
Super Khudi Hydropower Limited
Swayambhu, Kathmandu

Annual Financial Report
For the Financial Year
2081-82



M.K. Sah & Associates
Chartered Accountants
Balkhu, Kathmandu
Tel. +977-4439445, Fax +977-1-4439445
Email: associatesmksah@gmail.com



नेपाल चार्टर्ड एकाउन्टेन्ट्स संस्था
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NEPAL
(Established under the Nepal Chartered Accountants Act, 1997)

UDIN Document

Fiscal Year: 2081/82

Generated Date / Time: 2025-09-23 19:06:38	UDIN Number: 250923CA00545BTCvX
Member Name: MANOJ KUMAR SAH	Date of Signing Document: 2025-09-02
Document Type: Audit	Audit Type: Statutory Audit
Office Type: Unlisted Public Company	Office Name: सुपर खुदी हाइड्रोपावर लमिटिड
Type of Audit Opinion: Unqualified Opinion	
Client PAN: 303418795	

Financial figures

S.N.	Heading	Value
1	Total Assets/Liabilities	NRs. 4,328,230,113.00
2	Gross Revenue / Turnover	NRs. 1,614,873,524.00
3	Gross Expenses	NRs. 1,420,251,360.00
4	Net Profit or Loss	NRs. 194,622,163.90

Status: Active Document

Document Description:

The UDIN System has been developed by the Institute of Chartered Accountants of Nepal (ICAN) to facilitate its members for verification and certification of the documents and for securing documents and authenticity thereof by Authorities, Regulators and Stakeholders. However, ICAN assumes no responsibility of verification and certification of document(s) carried out by the Members and the concerned member(s) shall alone be responsible therefore.

To verify UDIN, please go to www.udin.ican.org.np

Print Date / Time: 2025-09-23 19:07:50

M.K. Sah & Associates

Chartered Accountants
ICAN Firm Reg. No.: 410
COP No.: 501
TPIN No.: 600302209

📍 Balkhu-14, 8A-Brihat Cluster
Kathmandu, Nepal
☎ +977-1-4539445
✉ associatesmksah@gmail.com

INDEPENDENT AUDITOR'S REPORT

The Share holders of Super Khudi Hydropower Limited
Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of M/s Super Khudi Hydropower Limited, Swayambhu, Kathmandu, Nepal (hereinafter the company), which comprises the balance sheet as at Ashad 32, 2082[July 16, 2025], profit and loss account, statement of changes in equity & cash flow statement for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of the company as at Ashad 32, 2082[July 16, 2025] and its financial performance and its cash flows for the year then ended on that date in accordance with Nepal Financial Reporting Standards (NFRSs).

Basis of Opinion

We conducted our audit in accordance with Nepal Standards on Auditing (NSA's). 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 Institute of Chartered Accountant of Nepal's code for professional accountants (ICAN Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nepal, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAN Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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.

No any key audit matters were identified that needs to be reported.

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 Nepal Accounting Standards, 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.

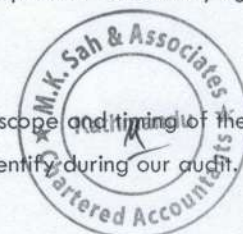
Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, 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 NSA's 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 NSA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

Report on Other Legal and Regulatory Requirements

We have obtained information and explanations asked for, which, to the best of our knowledge and belief were necessary for the purpose of our audit. In our opinion, proper books of account as required by law have been kept by the organization in so far as it appears from our examination of those books of account of the company. In our opinion the statement of financial position, statement of profit or loss, statement of other comprehensive income, statement of changes in equity & statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes have been prepared in accordance with the requirements of Companies Act, 2063 and are in agreement with the books of accounts maintained by the company.

For M.K. Sah and Associates

Chartered Accountants



CA. Manoj Kumar Sah, FCA

Proprietor

Date: 2025/09/02

Place: Kathmandu, Nepal

UDIN: 250923CA00545BTCvX



Super Khudi Hydropower Limited.
(Formerly Known as Super Khudi Hydropower Pvt. Ltd.)
Swayambhu Kathmandu


Statement of Financial Position
As on Ashadh 32, 2082 (July 16, 2025)

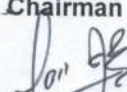
Particulars	<u>Notes</u>	As on Ashadh 32, 2082 (July 16, 2025) (NRS)	As on Ashadh 31, 2081 (July 15, 2024) (NRS)
Assets			
Non Current Assets			
Property, Plant & Equipment	4	26,668,007	29,187,360
Intangible Assets Under Development (IAUD)	5	3,604,213,590.50	1,989,340,066.78
Right-of-Use Assets	6	683,212.87	-
Current Assets			
Financial Assets			
Cash & Cash Equivalents	7	20,383,086	4,004,142
Current Assets	8	36,026,000	36,937,600
Non-Financial Assets			
Pre-Payments	9	280,520,183	346,992,338
Current Assets	10	359,736,033	88,518,285
Current Tax Assets	11	-	-
Total Assets		4,328,230,113	2,494,979,792
Equity & Liabilities			
Shareholder's Fund			
Equity Share Capital	12	1,240,000,000	790,500,000
Accumulated Profit & Loss	13	410,175,425	215,553,261
Non-Current Liabilities			
Financial Liabilities			
Long Term Borrowing	14	1,662,864,849	1,181,908,788
Lease Liability	15	771,434	-
Current Liabilities			
Financial Liability			
Short Term Borrowings	16	916,450,000	222,199,092
Current Liabilities	17	97,283,570	82,798,434
Non Financial Liabilities	18	684,836	2,020,217
Total Capital & Liabilities		4,328,230,113	2,494,979,792

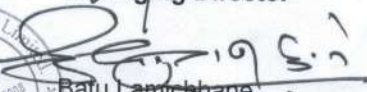
Summary Significant Accounting Policies and 1 to 31 As per our attached report of even date

For & On Behalf of Board

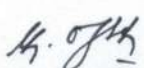

Chetan Pradhan
Chairman



Ganesh Karki
Managing Director


Nawaraj Niraula
Sr.Account Officer


Batu Lamichhane
Director

For M.K Sah & Associates
Chartered Accountants


Manoj Kumar Sah, FCA
Proprietor


Nivita Pradhan
Director

Date: 2082/02/16
Place: Kathmandu



Super Khudi Hydropower Limited.
(Formerly Known as Super Khudi Hydropower Pvt. Ltd.)

Swayambhu Kathmandu

Statement of Profit & Loss

For the Period Ended Ashadh 32, 2082 (July 16, 2025)

<u>Particulars</u>	<u>Notes</u>	Year Period Ashadh 32, 2082 (April 13, 2025) (NRS)	Year Ended Ashadh 31, 2081 (July 15, 2024) (NRS)
Revenue from Operation	19	-	-
Cost of revenue	20	-	-
Gross Profit		-	-
Construction Revenue as per IFRIC-12	21	1,614,873,523.72	1,144,828,920.55
Construction Expenses as per IFRIC-12	22	(1,405,215,387.85)	(996,196,415.38)
Profit as Per IFRIC-12		209,658,135.87	148,632,505.17
Expenditure			
Administrative Expenses	23	10,463,122.51	11,667,236.38
Depreciation	24	3,725,364.52	4,372,617.39
Depreciation on ROU Assets		683,212.87	-
Amortization of Project Assets		-	-
Total Expenditure		14,871,699.90	16,039,853.77
Profit From Operations		194,786,435.97	132,592,651.40
Financial Income		-	-
Financial Charges	25	164,272.11	-
Net Profit/(Loss) Before Tax		194,622,163.86	132,592,651.40
Income Tax Expenses:		-	-
Current Year Income Tax		-	-
Deferred Tax Expenses/(Income)		-	-
Net Profit for the Year		194,622,163.86	132,592,651.40
Earning Per Share	26		
Basic		15.70	16.77
Diluted		15.70	16.77
Summary Significant Accounting Policies and Notes to the Financial Statements	1 to 31	As per our attached report of even date	

For & On Behalf of Board

For M.K Sah & Associates

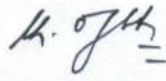
Chartered Accountants

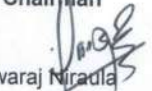

Chetan Pradhan
Chairman


Ganesh Karki
Managing Director


Batu Lamichhane
Director


Nivita Pradhan
Director


Manoj Kumar Sah, FCA
Proprietor


Nawaraj Niraula
Sr.Account Officer

Date: 2082/02/16
Place: Kathamndu



Super Khudi Hydropower Limited.
(Formerly Known as Super Khudi Hydropower Pvt. Ltd.)
Swayambhu Kathmandu

Statement of Other Comprehensive Income
For the Period Ended Ashadh 32, 2082 (July 16, 2025)

<u>Particulars</u>	<u>Note</u>	<u>Year Period</u> Ashadh 32, 2082 (April 13, 2025)	<u>Year Ended</u> Ashadh 31, 2081 (July 15, 2024)
		(NRS)	(NRS)
Profit for the year		194,622,164	132,592,651
Other Comprehensive Income, Net of Income Tax			
a) Items that will not be reclassified to profit or loss			
Gains/(losses) from investment in equity instruments measured at fair value		-	-
Gains/(losses) on revaluation		-	-
Actuarial gains/(losses) on defined benefit plans		-	-
Income tax relating to above items		-	-
Net other comprehensive income that will not be reclassified to profit or loss		-	-
b) Items that are or may be reclassified to profit or loss			
Gains/(losses) on cash flow hedge		-	-
Exchange gains/(losses)(arising from translating financial assets of foreign operation)		-	-
Income tax relating to above items		-	-
Reclassify to profit or loss		-	-
Net other comprehensive income that are or may be reclassified to profit or loss		-	-
c) Share of other comprehensive income of associate accounted as per equity method		-	-
Other Comprehensive Income for the year, Net of Income Tax		-	-
Total Comprehensive Income for the Period		194,622,164	132,592,651
Total Comprehensive Income attributable to:			
Share Holders		194,622,164	132,592,651
Total Comprehensive Income for the Period		194,622,164	132,592,651







Super Khudi Hydropower Limited.
(Formerly Known as Super Khudi Hydropower Pvt. Ltd.)
Swayambhu Kathmandu
Standalone Statement of Cash Flow
For the Period Ended Ashadh 32, 2082 (July 16, 2025)

<u>Particulars</u>	Year Period Ashadh 32, 2082 (April 13, 2025) (NRS)	Year Ended Ashadh 31, 2081 (July 15, 2024) (NRS)
A. Cash Flow from Operating Activities:		
Net Profit Before Tax	194,622,163.86	132,592,651.40
<i>Adjustment for:</i>		
Depreciation and Amortization	4,408,577.39	4,372,617.39
Interest Expenses	-	-
Prior Period Expenses	-	-
Operating Profit Before Working Capital Changes	199,030,741.25	136,965,268.79
Changes in Working Capital		
Decrease/(Increase) in Other Financial Current Assets	911,600.00	(35,635,000.00)
Decrease/(Increase) in Pre-payments	66,472,155.28	(76,037,681.02)
Decrease/(Increase) in Other Non-Financial Current Assets	(271,217,748.33)	(72,465,949.97)
Decrease/(Increase) in Current Tax Assets	-	-
Decrease/(Increase) in Other Non-Current Financial Liabilities	-	-
Decrease/(Increase) in Other Current Financial Liabilities	14,485,135.23	55,703,955.19
Decrease/(Increase) in Other Non-Current Financial Liabilities	(1,335,381.40)	(2,305,376.53)
Operating Cash Flows After Changes in Working Capital	(190,684,239.22)	(130,740,052.33)
Net Cash Flow from Operating Activities	8,346,502.03	6,225,216.46
B. Cash Flow from Investing Activities:		
Purchase of Property and Equipment	(3,192,136.00)	(4,173,596.00)
Sale/disposal of Property and Equipment	1,986,124.51	-
(Increase) /Decrease in Right-of-Use Assets	(1,366,425.75)	-
(Increase) /Decrease in Intangible assets under development	(1,614,873,523.72)	(1,144,828,920.55)
Net Cash Flow From Investing Activities	(1,617,445,960.96)	(1,149,002,516.55)
C. Cash Flow from Financing Activities:		
Decrease/(Increase) in Equity	449,500,000.00	140,631,000.00
Decrease/(Increase) in Long term Borrowings	480,956,060.56	1,054,356,788.33
Decrease/(Increase) in Short term Borrowings	694,250,908.30	(48,800,908.30)
Decrease/(Increase) in Lease Liability	771,433.86	-
Bonus Paid	-	-
Dividends Paid	-	-
Interest Paid	-	-
Net Cash Flow From Financing Activities	1,625,478,402.72	1,146,186,880.03
Total Cash Flows from All Activities (A+B+C)	16,378,943.79	3,409,579.94
Opening Cash & Bank Balances	4,004,141.98	594,562.04
Closing Cash & Bank Balances	20,383,085.77	4,004,141.98

For & On Behalf of Board

As per our attached report of even date


For M.K Sah & Associates
Chartered Accountants

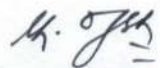

Chetan Pradhan
Chairman


Ganesh Karki
Managing Director




Batu Lamichhane
Director


Nivita Pradhan
Director


Manoj Kumar Sah, FCA
Proprietor


Nawaraj Niraula
Sr.Account Officer

Date: 2082/02/14
Place: Kathmandu



Super Khudi Hydropower Limited.
(Formerly Known as Super Khudi Hydropower Pvt. Ltd.)
Swayambhu Kathmandu
Statement of Changes in Equity
For the Period Ended Ashadh 32, 2082 (July 16, 2025)

Particulars	Share Capital	Share Capital Advance	Fair Value Reserve	Revaluation Reserve	Retained Earning	Total
Balance at Shrawan 01, 2080	618,746,400	-	-	-	82,960,609	701,707,009
Issue of Share Capital	171,753,600	-	-	-	-	171,753,600
Previous Year Taxes	-	-	-	-	-	-
Total Comprehensive Income for the Year	-	-	-	-	132,592,651	132,592,651
Dividend Paid	-	-	-	-	-	-
Balance at Ashad 2081	790,500,000	-	-	-	215,553,261	1,006,053,261
Balance at Shrawan 01, 2081	790,500,000	-	-	-	215,553,261	1,006,053,261
Issue of Share Capital	449,500,000	-	-	-	-	449,500,000
Adjustment/Restatement on NFRS Transition date:						
Previous Year Taxes	-	-	-	-	-	-
Total Comprehensive Income for the Year	-	-	-	-	194,622,164	194,622,164
Interim Dividend Paid	-	-	-	-	-	-
Balance at Ashadh End 2081	1,240,000,000	-	-	-	410,175,425	1,650,175,425

[Signature]



[Signature]

[Signature]



Super Khudi Hydropower Limited.
(Formerly Known as Super Khudi Hydropower Pvt. Ltd.)
Swayambhu Kathmandu
Significant Accounting Policies and Notes to Accounts

Notes

1 Corporate Overview:

Super Khudi Hydropower Pvt. Ltd ("the Company"), a private limited company registered under Companies Act, 2063 as on 17th December 2008 with Reg No: 58603/065/066, having its registered office at Swayambhu-15, Kathmandu, Nepal has been converted to Limited company as on 10th July 2023 with registration no 315055/079/080. Project site is located in Marsyangdi Rural Municipality of Lamjung district.

It is a high head project with 5.85 m³/s design discharge, 531.86 m gross head and 26 MW installed capacity.

It is located at the upstream of existing Khudi Hydropower Project (4.0 MW) in Marsyangdi Rural Municipality of Lamjung district. The project area lies at about 14 km from Besisahar, the district headquarter of Lamjung, and 188 km from Kathmandu. Geographically the project area lies within 84°18'32"E / 84°19'26"E to 84°20'44"E and 28°18'22"N to 28°21'19"N/ 28°21'50"N.

Company has entered into Power Purchase Agreement with Nepal Electricity Authority in Baishakh 11,2076.

2 Significant Accounting Policies:

2.1 Statement of Compliance

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

2.2 Basis of Preparation

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been reclassified 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 noncurrent classification of assets and liabilities.

2.3 Reporting Period

The Company follows the Nepalese financial year based on the Nepalese calendar starting from first day of Shrawan (Mid July) of each year to the last day of Ashad (Mid July) of the next year. Corresponding dates for the english calender are as follows.

Relevant Financial Statement Date/Period	Nepalese Calendar Date/ Period	Calendar Date/ Period
Comparative Reporting Date	31 Ashad 2081	
Reporting Date	32 Ashadh 2082	15th July, 2024
Comparative Reporting Period	01 Shrawn 2080 – 31 Ashad 2081	16th July, 2025
Reporting Period	01 Shrawn 2081 – 32 Ashadh 2082	17th July, 2023 - 15th July, 2024
		16th July, 2024 - 16th July, 2025

2.4 Accounting Convention:

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.

2.5 Presentation Currency:

The financial statements are prepared in Nepalese Rupee ("NPR"), which is the company's functional currency.

2.6 Presentations:

The financial Statement are prepared in Nepalese Rupee and rounded off to nearest rupees. The figures for previous year are rearranged and reclassified wherever necessary for the purpose of facilitating comparison. Appropriate disclosure are made wherever necessary.

Statement Of Financial Position (SOPF) :

The elements of Statement of Financial Position (SoFP) other than equity is presented in order of their liquidity by considering current and non-current nature which are further detailed in relevant sections. The company present assets and liabilities in statement of financial position based on current & non-current classification.

The company classifies an assets as current when it is:

- i) Expected to be realised or intended to sold or consumed in normal operating cycle.
- ii) Held primarily for the purpose of trading.
- iii) Expected to be realised within 12 month after the reporting period
- iv) Cash or cash equivalents.

All other assets are classified as non-current .

The company classifies liability as current when it is;

- i) Expected to be settled in normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) Expected to be settled within 12 month after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non current assets/liabilities.

The statement of profit & loss has been prepared using classification "by function" Method.

The statement of cash flow has been prepared using indirect method




Significant Accounting Policies and Notes to Accounts

Statement of Profit & loss and Other Comprehensive Income:

The elements of Statement of Profit or Loss (SoPL) and Other Comprehensive Income (OCI) have been prepared using classification 'by function' method. The details of revenue, expenses, gains and/ or losses have been disclosed in the relevant section of this notes. Earnings per share (EPS) has been disclosed in the face of 'SoPL and OCI' in accordance with NAS 33.

Statement of Cash Flow:

Statement of Cash Flows (SoCF) has been prepared using indirect method and the activities have been grouped under three major categories (Cash flows from operating activities, Cash flows from investing activities and Cash flows from financing activities) in accordance with NAS 07.

Statement of Change in Equity:

The Statement of Changes in Equity (SoCE) has been prepared disclosing changes in each elements of equity.

2.7 Use of 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. 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:-

a 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 are 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.

b Impairment of Property, Plant and Equipment:

At the end of each reporting period, the Company reviews the carrying amount 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.

c Contingencies:

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

d Fair Value Measurements:

The company's assets and liabilities are measured at fair value, wherever necessary, for financial reporting purposes. The management determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. No such measurement has been done during the current financial period.

e Classification of legal matters and Tax litigations:

The litigations and claims to which the company is exposed to are assessed by management with the assistance of legal department. Disclosure related to such provisions, as well as contingent liabilities, also require judgement and estimations, if any.

2.8 Going Concern

The financial statement are prepared on going concern basis, as management is satisfied that the company has the resources to continue the business for the foreseeable future. In making this assessment, the management has considered a wide range of information relating to present and future conditions, including future projection of profitability, cash flow and capital resources.

2.9 Materiality:

The company for the preparation of financial statements determines materiality based on the nature or magnitude , or both. Materiality is a pervasive constraint in financial reporting because it is pertinent to all of the qualitative characteristics.



Significant Accounting Policies and Notes to Accounts

3 Elements of Financial Statement

3.1 Property, Plant & Equipments

- a Property, Plant and Equipment (PPE) are those tangible assets used for generation and supply of energy, for administrative purpose or for rentals to others. These are recognized as PPEs, if and only if it is probable that future (i.e. for more than one accounting period) economic benefits associated with the items will flow to the Company; and the cost of the item can be measured reliably.
- b 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.
- c Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate assets are derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
- d 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.
- e 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.
- f 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 de-recognition 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.
- g The Company identifies impairable fixed assets based on cash generating unit concept at the period-end for the purpose of arriving at impairment loss thereon, if any, being the difference between the book value and recoverable value of relevant assets. Impairment loss when crystallizes is charged to revenue for the period.
- There is no any impairment charges during the year.
- h Expenditure incurred to replace a component of an item of fixed assets that is accounted for separately, including major inspection and overhaul expenditure, is capitalized. Other subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of fixed assets. All other expenditures are recognized in the statement of profit or loss as an expenses as incurred.
- i As per the paragraph-49 of NAS 16 Property, Plant and Equipment, the depreciation charge for a period is usually recognized in Statement of Profit or Loss. However; sometimes, the future economic benefits embodied in an asset are absorbed in producing other assets. In this case, the depreciation charge constitutes part of the cost of the other asset and is included in its carrying amount. Hence, the depreciation accrued on property, plant and equipment till the start of Commercial Operation Date (COD) of the project is charged to Intangible assets under development while the remaining depreciation is recognized in Statement of Profit or Loss.

3.2 Intangible Assets:

Intangible assets comprise the value of computer application software licensed for use of the company. These intangible assets are carried at its cost less accumulated amortization and any accumulated impairment losses. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates. Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. These assets are amortized over their useful life estimated as 7 years from the date of acquisition or over the period of the license, whichever is less.

3.3 Depreciation & Amortization:

- a Depreciation is recognized so as to write off the cost of assets (other than properties under construction), using the diminishing balance method.
- b The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.
- c The estimated useful life of the assets has been taken as follows:-

Particulars	Useful Life (in Years)
Buildings	30
Furniture, Fixtures & Office Equipments	5 to 12
Vehicles	6 to 16
Other Assets	5 to 12

[Handwritten signature]



[Handwritten signature]



Significant Accounting Policies and Notes to Accounts

3.4 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.

Intangible Assets Model:

The intangible asset model is used to the extent that the company, being an operator, receives a right (a license) to charge users of the public service. A right to charge users of a public services is not an unconditional right to receive cash because the amounts are contingent on to the extent that public uses the services.

The Company manages concession arrangements which include power supply from its hydro power plant. 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.

Intangible assets under development

The Company recognizes an asset arising from a service concession arrangement when it has a right to charge for use of the concession infrastructure. An intangible asset received as consideration for providing construction services in a service concession arrangement is measured at fair value on initial recognition with reference to the fair value of the services provided. Subsequent to initial recognition, the intangible asset is measured at cost, which includes capitalized borrowing cost, less accumulated amortization and accumulated impairment losses.

The Company has classified an arrangement for sale of power as a service concession arrangement. Accordingly, the carrying amount of assets under construction and capital advances has been reclassified as an intangible asset in accordance with IFRIC 12 on Service Concession Arrangement.

Particulars	As on Ashadh 32, 2082	Addition During Period	As on Ashadh 31, 2081
Pre Operating Cost.	8,726,439.00	844,110.00	7,882,329.00
Civil Construction Work.	1,082,687,758.70	651,315,371.92	431,372,386.78
Hydro-Mechanical Works	495,042,250.58	77,583,696.06	417,458,554.52
Electro-Mechanical Works	54,259,661.95	43,717,914.95	10,541,747.00
Access Road & Bridge.	695,020,065.18	339,487,933.75	355,532,131.43
Transmission Line.	37,888,683.02	8,005,929.00	29,882,754.02
Environment & Social Impact Mitigation.	65,711,533.04	17,842,342.00	47,869,191.04
Engineering, Management & Admin Cost.	294,560,061.73	73,389,128.76	221,170,932.97
Project Land Cost	63,415,024.12	59,850.00	63,355,174.12
Project Finance Charges	350,271,335.52	192,969,111.41	157,302,224.11
Intangible Assets As per IFRIC- 12	456,630,777.66	209,658,135.87	246,972,641.79
Total	3,604,213,590.50	1,614,873,523.72	1,989,340,066.78

Income Recognition:

Income shall be recognized and measured in accordance with NFRS-15 for the service it performs. Income from the concession arrangements earned under the intangible asset model consists of the

- (i) Fair Value of the contract revenue, which is deemed to be fair value of consideration transferred to acquire the asset; and
- (ii) Payments actually received from the users.

The intangible asset is amortized over its expected useful life in a way that reflects the pattern in which the asset's economic benefits are consumed by the Company, starting from the date when the right to operate starts to be used. Based on these principles, the intangible asset is amortized in line with the actual usage of the specific public facility, with a maximum of the duration of the concession.

Any asset carried under concession arrangements is derecognized on disposal or when no future economic benefits are expected from its future use or disposal or when the contractual rights to the financial asset expire.

The grantor shall purchase the minimum contracted energy as specified in the PPA subject to the company making available such minimum contracted energy to the Grantor. In the case of inability of the Grantor to purchase the specified quantum of energy, the Grantor shall pay the compensation to the Company in accordance with provisions of the PPA. At the end of the concession period the project shall be transferred to the Government of Nepal in operational condition free of cost.

The company has recognized an intangible asset with respect to the consider arising out of the management. The company has recorded revenue 1614873523.72 representing revenue from the construction cost incurred company as on Ashadh 32, 2082 with respect to the aforesaid.

The revenue recognized in relation to construction during the period represents the fair value of the construction services provided in constructing the project. The company recognized Intangible Assets under development of 3604213590.5 representing right to charge fee to users for the use of infrastructure of the arrangement




Significant Accounting Policies and Notes to Accounts

NFRS-IS: Revenue from contract with customers

As per NFRS-15, For the purpose of revenue recognition, following steps has to be satisfied:

- i. Identifying the contract
- ii. Identifying performance obligations
- iii. Determination of the transaction price
- iv. Allocation of the transaction price to the performance obligations in the contract.
- iv. Recognize Revenue When (or As) the Entity Satisfies a Performance Obligation.

Benchmarking Profit Margin.

Profit is recognized as per IRR of the project (14.92%). Company has recognized the contract cost of the project as expenses.

Particulars	FY 2081-82	FY 2080-81
Cost Incurred	1,405,215,387.85	996,196,415.38
Add: Profit as per IRR @ 14.92%	209,658,135.87	148,632,505.17
Revenue Recognized as per IFRIC-12	1,614,873,523.72	1,144,828,920.55

3.5 Employee Benefits:

a Short term employment benefits

- i 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.
- ii Liabilities recognized in respect of short-term employee and contractual employees, 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 recognized as a liability at the present value of the obligation as at the Balance sheet date, if any.

b Staff Bonus

Employee Bonus has not been booked.

3.6 Borrowing Cost

In accordance with NAS 23, borrowing costs attributable to the arrangement shall be recognised as an expense in the period in which they are incurred unless the operator has a contractual right to receive an intangible asset (a right to charge users of the public service). In this case borrowing costs attributable to the arrangement shall be capitalised during the construction phase of the arrangement in accordance with that Standard. Borrowing cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

Particulars	Amount
Borrowing Cost during Period ended 32 Ashadh 2081	147,714,742.33
Borrowing Cost during 81-82	190,405,629.14
Total Borrowing Cost Capatilized till Date	338,120,371.47

3.7 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand 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. Such investment are normally those with less than three months' original maturities or less than from the acquisition date that are subject to an insignificant risk of changes in their values and used by the company in the management of short term commitment. Cash and cash equivalent are classified as financial assets and treated accordingly.

For the purpose of cash flow statement, cash and cash equivalent comprise of cash and non-mandatory balances with banks and amount due from bank with maturity of less than three months.

3.8 Investment in Subsidiaries:

Subsidiaries are the entities that are controlled by the company. The company controls an entity when the company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the investee. Investments in subsidiaries are accounted at cost less impairment, if any.

3.9 Trade & Other Payables:

Trade payables denotes the net amount payables to the suppliers after deducting provisions, if any. Company considers the carrying amount as approximately at fare value due to short term maturity of those instruments. Advances given, if any, to suppliers has been shown separately as advance to vendors.




Significant Accounting Policies and Notes to Accounts

3.10 Provisions, Contingencies & Commitments

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. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date and discounted at pre-tax rate reflecting current market assessments of the time value of the money and the risk specific to the liability. These are reviewed at each year end date and adjusted to reflect the best current estimates.

Company has not made any provision for warranty expenses during the year.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed with the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amounts cannot be made. No contingent asset is recognized but disclosed by way of notes to accounts.

Contingent assets is not recognized in financial statements since this may result in the recognition of the income that may never be realized. However, when the realization of income is virtually certain, then the related assets is not a contingent assets and is recognized.

3.11 Related Party Transaction:

All transactions with related parties are carried out by the Company at arm's length prices.

3.12 Other Advances

The Other advances that fall under the classification of financial instruments are carried at amortized costs and those other assets that do not fall within the definition are carried at cost. These instruments are regularly monitored for impairment. Details of other advances includes;

Particulars	Amount
Global IME Capital Ltd.	750.00
Chet bahadur Gurung	3,000,000.00
Cream Hydel Pvt Ltd	12,786,915.29
Baibhav Power Nepal P. Ltd.	-
Nawa Durga Auto Parts	86,126.00
Long Vision Tours & Travels Pvt.Ltd.	200,000.00
Mandeep Khanal	258,318.00
Khageshwor Jung Gurung	159,600.00
Navashree Law Firm & Associates Pvt. Ltd.	85,000.00
Shubham JB customs Clearing and Forwarding	4,850.00
Trishakti Cable Industries.	2,800,000.00

3.13 Pre-Payments

The prepaid expenses that fall under the classification of financial instruments are carried at amortized costs and those other assets that do not fall within the definition are carried at cost. Prepayment here includes the followings

Particulars	Amount in Rs
Mobilization Advance Civil Contract-Baibhab/Adwin	236,741,929.74
Mobilization Advance Hydro Mechanical Work-Cream Hydel Pvt.Ltd.	36,596,406.47
Prepaid Insurance	7,181,846.76
Total	280,520,182.97

3.14 Taxation:

a Current Tax:

Current income tax is recognized in the income statement except to the extent that it relates to items recognized directly to equity. Current tax is the expected tax payable on the taxable income for the year using tax rates at the reporting date.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using the applicable tax rates.

Current tax assets and current tax liabilities are offset only if there is legally enforceable right to setoff the recognized amounts, and it is intended to realize the assets and settle the liability on net basis or simultaneously.

Company has no Income tax Expenses during the period.




Significant Accounting Policies and Notes to Accounts

b Deferred Tax:

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. The principal temporary difference arises from depreciation of fixed assets and carry forward of losses. 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. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. The company has no any deferred tax assets and liabilities as on reporting period.

3.15 Lease:

At inception of a contract, an entity shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. A period of time may be described in terms of the amount of use of an identified asset (for example, the number of production units that an item of equipment will be used to produce). An entity shall reassess whether a contract is, or contains, a lease only if the terms and conditions of the contract are changed. For a contract that is, or contains, a lease, an entity shall account for each lease component within the contract as a lease separately from non-lease components of the contract, unless the entity applies the practical expedient.

a Lessee:

For a contract that contains a lease component and one or more additional lease or non-lease components, a lessee shall allocate the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The relative stand-alone price of lease and non-lease components shall be determined on the basis of the price the lessor, or a similar supplier, would charge an entity for that component, or a similar component, separately. If an observable stand-alone price is not readily available, the lessee shall estimate the stand-alone price, maximising the use of observable information.

At the commencement date, a lessee shall measure the right-of-use asset at cost. The cost of the right-of-use asset shall comprise:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the lessee; and
- an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

After the commencement date, a lessee shall measure the right-of-use asset applying a cost model, unless it applies either of the measurement models.

The Company has recognized Right-of-Use (ROU) assets of Rs 1,366,426 and corresponding lease liabilities using incremental borrowing rate of 14.92%.

ROU asset recognized = Rs. 1,366,426

Less: Depreciation = Rs 683,213

Carrying Amount of ROU Assets= Rs 683,213

Lease liability recognized = Rs. 1,366,426

Add: Finance Charge = Rs 164,272

Less: Lease Payment = Rs 759,264

Lease liability outstanding= Rs. 771,434

3.16 Cash Flow Statement:

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated. The Cash flow statement is separately attached with the Financial Statements of the company.

3.17 Prior Period Items:

Prior period items, if any, are recognized separately to statement of profit and loss. There is no such items recognized during the period.

3.18 Financial Instruments:

a Financial Assets

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

Subsequent Measurement: For purpose of subsequent measurement, financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortized cost



Significant Accounting Policies and Notes to Accounts

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit or loss, or recognized in other comprehensive income.

NFRS 9: Financial Instruments has been applied to the Retention amounts held of different contractors as mentioned in the table below. The retention amounts are expected to be paid within a year, so the retention amounts are not discounted and presented under Current Liabilities. Details of retention money are as follows:

Particulars	Amount in Rs.
Ret.(Road Contract) Baibhab/Adwin JV.	23,947,901.44
Ret.(Civil Contract) Baibhab/Adwin JV.	44,298,767.58
Ret.Money-Cream Hydel Pvt Ltd.	7,469,701.00
Total	75,716,370.02

b Impairment of financial assets:

The Company assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets measured at amortized cost is impaired.

If there is objective evidence that an impairment loss on financial assets measured at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset shall be reduced either directly or through the use of an allowance account. The amount of the loss shall be recognized in profit or loss.

c Financial Liability:

All financial liabilities are initially recognized at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Financial liabilities are classified as measured at amortized cost or fair value through profit or loss (FVTPL). A financial liability is classified as FVTPL if it is classified as held for trading, or it is a derivative or is designated as such on initial recognition. Financial Liabilities at FVTPL are measured at fair value and net gain or losses, including any interest expense, are recognized in statement of profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or loss on de-recognition is also recognized in statement of profit or loss.

3.19 Foreign Currency Transaction:

- The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Nepalese Rupee (NPR).
- In preparing the financial statements the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.
- At the end of each reporting period, monetary items denominated in foreign currencies are translated 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.
- Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognized immediately in profit or loss.

3.20 Share Capital

Financial instruments issued by the company are classified as equity only to the extent that they do not meet the definition of financial liability or financial assets. The company's equity shares are classified as equity instruments.

3.21 Earning Per Share

Basic earning per share is calculated by dividing the profit attributable to ordinary equity shareholders of the company for the period by the weighted average number of ordinary shares outstanding during the year. For the calculation of diluted earning per share the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares that arise in the respect of convertible instruments, if any.

There are no any potential ordinary shares that would dilute basic earning per share, hence diluted earning per share is same as basic earning per shares.

3.22 Share Based Payments :

Share based payment transaction is a transaction in which entity receives goods and services as consideration for equity instruments (including shares or share options) of the entity (referred to as "equity settled share passed transaction"). There is no share based transactions during the year.



Super Khudi Hydropower Limited.
(Formerly Known as Super Khudi Hydropower Pvt. Ltd.)
Swayambhu Kathmandu

Note 4: Plant, Property & Equipment

All assets of long-term nature (fixed) like , building, fixtures and fittings, office equipment and appliances, vehicles and other asstes owned by the company is presented under this head. Re-computation depreciation has been done based on expected useful life of assets wherever applicable.

Particulars	Building	Furniture, Fixtures & Office Equipmennts	Vehicles	Other Assets	Amount in NPR	
					Total	Total
Cost						
As on Shrawan 01 2080	-	5,542,532.41	14,029,900.00	1,476,090.00		21,048,522.41
Addition during the year						
Acquisition		41,300.00	-	861,500.00		902,800.00
Capitalization	14,600,741.00					14,600,741.00
Disposal during the year						
Balance as on Ashadh end 2081	14,600,741.00	5,583,832.41	14,029,900.00	2,337,590.00		36,552,063.41
Addition during the Year						
Acquisition			3,150,000.00	42,136.00		3,192,136.00
Capitalization						
Disposal during the year		1,986,124.51				1,986,124.51
Balance as on Ashadh End 2082	14,600,741.00	3,597,707.90	17,179,900.00	2,379,726.00		37,758,074.90
Depreciation and Impairment						
As on Shrawan 01 2080		2,319,472.03	277,486.12	395,127.66		2,992,085.82
Depreciation charge for the year	1,553,218.11	635,321.57	1,890,410.02	293,667.69		4,372,617.39
Impairment for the year						
Adjustments						
As on Ashadh end 2081	1,553,218.11	2,954,793.61	2,167,896.14	688,795.35		7,364,703.21
Impairment for the year						
Depreciation charge for the year	1,387,987.70	166,518.51	1,762,013.97	408,844.34		3,725,364.52
Adjustments						
As on Ashadh End 2082	2,941,205.81	3,121,312.11	3,929,910.11	1,097,639.70		11,090,067.73
Net Book Value						
As on 32 Ashadh 2082	11,659,535.19	476,395.79	13,249,989.89	1,282,086.30		26,668,007.18
As on Ashadh End 2081	13,047,522.89	2,629,038.80	11,862,003.86	1,648,794.65		29,187,360.20









Super Khudi Hydropower Limited.
(Formerly Known as Super Khudi Hydropower Pvt. Ltd.)
Swayambhu Kathmandu

Note 5: Intangible Assets Under Development (IAUD)

Particulars	As on Ashadh 32, 2082 (July 16, 2025) (NRS)	Addition During Period	As on Ashadh 31, 2081 (July 15, 2024) (NRS)
Pre Operating Cost.	8,726,439.00	844,110.00	7,882,329.00
Civil Construction Work.	1,082,687,758.70	651,315,371.92	431,372,386.78
Hydro-Mechanical Works	495,042,250.58	77,583,696.06	417,458,554.52
Electro-Mechanical Works	54,259,661.95	43,717,914.95	10,541,747.00
Access Road & Bridge.	695,020,065.18	339,487,933.75	355,532,131.43
Transmission Line.	37,888,683.02	8,005,929.00	29,882,754.02
Environment & Social Impact Mitigation.	65,711,533.04	17,842,342.00	47,869,191.04
Engineering, Management & Admin Cost.	294,560,061.73	73,389,128.76	221,170,932.97
Project Land Cost	63,415,024.12	59,850.00	63,355,174.12
Project Finance Charges	350,271,335.52	192,969,111.41	157,302,224.11
Intangible Assets As per IFRIC-12	456,630,777.66	209,658,135.87	246,972,641.79
Total	3,604,213,590.50	1,614,873,523.72	1,989,340,066.78















5.1 Pre Operating Cost.

Particulars	As on Ashadh 32, 2082 (July 16, 2025) (NRS)	Addition During Period	As on Ashadh 31, 2081 (July 15, 2024) (NRS)
DDA Expenses	1,985,285.00	844,110.00	1,141,175.00
Depreciation	443,340.62	-	443,340.62
EIA Expenses	1,654,845.08	-	1,654,845.08
Flow Measurement Expenses	37,647.50	-	37,647.50
License Fee	4,105,000.00	-	4,105,000.00
Membership Fee	75,000.00	-	75,000.00
Public Hearing	121,551.00	-	121,551.00
Sediment Analysis	303,769.80	-	303,769.80
Total	8,726,439.00	844,110.00	7,882,329.00

5.2 Civil Construction Work.

Particulars	As on Ashadh 32, 2082 (July 16, 2025) (NRS)	Addition During Period	As on Ashadh 31, 2081 (July 15, 2024) (NRS)
Explosive & Army related exp.	43,343,277.00	455,000.00	42,888,277.00
Construction of Army Bunkar.	21,819,327.50	-	21,819,327.50
Insurance Premium Project	14,344,713.19	5,882,293.72	8,462,419.47
Tunnel Works	1,003,180,441.01	644,978,078.20	358,202,362.81
Total	1,082,687,758.70	651,315,371.92	431,372,386.78









5.3 Hydro-Mechanical Works			
Particulars	As on Ashadh 32, 2082 (July 16, 2025) (NRS)	Addition During Period	As on Ashadh 31, 2081 (July 15, 2024) (NRS)
Custom Clearance exp-HM	901,917.00	-	901,917.00
Custom Duty-HM	3,759,320.00	-	3,759,320.00
Insurance premium Marine.	336,178.11	17,202.06	318,976.05
Pipe Erection works	84,407,621.39	73,927,894.00	10,479,727.39
SSAW Steel Pipes(Penstock)	360,458,567.66	-	360,458,567.66
Steel Plate	8,432,851.00	-	8,432,851.00
Transprt exp-HM	36,745,795.42	3,638,600.00	33,107,195.42
Total	495,042,250.58	77,583,696.06	417,458,554.52

5.4 Electro-Mechanical Works			
Particulars	As on Ashadh 32, 2082 (July 16, 2025) (NRS)	Addition During Period	As on Ashadh 31, 2081 (July 15, 2024) (NRS)
Custom Clearance exp-HM	2,641,151.00	2,457,150.00	184,001.00
Steel Plate	5,650.00	-	5,650.00
Transprt exp-HM	10,352,096.00	-	10,352,096.00
Transport Exp-EM	411,000.00	411,000.00	-
Steel Plate	40,849,764.95	40,849,764.95	-
Total	54,259,661.95	43,717,914.95	10,541,747.00



5.5 Access Road & Bridge.

Particulars	As on Ashadh 32, 2082 (July 16, 2025) (NRS)	Addition During Period	As on Ashadh 31, 2081 (July 15, 2024) (NRS)
Access Road Maintenance Road & Construction	79,465.00 694,940,600.18	- 339,487,933.75	79,465.00 355,452,666.43
Total	695,020,065.18	339,487,933.75	355,532,131.43

5.6 Transmission Line.

Particulars	As on Ashadh 32, 2082 (July 16, 2025) (NRS)	Addition During Period	As on Ashadh 31, 2081 (July 15, 2024) (NRS)
Materials for construction power 11 Kv at Project	16,280,553.31	-	16,280,553.31
Conductor Expenses	1,936,851.64	542,400.00	1,394,451.64
Construction License for TL	3,161,025.00	161,025.00	3,000,000.00
Construction of TL(Adit)	3,503,778.00	2,852,504.00	651,274.00
Land for TL	3,850,000.00	550,000.00	3,300,000.00
TL-Marshyangdi Korridor(NEA-220KV)	3,900,000.00	3,900,000.00	-
Construction Power Expenses	5,256,475.07	-	5,256,475.07
Total	37,888,683.02	8,005,929.00	29,882,754.02








5.7 Environment & Social Impact Mitigation.

Particulars	As on Ashadh 32, 2082 (July 16, 2025) (NRS)	Addition During Period	As on Ashadh 31, 2081 (July 15, 2024) (NRS)
Environment Protection exp.	17,713,618.00	-	17,713,618.00
Social Mitigation	21,815,927.04	7,428,042.00	14,387,885.04
Social Mitigation/Pre	984,000.00	-	984,000.00
Land Compensation	4,144,938.00	-	4,144,938.00
Social Measures	21,053,050.00	10,414,300.00	10,638,750.00
Total	65,711,533.04	17,842,342.00	47,869,191.04

5.8 Engineering, Management & Admin Cost.

Particulars	As on Ashadh 32, 2082 (July 16, 2025) (NRS)	Addition During Period	As on Ashadh 31, 2081 (July 15, 2024) (NRS)
Administrative Expenses	16,400.00	-	16,400.00
Advertisement Expenses	485,925.42	173,662.92	312,262.50
Audit Fee	185,850.00	-	185,850.00
Electric Assoceries	931,638.94	262,674.00	668,964.94
Bank Charge	131,942.58	26,127.13	105,815.45
Land Tax	217,569.00	-	217,569.00
Cleaning Expenses	837,497.81	87,886.00	749,611.81
Consultancy Fee	111,646,083.30	39,654,620.62	71,991,462.68
Contract Termination Expenses	561,137.00	-	561,137.00
Dashain Allowance	2,345,532.00	1,214,700.00	1,130,832.00
Dashain Expenses	516,138.78	-	516,138.78
Electricity & Water Expenses	10,060,747.83	5,225,089.00	4,835,658.83
Engineering & Consultancy Fee	75,106,619.01	-	75,106,619.01



[Handwritten signature]

[Handwritten signature]

[Handwritten signature]



ERT Expenses	477,424.55	-	477,424.55
Exchange Gain / (Loss)	(816,241.66)	-	(816,241.66)
Field visit Expenses	3,077,646.23	463,720.00	3,077,646.23
Financial Closure Expenses	149,719.35	-	149,719.35
Food expenses	891,185.00	357,438.00	891,185.00
Fuel Expenses	4,423,871.72	2,329,799.00	4,423,871.72
General Administration Expenses	28,250.00	-	28,250.00
Grateful Tours	1,449,222.00	1,111,497.00	1,449,222.00
Gratuity Expenses	1,647,951.09	-	1,647,951.09
Guest & Hospitality	1,178,116.60	670,222.60	1,178,116.60
Office rent	1,107,000.00	-	1,107,000.00
Independent Power Producers. (IPPAN)	256,000.00	44,000.00	256,000.00
Insurance Expenses	543,799.09	233,689.96	543,799.09
Internate Expenses	433,952.83	75,248.00	433,952.83
IT Support Expenses	223,984.00	-	223,984.00
Kitchen Expenses	1,648,534.77	830,125.00	1,648,534.77
kitchen Utensils	119,502.00	28,867.00	119,502.00
labour Expenses	624,625.39	-	624,625.39
Leave Payment	1,726,686.33	583,600.00	1,726,686.33
Legal Fee	113,000.00	-	113,000.00
Local Transport Expenses	2,590.00	-	2,590.00
Meeting Allowance	1,193,860.00	977,500.00	1,193,860.00
Miscellaneous Expenses	4,949,133.26	(75,870.00)	4,949,133.26
Office Maintenance Expenses	20,000.00	-	20,000.00
Networking Expenses	5,068.50	-	5,068.50
Petrol Expenses	6,214.00	-	6,214.00
Postage/ Courier Expenses	3,470.00	-	3,470.00
PPA Related Expenses	150,000.00	60,000.00	150,000.00
Other Expenses	56,207.13	-	56,207.13
Printing & Stationary Expenses	864,638.88	276,776.00	864,638.88
Project Related Cost	103,934.00	-	103,934.00
Project Site Expenses	59,750.00	-	59,750.00
Rates and Taxes	1,030,878.00	-	1,030,878.00



[Handwritten signature]

[Handwritten signature]

[Handwritten signature]





Rating Fee	533,360.00	533,360.00	-
Renewal Expenses	1,317,809.50	146,564.50	1,171,245.00
Repair & Maintenance	2,874,885.29	950,862.00	1,924,023.29
Road Maintenance	31,142.00	-	31,142.00
Safety Expenses	162,395.25	17,603.00	144,792.25
Salary Expenses	38,170,956.59	12,692,337.00	25,478,619.59
Server maintenance Expenses	28,758.16	-	28,758.16
Site Clothing Expenses	45,714.00	-	45,714.00
Site Expenses	1,265,660.00	-	1,265,660.00
Staff Logistics Expenses	288,062.00	22,700.00	265,362.00
Staff Welfare Expenses	49,506.00	-	49,506.00
Survey Expenses	1,106,763.00	20,110.00	1,086,653.00
Tax Expenses.	3,860,536.83	1,881,387.03	1,979,149.80
Telephone expenses	99,758.00	41,750.00	58,008.00
Transportation Expenses	700,302.38	-	700,302.38
Travelling Expenses	6,681,647.00	78,790.00	6,602,857.00
Underwriting Expenses	4,898,000.00	1,860,000.00	3,038,000.00
VAT Expenses	26,000.00	26,000.00	-
Wages	1,388,915.00	482,803.00	906,112.00
Water Measurement Expenses.	139,290.00	-	139,290.00
Water Supplies Expenses	8,600.00	-	8,600.00
Worship Expenses	88,946.00	23,490.00	65,456.00
Total	294,560,061.73	73,389,128.76	221,170,932.97









5.9 Project Land Cost

Particulars	As on Ashadh 32, 2082 (July 16, 2025) (NRS)	Addition During Period	As on Ashadh 31, 2081 (July 15, 2024) (NRS)
Advance Rent (Land)	-	-	-
Land Purchase	60,247,714.00	-	60,247,714.00
Land Registration	763,606.00	59,850.00	703,756.00
Mortgage Loan Related Expenses	1,531,730.00	-	1,531,730.00
Rent for Land.	871,974.12	-	871,974.12
Total	63,415,024.12	59,850.00	63,355,174.12

5.10 Project Finance Charges

Particulars	As on Ashadh 32, 2082 (July 16, 2025) (NRS)	Addition During Period	As on Ashadh 31, 2081 (July 15, 2024) (NRS)
Bank Gurantee Charge	230,445.00	21,555.00	208,890.00
Interest on Bridge Gap Loan	102,715,810.04	42,936,993.79	59,778,816.25
Interest on Hp Loan	1,860,651.73	729,174.43	1,131,477.30
Interest on Term Loan	117,113,256.89	75,663,240.28	41,450,016.61
Interest on TL-KBL	33,479,006.54	22,765,440.11	10,713,566.43
Interest on TL-HBL	34,895,762.76	23,630,664.73	11,265,098.03
Interest on TL-HBL	17,617,923.82	17,617,923.82	-
Interest on Import BLC	50,767.71	-	50,767.71
LC Charge	11,920,519.05	2,541,927.27	9,378,591.78
Loan Management Fee	30,387,191.98	7,062,191.98	23,325,000.00
Total	350,271,335.52	192,969,111.41	157,302,224.11



[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

Super Khudi Hydropower Limited.
(Formerly Known as Super Khudi Hydropower Pvt. Ltd.)

Swayambhu Kathmandu

Notes forming part of the Financial Position As on Ashadh 32, 2082 (July 16, 2025)

Note 6: Right-of-Use Assets

<u>Particulars</u>	As on Ashadh 32, 2082 (July 16, 2025) (NRS)	As on Ashadh 31, 2081 (July 15, 2024) (NRS)
Opening Balance	-	-
Recognized During The Year	1,366,425.75	-
Depreciation on ROU Assets during the year	(683,212.87)	-
Closing Balance	683,212.87	-

Note 7: Cash & Cash Equivalents

These balances have been used as Cash and Cash Equivalents for the presentation of Statement of Cash Flows as well. Banks and financial institution in Nepal are closely regulated by the Central Bank. The Company closely assesses the risks of these instruments and there are no apparent indication of impairment of these balances.

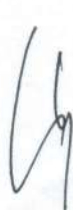
<u>Particulars</u>	As on Ashadh 32, 2082 (July 16, 2025) (NRS)	As on Ashadh 31, 2081 (July 15, 2024) (NRS)
Cash In Hand	98,775.09	36,871.09
Balance with Banks:		
Macchapuchre Bank Ltd.	10,000.00	10,000.00
Bank Of Kathmandu Ltd.	698,064.46	1,775.51
Himalayan Bank Ltd.	8,141.36	9,406.36
Kumari Bank Ltd -OD	88,923.93	50,567.33
Agricultural Development Bank Ltd.	7,966.18	-
Himalayan Bank Ltd.-OD	5,269.43	5,269.43
Globe IME Bank Ltd -335	6,675.00	6,675.00
Global IME Bank Ltd -233	19,459,270.32	3,883,577.26
Total	20,383,085.77	4,004,141.98

Note 8: Financial Current Assets

<u>Particulars</u>	As on Ashadh 32, 2082 (July 16, 2025) (NRS)	As on Ashadh 31, 2081 (July 15, 2024) (NRS)
Cash Margin	36,026,000.00	36,937,600.00
Total	36,026,000.00	36,937,600.00









Note 9: Prepayments

<u>Particulars</u>	As on Ashadh 32, 2082 (July 16, 2025) (NRS)	As on Ashadh 31, 2081 (July 15, 2024) (NRS)
Mobilization Advance	-	-
Civil Contract-Baibhab/Adwin	236,741,929.74	293,874,770.00
Hydro Mechanical Work-Cream Hydel Pvt.Ltd.	36,596,406.47	52,952,135.24
Civil Works-Explosive-Synex Power Pvt. Ltd.	-	-
Prepaid Insurance	7,181,846.76	165,433.01
Total	280,520,182.97	346,992,338.25

Note 10: Non-Financial Current Assets

<u>Particulars</u>	As on Ashadh 32, 2082 (July 16, 2025) (NRS)	As on Ashadh 31, 2081 (July 15, 2024) (NRS)
Advance for Transmission Line		
Baibhab Adwin JV	5,400,000.00	-
Advance for EM Work		
Troyer Hydro-PPV	3,401,185.63	-
Advance for HM Work		
Troyer AG(IDDF0A224EUR060)	84,763,521.15	-
Advance for Transmission Line Work		
Build Three Sixty Pvt Ltd	8,769,492.80	
Advance for Civil Construction-Baibhab/Adwin JV	213,361,677.30	74,746,232.84
Advance for Land Purchase	11,459,430.00	4,909,360.00
Advance Rent for Land	453,736.29	453,736.29
Other Advances	32,126,990.29	8,408,956.00
Total	359,736,033.46	88,518,285.13

Note 11: Current Tax Assets

<u>Particulars</u>	As on Ashadh 32, 2082 (July 16, 2025) (NRS)	As on Ashadh 31, 2081 (July 15, 2024) (NRS)
Opening Tax Receivables	-	-
Add: Addition During the Year	-	-
Less: Income Tax Payable During the Year	-	-
Closing Income Tax Receivables	-	-

Note 12: Share Capital

<u>Particulars</u>	As on Ashadh 32, 2082 (July 16, 2025) (NRS)	As on Ashadh 31, 2081 (July 15, 2024) (NRS)
Authorised:		
17,500,000 Ordinary Share of Rs 100 each	1,750,000,000.00	1,750,000,000.00
Issued :		
15,500,000 Ordinary Share of Rs 100 each	1,550,000,000.00	1,550,000,000.00
Subscribed & Paid Up:		
12,400,000 Ordinary Share of Rs 100 each	1,240,000,000.00	790,500,000.00
Previous Year (79,05,000) Equity Shares of Rs. 100 each	-	-
Total	1,240,000,000.00	790,500,000.00




Note 12.1: Equity Share Capital Movements

Particulars	As on	As on
	Ashadh 32, 2082 (July 16, 2025) (NRS)	Ashadh 31, 2081 (July 15, 2024) (NRS)
Opening Share Capital	790,500,000.00	618,746,400.00
Add: Ordinary Share Issued	449,500,000.00	171,753,600.00
Add: Bonus Share Issued	-	-
Total	1,240,000,000.00	790,500,000.00

Rights, Preferences and Restrictions attached to Equity Share Capital

The Company has only one class of equity shares having a par value of 100 per share. Each shareholder is entitled to one vote per equity share. In the event of liquidation of the company, the equity shareholders are eligible to receive remaining assets of the company, in proportion to their shareholding, after distribution of all preferential amounts.

The detailed structure of equity is given as below :

Particulars	FY 2081-82	FY 2080-81
	Percentage of holding	Percentage of holding
Promoters	100	100
Public	-	-
Total	100	100

Note 13: Accumulated Profit & Loss

Particulars	As on	As on
	Ashadh 32, 2082 (July 16, 2025) (NRS)	Ashadh 31, 2081 (July 15, 2024) (NRS)
Opening	215,553,260.77	82,960,609.37
Profit During the Year	194,622,163.86	132,592,651.40
Total	410,175,424.63	215,553,260.77

Note 14: Long Term Borrowing

Particulars	As on	As on
	Ashadh 32, 2082 (July 16, 2025) (NRS)	Ashadh 31, 2081 (July 15, 2024) (NRS)
Term Loan - Global IME Bank Ltd.	920,232,473.14	744,808,541.23
Term Loan - Kumari Bank Ltd.	312,327,471.39	211,891,425.41
Term Loan-Himalayan Bank Ltd.	325,359,755.66	217,170,930.15
Term Loan-ADBL	98,809,090.34	-
HP Loan - Ba Pra 01-028 cha 8182	4,753,646.51	6,227,009.76
HP Loan - Pra-1-28 Cha 6720.	1,382,411.85	1,810,881.78
Total	1,662,864,848.89	1,181,908,788.33

[Handwritten Signature]



[Handwritten Signature]



Note 15: Lease Liability

<u>Particulars</u>	As on Ashadh 32, 2082 (July 16, 2025) (NRS)	As on Ashadh 31, 2081 (July 15, 2024) (NRS)
Opening	-	-
Recognized During the Year	1,366,425.75	-
Interest expense on Lease liability	164,272.11	-
Increase/(Decrease) in Lease Liability	(759,264.00)	-
Total	771,433.86	-

Note 16: Short Term Borrowings

<u>Particulars</u>	As on Ashadh 32, 2082 (July 16, 2025) (NRS)	As on Ashadh 31, 2081 (July 15, 2024) (NRS)
Bridge Gap Loan	916,450,000.00	222,199,091.70
Total	916,450,000.00	222,199,091.70

Security:

- The Loan is Secured against mortgage of entire fixed Assets (Intangible assets), Current Assets .
- The Loan is Secured by way of charge on license issued by Government of Nepal, Ministry of Water Resources, unconditional and irrevocable charge on PPA with NEA. .
- Corporate guarantee of Hydro Solutions Pvt. Ltd. Covering the entire exposure.
- Pledge over the shares of the Board of directors and shareholders holding share in excess of 5%
- Joint and personel guarantee of Board of Directors and Promotors with stake more than 2.5% individually.

Note 17: Financial Current Liabilities

<u>Particulars</u>	As on Ashadh 32, 2082 (July 16, 2025) (NRS)	As on Ashadh 31, 2081 (July 15, 2024) (NRS)
Retention-Baibhab/Adwin-Contractor		
For Road Access	23,947,901.44	8,926,311.45
For Civil Construction	44,298,767.58	15,849,662.08
Retention-Cream Hydrel Pvt Ltd.		
For Hydro Mechanical Work	7,469,701.00	927,409.50
Rent Payable-Smita Agrawal	-	90,000.00
Retirement Benefit		
Social Security Fund Payable	213,714.00	185,925.00
Employee Payables		
Salary Payable	1,998,783.00	1,625,193.00
Account Payables		
Hydro Solution Pvt. Ltd.	2,780,863.33	11,123,485.53
Sundry Creditors	15,072,470.84	22,380,238.00
Loan From Directors	17,684.96	21,226,838.96
M.K Sah & Assqiates.	390,250.00	197,000.00
Other Payables	1,093,433.35	266,370.75
Total	97,283,569.50	82,798,434.27

[Handwritten Signature]



[Handwritten Signature]



Note 18: Non Financial Current Liability

<u>Particulars</u>	As on Ashadh 32, 2082 (July 16, 2025) (NRS)	As on Ashadh 31, 2081 (July 15, 2024) (NRS)
TDS Payable		
TDS On Audit Fee	5,250.00	3,035.00
TDS On Advertisement	-	1,079.00
TDS On Consultancy	-	248,162.79
TDS On Training Fee	-	1,500.00
TDS On Transportation	-	18,905.38
TDS On Rent	-	324,128.20
TDS On Salary	411,333.27	694,978.53
TDS On Wages	23,888.03	8,869.39
TDS Land Rent	-	32,597.41
TDS On Others	244,364.57	686,961.57
Total	684,835.87	2,020,217.27

[Handwritten signature]



[Handwritten signature]

[Handwritten signature]

[Handwritten signature]



[Handwritten signature]

Super Khudi Hydropower Limited.

Swayambhu Kathmandu

Notes forming part of Statement of Profit & Loss As on Ashadh 31, 2081 (July 15, 2024)

Note 19: Revenue from Operation

<u>Particulars</u>	Year Period Ashadh 32, 2082 (April 13, 2025) (NRS)	Year Ended Ashadh 31, 2081 (July 15, 2024) (NRS)
Revenue from Sale of Electricity	-	-
Total	-	-

Note 20: Cost of Revenue

<u>Particulars</u>	Year Period Ashadh 32, 2082 (April 13, 2025) (NRS)	Year Ended Ashadh 31, 2081 (July 15, 2024) (NRS)
Project Operation Cost	-	-
Direct Cost	-	-
Total	-	-

Note 21: Construction Revenue as per IFRIC-12

<u>Particulars</u>	Year Period Ashadh 32, 2082 (April 13, 2025) (NRS)	Year Ended Ashadh 31, 2081 (July 15, 2024) (NRS)
Construction Revenue	1,614,873,523.72	1,144,828,920.55
Total	1,614,873,523.72	1,144,828,920.55

Note 22: Construction Expenses as per IFRIC-12

<u>Particulars</u>	Year Period Ashadh 32, 2082 (April 13, 2025) (NRS)	Year Ended Ashadh 31, 2081 (July 15, 2024) (NRS)
Construction Expenses	1,405,215,387.85	996,196,415.38
Total	1,405,215,387.85	996,196,415.38

[Handwritten signature]



[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

[Handwritten signature]



Note 23: Administrative Expenses

<u>Particulars</u>	Year Period Ashadh 32, 2082 (April 13, 2025) (NRS)	Year Ended Ashadh 31, 2081 (July 15, 2024) (NRS)
Audit Fee	282,500.00	100,000.00
General Administration Expenses	-	24,835.00
Rent Expenses	-	2,541,272.00
IPO- Issue management exp	-	50,000.00
Maintenance Expenses (office)	177,298.00	24,143.50
Rating Fee	-	401,150.00
Loss on Disposal of FA	1,386,124.51	-
Training Fee	-	100,000.00
Salary Expenses	8,617,200.00	8,425,835.88
Total	10,463,122.51	11,667,236.38

Note 24: Depreciation

<u>Particulars</u>	Year Period Ashadh 32, 2082 (April 13, 2025) (NRS)	Year Ended Ashadh 31, 2081 (July 15, 2024) (NRS)
Depreciation during the year	3,725,364.52	4,372,617.39
Total	3,725,364.52	4,372,617.39

Note 25: Finance Cost

<u>Particulars</u>	Year Period Ashadh 32, 2082 (April 13, 2025) (NRS)	Year Ended Ashadh 31, 2081 (July 15, 2024) (NRS)
Interest expenses under Lease Liability	164,272.11	-
Total	164,272.11	-

Note 26: Earning Per Share

The Company has not issued any potential equity shares during the year and accordingly, hence, the basic and diluted earnings per share are same.

<u>Particulars</u>	Year Period Ashadh 32, 2082 (April 13, 2025) (NRS)	Year Ended Ashadh 31, 2081 (July 15, 2024) (NRS)
Profit / (Loss) for the year	194,622,164	132,592,651
Weighted average number of equity shares outstanding	12,400,000	7,905,000
Earning per share - Basic (Face value of Rs. 100 per share)	15.70	16.77
Add: weighted average number of potential equity shares	-	-
Weighted average number of equity shares (including dilutive shares) outstanding	12,400,000	7,905,000
Earning per share - Diluted (Face value of Rs. 100 per share)	15.70	16.77

[Signature]



[Signature]

[Signature]

[Signature]



Super Khudi Hydropower Limited.
(Formerly Known as Super Khudi Hydropower Pvt. Ltd.)
Swayambhu Kathmandu
Significant Accounting Policies and Notes to Accounts

Notes

27 Events After Reporting Date

No Circumstances have arisen since the reporting date which would require adjustments to, or disclosure in the financial statements.

28 Related Party Disclosure

a) (a) A person or a close member of that person's family is related to a reporting entity if that person:

- (i) has control or joint control over the reporting entity;
- (ii) has significant influence over the reporting entity; or
- (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies:

- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment defined benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

b) The Company has not Identify the the related parties for the disclosure requirement of NAS 24

Particulars	Status
Holding Company	None
Wholly Owned Subsidiary Company	None
Joint Ventures	None

c) Key Managerial Personnel:

Chetan Pradhan	Chairman
Ganesh karki	MD
Nivita Pradhan	Director
Batu lamichhane	Director

d) Followings transactions were carried out with Key Managerial Personnel in the ordinary course of business.

Name	Nature of expenses	FY 2081-82 Amount (in Rs)
1 Chetan Pradhan	Salary	1,800,000
2 Ganesh karki	Salary	1,800,000
3 Batu Lamichhane	Salary	1,800,000
4 Gyanendra lal Pradhan	Salary	1,800,000

f) Other Related Party Transaction

Name of the related Party	Transaction		Outstanding Balance	
	FY 2081-82	FY 2080-81	FY 2081-82	FY 2080-81
Hydro Solution Pvt.Ltd.	33,370,349	33,370,348	(11,123,486)	(2,780,863)
Hydro Solution Pvt.Ltd has provided consultancy service related to project.				

[Handwritten Signature]



[Handwritten Signature]

[Handwritten Signature]

[Handwritten Signature]

[Handwritten Signature]



29 Financial Risk Management:

The Company's financial risk management is an integral part of how to plan and execute its business strategies.

i) **Market risk:**

Market risk is the risk of loss of future earnings, fair value or future cash flows arising out of change in the price of a financial instrument. These include change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through evaluation and identification of risk factors with the object of governing/mitigating them according to Company's objectives and declared policies in specific context of impact thereof on various segments of financial instruments. The Board provides oversight and reviews the Risk management policy from time to time.

ii) **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. In order to balance the Company's position with regards to interest income and interest expense and to manage the interest rate risk, it performs a comprehensive interest rate risk management. The Company is not exposed to significant interest rate risk as at the respective reporting dates.

iii) **Foreign currency risk:**

The Company is subject to the risk that changes in foreign currency values impact the Company's imports of property, plant and equipment. The Company is not exposed to foreign exchange risk arising from various currency exposures.

iv) **Credit Risk:**

Credit risk is that risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with bank and financial institutions.

v) **Cash Deposit:**

Credit risk from bank balances with banks and financial institutions are managed by maintaining the balances with highly reputed commercial banks only.

vi) **Liquidity Risk:**

The company's monitors risk to a shortage of funds on a regular basis through cash forecast. The company's objective is to maintain a balance continuity of funding and flexibility through the use of bank overdrafts and term loans. Access to source of funding is sufficient.

30 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 judgment 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 policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditor to sustain future development and growth. 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.

As the company is into construction of the hydropower plant, so significant amount of capital is investing for the project and for the same company has also entered into debt arrangements for funding significant portion of the total capital requirement for the project.





Details of Funding are:


Particulars	FY 2081-82 Amount (in Rs)	FY 2080-81 Amount (in Rs)
Short Term Borrowings	916,450,000.00	222,199,091.70
Long Term Borrowings	1,662,864,848.89	1,181,908,788.33
Net Debt	2,579,314,848.89	1,404,107,880.03
Equity Share Capital	1,240,000,000.00	790,500,000.00
Other Equity	410,175,424.63	215,553,260.77
Total Equity	1,650,175,424.63	1,006,053,260.77
Debt/Equity	1.56	1.40

In order to achieve this overall objective, the company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

31 Miscellaneous:

Previous GAAP information has been reclassified/ regrouped in accordance with the NFRS, wherever necessary, based on the audited financial statements of the Company for the year ended 32 Ashadh, 2082.

- i) financial statements of the Company for the year ended 32 Ashadh, 2082.
- ii) Few balance confirmations for purchase and creditors are in the process of obtaining from them.
- iii) Notes 1 to 31 form the integral part of Financial Position and Statement of Profit and Loss.



Super Khudi Hydropower Limited.
(Formerly Known as Super Khudi Hydropower Pvt. Ltd.)
Swayambhu Kathmandu
Significant Accounting Policies and Notes to Accounts

Notes

27 Events After Reporting Date

No Circumstances have arisen since the reporting date which would require adjustments to, or disclosure in the financial statements.

28 Related Party Disclosure

a) **(a) A person or a close member of that person's family is related to a reporting entity if that person:**

- (i) has control or joint control over the reporting entity;
- (ii) has significant influence over the reporting entity; or
- (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies:

- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment defined benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

b) The Company has not Identify the the related parties for the disclosure requirement of NAS 24

Particulars	Status
Holding Company	None
Wholly Owned Subsidiary Company	None
Joint Ventures	None

c) **Key Managerial Personnel:**

Chetan Pradhan	Chairman
Ganesh karki	MD
Batu lamichhane	Director
Nivita Pradhan	Director

d) Followings transactions were carried out with Key Managerial Personnel in the ordinary course of business.

Name	Nature of expenses	FY 2081-82 Amount (in Rs)
1 Chetan Pradhan	Salary	1,800,000
2 Ganesh karki	Salary	1,800,000
3 Batu Lamichhane	Salary	1,800,000
4 Gyanendra lal Pradhan	Salary	1,800,000

f) Other Related Party Transaction

Name of the related Party	Transaction		Outstanding Balance	
	FY 2081-82	FY 2080-81	FY 2081-82	FY 2080-81
Hydro Solution Pvt.Ltd.	33,370,349	33,370,348	(11,123,486)	(2,780,863)
Hydro Solution Pvt.Ltd has provided consultancy service related to project.				









29 Financial Risk Management:

The Company's financial risk management is an integral part of how to plan and execute its business strategies.

i) Market risk:

Market risk is the risk of loss of future earnings, fair value or future cash flows arising out of change in the price of a financial instrument. These include change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through evaluation and identification of risk factors with the object of governing/mitigating them according to Company's objectives and declared policies in specific context of impact thereof on various segments of financial instruments. The Board provides oversight and reviews the Risk management policy from time to time.

ii) 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. In order to balance the Company's position with regards to interest income and interest expense and to manage the interest rate risk, it performs a comprehensive interest rate risk management. The Company is not exposed to significant interest rate risk as at the respective reporting dates.

iii) Foreign currency risk:

The Company is subject to the risk that changes in foreign currency values impact the Company's imports of property, plant and equipment. The Company is not exposed to foreign exchange risk arising from various currency exposures.

iv) Credit Risk:

Credit risk is that risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with bank and financial institutions.

v) Cash Deposit:

Credit risk from bank balances with banks and financial institutions are managed by maintaining the balances with highly reputed commercial banks only.

vi) Liquidity Risk:

The company's monitors risk to a sortage of funds on a regular basis through cash forecast. The company's objective is to maintain a balance continuity of funding and flexibility through the use of bank overdrafts and term loans. Access to source of funding is sufficient.

30 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 judgment 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 policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditor to sustain future development and growth. 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.

As the company is into construction of the hydropower plant, so significant amount of capital is investing for the project and for the same company has also entered into debt arrangements for funding significant portion of the total capital requirement for the project.





Details of Funding are:

Particulars	FY 2081-82 Amount (in Rs)	FY 2080-81 Amount (in Rs)
Short Term Borrowings	916,450,000.00	222,199,091.70
Long Term Borrowings	1,662,864,848.89	1,181,908,788.33
Net Debt	2,579,314,848.89	1,404,107,880.03
Equity Share Capital	1,240,000,000.00	790,500,000.00
Other Equity	410,175,424.63	215,553,260.77
Total Equity	1,650,175,424.63	1,006,053,260.77
Debt/Equity	1.56	1.40

In order to achieve this overall objective, the company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

31 Miscellaneous:

- Previous GAAP information has been reclassified/ regrouped in accordance with the NFRS, wherever necessary, based on the audited financial statements of the Company for the year ended 32 Ashadh, 2082.
- i) financial statements of the Company for the year ended 32 Ashadh, 2082.
 - ii) Few balance confirmations for purchase and creditors are in the process of obtaining from them.
 - iii) Notes 1 to 31 form the integral part of Financial Position and Statement of Profit and Loss.







