

वार्षिक प्रतिवेदन

२०७८/०८०

अप्पर सोलु हाइड्रो इलेक्ट्रिक कम्पनी

Upper Solu Hydro Electric Company Ltd



Board of Directors



सुरेश लाल श्रेष्ठ
अध्यक्ष



दिनेश लाल श्रेष्ठ
प्रबन्ध निर्देशक



शेखर कुमार राणा
सञ्चालक



कुसुम गोर्खाली
सञ्चालक



अजय कुमार दाहाल
सञ्चालक



महेन्द्र बहादुर श्रेष्ठ
सञ्चालक

अप्पर सोलु हाईड्रो इलेक्ट्रीक कम्पनी लिमिटेड

हात्तिसार, काठमाण्डौको

फोन नं: ४४२६९४१/४२

आठौं वार्षिक साधारण सभा सम्बन्धी सूचना
(प्रथम पटक प्रकाशित मिति २०८० मार्ग २४ गते)
(दोस्रो पटक प्रकाशित मिति २०८० पौष ३ गते)

यस कम्पनीको मिति २०८०।०८।२२ मा बसेको कम्पनीको सञ्चालक समितिको (बैठक नं. १२) निर्णयानुसार आठौं वार्षिक साधारण सभा निम्न लिखित मिति, समय र स्थानमा बस्ने निर्णय भएको हुँदा सम्पूर्ण शेयरधनी महानुभावहरूको जानकारीको लागि यो सूचना जारी गरिएको छ।

वार्षिक साधारण सभा बस्ने सम्बन्धमा :

सभा हुने मिति, समय र स्थान :

मिति : २०८० साल पौष २६ गते

समय : बिहानको १०:०० बजे।

स्थान : लिसारा रिसेप्सन, भगवति बहाल, नक्साल (कृषि बिकाश बैंक सँगै)

सभामा पेश हुने प्रस्तावहरू (छलफलका विषयहरू) :

१. संचालक समितिको तर्फबाट अध्यक्षज्यूको प्रतिवेदन उपर छलफल गरि पारित गर्ने।
२. आर्थिक वर्ष २०७९/८० को वित्तिय विवरणहरू (वासलात, नाफा नोक्सान हिसाव, नगद प्रवाह विवरण तथा सम्बन्धित अनुसूचीहरू समेत) उपर छलफल गरि पारित गर्ने।
३. लेखापरीक्षण समितिको सिफारिश बमोजिम आ. व. २०८०/०८१ को लागि लेखापरीक्षक नियुक्त गर्ने तथा निजका पारिश्रमीक निर्धारण गर्ने।
४. विविध।

संचालक समितीको आज्ञाले

कम्पनी सचिव

वार्षिक साधारण सभा सम्बन्धी अन्य जानकारी :

१. आठौं वार्षिक साधारण सभा प्रयोजनको लागि मिति २०८०।०९।०३ गते देखि मिति २०८०।०९।२६ गते सम्म यस कम्पनीको शेयर दाखिला खारेज बन्द रहने छ। शेयर दाखिला खारेजी बन्द हुने अधिल्लो कारोवार दिन अर्थात् मिति २०८०।०९।०२ गते सम्म नेपाल स्टक एक्सचेन्ज लिमिटेडमा कारोबार भई प्रचलित कानून बमोजिम तोकिएको समयार्धि भित्र यस कम्पनीको शेयर रजिष्ट्रार एनएमबि क्यापिटल लिमिटेड, बालुवाटार, काठमाण्डौमा प्राप्त भई शेयरधनी दर्ता किताबमा दर्ता कायम रहेका शेयरधनीहरूले मात्र सो सभामा भाग लिन र मतदान गर्न योग्य हुनेछन्।
२. सभामा भाग लिन इच्छुक शेयरधनी महानुभावहरूले कम्पनीले उपलब्ध गराएको कागजात वा हितग्राहीखाता खोलिएको प्रमाण तथा परिचय खुल्ने कुनै प्रमाण (जस्तै नागरिकताको प्रमाणपत्र वा अन्य कुनै फोटो सहितको परिचय पत्र) साथमा लिई उपस्थित हुन अनुरोध छ।
३. सभामा भाग लिने प्रत्येक शेयरधनी महानुभावहरूले सभा स्थलमा रहेको हाजिरी पुस्तिकामा दस्तखत गर्नु पर्नेछ। हाजिरी पुस्तिका बिहान ९:०० बजे देखि खुल्ला रहनेछ।
४. नाबालक शेयरधनीहरूको तर्फबाट संरक्षक (शेयरधनीको दर्ता किताबमा उल्लेख) ले सभामा भाग लिन, छलफल गर्न, प्रतिनिधि नियुक्त गर्न र मत दिन समेत सक्नेछन्। संयुक्त रूपमा शेयर लिएको शेयरधनीको हकमा सर्वसम्मत एक व्यक्ति मात्र सभामा भाग लिन पाउने छ। सर्वसम्मत प्रतिनिधि तोकन नसकेको खण्डमा शेयरधनीको दर्ता किताबमा जसको नाम पहिले उल्लेख भएको छ सोही व्यक्तिले दिएको मत वा प्रतिनिधि पत्र मात्र सदर हुनेछ।



५. सभामा भाग लिन स्वयं उपस्थित हुन नसक्ने भई प्रोक्सी मार्फत प्रतिनिधी नियुक्त गर्न चाहने शेयरधनी महानुभावहरूले सभा शुरु हुनुभन्दा ४८ घण्टा अगावै कम्पनीको रजिष्टर्ड कार्यालय, हात्तिसार, काठमाण्डौंमा प्रोक्सी दर्ता गरी सक्नु पर्नेछ। प्रतिनिधी (प्रोक्सी) नियुक्त गरीसक्नु भएको शेयरधनी स्वयम् सभामा उपस्थित भई हाजिरी किताबमा दस्तखत गर्नु भएमा उक्त प्रोक्सी स्वतःवदर हुनेछ।
६. नाबालक वा अशक्त शेयरधनीको प्रतिनिधीको हकमा कम्पनीको शेयर लगत किताबमा संरक्षकको रुपमा नाम दर्ता भएको व्यक्तिले मात्र प्रतिनिधी तोक्न सक्नेछ।
७. कुनै संगठित संस्था वा कम्पनीले शेयर खरीद गरेको हकमा त्यस्तो संगठित संस्था वा कम्पनीले मनोनित गरेको प्रतिनिधीले शेयरवालाको हैसियतले सभामा भाग लिन सक्नु हुनेछ।
८. प्रतिनिधी नियुक्त गर्नु भएको शेयरधनीहरूको निवेदनमा भएको दस्तखत कम्पनीको शेयरको अभिलेखमा रहेको दस्तखतसँग मिल्नु पर्नेछ।
९. कम्पनीको वार्षिक साधारण सभा सम्बन्धी सूचना, सञ्चालक समितिको वार्षिक प्रतिवेदन, आर्थिक विवरणहरू कम्पनीको वेवसाईट <https://ushec.com.np> मा राखिने छ। कसैले हेर्न नसक्नु भएमा यस कम्पनीको रजिष्टर्ड कार्यालय हात्तिसार, काठमाण्डौं वा यस कम्पनीको शेयर रजिष्ट्रार श्री एनएमबि क्यापिटल लिमिटेड, बालुवाटार, काठमाण्डौंबाट उपलब्ध हुने व्यहोरा समेत अनुरोध गरिन्छ। शेयरधनीले आफ्नो प्रमाण प्रस्तुत गरी सो प्रतिवेदन लिनु हुनेछ।
१०. कुनै शेयरधनी महानुभावहरूलाई कम्पनी सम्बन्धमा केही जिज्ञासा भए त्यस्तो व्यहोरा लिखित रुपमा सभा शुरु हुनु भन्दा कम्तीमा ७ दिन अगावै कम्पनीको रजिष्टर्ड कार्यालय हात्तिसार, काठमाण्डौंमा पठाउनु हुन अनुरोध गर्दछौं। कानूनतः अन्यथा भनिएकोमा बाहेक यसलाई छलफल र पारित हुने प्रस्तावको रुपमा समावेश गरिने छैन।
११. अन्य विस्तृत जानकारीको लागि कम्पनीको रजिष्टर्ड कार्यालय हात्तिसार, काठमाण्डौंमा कार्यालय समय भित्र फोन नं. ४४२६९४१/४२ मा सम्पर्क राख्न सक्नु हुनेछ।
१२. अन्य कुराहरू प्रचलित कानून बमोजिम हुनेछन्।



साधारण सभामा आफ्नो प्रतिनिधि नियुक्त गर्ने निवेदन (प्रोक्सी फारम)
कम्पनी ऐन २०६३ को दफा ७१ को उपदफा (३) संग सम्बन्धित

श्री संचालक समिति
अप्पर सोलु हाईड्रो ईलेक्ट्रीक कम्पनी लि.
का.म.न.पा वडा नं.१ हात्तिसार, काठमाण्डौ

बिषय : प्रतिनिधी नियुक्ती गरेको बारे

महाशय,

.....जिल्ला.....न.पा/गा.पा वडा नं.....बस्ने म/हामी..... ले
त्यस कम्पनीको शेयरधनीको हैसियतले मिति २०८० साल पौष २६ गतेका दिन हुने आठौं वार्षिक साधारण सभामा म/हामी
स्वयं उपस्थित भै छलफल तथा निर्णयमा सहभागी हुन असमर्थ भएकोले उक्त सभामा मेरो/हाम्रो तर्फबाट प्रतिनिधित्व गरी
भाग लिन तथा मतदान गर्नकालागि.....जिल्ला.....न.पा/गा.पा वडा नं.....बस्ने श्री
.....लाई मेरो/हाम्रो प्रतिनिधि नियुक्त गरि पठाएको छु/छौं ।

प्रतिनिधि नियुक्त भएको व्यक्तिको नाम:

हस्ताक्षरको नमुना :

प्रतिनिधि नियुक्त गर्नेको नाम :

हस्ताक्षर :

शेयरधनी नं/BOID No.:

शेयरधनी नं/BOID No.:

शेयर संख्या:

फोन नम्बर:

मिति:

प्रवेश पत्र

शेयरधनीको नाम :.....शेयरधनी नं :.....

शेयरधनी नं/BOID No.: शेयर संख्या :.....

मिति: २०८०/०९/२६ का दिन हुने अप्पर सोलु हाईड्रो ईलेक्ट्रीक कम्पनी लिमिटेडको आठौं वार्षिक साधारण सभामा उपस्थित
हुन जारी गरिएको प्रवेश पत्र ।

द्रष्टव्य:

- शेयरधनिहरूले माथि उल्लेखित सम्पूर्ण बिबरण अनिवार्य रुपमा भर्ना हुन अनुरोध गरिन्छ ।
- सभा हलमा प्रवेश गर्न यो प्रवेश पत्र अनिवार्य छ ।



अप्पर सोलु हाईडो ईलेक्ट्रीक कम्पनी लि.

आठौं वार्षिक साधारण सभामा सञ्चालक समितिका

अध्यक्ष श्री सुरेश लाल श्रेष्ठज्यूको मन्तव्य

आदरणीय शेयरधनी महानुभावहरू,

यस कम्पनीको आठौं वार्षिक साधारण सभामा उपस्थित हुनु भएका सम्पूर्ण शेयरधनी महानुभावहरूलाई हार्दिक स्वागत एवं अभिवादन गर्दछु। कम्पनी ऐन, २०६३ को दफा १०९ को उपदफा (४) बमोजिम संचालक समितिको आर्थिक वर्ष २०७९/८० को प्रतिवेदन, वार्षिक वित्तीय विवरण, सञ्चालक समितिको प्रतिवेदन अलग्गै पेश गरिएको छ।

यस कम्पनीद्वारा प्रबर्द्धित सोलु जलबिद्युत आयोजना (२३.५ मे.वा.) सोलुखुम्बु जिल्ला सोलु दुधकुण्ड नगरपालिकामा रहेको छ। आयोजनाको निर्माण कार्य समयमानै सम्पन्न भएतापनि उत्पादित विद्युत राष्ट्रिय प्रसारण लाईनमा प्रवाह गराउनको लागि सोलु करिडोर १३२ के.भी. विद्युत प्रसारण लाइनको निर्माण सम्पन्न नभएको कारण मिति २०७६ चैत्र ११ गते देखि बैकल्पिक ब्यबस्था मार्फत आंशिक रुपमा विद्युत खरीद बिक्री शुरु मिति (Business Operation Date, BOD) निर्धारण भई आयोजनाबाट उत्पादित विद्युत नेपाल विद्युत प्राधिकरणको विद्युत प्रसारण प्रणालीमा आंशिक रुपमा मात्र ३३ के.भी प्रसारण लाईनबाट विद्युत प्रवाह गराउन शुरु गरिएको, यस कम्पनी तथा नेपाल विद्युत प्राधिकरण सोलु करिडोर १३२ के.भी. प्रसारण लाईन आयोजनाको अथक प्रयासबाट प्रसारणलाई सम्पन्न गरी मिति २०७८ फाल्गुन ८ बाट विद्युत खरीद बिक्री सम्भौतानुसारको Commercial Operation Date, COD कायम भई उत्पादित विद्युत पुर्णरूपले नेपाल विद्युत प्राधिकरणलाई नियमित रुपमा बिक्री गर्दै आएको छ।

सोलु करिडोर १३२ के.भी. प्रसारण लाईन समयमा नै सम्पन्न हुन नसकी आयोजनाबाट विद्युत पुर्ण रुपमा उत्पादन हुन सक्ने अबस्था हुँदा हुँदै पनि आंशिक रुपमा मात्र विद्युत उत्पादन गर्नु परेको कारण बिगतका आर्थिक वर्षहरूमा कम्पनीलाई आर्थिक रुपमा तुलो भार थपिएको कारण कर्जा रकममा वृद्धि भई त्यसको असर स्वरुप बैंक तथा बित्तिय संस्थाहरूलाई तिर्नु कर्जाको ब्याज बृद्धि हुँदा आयोजनाबाट पुर्ण रुपमा विद्युत उत्पादन भई उत्पादित विद्युत नेपाल विद्युत प्राधिकरणलाई बिक्री गरिएता पनि यस आर्थिक वर्षमा मुनाफामा जान सकेको छैन, तर बिगत आर्थिक वर्षमा भन्दा बित्तिय अवस्थामा सुधार भई बिगतको आ.व.मा भन्दा नोक्सानी कम रहेको छ। आगामी आर्थिक वर्षमा कम्पनी नाफामा लैजानको लागि म लगायत कम्पनी ब्यबस्थापन पुर्ण दत्तचित्त भई आयोजनालाई चुस्त दुरुस्त एवं छरितो रुपमा संचालन गरि रहेको ब्यहोरा अवगत गराउन चाहन्छु।

अन्त्यमा कम्पनीको प्रगति तथा समृद्धिको लागि सहयोग गर्ने सम्पूर्ण शेयरधनी, सरकारी तथा गैर सरकारी निकायहरू, बिभिन्न संघ संस्थाहरू तथा सरोकारवालाहरू नेपाल सरकार उर्जा जलश्रोत तथा सिंचाई मन्त्रालय, विद्युत बिकास बिभाग, विद्युत नियमन आयोग, नेपाल विद्युत प्राधिकरण, नेपाल धितोपत्र बोर्ड, नेपाल स्टक एक्सचेन्ज लि, कम्पनी रजिष्टारको कार्यालय, सिडिएस एण्ड क्लियरिङ लिमिटेड, शेयर रजिष्ट्रार, उद्योग बिभाग, आयोजनाको बिमा गर्ने बिमा कम्पनी, आयोजना निर्माणको लागि आवश्यक बित्तिय ब्यबस्थापनमा सहभागी बैंक तथा बित्तिय संस्थाहरू, आयोजना क्षेत्रका सरकारी तथा गैर सरकारी निकायहरू, स्थानीय वासिन्दाहरू तथा कर्मचारीहरू प्रति हार्दिक धन्यवाद दिन चाहन्छु। भविष्यमा पनि सबै पुर्ण सहयोग तथा समर्थन प्राप्त हुने नै छ भन्ने पूर्ण विश्वास गरिएको छ। अन्त्यमा शेयरधनीहरूबाट कम्पनीका लागि रचनात्मक सुभाब प्राप्त हुने अपेक्षा गरिएको छ। साथै सभामा पेश गरेका प्रस्तावहरू छलफल पश्चात पारित गरिने छ भनी अपेक्षा गरिएको छ।

धन्यवाद।

सुरेश लाल श्रेष्ठ

अध्यक्ष



अप्पर सोलु हाईड्रो इलेक्ट्रीक कम्पनी लि.को

सञ्चालक समितिको वार्षिक प्रतिवेदन

श्री शेयरधनी महानुभावहरु,

साधारण सभा समक्ष कम्पनी ऐन, २०६३ को दफा १०९ को उपदफा (४) बमोजिम सञ्चालक समितिको आर्थिक वर्ष २०७९/८० को वार्षिक प्रतिवेदन देहाय बमोजिम पेश गरिएको छ ।

१.आर्थिक वर्ष २०७९/०८० को कारोबारको समिक्षा:

यस कम्पनीको आ.व. २०७९/०८० मा आर्थिक गतिविधिहरु विगत आर्थिक वर्षहरुमा जस्तै रहेको तथ्य शेयरधनी महानुभावहरुलाई उपलब्ध गराईएको लेखापरीक्षण गरिएको वित्तीय विवरणबाट जानकारी प्राप्त गर्नु हुने नै छ । कम्पनीले नेपाल चार्टर्ड एकाउन्टेन्ट संस्थाबाट मान्यता प्राप्त चार्टर्ड एकाउन्टेन्टद्वारा लेखापरीक्षण सम्पन्न गराएको छ । कम्पनीद्वारा आफ्नो वार्षिक वित्तीय विवरण तयार गर्दा NFRS तथा प्रचलित कानूनको अधिनमा रहि तयार गरिएको व्यहोरा जानकारीका लागि अनुरोध गर्दछु ।

(क) विगत वर्षको कारोबारको सिंहावलोकन

तालिका १: कम्पनीको वित्तीय अवस्था : (रु. हजारमा)

बिबरण	आर्थिक वर्ष रु.		बृद्धि/(कमी)		कैफियत
	२०७९/०८०	२०७८/०७९	रकम रु.	प्रतिशत	
बिक्री आमदानी	६६७,८६९ ५६	३६९,९३६ ३०	२९८,७३३ २६	८० ९३	
अन्य आमदानी	६,४०९ ६९	२४५ ९९	६,१६४ ५०	२,५१४ १५	
जम्मा आमदानी	६७४,२७९ २६	३६९,३८१ ५०	३०४,८९७ ७६	८२ ५४	
बिक्री लागत	७६,४४९ ९७	५७,७०७ ६२	१८,७४२ ३५	३२ ४८	
प्रशासकिय खर्च तथा अन्य खर्च	४४५,८९४ ३१	३३८,९२१ १६	१०७,७७३ १६	३१ ८७	
ह्रास कट्टी	१८७,०१४ २९	७७,६५६ २१	१०९,३५८ ०८	१४० ८२	
जम्मा खर्च	७०९,३५८ ५७	४७३,४८४ ९९	२३५,८७३ ५८	४९ ८२	
सम्पत्तिको मूल्य अपलेखन	-	-			
आयकर अधिको नाफा	(३५,०७९ ३२)	(१०४,१०३ ५०)	६९,०२४ १८	(६६ ३०)	
आयकर व्यवस्था	-	-	-	-	
खुद नाफा	(३५,०७९ ३२)	(१०४,१०३ ५०)	६९,०२४ १८	(६६ ३०)	
डेफर्ड कर	-	-	-	-	
खुद नाफा डेफर्ड कर पश्चात	(३५,०७९ ३२)	(१०४,१०३ ५०)	-	-	

तालिका २: हाल आ.व २०७९|०८० को उत्पादन तथा बिक्रीको अवस्था

महिना	बिद्युत खरिद बिक्री अनुरूप उत्पादन गर्नु पर्ने बिद्युत (किलोवाट आवर)	उत्पादित बिद्युत किलोवाट आवर		प्राप्त रकम	
		आ.व. २०७९/८०	आ.व. २०७८/७९	आ.व. २०७९/८०	आ.व. २०७८/७९
श्रावण	१६,३६२,८९१	१६,३६२,८९१	३,९४१,८२०	७८,५४१,८७६ ८०	१८,९२०,७३६ ००
भाद्र	१६,३६२,८९१	१६,३६२,८९१	३,२२३,०२०	७८,५४१,८७६ ८०	१५,४७०,४९६ ००
आश्विन	१६,३६२,८९१	१४,३३४,९६०	३,३०१,५१०	६८,८०३,९६८ ००	१५,८४७,२४८ ००
कार्तिक	१५,८३५,०५५	१६,१५५,६९०	३,४९३,७७०	७७,५४७,३१२ ००	१६,७७०,०९६ ००
मार्ग	१०,९४२,३५०	९,१३३,८६०	५,२१३,७७०	४३,८४२,५२८ ००	२५,०२६,०९६ ००
पौष	७,५८३,५८६	७,३०१,७८०	५,७१४,४२०	६१,३३४,९५२ ००	४८,००१,१२८ ००



माघ	६,३८२,२०९	५,४५०,९५०	६,२०३,७४०	४५,७८७,९८० १००	५२,१११,४१६ १००
फाल्गुन	५,५१८,९१४	४,६६९,५४०	५,२९१,२९०	३९,२२४,१३६ १००	४४,४४६,८३६ १००
चैत्र	४,९५६,९७३	४,६६६,८४०	४,९५६,९७३	४०,३६८,१६६ १००	४१,६३८,५७३ १२०
बैशाख	६,३२४,६६६	४,६०३,७८०	४,३२१,७०७	२२,७४२,६७३ १२०	२०,७४४,१९४ ५६
जेष्ठ	९,००६,३५८	७,०८२,२८०	४,४८८,८९४	३४,९८६,४६३ १२०	२१,५४६,६८९ १२८
आषाढ	१६,८९०,७२६	१५,४१४,५००	१०,१२७,६६६	७६,१४७,६३० १००	४८,६१२,७९४ १९३
जम्मा	१३२,५२९,५१०	१२१,५३९,१६२	६०,२७८,५७९	६६७,८६९,५६२ १००	३६९,१३६,३०३ १९७

क) बिगतका आर्थिक वर्षहरूमा बिद्युत बिक्री हुनु पूर्वका प्रशासनिक खर्चहरू आयोजनाको निर्माण लागत (Project Work in Progress) अन्तर्गत सम्पतिको अनुसूचीमा देखाईएको थियो र आयोजना निर्माणको क्रममा प्रत्यक्ष भएका र आयोजनाको संरचनासंग सम्बन्धित पुँजिगत खर्चहरू आयोजनाको निर्माण लागत (Project Work in Progress) अन्तर्गत देखाईएकोमा यस आर्थिक वर्ष २०७९/८० मा कम्पनी संचालन तथा आयोजना संचालनको शिलशिलामा प्रत्यक्ष रूपमा भए गरेका खर्चहरूलाई आय विवरणमा देखाईएको छ भने आयोजना संचालनको शिलशिलामा भए गरेका पुँजिगत खर्चहरूलाई सम्पती तर्फ लेखाडकन गरिएको छ ।

(ख) राष्ट्रिय तथा अन्तर्राष्ट्रिय परिस्थितिबाट कम्पनीको कारोबारलाई कुनै असर परेको भए सो असर

- ❖ राष्ट्रिय तथा अन्तर्राष्ट्रिय बजारमा बित्तिय क्षेत्रमा भएको परिवर्तनका कारण हुने प्रतिकुल अबस्थाले पार्ने असरका कारण हुन जाने मुल्य बृद्धिको असरबाट आयोजना संचालनमा आवश्यक पाटपुर्जाहरूको खरिदमा हुन जाने मुल्य बृद्धिको कारण कम्पनीको बित्तिय अबस्थामा असर पर्न जादा सामान्य रूपमा कम्पनीले गर्ने नाफामा असर परेको ।

(ग) प्रतिवेदन तयार भएको मिति सम्म चालु वर्षको उपलब्धि र भविष्यमा गर्नु पर्ने कुराको सम्बन्धमा सञ्चालक समितिको धारणा

- ❖ आ.व. २०७८/०७९ मा रु. ३६९,१३६,३०३/९७ भएकोमा चालु आर्थिक वर्ष २०७९/८० मा उत्पादित बिद्युत पुर्ण रूपमा नेपाल बिद्युत प्राधिकरणलाई बिक्री गर्न सक्षम भएको कारण रु. ६६७,८६९,५६२/०० र प्रतिवेदन तयार पार्दाको अवधिसम्म (२०८०/०८१) रु. ३२२,२३६,२२१/७८ बराबरको बिद्युत बिक्री गर्न सफल भईएको छ साथै भविष्यमा कम्पनीले नयाँ आयोजनाहरूमा लगानी गर्दै एक सबल बिद्युत कम्पनीको रूपमा स्थापित हुने लक्ष्य तथा योजना राखेकोछ ।

(घ) कम्पनीको औद्योगिक वा व्यावसायिक सम्बन्ध

- ❖ यस अप्पर सोलु हाईड्रो ईलेक्ट्रीक कम्पनी लि.ले आफ्नो ब्यवसायसंग प्रत्यक्ष वा अप्रत्यक्ष सम्बन्ध राख्ने सरकारी तथा गैर सरकारी निकायहरू, बिभिन्न संघ संस्थाहरू तथा सरोकारवालाहरू नेपाल सरकार उर्जा जलश्रोत तथा सिंचाई मन्त्रालय, बिद्युत बिकास बिभाग, बिद्युत नियमन आयोग, नेपाल बिद्युत प्राधिकरण, नेपाल धितोपत्र बोर्ड, कम्पनी रजिष्टारको कार्यालय, नेपाल स्टक एक्सचेन्ज लि, सिडिएस एण्ड क्लियरिङ लिमिटेड, शेयर रजिष्ट्रार, उद्योग बिभाग, आयोजनाको बिमा गर्ने बिमा कम्पनी, आयोजना निर्माणको लागी आवश्यक बित्तिय ब्यबस्थापनमा सहभागी बैक तथा बित्तिय संस्थाहरू, आयोजना क्षेत्रका सरकारी तथा गैर सरकारी निकायहरू, आयोजना संचालनको लागी आवश्यक पाटपुर्जा तथा उपकरणहरू आपूर्तिकर्ता स्वदेशी तथा बिदेशी कम्पनीहरूसंग सुमधुर सम्बन्ध कायम राख्दै अगाडी बढि रहेको छ ।

(ङ) सञ्चालक समितिमा भएको हेरफेर र सो को कारण,

- ❖ सञ्चालक समितिमा हेरफेर नभएको ।

हाल कायम रहेको संचालक समितिको विवरण :

सि.नं	संचालकको नाम	पद
१	श्री सुरेशलाल श्रेष्ठ	अध्यक्ष
२	श्री दिनेशलाल श्रेष्ठ	प्रबन्ध संचालक
३	श्री शेखर कुमार राणा	संचालक
४	श्रीमति कुसुम गोर्खाली	संचालक



५	श्री महेन्द्र बहादुर श्रेष्ठ	संचालक, सर्वसाधारण सेयरधनीहरूको तर्फबाट
६	श्री अजय कुमार दाहाल	स्वतन्त्र संचालक

- (च) कारोबारलाई असर पार्ने कुराहरु,
- ❖ प्रचलित ऐन नियमहरूमा बेला बखत हुने संसोधन तथा परिवर्तनका कारण जलबिद्युत उत्पादन गर्ने आयोजनाहरूलाई अनुकूल/प्रतिकूल असर पर्न सक्छ ।
 - ❖ प्रतिकूल राजनैतिक वातावरण, प्राकृतिक प्रकोप, खडेरी, भुकम्प जस्ता अप्रत्यासित घटनाक्रमहरूबाट आयोजना विकास तथा संचालनमा प्रतिकूल असर पर्दछ ।
 - ❖ बजारमा हुने मुल्य बृद्धि, बैंक तथा बित्तिय संस्थाहरूको कर्जाको ब्याजदरमा बृद्धि जस्ता कुराहरूबाट आयोजनाको लागत बढ्न जान्छ ।
- (छ) लेखापरीक्षण प्रतिवेदनमा कुनै कैफियत उल्लेख भएको भए सो उपर सञ्चालक समितिको प्रतिक्रिया ,
- ❖ कम्पनीले NFRS (Nepal Financial Reporting Standards) मापदण्ड अनुरूप वार्षिक वित्तिय विवरण तयार गरेको छ । लेखापरीक्षण प्रतिवेदन, नियमित कारोबारमा सामान्य प्रकृतिको कैफियत तथा सुभावहरू बाहेक कम्पनीलाई असर गर्ने अन्य कैफियतहरू नभएको ।
- (ज) लाभांश बाँडफाँड गर्न सिफारिश गरिएको रकम,
- ❖ प्रस्तुत आ.व.मा शेयर लाभांश बाँडफाँडको लागी प्रस्ताव नगरिएको ।
- (झ) शेयर जफत भएको भए जफत भएको शेयर संख्या, त्यस्तो शेयरको अंकित मुल्य, त्यस्तो शेयर जफत हुनुभन्दा अगावै सो वापत कम्पनीले प्राप्त गरेको जम्मा रकम र त्यस्तो शेयर जफत भए पछि सो शेयर विक्रि गरी कम्पनीले प्राप्त गरेको रकम तथा जफत भएको शेयर वापत रकम फिर्ता गरेको भए सो को विवरण,
- ❖ प्रतिवेदन अवधिमा कम्पनीद्वारा कुनै शेयर जफत नभएको ।
- (ञ) विगत आर्थिक वर्षमा कम्पनी र यसको सहायक कम्पनीको कारोबारको प्रगति र सो आर्थिक वर्षको अन्तमा रहेको स्थितिको पुनरावलोकन,
- ❖ कारोबार नभएको ।
- (ट) कम्पनी तथा त्यसको सहायक कम्पनीले आर्थिक वर्षमा सम्पन्न गरेको प्रमुख कारोबारहरू र सो अवधिमा कम्पनीको कारोबारमा आएको कुनै महत्वपूर्ण परिवर्तन,
- ❖ यस कम्पनीको कारोबारहरू यसैसाथ संलग्न बित्तिय विवरणहरू: बासलात, आय विवरण, नगद प्रवाह विवरण, अनुसूचीहरू, लेखा सम्बन्धी टिप्पणीहरूमा उल्लेख भएको ।
 - ❖ यस कम्पनीको सहायक कम्पनी सिसा हाईड्रो ईलेक्ट्रीक कम्पनी लिमिटेडको ब्यबसायिक कुनै कारोवार नभएको ।
- (ठ) विगत आर्थिक वर्षमा कम्पनीको आधारभुत शेयरधनीहरूले कम्पनीलाई उपलब्ध गराएको जानकारी,
- ❖ विगत आर्थिक वर्षमा कम्पनीका आधारभुत शेयरधनीहरूबाट कम्पनीलाई कुनै जानकारी उपलब्ध नगरिएको ।
- (ड) विगत आर्थिक वर्षमा कम्पनीका सञ्चालक तथा पदाधिकारीहरूले लिएको शेयरको स्वामित्वको विवरण र कम्पनीको शेयर कारोबारमा निजहरू संलग्न रहेको भए सो सम्बन्धमा निजहरूबाट कम्पनीले प्राप्त गरेको जानकारी,
- ❖ कम्पनीका संचालक तथा पदाधिकारीहरूबाट अन्य लगानीको बारे जानकारी प्राप्त हुन नआएको ।

मुख्य शेयर लगानीकर्ता तथा अन्य लगानीकर्ताहरू तथा शेयर पुँजि सहित :

सि.नं	शेयरधनिको नाम	लगानी गरेको रकम	प्रतिशत
क. १ प्रतिशत भन्दा बढि शेयर लगानी गर्ने संस्थापक शेयरधनीहरू			
	श्री सुरेशलाल श्रेष्ठ	९२,५२६,८००।००	६।८५
	श्री दिनेशलाल श्रेष्ठ	९२,५२६,७००।००	६।८५
	श्री प्रविन श्रेष्ठ	११०,०९९,२००।००	८।१५
	बि.इ.एस. प्रा. लि.	२६०,७६८,०००।००	१९।३२
	श्रीमति रुकमणी देवी श्रेष्ठ	१५,१४६,२००।००	१।१२
	श्री डिजे श्रेष्ठ	३२,९२२,२००।००	२।४४

	श्री राजेशलाल श्रेष्ठ	८५,१५५,९००।००	६३१
	श्री पदमलाल श्रेष्ठ	२१,७६२,०००।००	१६१
	श्री प्रजोललाल श्रेष्ठ	४३,५२५,२००।००	३२२
ख. १ प्रतिशत भन्दा कम लगानी गर्ने संस्थापक शेयरधनीहरू :			
	अन्य संस्थापक लगानीकर्ताहरू	२६४,८२५,८००।००	१९।६२
ग.	स्थानिय सर्वसाधारणहरू	१३५,०००,०००।००	१०।००
घ.	सर्वसाधारणहरू	१९५,७५०,०००।००	१४।५०
	जम्मा	१,३५०,०००,०००।००	१००।००

(ढ) विगत आर्थिक वर्षमा कम्पनीसंग सम्बन्धित सम्भौताहरूमा कुनै सञ्चालक तथा निजको नजिकको नातेदारको व्यक्तिगत स्थार्थको बारेमा उपलब्ध गराइएको जानकारीको व्यहोरा,

❖ यस प्रकारको जानकारी संचालकबाट कम्पनीलाई प्रतिवेदन अर्वाधमा प्राप्त हुन नआएको ।

(ण) कम्पनीले आफ्नो शेयर आफैले खरिद गरेको भए त्यसरी आफ्नो शेयर खरिद गर्नुको कारण, त्यस्तो शेयरको संख्या र अंकित मूल्य तथा त्यसरी शेयर खरिद गरे बापत कम्पनीले भुक्तानी गरेको रकम,

❖ कम्पनीले आफ्नो शेयर आफैले खरिद नगरेको ।

(त) आन्तरिक नियन्त्रण प्रणाली भए वा नभएको र भएको भए सोको विस्तृत विवरण,

❖ कम्पनीले आन्तरिक नियन्त्रण प्रणालीलाई प्रभावकारी एवं जोखिमहरू न्युनिकरण गर्नको लागि विभिन्न विनियमहरू बनाई लागु गरिरहेको, समयानुकुल संचालक समितिले निति निर्देशन दिने गरेको, कम्पनी ऐन, २०६३ को दफा १६४ बमोजिम संचालक समितिका सदस्यहरू तथा कानुनी बिज्ञ रहेको लेखापरिक्षण समिति गठन गरी सोही समितिको निर्देशन एवं अनुगमनमा कम्पनीको लेखा प्रणाली संचालन हुँदै आएको साथै आन्तरीक लेखपरीक्षण समेत गराउने गरेको छ ।

(थ) विगत आर्थिक वर्षको कुल व्यवस्थापन खर्चको विवरण,

विवरण	आर्थिक वर्ष २०७९।८०	आर्थिक वर्ष २०७८।७९
आयोजना संचालन खर्च	७६,४४९,९७०।००	५७,७०७,६२४।००
प्रशासनिक खर्च	११,६७५,०७८।००	१७,६४७,११७।००
कर्मचारी खर्च	२०,६६२,४२२।००	२०,००६,७६५।००
ब्याज खर्च	४१३,५५६,८१४।००	३००,४६७,२७६।००

(द) लेखापरीक्षण समितिका सदस्यहरूको नामावली, निजहरूले प्राप्त गरेका पारिश्रमिक, भत्ता तथा सुविधा, सो समितिले गरेका काम कारवाहीको विवरण र सो समितिले कुनै सुझाव दिएको भए सो को विवरण,

नाम	पद	कैफियत
श्री शेखर कुमार राणा	संयोजक	संचालक
श्रीमति कुमुम गौखाली	सदस्य	संचालक
श्री प्रकाश रेग्मी	सदस्य	अधिबक्ता (कानुनी परामर्शदाता)

लेखापरीक्षण समितिका पदाधिकारीहरूले आर्थिक वर्ष २०७९।०८० मा कुनै प्रकारको पारिश्रमिक तथा भत्ता वापतको रकम भुक्तानी नलिएको ।

(ध) सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख, कम्पनीका आधारभुत शेयरधनी वा निजको नजिकका नातेदार वा निज संलग्न रहेका फर्म, कम्पनी वा संगठित संस्थाले कम्पनीलाई कुनै रकम बुझाउन बाँकी भए सो कुरा,

❖ नभएको ।

(न) सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख तथा पदाधिकारीहरूलाई भुक्तानी गरिएको पारिश्रमिक, भत्ता तथा सुविधाको रकम,

❖ यस कम्पनीको संचालक समितिका अन्य संचालकहरूलाई आ.व. २०७९।०८० मा बैठक भत्ता मात्र प्रदान गरिएको छ ।



नाम	पद	भुक्तानी रकम
श्री दिनेश लाल श्रेष्ठ	प्रबन्ध संचालक	८,५७४,९२०।००
श्री डिजे श्रेष्ठ	प्रमुख कार्यकारी अधिकृत (मिति २०७९ चैत्र मसान्त सम्म कार्यरत)	२,०४४,६९२।१४
श्री यागार्थ पोखरेल	प्रमुख कार्यकारी अधिकृत (मिति २०८० बैशाख देखी कार्यरत)	१,२१३,६००।००

- (प) शेयरधनीहरूले बुझि लिन बाँकी रहेको लाभाशको रकम,
❖ नभएको ।
- (फ) दफा १४१ बमोजिम सम्पत्ति खरिद वा विक्री गरेको कुराको विवरण,
❖ दफा १४१ बमोजिम सम्पत्ति खरिद वा विक्री नभएको ।
- (ब) दफा १७५ बमोजिम सम्बद्ध कम्पनी बीच भएको कारोबारको विवरण,
❖ नभएको ।
- (भ) यस ऐन तथा प्रचलित कानून बमोजि सञ्चालक समितिको प्रतिवेदनमा खुलाउनु पर्ने अन्य कुनै कुरा,
❖ नभएको ।
- (म) अन्य आवश्यक कुराहरु ।
१. **कर्जा भुक्तानी** : कम्पनीले निर्माण सम्पन्न गरेको सोलु जलविद्युत आयोजनाको निर्माण कार्यको लागि आवश्यक वित्तिय ब्यबस्थापन गर्न लक्ष्मी बैंक लिमिटेडको अगुवाईमा बैंक तथा वित्तिय संस्थाहरुसंगको सम्झौता बमोजिम प्राप्त कर्जा रकम मध्ये हाल सम्म रु. ९९,२४२,५१५।३३ भुक्तानी गरी सकिएको छ ।
 २. **संस्थागत सामाजिक उत्तरदायित्व** : यस कम्पनीले सामाजिक उत्तरदायित्व अन्तर्गत आयोजना क्षेत्रमा संस्थागत सामाजिक उत्तरदायित्व अन्तर्गत विभिन्न कार्यहरुमा तथा विशेष गरेर विद्युत केन्द्र वरिपरीका प्रत्यक्ष वा अप्रत्यक्ष रुपमा प्रभावित क्षेत्रहरुमा विद्युत, खानेपानी, शिक्षा, स्वास्थ्य, रोजगारी, बाटोघाटो, मन्दिर निर्माण जस्ता कार्यहरुमा उल्लेख्य आर्थिक सहयोग पुऱ्याउदै आएको छ तथा पुऱ्याउदै जाने छ ।
 ३. **कर्मचारी व्यवस्थापन** : यस कम्पनीमा आ.व.२०७९।०८० मा विभिन्न पदहरुमा (व्यबस्थापन पक्ष सहित) जम्मा ५६ जना कर्मचारीहरु कार्यरत रहेकोमा कर्मचारीहरुलाई आवश्यकता अनुसार कार्यकारी प्रमुखद्वारा विभिन्न कार्य क्षेत्रमा खटाउने गरिएको छ । यिनै कर्मचारीहरुवाट हाल विद्युत केन्द्रको संचालन तथा सम्भारका कार्यहरु भईरहेका छन् ।

महेन्द्रबहादुर श्रेष्ठ
सञ्चालक

सुरेश लाल श्रेष्ठ
अध्यक्ष

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF Upper Solu Hydro Electric Company Limited

Reports on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Upper Solu Hydro Electric Company Limited** (hereinafter referred to as "the Company") ,which comprises the statement of financial position as at Ashadh 31, 2080 (corresponding to July 16, 2023), the statement of profit or loss and other comprehensive income, the statement of change in equity, the statement of cash flows for the year then ended, and note to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respect, the financial position of the Company as at Ashadh 31, 2080 and its financial performance and its cash flows for the year then ended in accordance with Nepal Financial Reporting Standards (NFRS).

Basis for Opinion

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the Company in accordance with the code of ethics for the professional accountant issued by The Institute of Chartered Accountants of Nepal together with the ethical requirement that is relevant to our audit of the financial statements under the provisions of the Company Act, 2063, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAN code of ethics for professional accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide 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 for the financial year ended on Ashad 31, 2080 (corresponding to July 16, 2023). 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. We have determined the matter described below to be the key matter to be communicated in our report.

Key Matter	Response to Key Matter
Revenue Recognition : Refer Note 3.8 & 20 of the Financial Statements Revenue from sale of electricity (hereinafter referred to as "Revenue") is recognized when the performance obligation related to the contract is satisfied, which mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of revenue recognition is relevant to the reported revenue of the Company.	Our audit procedures include followings: 1. Assessed the Company's accounting policies on revenue recognition in line with NFRS 15 (Revenue from Contract with Customer) and tested thereof, 2. Performed detailed analysis of revenue, analytical testing with monthly sales information obtained from Nepal Electricity Authority for supply of the energy and rate prescribed in Power Purchase Agreement, tested the timing of the recognition and accuracy of the amounts recognized and verification of the supporting information of the Revenue . 3. Tested the amount received from Nepal Electricity Authority.



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

The management of the Company is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

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

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

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

Management of the Company is responsible for the preparation and fair presentation of the financial statements in accordance with the NFRS, and for such internal control as management determines is necessary to enable preparation of the financial statements that are free from material misstatements, 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 going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of 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 NSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 disclosure in the financial statement or, if such disclosure is 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 as a going concern.
- Evaluate the overall presentation of the financial statements including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation,


We communicated 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.



Report on Other Legal and Regulatory Requirements

On the basis of our examination, we would like to report that:

- a. We have obtained all the information and explanations, which were necessary for the purpose for our audit.
- b. The enclosed statement of financial position, statement of profit or loss and other comprehensive income and statement of cash flow have been prepared as per the Company Act, 2063 are in agreement with the books of account maintained by the Company.
- c. In our opinion, proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of those books.
- d. In our opinion and to the best of our information and according to the explanations given to us and from our examination of the books of account of the Company, we have not come across the cases where the Board of Directors or any member thereof or any employee of the Company has acted contrary to the provisions of law or caused loss or damage to the Company relating to the accounts of the Company.


CA Indra Prasad Mainali
Proprietor
IP Mainali & Associates
Chartered Accountant.



Place: Kathmandu, Nepal
Date:



Upper Solu Hydro Electric Company Limited

Statement of Financial Position at Ashad 31, 2080

All amounts are in Rs unless otherwise stated

Particulars	Notes	As at Asadh 31, 2080	As at Ashad 32, 2079
ASSETS			
Non-current Assets			
(a) Property, Plant & Equipment			
(i) General Assets (Gross)		21,650,080.00	27,222,360.00
Less: Accumulated Depreciation		(15,394,060.00)	(20,038,216.00)
General Assets (Net)		6,256,020.00	7,184,144.00
(ii) Project Assets	5	5,031,762,523.00	4,940,501,714.00
Less: Accumulated Depreciation		(261,045,144.00)	(75,774,566.00)
Project Assets (Net)		4,770,717,379.00	4,864,727,148.00
(iii) Project Assets Under Development		-	-
(b) Intangible Assets (Net)	6		
(c) Investment in Subsidiaries	7	44,374,600.00	44,374,600.00
Total Non-current Assets		4,821,347,999.00	4,916,285,892.00
Current Assets			
(a) Financial Assets			
(i) Trade Receivables	8	111,128,909.00	70,136,048.00
(ii) Cash and Cash Equivalents	9	11,573,904.00	437,512.00
(iii) Other Financial Assets	10	1,421,795.00	186,287,123.00
(b) Current Tax Assets	11	686,731.00	146,274.00
(c) Other Current Assets	12	74,805,880.00	149,893,039.00
Total Current Assets		199,617,219.00	406,899,996.00
Total Assets		5,020,965,218.00	5,323,185,888.00
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	13	1,350,000,000.00	1,350,000,000.00
(b) Other Equity	14	(85,716,589.00)	(47,179,419.00)
Total Equity		1,264,283,411.00	1,302,820,581.00
Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
Borrowings	15	3,545,804,989.00	3,671,211,649.00
Total Non-current Liabilities		3,545,804,989.00	3,671,211,649.00
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	171,575,089.00	254,321,160.00
(ii) Other Financial Liabilities	17	31,797,786.00	88,287,690.00
(b) Current Tax Liabilities	18	861,013.00	-
(c) Other Current Liabilities	19	6,642,930.00	6,544,808.00
Total Current Liabilities		210,876,818.00	349,153,658.00
Total Liabilities		3,756,681,807.00	4,020,365,307.00
Total Equity and Liabilities		5,020,965,218.00	5,323,185,888.00

The accompanying notes are integral parts of the financial statements

As per Our Report of Even Date
For :I.P Mainali & Associates
Chartered Accountants

Date:

Kathmandu, Nepal

Finance Manager

Chief Executive Officer

Director

Chairman

CA Indra Prasad Mainali

Proprietor



Upper Solu Hydro Electric Company Limited
Statement of profit and loss and Other Comprehensive Income
for the year ended Ashad 31,2080
All amounts are in Rs unless otherwise stated

Particulars	Notes	Year ended Ashad 31, 2080	Year ended Ashad 32, 2079
Revenue from Operations	20	667,869,562.00	369,136,304.00
Cost of Sales	21	76,449,970.00	57,707,624.00
Gross Profit		591,419,592.00	311,428,680.00
Other Income	22	6,409,694.00	245,192.00
		597,829,286.00	311,673,872.00
Expenses			
Administrative Expenses	23	11,675,078.00	17,647,117.00
Employee Benefits Expense	24	20,662,422.00	20,006,765.00
Finance Costs	25	413,556,814.00	300,467,276.00
Depreciation and Amortisation Expense	26	187,014,289.00	77,656,211.00
Reversal of Impairment on Financial Assets	27	-	-
Total Expenses		632,908,603.00	415,777,369.00
Profit Before Bonus & Tax		(35,079,317.00)	(104,103,497.00)
Provision For Staff Bonus		-	-
Less: Tax Expense			
(1) Current Tax	28	861,013.00	-
(2) Deferred Tax			
Profit/(Loss) Before CSR Expenses		(35,940,330.00)	(104,103,497.00)
Provision For CSR Expenses		-	-
Profit/(Loss) for the Period		(35,940,330.00)	(104,103,497.00)
Other Comprehensive Income			
(A) Items That Will Not be Reclassified to Profit or Loss;			
(i) Equity Instruments Through Other Comprehensive Income		-	-
Total Other Comprehensive Income		-	-
Total Comprehensive Income For The Period		(35,940,330.00)	(104,103,497.00)
Earnings Per Equity Share (For Continuing Operation):	29		
(1) Basic (in Rs.)		(2.66)	(10.10)
(2) Diluted (in Rs.)		(2.66)	(10.10)

The accompanying notes are integral parts of the financial statements
Date:

Kathmandu, Nepal

As per Our Report of Even Date
For :I.P Mainali & Associates
Chartered Accountants

Finance Manager

Chief Executive Officer

Director

Chairman

CA Indra Prasad Mainali

Proprietor



Upper Solu Hydro Electric Company Limited

Statement of cash flows for the year ended Ashad 31,2080

All amounts are in Rs unless otherwise stated

Particulars	Year ended Ashad 31, 2080	Year ended Ashad 32, 2079
Cash Flows From Operating Activities		
Profit For The Year	(35,940,330.00)	(104,103,497.00)
Adjustments For:		
Finance Costs	413,556,814.00	300,467,276.00
Profit on Disposal of Assets	(2,357,868.00)	(46,727.00)
Depreciation And Amortization Of Non-Current Assets	187,014,289.00	77,656,211.00
	562,272,905.00	273,973,263.00
Movements In Operating Assets:		
(Increase)/Decrease in Trade Receivables	(40,992,861.00)	(26,883,764.00)
(Increase)/Decrease in Other Financial Assets	184,865,328.00	(183,719,853.00)
(Increase)/Decrease in Other Current Assets	75,087,159.00	100,554,049.00
(Increase)/Decrease in Current Tax Assets	(540,457.00)	-
Increase/ (Decrease) in Current Borrowings	(82,746,071.00)	-
Increase/ (Decrease) in Other Financial Liabilities	(56,489,904.00)	(65,712,404.00)
Increase/(Decrease) in Current Tax Liabilities	861,013.00	-
Increase/(Decrease) in Other Current Liabilities	98,122.00	(1,620,406.00)
	80,142,329.00	(177,382,378.00)
Cash Generated From Operations	642,415,234.00	96,590,885.00
Net Cash Generated By Operating Activities	642,415,234.00	96,590,885.00
Cash Flows From Investing Activities		
Addition in General Assets	(93,218,529.00)	(1,125,193.00)
Addition in Project		
Addition on Project Assets Under Development	-	(208,451,025.30)
Addition in Fixed Assets		
Addition on Investment		-
Sale of Property, Plant And Equipment	3,500,001.00	550,000.30
Net Cash (Used In)/Generated By Investing Activities	(89,718,528.00)	(209,026,218.00)
Cash Flows From Financing Activities		
Increase or Decrease Of Borrowings	(125,406,660.00)	86,733,971.00
IPO Issue Expenses	(2,596,840.00)	(6,591,637.00)
Share Premium		-
Increase or Decrease in Share Capital	-	330,750,000.00
Dividends Paid on Equity Shares		-
Finance Expenses	(413,556,814.00)	(300,467,276.00)
Net Cash Used In Financing Activities	(541,560,314.00)	110,425,058.00
Net Increase In Cash And Cash Equivalents	11,136,392.00	(2,010,275.00)
Cash And Cash Equivalents At The Beginning Of The Year	437,512.00	2,447,787.00
Effects Of Exchange Rate Changes On The Balance Of Cash And Cash Equivalents Held In Foreign Currencies	-	-
Cash And Cash Equivalents At The End Of The Year	11,573,904.00	437,512.00

The accompanying notes are integral parts of the financial statements

Date:

Kathmandu, Nepal

As per Our Report of Even Date
For :I.P Mainali & Associates
Chartered Accountants

Finance Manager

Chief Executive Officer

Director

Chairman

CA Indra Prasad Mainali

Proprietor





Upper Solu Hydro Electric Company Limited

Statement of changes in equity for the year ended Ashad 31, 2080

All amounts are in Rs unless otherwise stated

Particulars	Share Capital	Reserves and Surplus				Total
		Capital Reserve	Securities Premium Reserve	Equity Instrument Through Other Comprehensive Income	General Reserve	
Balance As At Shrawan 1, 2078	1,019,250,000.00	-	-	-	-	1,082,765,715.00
Issue of Share Capital	330,750,000.00	-	-	-	-	330,750,000.00
Profit For The Year	-	-	-	-	(104,103,497.00)	(104,103,497.00)
Other Comprehensive Income For The Year, Net Of Income Tax	-	-	-	-	-	-
IPO Issue Expenses	-	-	-	-	(6,591,637.00)	(6,591,637.00)
Payment of Dividends	-	-	-	-	-	-
Transfer To Retained Earnings	-	-	-	-	-	-
Balance As At Ashad 32, 2079	1,350,000,000.00	-	-	-	(47,179,419.00)	1,302,820,581.00
Balance As At Sharwan 1, 2079	1,350,000,000.00	-	-	-	(47,179,419.00)	1,302,820,581.00
Issue of Share Capital	-	-	-	-	-	-
Profit For The Year	-	-	-	-	(35,940,330.00)	(35,940,330.00)
Other Comprehensive Income For The Year, Net Of Income Tax	-	-	-	-	-	-
IPO Issue Expenses	-	-	-	-	(2,596,840.00)	(2,596,840.00)
Payment of Dividends	-	-	-	-	-	-
Transfer To Retained Earnings	-	-	-	-	-	-
Balance As At Ashad 31, 2080	1,350,000,000.00	-	-	-	(85,716,589.00)	1,264,283,411.00

The accompanying notes are integral parts of the financial statements

Date:

Kathmandu, Nepal

Finance Manager

Chief Executive Officer

Director

Chairman

CA Indra Prasad Mainali

Proprietor

As per Our Report of Even Date
For :I.P Mainali & Associates
Chartered Accountants



Upper Solu Hydroelectric Company Limited

Notes to the Financial Statements for The Year Ended Ashad 31, 2080

1. COMPANY BACKGROUND

Upper Solu Hydro Electric Company Ltd. (from herein referred as USHEC or the Company) is a limited liability company registered under the Company Act 2063. The Projects of the Company is developed on Build, Own, Operate and Transfer (BOOT) model. The Company has developed Solu Hydroelectric Project having a capacity of 23.5 MW. The remaining generation licensee period of the project is 25 Year 9 Month at Ashad end, 2080.

2. 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), Nepal. The financial statements have also been prepared in accordance with the relevant presentational requirements of the Companies Act, 2063 of Nepal.

These financial statements were authorized for issue by the Board of Directors on 2080/8/22. The Board of Directors acknowledges the responsibility of preparation of financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of Preparation of Financial Statements

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below:

- i) Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.
- ii) Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.
- (iii) Financial assets and financial liabilities measured at fair value (refer accounting policy on financial Instruments).
- (iv) Financial statements prepared under Going concern and accrual basis.
- (v) The financial statements are presented in Nepalese Rupee (Rs.), which is the functional and presentation currency of the Company. Amounts in the financial statements are rounded off to the nearest rupee.
- (vi) The Reporting period of the financial statements is Sharwan 1 2079 to Ashad 31, 2080 (17 July 2022 to 16 July 2023).

3.2 Investments in Subsidiaries

Company has option to account for investments in subsidiaries, joint ventures and associates either: (a) at cost; (b) in accordance with NFRS 9; or (c) using the equity method as described in NAS 28. The company has measured the investment in subsidiaries at cost.

3.3 Property, Plant and Equipment

- i) Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.
- ii) 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.
- iii) 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.
- iv) An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal, any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognized.

3.4 Depreciation & Amortization

- i) Depreciation is recognized so as to write off the cost of assets less their residual values over their useful lives, using the diminishing balance method.
- ii) The estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.
- iii) The useful lives of the assets and the corresponding rates at which the assets are depreciated are as follows: -

Category of Assets	Depreciation Rate
Plant & Machinery	15%
Office Equipment	25%
Furniture & Fixtures	25%
Computer & Accessories	20%

The Company has depreciated project assets on SLM basis on remaining lives of project. Upper Solu Hydroelectric Project (23.5 MW) which have a remaining lives of 26 years 9 months at Ashad end, 2079.

3.5 Intangible Assets

- i) Intangible assets are stated at their cost of acquisition, less accumulated amortization and impairment losses. An intangible asset is recognized, where it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. The amortizable amount of intangible assets is allocated over the best estimate of its useful lives on a straight-line basis.



- ii) An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

3.6 Impairment of Tangible and Intangible Assets:

An asset is considered as impaired in accordance with NAS 36 on Impairment of Assets when at the balance sheet date there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the asset's net selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in profit or loss.

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

3.7 Classification of Current and Non current of Assets and Liabilities.

All assets and liabilities have been classified as current & non current assets as per the company's normal operating cycle. Based on the nature of products and time between acquisition of assets for processing and their realization cash and cash equivalents, the company has ascertained its operating cycle as twelve months for the purpose of classification currents & non current classification.

3.8 Revenue from Contracts with Customers

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates, penalties and other similar items.

Revenue from operations comprises of sale of power. It is recognized at an amount that reflects the consideration for which the Company expects to be entitled in exchange for transfer of power to the customer.

Revenue from sale of power is accounted in accordance with tariff provided in Power Purchase Agreement (PPA) with the Nepal Electricity Authority (NEA) and no significant uncertainty as to the measurability or collectability exist.

3.9 Employee Benefits

Compensation to employees for services rendered is measured and accounted for in accordance with NAS 19 on Employee Benefits.

Short-term obligations

Expenses in respect of short-term benefits are recognised on the basis of the amount paid or payable during which services are rendered by the employees. Liabilities for salary and allowances that are expected to be settled wholly within twelve months after the end of the financial year in which the employees render the related services are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Defined contribution plan

These are plans in which the Company pays pre-defined amounts to publicly administered funds as per local regulations and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the social security fund with the government on account of provident fund, social security fund and gratuity. The Company's payments to the defined contribution plans are recognised as employee benefit expenses when they are due.

3.10 Borrowing Costs

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

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

3.11 Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company is currently enjoying tax holiday for the income from sales of power.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.



Current and Deferred Tax for The Year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

3.12 Earnings Per Share

The Company reports basic and diluted Earnings per Share (EPS) in accordance with NAS 33 on Earnings Per Share. Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

3.13 Leases

The Company, as a lessee, recognizes a right of use asset and a lease liability for its leasing arrangements, as the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, as it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right of use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-to-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful lives of right-to-use asset. The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

3.14 Cash Flow Statement

The Cash Flow Statement is prepared by the indirect method set out in NAS 7 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the Company.

3.15 Provisions and Contingencies

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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A contingent liability is a possible obligation that arises from past event whose existence will be confirmed by the occurrence of one or more uncertain future events beyond the control of the company or present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations or a reliable estimate of the amount of obligation cannot be made.

A contingent asset is neither recognized nor disclosed in the financial statements.

3.16 Financial Instruments

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

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

Financial Assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of Financial Assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Effective Interest Method

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



Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the “Other income” line item.

Financial assets at Fair Value Through Profit or Loss (FVTPL)

Financial instruments that do not meet the amortized cost criteria or Fair Value Through Other Comprehensive Income (FVTOCI) criteria are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the ‘Other income’ line item. Dividend on financial assets at FVTPL is recognized when the Company’s right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of Financial Assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, trade receivables and other contractual rights to receive cash or other financial asset.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

Financial Liabilities and Equity Instruments

Classification as Debt or Equity

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

Equity Instruments

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

Financial Liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

Financial Liabilities at FVTPL

Financial liabilities at FVTPL represented by contingent consideration that are measured at fair value with all changes recognized in the profit or loss.

Derecognition of Financial Instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In application of the Company's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical Judgements in Applying Accounting Policies

The following are the critical judgements, apart from those involving estimations that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

Income Taxes

The Company's tax jurisdiction is in Nepal. Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Useful Lives of Property, Plant and Equipment

As described above, the Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. There was no change in the useful lives of property, plant and equipment as compared to previous year.

Impairment of Trade Receivables

The Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer status, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.



Upper Solu Hydro Electric Company Limited

Notes to the financial statements for the year ended Ashad 31, 2080

All amounts are in Rs unless otherwise stated

Particulars	Cost or deemed cost				Accumulated depreciation and impairment				Carrying Amount		
	Balance at Ashad 32, 2079	Additions	Disposals/Transfer	Balance at Ashad 31, 2080	Balance as at Ashad 32, 2079	Eliminated on disposals of assets	Impairment losses recognised in profit or loss	Depreciation expense	Balance at Ashad 31, 2080	As at Ashad 31, 2080	As at Ashad 32, 2079
5. Property, Plant and Equipment											
Current Year											
Property Plant And Equipment (General Assets)											
	2,218,884.00	101,000.00		2,319,884.00	913,589.00			343,157.00	1,256,746.00	1,063,138.00	1,305,295.00
	24,400,476.00	274,900.00	7,530,000.00	17,145,376.00	18,957,294.00	6,387,867.00		1,097,931.00	13,667,358.00	3,478,018.00	5,443,182.00
	603,000.00	1,581,820.00		2,184,820.00	167,333.00			302,623.00	469,956.00	1,714,864.00	435,667.00
Subtotal	27,222,360.00	1,957,720.00	7,530,000.00	21,650,080.00	20,038,216.00	6,387,867.00	-	1,743,711.00	15,394,060.00	6,256,020.00	7,184,144.00
Property Plant And Equipment (Project Assets)											
	4,940,501,714.00	91,260,809.00		5,031,762,523.00	75,774,566.00			185,270,578.00	261,045,144.00	4,770,717,379.00	4,864,727,148.00
	4,940,501,714.00	91,260,809.00	-	5,031,762,523.00	75,774,566.00	-	-	185,270,578.00	261,045,144.00	4,770,717,379.00	4,864,727,148.00
Subtotal	4,940,501,714.00	91,260,809.00	-	5,031,762,523.00	75,774,566.00	-	-	185,270,578.00	261,045,144.00	4,770,717,379.00	4,864,727,148.00
Project Assets Under Development											
Subtotal											
Total	4,967,724,074.00	93,218,529.00	7,530,000.00	5,053,412,603.00	95,812,782.00	6,387,867.00	-	187,014,289.00	276,439,204.00	4,776,973,399.00	4,871,911,292.00
Previous Year											
Current Year											
Property Plant And Equipment											
Office Equipment Furnitures & Fixtures	1,093,691.00	1,125,193.00		2,218,884.00	478,490.00			435,099.00	913,589.00	1,305,295.00	615,201.00
Automobiles	27,168,736.00		2,768,260.00	24,400,476.00	19,861,485.00	2,264,987.00		1,360,796.00	18,957,294.00	5,443,182.00	7,307,251.00
Plant & Machinery	603,000.00			603,000.00	90,450.00			76,883.00	167,333.00	435,667.00	512,550.00
Subtotal	28,865,427.00	1,125,193.00	2,768,260.00	27,222,360.00	20,430,425.00	2,264,987.00	-	1,872,778.00	20,038,216.00	7,184,144.00	8,435,002.00
Property Plant And Equipment (Project Assets)											
Solu Hydropower Project	4,732,050,689.00	4,940,501,714.00		4,940,501,714.00	-			75,774,566.00	75,774,566.00	4,864,727,148.00	-
	4,732,050,689.00	4,940,501,714.00	-	4,940,501,714.00	-			75,774,566.00	75,774,566.00	4,864,727,148.00	-
Subtotal	4,732,050,689.00	4,940,501,714.00	-	4,940,501,714.00	-			75,774,566.00	75,774,566.00	4,864,727,148.00	-
Project Assets Under Development											
Solu Hydropower Project	4,732,050,689.00	208,451,025.00	4,940,501,714.00	4,940,501,714.00	-			-	-	-	4,732,050,689.00
	4,732,050,689.00	208,451,025.00	4,940,501,714.00	4,940,501,714.00	-			-	-	-	4,732,050,689.00
Subtotal	4,732,050,689.00	208,451,025.00	4,940,501,714.00	4,940,501,714.00	-			-	-	-	4,732,050,689.00
Total	4,760,916,116.00	5,150,077,932.00	4,943,269,974.00	4,967,724,074.00	20,430,425.00	2,264,987.00	-	77,647,344.00	95,812,782.00	4,871,911,292.00	4,740,485,691.00

The accompanying notes are integral parts of the financial statements

Date:

Kathmandu, Nepal

Finance Manager

Chief Executive Officer

Director

Chairman

CA Indra Prasad Mainali

Proprietor

As per Our Report of Even Date
For :I.P Mainali & Associates
Chartered Accountants



6. Intangible Assets										
Current Year										
Particulars	Cost or deemed cost				Accumulated amortization and impairment				Carrying Amount	
	Balance at Ashad 32, 2079	Additions from separate acquisitions	Transfer from Intangible assets under Developments	Balance at Ashad 31, 2080	Balance at Ashad 32, 2079	Amortisation expense	Impairment losses recognised in profit or loss	Balance at Ashad 32, 2080	As at Ashad 31, 2080	As at Ashad 32, 2079
Intangible Assets										
Subtotal	44,340.00	-		44,340.00	44,340.00			44,340.00	-	-
Intangible Assets Under Development	44,340.00	-		44,340.00	44,340.00			44,340.00	-	-
Subtotal	-	-		-	-			-	-	-
Total	44,340.00	-		44,340.00	44,340.00			44,340.00	-	-
Previous Year										
Particulars	Cost or deemed cost				Accumulated amortization and impairment				Carrying Amount	
	Balance at Ashad 31, 2078	Additions from separate acquisitions	Transfer from Intangible assets under Developments	Balance at Ashad 32, 2079	Balance at Ashad 31, 2078	Amortisation expense	Impairment losses recognised in profit or loss	Balance at Ashad 32, 2079	As at Ashad 32, 2079	As at Ashad 31, 2078
Intangible Assets										
Software	44,340.00			44,340.00	35,473.00	8,867.00		44,340.00	-	8,867.00
Subtotal	44,340.00	-		44,340.00	35,473.00	8,867.00		44,340.00	-	8,867.00
Intangible Assets Under Development										
Subtotal	-	-		-	-			-	-	-
Total	44,340.00	-		44,340.00	35,473.00	8,867.00		44,340.00	-	8,867.00

The accompanying notes are integral parts of the financial statements
Date:

Kathmandu, Nepal

Finance Manager

Chief Executive Officer

Director

Chairman

CA Indra Prasad Mainali

Proprietor

As per Our Report of Even Date
For :i.P Mainali & Associates
Chartered Accountants



Upper Solu Hydro Electric Company Limited

Notes to the financial statements for the year ended Ashad 31,2080

All amounts are in Rs unless otherwise stated

7. Investment in Subsidiaries (at Cost)		
Particulars	As at Asadh 31, 2080	As at Ashad 32, 2079
Sisa Hydro Electric Co. Ltd.	43,636,000.00	43,636,000.00
Sisa Hydro Electric Co. Ltd. (Advance for Share)	738,600.00	738,600.00
Total	44,374,600.00	44,374,600.00

8. Trade Receivables		
Particulars	As at Asadh 31, 2080	As at Ashad 32, 2079
Nepal Electricity Authority	111,128,909.00	70,136,048.00
Total	111,128,909.00	70,136,048.00

9. Cash and Cash Equivalents		
Particulars	As at Asadh 31, 2080	As at Ashad 32, 2079
Balances with Banks	11,552,962.00	413,738.00
Century Commercial Bank Ltd.	411,197.00	70,284.00
Everest Bank Ltd.	825,247.00	16,749.00
NMB Bank Ltd.	562,933.00	159,753.00
Laxmi Bank Ltd. (A/C No.00511148550)	11,493.00	3,059.00
Laxmi Bank Ltd. (A/C No.00511149258)	721,459.00	47,686.00
Laxmi Bank Ltd. (A/C No.00511148569)	258,736.00	97,881.00
Laxmi Bank Ltd Debt Payment	8,714,323.00	
1602.14 Laxmi Bank Limited Capex Reserve	29,248.00	
Rastriya Banijya Bank Ltd.	18,326.00	18,326.00
Cash in hand	20,942.00	23,774.00
Others		
Cash and Cash Equivalents as Per Balance Sheet	11,573,904.00	437,512.00
(Maturity Period more than 3 months but less than 12 months)		
Cash and Cash Equivalents as Per Statement of Cash Flows	11,573,904.00	437,512.00

10. Other Financial Assets - Current		
Particulars	As at Asadh 31, 2080	As at Ashad 32, 2079
Bank Guarantee	30,000.00	30,000.00
Bills Receivable From Others	1,087,659.00	6,834.00
Cash Margin	2,500.00	-
Other Receivable (NMB Capital)	-	185,962,500.00
Other Receivables	301,636.00	287,789.00
Total	1,421,795.00	186,287,123.00

11. Current Tax Assets		
Particulars	As at Asadh 31, 2080	As at Ashad 32, 2079
Current tax assets		
Advance Income Tax	686,731.00	146,274.00
Total	686,731.00	146,274.00



12. Other Assets - Current		
Particulars	As at Asadh 31, 2080	As at Ashad 32, 2079
Advance to Contractors, Suppliers & Others	61,681,251.00	136,422,831.00
Prepaid Insurance	10,919,438.00	13,097,574.00
Rent Advance	186,667.00	186,667.00
Staff Advance	1,882,024.00	49,467.00
Store Consumables	136,500.00	136,500.00
Total	74,805,880.00	149,893,039.00

13. Equity Share Capital		
Particulars	As at Asadh 31, 2080	As at Ashad 32, 2079
Equity share capital	1,350,000,000.00	1,350,000,000.00
Total	1,350,000,000.00	1,350,000,000.00
Authorised Share capital :	1,500,000,000.00	1,500,000,000.00
Fully paid equity shares of Rs.100 each (as at Ashad 31,2080: 15,000,000)		
Issued :	1,350,000,000.00	1,350,000,000.00
Fully paid equity shares of Rs.100 each (as at Ashad 31,2080: 13,500,000)		
Paid-up capital :		
Fully paid equity shares of Rs.100 each (as at Ashad 31,2080: 1,350,000,000)	1,350,000,000.00	1,350,000,000.00
	1,350,000,000.00	1,350,000,000.00

The Company has single class of equity shares having face value of Rs. 100 per share. Every shareholder holding equity share shall have voting rights in proportion to the their share.

Reconciliation of number of share outstanding		
Particular	As at Asadh 31, 2080	As at Ashad 32, 2079
Balance at the beginning of the year	13,500,000.00	10,192,500.00
Add: Share Issued		3,307,500.00
Balance at the end of the year	13,500,000.00	13,500,000.00

14. Other Equity		
Particulars	As at Asadh 31, 2080	As at Ashad 32, 2079
Reserve For Equity Instruments Through Other Comprehensive Income		
Balance At Beginning Of Year		-
Net Fair Value Gain On Investments In Equity Instruments At FVTOCI		
Income Tax On Net Fair Value Gain On Investments In Equity Instruments At FVTOCI		
Balance At End Of The Year		-
Share Premium		
Share Premium		-
Retained Earnings		
Balance At Beginning Of Year	(47,179,419.00)	63,515,715.00
Profit For The Year	(35,940,330.00)	(104,103,497.00)
Less: Dividend Paid (Bonus Share)		
Less: IPO Issue Expenses	(2,596,840.00)	(6,591,637.00)
Less: Dividend Paid (Cash)		
Total Retained Earning	(85,716,589.00)	(47,179,419.00)
Balance at End of the Year	(85,716,589.00)	(47,179,419.00)
Total	(85,716,589.00)	(47,179,419.00)



15. Non-current Borrowings		
Particulars	As at Asadh 31, 2080	As at Ashad 32, 2079
Secured – at Amortised Cost		
Term loans		
-From Banks	3,660,615,854.00	3,729,180,241.00
Less: Current Portion of Long Term Loans	(114,810,865.00)	(57,968,592.00)
Total Non-current Borrowings	3,545,804,989.00	3,671,211,649.00

16. Current Borrowings		
Particulars	As at Asadh 31, 2080	As at Ashad 32, 2079
Unsecured - At Amortised Cost		
(a) Loans Repayable On Demand		
Bridge Gap Loan	-	130,000,000.00
Laxmi Bank Ltd. (Overdraft Loan)	56,764,224.00	66,352,568.00
- Current Portion Of Long Term Loans	114,810,865.00	57,968,592.00
Total	171,575,089.00	254,321,160.00

17. Other Financial liabilities - Current		
Particulars	As at Asadh 31, 2080	As at Ashad 32, 2079
Audit Fee Payable	557,500.00	557,500.00
Payable to House Owner	2,642,815.00	1,822,725.00
Royalty Paybles	13,234,507.00	12,414,650.00
Payable to Promotors	-	44,000,645.00
Bills Payable to Contractors	5,662,122.00	975,112.00
Salary Payable	2,675,255.00	2,337,431.00
Other Payable to Staff	66,228.00	844,156.00
Renention Money Payable	1,376,670.00	20,313,727.00
Other Payable	3,817,181.00	2,869,650.00
Bill Payables to Suppliers	1,722,642.00	2,109,228.00
Advance from Supplier	42,866.00	42,866.00
Total	31,797,786.00	88,287,690.00

18. Current Tax liabilities		
Particulars	As at Asadh 31, 2080	As at Ashad 32, 2079
Provision for Income Tax	861,013.00	-
Total	861,013.00	-

19. Other Current Liabilities		
Particulars	As at Asadh 31, 2080	As at Ashad 32, 2079
Staff PF, SSF and CIT Payable	545,951.00	497,417.00
Gratuity Payable	1,853,556.00	2,636,335.00
CSR Provision	-	-
Provision For Staff Bonus	-	-
Staff Bonus Payable	1,886,958.00	1,886,958.00
Reverse Vat Payable	-	-
TDS Payable	2,356,465.00	1,524,098.00
Total	6,642,930.00	6,544,808.00

Upper Solu Hydro Electric Company Limited

Notes to the financial statements for the year ended Ashad 31,2080

All amounts are in Rs unless otherwise stated

20. Revenue From Operations		
Particulars	Year ended Ashad 31, 2080	Year ended Ashad 32, 2079
Electricity Sale to NEA	667,869,562.00	369,136,304.00
Total	667,869,562.00	369,136,304.00

21. Cost of Sales		
Particulars	Year ended Ashad 31, 2080	Year ended Ashad 32, 2079
Royalty Expenses	15,701,976.00	9,881,285.00
Project Operation	38,042,399.00	27,900,865.00
Review Consulting Services	224,249.00	393,749.00
Consultancy Service	316,400.00	516,439.00
Internal Conumption NEA	28,512.00	72,036.00
Fuel Expenses	2,274,760.00	2,629,618.00
Insurance Expenses	23,491,478.00	9,789,772.00
Office Rent Site	360,000.00	375,000.00
Renewals-Vehicle Tax	299,520.00	334,550.00
Repair & Maintenance - General Repairs		3,980.00
Repair & Maintenance - Vehicle (Block - C)	1,252,854.00	2,344,764.00
Repair & Maintenance - Project	3,040,657.00	4,078,148.00
Security Expenses	6,040,037.00	5,604,176.00
Travel Expenses	638,811.00	1,621,171.00
Rates & Taxes	4,046.00	7,591.00
Trasportation Expenses	66,667.00	126,000.00
Vehicle Running Expense	4,408.00	3,871.00
Employee Benefit Expenses	22,705,595.00	19,925,474.00
Staff Salary	22,705,595.00	19,925,474.00
Gratuity Expenses		
Total	76,449,970.00	57,707,624.00

22. Other Income		
Particulars	Year ended Ashad 31, 2080	Year ended Ashad 32, 2079
Interest Income from Call Account	878,786.00	198,465.00
Plant hire income	1,199,920.00	
Gain on Disposal of Vehicle	2,357,868.00	46,727.00
Miscellaenous Income	1,973,120.00	-
Total	6,409,694.00	245,192.00



Upper Solu Hydro Electric Company Limited

Notes to the financial statements for the year ended Ashad 31,2080

All amounts are in Rs unless otherwise stated

23. Administrative Expenses		
Particulars	Year ended Ashad 31, 2080	Year ended Ashad 32, 2079
Advertising & Publicity	531,633.00	328,567.00
Annual General Meeting Expenses	122,961.00	-
Audit Fee	565,000.00	565,000.00
Corporate Social Responsibility Expenses	896,218.00	
Courier Service	-	143.00
Donation & Compensation Expenses	-	142,234.00
Electricity	545,199.00	485,059.00
Fine & Penalty Expenses	-	4,012,470.00
Fuel Expenses		-
Guest Entertainment	776,881.00	985,146.00
ICRA Rating Expenses	580,940.00	352,521.00
Share Management Fee	145,068.00	-
IT Services & Solutions	805,690.00	844,307.00
Legal Advice Service Fee	649,750.00	604,550.00
Meeting Allowance	883,529.00	528,822.00
Membership Fee	60,000.00	60,000.00
Mess Expenses	1,338,605.00	1,409,853.00
Miscellaneous Expenses	245,867.00	3,637,460.00
Office Contingencies & Equipment Expenses	17,063.00	363,175.00
Office Expenses-Utilities	994,009.00	597,083.00
Office Refreshment	115,408.00	70,136.00
Office Rent-Head Office	1,890,000.00	1,890,000.00
Registration and Renewal Expenses	70,252.00	221,870.00
Repair & Maintenance - Office Equipment (Block - B)	37,000.00	108,267.00
Repair & Maintenance of Generator	6,750.00	10,850.00
Staff Welfare	25,100.00	29,630.00
Stationaries	113,912.00	128,235.00
Talk Time for Mobile	62,030.00	56,498.00
Telephone	33,300.00	23,492.00
Toiletries	19,290.00	27,180.00
Vehicle Insurance Expenses	143,623.00	164,569.00
Total	11,675,078.00	17,647,117.00

24. Employee Benefits Expense		
Particulars	As at Asadh 31, 2080	As at Ashad 32, 2079
Staff Salary & Benefit	19,937,588.00	20,006,765.00
Other Allowances	724,834.00	
Total	20,662,422.00	20,006,765.00



25. Finance Cost		
Particulars	As at Asadh 31, 2080	As at Ashad 32, 2079
Bank & Financial Institution		
Bank Charges	5,303,355.00	6,176,764.00
Interest Expenses	424,815,964.00	349,851,212.00
Total Finance Expenses	430,119,319.00	356,027,976.00
NFRS Adjustments on Term Loans	(16,562,505.00)	59,355,699.00
Total Finance Expenses	413,556,814.00	415,383,675.00
Less: Capatilization Of Interest	-	(114,916,399.00)
Total	413,556,814.00	300,467,276.00

26. Depreciation And Amortisation Expenses		
Particulars	As at Asadh 31, 2080	As at Ashad 32, 2079
Depreciation Of Property, Plant And Equipment (General Assets)	1,743,711.00	1,872,778.00
Depreciation Of Property, Plant And Equipment (Project Assets)	185,270,578.00	75,774,566.00
Amortization Expenses on Intangible Assets		8,867.00
Less: Capatilization Portion		-
Total Depreciation And Amortisation Pertaining To Continuing Operations	187,014,289.00	77,656,211.00

27. Impairment Losses On Financial Assets And Reversal Of Impairment On Financial Assets

The management has concluded to the best of its decisions, there are no indications of impairment as at Balance sheet date and the carrying amount of these asset , exceeds its recoverable amount (i.e. the higher of the asset's net selling price and value in use). Hence, no impairment losses on financial assets and reversal of impairment on financial assets is recognized.

28. Income Taxes Relating to Continuing Operations

28.1 Income Tax Recognised in Profit or Loss

Particulars	As at Asadh 31, 2080	As at Ashad 32, 2079
Current tax		
In respect of the current year	861,013.00	-
In respect of prior years		-
Others		-
	861,013.00	-
Deferred tax		
In respect of the current year		-
		-
Total income tax expense recognised in the current year relating to continuing operations		-



28.2 Income Tax Recognized in Other Comprehensive Income		
Particulars	As at Asadh 31, 2080	As at Ashad 32, 2079
Current tax		
In respect of the current year		
In respect of prior years		
Others		-
Deferred tax		
In respect of the current year		-
Total income tax expense recognised in the current year relating to continuing operations		-

29. Earnings Per Share		
Particulars	As at Asadh 31, 2080	As at Ashad 32, 2079
From Continuing Operations		Rs. per share
Basic Earnings Per Share	(2.66)	(10.10)
Diluted Earnings Per Share	(2.66)	(10.10)

a) There are no potential dilutive instruments.

29.1. Basic Earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.

Particulars	As at Asadh 31, 2080	As at Ashad 32, 2079
Profit for the year attributable to owners of the Company (A)	(35,940,330.00)	(104,103,497.00)
Weighted average number of equity shares for the purposes of basic earnings per share (B)	13,500,000.00	10,307,277
Basic Earnings per share (A/B)	(2.66)	(10.10)

Upper Solu Hydro Electric Company Limited

Notes to the financial statements for the year ended Ashad 31,2080

All amounts are in Rs unless otherwise stated

30. Segment Reporting

The management evaluates the Company's performance and allocates resources based on the analysis of various performance indicators, however the company is primarily engaged in only one segment, i.e., "Generation and sale of electricity" and that all its operations are in Nepal. Hence the Company does not have any reportable segments as per NFRS 8 "Operating Segments".

31.1 Financial risk management objectives

The company's principal financial liabilities, comprise trade and other payables and borrowings. The main purpose of these financial liabilities is to support its operations. The company's principal financial assets include trade and other receivables, cash & cash equivalents, that are derived directly from its operations. The company's activities expose it to a variety of financial risks: credit risk, liquidity risk, market risk. The company's Board of Directors reviews and sets out policies for managing these risks and monitors suitable actions taken by management to minimize potential adverse effects of such risks on the company's operational and financial performance.

31.2 Credit Risk

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The credit risk for the company primarily arises from credit exposures to trade receivables.

Trade and other receivables: The company's business is predominantly through sales of power. The company has PPA agreement with Nepal Electricity Authority (NEA). NEA is government body due to which the risk of credit default is significantly low.

Other Financial Assets: Credit risk from balances with banks and financial institutions are managed by maintaining the balances with highly reputed Commercial banks only.

31.3 Liquidity risk management

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

Liquidity risk tables

The following tables detail the company's remaining contractual maturity for its financial liabilities with agreed repayment periods.

Financial Liabilities	Less than 1 year	1 - 3 years	5 years and above	Total
31 Ashad, 2080				
(i) Borrowing	171,575,089.00	532,506,175.97	3,013,298,813.03	3,717,380,078.00
(ii) Other Financial Liabilities		-	-	-
	171,575,089.00	532,506,175.97	3,013,298,813.03	3,717,380,078.00
32 Ashad, 2079				
(i) Borrowing	254,321,160.00	315,939,310.15	3,355,272,338.85	3,925,532,809.00
(ii) Other Financial Liabilities	88,287,690.00	-	-	88,287,690.00
	342,608,850.00	315,939,310.15	3,355,272,338.85	4,013,820,499.00



31.4 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market prices comprise three type of risk: interest rate risk, currency risk and other price risk such as equity price risk .

Interest Rate Risk: The company has material exposure to the debt instruments and on which interest rate is fluctuating according to the market .

31.5 Categories of Financial Instruments

Particulars	As at Asadh 31, 2080		As at Ashad 32, 2079	
	Carrying Amount	Fair value	Carrying Amount	Fair value
Non-current Assets				
Current				
(i) Trade Receivables	111,128,909.00	111,128,909.00	70,136,048.00	70,136,048.00
(ii) Cash and Cash Equivalents	11,573,904.00	11,573,904.00	437,512.00	437,512.00
(iii) Other Financial Assets	1,421,795.00	1,421,795.00	186,287,123.00	186,287,123.00
Total	124,124,608.00	124,124,608.00	256,860,683.00	256,860,683.00
Liabilities				
Non current				
Borrowings	3,545,804,989.00	3,545,804,989.00	3,671,211,649.00	3,671,211,649.00
Current				
(i) Borrowings	171,575,089.00	171,575,089.00	254,321,160.00	254,321,160.00
(ii) Other Financial Liabilities	31,797,786.00	31,797,786.00	88,287,690.00	88,287,690.00
Total	3,749,177,864.00	3,749,177,864.00	4,013,820,499.00	4,013,820,499.00

32 Fair value measurements

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

Fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The directors are of the belief that the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

Upper Solu Hydro Electric Company Limited

Notes to the financial statements for the year ended Ashad 31,2080

All amounts are in Rs unless otherwise stated

33. Related Party Disclosures

(a) Key Management Personnel

Mr. Suresh Lal Shrestha	Chairman
Mr. Dinesh Lal Shrestha	Managing Director
Mr. Shekhar Kumar Rana	Director
Ms. Kusum Gorkhali	Director
Mr. Mahendra Bahadur Shrestha	Director
Mr. Ajay Kumar Dahal	Independent Director
Mr. Dije Shrestha	Former CEO
Mr. Yagartha Pokhrel	CEO

(b) Subsidiaries

Sisa Hydro Electric Co. Pvt. Ltd. (Fully Subsidiary)

Summary of closing Balances with Related Parties

	For the Year Ended		
	Ashad 31,2080	Transaction (Net)	Ashad 32,2079
Investment in Subsidiaries			
Sisa Hydro Electric Co. Pvt. Ltd. (Fully Subsidiary)	44,374,600.00	-	44,374,600.00

Company has paid Rs 1,890,000 for rent to Mr. Rajesh Lal Shrestha in FY 2079.80(2078.79: Rs 1,890,000)

Salary, Benefit & Allowances of Key Management Personal:

Particulars	" Salary, Benefits & Allowances "
Mr. Suresh Lal Shrestha	160,000.00
Mr. Dinesh Lal Shrestha	8,574,920.00
Mr. Shekhar Kumar Rana	135,000.00
Ms. Kusum Gorkhali	135,000.00
Mr. Mahendra Bahadur Shrestha	75,000.00
Mr. Ajay Kumar Dahal	75,000.00
Mr. Dije Shrestha	2,044,692.14
Mr. Yagartha Pokhrel	1,213,600.00
Total	9,154,920.00



34. Contingent Liabilities and Commitments

Company has following contingent liabilities:

- a. CE Construction Pvt. Ltd. (a contractor) has claimed Rs 58,569,910 to the Company for various reasons.
- b. There is a petition at honorable Supreme Court against the Company lodged by the local people by demanding the relocation of affected houses.
- c. The Company has booked the royalty expenses as per Electricity Act, 2049, however the authority claimed royalty according to generation licensee. The Company filed the petition at Honorable Supreme Court against the claim of the authority.

सूचिकृत संगठित संस्थाहरूको संस्थागत सुशासन सम्बन्धी निर्देशिका, २०७४ को निर्देशन
नं. २०(४) तथा २०(३) प्रयोजनार्थ प्रतिवेदनको साराशं

- (क) ऐन, नियमावली तथा नियमनकारी निकायबाट समय समयमा जारी भएका निर्देशन तथा निर्देशिका बमोजिम गर्नु पर्ने कुरा पालना भए/नभएको : पालना भएको ।
- (ख) नियमनकारी निकायले ईजाजत जारी गर्दा तोकेका शर्तहरू पालना भए/नभएको : पालना गरिएको ।
- (ग) नियमनकारी निकायले संस्थाको नियमन, निरीक्षण वा सुपरिवेक्षण गर्दा सम्बन्धित संस्थालाई दिएको निर्देशन : पालना भएको ।
- (घ) पछिल्लो वार्षिक/विशेष साधारण सभा भएको मिति : आ.व. २०७८/०७९ को वार्षिक साधारण सभा मिति २०७९/०९/२८ गते सम्पन्न भएको ।
- (ङ) कर्मचारीहरूको संरचना, पदपूर्ति, वृत्ति विकास, तालिम, तलव भत्ता तथा अन्य सुविधा, हाजिर र विदा आचार संहिता लगायतका कुराहरू समेत समेटिएका कर्मचारी सेवा शर्त विनियमावली/व्यवस्था भए नभएको : यस कम्पनीको संचालक समितिबाट निर्णय भई कर्मचारीहरूको संरचना, पदपूर्ति, वृत्ति विकास, तालिम तथा अन्य सुविधा, हाजिर र विदा आचारसंहिता लगायतका आवश्यक कुराहरू समेत समेटिएका मानव संसाधन निती लागु भएको ।
- (च) आर्थिक प्रशासन विनियमावली भए नभएको : लेखा सम्बन्धी आर्थिक प्रशासन तथा खरिद विनियमावली संचालक समितिबाट स्विकृत भई लागु गरिएको ।
- (छ) आन्तरिक नियन्त्रण कार्यविधि भए/नभएको : कम्पनीको संचालक समितिबाट कर्मचारी प्रशासन विनियमाली तथा आर्थिक प्रशासन तथा खरिद विनियमावली स्विकृत गरि लागु गरिएको साथै वाह्य छुट्टै स्वतन्त्र लेखापरीक्षक साथै आन्तरिक लेखापरीक्षकको नियुक्ती गरि त्रैमासिक रूपमा कम्पनीको आर्थिक तथा अन्य गतिविधिहरूको परीक्षण गराई आन्तरिक नियन्त्रण प्रणालीलाई मजबुद राख्ने गरिएको छ ।
- (ज) आन्तरिक नियन्त्रण प्रणालीका लागि कुनै समिति गठन भए/नभएको, गठन नभएको भए सो को कारण : आन्तरिक नियन्त्रण प्रणालीको लागी मानव संसाधन निती, आर्थिक प्रशासन तथा खरिद विनियामवली अनुरूपका उपसमितीहरू गठन गरी सोही अनुरूप कार्य भई रहेको साथै संचालक समितीका सदस्यको संयोजकत्वमा आन्तरिक लेखा परिक्षण समितीको समेत गठन गरी आन्तरिक लेखापरीक्षण समितीले समेत बेला बेला सुझावहरू दिने गरी रहेको ।

अध्यक्ष

मिति :



धितोपत्र दर्ता तथा निष्काशन नियमावली, २०७३ को नियम २६ को उपनियम (२) संग सम्बन्धित अनुसूची १५
बमोजिमको आर्थिक बर्ष २०७९।०८० को वार्षिक विवरण

१. संचालक समितीको प्रतिवेदन : वार्षिक प्रतिवेदन साथ समावेश गरिएको ।
२. लेखापरीक्षकको प्रतिवेदन : वार्षिक प्रतिवेदन साथ समावेश गरिएको ।
३. लेखापरिक्षण भएको लेखापरीक्षण प्रतिवेदन : वार्षिक प्रतिवेदन साथ समावेश गरिएको ।
४. कानुनी कारवाही सम्बन्धि विवरण :
 - क. त्रैमासिक अवाधिमा कम्पनीले कसैको विरुद्धमा कुनै पनि मुद्दा दायर गरेको छैन र कम्पनीको विरुद्धमा पनि मुद्दा दायर भएको कुनै सूचना प्राप्त भएको छैन ।
 - ख. त्रैमासिक अवाधिमा कम्पनीका संस्थापक वा संचालकले वा संस्थापक वा संचालकको विरुद्धमा प्रचलित नियमको अवज्ञा वा फौजदारी अपराध गरेको सम्बन्धमा कुनै मुद्दा दायर गरेको वा भएको कुनै जानकारी प्राप्त भएको छैन ।
 - ग. त्रैमासिक अवाधिमा कुनै संस्थापक वा संचालक विरुद्ध आर्थिक अपराध गरेको सम्बन्धमा कुनै मुद्दा दायर गरेको वा भएको कुनै जानकारी प्राप्त भएको छैन ।
५. संगठित संस्थाको शेयर कारोबार तथा प्रगति बिबरण :
 - क. धितोपत्र बजारमा भएको संगठित संस्थाको शेयरको कारोबार सम्बन्धमा ब्यवस्थापनको धारणा:
नेपाल धितोपत्र बोर्ड तथा नेपाल स्टक एक्सचेन्जले निर्दिष्ट गरे बमोजिम कारोबार भई रहेको ।
 - ख. आर्थिक बर्ष २०७९।८० मा कम्पनीको अधिकतम, न्यूनतम, अन्तिम मूल्य, कारोबार शेयर संख्या तथा कारोबार दिन :

त्रैमासिक	अधिकतम मूल्य	न्यूनतम मूल्य	अन्तिम मूल्य	कारोबार दिन	कारोबार संख्या	कारोबार शेयर संख्या
प्रथम	४३१।९०	२५४।८०	२६५।००	४०	२३,३६९	५२३,९४४
दोश्रो	३७४।००	२३७।००	३३०।००	५२	८,५८०	४७६,५७७
तेश्रो	४००।००	३१९।००	३४१।००	५६	१२,४६९	६२१,५६३
चौथो	३४२।००	२५१।९०	२५६।८०	६२	७,९२७	३३२,७३५

६. समस्या तथा चुनौती :
आन्तरिक समस्या तथा चुनौती :

- समय समयमा उपकरणहरूमा उत्पन्न हुन सक्ने प्राविधिक गडवडी ।
- स्थानिय बजारमा आवश्यक दक्ष जनशक्तीको अभाव ।
- स्थानिय बजारमा आवश्यक पाटपुर्जाहरू तथा उपकरणको उपलब्धताको अभाव ।

- बाह्य समस्या तथा चुनौती :

- ♦ राजनैतिक वातावरण, प्रादेशिक संरचनाहरू बिचको काम, कर्तव्य तथा अधिकारको बिषयमा अन्यौलता हुंदा आयोजनाहरू संचालनमा कठिनाई ।
- ♦ आयोजना निर्माणका क्रममा निजी क्षेत्रहरूलाई सरकारद्वारा गरिएका प्रतिबद्धताको पालना कार्यान्वयनमा ढिला सुस्ती तथा अन्यौलता ।
- ♦ मूल्य बृद्धिका कारण आयोजना संचालनमा आवश्यक उपकरणहरू तथा पाटपुर्जा खरिदमा असर ।
- ♦ स्थानिय बजारमा आवश्यक उपकरणहरू तथा पाटपुर्जाहरू उपलब्ध नहुंदा बाह्य आपूर्तिकर्ताहरूमा निर्भर हुनु पर्दा लागत बढ्ने तथा समयमा उपलब्धतामा कठिनाई ।
- ♦ जलवायु परिवर्तनको कारण खोलानालामा पानीको बहावमा कमी आउदा आयोजनाहरूको बिद्युत उत्पादन क्षमता हुदाँ हुँदै पनि बिद्युत उत्पादनमा ह्रास ।

रणनीति :

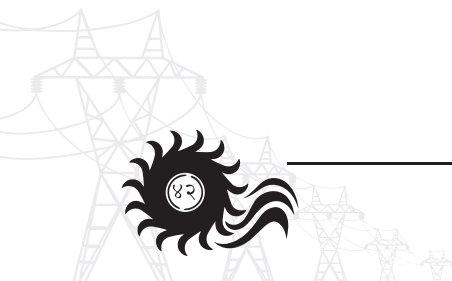
- ♦ समयमा नै भबिष्यमा हुन सक्ने असर तथा प्रभावको मुल्याङ्कन गरी त्यसको पुर्व तयारीका साथ आयोजनाको संचालन गर्ने ।
- ♦ स्थानिय बजारमा आवश्यक उपकरणहरु तथा पार्टपुर्जाहरुको सरलताका साथ उपलब्धता नहुने हुँदा समयमा नै ब्यबस्थापन गर्ने ।
- ♦ आयोजना संचालनको लागि आवश्यक जनशक्तीहरुको समयमा नै पहिचाहन र ब्यबस्थापन ।

७. संस्थागत सुशासन :

- ♦ प्रचलित ऐन, नियम, नियमनकारी निकायहरु तथा सम्बद्ध पक्षबाट समय समयमा गरिएका निर्देशन तथा परिपत्रहरुको परिपालना गरिएको छ । संस्थागत सुशासनलाई सदैव हृदयङ्गम गर्दै आईएको र संस्थागत सुशासनको लागि आवश्यक कार्यहरु सदैब गरिएको र गरिने ।
- ♦ संस्थागत सुशासन अभिवृद्धिको लागि कर्मचारी विनियमावली, आर्थिक प्रशासन विनियमावली, आन्तरीक नियन्त्रण प्रणालीलाई चुस्त दुरुस्त राख्नको लागि लेखापरिक्षण समिती, अन्तरीक लेखापरीक्षकको नियुक्ती तथा अध्यावधिक रुपमा संचालक समितीद्वारा बेला बेलामा दिने निर्देशनहरुको पालना गर्ने गरिएको ।

सुरेशलाल श्रेष्ठ
अध्यक्ष

मिति :



तरवीरमा आयोजना

र प्राविधिक पूर्वाधार



आयोजनाको बांध स्थल



आयोजना र सोलु दुधकुण्ड नगपालिकाको सहकार्यमा निर्माण भएको पक्क मोटरेबल पुल



आयोजनाको डिस्थाण्डर बेसिन



बिद्युतगृहको साफ्ट तथा टरवाईन



कर्मचारीहरूलाई तालिम प्रदान गरिदै



बिद्युतगृहको संचालन कक्ष



आयोजनाको स्विचयार्ड (ग्यास ईन्सुलेटेड सिस्टम)



आयोजनाको सर्जट्याङ्क



बिद्युतगृहको स्टार्टर



आयोजनाको बाँध स्थल



NOTES

