

१६ औं वार्षिक प्रतिवेदन

आ.व. २०७९/०८०



न्यादी हाइड्रोपावर लिमिटेड
Nyadi Hydropower Limited

वार्षिक प्रतिवेदन

आ.व. २०८०/०८१



न्यादी हाइड्रोपावर लिमिटेड
Nyadi Hydropower Limited



Board Members, of Nyadi Hydropower Limited



15th Annual General Meeting



15th Annual General Meeting



View of Power House



Machine Hall, Power House Area

Nyadi Hydropower Limited
Board of Directors



Mr. Om Prakash Shrestha
Chairperson



Mr. Pradeep Kumar Shrestha
Director



Mr. Bijay Bahadur Shrestha
Director



Ms. Bina Rana
Director



Mr. Rajeev Sharma
Independent Director



Mr. Uttar Kumar Shrestha
Alternate Director



Mr. Radhashyam Shrestha
Alternate Director

Nyadi Hydropower Limited Management Team & Other Staffs



Mr. Uttam Amatya
CEO/Project Director



Mr. Hari Bahadur Budhathoki
Company Secretary



Mr. Yugal Gurung
Plant Incharge



Mr. Aakash Bakhunchhe
Electrical Engineer



Mr. Bibek Adhikari
Electrical Engineer



Mr. Suresh Shrestha
Asst. Electrical Engineer



Mr. Gokul Bhandari
Administrator Officer



Ms. Aakriti Shrestha
Electrical Engineer



Mrs. Manju Lageju
Account Officer

विषय सूची

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न्यादी हाइड्रोपावर लिमिटेड
बुद्धनगर, वानेश्वर, काठमाण्डौ
१६ औं वार्षिक साधारण सभाको सूचना

मिति २०८०/०९/०५ (तदनुसार डिसेम्बर २१, २०२३) मा बसेको सञ्चालक समितिको बैठकको निर्णय अनुसार यस कम्पनीको १६औं वार्षिक साधारण सभा निम्न मिति, स्थान र समयमा देहायका प्रस्तावहरु उपर छलफल तथा निर्णय गर्न बस्ने भएको हुँदा सबै शेयरधनीहरुको जानकारीका लागि यो सूचना प्रकाशित गरिएको छ ।

क. साधारण सभा हुने मिति, स्थान र समय :

मिति : २०८०/०९/२७ गते शुक्रवार (तदनुसार जनवरी १२, २०२४) ।

समय : बिहान ११:०० बजे ।

स्थान : क्वालिटी ब्याडक्वेट, बुद्धनगर, काठमाण्डौ ।

ख. प्रस्तावहरु:

१. संचालक समितिको प्रतिवेदन उपर छलफल गरी पारित गर्ने ।
२. लेखापरीक्षकको प्रतिवेदन सहित आ.व. २०७९/८० को वित्तिय विवरणहरु उपर छलफल गरी पारित गर्ने ।
३. लेखापरीक्षण समितिको सिफारिस अनुसार आ.व. २०८०/८१ का लागि लेखापरीक्षकको नियुक्ति र निजको पारिश्रमिक निर्धारण गर्ने ।
४. सर्वसाधारण शेयरधनीहरुको तर्फबाट प्रतिनिधित्व गर्ने एक जना महिला संचालक सहित दुई जना संचालकहरुको निर्वाचन गर्ने ।
५. विविध ।

साधारण सभा सम्बन्धी जानकारीहरु:

१. कम्पनीको शेयर दाखिल खारेजको कार्य मिति २०८०/०९/१७ देखि मिति २०८०/०९/२७ सम्म बन्द रहने छ ।
२. कम्पनी ऐन, २०६३ को दफा ८४ बमोजिम संक्षिप्त आर्थिक प्रतिवेदन राष्ट्रिय स्तरको दैनिक पत्रपत्रिकामा अलग्गै प्रकाशित गरिएको छ र सो प्रतिवेदन सहितको संक्षिप्त वार्षिक प्रतिवेदन तथा कम्पनी सम्बन्धी अन्य जानकारीहरु कम्पनीको रजिष्टर्ड कार्यालय, बुद्धनगर, काठमाण्डौबाट प्राप्त गर्न तथा कम्पनीको वेब साईट www.nhl.com.np मा हेर्न सकिने छ ।
३. सर्वसाधारण शेयरधनीहरुको तर्फबाट प्रतिनिधित्व गर्ने एक जना महिला संचालक सहित दुई जना संचालकको निर्वाचनका लागि निर्वाचन अधिकृतको कार्यालय कम्पनीको रजिष्टर्ड कार्यालय, बुद्धनगर, वानेश्वरमा रहनेछ । निर्वाचन अधिकृतले मिति २०८०/०९/२२ गते निर्वाचनको कार्यक्रम कम्पनीको सूचनापाटीमा प्रकाशित गर्नु हुनेछ ।
४. प्रतिनिधि (प्रोक्सी) नियुक्त गर्न चाहने शेयरधनीहरुले सम्पूर्ण शेयरको प्रतिनिधि एउटै व्यक्ति हुने गरी प्रतिनिधिपत्र (प्रोक्सी) फाराम भरी कम्पनीको रजिष्टर्ड कार्यालय, बुद्धनगर, काठमाण्डौमा सभा शुरू हुनु भन्दा कम्तिमा ७२ घण्टा अगाडि दर्ता गरी सक्नु पर्नेछ । शेयरवालाको नाम र दस्तखत मध्ये कुनै नमिलेमा प्रतिनिधिपत्र रद्द हुनेछ ।

५. प्रतिनिधि (प्रोक्सी) नियुक्त गर्न चाहने शेयरधनीहरूले सम्पूर्ण शेयरको प्रतिनिधि एउटै व्यक्ति हुने गरी प्रतिनिधि (प्रोक्सी) फाराम भरी पठाउनु पर्ने छ। कुनै व्यक्तिले एक भन्दा बढी शेयरधनीहरूको तर्फबाट प्रतिनिधि (प्रोक्सी) प्राप्त गरेको भए निजले प्रोक्सी दर्ता गर्न ल्याउँदा प्रोक्सी दिने शेयर धनीको नाम, निजको शेयरधनी नं. वा विओआईडी नं., शेयर संख्यासमेत खुलेको सूची बनाई सूचीमा उल्लेख भए बमोजिमको प्रोक्सी फाराम क्रमशः संलग्न गरी निर्वाचन कार्यक्रममा उल्लेख भए बमोजिम निर्वाचन अधिकृतको कार्यालयमा सभा शुरु हुनु भन्दा कम्तिमा ७२ घण्टा अगाडि दर्ता गरी सक्नु पर्नेछ। एक जना व्यक्तिले आफूले प्राप्त गरेको प्रोक्सी एकै पटक दर्ता गर्नु पर्नेछ।
६. शेयरधनीको नाम थर र शेयरधनी नं. वा विओआईडी नं फरक परेमा, शेयरधनीको नाममा कायम रहेको शेयर संख्या भन्दा बढी शेयर संख्या प्रोक्सी फाराममा उल्लेख भएमा, प्रोक्सी दिने शेयरधनीको हस्ताक्षर कम्पनीमा रहेको निजको हस्ताक्षरसंग मेल नखाएमा वा फरक परेमा, प्रोक्सी दिने शेयर धनी स्वयं साधारण सभामा उपस्थित भएमा, मतदानको प्रक्रिया प्रारम्भ हुनु अगावै प्रोक्सी दिने शेयरधनीको मृत्यु भएको जानकारी प्राप्त भएमा, संगठित संस्थाले दिएको प्रतिनिधि नियुक्ति पत्र रितपूर्वकको नभएमा त्यस्तो प्रोक्सी वा प्रतिनिधिपत्र बदर हुनेछ। तर कम शेयर संख्या उल्लेख भएकोमा सोही शेयर संख्या कायम हुनेछ।
७. एकै शेयरधनीले एकभन्दा बढि प्रतिनिधि (प्रोक्सी) नियुक्त गरेको अवस्थामा पहिला दिएको प्रोक्सी बदर गरेको भन्ने व्यहोरा उल्लेख भई पछिल्लो प्रोक्सी दर्ता हुन आएमा बाहेक पहिला दर्ता हुन आएको प्रोक्सीले मान्यता पाउने छ।
८. सभा हुने दिन सभामा उपस्थितिका लागि हाजिर पुस्तिका बिहान १०:०० बजे देखि खुल्ला रहने छ। हाजिर गर्नका लागि परिचय खुल्ने कुनै पनि कागजातहरु जस्तै: नागरिकता, चालक अनुमतिपत्र आदि अनिवार्य रुपमा प्रस्तुत गर्नु पर्नेछ।
९. कुनै संगठित संस्था वा कम्पनीले शेयर खरिद गरेको हकमा त्यस्ता संगठित संस्था वा कम्पनीले मनोनित गरेको प्रतिनिधिले शेयरवालाको हैसियतले सभामा भाग लिन सक्नु हुनेछ।
१०. छलफलका विषय सूची मध्ये विविध शिर्षक अन्तर्गत छलफल गर्न इच्छुक शेयरधनीले सभा हुनु भन्दा ७ (सात) दिन अगावै सो सम्बन्धी प्रस्ताव कारण सहित उल्लेख गरी कम्पनी सचिव मार्फत संचालक समितिको अध्यक्षलाई लिखित रुपमा दिनु पर्नेछ।
११. अन्य जानकारीको लागि कम्पनीको रजिष्टर्ड कार्यालय, बुद्धनगर, काठमाण्डौ तथा शेयर रजिष्ट्रार श्री एनएमवी क्यापिटल लिमिटेड, नागपोखरी, काठमाण्डौमा सम्पर्क राख्नु हुन अनुरोध छ।

आज्ञाले
कम्पनी सचिव



**न्यादी हाइड्रोपावर लिमिटेडको
सञ्चालक समितिको प्रतिवेदन
(स्रोत बार्षिक साधारण सभाको लागि)**

आदर्शनीय सौरवनीज्जुस,

यस कम्पनीको १६औँ वार्षिक साधारण सभामा यहाँहरुलाई स्वागत छ । यस कम्पनीले समनुदको मर्स्याहदी गाउँपालिका स्थित न्यादी छोलामा ३० मे.वा.को न्यादी जलविद्युत आयोजना निर्माण गरेर २०७९ वैशाख २७ गते देश व्यापारिकरूपमा संचालनमा ल्याएको यहाँहरुलाई विदितैछ । तर, आयोजनाले आफ्नो क्षमता अनुसार विद्युत उत्पादन गर्न नपाउँदा कम्पनीको वित्तिय अवस्थामा समेत गम्भिर असर परेको छ । यस सम्बन्धमा यहाँहरुलाई तलका बुँदाहरुबाट थप स्पष्ट हुने विश्वास लिएका छौं ।

६) विप्रत उत्पादनकी व्यवस्था:

कम्पनीले वार्षिक वर्ष २०७९/८० मा न्यादी बलवित्तुत गृहवाट कुल १०५.३० गिगावाट आवर वित्तुत उत्पादन गर्न सफल भयो । तर, यो उत्पादन वार्षिक Contract Energy १६८.५५ गिगावाट आवरको हिसाबमा ६२.६२ प्रतिशत हुन आउँछ । प्रसारण नोम्सानी क्टाएर नम्मा ६१.०३ प्रतिशत वित्तुत मात्र आपूर्ति हुनसन्थो । नेपाल वित्तुत प्राधिकरणले निबन्धे खुदी सबस्टेसनको निर्माण सम्पन्न गरि नसकेका कारणले गर्दा बैकल्पिक प्रसारण लाईन मार्फत वित्तुत आपूर्ति गरिनिने क्रममा कम आपूर्ति गरिनिएका हुनाले वित्तुत विक्री कम भएको हो । यस बा.ब.मा कम्पनीले उत्पादन गर्न सक्ने अवस्था रहँदा रहँदैपनि Contract Energy अनुसारको वित्तुत विक्री गर्न पाएन । वार्षिक वर्ष २०७९/८० मा वित्तुत उत्पादनको स्थिती निम्न अनुसार रहेको छ ।

वर्ष र माहिना	कन्स्ट्रक्ट इनर्जी कि.वा.घ.	नेपाल विद्युत प्राधिकरणले लिएको इनर्जी कि.वा.घा.	कम्पनीले जपूति गर्न पाएको इनर्जीको प्रतिशत
२०७९/४	२१,२१३,०४३	१४,३०१,३५४	६७.४%
२०७९/५	२१,२१३,०४३	१२,८४२,५८७	६०.५%
२०७९/६	२१,२१३,०४३	४,८८६,०५२	२३%
२०७९/७	१८,०२४,३०५	४,५९६,७५६	२५.५%
२०७९/८	११,४४६,७१९	८,९२७,८४६	७८%
२०७९/९	८,४९८,८६६	७,९७३,४०४	९२.७%
२०७९/१०	६,८६०,७६४	६,०५०,०९६	८८.२%
२०७९/११	६,६११,५९२	६,६१७,९९६	८५%
२०७९/१२	६,३८१,०८७	६,१९६,४०२	९७.१%
२०८०/१	९,१९३,४५०	८,०९४,२३६	८८%
२०८०/२	१५,८९९,७२७	११,८०७,६०८	७४.३%
२०८०/३	२१,८९७,३१५	१२,०३७,४८४	५५%
जम्मा	१६८,५५२,९७४	१०३,३३१,८२१	६१.३%

(२) कम्पनीको वित्तिय अवस्था:

कम्पनीले न्यून विद्युत आपूर्ति गर्न बाध्य भएकाले करण आ.व. २०७९/८० मा रु. ५९,९६,४३,८८८/- मात्र विद्युत बिक्री आम्दानी भएको छ । यदी Contract Energy अनुसार विद्युत बिक्री गर्न पाएको भए कम्पनीले करीव रु. ९९,९४,८२,५८७/- आम्दानी गर्न सक्ने अवस्थामा हुने थियो । यसबाट कम्पनीले करीव रु. ३२ करोड आम्दानी गुमाउनु परेको छ । यसको कारण कम्पनीलाई आ.व. २०७९/८० मा खुद नोक्सानी रु. ९९,८४,०६,६३७/- हुन गएको छ ।

कम्पनीको संक्षिप्त वित्तिय अवस्था निम्न अनुसार रहेको छ

विवरण	आ.व. २०७९/८० (रु. मा.)	आ.व. २०७८/७९ (रु. मा.)
सम्पति, प्लान्ट, तथा उपकरणहरु	७,६८९,७०७	८७,९९,४३२
वर्गुत सम्पति	५,९९६,९६६,३९३	६,०७०,७०७,६५९
खन्य गैड चालु सम्पति	४६,४०४	६९०,८४९
वित्तिय सम्पति	९४५,६२५,७०२	९२९,९३९,३७८
खन्य चालु सम्पति	९९,६०४,९७८	२,४५,९४,२८०
शेयर पुँजी	९,५०,००,००,०००	९,५०,००,००,०००
खन्य ड्रिफ्टी	(३४३,०५६,३४८)	(९४६,८९२,९७६)
वित्तिय ढाईत्व	५,००८,७९४,५७२	४,८६६,९९७,९९९
खन्य ढाईत्व	३,५७४,०८०	५,६६६,८३९
विद्युत बिक्री (ने.वि.प्रा.)	५९९,६४३,८८८	९९,०६,७७,२२३
आयोजना संचालन संच	(२६३,३९४,९३९)	(४९,८८७,२९३)
खन्य आम्दानी	-	९७७,५२९
प्रशासनिक तथा खन्य संचालन संच	६९,४९३,७४४	(३९,९३८,७३८)
ब्याज संच	(४६५,५३८,०२८)	(७,५४,२७,२९७)
ब्याज आम्दानी	२९६,९८६	४५,२६७
व्यवस्था (मर्मत तथा ऋण)	-	(२९,६२,४६५)
यस वर्षको नाफा नोक्सान	(९९८,४०६,६३७)	(४७७,५६२२)
प्रति शेयर आम्दानी	(९३.२३)	(३.४९)

(३) शेयर संरचना

आ.व. २०७९/८० मा कम्पनीको शेयर संरचना निम्नानुसार रहेको छ ।

क्र.सं	शेयरधनी	शेयर संख्या	शेयर रकम (रु. मा)
१.	बुटवल पावर कम्पनी लि.	९,०७,५९,४५३	९,०७,५९,४५,३००/-
२.	लम्जुङ विद्युत विकास कं लि.	९९८,५४७	९,९८,५४,७००
३.	साधारण शेयरधनी तर्फ	४०,५०,०००	४०,५०,००,०००
	जम्मा	९,५०,००,०००	९,५०,००,००,०००



Board Members, CEO and Company Secretary of Nyadi Hydropower Limited

(५) सञ्चालक समिति

संचालक समितिमा केही हेरफेर भएको छ। १५ औं वार्षिक साधारण सभाले स्वतन्त्र संचालकमा श्री रानीव शर्मालाई नियुक्त गरेको छ। त्यसैगरी संस्थापकको तर्फबाट श्री बिना राणा संचालकमा मानोनयन हुनुभएको छ। त्यसैगरी सर्वसाधारण शेयरधनीहरूको तर्फबाट एक महिला संचालक सहित दुई जना संचालकको लागि गरिएको निर्वाचन प्रक्रियामा कुनै शेयरधनीले पनि मनोनयन दाखिला नगरेका कारण दुई संचालकहरूको पद रिक्त रहन गयो। सो रिक्त पदपूर्तिमा लागि १६औं वार्षिक साधारण सभामा संचालक समितिले प्रस्ताव पेश गरेको छ। संचालक समितिमा हाल कसय संचालकहरूको विवरण निम्न अनुसार रहेको छ।

श्री योग्य प्रकाश श्रेष्ठ	अध्यक्ष
श्री प्रदीप कुमार श्रेष्ठ	संचालक
श्री विनय बहादुर श्रेष्ठ	संचालक
श्री बिना राणा	संचालक
श्री रानीव शर्मा	स्वतन्त्र संचालक
श्री उत्तर कुमार श्रेष्ठ	वैकल्पिक संचालक
श्री राधेश्याम श्रेष्ठ	वैकल्पिक संचालक

श्री हरि बहादुर बुढाथोकीले यस कम्पनीको कम्पनी सचिव तथा कानुनी सल्लाहकारको रूपमा काम गर्नु भयो। वा.व. २०७९/०८० मा संचालक समितिको ६ वटा बैठकहरू सम्पन्न भएको थियो।

(५) सञ्चालक समिति अन्तर्गत समितिहरू

(क) लेखापरीक्षण समिति

सञ्चालक समिति अन्तर्गत देहाव बमोनिमको लेखापरीक्षण समिति रहेको छ।

श्री विनय बहादुर श्रेष्ठ	अध्यक्ष
श्री उत्तर कुमार श्रेष्ठ	सदस्य
श्री राधेश्याम श्रेष्ठ	सदस्य

लेखापरीक्षण समितिले कम्पनी ऐन, २०६३ अनुसारको आफ्नो कर्तव्य तथा निम्मेवारीहरू पुरा गरेको छ र कम्पनीको वित्तीय सुशासन सुदृढ गर्नका लागि सन्वाचक समितिबाई सहयोग गरेको छ ।

(६) व्यवस्थापन

कम्पनीको व्यवस्थापनमा श्री उत्तम बमाल्यले आयोजना निर्देशक तथा प्रमुख कार्यकारी अधिकृतको रूपमा कार्य गर्दै आउनु भएको छ । श्री युगलाल गुरुङले Plant Incharge को रूपमा कार्य गर्दै आउनु भएको छ ।



Board Members, CEO and Company Secretary of Nyadi Hydropower Limited

(७) आन्तरिक व्यवस्थापन प्रणाली

संचालक समितिले कम्पनीको आन्तरिक नियन्त्रण प्रणालीको प्रभावकारिताको नियमितरूपमा पुनरावलोकन गर्दछ । सन्वाचक समितिले स्वीकृत गरेका नियमहरू, कार्यविधि तथा निर्देशिकाहरूको आधारमा कम्पनीको काम कारवाहीहरू संचालन भएका छन् । यसबाट कम्पनीको व्यवस्थापन तथा आयोजनाको निर्माणसंग सम्बन्धित विभिन्न नोमिसहरूको न्यूनिकरण तथा व्यवस्थापनमा सहयोग पुऱ्याएको छ ।

(८) शेयर रजिष्ट्रार तथा शेयर कारोबार

मिति २०७८ कार्तिक २५ देखी नागपोखरी, नक्साल, काठमाण्डौ स्थित एन एम वि क्यापिटल लि. यस कम्पनीको शेयर रजिष्ट्रार रहेको छ । यस वर्ष कुनै शेयर नफत गर्ने वा कम्पनी आफैले खरिद गर्ने कार्य गरेको छैन । कम्पनीको आ.व. २०७९/८० मा शेयर कारोबारको मुख्य मुख्य विवरणहरूको सारसंक्षेप निम्न अनुसार रहेको छ ।

अधिकतम मूल्य	न्यूनतम मूल्य	अन्तिम मूल्य	कारोबार दिन	कारोबार संख्या	कारोबार शेयर	कारोबार रकम रु.
४००	२५०.१	२६१.१०	१२६	१३,३८०	७६३,९४२	२४.२५ करोड

(९) सम्बद्ध पक्षसंघको कारोबारहरू

यस कम्पनीले माहु कम्पनी बुटवल पावर कम्पनी तथा त्यसभन्दा सहायक कम्पनीहरूसँग तथा सम्बद्ध पक्षहरूसँग उत्तम औद्योगिक प्रचलनहरू तथा प्रचलित कानून अनुसार व्यवसायिक हिसाबले कारोबारहरू गर्दछ। कम्पनीले सम्बद्ध कम्पनीहरूसँग गरेको मुख्य मुख्य सबै कारोबारहरूमा सम्बन्धमा आ.व. २०७९/८० को वित्तीय विवरणहरूको नोटमा खुलाइएको छ।

(१०) कम्पनीको औद्योगिक तथा व्यवसायिक सम्बन्ध

कम्पनीले सबै सरोकारवालाहरूसँग राम्रो सम्बन्ध कायम गरेको छ। स्थानीय सरकार तथा नेपाल सरकारका नित्ता स्तरीय कार्यालयहरू आयोजना प्रति सकारात्मक सहयोगी रहेका छन्। यस कम्पनी संस्थागत सामाजिक दायित्व अन्तर्गतमा विभिन्न गतिविधीहरूमा संलग्न भई तथा गोष्ठी तथा सेमिनार मार्फत सहभागीता ननाई आफ्ना सरोकारवालाहरूसँग प्रत्यक्ष रुपमा जोडिएको छ। यस कम्पनी स्वतन्त्र दर्ता उत्पादक संघको संस्थागत सदस्य हो।

(११) वातावरण तथा सामाजिक प्रभाव न्यूनिकरण

आयोजनालाई स्थानीय सरोकार समिति तथा स्थानीयहरूको सकारात्मक सहयोग प्राप्त भएको छ। यस वर्ष सरोकार समितिको सहकार्य तथा समन्वयमा विभिन्न सामाजिक तथा वातावरणीय कार्यक्रमहरू संचालन गरिएको थियो।

(१२) व्यवस्थापनलाई बल्लो गर्ने मुख्य पक्षहरू

नलविद्युत आयोजनाको विकासमा प्रभावित गर्ने धेरै पक्षहरू छन्। आयोजनाबाट आ.व. २०७९/८० देखि व्यापारीक उत्पादन शुरु गर्ने सफल भएतापनि नेपाल विद्युत प्राधिकरणसँग भएको Contingency Plan अनुसार प्रसारण लाईनको Interconnection Facility राष्ट्रिय प्रसारण लाईनमा जोड्न दिने सम्बन्धमा भएको Take and Pay अवधारणाको निर्णयले गर्दा आयोजनाबाट उत्पादित विद्युत मुख्यतः वर्षायाममा नेपाल विद्युत प्राधिकरणले न्यूनमात्रमा विद्युत खरिद गर्दा उत्पादित विद्युत खेर जाने नोक्षिम उत्पन्न भएको छ। सो नोक्षिम व्यवस्थापनका लागि कम्पनीले आवश्यक अध्ययन, आवश्यक पहल तथा नोक्षिम न्यूनिकरणका कार्यहरू गरिरहेको छ। त्यसैगरी वित्तीय बजारको उतार चढावका कारण बैंक व्याजदरमा हुने परिवर्तनले आयोजनाको लागतमा प्रभावित पार्ने देखिएको छ।

(१३) लेखापरीक्षक

कम्पनीको आ.व. २०७९/८० को हिसाब किताबको लेखापरीक्षण बाह्य लेखापरिक्षक श्री के.पि.एन.एण्ड एसोसिएट्स, चार्टर्ड एकाउन्टेन्ट्सले गर्नुभयो। लेखापरिक्षकले लेखापरीक्षण प्रतिवेदनमा कुनै नकारात्मक टिप्पणी गर्नु भएको छैन। त्यसैगरी कम्पनीले आ.व. २०७९/८० देखि संस्थाको आन्तरिक नियन्त्रण प्रणाली चुस्त तथा दुरुस्त राख्न निमित्त कम्पनीको हिसाब किताबको आन्तरिक लेखापरीक्षण श्री पि.एल.श्रेष्ठ एण्ड कम्पनी, चार्टर्ड एकाउन्टेन्ट्सले गर्नुभयो। आन्तरिक लेखापरिक्षकले लेखापरीक्षण प्रतिवेदनमा कम्पनीको आन्तरिक नियन्त्रण प्रणाली, वैधानिक अनुपालन तथा अन्य कैफियतहरू औत्पान्नु भएकोमा कम्पनी व्यवस्थापनले त्यस्ता कैफियतहरूको निषेधित पाबना तथा सुधार गर्दै जाना प्रतिबद्धता जनाउनु भएको छ।

(१४) व्यापारी कर्मचारी

कम्पनीको बचको योजना मूलतः विद्युतको उत्पादन तथा आपूर्तिलाई बढाउने र हास बैंकल्पिक योजना अनुसार भर्खरकोलाई टेक बर पे कायम गराई निरन्तररुपमा नेपाल विद्युत प्राधिकरणलाई विद्युत आपूर्ति गर्ने रहेको छ। हास सम्प प्राप्त जानकारी अनुसार खुदी सबस्टेशन निर्माणको कार्य आउँदो सावण १५ गते भित्र सम्पन्न हुने देखिएको हुँदा सो सबस्टेशनमा नद्वानका लागि कम्पनीले गर्नपर्ने आवश्यक कार्यहरू समेत तदारुन्तामसाध गरिनेछ।

(१५) नृत्ततता तथा धन्यवाद ज्ञापन

धन्यवमा कम्पनीलाई न्यादी नलविद्युत आयोजना संचालनमा प्रत्यक्ष वा परोक्षरूपले सहयोग पुऱ्याउँदै आउनु भएकाले नेपाल सरकारको उर्जा, नलश्रोत तथा सिंचाई मन्त्रालय, विद्युत विकास विभाग, नेपाल विद्युत प्राधिकरण, विद्युत नियमन आयोग, जिल्ला स्थित सरकारी न्यायलयहरू, स्थानीय सरकार तथा त्वसका पदाधिनारीहरू लगायत नेपाल सरकारका विभिन्न निकाय तथा पदाधिनारीहरूलाई धन्यवाद दिन चाहन्छु ।

साथै प्रत्यक्ष वा परोक्षरूपमा आयोजना निर्माणमा तथा हाल संचालनमा सहयोग पुऱ्याउने सरोकार समिति, स्थानीय बासिन्दा, ठेकेदार, आपूर्तीकर्ता, संलग्न संस्थाहरू, लगानीकर्ता बैंक तथा वित्तिय संस्थाहरू, विमा कम्पनीहरू, सेवापरीक्षक, विभिन्न परामर्षदाता, आयोजना संचालनमा छटिने कम्पनीका व्यवस्थापन तथा कार्यरत कर्मचारीहरू तथा अन्य सम्बद्ध सबैलाई हार्दिक धन्यवाद ज्ञापन गर्न चाहन्छु ।

शेयरधनीहरूलाई हामी प्रति देखाउनुभएको विश्वासका लागि हार्दिक नृत्ततता ज्ञापन गर्न चाहन्छु ।

धन्यवाद ।

भवदीय,

.....

वर्धमान

सन्चालक समिति

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of *Nyadi Hydropower Limited*

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Nyadi Hydropower Ltd.**, which comprise the statement of financial position as at 31 Ashad 2080 (16 July 2023), and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Nyadi Hydropower Limited** as at 31 Ashad 2080 (16 July 2023), and its financial performance and its cash flows for the year then ended in accordance with Nepal Financial Reporting Standards (NFRSS).

Basis for Opinion

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with ICAN's Handbook of Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

On the basis of our audit and our professional judgement we have not noted reportable Key Audit Matters.

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

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists. Misstatements can arise



from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with NSAs, we exercise professional judgement 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 and understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 audit evidence obtained up to the date of our auditor's report. However, further events or conclusions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 they may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

We further report that;

- We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of audit,
- The accounts and records of the Company has been maintained as required by law,
- Financial statements are in agreement with the books of account maintained by the Company,
- In our opinion and to the best of our information and according to explanation given to us, the Board of Directors, the representative or any employee of the Company has not acted contrary to the legal



- provisions relating to accounts nor caused direct loss or damage to the Company deliberately or acted in a manner that would jeopardize the interest and security of the Company,
- The operations of the Company were within its jurisdiction,
 - We have not come across any fraudulence in accounts, so far as it appeared from our examination of books of account.

Date: 2080/09/05
Place: Kathmandu
UDIN: 231224CA00469jX3Pk



CA. Keshab Prasad Neupane
Principal
K. P. N. & Associates
Chartered Accountants

Statement of Financial Position

As at Ashad 31, 2080

ASSETS	Note	As at Ashad 31, 2080	As at Ashad 32, 2079
Non-Current Assets			
Property, Plant and Equipment	3	7,789,707	8,799,432
Intangible Assets Under Development	4	-	-
Intangible Assets	4.1	5,996,166,313	6,070,707,651
Other Non Current Assets	5	46,404	610,841
Total Non-Current Assets		6,004,002,424	6,080,117,924
Current Assets			
Financial Assets			
Cash and Cash Equivalents	6	6,919,145	1,894,370
Bank Balance Other than Cash and			
Cash Equivalents	7	8,835,869	4,179,472
Other Financial Assets	8	129,870,688	115,065,536
Other Current Assets	5	19,604,178	24,515,280
Total Current Assets		165,229,880	145,654,658
Total Assets		6,169,232,304	6,225,772,582
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	9	1,500,000,000	1,500,000,000
Other Equity	10	(343,056,348)	(146,812,176)
Total Equity		1,156,943,652	1,353,187,824
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	11	4,509,357,954	3,855,083,941
Other Financial Liabilities	13	196,562,491	407,962,057
Provisions	14	2,410,299	1,833,382
Total Non-Current Liabilities		4,708,330,744	4,264,879,380
Current Liabilities			
Financial Liabilities			
Borrowings	11	250,000,000	317,080,361
Trade Payables	12	1,500,793	281,515,805
Other Financial Liabilities	13	51,293,334	5,275,755
Provisions	14	-	2,162,465
Other Current Liabilities	15	1,163,781	1,670,992
Total Current Liabilities		303,957,908	607,705,378
Total Liabilities		5,012,288,652	4,872,584,758
Total Equity and Liabilities		6,169,232,304	6,225,772,582

The accompanying notes are integral part of these financial statements.
As per our report of even date

Uttam Amatya
Chief Executive Officer

Om Prakash Shrestha
Chairman

Pradeep Kumar Shrestha
Director

CA. Keshab Prasad Neupane
K.P.N. & Associates
Chartered Accountants

Bijay Bahadur Shrestha
Director

Bina Rana
Director

Rajeev Sharma
Director

Date: Poush 05, 2080 (December 21, 2023)
Place: Kathmandu, Nepal

Statement of Profit or Loss and other comprehensive Income

For the year ended Ashad 31, 2080 (July 16, 2023)

ASSETS	Note	FY 2079/80	FY 2078/79
Revenue During Constuction Phase	4	-	(4,996,605,083)
Revenue from Operations	16	591,643,888	110,677,223
Cost Incurred During Construction Phase 4		-	4,996,605,083
Project Operating Expenses	17	(263,394,939)	(41,887,213)
Gross profit		328,248,949	68,790,010
Other Income	18	-	177,521
Administrative and Other Operating Expenses	19	(61,413,744)	(39,138,738)
Net Operating Profit		266,835,205	29,828,793
Finance Cost		(465,538,028)	(75,427,217)
Finance Income		296,186	45,267
Profit / (Loss) before Tax & Bonus		(198,406,637)	(45,553,157)
Provision for Maintenance Reserve & Debt Service Reserve Account		-	(2,162,465)
Profit / (Loss) before Tax		(198,406,637)	(47,715,622)
Income Tax Expense			
Current Tax		-	-
Net Profit for the year		(198,406,637)	(47,715,622)
Other Comprehensive Income:			
Items not to be reclassified to Profit & Loss account			
i. Gains/(losses) from investments in equity instruments measured at fair value		-	-
ii. Gains/(losses) on revaluation		-	-
iii. Actuarial gain/(loss) on defined benefit plans		-	-
iv. Income tax relating to above items		-	-
Other Comprehensive Gain/(Loss) for the year, Net of Tax		-	-
Total Comprehensive Gain/(Loss) for the year, Net of Tax		(198,406,637)	(47,715,622)
Earnings Per Equity Share of NPR 100 each			
Basic Earnings Per Share	20	(13.23)	(3.41)
Diluted Earnings Per Share	20	(13.23)	(3.41)

The accompanying notes are integral part of these financial statements.

As per our report of even date

Uttam Amatya
Chief Executive Officer

Om Prakash Shrestha
Chairman

Pradeep Kumar Shrestha
Director

CA. Keshab Prasad Neupane
K.P.N. & Associates
Chartered Accountants

Bijay Bahadur Shrestha
Director

Bina Rana
Director

Rajeev Sharma
Director

Date: Poush 05, 2080 (December 21, 2023)
Place: Kathmandu, Nepal

Statement of Cash Flows

For the year ended Ashad 31, 2080 (July 16, 2023)

ASSETS	Note	FY 2079/80	FY 2078/79
CASH FLOWS FROM OPERATING ACTIVITY			
Profit/ (Loss) for the year		(198,406,637)	(47,715,622)
Depreciation And Amortisation		229,017,376	379,608
Provision For Employee Benefits		576,917	(353,011)
Provision for reserves		-	2,162,465
Prior period errors		-	
Working Capital Adjustments:			
(Increase) / Decrease in Other Financial Assets		(19,461,549)	(108,939,584)
(Increase) / Decrease in Other Current & Non Current Assets		5,475,539	50,609,718
Increase / (Decrease) in Trade Payables		(280,015,012)	52,160,032
Increase / (Decrease) in Other Financial Liabilities		(165,381,987)	113,598,891
Increase / (Decrease) in Other Current Liabilities		(507,211)	838,250
Cash Generated From Operations		(428,702,564)	62,740,747
NET CASH FLOWS FROM OPERATING ACTIVITIES		(428,702,564)	62,740,747
CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES			
(Increase) / Decrease in Intangible Assets Under Development		-	4,998,503,123
(Increase) / Decrease in Intangible Assets		(152,429,585)	(6,070,707,651)
Acquisition of Property, Plant and Equipment		(1,036,728)	(62,750)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(153,466,313)	(1,072,267,278)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(Decrease) in Borrowings		587,193,652	602,380,279
Share issue expenses		-	(9,668,284)
Equity from Shareholders		-	405,000,000
NET CASH FLOWS FROM FINANCING ACTIVITIES		587,193,652	997,711,995
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		5,024,775	(11,814,536)
CASH AND CASH EQUIVALENTS, Beginning of Period		1,894,370	13,708,906
CASH AND CASH EQUIVALENTS, End of Period		6,919,145	1,894,370

This is the same statement of financial position referred to our report of even date attached. As per our report of even date

Uttam Amatya
Chief Executive Officer

Om Prakash Shrestha
Chairman

Pradeep Kumar Shrestha
Director

CA. Keshab Prasad Neupane
K.P.N. & Associates
Chartered Accountants

Bijay Bahadur Shrestha
Director

Bina Rana
Director

Rajeev Sharma
Director

Date: Poush 05, 2080 (December 21, 2023)
Place: Kathmandu, Nepal

Statement of Changes in Equity

As at Ashad 31, 2080

	Share Capital	Convertible Equity	Reserve Fund	Retained Earnings	TOTAL
Balance at Ashad 31, 2078	1,095,000,000	-	-	(89,428,270)	1,005,571,730
Share Capital issued during the year	405,000,000	-	-	-	405,000,000
Share issue expenses	-	-	-	(9,668,284)	(9,668,284)
Profit/(Loss) for the year	-	-	-	(47,715,622)	(47,715,622)
Transfer to Reserve	-	-	2,162,465	(2,162,465)	-
Other Comprehensive Income	-	-	-	-	-
Dividends to Shareholders	-	-	-	-	-
Balance at Ashad 32, 2079	1,500,000,000	-	2,162,465	(148,974,641)	1,353,187,824
Restatement of prior period errors	-	-	-	2,162,465	2,162,465
Share Capital Issued during the Year	-	-	-	-	-
Share issue expenses	-	-	-	-	-
Profit/ (Loss) for the year	-	-	-	(198,406,637)	(198,406,637)
Other Comprehensive Income	-	-	-	-	-
Transfer to Reserve	-	-	(2,162,465)	2,162,465	-
Provisions for Reserves reversed	-	-	-	-	-
Dividends to Shareholders	-	-	-	-	-
Balance at Ashad 31, 2080	1,500,000,000	-	-	(343,056,348)	1,156,943,652

The accompanying notes are integral part of these financial statements.

As per our report of even date

Uttam Amatya Chief Executive Officer
Om Prakash Shrestha Chairman
Pradeep Kumar Shrestha Director
CA. Keshab Prasad Neupane K.P.N. & Associates Chartered Accountants

Bijay Bahadur Shrestha Director
Bina Rana Director
Rajeev Sharma Director

Date: Poush 05, 2080 (December 21, 2023)
Place: Kathmandu, Nepal

Notes to the Financial Statement for the year ended

Ashad 31, 2080

Note No: 3 Property, Plant and Equipment:

Particulars	Office Equipment	Plant & Machinery	Furniture & Fixtures	Computer & Accessories	Automobiles	TOTAL
Gross Book Value						
Balance at Ashad 31, 2078	1,702,707	1,173,088	1,773,979	1,605,616	23,528,890	29,784,280
Additions	-	-	-	62,750	-	62,750
Balance at Ashad 32, 2079	1,702,707	1,173,088	1,773,979	1,668,366	23,528,890	29,847,030
Additions	1,006,728	-	30,000	-	-	1,036,728
Balance at Ashad 31, 2080	2,709,435	1,173,088	1,803,979	1,668,366	23,528,890	30,883,758
Accumulated Depreciation						
Balance at Ashad 31, 2078	1,109,852	663,112	953,454	1,082,870	14,960,662	18,769,950
Charge for the year	151,646	76,496	205,137	130,724	1,713,645	2,277,648
Balance at Ashad 32, 2079	1,261,498	739,608	1,158,591	1,213,594	16,674,307	21,047,598
Charge for the year	323,961	65,022	159,847	99,443	1,398,180	2,046,453
Balance at Ashad 31, 2080	1,585,459	804,630	1,318,438	1,313,037	18,072,487	23,094,051
Net Book Value						
As at Ashad 31, 2078	592,855	509,976	820,525	522,746	8,568,228	11,014,330
As at Ashad 32, 2079	441,209	433,480	615,388	454,772	6,854,583	8,799,432
Balance at Ashad 31, 2080	1,123,976	368,458	485,541	355,329	5,456,403	7,789,707

Utam Amatya
Chief Executive Officer

Om Prakash Shrestha
Chairman

Pradeep Kumar Shrestha
Director

CA. Keshab Prasad Neupane
K.P.N. & Associates
Chartered Accountants

Bijay Bahadur Shrestha
Director

Bina Rana
Director

Rajeev Sharma
Director

Date: Poush 05, 2080 (December 21, 2023)

Place: Katimandu, Nepal

Notes to the Financial Statement for the year ended

Ashad 31, 2080

Note No: 4 Intangible Assets Under Development

Particulars	As at Ashad 31,2080	As at Ashad 32,2079
Pre-Operating Expenses (A)	-	869,068,914
Depreciation	-	20,272,171
Employee Related Cost	-	106,689,006
Other Project Operation Expenses	-	44,373,549
LEDCO Service Fee and Expenses	-	35,000,000
Licensing & Other Development Fees	-	8,899,100
Pre-Construction Interest, Commission & Fees	-	24,835,484
Interest, Commission & Fees during Construction	-	628,999,604
Land Acquisitions (B)	-	33,967,346
Land & Land Developments	-	33,967,346
Civil Works (C)	-	2,549,264,658
Civil Works	-	2,485,547,218
Access Road	-	28,634,345
Marshyangdi Bridge	-	32,427,420
Head Works Dam - (Siuri tailrace canal to Intake)	-	2,655,675
Environment & Social Cost (D)	-	46,658,301
Trainings & Developments	-	2,062,551
Community & Social Expenses	-	24,495,173
Nursary and Plantation	-	836,464
Infrastructure Developments	-	19,264,113
Engineering & Management (E)	-	324,638,112
Engineering, Design & Development Expenses	-	157,965,712
Consultancy Fee & Expenses	-	161,089,809
Inspection & Project Supervision	-	5,582,591
Transmission Line (F)	-	97,098,474
Transmission Line Works	-	97,098,474
Hydro Mechanical Works (G)	-	405,044,771
Hydro Mechanical Works	-	405,044,771
Electro Mechanical Works (H)	-	670,864,507
Electro Mechanical Works	-	670,864,507
Total (A + B + C + D + E + F + G + H)	-	4,996,605,083

a) The Company is a developer of hydro electricity. The Company has started its commercial operation(COD) with effect from Baisakh 27, 2079 and revenue is recognized accordingly from that date onwards, based on the generation units supplied to Nepal Electricity Authority (NEA). Before the COD, It's assumed that Revenue and margin from the contraction phase cannot be estimated reliably. Hence, profit margin on construction phase is assumed to be 0% and accordingly revenue and cost during constion phase up to COD has been recognised which is equal to actual construction cost during the period.

Notes to the Financial Statement for the year ended

Ashad 31, 2080

Note No: 4.1 Intangible Assets

Particulars	Service Concession Arrangement	TOTAL
Gross Book Value		
Balance at Shrawan 1, 2078	-	-
Capitalized during the year under;	6,107,615,029	6,107,615,029
Civil Works	4,243,123,085	4,243,123,085
HM Works	671,251,857	671,251,857
EM Works	983,689,123	983,689,123
TL Works	209,550,964	209,550,964
Balance at Ashad 32, 2079	6,107,615,029	6,107,615,029
Capitalized during the year under;	152,429,585	152,429,585
Civil Works	64,691,454	64,691,454
HM Works	40,485,123	40,485,123
EM Works	29,240,452	29,240,452
TL Works	18,012,556	18,012,556
Balance at Ashad 31, 2080	6,260,044,614	6,260,044,614
* Amortizations		
Balance at Shrawan 1, 2079	-	-
Charge for the year	36,907,378	36,907,378
Civil Works	25,640,540	25,640,540
HM Works	4,056,272	4,056,272
EM Works	5,944,282	5,944,282
TL Works	1,266,284	1,266,284
Adjustment during the year	-	-
Balance at Ashad 32, 2079	36,907,378	36,907,378
Charge for the year	226,970,923	226,970,923
Civil Works	156,188,766	156,188,766
HM Works	25,805,503	25,805,503
EM Works	36,725,866	36,725,866
TL Works	8,250,788	8,250,788
Adjustment during the year	-	-
Balance at Ashad 31, 2080	263,878,301	263,878,301
Net Book Value		
Balance as at Ashad 32, 2079	6,070,707,651	6,070,707,651
Balance as at Ashad 31, 2080	5,996,166,313	5,996,166,313

Intangible Assets is recongized during the period by making a transfer from Intangible Assets under Development. As the Commercial Operation of the project has started with effect from May 10, 2022. Directly attributable project cost has been capitalized upto May 15, 2022 under Intangible Assets under Development and then afterwards, all the expenses has been charged to profit & loss account.

* Amortization of Intangible Assets is made for 2 months during FY 2078/79 i.e. after the project comercial operation date amortized over the period of Generation License issued by Department of Electricity Development up to 2106/11/02 (including 2 years extension made by Nepal Government)

Intangible Assets Under Development during the period

Particulars	As at Ashad 31,2080	As at Ashad 32,2079
Pre-Operating Expenses (A)	-	1,261,095,005
Land Acquisitions (B)	-	34,292,346
Civil Works (C)	-	3,081,720,594
Environment & Social Cost (D)	-	48,390,239
Engineering & Management (E)	-	339,180,461
Transmission Line (F)	-	155,623,908
Hydro Mechanical Works (G)	-	481,433,549
Electro Mechanical Works (H)	-	705,878,927
	-	6,107,615,029

Note No. 5
Other Current and Non-Current Assets

Particulars	As at Ashad 31,2080		As at Ashad 32,2079	
Other Assets	Current	Non-Current	Current	Non-Current
"Advance to Suppliers / Contractors	10,166,705	-	16,440,705	-
Sub-contracts"				
Prepayments	8,529,348	-	8,074,575	-
Other Assets	908,125	46,404	-	610,841
	19,604,178	46,404	24,515,280	610,841

Note No. 6
Cash and Cash Equivalents

Particulars	As at Ashad 31,2080	As at Ashad 32,2079
Balance with Banks		
In Current Account	2,457,795	15,000
In Call Account	4,453,234	1,841,495
Cash on hand	8,116	37,875
	6,919,145	1,894,370

Note No. 7
Cash and Cash Equivalents

Particulars	As at Ashad 31,2080	As at Ashad 32,2079
Earmarked Balance with Banks		
Margin Money Account	1,271,869	4,179,472
Fixed Deposits	7,564,000	-
	8,835,869	4,179,472

Note No. 8
Other Financial Assets

Particulars	As at Ashad 31,2080		As at Ashad 32,2079	
Other Assets	Current	Non-Current	Current	Non-Current
Trade and Security Deposit	25,000	-	25,000	-
Other Receivables	129,845,688	-	115,040,536	-
	129,870,688	-	115,065,536	-

Refer Note No: 11 for the details in respect of Financial Assets hypothecated/Pledged/mortgaged as security for borrowings.

Note No. 9
Equity Share Capital

	As at Ashad 31,2080		As at Ashad 32,2079	
	No. of Shares	Amount	No. of Shares	Amount
A. Equity Shares				
Authorised				
Equity Shares of Rs. 100 each with voting rights	15,000,000	1,500,000,000	15,000,000	1,500,000,000
Issued				
Equity Shares of Rs. 100 each with voting rights	15,000,000	1,500,000,000	15,000,000	1,500,000,000
Subscribed				
Equity Shares of Rs. 100 each with voting rights	15,000,000	1,500,000,000	15,000,000	1,500,000,000
Fully Paid				
Equity Shares of Rs. 100 each with voting rights	15,000,000	1,500,000,000	15,000,000	1,500,000,000
Less: Calls in area	-	-	-	-
	15,000,000	1,500,000,000	15,000,000	1,500,000,000

B. Reconciliation of the number of Shares Outstanding at the beginning and end of the year

Particulars	As at Ashad 31,2080	As at Ashad 32,2079
	No. of Shares	No. of Shares
Balance as at the beginning of the year	15,000,000	10,950,000
Changes during the year		4,050,000
Balance as at the end of the year	15,000,000	15,000,000

C. Details of Shareholding

Particulars	As at Ashad 31,2080		As at Ashad 32,2079	
	No. of Shares	Share %	No. of Shares	Share %
Butwal Power Company Ltd.	10,751,453	71.68%	10,751,453	71.68%
Lamjung Electricity Development Company Ltd.	198,547	1.32%	198,547	1.32%
General Public(Including project affected locals, promoter's employees and General Public	4,050,000	27.00%	4,050,000	27.00%
Total	15,000,000	100%	15,000,000	100.00%

Note no.10
Other Equity

	Convertible Equity	Reserve Fund	Retained Earnings	TOTAL
Balance at Shrawan 1, 2079	-	2,162,465	(148,974,641)	(146,812,176)
Restatement of prior period error	-	-	2,162,465	2,162,465
Profit for the year	-	-	(198,406,637)	(198,406,637)
Share issue expenses	-	-	-	-
Transfer to Reserve Accounts	-	(2,162,465)	2,162,465	-
Balance at Ashad 31, 2080	-	-	(343,056,348)	(343,056,348)

Note No. 11
Borrowings

Particulars	As at Ashad 31,2080		As at Ashad 32,2079	
	Current	Non-Current	Current	Non-Current
Measured at Amortised Cost				
Secured Borrowings from Banks				
Term Loan from banks	-	4,509,357,954	-	3,855,083,941
Short Term Loan	250,000,000	-	317,080,361	-
	250,000,000	4,509,357,954	317,080,361	3,855,083,941

1) The company has entered into consortium arrangement for term loan with Everest Bank Limited as Lead Bank, Nabil Bank Limited and Global IME Bank Limited as Co-Lead Banks and Sunrise Bank Limited and HIDC Limited as Banks/Financial Institutions for construction and operation of the project.

2) Term Loans from Banks are Secured :

i) By way of Mortgage/Pledge/hypothecation over the entire present and future fixed asset created with or without financing owned by the NHL for the project on pari-passu basis in favour of participating Banks/Fis ii) Entire current assets of the project including receivables from Nepal Electricity Authority, compensation paid etc. to the consortium on pari-passu basis iii) Assignment of PPA iv) Charge on General License in favour of participating Bank v) Corporate Guarantee of NHL vi) Pledge of Entire shares owned by the promoters including institutional promoter of NHL vii) All Guarantee for which NHL is beneficiary viii) Promissory Notes ix) Loan Dead"

3) Terms of Repayment of Term Loans

Particulars	As at Ashad 31,2080		As at Ashad 32,2079	
	Current	Non-Current	Current	Non-Current
2-3 Years	-	418,807,000	-	963,770,985
4-5 Years	-	498,564,000	-	642,513,990
6-10 Years	-	1,925,640,000	-	1,606,284,975
Beyond 10 years	-	2,010,989,000	-	642,513,990

Note No. 12
Trade Payable

Particulars	As at Ashad 31,2080	As at Ashad 32,2079
Trade Payables	1,500,792	281,515,804
	1,500,792	281,515,804

Note No. 13
Other Financial Liabilities

Particulars	As at Ashad 31,2080		As at Ashad 32,2079	
	Current	Non-Current	Current	Non-Current
Retention Money Payable	-	196,562,491	-	407,962,057
Employee Related Accrual	2,441,697	-	941,821	-
Other Payables	14,377,813	-	4,333,934	-
Interest Payable	34,473,824	-	-	-
	51,293,334	196,562,491	5,275,755	407,962,057

Note No. 14
Provisions

Particulars	As at Ashad 31,2080		As at Ashad 32,2079	
	Current	Non-Current	Current	Non-Current
Provision for Leave Encashment	-	2,410,299	-	1,833,382
Provisions for Reserves	-	-	2,162,465	-
	-	2,410,299	2,162,465	1,833,382

Note No. 15
Other Current and Non-Current Liabilities

Particulars	As at Ashad 31,2080		As at Ashad 32,2079	
	Current	Non-Current	Current	Non-Current
TDS Payable	1,163,781	-	1,670,992	-
Gratuity Payable	-	-	-	-
Employees Bonus	-	-	-	-
	1,163,781	-	1,670,992	-

Note No. 16
Revenue from Operations

Particulars	FY 2079/80	FY 2078/79
Electricity Sales to NEA	591,643,888	110,677,223
	591,643,888	110,677,223

Note No. 17
Project Operating Expenses

Particulars	FY 2079/80	FY 2078/79
Operation Expenses	7,020,514	1,153,266
Royalty Expenses	14,832,878	2,780,667
Insurance Expenses	14,570,624	1,045,902
Amortization of Intangible Assets	226,970,923	36,907,378
	263,394,939	41,887,213

Note No. 18
Other Income

Particulars	FY 2079/80	FY 2078/79
Other Income	-	177,521
	-	177,521

Note No. 19
Administrative and Other Operating Expenses

Particulars	FY 2079/80	FY 2078/79
Salaries and other Employee Cost	24,118,916	5,761,428
Provident Fund Contribution	940,018	102,067
AGM and Board Expenses	623,839	351,009
Audit Fee & Expenses	422,325	425,370
Communication Expenses	354,001	56,320
Depreciation and Amortization	2,046,453	379,608
Office Maintenance and Operation	752,909	351,183
Printing and Stationery	133,789	31,655
Rent	989,912	911,752
Staff Welfare	647,595	84,626
Vehicle Operation & Maintenance	3,376,494	963,970
Foreign Currency (Gain) or Loss	19,146,328	25,611,217
Community and social expenses	4,367,350	3,878,100
Miscellaneous Expenses	2,821,776	230,433
Statutory Fees and Charges	672,039	-
	61,413,744	39,138,738

Note No. 20
Earnings Per Share

Particulars	FY 2079/80	FY 2078/79
Profit/ (Loss) For The Year	(198,406,637)	(47,715,622)
Weighted Average number of Equity Shares Outstanding	15,000,000	13,975,262
"Earnings Per Share (NPR) - Basic (Face Value of NPR 100 per share)"	(13.23)	(3.41)
Add: Weighted Average number of potential Equity Shares	-	-
Weighted Average number of Equity shares (including Dilutive Shares) Outstanding	15,000,000	13,975,262
"Earnings Per Share (NPR) - Diluted (Face Value of NPR 100 per share) "	(13.23)	(3.41)

Note No. 21**RELATED PARTY DISCLOSURES****(a) Relationship**

	Related Parties
Holding Company	Butwal Power Company Limited
Group / Fellow Subsidiaries	Khudi Hydro & Electric Limited
	BPC Service Limited
	Nepal Hydro & Electric Limited
	Hydro Consult Engineering Limited
	Kabeli Energy Limited
	Gurans Energy Limited

(b) Those charged with governance

Those Charged with Governance of the NHL include Members of Board of Directors of the NHL namely:

Name	Designation
i) Om Prakash Shrestha	Chairman
ii) Pradeep Kumar Shrestha	Member
iii) Bina Rana	Member
iv) Rajeev Sharma	Member
v) Bijay Bahadur Shrestha	Member
vi) Uttar Kumar Shrestha	Alternate Member
vii) Radheshyam Shrestha	Alternate Member

The following provides expenses incurred for those charged with governance of NHL.

Nature of Expense	Current Year	Previous Year
Board Meeting and Other Allowances	182,000	245,500

(c) Transactions with Key Management Personnel

Key Management Personnel includes:

i) Uttam Amatya, Chief Executive Officer

Key Management Personnel Compensation :

Particulars	Current Year	Previous Year
Uttam Amatya	3,713,470	5,095,601

(d) Other Related Party Transactions

Name of the related party	Nature of Transaction	Transaction		Year End Balance	
		Current Year	Previous Year	Current Year	Previous Year
Butwal Power Company Limited	Payment for rent, interest, utilities & reimbursements (including VAT)	976,064	1,455,814	-	976,064
	Receipt of Convertible Equity/Short Term Loan	62,500,000	87,500,000	150,000,000	87,500,000
Lamjung Electricity Development Company Limited	Payment for Development Fees	-	-	-	-
Hydro Consult Engineering Limited	"Consultancy Charges (including VAT)"	5,005,917	12,161,031	4,877,213	4,877,213
BPC Service Limited	Advance for acquisition of Land	-	-	-	8,920,655

Terms and Conditions of Transactions with Related Parties

Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended July 16, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Note No: 22**CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS**

Particulars	As at Ashad 31,2080	As at Ashad 32,2079
a) Capital Commitments		
i) Contract with M/S. Zhejiang Hydropower Construction and Installation Co. (P) Ltd. (ZHCIC) for Construction of Civil, HM & EM Works Nyadi Hydropower Project	-	126,822,171
ii) Consulting Contract with M/S. Hydro Consult Engineering Limited for Construction supervision and other Consultancy Services	734,241	130,435
i) Contract with M/S. Urja International (P) Ltd. for Construction 132 kV Transmission Line Works of Nyadi Hydropower Project	67,952	16,551,389
	802,193	143,503,996

b) Bank Guarantee

Bank Name	Purpose	Amount	Expiry Date
Everest Bank Limited	As per the requirement of Power Purchase Agreement (PPA) with Nepal Electricity Authority (NEA)	18,000,000	Has Been Released
Everest Bank Limited	As per the requirement for application of EXIM Code from Department of Customs, Tripureshwor, Kathmandu	300,000	16-Jul-23

Note No: 23**PRIOR PERIOD ERRORS**

"During the financial year, the company has discovered certain errors of prior periods which have been corrected in the current financial statements. Due to such correction of errors retrospectively, the comparatives and carried forward balances have been restated. The details of such prior period errors corrected and impact of the correction of error in each line item of the financial statement have been presented below:

a. Community development expenses relating to FY 2078-79 had been capitalised to Intangible Assets in prior period. Such error has been rectified in the current financial year and has been transferred to statement of profit or loss.

b. The company has identified that exchange losses relating to FY 2078-79 for payments made to vendors have not been recognised amounting to Rs. 45,331,029. Such error has been rectified in the financial statements retrospectively and has been capitalised to Intangible Assets."

Impact of correction of error in the prior period presented

	As reported Ashad 32, 2079	Adjustments	As restated Ashad 32, 2079
Statement of Financial Position			
Assets			
Intangible Assets	6,029,505,215	41,202,436	6,070,707,651
Equity			
Other Equity	(142,683,584)	(4,128,592)	(146,812,176)
Current Liabilities			
Financial Liabilities			
Trade Payables	236,184,777	45,331,028	281,515,805
Statement of Profit or Loss and Other Comprehensive Income			
Project Operating Expenses			
Amortization of Intangible Assets	36,656,885	250,493	36,907,378
Administrative and Other Operating Expenses			
Community and social expenses	-	3,878,100	3,878,100
Earnings Per Equity Share			
Basic Earnings Per Share	(3.12)	(0.30)	(3.41)
Diluted Earnings Per Share	(3.12)	(0.30)	(3.41)

Notes to the Financial Statement for the year ended

Ashad 31, 2080

Note 1: Background

Nyadi Hydropower Limited (NHL) has been registered on 2063/11/17 as Public Limited Company and obtained approval for commencement of business on 2064/11/26 for the development of 20 MW Nyadi Hydropower Project located in Lamjung District. The Company is constructing 30 MW Nyadi Hydropower project.

Major shareholders of the company are Butwal Power Company Limited and Lamjung Electricity Development Company Ltd. The corporate office of the NHL is located at Gangevi Marga-313, Buddha Nagar, Kathmandu, Nepal.

The financial statements apply to the financial year ended 31st Ashad 2080 (16th July 2023). In the Financial Statements, Nyadi Hydropower Limited has been referred as "NHL" or "Company".

The accompanied financial statements have been approved for publication by the Board of Directors of the NHL in its meeting held on Poush 05, 2080 (December 21, 2023). The Board of Directors acknowledges the responsibility of preparation of financial statements.

Note 2: Significant Accounting Policies

2.2 Basis of Preparation and measurement

i. Statement of Compliance

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

ii. Basis of Preparation

The financial statements have been prepared on accrual basis, going concern and under the historical cost convention unless stated otherwise. The accounting policies are applied consistently from the last financial year to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of products and the time between acquisition of assets for processing

and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

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

iii. Basis of Measurement

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

2.3 Critical Accounting Estimates and Judgments

The preparation of the financial statements in conformity with Nepal Financial Reporting Standards requires the use of certain critical accounting estimates and judgments. It also requires management to exercise judgment in the process of applying the Company's accounting policies. The Company makes certain estimates and assumptions regarding the future events. Estimates and judgments are continuously evaluated based on historical experience and other factors, including expectations of future events that are believed to

be reasonable under the circumstances. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year primarily includes: -

Useful Life and Residual Value of Property, Plant and Equipment

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

Impairment of Property Plant and Equipment

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount

of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is usually determined on the basis of discounted estimated future cash flows. This involves management estimates on anticipated commodity prices, market demand and supply, economic and regulatory environment, discount rates and other factors. Any subsequent changes to cash flow due to changes in the above-mentioned factors could impact the carrying value of assets.

Contingencies

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

Recognition of Deferred Tax Assets

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances

and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company.

2.4 Property, Plant and Equipment

- i. All items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.
- ii. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate assets are derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.
- iii. The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part have a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their

useful lives; the remaining asset is depreciated over the life of the principal asset.

- iv. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
- v. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

2.5 Other Intangible Assets

- i. Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.
- ii. Certain computer software costs are capitalized and recognised as intangible assets based on materiality, accounting prudence and significant benefits expected to flow there from for a period longer than one year.

- iii. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.
- iv. The project is in construction period so all the incidental cost attributable to set up of the project is charged to "Intangible Assets under Development". Refer note 2.17 for policy regarding service concession arrangement.

2.6 Depreciation and Amortization

- i. Depreciation is recognised so as to write off the cost of assets (other than properties under construction) less their residual values over their useful lives, as per the depreciation rate determined by the management.
- ii. Amortisation is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.
- iii. Depreciation is provided on the written down method based on the estimated useful lives of the assets determined by the management. Depreciation on additions to fixed assets is charged

on pro-rata basis in the year of purchase. The useful life of the assets and the corresponding rates at which the assets are depreciated are as follows: -

Assets Category	Estimated useful life	Depreciation Rate
Plant & Machinery	18–19years	15%
Office Equipment	10–11years	25%
Furniture & Fixtures	10–11years	25%
Computers & Accessories	10–11years	25%
Automobiles	13–14years	20%

Useful life is either the period of time which the asset is expected to be used or the number of production or similar units expected to be obtained from the use of asset.

The estimated useful life, residual values a 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.

- iv. Depreciation on assets under construction does not commence until they are complete and available for use.
- v. Depreciation and amortisation expense are allocated to “Intangible Assets under development” and “Administrative and other operating expenses” on basis of management’s best estimates.

2.7 Impairment of Tangible and Intangible Assets

- i. At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated 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 Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.
- ii. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.
- iii. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are

discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

2.8 Borrowing Cost

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds till starting the commercial operation of the pro-

ject. Commercial Operation of the project has started from May 10, 2022. Thereafter, the interest is charged to profit & loss account after being ineligible for accounting under borrowing cost. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur. In determining the borrowing cost eligible for capitalizations under Intangible Assets under Development, any investment income i.e. interest income derived on Bank Call Account is deducted from the borrowing cost incurred in gross.

2.9 Cash and Cash Equivalents

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

an integral part of the Company's cash management.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.10 Inventories

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

2.11 Foreign Currency Transactions

- i. The functional currency of the Company and its subsidiaries is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Nepalese Rupee (NPR).
- ii. In preparing the financial statements the Company, transactions in currencies other than the entity's functional currency

(foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

- iii. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.
- iv. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.
- v. Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise.

2.12 Employment Benefits

The Company has schemes of employment benefits namely provident fund and accumulates leave payable as per employee service manual.

Defined contribution plan – Provident Fund & Gratuity

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Contributions to defined contribution schemes (Provident fund) are charged to the profit

or loss statement in the year to which they relate as the company has no further defined obligations beyond monthly contributions. Contributions to defined contribution schemes are deposited with Employees Provident Fund (Karmachari Sanchaya Kosh).

As per the provision of new Labor Act enacted and effective from September 4, 2017, gratuity plan has been converted into contribution plan from defined benefit plan. Contribution of 8.33% of basic salary needs to be deposited on monthly basis to the separate Social Security Fund. Total gratuity obligation calculated as per previous labor act till the transition date also needs to be deposited to the Social Security Fund. As on date, the procedure for depositing in social security fund has not been finalized by the Government of Nepal, The Company has deposited the contribution to the old approved retirement fund i.e. PF & CIT for the various obligations of the company.

Short term and long-term employment benefits

- i. A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

- ii. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.
- iii. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on actual calculation as per Personnel Bye Laws of the company. Actuarial valuation of compensated absence has not been done as amount is not significant.

2.13 Taxation

Income Tax

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

Current Tax

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

Tax Exemption

As per section 11(3gha), of Income Tax Act, 2058 Nepal, Institution having license to generate, transmit and distribute electricity shall be provided 100 % tax exemption up to 10 years and 50% tax exemption up to subsequent 5 years if the commercial electricity generation, transmission or distribution commences up to Chaitra 2080 B.S.

Deferred Tax

- i. Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected realization or settlement of the carrying amount of assets and liabilities using tax rates at the balance sheet date.
- ii. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Hence, at this point, deferred tax assets have not been recognized against deductible temporary differences. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be

available to allow all or part of the asset to be recovered.

- iii. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

2.14 Earnings Per Share

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

Diluted earnings per share is computed by dividing the profit/ (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conver-

sion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

2.15 Provisions, Contingencies and Commitments

- 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 an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
- ii. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.
- iii. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.
- iv. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time

is recognised as a finance cost.

- v. A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.
- vi. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.
- vii. A contingent asset is a possible asset that arises from past events and whose existence will

be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

- viii. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.
- ix. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting period.

2.16 Financial Instruments

i. Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in

the statement of profit and loss. In case of interest free or concession loans/debentures/preference shares given to subsidiaries, associates and joint ventures, the excess of the actual amount of the loan over initial measure at fair value is accounted as an equity investment.

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

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

ii. Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

Income/ expense arising on financial instruments after applying an effective interest rate is recognised

in Statement of Profit and Loss and is included in the "Other finance income" or "Other finance cost" line item. For calculating EIR, risk free interest rate of 8% p. a. has been considered.

iii. Financial Assets

Financial Assets at Amortized Cost

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

Financial Assets Measured at Fair Value

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

present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument-by-instrument basis at the time of initial recognition of such equity investments.

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

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

Impairment of Financial Assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through the statement of profit or loss.

The company recognises impairment loss on trade receivables using expected credit loss model. For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

De-Recognition of Financial Assets

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

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

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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

iv. Financial Liabilities and Equity Instruments

Classification as Debt or Equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the defini-

tions of a financial liability and an equity instrument.

Equity Instruments

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

Financial Liabilities

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

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

Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those

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

De-Recognition of Financial Liability

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

v. Off-setting of Financial Instruments

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

2.17 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a Lessee

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased asset or, at the present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement

of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless either:

- a. another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or
- b. the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

2.18 Service Concession Arrangements

Under IFRIC 12 – Service Concession Arrangements applies to public-to-private service concession arrangements if:

- (a) The grantor controls or regulates what services the operator must provide with the infrastructure, to whom it must provide them, and at what prices: and
- (b) The grantor controls through ownership, beneficial entitlement or

otherwise any significant residual interest in the infrastructure at the end of the term of the arrangement

(c) Is the infrastructure constructed or acquired by the operator from a third party for the purpose of the service arrangement OR is the infrastructure existing infrastructure of the grantor to which the operator is given access for the purpose of the service arrangement.

Infrastructure used in a public-to-private service concession arrangement for its entire useful life (whole life of assets) is within the scope of this IFRIC, if the conditions in (a) above are met.

These arrangements are accounted on the basis of below mentioned models depending on the nature of consideration and relevant contract law.

Financial Asset Model:

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

Intangible Asset Model:

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

The Company maintains and services the infrastructure during the concession period. These concession arrangements set out rights and obligations related to the infrastructure and the services to be provided. The right to consideration gives rise to an intangible asset and accordingly, the intangible asset models is applied.

At this point of time, the project is in construction period so all the incidental cost attributable to set up of the project is charged to "Intangible Assets under Development".

2.19 Financial Risk Management Objectives and Policies

The Company's business activities expose it to a variety of financial

risks, namely primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Company's Board and senior management has overall responsibility for the establishment and oversight of the Company's risk management. The Company's risk management policies are established to identify and analyse 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 the Company's activities.

The Risk Management is done by the Company's management that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below: -

a. Currency Risk

The Company is subject to the risk that changes in foreign currency values impact the Company's imports of inventories and property, plant and equipment and Payment

to Suppliers/contractor/Sub-contractor. As at 31st Ashad, 2080, there is no unhedged exposure to the Company on holding financial assets (Bank balances and Trade receivables) and liabilities (trade payables) other than in their functional currency. The Company is exposed to foreign exchange risk arising from currency exposures, primarily with respect to US Dollar. The aim of the Group's approach to management of currency risk is to leave the Company with no material residual risk. This aim has been achieved in all years presented. Since, there is no significant currency risk, hence no forward contract was entered.

The following table demonstrates the unhedged exposure in USD exchange rate as at Ashad 31, 2080 and Ashad 31, 2079.

Particulars	Ashad 31, 2080	Ashad 32, 2079
Sundry Creditors (USD)	-	1,403,686
Retention Money Payable (USD)	1,155,328	2,268,970

b. Credit Risk

Credit risk refers to the risk that a counterparty including its subsidiaries and associates will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk

of financial loss from defaults. The Company's exposure and the credit ratings of its counterparties are continuously monitored. In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks provided by the Company. The Company's maximum exposure in this respect is the maximum amount the Company could have to pay if the guarantee is called on. No amount has been recognised in the financial position as financial liabilities.

c. 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 and short-term debt obligations. Since, the interest rate risk is influenced by market forces, NHL has little role to play for minimizing this risk. However, the Company during the financial year enjoys fixed bearing interest rate in short term & long-term loan as per the facility agreement concluded with the Consortium banks thereby safeguarding the risk imposed by the current market scenario.

d. Liquidity Risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's

approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could create potential business continuity risk.

2.20 Capital Management

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

The Company's aim is to translate profitable growth to superior cash generation through efficient capital management. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditor, and market confidence and to sustain future development and growth of its

business. The Company's focus is on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required, without impacting the risk profile of the Company. The Company will take appropriate steps in order to maintain, or if necessary, adjust, its capital structure. The management monitors the return on capital as well as the level of dividends to shareholders. The Company's goal is to continue to be able to return excess liquidity to shareholders by continuing to distribute dividends in future periods.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st Ashad 2080.

2.21 Segment Reporting

The Chief Executive Officer and functional managers of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by NFRS 8, Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators, however the Company is primarily engaged in only one segment viz., "Generation and Sale of electricity" and that most of the operations are in Nepal. Hence the Company does not have any reportable Segments as per NFRS 8 "Operating Segments".



प्रोक्सी – फारम

श्री संचालक समिति
न्यादी हाईड्रोपावर लि.
बुद्धनगर, बानेश्वर, काठमाण्डौ ।

विषय: प्रतिनिधि नियुक्त गरेको बारे ।

महाशय,

.....जिल्ला.....म.न.पा/न.पा./गां.पा.वडानं.....
बस्ने म/हामीले त्यस कम्पनीको शेयरवालाको हैसियतले मिति
२०८० पौष २७ गते शुक्रबारका दिन हुने १६औं वार्षिक साधारण सभामा स्वयं उपस्थित
भई छलफल तथा निर्णयमा सहभागी हुन नसक्ने भएकोले उक्त सभामा भाग लिन तथा
मतदान गर्नका लागि.....जिल्लाम.न.पा/न.पा./गां.पा.वडा नं.
.....,बस्ने श्री लाई मेरो/हाम्रो प्रतिनिधि मनोनित गरी
पठाएको छु/छौं ।

निवेदक:
दस्तखत:
ठेगाना:.....पो.व.नं.....फोन नं.....
शेयरधनी नं / BO ID No.....
शेयर प्र.प.नं.:
डिम्याट नं:.....
शेयर संख्या:
मिति:

[illegible]

आयोजनाका तस्वीरहरु



Back View of Powerhouse



Switch Yard



Aerial View of Powerhouse



Site Staffs at Machine Room



Site Staffs at Control Room



Staff at Dam Area



NHL Head Office Staffs





View of Powerhouse



Staff at Control Room



Cooling System at Powerhouse



MIV



Water Reservoir



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