ASR & Associates
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF PURE ENERGY LIMITED

Opinion

We have audited the Financial Statements of **Pure Energy Limited** (hereinafter referred to as "the Company"), which comprise Statement of Financial Position as on Ashad 31st, 2081 (July 15th, 2024), Statement of Profit or Loss, Statement of Cash Flows and Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory Notes and information.

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid financial statement, read together with significant accounting policies and notes forming part of the financial statement give the information required by the provisions of Nepal Companies Act, 2006, as amended ("the Act") in the manner so required, give a true and fair view in conformity with the Nepal Financial Reporting Standards (NFRS), of the state of affairs of the company as on Ashad 31st, 2081 (July 15th, 2024), its profit or loss, changes in equity and cash flows for the year ended on that date.

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 the ICAN's Handbook of Code of Ethics for Professional Accountants (Code of Ethics) together with the ethical requirements that are relevant to our audit of financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidences we obtained are sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that in our professional judgment were of significance in our audit of financial statement of the current period. Based on the circumstances and facts of the audit and the Company, we consider following as key audit matter:

S.N.	Details of key Audit Matters	How the matters were addressed in our audit.
1	**Property, Plant and Equipment**: (Refer Note 4 of the financial statements)	
	There are areas where management judgement impacts the carrying value of	We assessed the controls in place over the Property, Plant and Equipment, evaluated the

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S.N.	Details of key Audit Matters	How the matters were addressed in our audit.
	Property, plant and equipment and their depreciation or amortization rates. These include the decision to capitalize or expense the costs, the annual capitalization of assets and the use of management assumption and estimates for the determination of the measurement and recognition criteria for assets retired from active use. Due to the materiality in the context of the balance sheet of the company and the level of judgement and estimates required, we consider this to be a Key Audit Matter.	appropriateness of capitalization process, performed tests on costs capitalized, the timeliness of the capitalization of the assets and the derecognition criteria for assets retired from active use in performing these procedures, we reviewed the judgments made by the management including the nature of underlying costs capitalized, impairment, determination of realizable value of the assets retired from the active use, the appropriateness of useful life of assets. We have observed that the management has regularly reviewed the aforesaid judgments and there are no material misstatement of impairment and capitalization of assets.

Information other than the financial statements and auditors' report thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon which is expected to be made available after the date of this auditor's report.

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

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

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

The company's Management and Board of Directors are responsible for preparation and fair presentation of these financial statements in accordance with Nepal Financial Reporting Standards (NFRS), The responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement whether due to fraud or error.

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In preparing the financial statements, the management and Board of Directors are 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.

Auditors' Responsibility for the Audit of Financial Statements

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

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

- Identify and assess the risks of material misstatements 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 risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and the 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, is such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

A.S.R & Associates
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Lalitpur

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonable be considered 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 the financial statements of the current period and are therefore the key audit matters.

We describe those matters in our auditors' 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 to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

On the basis of our examination, we further report that:

i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;

ii. In our opinion, the Statement of Financial Position, Statement of Profit or Loss, Statement of Cash Flows and Statement of Changes in Equity attached thereto, for the year then ended and notes to the financial statements, including a summary of significant Accounting Policies and other Explanatory Notes and information dealt with by this report are in compliance with the provisions of the Companies Act, 2063 and are in agreement with the books of account maintained by the company.

iii. In our opinion, Proper books of accounts as required by law have been kept by the company so far as appears from our examination of such books;

iv. To the best of our information and according to the explanations given to us and from our examination of the books of accounts of the Company necessary for the purposes of audit, we have not come across cases where the management group or any employees of the Company have acted contrary to legal provisions relating to accounts, or committed any misappropriation or caused loss or damage to the company; and

v. We have not come across any fraudulence in the accounts, so far as it appeared from our examination of the books of accounts.

For: A.S.R & Associates
Chartered Accountants

CA Upahar Raj Ghimire
Partner
COP No.: 644
UDIN - 241121CA00578nNGS7

Date: 2024-11-20
Place: Lalitpur

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Pure Energy Limited
Statement of Financial Position
As on Ashad 31, 2081 (July 15, 2024)

Particulars	Notes	As on July 15, 2024	As on July 16, 2023
Assets			
Non Current Assets			
Property, Plant and Equipment	4	2,192,148,023.07	2,056,114,144.98
Intangible Assets	5	4,811,354.75	5,387,706.73
Right-of-use Assets	6	138,926,878.36	144,803,133.70
Other Assets	10.1	3,028,624.65	122,084,485.10
Total Non Current Assets		**2,338,914,880.83**	**2,328,389,470.51**
Current Assets			
Inventories		137,054.98	-
Cash and Cash Equivalents	7	3,407,972.69	630,039.99
Trade Receivables	8	46,063,070.63	23,429,890.27
Prepayments	9	2,666,722.05	5,297,162.68
Other Assets	10.2	534,826.00	262,151.67
Total Current Assets		**52,809,646.35**	**29,619,244.61**
Total Assets		**2,391,724,527.18**	**2,358,008,715.12**
Equity and Liabilities			
Equity			
Share Capital	11	640,000,000.00	500,050,000.00
Share Application Money	12	-	68,293,425.81
Other Equity	13	(22,694,696.44)	(4,137,262.33)
Total Equity		**617,305,303.56**	**564,206,163.48**
Non Current Liabilities			
Long Term Borrowings	14	1,595,801,879.00	1,674,617,672.82
Trade Payables		-	-
Other Liabilities		-	-
Total Non Current Liabilities		**1,595,801,879.00**	**1,674,617,672.82**
Current Liabilities			
Trade Payables	15	24,856,104.76	31,138,024.28
Short Term Borrowings	16	123,277,365.07	65,526,000.00
Other Liabilities	17	30,483,874.79	22,520,854.54
Provisions		-	-
Total Current Liabilities		**178,617,344.62**	**119,184,878.82**
Total Equity and Liabilities		**2,391,724,527.18**	**2,358,008,715.12**
Summary of Significant Accounting Policies and explanatory notes form integral part of the Financial Statement	1 to 30		

For & on behalf of the Board

Akshay Golyan
Chairman

Nishant Goyal
Director

Md. Sahin Ekwal
Finance Manager

Place : Kathmandu
Date : 2024-11-06

In terms of our report of even date

For: A.S.R & Associates
Chartered Accountants

CA Upahar Raj Ghimire
Partner
COP No. :-644

A.S.R & Associates Chartered Accountants Lalitpur

Pure Energy Limited Reg. No. 293635 Kathmandu

Pure Energy Limited
Statement of Profit or Loss
For the year ended Ashad 31, 2081 (July 15, 2024)

Particulars	Schedule	For the year ended July 15, 2024	For the year ended July 16, 2023
Income:			
Revenue From Operations	18	200,747,296.63	29,392,419.27
Insurance Income		3,801,800.00	-
Total Income		**204,549,096.63**	**29,392,419.27**
Expenses:			
Cost of Plant Operation	19	9,083,533.23	68,350.68
Employee Cost	20	8,519,689.00	-
Administration Expenses	21	10,684,249.57	215,124.00
Extraordinary Expenses	22	4,095,660.00	-
Borrowing Cost	23	110,244,234.84	20,329,882.79
Depreciation and Amortization	24	79,501,976.86	11,009,531.50
Total Expenditure		**222,129,343.50**	**31,622,888.97**
Profit/(Loss) Before Tax		**(17,580,246.87)**	**(2,230,469.70)**
Less			
Current Tax		-	-
Deferred Tax		-	-
Prior Year Taxes		-	-
Net Profit/(Loss) After Tax		**(17,580,246.87)**	**(2,230,469.70)**
Summary of Significant Accounting Policies and explanatory notes form integral part of the Financial Statement	1 to 30		

In terms of our report of even date

For & on behalf of the Board

Akshay Golyan
Chairman

Nishant Goyal
Director

Md. Sahin Ekwal
Finance Manager

Place : Kathmandu
Date : 2024-11-06

For: A.S.R & Associates
Chartered Accountants

CA Upahar Raj Ghimire
Partner
COP No. :-644

A.S.R & Associates Chartered Accountants Lalitpur

Pure Energy Limited Reg. No. 293635 Kathmandu

Pure Energy Limited

Statement of Cash Flows

For the year ended Ashad 31, 2081 (July 15, 2024)

	Particulars	For the year ended July 15, 2024	For the year ended July 16, 2023
A	**Cash Flow from Operating Activities:**		
	Profit/(Loss) after Tax	(17,580,246.87)	(2,230,469.70)
	Adjustments for:		
	Borrowing Cost	110,244,234.84	20,329,882.79
	Depreciation	79,501,976.86	11,009,531.50
	Cash generated from Operation before W/C change	**172,165,964.83**	**29,108,944.59**
	Add/Less:		
	(Increase)/Decrease in Trade Receivables	(22,633,180.36)	(23,429,890.27)
	(Increase)/Decrease in Inventories	(137,054.98)	-
	(Increase)/Decrease in Prepayments	2,630,440.63	(5,264,739.95)
	(Increase)/Decrease in Other Assets	(272,674.33)	596,380.33
	Increase/(Decrease) in Trade Payables	(6,281,919.52)	(387,541,650.09)
	Increase/(Decrease) in Other Liabilities - Current	7,963,020.25	21,398,481.15
	Net Cash Flow From Operating Activities	**153,434,596.52**	**(365,132,474.24)**
B	**Cash Flow from Investing Activities :**		
	(Increase)/Decrease in Property, Plant and Equipment	(208,972,684.87)	(1,373,882,099.08)
	(Increase)/Decrease in Intangible Assets	-	(5,763,519.80)
	(Increase)/Decrease in ROU Assets	-	(144,803,133.70)
	(Increase)/Decrease in Other Assets - Non Current	119,055,860.45	(43,888,892.23)
	Net Cash Flow From Investing Activities	**(89,916,824.42)**	**(1,568,337,644.81)**
C	**Cash Flow from Financing Activities :**		
	Receipt from Share issue	139,950,000.00	405,600,000.00
	Receipt from Share Application Money	(68,293,425.81)	26,570,000.00
	Share Issue Charges	(1,087,750.00)	-
	Increase/(Decrease) in Other Liabilities - Non Current	-	(6,437,950.83)
	Borrowing Cost	(110,244,234.84)	(20,329,882.79)
	Increase/(Decrease) in Short Term Borrowings	57,751,365.07	65,526,000.00
	Increase/(Decrease) in Long Term Borrowings	(78,815,793.82)	1,420,117,672.82
	Net Cash Flow From Financing Activities	**(60,739,839.40)**	**1,891,045,839.20**
	Net Increase in cash & cash equivalents	**2,777,932.70**	**(42,424,279.85)**
	Opening Cash & Cash Equivalents	630,039.99	43,054,319.84
	Closing Cash & Cash Equivalents	**3,407,972.69**	**630,039.99**

In terms of our report of even date

For & on behalf of the Board

Pure Energy Limited
Reg. No. 293635
Kathmandu

Akshay Golyan
Chairman

Nishant Goyal
Director

Md. Sahin Ekwal
Finance Manager

Place : Kathmandu
Date : 2024-11-06

For: A.S.R & Associates
Chartered Accountants

CA Upahar Raj Ghimire
Partner
COP No. :-644

A.S.R & Associates Chartered Accountants Lalitpur

Pure Energy Limited
Statement of change in equity
For the year ended Ashad 31, 2081 (July 15, 2024)

Particulars	Equity Share Capital	Advance for Share Capital	Accumulated Profit/(Loss)	Total
Balance as at Ashad 32 2079	94,450,000.00	41,723,425.81	(1,906,792.63)	134,266,633.18
Change in accounting policy	-	-	-	-
Restated Balance	94,450,000.00	41,723,425.81	(1,906,792.63)	134,266,633.18
Net Profit/(loss) for the period	-	-	(2,230,469.70)	(2,230,469.70)
Transfer to general reserve	-	-	-	-
Dividend	-	-	-	-
Advance for Share Capital	-	26,570,000.00	-	26,570,000.00
Issue of Share Capital	405,600,000.00	-	-	405,600,000.00
Balance as at Ashad 31, 2080	**500,050,000.00**	**68,293,425.81**	**(4,137,262.33)**	**564,206,163.48**
Change in accounting policy	-	-	110,562.77	110,562.77
Restated Balance	500,050,000.00	68,293,425.81	(4,026,699.56)	564,316,726.25
Net Profit/(loss) for the period	-	-	(17,580,246.87)	(17,580,246.87)
Transfer to general reserve	-	-	-	-
Dividend	-	-	-	-
Advance for Share Capital	-	(68,293,425.81)	-	(68,293,425.81)
Share Issuance Expenses			(1,087,750.00)	(1,087,750.00)
Issue of Share Capital	139,950,000.00	-		139,950,000.00
Balance as at Ashad 31, 2081	**640,000,000.00**	**-**	**(22,694,696.44)**	**617,305,303.56**

In terms of our report of even date
For: A.S.R & Associates
Chartered Accountants

CA Upahar Raj Ghimire
Partner
COP No. :-644

For & on behalf of the Board

Akshay Golyan
Chairman

Nishant Goyal
Director

Md. Sahin Ekwal
Finance Manager

Place : Kathmandu
Date : 2024-11-06

Pure Energy Limited
Statement of Other Comprehensive Income
For the year ended Ashad 31, 2081 (July 15, 2024)

Particulars	For the year ended July 15, 2024	For the year ended July 16, 2023
Profit/(Loss) for the Year	(17,580,246.87)	(2,230,469.70)
Other Comprehensive Income		
Income that will not be reclassified to profit or loss	-	-
Revaluation of Land	-	-
Items that are or may be reclassified subsequently to profit or loss	-	-
Total Other Comprehensive Income, net of tax	-	-
Total Comprehensive Income of the year	**(17,580,246.87)**	**(2,230,469.70)**

In terms of our report of even date

For & on behalf of the Board

Akshay Golyan
Chairman

Nishant Goyal
Director

Md. Sahin Ekwal
Finance Manager

Place : Kathmandu
Date : 2024-11-06

For: A.S.R & Associates
Chartered Accountants

CA Upahar Raj Ghimire
Partner
COP No. :-644

A.S.R & Associates Chartered Accountants Lalitpur

Pure Energy Limited Reg. No. 293635 Kathmandu

Pure Energy Limited
Significant Accounting Policies and Explanatory Notes for the Year ended on Ashad 31st, 2081 (July 15th, 2024)

1. Corporate information:

Pure Energy Limited ("the Company") is a limited liability company domiciled in Nepal with registration no 192018/074/75. The address of its registered office is Soalteemode-13, Kathmandu, Nepal. The principal objective of the company is to generate Solar-electricity and sell the same to Nepal Electricity Authority (NEA). The company has obtained license for 10 MW each (Block I and II - total capacity of 20 MW). Block II -10 MW and Block I-10 MW has achieved its Commercial Operation Date (COD) on 1 May 2023 and on 23 December,2023 respectively.

Share Purchase cum Joint Venture Agreement for equity Investment in the company has been entered on September 04 2019 with M/s Renergo Developers Pvt Ltd. Out of NPR 50 Crore ordinary share capital of the company, 40% portion of NPR 20 Crore shall be acquired by Renergo Developers Pvt Ltd through Foreign direct investment and 60% portion of NPR 30 Crore shall be acquired by Mr. Akshay Golyan.

Approval for Foreign Direct Equity Investment through Share Purchase agreement granted by Department of Industry - Foreign Investment and Technology Transfer department on 2076.06.12 for aforesaid Shareholding ratio of NPR 50 Crore divided between Mr. Akshay Golyan at 60% of NPR 30 Crore and Foreign Direct Investment from Renergo Developers Pvt Ltd, India at 40% of NPR 20 Crore.

The Board of Directors of the company acknowledges the responsibility of preparation of Financial Statements of the company and has approved the financial statement through its meeting dated 26-07-2081.

The composition of Board of Directors as on signing date is as follows:

Name of Director	Position
Akshay Golyan	Chairman
Surabhi Golyan	Director
Shakti Kumar Golyan	Director
Nishant Goyal on behalf of Renergo Developers Pvt Ltd, Delhi, India	Director
Mayank Rohilla on behalf of Renergo Developers Pvt Ltd, Delhi, India	Director

2. Basis of Preparation

The financial statements comprise the Statement of Financial Position, Statement of Profit or Loss, Statement of Changes in Equity, Statement of Cash flows, Significant accounting policies and explanatory notes.

2.1. Statement of Compliance

The financial statements have been prepared in accordance with the Nepal Financial Reporting Standards (NFRS) as issued by the Accounting Standards Board Nepal (ASB) and pronounced by The Institute of Chartered Accountants of Nepal (ICAN).

This section describes the critical accounting judgement that the company has identified as having potentially material impact on the company's financial statements and sets out our significant accounting policies that relate to the financial statements as a whole. Accounting policies along with explanatory notes, wherever such explanation is required, is described in specific relevant sections. The company's accounting policies require the management to exercise judgement in making accounting estimates.

Pure Energy Limited
Reg. No. 293635
Kathmandu

Chartered Accountants

2.2. Basis of Measurement
The financial statements are prepared under the historical cost convention basis except for those explicitly specified in relevant notes.

2.3. Critical Accounting Estimates
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. In the future, actual result may differ from these estimates and assumptions.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements. Specific accounting estimates have been included in the relevant section of the notes wherever the estimates have been applied along with the nature and effect of changes of accounting estimates, if any.

2.4. Functional Currency
The functional currency used in Financial Statement is Local Currency of Nepal denoted as NPR or NRS.

2.5. Foreign Currency
Transactions entered into by the company entities in a currency other than the currency of the primary economic environment in which they operate (the "functional currency" is Rs.) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the reporting date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognized immediately in profit or loss.

2.6. Going Concern
The financial statements are prepared under going concern assumption, as the management of the company is satisfied that the company has the resources to continue in business for the foreseeable future. In making this assessment, the Board of Directors have considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

2.7. Comparative Information
Comparative information for all the periods presented has been disclosed as required under NAS 1.

2.8. Reporting Period and approval of Financial Statements
The Company/Group prepares financial statement in accordance with the Nepalese financial year using Nepalese calendar.
The corresponding dates for Gregorian calendar are as follows:

Particulars	Nepalese Calendar Date / Period	Gregorian Calendar Date / Period
Comparative SFP* Date	31st Ashad 2080	July 16th, 2023
Current SFP Date	31st Ashad 2081	July 15th, 2024

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Reg. No. 293635
Kathmandu

Chartered Accountants
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Comparative reporting period	1stShrawan 2079 – 31stAshadh 2080	17th July 2022 – 16th July 2023
Current Reporting period	1stShrawan 2080 – 31stAshadh 2081	17th July 2023 – 15th July 2024

* SFP = Statement of financial position

The accompanied Financial Statements have been adopted by the Board of Directors on its board meeting held on 26thKatik2081.

2.9. Standalone Financial Statements
This financial statement is the standalone financial statement of the company.

2.10 Prior Period Errors
Prior Period Errors are omissions or misstatements in an entity's financial statements. Such omissions may relate to one or more prior periods. Correction of an error is done by calculating the cumulative effect of the change on the financial statements of the period as if new method or estimate had always been used for all the effected prior years' financial statements. Sometimes such changes may not be practicable. In such cases, it is applied to the latest period possible by making corresponding adjustment to the opening balance of the period.

2.10. Materiality and Aggregation
In compliance with NFRS 1 Presentation of Financial Statements, each material class of similar item is presented separately in the financial statement. Item of dissimilar nature or functions are presented separately, unless they are material.

2.11. Reporting Pronouncements
The company for its preparation of financial statement has adopted accounting policies to comply with the pronouncements made by The Institute of Chartered Accountants of Nepal.

2.12. Limitations of NFRS Implementation
If the information is not available and the cost to develop would exceed the benefit derived, such exception to NFRS implementation has been noted and disclosed in respective section.

3. Significant Accounting Policies
NFRS requires adoption of accounting policies that are most appropriate to the company's circumstances determining and applying accounting policies. Directors and management are required to make judgement in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the Company's reported financial position, results or cash flows.

Specific accounting policies have been included in the specific section of the notes for each item of financial statements which requires disclosures of accounting policies or changes in accounting policies. Effect and nature of the changes have been disclosed wherever required.

3.1 Current Versus Non-Current Classification
The Company presents assets and liabilities in statement of financial position based on current/non-current classification. 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/non-current classification of assets and liabilities.

The Company classifies an asset as current when it is:

1. Expected to be realized or intended to be sold or consumed in normal operating cycle,
2. Held primarily for the purpose of trading,

Pure Energy Limited Reg. No. 293635 Kathmandu

3. Expected to be realized within twelve months after the reporting period, or
4. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for atleast twelve months after reporting date.

The Company classifies a liability as current when:

1. It is expected to be settled in normal operating cycle,
2. It is held primarily for the purpose of trading,
3. It is due to be settled within twelve months after the reporting period, or
4. There is nounconditional right to defer the settlement of the liability for at least twelve months after reporting period.
5. The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.2 Cash Flow Statement

The carrying amount of cash and cash equivalents are measured at cost in the statement of financial position. Statement of Cash Flow has been prepared by using the "Indirect Method" in accordance with NAS 07 Cash Flow Statements.

3.3 Financial Assets and Financial Liabilities

3.3.1 Recognition

The company initially recognizes a financial asset or a financial liability in its Statement of Financial Position when, and only when, it becomes party to the contractual provisions of the instruments. The transaction costs that are directly attributable to the acquisition or issues of financial instruments (other than of the Financial Instruments through Profit or Loss) are added or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on the initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in Statement of Profit and Loss. The institution thus has initially recognized investment and borrowings etc. on the date when they are originated i.e., date when the Company has become party to the contractual provision of the instruments. Investment on the equity instruments is recognized on trade date at which the Company commits to purchase the financial assets.

3.3.2 Classification

The company classifies its financial assets as subsequently measured at amortized cost using effective interest method or fair value based on the company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The two classes of financial assets are as follows:

a. Financial Assets measured at amortized cost
b. Financial Assets measured at Fair Value

Financial Assets measured at amortized cost

The company classifies financial assets at amortized cost if both of the following conditions are met:

a. The asset is held within a business model whose objectives is to hold assets to collect contractual cash flows and,
b. The contractual term of the financial asset gives rise on a specified date to cash flows that are solely payments of principals and interest on the outstanding principals.

Financial Assets measured at fair value

Financial assets other than those measured at amortized cost are measured at fair value. Financial assets measured at fair value are further classified into two categories as below:

a. Financial assets at fair value through profit or loss

Financial assets are classified as fair value through profit or loss (FVTPL) if they are held for trading purpose or are designated at fair value through profit or loss. Upon initial recognition, transaction costs are directly attributable to the acquisition are recognized in profit or loss as incurred. Such assets are

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subsequently measured at fair value and changes in fair value are recognized in Statement of Profit and Loss.

b. Financial assets at fair value through other comprehensive income
Investment in an equity instrument that is not held for trading and at the initial recognition, the Company makes an irrevocable election that the subsequent changes in fair value of the instrument is to be recognized in other comprehensive income are classified as financial assets at fair value though other comprehensive income. Such assets are subsequently measured at fair value and changes in fair value are recognized in other comprehensive income.

Financial Liabilities
The company classifies the financial liabilities as follows:
(a) Financial Liabilities at fair value through profit or loss
Financial Liabilities are classified as fair value through profit or loss if they are held for trading or are designated at fair value through Profit or Loss. Upon initial recognition, transaction costs are directly attributable to the acquisition are recognized in Statement of Profit and Loss as incurred. Subsequent changes in fair value are recognized in Statement of Profit and Loss.
(b) Financial Liabilities measured at amortized cost
All financial liabilities other than measured at fair value through profit or loss are classified as subsequently measured at amortized cost using effective interest method.

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

Income is recognized on the effective interest basis for debt instruments other than those financial assets classified as at Fair value through profit and loss.

3.3.3 Measurement
Initial Measurement
A financial assets or financial liability is measured initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.
Transaction costs in relation to financial assets and liabilities at fair value through profit or loss are recognized in Statement of Profit and Loss.
Subsequent Measurement
A financial asset or financial liability is subsequently measured either at fair value or at amortized cost based on the classification of the financial asset or liability. Financial asset or liability classified as measured at amortized cost is subsequently measured at amortized cost using effective interest rate method.
The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment.

Financial assets classified at fair value are subsequently measured fair value. The subsequent changes in fair value of financial assets at fair value through profit or loss are recognized in Statement of Profit and Loss whereas of financial assets at fair value through other comprehensive income are recognized in other comprehensive income.

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3.3.4 De-Recognition

i. De-recognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset.

Any interest in such transferred financial assets that qualify for de-recognition that is created or retained by the Company is recognized as a separate asset or liability. On de-recognition of a financial asset, the difference between the carrying amount of the asset, and the sum of the consideration received andany cumulative gain or loss that had been previously recognized is recognized in Statement of Profit and Loss.

The Company enters transactions whereby it transfers assets recognized on its Statement of Financial Position but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them, then the transferred assets are not derecognized.

ii. De-recognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged, cancelled, or expired. Where an existing financial liability is replaced by another from the same lender on different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognized in Statement of Profit and Loss.

3.3.5 Determination of Fair Value

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If there is no quoted price in an active market, then the Company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction. The fair value measurement hierarchy is as follows:

Level 1: Fair value measurements are those derived from unadjusted quoted prices in activemarket for identical assets or liabilities.

Level 2: Valuations are those with quoted prices for similar instruments in active markets or quoted price for identical or similar instruments in inactive markets and financial instruments valued using models where significant inputs are observable.

Level 3: Portfolios are those where there are unobservable inputs of the instruments. The inputs are not based on observable market data.

3.3.6 Impairment

At each reporting date, the Company assesses whether there is objective evidence that a financial asset or group of financial assets not carried at fair value through profit or loss are impaired. A financial asset or a group of financial assets is impaired when objective evidence demonstrates that a loss event has

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occurred after the initial recognition of the asset(s), and that the loss event has an impact on the future cash flows of the asset(s) that can be estimated reliably.

Impairment of non-financial assets/ Other Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value of the Cash Generating Unit's (CGU) less costs to sell and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

3.3.7 Offsetting

Financial Assets and liabilities are offset and the net amount presented in the Statement of Financial Position when and only when, the company has a legal right to set off the amounts and it intends either to settle them on a net basis or to realize the assets and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted under NFRS, or for gains and losses arising from a group of similar transactions such as in the company's trading activity.

3.4 Provisions

The Company applies NAS 37 Provisions, Contingent Liabilities and Contingent Assets in accounting for non-financial liabilities.

Provisions are recognized for present obligations arising as consequences of past events where it is more likely than not that a transfer of economic benefit will be necessary to settle the obligation, which can be reliably estimated. Provision is made for the anticipated costs when an obligation exists.

3.5 Property, Plant and Equipment

3.5.1 Recognition and Measurement

The cost of an item of property, plant and equipment shall be recognized as an asset, initially recognized at cost, if and only if;

- It is probable that future economic benefits associated with the item will flow to the entity; and
- the cost of the item can be measured reliably

Cost includes purchase price including any non-refundable taxes after deducting volume rebates and trade discounts and such other cost that are incurred to bring asset to location and condition to be operating in a manner intended by management.

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The cost of self-constructed assets includes the following:

- the cost of materials and direct labor;
- any other costs directly attributable to bringing the assets to a working condition for their intended use;
- Capitalized borrowing cost for qualifying assets

Company has adopted cost model for measurement of property, plant and equipment. The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has 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.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each reporting date and adjusted prospectively. The present value of the expected cost for the decommissioning of an asset after its use is considered for determination of cost of the respective asset if the recognition criteria under NAS 16 and IFRIC 1. Management feels that such cost is difficult to estimate and are not material thus are not considered.

Assets in the course of construction are carried at cost less any recognized impairment loss. Depreciation on these assets will commence when the assets are ready for their intended use.

3.5.2 Derecognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognized.

3.5.3 Enabling Assets

Cost associated with enabling assets such as land area left out for road access, etc has been considered as the cost of construction of project. Accordingly, expenditure incurred on enabling assets has been allocatedand capitalized as part of PPE. Though the company cannot restrict the access of others from using the enabling assets, the reason for capitalization of these items is that they are incurred in order to get future economic benefits from the project as a whole.

3.5.4 Capital Work in Progress

Assets in the course of construction are capitalized in the assets under capital work in progress (CWIP). At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences.

3.5.5 Depreciation

Freehold land is not depreciated. Depreciation on assets under construction does not commence until they are complete and available for use. Depreciation is provided on all other items of property, plant and equipment so as to write-off their carrying value over the expected useful economic lives.Items of property, plant and equipment are depreciated on Straight Line Method over their useful life.Management of the company has assessed useful life of the following category of assets as mentioned.

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Particulars	Class of assets	Estimated Useful Life (Years)
Computers	Block B	5
Office Furniture	Block B	5
Office Equipment, Printers & Other	Block B	5
Vehicles	Block C	7
Solar PV Project Block II	Block E	23
Solar PV Project Block I	Block E	22
ROU Asset-Land Block I	Block E	25

3.5.6 Security

All the assets and PPE has been mortgaged as security for Long term borrowings.

3.6 Intangible Assets
3.6.1 Computer Software and Licenses

Purchased computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. Cost associated with the development of software are capitalized where it is probable that it will generate future economic benefits in excess of its cost. These costs are amortized over the estimated useful lives. Estimated useful life of software for current and comparative period is 10 years. Cost associated with maintaining software are recognized as an expense as incurred.

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3.7 Capital Management
Capital includes paid up capital and all other 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 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's 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 all the years reported in this financial statement.

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3.8 Revenue Recognition

Revenue is generally recognized only when then entity satisfies a performance obligation by transferring a promised good or service to a customer. An asset is transferred when the customer obtains control of the asset. Revenue is measured at the fair value of the consideration received or receivable net of Value Added Taxes and discounts where applicable. Revenue comprises sale of electricity to Nepal Electricity Authority.

3.8.1 Revenue from Sale of Electricity

The company has installed solar project for 10 MW each (Block I and II - total capacity of 20 MW). Block I and II -10 MW each has achieved its Commercial Operation Date (COD) on 26th December 2023 and 1 May 2023 respectively. Revenue is recognized as per the rates mentioned in the PPA of both the projects based on the monthly energy generation and supply to Nepal Electricity Authority.

Electricity generated and used for self-consumption are booked as revenue and charged as electricity expenses.

3.9 Employee Benefits

Employee benefits are either defined benefit plan or defined contribution plan. Employee benefits of the company comprise of gratuity, provident fund and accumulated leave. These benefits are provided as per the Employee Service Manual and Collective Bargaining Agreement between Employee Union and the Company.

3.9.1 Provident Fund-Defined Contribution Plan

The Company pays pre-defined amount of 10% to Social Security Fund (SSF) and the company does not have any legal or constructive obligation to pay additional amount in future. Contributions to Provident fund are charged to the statement of profit or loss in the year to which they relate.

3.9.2 Provision for Gratuity

The Company is required to pay pre-defined amount to Social Security Fund as gratuity to employees. The Company pays predefined amount of 8.33% of basic salary of staff as gratuity benefits in accordance with Labor Law of Nepal and the Company has deposited Employee Gratuity in SSF. Contributions to Gratuity are charged to the statement of profit or loss in the year to which they relate.

3.9.3 Short term and long-term employment benefits

A liability is recognized 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.

Liabilities recognized 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.

Accumulated leaves, encashment of which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are not accounted as liability due to the non-materiality of the amount.

3.10 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets is substantially ready for their intended use or sale.

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Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

All other borrowing cost are recognized in profit or loss in the period in which they are incurred.

3.11 Inventories

Inventories are assets:

- Held for sale in the ordinary course of business;
- In the process of production for such sale; or
- In the form of materials or supplies to be consumed in the production process or in the rendering of services

Inventories are initially recognized at cost and subsequently at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale. The cost of inventories is determined on FIFO method which comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

3.12 Trade and Other Receivables

Trade and other receivables which are non-interest bearing are stated at transaction value less allowance for impairment.

Impairment

For allowances, assets with a potential need for write-down are grouped together on the basis of similar risk characteristics, tested collectively for impairment, and written-down, if necessary. Estimated irrecoverable amount are based on the ageing of the receivable balances, taking previous cases of default into consideration and historical experiences.

3.13 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, balances with B/Fis, money at call and short notice, highly liquid financial assets along with original maturities of three months or less from the acquisition dates that are subject to an insignificant risk of changes in the fair value and are used by the company in the management of it'sshort-term commitments.

Cash and cash equivalents are carried at amortized cost in the statement of financial position.

3.14 Investments

Investments in shares of the companies are classified as either at amortized cost or at fair value. The classification of investment and its subsequent measurement is dependent on the business model for managing such investments and contractual cash flow characteristics.

Investments are measured at fair value unless measured at amortized cost. Investments are measured at amortized cost if such investment is held with in order to collect contractual cash flows and 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.

Subsequent changes in the investments measured at amortized cost are charged to Profit or Loss. Investments measured at fair value opting the routing through Other Comprehensive Income, at initial recognition, for adjusting the changes in fair value are charged through Other Comprehensive Income that forms part of the equity of the Company. Changes in fair value of other investments are charged to Profit or Loss.

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3.15 Event after reporting period

The company monitors and assess events that may have potential impact to qualify as adjusting and/or non-adjusting events after the end of the reporting period. Where necessary, all material events after the reporting date have been considered and appropriate adjustment in the books with additional disclosures have been made in the financial statements as per the NAS 10 Events After the Balance Sheet Date and non-adjusting events are disclosed in the notes with possible financial impact, to the extent ascertainable.

3.16 Taxation

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

a. Income Tax Rate applicable to the company

The company is involved in the Solar electricity project and hence applicable normal tax rate is 25%. However Section 11 (3Gha) of Income Tax Act provides 100% concession/rebate on Income Tax up-to 10 years from the date of commercial operation for the Solar energy project commercially starting generation/transmission/distribution of electricity by Chaitra end 2083.

Hence, considering aforesaid concession/rebate, Applicable Income Tax Rate is Nil and hence, Deferred Tax asset/liability is not recognized.

b. Current Income Tax

Current tax is the expected tax payable on the taxable income for the year using tax rates at the Statement of Financial Position date. Provision for Current Tax has been made as per the provisions of Income Tax Act and amendments thereto.

Deferred tax assets are recognized for unused tax losses and taxable temporary difference to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company based on 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. Such changes are reflected in the assumptions when they occur.

Deferred tax has not been calculated on the basis of 100% concession/rebate in Income Tax Rates for initial 10 years from the date of commercial operation of Solar energy projects and Hydropower projects provided by Section 11(3 Gha) of Income Tax Act.

3.17 Lease

The company as a lessee:

The company enters into an agreement for lease of land, buildings etc. for its use. Such arrangements are generally for a fixed period but may have extension or termination options. In accordance with NFRS 16 - Lease, at inception of the contract, the company assess whether a contract is, or contain a lease. A lease is defined as a contract, or part of a contract, that conveys the right to control the use of an asset (the underlying asset) for a period of time in exchange for a consideration.

To Assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether:

- The contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified.

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- The company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use;
  The company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use. At inception or on reassessment of a contract on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which the company is a lessee, the company has elected not to separate non-lease component and account for the lease and non-lease components as a single lease component.

Measurement and recognition of leases as lessee:
The company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.
The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses (unless such right of use assets fulfills the requirements of NAS 40 - Investment Property and is accounted for as thereunder), if any and adjusted for any re-measurement of the lease liability. The right-of-use asset is depreciated using the straight line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. Right-of-use assets are tested for impairment whenever there is an indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the statement of profit or loss.
The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Generally, the company uses the incremental borrowing rate as the discount rate.

Lease Payments included in the measurement of the lease liability comprises the following:

a. Fixed payments, including in-substance fixed payments.
b. variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
c. amounts expected to be payable under a residual.
d. the exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period of the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.
   The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if the company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero, as the case may be.

The company presents right-of-use assets that do not meet the definition of Investment Property on the face of balance sheet below 'Property, Plant and Equipment' and Lease liabilities under on the face of the Statement of Financial position under Current and Non-current liabilities.

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The company has elected not to apply the requirements of NFRS 16-Leases to short term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight line method over the lease term, unless the payments are structured to increase in line with the expected general inflation to compensate the lessor's expected inflationary cost increase.

The company as a lessor:

When the company acts as a lessor, it determines at lease inception whether each lease is a finance lease or operating lease. To classify each lease, the company makes an overall assessment whether the lease transfers substantially all of the risk and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the company considers certain indicators such as whether the lease is for the major economic life of the asset.

The company recognizes lease payments received under operating lease as income on a straight line basis over the lease term unless the payments are structured to increase in line with the expected general inflation to compensate the lessor's expected inflationary cost increase, as part of 'Non-Operating Income'.

The accounting policies applicable to the company as a lessor in the comparative period were not different from NFRS 16.

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Significant Accounting Policies and Explanatory Notes
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4. Property, Plant and Equipment

Particulars	Freehold Land - Block 2	Office Equipments & Furnitures	Vehicles	Solar PV Project Block II	Solar PV Project Block I	Watch Tower	Capital work-in-progress	Total
Cost								
Gross Block As on July 16, 2023	8,34,59,553.00	6,14,263.97	31,52,250.00	1,08,34,79,767.76			89,61,59,361.15	2,06,68,65,195.88
Additions For the year		7,58,279.53			1,10,68,29,641.56	2,35,000.00	21,06,70,280.41	1,31,84,93,201.50
Revaluation Surplus of PPE		-	-	-			-	-
Transfer to PPE		-	-	-			(1,10,68,29,641.56)	(1,10,68,29,641.56)
Revaluation & Adjustments	1,35,99,039.55	-	-	(1,35,99,039.55)			-	-
Disposals/Adjustments		(1,28,000.00)	-	-			-	(1,28,000.00)
Gross Block As on July 15, 2024	**9,70,58,592.55**	**12,44,543.50**	**31,52,250.00**	**1,06,98,80,728.21**	**1,10,68,29,641.56**	**2,35,000.00**	**-**	**2,27,84,00,755.82**
Depreciation & Impairment Losses								
Accumulated Depreciation as on July 16, 2023	-	1,45,770.46	5,17,258.42	1,00,88,022.02			-	1,07,51,050.90
Charge for the year		1,68,555.71	4,50,321.43	4,72,02,522.16	2,78,60,788.88	257.53	-	7,56,82,445.71
Adjustment due to Revaluations & others		-	-				-	-
Impairment Losses		-	-				-	-
Transfer to PPE		-	-				-	-
Disposals/Adjustments		(54,145.75)	-	(1,26,618.11)			-	(1,80,763.86)
Accumulated Depreciation as on July 15, 2024	**-**	**2,60,180.42**	**9,67,579.85**	**5,71,63,926.07**	**2,78,60,788.88**	**257.53**	**-**	**8,62,52,732.75**
Net Block								
As on July 15, 2024	**9,70,58,592.55**	**9,84,363.08**	**21,84,670.15**	**1,01,27,16,802.14**	**1,07,89,68,852.68**	**2,34,742.47**	**-**	**2,19,21,48,023.07**
As on July 16, 2023	**8,34,59,553.00**	**4,68,493.51**	**26,34,991.58**	**1,07,33,91,745.74**	**-**	**-**	**89,61,59,361.15**	**2,05,61,14,144.98**

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Significant Accounting Policies and Explanatory Notes
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5. Intangible Assets

Particulars	Softwares/ Licences	Others	Total
Cost			
Gross Block As on July 16, 2023	5,763,519.80	-	5,763,519.80
Additions		-	-
Revaluation Surplus of Intangible Assets	-	-	-
Transfer	-	-	-
Revaluation & Adjustments	-	-	-
Disposals/Adjustments	-	-	-
Gross Block As on July 15, 2024	**5,763,519.80**	**-**	**5,763,519.80**
Amortization			
Accumulated Amortization as on July 16, 2023	375,813.07	-	375,813.07
Charge for the year	576,351.98		576,351.98
Adjustment due to Revaluations & others	-	-	-
Impairment Losses	-	-	-
Transfer to PPE	-	-	-
Disposals/Adjustments	-	-	-
Accumulated Amortization as on July 15, 2024	**952,165.05**	**-**	**952,165.05**
Net Block			
As on July 15, 2024	**4,811,354.75**	**-**	**4,811,354.75**
As on July 16, 2023	**5,387,706.73**	**-**	**5,387,706.73**

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6. Right-of-use Assets

Particulars	Land	Building	Total
Cost			
Gross Block As on July 16, 2023	146,505,000.00	-	146,505,000.00
Additions	-	-	-
Revaluation Surplus of Intangible Assets	-	-	-
Transfer	-	-	-
Revaluation & Adjustments	-	-	-
Disposals/Adjustments	-	-	-
Gross Block As on July 16, 2023	**146,505,000.00**	**-**	**146,505,000.00**
Accumulated Amortisation			
Accumulated Depreciation as on July 16, 2023	1,701,866.30	-	1,701,866.30
Charge for the year	5,860,200.00	-	5,860,200.00
Adjustment due to Revaluations & others	-	-	-
Impairment Losses	-	-	-
Transfer to PPE	-	-	-
Disposals/Adjustments	16,055.34	-	16,055.34
Accumulated Depreciation as on July 15, 2024	**7,578,121.64**	**-**	**7,578,121.64**
Net Block			
As on July 15, 2024	**138,926,878.36**	**-**	**138,926,878.36**
As on July 16, 2023	**144,803,133.70**	**-**	**144,803,133.70**

Depreciation on ROU Assets of Rs. 2,617,020.82 has been capitalized under Block I.

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7. Cash and Cash Equivalents

Particulars	As on July 15, 2024	As on July 16, 2023
Cash Balances (As Certified by the Management)	48,645.00	-
Balances with Banks:		
Balances with Banks	3,359,327.69	630,039.99
Total	**3,407,972.69**	**630,039.99**

8. Trade Receivables

Particulars	As on July 15, 2024	As on July 16, 2023
Nepal Electricity Authority	46,063,070.63	23,429,890.27
Total	**46,063,070.63**	**23,429,890.27**

8.1 Trade receivables

Trade receivables comprises of amount receivable from customers and are non-interest bearing and are generally receivable on terms of 7 to 90 days in the ordinary course of business.

9. Prepayments

Particulars	As on July 15, 2024	As on July 16, 2023
Prepayment	2,666,722.05	5,297,162.68
Total	**2,666,722.05**	**5,297,162.68**

10. Other Assets

10.1 Other Assets - Non Current

Particulars	As on July 15, 2024	As on July 16, 2023
Deposits	600,000.00	600,000.00
Bank Margin	200,356.80	1,489,356.80
Advance to Vendors, Contractors & LCs	2,228,267.85	119,995,128.30
Total	**3,028,624.65**	**122,084,485.10**

10.2. Other Assets - Current

Particulars	As on July 15, 2024	As on July 16, 2023
Advance for Expenses	534,826.00	149,881.67
Other Receivables	-	112,270.00
Advance to Suppliers	-	-
Total	**534,826.00**	**262,151.67**

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11. Share Capital

Particulars	As on July 15, 2024	As on July 16, 2023
Authorised:		
8,000,000 Equity Shares of Rs.100/- each (PY 5,000,500 Equity Shares of Rs.100/- each)	800,000,000.00	500,050,000.00
Issued & Subscribed:		
8,000,000 Equity Shares of Rs.100/- each (PY 5,000,500 Equity Shares of Rs.100/- each)	800,000,000.00	500,050,000.00
Paid Up:		
6,400,000 Equity Shares of Rs.100/- each (PY 5,000,500 Equity Shares of Rs.100/- each)	640,000,000.00	500,050,000.00
Total	**640,000,000.00**	**500,050,000.00**

11.1. Financial Instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's equity shares are classified as equity instruments.

11.2. Numbers and value of equity shares outstanding at the end of the year is as per follows:

Particulars	Nos of Shares	Paid Up value
Akshay Golyan	4,099,500	409,950,000
Renergo Developers Pvt Ltd	2,000,000	200,000,000
Pawan Kumar Golyan	100	10,000
Basu Dev Golyan	100	10,000
Surabhi Golyan	100	10,000
Kumud Golyan	100	10,000
Shakti Kumar Golyan	100	10,000
Golyan Power Limited	300,000	30,000,000
Total Shares outstanding at 15-07-2024	**6,400,000**	**640,000,000**

11.3 Reconciliation of the number of equity shares outstanding at the beginning and end of the year:

Particulars	Nos of Shares	Amount
Total Shares outstanding at 17-07-2023	5,000,500	500,050,000.00
Add: Shares issued during the year	1,399,500	139,950,000.00
Total Shares outstanding at 15-07-2024	**6,400,000**	**640,000,000.00**

11.4 Authorized capital and issued capital has been increased to Rs. 80 Crore via approval letter of OCR dated 2080-07-23.

12. Share Application Money

Particulars	As on July 15, 2024	As on July 16, 2023
Share Application Money	-	68,293,425.81
Total	**-**	**68,293,425.81**

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13 Other Equity

Particulars	As on July 15, 2024	As on July 16, 2023
Retained Earnings		
Upto Last Year	(4,137,262.33)	(1,906,792.63)
For the Year	(17,580,246.87)	(2,230,469.70)
IPO Issuance Charges	(1,087,750.00)	
Prior Period Items	110,562.77	-
Total	**(22,694,696.44)**	**(4,137,262.33)**

14. Long Term Borrowings

Particulars	As on July 15, 2024	As on July 16, 2023
Secured Loans:		
Term Loan (Nabil Bank)	495,736,896.00	830,607,895.61
Term Loan (Standard Chartered Bank)	1,183,342,643.00	873,048,277.21
Bridge Gap Loan (Standard Chartered Bank)	-	21,487,500.00
Less:		
Current Maturity of Term Loan	(83,277,660.00)	(50,526,000.00)
Total	**1,595,801,879.00**	**1,674,617,672.82**

14.1 As per Credit Facility Agreement between the company and Nabil Bank Ltd dated 28th Ashad 2081, total Loan limit of NPR 515.03 Million towards Funded and 18.5 Million towards Non Funded for the development of Solar PV Electricity Project Block II of 10 MW. As per Credit Facility Agreement between the company and Standard Chartered Bank Ltd dated 12th September 2023 and 30th May 2024, total loan limit of NPR 899 Million and NPR 314.2 respectively for the development of Solar PV Electricity Project Block I of 10 MW and Block II of 10 MW. Credit facilities have been secured against the followings:

a. First legal charge by way of registered mortgage/pledge/hypothecation over the entire present and future fixed assets, created with or without financing owned by the Borrower solely in favour of the financing Banks.

b. First charge over entire current assets of the project including receivables from Nepal Electricity Authority, compensation/ incentives paid to the borrower etc solely in favour of the Banks.

c. Assignment of Power Purchase Agreements signed between Nepal Electricity Authority and the Borrower for supply and delivery of energy (electricity) produced by the Borrower from the two Grid Tied Solar PV Electricity Projects of 10 MW each (Block I and Block II) localted at Raniyapur, Khajura Rural Municipality of Banke District, Lumbini Province (Province No. 5), Nepalgunj,

d. Assignment of Power generation/transmission license.

e. Assignment of Project Guarantees.

f. Personal Guarantee of Mr.Akshay Golyan till the tenure of loan.

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15. Trade Payables - Current

Particulars	As on July 15, 2024	As on July 16, 2023
Retention Payables	22,226,068.80	31,036,389.29
Sundry Creditors	2,630,035.96	101,634.99
Total	**24,856,104.76**	**31,138,024.28**

16 Short Term Borrowings

Particulars	As on July 15, 2024	As on July 16, 2023
Secured Loans:		
Short Term Loan	39,999,705.07	15,000,000.00
Current Maturity of Non-Current Borrowings	83,277,660.00	50,526,000.00
Total	**123,277,365.07**	**65,526,000.00**

Condition of mortgage:

16.1 As per Credit Facility Agreement between the company and Nabil Bank Ltd dated 28th Ashad 2081, Short term Loan limit of NPR 15 Million for the operation of Solar PV Electricity Project Block II of 10 MW. As per Credit Facility Agreement between the company and Standard Chartered Bank Ltd dated 12th September 2023, Short term loan limit of NPR 25 Million for the operation of Solar PV Electricity Project Block I of 10 MW. Credit facilities have been secured against the followings:

a. First charge over hypothication of entire Inventory of the project including receivables from Nepal Electricity Authority, compensation/ incentives paid to the borrower etc solely in favour of the Banks.

17. Other Liabilities

Particulars	As on July 15, 2024	As on July 16, 2023
Withholding Taxes	158,337.92	1,475,250.94
Audit Fee Payable	111,500.00	44,600.00
Salary & Wages Payable	794,717.00	28,968.00
Advance from Director	25,500,000.81	-
Retirement Fund Payable	109,614.42	15,416.00
Expense Payable	248,079.54	91,259.81
Interest Payable	3,526,459.74	4,640,429.02
Provision for Expenses	-	16,035,006.66
Other Payable	35,165.36	189,924.11
Total	**30,483,874.79**	**22,520,854.54**

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18. Revenue From Operations

Particulars	For the year ended July 15, 2024	For the year ended July 16, 2023
Sale of Electricity	200,747,296.63	29,392,419.27
Total	**200,747,296.63**	**29,392,419.27**

19. Cost of Plant Operation

Particulars	For the year ended July 15, 2024	For the year ended July 16, 2023
Bay Control Panel Charges	500,154.24	68,350.68
Maintenance Consumables	23,750.00	-
Safety Equipments	16,678.80	-
Consumption Others	714,410.86	-
Civil Materials	197,859.66	-
Internal Consumption of Electricity	1,618,596.00	-
Insurance Expenses	3,576,283.16	-
Labour Wages	177,780.79	-
Site Utilities	157,973.86	-
Security Expenses	2,100,045.86	-
Total	**9,083,533.23**	**68,350.68**

20. Employee Cost

20.1 Employee Cost charged to Statement of Profit and Loss

Particulars	For the year ended July 15, 2024	For the year ended July 16, 2023
Short Term Employee benefits:		
Salary & Allowances	8,075,958.00	-
Long Term Employee benefits:		
Contribution to Social Security Fund	443,731.00	-
Total	**8,519,689.00**	**-**

20.2 Employee Cost Capitalized as Qualifying Assets under PPE

Particulars	For the year ended July 15, 2024	For the year ended July 16, 2023
Short Term Employee benefits:		
Salary & Allowances	-	911,279.00
Long Term Employee benefits:		
Staff Leave	-	-
Contribution to Social Security Fund	-	47,802.00
Total	**-**	**959,081.00**

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21. Administration Expenses

Particulars	For the year ended July 15, 2024	For the year ended July 16, 2023
Office Expenses	755,941.00	3,670.00
Rent Expenses	1,291,407.22	-
Audit Fee	113,000.00	45,200.00
Bank Charges	46,993.02	13,315.00
Printing & Stationery	48,658.00	14,280.00
Meeting Expenses	78,449.00	-
Maintenance Cost	3,102,961.50	-
Office Uniform Expenses	13,912.09	-
Corporate Social Responsibility	32,675.00	-
Site Office Setup	89,100.50	-
Festival Expenses	27,620.00	-
Testing Charges	74,871.59	-
Annual Maintenance Charges	91,782.00	-
Business Promotion Expenses	20,000.00	-
Transportation and Courier Charges	420,699.00	-
Fuel Expenses	226,283.68	-
Communication Expenses	21,808.66	-
Site Visit Expenses	329,779.91	-
Land Valuation Expenses	50,000.00	-
Management and Consultancy Charges	3,401,187.00	-
Certification & Translation	211,560.40	-
Registration and Renewal	118,820.00	77,200.00
Advertisement	116,740.00	61,459.00
Total	**10,684,249.57**	**215,124.00**

22. Extraordinary Expenses

Particulars	For the year ended July 15, 2024	For the year ended July 16, 2023
Fine and Penalty	4,095,660.00	-
Total	**4,095,660.00**	**-**

22.1 Fine and Penalty consists of penalty charged by the Nepal Electricity Authority (NEA) for not meeting the commercial operation date of Block I as outlined in the Power Purchase Agreement (PPA).

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23. Borrowing Cost

Particulars	For the year ended July 15, 2024	For the year ended July 16, 2023
Interest on Bank Borrowings	110,244,234.84	20,329,882.79
Total	**110,244,234.84**	**20,329,882.79**

23.1 Interest on Bank Borrowings

Particulars	For the year ended July 15, 2024	For the year ended July 16, 2023
Block 2:		
Bank Interest	69,213,745.18	85,835,528.82
Bank Commission and Fee	-	1,865,559.13
Less: Borrowing cost charged to Profit and Loss	(69,213,745.18)	(20,329,882.79)
Total Borrowing cost capitalized in Block 2	**-**	**67,371,205.16**
Block 1:		
Bank Interest	77,137,883.42	26,251,301.84
Bank Commission and Fee	-	1,829,614.11
Less: Borrowing cost charged to Profit and Loss	(41,030,489.66)	-
Total Borrowing cost capitalized in Block 1	**36,107,393.76**	**28,080,915.95**
Borrowing cost Capitalized under PPE	**36,107,393.76**	**95,452,121.11**
Borrowing cost Charged to PL	**110,244,234.84**	**20,329,882.79**

24. Depreciation and Amortization

Particulars	For the year ended July 15, 2024	For the year ended July 16, 2023
Depreciation on PPE	75,682,445.71	10,633,718.43
Depreciation on ROU Assets	5,860,200.00	1,701,866.30
Amortization of Intangible Assets	576,351.98	375,813.07
Less: Depreciation on ROU Asset Capitalized to Block I	(2,617,020.82)	(1,701,866.30)
Total	**79,501,976.86**	**11,009,531.50**

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25. Earnings Per Share

Particulars	For the year ended July 15, 2024	For the year ended July 16, 2023
Numerator		
Profit/(Loss) for the year	(17,580,246.87)	(2,230,469.70)
Denominator (Weighted Avg No. of Shares)		
Basic	5,824,863	1,939,011
Diluted	5,824,863	1,939,011
Earning Per Share (in NRs) (Face Value Rs 100/- each)		
Basic	(3.02)	(1.15)
Diluted	(3.02)	(1.15)

Earning Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all diluted potential equity shares.

26. Contingent Liabilities, Capital Commitment & Contingent Assets:

26.1 Contingent Liabilities
Contingent liabilities are potential future cash out flows, where the likelihood of payment is considered more than remote but is not considered probable or cannot be measured reliably.

26.1.1 Bank Guarantee has been provided to the Department of Customs for obtaining EXIM Code. As at the reporting date the guarantee amount is NPR 300,000

26.2 Commitment
A commitment is a contractual obligation to make a payment in the future. These amounts are not recorded in the statement of financial position since the company has not yet received the goods or services from the supplier.

26.3 Contingent Assets
Contingent asset where it is probable that future economic benefits will flow to the company are not recognized but disclosed in the financial statements.

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27. Related Party Transactions
27.1 Relationship

The company identified related parties on the following lines

1 Shareholders having shareholding of 5% or more during the year.
2 Companies represented by the Directors.
3 Directors and their relatives
4 Key management personnel and their relatives

27.2 List of Related Parties

Name of Related Parties	Nature of Relationship
a. Key Management personnel (KMP):	
Mr. Akshay Golyan	Chairman and MD
Ms.Surabhi Golyan	Director
Mr. Shakti Kumar Golyan	Director
Mr. Nishant Goyal on behalf of Renergo Developers Pvt Ltd, Delhi, India	Director
Mr. Mayank Rohilla on behalf of Renergo Developers Pvt Ltd, Delhi, India	Director
b. Other Related Parties:	
Westar Galaxy Trading Pvt Ltd	Common Shareholder
Renergo Developers Pvt. Ltd.	Common Shareholder
Renergo Developers Pvt.Ltd (India)	Common Shareholder
Nexus Engineering Consultancy and Construction Pvt Ltd	Significant Influence by KMP
Clear Energy Pvt Ltd	Common Shareholder
Pious Energy Pvt Ltd	Common Shareholder

27.3 Transactions with Directors & Key Management Personnel

The company has received Rs. 2.55 Crore loan from Mr. Akshay Golyan to meet temporary fund requirement and it is non-Interest bearing.

27.4 Other Related Party Transaction and Balances

Particulars	FY 2080-81	Remarks
Purchase from Related Parties:		
Purchase from Renergo Developers Pvt. Ltd, Delhi, India	69,063,338.34	
Consultancy Expenses & Rent, Westar Galaxy Trading Pvt Ltd	6,710,352.01	
Nexus Engineering Consultancy and Construction Pvt. Ltd	96,958,499.94	
Rent - Golyan Tower Pvt Ltd	575,148.00	
Amount Receivable/(Payable) from Related Parties:		
Westar Galaxy Trading Pvt Ltd	130,875.00	
Nexus Engineering Consultancy and Construction Pvt Ltd	(10,247,111.05)	
Clear Energy Pvt Ltd	41,490.01	
Pious Energy Pvt Ltd	(153,155.00)	
Golyan Tower Pvt Ltd	(2,000,000.00)	
Renergo Developers Pvt. Ltd.	(5,540,428.69)	
Renergo Developers Pvt.Ltd, Delhi, India	(8,123,694.93)	

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28. Financial risk management objectives and policies

The Company's business activities expose to a variety of risks, namely primarily to, liquidity and interest rate 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 analyze 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.

28.1 Market risk

In spite of having a very high potentiality of Hydropower and Solar energy sector, it is volatile to geopolitical and domestic incidents. With stabilization in the geopolitical and domestic issues, the energy sector looks for bright future. However, there is risk that any domestic/ international or geopolitical incidents would impact the business of the company. However, the company through its exprienced management and strong promoters will sustain through such risks.

28.2 Credit risk

The company provides 45 days credit to Nepal Electricity Authority. NEA being a government enterprise, the company estimates no credit risk.

28.3 Liquidity risk

The Company monitors its risk to a shortage of funds on a regular basis through fund forecast. The Company's objective is to maintain a balance between continuity of funding through equity and cash flows from operations to meet its operational cost and debt servicing. The company estimates that it will generate sufficient revenue from sale of electricity to meet its fund requirement.

28.4 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 has borrowings from banks to fund the construction of the project. Company's interest rate on such borrowing is determined based on the quarterly base rate published by the bank. Such base rate changes with the change in market scenario. Hence company is exposed to Interest Rate risk.

28.5 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is less exposed to foreign currency risk.

28.6 Operational Risk

The company have prepared and implemented various Standard Operating Procedures (SOPs) in the form of clear cut delegation of authority for the activities, guidelines regulations etc. Company believes that the controls implemented by the company have minimized the operational risk to acceptably low level.

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29. Financial Instruments Classification and Fair value measurements

Financial Instruments are classified in accordance with Note 3.3. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair values are determined according to the following hierarchy:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability. Company has used its own data (accounting value) and considered if there exist factors that would otherwise result in changes to the book value of assets or liabilities. Such factors did not exist as per management evaluation and accordingly, book value has been considered as fair value.

Particulars	As on 31st Ashad 2081		As on 31st Ashad 2080	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Cash and cash equivalents		3,407,972.69		630,039.99
Investments				
Trade receivables		46,063,070.63		23,429,890.27
Total Financial assets	-	**49,471,043.32**		**24,059,930.26**
Financial liabilities				
Borrowings		1,719,079,244.07		1,740,143,672.82
Trade Payables		24,856,104.76		65,526,000.00
Other Liabilities		30,483,874.79		22,520,854.54
Lease liabilities				
Total Financial liabilities	-	**1,774,419,223.62**	-	**1,828,190,527.36**

30. Others

30.1. Bonus Provision:

Provision for Bonus has not been made in view of losses incurred during the year.

30.2 Provision for CSR:

Provision of CSR under Section 48 of Industrial Enterprises Act has not been done in view of losses incurred during the Year.

30.3 Regrouping and Round off:

Figures have been regrouped and rearranged so as to facilitate comparison. Insignificant rounding off differences may exist.

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