

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
PHEDIKHOLA HYDROPOWER PVT. LTD.****Reports on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of **Phedikhola Hydropower Pvt. Ltd.** ('the company') which comprise the Balance Sheet as at **31 Ashad 2080, (16 July 2023)**, The Income Statement, The Statement of Changes of Equity, The Cash flow Statements for the year ended then ended and Significant Accounting Policies and Notes to the accounts.

In our opinion, the accompanying financial statements present fairly, in all material respect, the financial position of the Company as at **Ashad 31, 2080** and its financial performance and its cash flows for the year then ended in accordance with Generally Accepted Accounting Policies (GAAP).

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 of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key matter to communicate in our report.

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 included 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 GAAP 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 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 entity'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 are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease 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 finding, 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 and explanations given to us, we would like to report that:

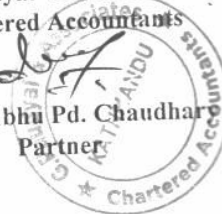
- i. We have obtained all the information and explanations which were considered necessary for the purpose for our audit.
- ii. Company has kept proper books of accounts as required by law, in so far as it appears from our examination of those books of account.
- iii. The Balance Sheet, Income Statement,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

Place: Kathmandu

Date: 2080-7-17

For: G. Paudyal & Associates
Chartered Accountants

CA Shambhu Pd. Chaudhar
Partner



Phedikhola Hydropower Company Pvt. Ltd.

Balance Sheet

As on Ashad 31, 2080 (16 July, 2023)

Particulars	Schedule	As on Ashad 31, 2080	As on Ashad 31, 2080	As on 6th Karthik 2079	Previous Year
ASSETS					
Non-Current Assets					
Property, Plant & Equipment	1	44,085.81	44,085.81	52,908.97	56,013.43
Project WIP	2	39,963,654.30	39,963,654.30	30,410,205.23	28,412,743.37
Deferred Tax Assets		-	-	-	-
Total Non-Current Assets		40,007,740.11	40,007,740.11	30,463,114.20	28,468,756.80
Current Assets					
Cash and Bank Balances	3	613,788.76	613,788.76	118,463.00	183,463.00
Trade & Other Advances	4	5,394,949.21	5,394,949.21	3,394,354.03	2,031,397.27
Total Current Assets		6,008,737.97	6,008,737.97	3,512,817.03	2,214,860.27
Total		46,016,478.08	46,016,478.08	33,975,931.23	30,683,617.07
EQUITY & LIABILITIES					
Equity					
Share Capital	5	32,000,000.00	32,000,000.00	8,000,000.00	8,000,000.00
Advance Against Share Capital		13,902,648.83	13,902,648.83	25,784,872.76	22,675,642.00
Reserve & Surplus	6	(433,274.17)	(433,274.17)	(334,764.61)	(311,895.78)
Total Equity		45,469,374.66	45,469,374.66	33,450,108.15	30,363,746.23
Current Liabilities					
Trade & Other Payables	7	547,103.42	547,103.42	525,823.08	319,870.84
Total Current Liabilities		547,103.42	547,103.42	525,823.08	319,870.84
Total		46,016,478.08	46,016,478.08	33,975,931.23	30,683,617.07

Notes to the Accounts

Kathmandu

Date: 2080-7-17

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Director

Director

[Signature]
Accountant

[Signature]
Chairman

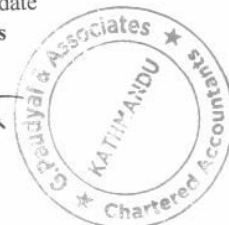
As per our attached report of even date

For: G. Paudyal & Associates

Chartered Accountants

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CA Shambhu Pd. Chaudhary
Partner



Phedikhola Hydropower Company Pvt. Ltd.
Statement of Profit & Loss
For the Year Ended Ashad 31, 2080 (16 July, 2023)

Particulars	Schedule	From Sharawan 1, 2079 to Ashad 31, 2080	From 7th Karthik 2079 to 31, Ashad 2080	From Sharawan 1, 6th Karthik 2079	Previous Year
Sales	8	-	-	-	-
Other Income		855.64	855.64	-	-
Total Income		855.64	855.64		
Less:	9	110,306.42	90,542.04	19,764.38	51,022.91
Administrative Expenses		(109,450.78)	(89,686.40)	(19,764.38)	(51,022.91)
Profit Before Depreciation and Interest					
Depreciation		11,927.61	8,823.17	3,104.45	9,087.08
Bank Interest		-	-	-	-
Profit/(Loss) Before Tax		(121,378.39)	(98,509.56)	(22,868.83)	(60,109.99)
Current Tax		-	-	-	-
Deferred Tax		-	-	-	-
Net Profit/(Loss) to Reserve & Surplus		(121,378.39)	(98,509.56)	(22,868.83)	(60,109.99)

Notes to the Accounts

Kathmandu

Date: 2080-7-17

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As per our attached report of even date

For: G. Paudyal & Associates

Chartered Accountants

CA Shambhu Pd. Chaudhary
Partner



[Signature]
Director
[Signature]
Accountant

[Signature]
Director
[Signature]
Chairman



Phedikhola Hydropower Company Pvt. Ltd.
Cash Flow Statement
For the Year Ended Ashad 31, 2080 (16 July, 2023)

Particulars	From Sharawan 1, 2079 to Ashad 31, 2080	From 7th Karthik 2079 to 31, Ashad 2080	From Sharawan 1, 6th Karthik 2079	Previous Year
A. Cash Flow From Operating Activities				
Net Profit/(Loss) After Tax	(121,378.39)	(98,509.56)	(22,868.83)	(60,109.99)
Add: Depreciation	11,927.61	8,823.17	3,104.45	9,087.08
Add: Interest Expenses	-	-	-	-
Net Cash Flow Before Changes in Working Capital	(109,450.78)	(89,686.40)	(19,764.38)	(51,022.91)
Net Changes in Working capital	(3,136,319.36)	(1,979,314.84)	(1,157,004.52)	8,392,889.32
Net Cash Flow From Operating Activities	(3,245,770.14)	(2,069,001.24)	(1,176,768.90)	8,341,866.41
B. Cash Flow From Investing Activities				
Sales of Fixed Assets	-	-	-	-
Increase (Decrease) in Project Assets	(11,550,910.93)	(9,553,449.07)	(1,997,461.86)	(16,146,445.37)
Investment(Fixed Deposit)	-	-	-	-
Purchase of Fixed Assets	-	-	-	(40,680.00)
Net Cash Flow From Investing Activities	(11,550,910.93)	(9,553,449.07)	(1,997,461.86)	(16,187,125.37)
C. Cash Flow From Financing Activities				
Issue of Share Capital	24,000,000.00	24,000,000.00	-	-
Advance For Share Capital	(8,772,993.17)	(11,882,223.93)	3,109,230.76	7,915,342.00
Bank Loans	-	-	-	-
Net Cash Flow From Financing Activities	15,227,006.83	12,117,776.07	3,109,230.76	7,915,342.00
Net Cash Flow	430,325.76	495,325.76	(65,000.00)	70,083.04
Add: Opening Cash & Bank Balance	183,463.00	118,463.00	183,463.00	113,379.96
Closing Cash & Bank Balance	613,788.76	613,788.76	118,463.00	183,463.00

Kathmandu

Date: 2080-7-17

Director

Director

Accountant

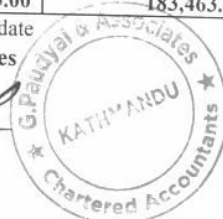
Chairman

As per our attached report of even date

For: G. Paudyal & Associates

Chartered Accountants

CA Shambhu Pd. Chaudhary
Partner



Phedikhola Hydropower Company Pvt. Ltd.

Statement of Changes in Equity

As on Ashad 31, 2080 (16 July, 2023)

Particulars	Share Capital	Share Premium	Advance Against Share Capital	Revaluation Reserve	Accumulated Profit/(Loss)	Total
Balance as on 01.04.2078	8,000,000.00	-	14,760,300.00	-	(251,785.79)	22,508,514.21
Advance Against Share Capital	-	-	7,915,342.00	-	-	7,915,342.00
Issue of Share Capital	-	-	-	-	-	-
Profit/(Loss) for the Year	-	-	-	-	(60,109.99)	(60,109.99)
Balance as on 32.03.2079	8,000,000.00	-	22,675,642.00	-	(311,895.78)	30,363,746.23
Balance as on 01.04.2079	8,000,000.00	-	22,675,642.00	-	(311,895.78)	30,363,746.23
Advance Against Share Capital	-	-	3,109,230.76	-	-	3,109,230.76
Issue of Share Capital	-	-	-	-	-	-
Profit/(Loss) for the Year	-	-	-	-	(22,868.83)	(22,868.83)
Balance as on 06.07.2079	8,000,000.00	-	25,784,872.76	-	(334,764.61)	33,450,108.15
Balance as on 07.07.2079	8,000,000.00	-	25,784,872.76	-	(334,764.61)	33,450,108.15
Advance Against Share Capital	-	-	(11,882,223.93)	-	-	(11,882,223.93)
Issue of Share Capital	24,000,000.00	-	-	-	-	24,000,000.00
Profit/(Loss) for the Year	-	-	-	-	(98,509.56)	(98,509.56)
Balance as on 31.03.2080	32,000,000.00	-	13,902,648.83	-	(433,274.17)	45,469,374.66

Kathmandu

Date: 2080-7-17

[Signature]
Director

Director

[Signature]
Accountant

Accountant

[Signature]
Chairman

Chairman

As per our attached report of even date

For: G. Paudyal & Associates

Chartered Accountants

CA Shambhu Pd. Chaudhary

Partner



Property, Plant & Equipment As on 31 Ashad 2080

Schedule - 1

Particulars	Rate	Opening Balance	Addition during the Period			Transfer / Disposal	Total	Depreciation	Closing Balance
<u>Block - D</u>									
Other Assets (Camera)	15%	20,757.43	-	-	-	-	20,757.43	810.39	19,947.03
<u>Block-E</u>									
Tally Prime -Software (4 years remaining)	4 years	35,256.00	-	-	-	-	35,256.00	2,294.05	32,961.95
Total		56,013.43	-	-	-	-	56,013.43	3,104.45	52,908.97

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Phedikhola Hydropower Company Pvt. Ltd.
Schedules Forming Part of the Accounts
As on Ashad 31, 2080 (16 July, 2023)

Project WIP

Schedule-2

Particulars	As on Ashad 31, 2080	As on Ashad 31, 2080	As on 6th Karthik 2079	Previous Year
Advertisement Expenses	148,736.00	148,736.00	148,736.00	148,736.00
Survey License Expenses	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00
Grid Impact Study Expenses	329,000.00	329,000.00	277,000.00	277,000.00
Generation License Expenses	550,000.00	550,000.00	550,000.00	550,000.00
Water Measurement Expenses	33,000.00	33,000.00	33,000.00	33,000.00
PPA Expenses	195,000.00	195,000.00	195,000.00	150,000.00
Feasibility Study Expenses	2,125,827.00	2,125,827.00	2,125,827.00	2,125,827.00
Transmission Line Expenses	52,000.00	52,000.00	52,000.00	52,000.00
Guest Entertainment Expenses	890,241.75	890,241.75	811,402.00	811,402.00
IEE Report Expenses	50,000.00	50,000.00	50,000.00	50,000.00
Office Rent	872,224.00	872,224.00	583,999.00	489,499.00
Office Expenses	13,702.00	13,702.00	13,702.00	13,702.00
Lodging & Fooding Expenses	1,906,620.00	1,906,620.00	1,527,810.00	1,370,110.00
Printing & Stationery	474,305.00	474,305.00	402,860.00	374,760.00
Social Mobilization Expenses	2,439,250.00	2,439,250.00	2,161,250.00	1,995,250.00
Miscellaneous Expenses	2,010.00	2,010.00	1,165.00	1,165.00
Registration & Renewal Expenses	304,181.00	304,181.00	304,181.00	304,181.00
Communication Expenses	15,353.00	15,353.00	15,353.00	15,353.00
Salary	6,658,773.09	6,658,773.09	4,443,388.44	3,458,773.04
Wages Expenses	1,531,295.46	1,531,295.46	1,354,527.79	1,289,881.33
Travelling & Transportation Expenses	3,638,900.00	3,638,900.00	2,895,900.00	2,449,900.00
Electronic Expenses	3,600.00	3,600.00	3,600.00	3,600.00
Fuel Expenses	547,409.00	547,409.00	398,649.00	397,349.00
Infrastructure & Access Road	14,600,000.00	14,600,000.00	9,600,000.00	9,600,000.00
Internet Expenses	28,702.00	28,702.00	22,600.00	22,600.00
Kitchen Expenses	53,905.00	53,905.00	17,655.00	17,655.00
Meeting Expenses	352,000.00	352,000.00	352,000.00	352,000.00
Repair & Mainetenance	108,120.00	108,120.00	58,100.00	53,000.00
Telephone & Communication	12,500.00	12,500.00	7,500.00	3,000.00
Membership Fees	24,000.00	24,000.00	-	-
Newspaper Expenses	3,000.00	3,000.00	3,000.00	3,000.00
Total	39,963,654.30	39,963,654.30	30,410,205.23	28,412,743.37

Cash & Bank Balances

Schedule-3

Particulars	As on Ashad 31, 2080	As on Ashad 31, 2080	As on 6th Karthik 2079	Previous Year
Cash in Hand (As Certified by Management)	13,066.00	13,066.00	13,066.00	13,066.00
Global IME Bank	12,720.00	12,720.00	12,720.00	12,720.00
Kumari Bank Ltd.	588,002.76	588,002.76	92,677.00	157,677.00
Total	613,788.76	613,788.76	118,463.00	183,463.00



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Phedikhola Hydropower Company Pvt. Ltd.

Schedules Forming Part of the Accounts

As on Ashad 31, 2080 (16 July, 2023)

Trade & Other Advances

Schedule-4

Particulars	As on Ashad 31, 2080	As on Ashad 31, 2080	As on 6th Karthik 2079	Previous Year
Performance Guarantee(Global IME Bank)	423,000.00	423,000.00	423,000.00	423,000.00
Project Mobilization Advance-Prakash Chandra Dulal	389,808.00	389,808.00	1,155,534.00	389,808.00
Prakash Chandra Dulal -Advance	-	-	-	-
Project Mobilization Advance-Radha Krishna Basnet	-	-	-	-
Project Mobilization Advance-Roshan Basnet	-	-	-	-
Project Mobilization Advance-Ramesh Prasad Dulal	3,100,000.00	3,100,000.00	-	-
Mega Nirwan Sewa Pvt. Ltd.	-	-	127,433.62	127,433.62
Bamdev Joshi-Advances	780,000.00	780,000.00	780,000.00	-
Unit Engineering Consultancy Pvt.Ltd.	700,000.00	700,000.00	700,000.00	700,000.00
Jyoti kifle-Advance	-	-	206,368.66	389,137.90
Advance Tax	2,141.21	2,141.21	2,017.75	2,017.75
Total	5,394,949.21	5,394,949.21	3,394,354.03	2,031,397.27

Share Capital

Schedule-5

Particulars	As on Ashad 31, 2080	As on Ashad 31, 2080	As on 6th Karthik 2079	Previous Year
Authorized Capital :				
2,000,000 Equity Shares of Rs.100/- Each	200,000,000.00	200,000,000.00	200,000,000.00	200,000,000.00
Issued Capital :				
2,000,000 Equity Shares of Rs.100/- Each	200,000,000.00	200,000,000.00	200,000,000.00	200,000,000.00
Paid-Up Capital :				
320,000 Equity Shares of Rs.100/-Each	32,000,000.00	32,000,000.00	8,000,000.00	8,000,000.00
Total	320,00,000.00	320,00,000.00	8,000,000.00	8,000,000.00

Reserve & Surplus

Schedule-6

Particulars	As on Ashad 31, 2080	As on Ashad 31, 2080	As on 6th Karthik 2079	Previous Year
Profit/(Loss) upto Previous Year	(311,895.78)	(334,764.61)	(311,895.78)	(251,785.79)
Profit/(Loss) for the Year	(121,378.39)	(98,509.56)	(22,868.83)	(60,109.99)
Total	(433,274.17)	(433,274.17)	(334,764.61)	(311,895.78)



Phedikhola Hydropower Company Pvt. Ltd.
Schedules Forming Part of the Accounts
As on Ashad 31, 2080 (16 July, 2023)

Trade & Other Payables

Schedule-7

Particulars	As on Ashad 31, 2080	As on Ashad 31, 2080	As on 6th Karthik 2079	Previous Year
TDS on Meeting Expenses	4,050.00	4,050.00	4,050.00	4,050.00
TDS Payable-Infrastructure and Access Road	193,805.30	193,805.30	127,433.62	127,433.62
TDS on Office Rent	56,722.50	56,722.50	27,900.00	18,450.00
TDS on Salary	53,455.06	53,455.06	31,301.20	21,455.04
TDS on Tally prime	540.00	540.00	540.00	540.00
Audit Fee Payable	89,200.00	89,200.00	56,364.38	44,600.00
Other Payable	88,688.00	88,688.00	88,688.00	88,688.00
Prakash Chandra Dulal	51,438.25	51,438.25	-	8,524.00
Kabita Adhikari	-	-	182,769.24	-
TDS on Repair and Maintenance	60.00	60.00	-	-
TDS Payable (Audit)	1,200.00	1,200.00	600.00	600.00
TDS On Wages	7,944.31	7,944.31	6,176.64	5,530.18
Total	547,103.42	547,103.42	525,823.08	319,870.84

Other Income

Schedule-8

Particulars	From Sharawan 1, 2079 to Ashad 31, 2080	From 7th Karthik 2079 to 31, Ashad 2080	From Sharawan 1, 6th Karthik 2079	Previous Year
Interest Income	855.64	-	-	-
Total	855.64			-

Administrative Expenses

Schedule-9

Particulars	From Sharawan 1, 2079 to Ashad 31, 2080	From 7th Karthik 2079 to 31, Ashad 2080	From Sharawan 1, 6th Karthik 2079	Previous Year
Membership Fees	55,000.00	55,000.00	-	-
Audit Fee	45,200.00	33,435.62	11,764.38	45,200.00
Bank Charges	406.42	406.42	-	176.96
Fine & Penalty	9,700.00	1,700.00	8,000.00	5,645.95
Total	110,306.42	90,542.04	19,764.38	51,022.91



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Phedikhola Hydropower Company Pvt. Ltd.

Schedules Forming Part of the Accounts

As on Ashad 31, 2080 (16 July, 2023)

Schedule-10

Significant Accounting Policies & Notes to the Accounts

A Significant Accounting Policies

1 Accounting Conventions

The Financial Statements are prepared under the Historical Cost Convention on an Accrual Concept and are in accordance with Generally Accepted Accounting Principles and others applicable laws prevalent in Nepal. The accounting policies are consistently applied by the company.

2 Use of estimates:

The preparation of Financial Statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of revenue & expenses during the reporting period.

3 Property, Plant & Equipment and Depreciation

- i) Property, Plant & Equipment are stated at cost inclusive of all expenses incurred in commissioning/ putting them into use, less depreciation.
- ii) Depreciation on Property, Plant & Equipment has been charged on Written Down Value (WDV) Method as per the rates prescribed in the Income Tax Act 2058.
- iii) All the expenses related to the hydropower project has been capitalized in Project WIP.

4 Change in control

Change in ownership more than 50% on 2079/07/06(23, October 2022) so that financial statements are prepared U/S 57 of the Income Tax Act, 2058.

B Notes to the Accounts

- 1 Schedule 1 to 10 form the integral parts of the Balance Sheet and Income Statement.
- 2 Previous Years' Figures have been re-grouped and re-arranged wherever necessary.



Auditor's Notes on Certification of Income Tax Return of
Phedikhola Hydropower Company Pvt. Ltd.
As on Karthik 6, 2079 (23 Oct, 2022)

We have examined the books of accounts maintained by the company as per Section 81 of Income Tax Act 2058. We certify that the transactions of the company is true and fair on the basis of books of accounts and other related documents provided to us. Our notes regarding the certification is as follows:

Details of Expenses deductible as per Income Tax Act 2058

Account Head	Total Expenses	Expenses Deductible	Expenses not Deductible	Expenses Deductible under separate Section	Annex	Remarks
<u>Administrative Expenses</u>						
Membership Fees	-	-	-			
Audit Fee	11,764.38	11,764.38				
Bank Charges	-	-				
Fine & Penalty	8,000.00	-	8,000.00			
Total	19,764.38	11,764.38	8,000.00	-		



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Particulars	Amount
Net Profit Before Tax	(22,868.83)
Add: Expenses not deductible	
<i>Administrative Expense</i> 8,000.00	8,000.00
Taxable Income	(14,868.83)
Add:	
Carry Forward Loss From Previous Years	(323,083.83)
Carry Forward Loss for Next Year	(337,952.66)

Calculation of Tax	
Particulars	Amount
Tax Rate	25%
Tax Amount	



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Auditor's Notes on Certification of Income Tax Return of
Phedikhola Hydropower Company Pvt. Ltd.
As on Ashad 31, 2080 (16 July, 2023)

We have examined the books of accounts maintained by the company as per Section 81 of Income Tax Act 2058. We certify that the transactions of the company is true and fair on the basis of books of accounts and other related documents provided to us. Our notes regarding the certification is as follows:

Details of Expenses deductible as per Income Tax Act 2058

Account Head	Total Expenses	Expenses Deductible	Expenses not Deductible	Expenses Deductible under separate Section	Annex	Remarks
<u>Administrative Expenses</u>						
Membership Fees	55,000.00	-	55,000.00			
Audit Fee	33,435.62	33,435.62				
Bank Charges	406.42	406.42				
Fine & Penalty	1,700.00	-	1,700.00			
Total	90,542.04	33,842.04	56,700.00	-		



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Phedikhola Hydropower Company Pvt. Ltd.
As on Ashad 31,2080 (16 July, 2023)

Particulars	Amount
Net Profit Before Tax	(98,509.56)
Add: Expenses not deductible	
<i>Administrative Expense</i> 56,700.00	56,700.00
Taxable Income	(41,809.56)
Add:	
Carry Forward Loss From Previous Years	-
Carry Forward Loss for Next Year	(41,809.56)

Calculation of Tax

Particulars	Amount
Tax Rate	25%
Tax Amount	



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