jul 2022 (32nd Ashadh, 2079) 5,493,242,564

12. Mistri Khola Cascade Project- Research and Survey

Balance as at 17 July 2022 (1st Shrawan, 2079)	69,342,387
<i>Addition: Environmental Exp-Mristi HEP-2</i>	<i>5,750,317</i>
<i>Deletion:</i>	<i>-</i>
<i>Balance As at 16 July 2023 (31st Ashadh, 2080)</i>	<i>75,092,704</i>
<i>Carrying Amounts</i>	
<i>Balance As at 16 July 2023 (31st Ashadh, 2080)</i>	<i>75,092,704</i>
<i>Balance as at 17 July 2022 (1st Shrawan, 2079)</i>	<i>69,342,387</i>
Total Project under development	75,092,704

13. Trade and other receivables

Particulars	31st Ashadh 2080	32nd Ashadh 2079
Trade receivables-NEA	581,138,570	478,472,450
NEA Tatopani Compensation-Advance	165,870,709	
Trade receivables-Others	2,226	
Less: provision for impairment of trade receivables	-	-
Trade receivables- Net	747,011,505	478,472,450
Bank Guarantee Deposit	-	-
Other receivables-Deposits	1,354,722	1,016,012
Total	748,366,228	479,488,462
Less: Non-current	-	-
Current	748,366,228	479,488,462

14. Prepayments

Particulars	31st Ashadh 2080	32nd Ashadh 2079
Prepaid expenses- Prepaid Insurance	16,351,475	16,223,333
Advance tax (Net)	458,519	508,093
Advance For Expenses	17,182,912	98,898,066
Advance for Royalty	-	4,200,000
Electrecatechno Engineering-Margin	65,303	
L C Margin Deposits	1,710,822	3,145,999
Total	35,769,031	122,975,491
Non-Current	-	-
Current	35,769,031	122,975,491



15. Loan and Advances

Particulars	31st Ashadh 2080	32nd Ashadh 2079
Advance to employees-salary	500	288,812
LC Payment	17,912,262	61,231,993
Total	17,912,762	61,520,805
Less: Non-current	-	-
Current	17,912,763	61,520,805

16. Cash and bank balances

Particulars	31st Ashadh 2080	32nd Ashadh 2079
Cash and cash equivalents		
Cash on hand	8,217	418
Cash at bank	87,876,911	276,278,739
Short-term bank deposits	-	-
Total	87,885,128	276,279,157

17. Share capital

Particulars	31st Ashadh 2080	32nd Ashadh 2079
30,000,000 Equity Shares of Rs.100/-each	3,000,000,000	3,000,000,000
Issued:		
20,000,000 Equity Shares of Rs.100/-each	2,000,000,000	2,000,000,000
Subscribed:		
19,680,270 Equity Shares of Rs.100/-each fully Paid-up	1,968,027,000	1,968,027,000
Paid Up:		
19,680,270 Equity Shares of Rs.100/-each fully Paid-up	1,968,027,000	1,968,027,000
Total	1,968,027,000	1,968,027,000

Rights, preferences and restrictions attached to equity shares

The company has a single class of equity shares. Accordingly, all equity shares rank equally with regards to dividends and shares in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time and approved by annual general meeting. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Initial Public Offering (IPO) in the FY 2077/78

Company has issued Initial Public Offering of Shares to the people residing around hydropower site and to the general Public on Kartik 06, 2077 and Mangsir 17, 2077 respectively.

The Company has allotted its 1,968,027 units of share to Local people residing around hydropower site on Kartik 06, 2077 and 1,968,027 units of shares to general public on Mangsir 17,2077. Accordingly, 3,936,054 units of share were allotted at the rate of NRs. 100 per share. It is listed on NEPSE on Mangsir 30, 2077.

18. Retained Earnings

Particulars	31st Ashadh 2080	32nd Ashadh 2079
Balance at beginning of the year	1,011,134,723	405,239,857
Less: Expenses related to public issue	-	-
Add: Profit for the period	374,771,337	610,938,223
Less: Prior Period Adjustments	(28,097)	
Less: Dividend for FY-2078/79	(207,160,426)	
Less: Trf to CSR Fund Reserve	(3,695,303)	(5,043,357)
Balance at end of the year	1,175,022,234	1,011,134,723

19. Borrowings

Particulars	31st Ashadh 2080	32nd Ashadh 2079
Non-current		
Taadi Project	43,174,799	138,103,729
NMB Bank Ltd	15,000,000	42,200,000
Nabil Bank Ltd	14,087,400	48,028,210
Nepal Investment Bank Ltd	14,087,399	47,875,519
Rasthya Baniija Bank Ltd		-
Mistri Project	3,811,390,840	4,047,689,640
HIDCL LTD	977,226,219	1,037,817,219
Laxmi Bank-Long Term Loan	391,588,592	415,824,592
Nabil bank Ltd- Long term Loan	1,062,867,249	1,129,094,249
Nepal Bank-Long Term Loan	488,297,319	518,590,119
Nepal Investment Bank Ltd	891,411,461	946,363,461
Total Borrowings	3,854,565,639	4,185,793,369
NFRS adjustment (incremental cost of borrowings)	(14,034,966)	(14,268,678)
NFRS adjustment (unwinding of cost of borrowings)	233,713	233,712
	3,840,764,386	4,171,758,403
Less: Current Portion Of Long Term Loans	(369,738,000)	(318,286,000)
Total	3,471,026,386	3,853,472,403
Current Borrowings	369,738,000	318,286,000

20. Trade and Other Payable

Particulars	31st Ashadh 2080	32nd Ashadh 2079
Trade payables	14,257,401	27,488,270
TDS payables	817,192	971,286
Office Rent Payable-Brilliant Developers	2,218,651	2,218,651
Royalty expenses payables	11,048,746	12,071,444
Staff bonus payables	7,706,909	12,344,480
Gratuity payable	5,232,331	4,768,417
Retention money payable	4,043,760	11,213,084
Provision for income tax (Net)	-	277,893
CSR Fund	9,858,055	6,162,752
Audit Fee Payable	44,600	44,600
Total	55,227,645	77,560,877
Current	55,227,645	77,560,877

21. Financial assets and financial liabilities

21.1 Capital Management

The Company has been set-up to construct and operate hydropower plant and capital structure is designed accordingly that ensure that the Company will be able to continue as a going concern while maximizing the returns to stakeholders. Currently, the company is not subject to any externally imposed capital requirements. The Company's management reviews the capital structure of the Company on a regular basis.

The Company has invested significant portion of its capital in Tadi Khola and Mistri Khola project along with significant debt funding from consortiums of banks. It is also incurring cost on research of Mistri Khola Cascade Project which management claim is feasible.

21.2 Financial assets

As at 16 July 2023 (Ashad 31, 2080)

NRs.

Financial assets as per Statement of Financial Position	Notes	Assets at fair value			Assets at amortized costs	Held to maturity	Total
		Trading	Designated at FVTPL	Available for sale	Loans and Receivables		
Cash balance	16	-	-	-	8,217	-	8,217
Balance with bank	16	-	-	-	87,876,911	-	87,876,911
Trade receivables	13	-	-	-	747,011,505	-	747,011,505
Guarantee-short term	13	-	-	-	-	-	-
Other financial assets	13	-	-	-	1,354,722	-	1,354,722
Total		-	-	-	836,251,355	-	836,251,355

As at 16 July 2022 (Ashad 32, 2079)
NRs.

Financial assets as per Statement of Financial Position	Notes	Assets at fair value			Assets at amortized costs		Total
		Trading	Designated at FVTPL	Available for sale	Loans and Receivables	Held to maturity	
Cash balance	16	-	-	-	418	-	418
Balance with bank	16	-	-	-	276,278,739	-	276,278,739
Trade receivables	13	-	-	-	478,472,450	-	478,472,450
Guarantee-short term	13	-	-	-	-	-	-
Other Financial Assets	13	-	-	-	1,016,012	-	1,016,012
Total		-	-	-	755,767,619	-	755,767,619

21.3 Financial liabilities

Financial Liabilities as per Statement of Financial Position	Notes	Liabilities at fair value		Liabilities at amortised costs	Total
		Trading	Designated at FVTPL		
As at 16 July 2023 (Ashad 31, 2080)					
Borrowings		-	-	3,840,764,386	3,840,764,386
Trade and other payables		-	-	50,366,693	50,366,693
(excluding tax liabilities and retention)		-	-		-
Total		-	-	3,891,131,079	50,366,693
As at 16 July 2022 (Ashad 32, 2079)					
Borrowings				4,171,758,403	4,171,758,403
Trade and other payables (excluding tax liabilities and retention)				65,098,614	65,098,614
Total		-	-	4,236,857,017	65,098,614

21.4 Financial instruments measurement at fair value -- fair value hierarchy

Assets and Liabilities 2079/80 (2022-23)	Carrying amount	Fair Value	Quoted market prices (Level-1)	Observable Inputs (Level-2)	Unobservable inputs (level3)
Assets					
Cash at vault	8,217	8,217	-	8,217	-
Balances with banks	87,876,911	87,876,911	-	87,876,911	-
Trade receivables	747,011,505	747,011,505	-	747,011,505	-
Other Financial Assets	1,354,722	1,354,722	-	-	1,354,722
Liabilities					
Borrowings (amortised cost)	3,840,764,386	3,840,764,386			
Trade and other payables (excluding tax liabilities and retention)	50,366,693	50,366,693	-	-	50,366,693



Assets and Liabilities 2078/79 (2021-22)	Carrying amount	Fair Value	Quoted market prices (Level-1)	Observable Inputs (Level-2)	Unobservable inputs (level3)
Assets					
Cash at vault	418	418	-	418	-
Balances with banks	276,278,739	276,278,739	-	276,278,739	-
Trade receivables	478,472,450	478,472,450	-	478,472,450	-
Other Financial Assets	1,016,012	1,016,012	-		1,016,012
Liabilities					
Borrowings	4,171,758,403	4,171,758,403			
Trade and other payables	65,098,614	65,098,614	-	-	65,098,614

The carrying amount of the Company's financial assets and financial liabilities are reasonable approximation of their fair value.

All of the financial assets and liabilities are current assets and liabilities and the fair value of such current assets and current liabilities equals their carrying amount, as the impact of discounting is not significant

21.5 Risk management

The Company's operations expose the Company to various risks. These risks include market risk (including currency risks, interest rate risk and other price risk), credit and liquidity risk.

a) Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The company's risk management policies are established to identify and analyses the risks faced by the Company to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities. The Company aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

b) Credit risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligation. The company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financial activities, including deposits with banks and financial institutions and other financial instruments.

c) Market risk management

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, currency risk and other price risk such as equity price risk and commodity price risk. Financial instruments affected by market risk include: loans and borrowings, deposits, AFS financial assets and derivative financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The company has made investment in development of hydropower projects.

d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company is exposed to currency risk to the extent that there are payables in currencies in which goods and services have been imported and are denominated in the respective functional currencies. The functional currencies of the Company are Nepalese Rupee. The currencies in which these transactions are primarily denominated are US dollars and Indian Rupee. However, there have been no currency fluctuations of Indian Rupee vis-à-vis Nepalese Rupee during the past few years.

e) Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to below.

22. Income tax

(i) Current Tax

Particulars	31st Ashadh 2080	32nd Ashadh 2079
Ordinary activities (sale of electricity)	564,221	-
Other Income	2,709,116	1,256,541
Total Income Tax	3,273,337	1,256,541

Mristi project is under Tax Holiday as per Section 11(3Gha) of Income Tax Act, 2058.

Hundred percent tax exemption period of Tadi project has been lapsed and tax liability at concessional rate of 10% is levied on the taxable income from electricity revenue of Tadi Project. The Company also has Interest income which is not tax exempted as per Section 11(3Gha) of Income Tax Act, 2058.

Income tax liability on Interest Income has been calculated at the rate of 25% on proportionate basis after deducting the staff bonus.

(ii) Deferred Tax

Since the electricity generated by Tadi Khola project has become taxable at concessional rate the deferred tax is considered at the same rate.

Particulars	Carrying Amount	Tax Base	Temporary Diff
Property, plant and equipment	1,170,291	1,261,333	91,042
Intangible assets	654,510,372	654,460,378	(49,994)
Gratuity	5,232,331	-	5,232,331
Total	660,912,994	655,721,711	5,273,379
Tax Rate			10%
Deferred Tax Asset/(Liability) 31-03-2080			527,338

(iii) Advance Tax

The advance tax is shown with effect after adjusting the provision of tax per Note 14:

Advance Tax	Amount
FY 2078/79 Credit per Annex 2	202,103
FY 2079/80 Annex 10	3,529,753
FY 2079/80 Provision for Income Tax	(3,273,337)
	458,519

23. Earning Per Share (EPS)

Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year.

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. Currently, the company does not have any outstanding dilutive potential ordinary shares.

Particulars	2079/80	2078/79
Profit attributable to equity holders	374,771,337	610,938,223
Weighted average number of equity shares outstanding	19,680,270	19,680,270
Earnings Per Share (Rs.) - Basic (Face value of Rs. 100 per share)	19.04	31.04
Add: Weighted average number of potential equity shares	-	-
Weighted average number of Equity shares (including dilutive shares) outstanding	19,680,270	19,680,270
Earnings Per Share (Rs.) - Diluted (Face value of Rs. 100 per share)	19.04	31.04

Weighted average number of equity shares outstanding is calculated as follow

Period	No. of shares	Days	WANS
1st Shrawan 79 to 31 Ashad 80	19,680,270	365	19,680,270
WANS as on 31st Ashad 2080		365	19,680,270

24. Share Issue Expenses

No Share issue expenses have been incurred during the financial year.

25. Operating Segments

"NFRS 8 Operating Segments requires particular classes of entities (essentially those with publicly traded securities) to disclose information about their operating segments, products and services, the geographical areas in which they operate, and their major customers.

The Company has only one reportable operating segment (both in terms of geography and products) and therefore, identification, classification and disclosure of separate reportable operating segments in accordance with NFRS 8 is not disclosed separately.

26. Related party transactions

Outstanding balances at the year end are unsecured, interest-free and settlement occurs in cash/equity.

Disclosure has been made in respect of the transactions in which one party has the ability to control or exercise significant influence over the financial and operating policies / decisions of the other, irrespective of whether a price is charged.

The company identifies the following as the related parties under the requirements of NAS 16.

- (a) The member of board of directors
- (b) The key management personnel of the entity;
- (c) The Subsidiary of the entity and its board of directors and key management personnel
- (d) The close member of the family of any individual referred to in (a) or (c);

26.1 Significant Shareholders

Share Holder	FY 2079/80	FY 2078/79
	% of holding	% of holding
Min Bahadur Gurung	4.17%	4.17%
Shyam Sundar Khetan	3.88%	3.88%
Anita Dhital	3.53%	3.53%
Pradeep Jung Pandey	2.92%	2.92%
Manohar Das Mool	2.50%	2.50%
Chandra Prasad Dhakal	2.43%	2.43%
Pramod Kumar Khetan	2.17%	2.17%
Arun Kumar Kc	1.98%	1.98%
Bal Krishna Thapa	1.80%	1.80%
Navin Khetan	1.76%	1.76%
Dol Raj Sharma	1.72%	1.72%
Sitaram Timilishana	1.67%	1.67%
Anin Rajbhandari	1.67%	1.67%
Kiran Khetan	1.67%	1.67%
Suhrid Raj Ghimire	1.33%	1.33%
Tenjing Zoepa Lama	1.25%	1.25%
Nawa Raj Nepal	1.22%	1.22%
Leverage Holdings Pvt.Ltd.	1.06%	1.02%

26.2 Transactions with and payments to directors of the Company

Following payments have been made to the directors of the Company:

Directors	FY 2079/80
	Meeting Allowance
Suhrid Raj Ghimire	35,000



Manohar Das Mool	35,000
Arun Kumar KC	20,000
Mohan Gurung	20,000
Jhanak Dutte Khanal	20,000
Rachana Adhikary	40,000
Dr. Hari Shnakar Shrestha	30,000
Subrat Dhital	15,000
Dol Raj Sharma	20,000
Shyam Sundar Khetan	20,000
Total	255,000

27. Operating lease arrangements

The Company has entered into lease agreements for office premises which are cancelable during the life of the agreement at the option of either party. Minimum lease payments charged during the year to Statement of Profit and Loss aggregates NRs. 3,572,923. Thus lease is considered as short term lease and recognised as expenses on payment basis as per terms of lease agreement.

28. Proposed Distributions

The Board of Directors, vide board resolution dated Poush 22, 2080, has recommended the distribution of 15% of Paid up Capital as Stock dividend amounting to Rs. 295,204,050 and 0.7895% of Paid up Capital as Cash dividend amounting to Rs. 15,537,055.26 (for tax purpose) from the retained earnings at the end of the year 2079/80 which equates to a distribution of 15.7895% dividend amounting to Rs. 310,741,105.26 During the FY 2079/80, the Company paid 10.5263% as cash dividend (NRs. 207,160,736.85) of paid up capital from the retained earnings at the end of the year 2078/79.

29. Corporate Social Responsibility fund

It is created at the rate of 1% of net profit after tax as per the requirement of Industrial Enterprises Act, 2076. It has been classified as trade and other payable. All the expenses done on behalf of corporate social responsibilities are charged to this fund.

30. Electricity Short supply Penalty

The company has to make advance declaration of electricity to be supplied to NEA and declaration for the month of Jestha 2076 is short by ONE DAY, for this short supply, NEA has levied penalty equal to entire Month of Jestha 2076 revenue instead of for that ONE DAY only. The Company disagreed with NEA and taken up the matter with Electricity Regulation Commission through Independent Power Producers and the management of NEA and continually recorded the receivable (Tadi Project) of NRs. 6,521,193 at the reporting date.

31. Applicable Rate of PPA

As per PPA dated 2067.10.20 (amended on 2073.01.15), the official date for Commercial date of Operation (COD) was 2076.05.14, but due to technical issues of NEA, commercial date of operation was revised to 2078.03.23. Accordingly, date of COD was delayed by 3 years and the effective license period is also reduced to 32 years from approved license period of 35 years.

The company has been issuing invoice to NEA and booking the revenue using the PPA rate of Third and Fourth Year as per clause 12 of PPA for FY 2078-79 & FY 2079-80 respectively after considering effect of

delayed COD by 3 years, whereas NEA is making payment considering the revised COD (i.e. 2078.03.23) but applying the PPA rate of the first and second year and making payment accordingly. Different interpretation of applicable year rate of PPA has resulted in dispute of total booked Revenue of Rs. 305,544,738/- of which Rs. 150,729,616/- is in the current year and balance of Rs. 154,815,122/- in previous years (2078/79 and 2077/78) and both the parties to PPA agreed for arbitration proceeding for dispute settlement. The particulars of award in Arbitration is stated in para 33 below.

32. Deduction of Energy associated with Tatopani SHP of NEA

As per clause 38.18 of the PPA, there shall be no deduction of energy associated with Tatopani Small Hydropower System during the month of Ashad, Shrawan, Bhadra and Ashwin, due to sufficiency of water in the river system. Further, there is dispute in deduction of energy during contingency evacuation period. The Company had disputed with NEA and filed claim and both the parties to PPA agreed for arbitration proceedings for dispute settlement. NEA had deducted total of Rs. 201,388,032 before interest up to Ashadh 2080. The Tribunal had decided that, out of the total deduction made by NEA Rs. 19,626,800 is just deductible compensation up to Shrawan 2079 for the reduction in energy generation by Tatopani SHP and instructed NEA to make differential payment to the Company. Based on award of the Tribunal, the Company has calculated Rs. 35,517,323 to be deductible compensation up to Ashad end 2080 for Tatopani SHP's reduction in electricity generation capacity. Accordingly, Rs.165,870,709 is to be recovered by the Company from NEA towards excess compensation deducted and held by it as at Ashhad end 2080. The particulars of award in Arbitration is stated in para 33 below.

33. Arbitral Award by NEPCA (Tribunal):

With regard to the dispute mentioned in Note 31 and 32 above, between Mountain Energy Nepal Limited & Nepal Electricity Authority, Nepal Council of Arbitration (NEPCA), the Tribunal has awarded the dispute in favor of Mountain Energy Nepal Limited via letter Ref No. 306/080/81 dated 27 October 2023. As the Tribunal had decided that the contention of company is valid via Award Ref No. 306/080/81, the company had registered its claim to NEA on Mangsir 11, 2080 for release of the amount deducted and held by it.

Tribunal award effects on Financials of the Company

In compliance with Ruling of Nepal Council of Arbitration (NEPCA) award 306/080/81 dated 27 October 2023, the Company has made adjustment in its financials. Accordingly, for NEA's claim as per clause 38.18 of PPA, effect is given by deducting Rs. 35,551,7323.01 from Sale of Electricity as at Ashad end 2080. **Detail is disclosed in Note: 2.** Management considered deduction for claim under clause 38.18 of PPA for the period before the FY 2079/80 of Rs. 18,182,207 not be material and adjusted prospectively.

Tribunal ruling on dispute disclosed in Note 32 will effect financials of the FY 2080/81, consequently compensation of Rs. 4,462,355.32 will be paid to NEA as deduction from sale of electricity.

34. Power Evacuation

The entire electricity generated could not be evacuated resulting in revenue loss due to constraint on Electricity Transmission Grid owned and operated by NEA, but the MOU for contingency plan entered on 2063.09.26 between NEA and the company provides that the company renounce the right to claim the compensation for the above revenue loss



35. Contingent liabilities and commitments

Explanatory Notes

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

Note :

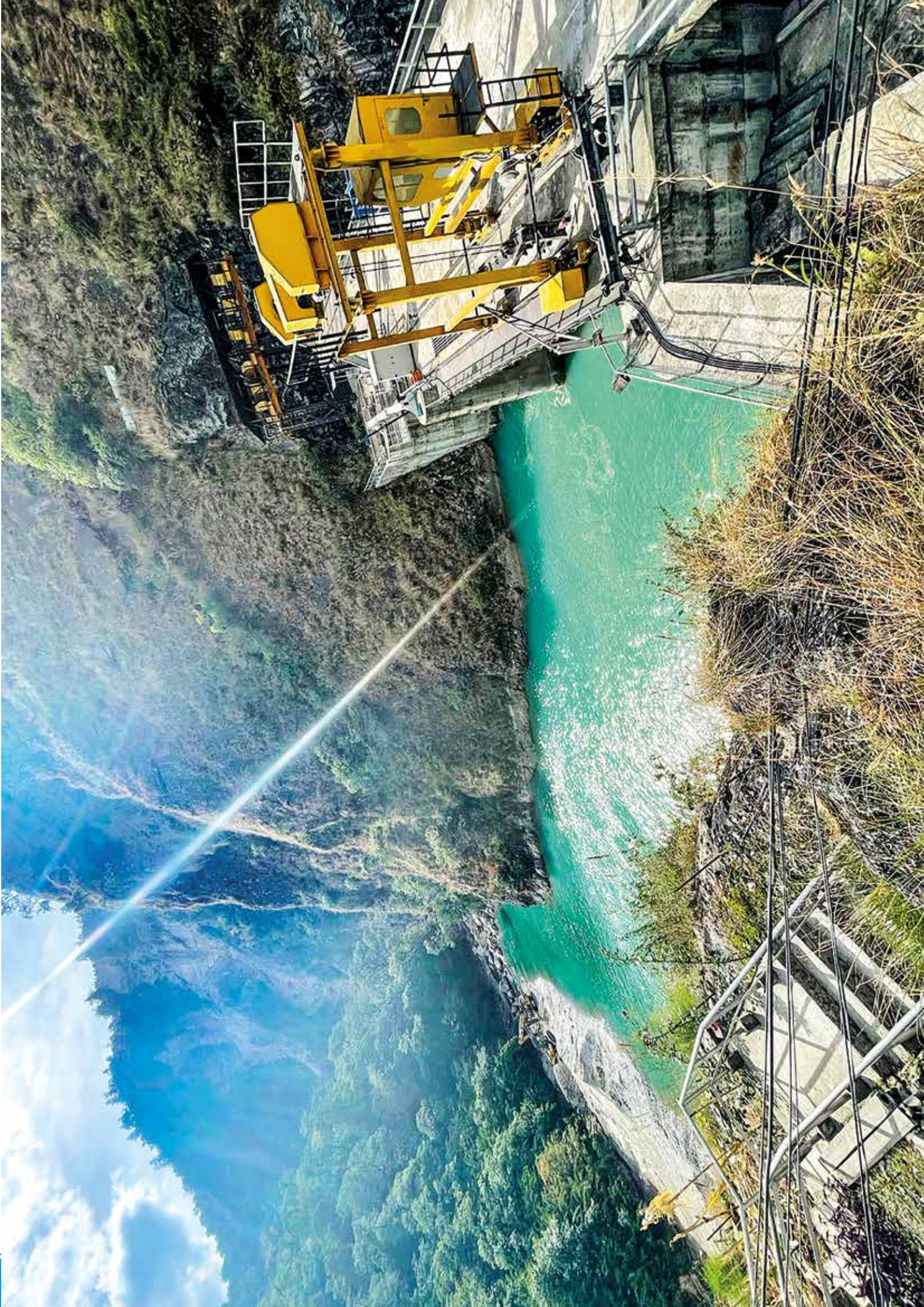


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"Powering the Nation"



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