

Himalayan Infrastructure Fund Ltd.

Kathmandu

Balance Sheet

As at 32 Ashad 2075

| Particulars | Annexure | Amount in Rs. As at 32 Ashad 2075 | Amount in Rs. As at 31 Ashad 2074 |
|---|----------|--------------------------------------|--------------------------------------|
| Capital & Reserves | | | |
| Share Capital | 1 | 233,125,000.00 | 233,125,000.00 |
| Advance for Share Capital | | 60,281,180.06 | 31,118,388.00 |
| Reserve & Accumulated Profit | | 1,023,069.49 | 832,171.08 |
| Medium & Long Term Loan | | | |
| Secured | | - | - |
| Unsecured Loan from Promoters | | - | 827,002.02 |
| Total | | 294,429,249.55 | 265,902,561.10 |
| Assets | | | |
| Fixed Assets | 2 | 212,104.03 | 282,805.37 |
| Investments | 3 | 293,725,734.44 | 282,157,434.44 |
| Deferred Tax Assets | | - | - |
| Current Assets | | | |
| Project Development Expenses | | - | 49,134,361.00 |
| Advance & Receivable | 4 | - | 1,418,988.96 |
| Advance Income Tax | | 270,696.31 | 276,348.31 |
| Cash in Hand | | 66,156.50 | 70,230.50 |
| Cash at Bank | | 194,108.27 | 299,119.52 |
| Total (A) | | 530,961.08 | 51,199,048.29 |
| Less; Current Liabilities & Provisions | | | |
| Audit Fee Payable | | 39,025.00 | 39,025.00 |
| TDS Payable | | 525.00 | 16,650.00 |
| Other Payable | 5 | - | 67,673,750.00 |
| Provision for Income Tax 2074/75 | | - | 7,302.00 |
| Total (B) | | 39,550.00 | 67,736,727.00 |
| Net Current Assets (A-B) | | 491,411.08 | (16,537,678.71) |
| Preliminary Expenses (to the extent not written off) | | - | - |
| Total | | 294,429,249.55 | 265,902,561.10 |

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Maheshwor P. Shrestha
Director

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Prithvi B. Pande
Chairman

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Maresh Godar, FCA
RajMS & Co.
Chartered Accountants

Himalayan Infrastructure Fund Ltd.

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Income Statement

For the year ended on Ashad 32, 2075

| Particulars | Annexures | Current Year (Rs.) | Previous Year (Rs.) |
|--|-----------|---------------------|---------------------|
| Income | | 3,465,866.75 | - |
| Direct Expenses | | - | - |
| Gross Profit / (Loss) | | 3,465,866.75 | - |
| Dividend Income | | - | 80,000.00 |
| Interest Income | | 11,000.00 | 21,534.25 |
| Gain on Sales of Fixed Assets | | - | 449,497.60 |
| Miscellaneous Income | | - | 2,700,000.00 |
| Administrative & General Expenses | 6 | 3,215,267.00 | 3,041,328.75 |
| Operating Profit/ (Loss) | | 261,599.75 | 209,703.10 |
| Amortization of Preliminary Expenses | | - | - |
| Depreciation | 2 | 70,701.34 | 100,495.56 |
| Profit/ (Loss) before tax | | 190,898.41 | 109,207.54 |
| Income Tax expenses | | | |
| Current Tax | | - | 7,302.00 |
| Deferred Tax (Income)/Expenses | | - | - |
| Additional Income Tax for Earlier Years | | - | - |
| Net Profit/ (Loss) after adjusting deffered tax | | 190,898.41 | 101,905.54 |
| Appropriation | | | |
| a. General Reserve | | - | - |
| b. Proposed Dividend | | | |
| General | | - | - |
| Preference Share | | - | - |
| c. Other Reserve Fund | | - | - |
| d. Balance carried over from Previous Year | | 832,171.08 | 730,265.54 |
| Balance carried over to Balance Sheet | | 1,023,069.49 | 832,171.08 |

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Cash Flow Statement

For the year ended on 32 Ashad, 2075

| | Current Year (Rs.) | Previous Year (Rs.) |
|--|------------------------|------------------------|
| A. Cash Flow from Operating Activities: | | |
| 1 Net Profit/(Loss) before Income Tax and Extraordinary Activities | 190,898.41 | 109,207.54 |
| Adjustment for: | | |
| Add: | | |
| a. Depreciation | 70,701.34 | 100,495.56 |
| b. Amortization of Preliminary Expenses | - | - |
| c. Interest Expenses | - | - |
| d. Provisions | - | - |
| e. Loss from Disposal of Fixed Assets | - | - |
| f. Other Non-Cash Expenses | - | - |
| Less: | | |
| a. Profit from Disposal of Fixed Assets | - | (449,497.60) |
| 2 Cash Flow from Operation Before Working Capital Changes: | 261,599.75 | (239,794.50) |
| (Increase)/Decrease in Current Assets | 50,553,349.96 | (15,304,874.00) |
| Increase/(Decrease) in Current Liabilities | (67,689,875.00) | 46,752,219.00 |
| Cash Flow from Operation Activities | (16,874,925.29) | 31,207,550.50 |
| Interest Payment | - | - |
| Income Tax Payment/Refund | (1,650.00) | (3,230.14) |
| Cash Flow from before Extraordinary Activities | (16,876,575.29) | 31,204,320.36 |
| Income/(Expenses) from extraordinary Activities | - | - |
| Net Cash Flow from Operating Activities (A) | (16,876,575.29) | 31,204,320.36 |
| B Cash Flow from Investment Activities: | | |
| a. Interest/Dividend Received | - | - |
| b. Purchase/(Disposal) of Fixed Assets | - | 942,132.00 |
| c. Increase/(Decrease) in Loans and Deposit | - | - |
| d. (Increase)/Decrease in Pre-operating Expenses | - | - |
| e. Sale/(Invest) In Securities | - | - |
| f. Increase/(Decrease) in Investments | (11,568,300.00) | (27,892,700.00) |
| g. Other | - | - |
| Net Cash Flow from Investing Activities (B) | (11,568,300.00) | (26,950,568.00) |
| C Cash Flow from Financing Activities: | | |
| a. Issue of Share (other than Bonus Share) | - | - |
| b. Advance for Share Capital | 29,162,792.06 | - |
| c. Receipt/ (Payment) of Loan from Promotor | (827,002.02) | (4,877,697.00) |
| d. Dividend Distribution | - | - |
| e. Additional Capital Reserve | - | - |
| f. Others | - | - |
| Net Cash Flow from Investing Activities (C) | 28,335,790.04 | (4,877,697.00) |
| Total Increase/(Decrease) in Cash/Cash Equivalent (A+B+C) | (109,085.25) | (623,944.64) |
| Balance at the beginning of the year | 369,350.02 | 993,294.66 |
| Balance at the end of the year | 260,264.77 | 369,350.02 |

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Director

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Prithvi B. Pande
Chairman

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Mahesh Godar, FCA
RajMS & Co.
Chartered Accountants

Statement of Changes In Equity

Kathmandu

Statement of Changes In Equity

For the year ended on 32 Ashad, 2075

| Particulars | Share Capital | Share Premium | Revaluation Reserve | Accumulated Profit (Loss) | Total |
|---|-----------------------|---------------|---------------------|---------------------------|-----------------------|
| Balance as on 31 Ashad 2074 | 233,125,000.00 | - | - | 832,171.08 | 233,957,171.08 |
| Changes in Accounting policies | - | - | - | - | - |
| Prior period adjustment | - | - | - | - | - |
| Restated balance | 233,125,000.00 | - | - | 832,171.08 | 233,957,171.08 |
| Issue of Share Capital | - | - | - | - | - |
| Surplus/(Deficit) on revaluation of properties | - | - | - | - | - |
| Surplus/(Deficit) on revaluation of investment | - | - | - | - | - |
| Currency translation difference | - | - | - | - | - |
| Total | 233,125,000.00 | - | - | 832,171.08 | 233,957,171.08 |
| Net gain or loss not recognised in the income statement | - | - | - | - | - |
| Net profit/(Loss) for the year | - | - | - | 190,898.41 | 190,898.41 |
| Dividend | - | - | - | - | - |
| Currency translation difference | - | - | - | - | - |
| Balance as on 31 Ashad 2074 | 233,125,000.00 | - | - | 1,023,069.49 | 234,148,069.49 |

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Himalayan Infrastructure Fund Ltd.

Kathmandu

Annexure forming part of Financial Statements as at 32 Ashad 2075

Annexure -1 : Share Capital

| Particulars | Amount in Rs. As at 32 Ashad 2075 | Amount in Rs. As at 31 Ashad 2074 |
|--|--------------------------------------|--------------------------------------|
| Authorised Capital: | | |
| 500,00,000 Equity Shares of Rs. 100 each | 5,000,000,000.00 | 5,000,000,000.00 |
| Issued Capital: | | |
| 50,00,000 Equity Shares of Rs. 100 each | 500,000,000.00 | 500,000,000.00 |
| Subscribed & Paid-up Capital | | |
| 2,331,250 Equity Shares of Rs. 100 each | 233,125,000.00 | 233,125,000.00 |
| Total Rs. | 233,125,000.00 | 233,125,000.00 |

Annexure - 3 - Investment

| Particulars | Amount in Rs. As at 32 Ashad 2075 | Amount in Rs. As at 31 Ashad 2074 |
|-------------------------------|--------------------------------------|--------------------------------------|
| Chhaya Devi Complex Pvt. Ltd. | 40,921,945.19 | 40,921,945.19 |
| Citizen Life Insurance Ltd. | 20,000,000.00 | 20,000,000.00 |
| Darden Project | 682,803.00 | 682,803.00 |
| Feedback Ventures Nepal Ltd. | 7,840,000.00 | 7,840,000.00 |
| Flexiterm Pvt. Ltd. | 2,368,322.00 | 2,368,322.00 |
| HIF Renewal Energy Ltd. | 2,000,000.00 | 1,331,700.00 |
| ICRA Nepal Ltd. | 800,000.00 | 800,000.00 |
| M. Nepal Pvt. Ltd. | 3,000,000.00 | 3,000,000.00 |
| Mandu Hydropower Ltd. | 105,422,688.00 | 105,422,688.00 |
| Nilgiri Khola Hydropower Ltd. | 8,000,000.00 | 8,000,000.00 |
| Tundi Power Co. P. Ltd. | 32,250,676.25 | 21,350,676.25 |
| United Modi Hydropower Ltd. | 70,439,300.00 | 70,439,300.00 |
| Total Rs. | 293,725,734.44 | 282,157,434.44 |

Annexure - 4 - Advance & Receivable

| Particulars | Amount in Rs. As at 32 Ashad 2075 | Amount in Rs. As at 31 Ashad 2074 |
|------------------|--------------------------------------|--------------------------------------|
| Global Group | - | 77,659.96 |
| Sulav Shrestha | - | 20,000.00 |
| HIF Aviation | - | 1,321,329.00 |
| Total Rs. | - | 1,418,988.96 |

Annexure - 5 - Other Payable

| Particulars | Amount in Rs. As at 32 Ashad 2075 | Amount in Rs. As at 31 Ashad 2074 |
|--|--------------------------------------|--------------------------------------|
| Feedback Infrastructure Service Nepal Ltd. | - | 278,750.00 |
| Himalayan Resort | - | 20,000,000.00 |
| Lotus Investment | - | 36,160,000.00 |
| Other Payable | - | 11,235,000.00 |
| Total Rs. | - | 67,673,750.00 |

Himalayan Infrastructure Fund Ltd.

Kathmandu

Annexure forming part of Financial Statements as at 32 Ashad 2075

Annexure - 6 - Administrative & General Expenses

| Particulars | Current Year (Rs.) | Previous Year (Rs.) |
|-------------------------|---------------------|---------------------|
| Audit Fee | 39,550.00 | 39,550.00 |
| Bank Charges | 985.00 | 770.00 |
| Certification Fee | 3,390.00 | 3,390.00 |
| Communication Expenses | 86,877.00 | 113,267.00 |
| Fuel Expenses | 45,850.00 | 44,602.00 |
| Hospitality Expenses | - | 56,673.75 |
| Maintenance Expenses | 3,200.00 | - |
| Membership Fee | 20,000.00 | 40,000.00 |
| Miscellaneous Expenses | - | 12,325.00 |
| Newspaper Expenses | 4,500.00 | 11,050.00 |
| Office Running Expenses | 95,581.00 | 119,112.00 |
| Printing & Stationery | 51,229.00 | 46,805.00 |
| Refreshment | 124,985.00 | 117,345.00 |
| Rent Expenses | 600,000.00 | 600,000.00 |
| Salary Expenses | 1,972,400.00 | 1,710,403.00 |
| Service Charge | 36,000.00 | 36,000.00 |
| Transportation Expenses | - | 605.00 |
| Travelling Expenses | 58,305.00 | 8,650.00 |
| Utilities Expenses | 72,415.00 | 80,781.00 |
| Total Rs. | 3,215,267.00 | 3,041,328.75 |

Annexure - 7 - Project Development Expenses

| Particulars | Amount in Rs. As at 32 Ashad 2075 | Amount in Rs. As at 31 Ashad 2074 |
|--------------------------|--------------------------------------|--------------------------------------|
| Tiptyan Kali Gandaki HEP | - | 21,670,455.00 |
| Upper Myagdi HEP | - | 27,463,906.00 |
| Total Rs. | - | 49,134,361.00 |

Himalayan Infrastructure Fund Ltd.

Kathmandu

Annexure forming part of Financial Statements as at Ashad 32, 2075

Annexure 2: Fixed Assets

Schedule -2

| S.No. | Assets | As on 1/04/2074 | Addition | Sale/Adjustment | Depreciation Base | Depn Rate | Depreciation for the year | WDV as on 32/03/2075 |
|-------|---------------------|-------------------|----------|-----------------|-------------------|-----------|---------------------------|----------------------|
| 1 | Furniture & Fixture | 24,865.49 | | - | 24,865.49 | 25% | 6,216.37 | 18,649.11 |
| 2 | Office Equipment | 257,939.89 | | - | 257,939.89 | 25% | 64,484.97 | 193,454.92 |
| | Total: | 282,805.37 | - | - | - | | 70,701.34 | 212,104.03 |