

Independent Auditor's Report

To the Shareholders of
Snowball Capital Pvt. Ltd.

Report on the Audit of the Financial Statements

OPINION

We have audited the accompanying financial statements of **Snowball Capital Private Limited** (the 'Company'), which comprise Statement of Financial Position as at 32nd Ashadh 2082 (16th July 2025), and Statement of Profit or Loss, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of Significant Accounting Policies and Notes to the Financial Statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the entity as at 32nd Ashadh, 2082 (16th July 2025) 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 the Financial Statements' section of our report. We are independent of the Company in accordance with ICAN's Handbook of Code of Ethics for Professional Accountants together with the Ethical requirements that are relevant to our audit of the financial statements in Nepal, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements for 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 the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our audit addressed the key audit matter
<p>Fair Value Measurement of Investments Classified as FVTPL and Recognition of Net Gain/Loss</p> <p>The Company holds investments measured at fair value through profit or loss (FVTPL), and changes in fair value directly affect the Company's profit or loss for the year. The determination of fair value requires judgment, particularly for investments that are thinly traded, unlisted, or subject to market volatility.</p>	<p>Our audit procedures included assessing the appropriateness of valuation methodologies applied by management, verifying fair values of listed investments using observable market prices, evaluating assumptions used for investments where observable inputs were limited, testing the mathematical accuracy of valuation models, and</p>



Due to the significance of fair value measurements and the potential impact of estimation uncertainty on the financial statements, the valuation of investments and recognition of related unrealized and realized gains or losses were considered a key audit matter.

assessing the adequacy of related disclosures in the financial statements.

Recognition and Measurement of Dividend Income

Dividend income represents a significant source of income for the Company and includes both cash dividends and scrip dividends. The recognition of dividend income requires judgment in determining the appropriate recognition date, completeness of income recorded, and correct accounting treatment, particularly for non-cash dividends.

Our audit procedures included evaluating management's policies for dividend recognition, reconciling dividend income recorded with dividend announcements, verifying receipt of cash dividends, assessing the accounting treatment of scrip dividends, and evaluating whether dividend income was recognized in the appropriate accounting period.

Given the risk of incomplete or incorrect recognition of dividend income and its impact on reported performance, this area was considered a key audit matter.

Internal Controls Over Financial Reporting

The Company operates in a control environment where certain financial processes rely on manual records and there is limited segregation of duties. This increases the risk of errors or irregularities that may not be prevented or detected on a timely basis. The effectiveness of internal controls has a direct impact on the reliability of financial information and therefore required significant audit attention.

Our audit approach included obtaining an understanding of the Company's internal control environment, identifying key controls relevant to financial reporting, evaluating the design of those controls, and performing substantive audit procedures in areas where controls were not sufficiently reliable. We also considered the results of our control assessment in determining the nature, timing, and extent of further audit procedures.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with relevant Nepal Financial Reporting Standards (NFRS) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the entity's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a certain 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 individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with NSAs, we exercise professional judgement 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As per the requirements of Section 115 of the Company Act, 2063, we further report that:

- a) We have obtained all the information and explanations, which, to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion, the Company has kept proper books of account as required by law so far, as appears from our examination of those books.
- c) The Financial Statements are in agreement with the books of account.
- d) In our opinion and to the best of our information and according to explanation given to us, the financial statement, the said balance sheet, income statement and statement of cash flow, read together with the notes forming part of accounts give the information required by the Company Act, 2063 in the manner so required and give a true and fair view:
 - i. In the case of Statement of Financial Position, of the state of affairs of the Company as at 32nd Ashadh 2082; and
 - ii. In the case of Statement of Profit & Loss and Other Comprehensive Income of the results of operations of the Company for the year ended on 32nd Ashadh 2082; and



- iii. In the case of Statement of Cash Flows, of cash inflow and outflow of Company for the year ended on that date.
- e) Neither we have come across any of the information about the misappropriation of funds by the directors or any of the representative or Company's staffs during the course of our audit nor have we received any such information from the management.
- f) No accounting fraud has been observed during the course of our audit.

For Anish Shrestha & Associates,
Chartered Accountants

Anish Shrestha



Anish Shrestha, CA
Proprietor

Place: Lalitpur

Date: 2026.01.09

UDIN No.: 260109CA02305c3Qjp

Statement of Financial Position

As at Ashadh 32, 2082 (Corresponding to July 16, 2025)


Figures in NRs.

Particulars	Note	2081-82	2080-81
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3.2	22,031.81	13,513.75
Investment Property		-	-
Deferred Tax Asset	7.3	104,049.71	749,650.16
Net Non-Current Assets		126,081.52	763,163.91
Current Assets			
Cash and Cash Equivalents	4.2	7,389,067.89	7,581,546.06
Trade & Other Receivables	5.2.1	721,281.77	618,967.03
Current Tax Assets	5.2.2	1,099,786.10	664,686.50
Financial Asset Held at FVTPL	5.2.3	59,817,695.38	52,516,327.80
Total Current Assets		69,027,831.14	61,381,527.39
Total Assets		69,153,912.66	62,144,691.30
EQUITY AND LIABILITIES			
Equity			
Share capital	9.1 A	13,008,400.00	13,008,400.00
Advance for share capital	9.1 B	39,431,258.00	39,431,258.00
Reserve & Surplus	9.2	14,782,022.80	6,911,595.51
Total Equity		67,221,680.80	59,351,253.51
Non Current liabilities			
Deferred Tax Liabilities		-	-
Total Non Current Liabilities		-	-
Current Liabilities			
Trade and Other Payables	6.2.1	1,920,121.40	2,769,229.53
Current Tax Liabilities	6.2.2	12,110.46	24,208.26
Income Taxes Payable		-	-
Total Current Liabilities		1,932,231.86	2,793,437.79
Total Equity and Liabilities		69,153,912.66	62,144,691.30

The accompanying notes form an integral part of the financial statements.

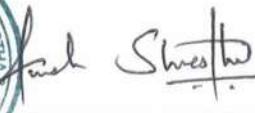
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Yurop Man Shrestha
Director


SNOWBALL CAPITAL
PVT. LTD.


 Girish Lakhey
 Director


As per our even report date



 Anish Shrestha
 Proprietor
 Anish Shrestha & Associates,
 Chartered Accountants

Date:

Place:

Statement of Profit and Loss account

For the period ended Ashadh 32, 2082

Figures in NRs.

Particulars	Note	2081-82	2080-81
Income			
Dividend income	10.2	1,329,916.66	1,300,801.38
Service Fees		1,893,163.55	138,500.00
Interest Income	11.1	171,821.96	215,087.22
Net Gain/(loss) on Financial Asset held at FVTPL	12.2	7,800,616.39	5,142,975.69
Expense			
Administrative expenses	13.2.1	1,614,729.71	471,211.18
Employee benefits	13.2.2	1,057,417.17	691,868.26
Operating profit/(loss)		8,523,371.68	5,634,284.85
Finance costs		-	-
Depreciation Expense	3.2	7,343.94	4,504.58
Extraordinary income/(expenses)			
Profit before staff bonus and income taxes		8,516,027.74	5,629,780.27
Provision for staff bonus		-	-
Profit before Provisions		8,516,027.74	5,629,780.27
Provision for Taxes		(645,600.45)	(814,830.02)
Current income tax expenses		-	-
Current income tax expenses of earlier years		-	-
Deferred tax income/(expenses)		(645,600.45)	(814,830.02)
Net profit/(loss) for the year		7,870,427.29	4,814,950.24
Other Comprehensive Income		-	-
Other Comprehensive Income/Loss for the year		-	-
Total Comprehensive Income		7,870,427.29	4,814,950.24

The accompanying notes form an integral part of the financial statements.

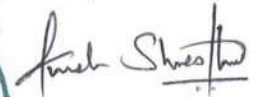
As per our report of even date



Yurop Man Shrestha
Director




Girish Lakhey
Director

Anish Shrestha
Proprietor

Anish Shrestha & Associates,
Chartered Accountants

Date:

Place:

Snowball Capital Private Limited
Kathmandu, Nepal

Statement of Changes in Equity
For the period ended Ashadh 32, 2082

Attributable to equity holders of the Company

Figures in NRs.

Particulars	Share Capital	Advance for Share Capital	Share premium	Accumulated Profit/(loss)	General Reserve	Comprehensive Income	Other Reserve	Deferred Tax	Total
Balance at 1st Shrawan 2081	13,008,400.00	39,431,258.00	-	4,570,533.44	2,330,362.82	-	-	10,699.26	59,351,253.51
Prior Period Adjustments									
Adjusted Balance at 1st Shrawan 2081	13,008,400.00	39,431,258.00	-	4,570,533.44	2,330,362.82	-	-	10,699.26	59,351,253.51
Comprehensive income for the year	-	-	-	-	-	-	-	(645,600.45)	7,870,427.29
Profit for the year	-	-	-	8,516,027.74	-	-	-	-	-
Other comprehensive income, net of tax	-	-	-	-	-	-	-	-	-
Gains / (Losses) from investment in debt instruments measured at fair value	-	-	-	-	-	-	-	-	-
Gains / (Losses) on revaluation	-	-	-	-	-	-	-	-	-
Actuarial Gains / (Losses) on defined benefit plans	-	-	-	-	-	-	-	-	-
Gains / (Losses) on Cash Flow Hedge	-	-	-	-	-	-	-	-	-
Exchange gains / (Losses) arising from translating financial assets of foreign operation	-	-	-	-	-	-	-	-	-
Total Comprehensive income for the year	-	-	-	-	-	-	-	-	-
Transfer to reserve during the year	-	-	-	-	-	-	-	-	-
Transfer from reserve during the year	-	-	-	-	-	-	-	-	-
Other Adjustments	-	-	-	-	-	-	-	-	-
Transactions with owners, directly	-	-	-	-	-	-	-	-	-
Share issued	-	-	-	-	-	-	-	-	-
Advance for share capital	-	-	-	-	-	-	-	-	-
Premium on redemption	-	-	-	-	-	-	-	-	-
Share based payment	-	-	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-	-	-
Bonus shares issued	-	-	-	-	-	-	-	-	-
Cash dividend paid	-	-	-	-	-	-	-	-	-
Total contributions by and distributions to owners	-	-	-	13,086,561.18	2,330,362.82	-	-	(634,901.20)	67,221,680.80
Balance at 32nd Ashadh 2082	13,008,400.00	39,431,258.00	-	13,086,561.18	2,330,362.82	-	-	(634,901.20)	67,221,680.80



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Statement of Cash Flows

For the period ended Ashadh 32, 2082


Figures in NRs.

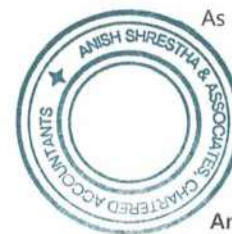
Particulars	2081-82	2080-81
CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year before Provisions	8,516,027.74	5,629,780.27
Adjustments for:		
Depreciation on property, plant and equipment	7,343.94	4,504.58
Prior Period Adjustments	-	-
Finance cost	-	-
Provision for Income Tax	-	-
Provision for probable losses	-	-
Profit/loss on disposal of property, plant and equipment	-	-
Working capital adjustments:		
(Increase)/Decrease in Current Assets except Cash	(7,838,781.92)	(24,069,133.10)
Increase/(Decrease) in Current Liabilities except borrowings	(861,205.93)	(3,000,208.78)
Cash generated from operations	(176,616.17)	(21,435,057.03)
Income tax paid	-	-
NET CASH FLOWS FROM OPERATING ACTIVITIES	(176,616.17)	(21,435,057.03)
CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(15,862.00)	-
Investment in fixed deposits	-	-
Sale of investment	-	-
NET CASH FLOWS FROM INVESTING ACTIVITIES	(15,862.00)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of share capital	-	-
Advance for Share Capital	-	21,174,500.00
Borrowing (repaid) / taken (net)	-	-
Interest Paid	-	-
Dividend paid	-	-
Debenture Redemption Premium Paid	-	-
NET CASH FLOWS FROM FINANCING ACTIVITIES	-	21,174,500.00
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(192,478.17)	(260,557.03)
CASH AND CASH EQUIVALENTS, Beginning of Period	7,581,546.06	7,842,103.09
CASH AND CASH EQUIVALENTS, End of Period	7,389,067.89	7,581,546.06

The accompanying notes form an integral part of the financial statements.

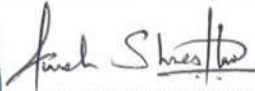

 Yurop Man Shrestha
 Director


SNOWBALL CAPITAL
PVT. LTD.


 Girish Lakhey
 Director



As per our report of even date



Anish Shrestha
 Proprietor

Anish Shrestha & Associates,
 Chartered Accountants

Date:

Place:

1: Introduction

1.1: General Information of Reporting Entity:

Snowball Capital Private Limited is a limited liability company domiciled in Nepal. The address of its registered office is ward no. 1 Kathmandu, Nepal. The company is an investment company focused in financial market, real estate and new ventures. The company was incorporated on 19th of August, 2019. The financial statements covers the period from 15th July 2024 to 15th July 2025.

1.2: Board of Directors:

The composition of Board of Directors as on 32nd Ashadh 2082 is as follows:

Name	Position
Yurop Man Shrestha	Director
Girish Lakhey	Director

2: Summary of Significant Accounting Policies:

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied unless otherwise stated.

2.1: Basis Of Preparation:

The company while complying with the reporting standards makes critical accounting judgement as having potentially material impact on the financial statements. The significant accounting policies that relate to the financial statements as a whole along with the judgements made are described herein.

Where on accounting policy is generally applicable to a specific item, the policy is described within that relevant note. NFRS requires the company to exercise judgement in making accounting estimates. Description of such estimates has been given in the relevant sections wherever they have been applied.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities.

The statements of financial position is presented on liquidity basis. Assets and liabilities are presented in decreasing order of liquidity. All balances are expected to be recovered or settled within twelve months, except for investments in financial assets and net assets attributable to shareholders.

2.2: Statement of Compliance:

The Financial Statements are presented in Nepalese Rupees, rounded to the nearest Rupee. The Financial Statements have been prepared in accordance with Nepal Financial Reporting Standards (NFRS).

2.3: Reporting Pronouncements:

The company has for the preparation of financial statements, adopted the NFRS pronounced by Accounting Standards Board (ASB). NFRS confirm, in all material respect, to International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

2.4: Accounting Conventions:

The financial statements have been prepared on a historical cost basis, as modified by the revaluation of financial assets and liabilities at fair value through profit or loss.

The financial statements have been prepared on a going concern basis where the accounting policies and judgements as required by the standards are consistently used and case of deviations disclosed specifically.

2.5: Presentation:

The financial statements have been presented in the nearest Nepalese Rupees.

For presentation of the statement of financial position, assets and liabilities have been bifurcated into current and non-current distinction.

The statement of profit or loss has been prepared using classification 'by nature' method.

The cash flows from operation within statement of cash flows have been derived using the indirect method.

2.6: Presentation Currency:

Financial statements are denominated in Nepalese Rupees, which is the functional and presentation currency of the company.

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PVT. LTD.



2.7: Accounting Policies and Accounting Estimates:

The company, under NFRS, is required to apply accounting policies to the most appropriately suit its circumstances and operating environment. Further the company is required to make judgement in respect of items where the choice of specific policy, accounting estimates or assumption to be followed could materially affect the financial statements. This may later be determined that a different choice could have been more appropriate.

Accounting policies have been included in the relevant notes for each item of the financial statements. The effect and nature of the changes, if any, have been disclosed.

NFRS requires the company to make estimates and assumptions that will affect the assets, liabilities, disclosure of contingent assets and liabilities, and profit or loss as reported in the financial statements.

The company applies estimates in preparing and presenting the financial statements. The estimates and underlying assumption are reviewed periodically. Revision to accounting estimates as recognized in the period in which the estimates is revised, and are applied prospectively.

Disclosures of the accounting estimates have been included in the relevant section of the notes wherever the estimates have been applied along with the nature and effect of changes of accounting estimates, if any.

The company makes estimates and assumptions that affect the reported amount of assets and liabilities within the next financial year. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2.8: Reporting Periods:

The company follows the Nepalese financial year based on the Nepalese calendar as reporting period.

2.9. Events after the Reporting Date:

The materiality of the events after the reporting date has been considered and appropriate adjustments and provisions have been made in the financial statements wherever necessary.

2.10. Discounting

Discounting has been applied where assets and liabilities are noncurrent and the impact of the discounting is material.

2.11. Limitation of NFRS Implementation

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



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3: Property, Plant and Equipment

3.1: Accounting Policy:

Property, plant and equipment are tangible items that are held for serving revenue generation purposes and are expected to be used during more than one period.

A. Basis of Recognition:

Property, Plant and equipment are recognized if it probable that future economic benefits associated with the assets will flow to the company and cost of the assets can be reliably measured.

B. Basis of Measurement:

An item of property, plant and equipment that qualifies for recognition as an asset is measured at its cost. Cost includes expenditure that is directly attributable to the acquisition of the asset and cost incurred subsequently to add to replace part of or service it. The cost of self – constructed assets includes the cost of materials and direct labour, any other costs of dismantling and removing the items and restoring the site on which they are located.

C. Subsequent Costs:

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within that part will flow to the Company and its cost can be measured reliably. The cost of day -to-day servicing of property, plant and equipment are charged to the Statement of Profit or Loss incurred.

D. De-recognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is included in statement of profit or loss when the item is derecognized. When replacement costs are recognized in the carrying amount of an item of property, plant and equipment, the remaining carrying amount of the replaced part is derecognized. Major inspection costs are capitalized. At each such capitalization, the remaining carrying amount of the previous cost is derecognized.

E. Depreciation:

Depreciation is calculated over the depreciable amount, which is the cost of an asset plus an incidental cost related to acquisition. Depreciation is recognized in the statement of profit or loss on straight line method based on estimated useful life of each item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Fixed assets are depreciated on straight line basis method on the basis of effective useful life of the assets decided by the management. According, fixed assets are depreciated from the day the assets are ready to be used as intended by the management. Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the management.

Depreciation of an assets ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognized.

The estimated useful lives for the computer and accessories for the current periods is estimated to be 5 years.



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Snowball Capital Private Limited
Kathmandu, Nepal

3.2: Explanatory Notes:

Name of the Asset	Gross Block		Accumulated Depreciation			Net Book value as at 32.03.2081
	As at 01.04.2081	Additions during the year	Deductions/ Adjustments	As at 01.04.2081	For the year	
A. PROPERTY, PLANT AND EQUIPMENT						
(i) Buildings <i>Previous Year</i>						
(ii) Plant and Equipment <i>Previous Year</i>						
(iii) Furniture and Fixtures <i>Previous Year</i>						
(iv) Vehicles <i>Previous Year</i>						
(v) Office Equipment <i>Previous Year</i>	40,500.00	15,862.00	-	26,986.25	7,343.94	22,031.81
GRAND TOTAL <i>Previous Year</i>	40,500.00	15,862.00	-	26,986.25	7,343.94	22,031.81

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Kathmandu, Nepal

3.3: Intangible Assets

Name of the Asset <i>Previous Year</i>	Gross Block		Accumulated Depreciation		Net Block Net book value as at 32.03.2081				
	As at 01.04.2081	Additions during the year	Deductions/ Adjustments	As at 32.03.2082		For the year	Deductions/ Adjustments	As at 01.04.2081	
Software									

3.4: Right of use assets

Name of the Asset Right of Use (ROU) Lease Asset <i>Previous Year</i>	Gross Block		Accumulated Depreciation		Net Block Net book value as at 32.03.2081				
	As at 01.04.2081	Additions during the year	Deductions/ Adjustments	As at 32.03.2082		For the year	Deductions/ Adjustments	As at 01.04.2081	

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PVT. LTD.**

Anish Shrestha



4: Cash and cash equivalents

4.1: Accounting Policies

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash at bank & cash in hand. Payments and receipts relating to the purchase and sales of investment securities are classified as cash flows from investing activities.

4.2: Explanatory Notes

The carrying amount of cash and cash equivalents are representative of their fair values as at the respective reporting date.

Particulars	Year Ended 32.03.2082	Year Ended 31.03.2081
a) Cash Balance	-	10,306.00
b) Global IME Bank	6,831,461.41	4,791,980.85
c) Muktinath Bikas Bank	126,592.39	75,268.09
d) Siddhartha Bank	431,014.09	203,991.12
e) Short Term Deposit (Fixed Deposit)	-	2,500,000.00
Total	7,389,067.89	7,581,546.06

5: Financial Instruments

In accordance with NFRS 9: An entity shall recognize a financial asset or financial liability in its statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument.

5.1.1. Classification

The company's investments are classified as fair value through profit or loss, at amortized cost and loan and receivable. They comprise: Financial assets and liabilities held at fair value through profit or loss financial assets held for trading are recorded in the statement of financial position at fair value. Changes in fair value are recognized through profit or loss. This classification includes quoted equity securities held for trading. The dividend income for the quoted equity securities is recorded in the profit or loss

5.1.2. Loans and Receivables

In accordance with NFRS 9: An entity shall recognize a financial asset or financial liability in its statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument.

5.1.3. Recognition/ De-recognition

The company recognized financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognizes changes in fair value of the financial assets or financial liabilities from this date. Investments are derecognized when their right to receive cash flows from the investments has expired or the contract is discharged or expired. Financial liabilities at fair value through profit or loss are derecognized when the obligation specified in the contract is discharged or expired.

As per Clause B4.1.6 of NFRS 9; a portfolio of financial assets that is managed and whose performance is evaluated on a fair value basis is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The entity is primarily focused on fair value information and uses the information to assess the assets' performance and to make decision. In addition, a portfolio of financial asset that meets the definition of held for trading is not held to collect contractual cash flows or held both to collect contractual cash flows and to sell financial assets. For such portfolios, the collection of contractual cash flows is only incidental to achieving the business model's objective. Consequently, such portfolios of financial assets must be measured at fair value through profit or loss.



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5.1.4: Measurement

Financial assets and liabilities held at fair value through profit or loss at initial recognition, the company measures a financial asset at its fair value.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in their fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category is presented in the statement of profit or loss and other comprehensive income within net gains/(losses) on financial instruments held at fair value through profit or loss in the period in which they arise.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of financial assets and liabilities traded in active markets is subsequently based on their quoted market price at the end of the reporting period without any deduction for estimated future selling costs. The quoted market price used for financial assets held by the company is the closing price.

The fair value of financial assets and liabilities that are not traded in an active market are determined using valuation techniques.

Financial Assets Measured at Amortized Cost

Financial assets at this category are measured initially at fair value plus transaction costs and subsequently amortized using the effective interest rate method, less impairment losses if any. Such assets are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment.

If evidence of impairment exists, an impairment loss is recognized in profit or loss as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate.

If in a subsequent period the amount of an impairment loss recognized on a financial asset carried at amortized cost decreases and the decrease can be linked objectively to an event occurring after the write-down, the write-down is reserved through profit or loss.

Receivable may include amounts for dividends, interest and trade receivable. Dividends are accrued when the right to receive payment is established. Interest is accrued at the end of each reporting period from the time of last payment.

Receivables are recognized and carried at amortized cost, less a provision for any uncollectable debts. An estimate for doubtful debt is made when collection of an amount is no longer payable.

Recoverability of receivable is reviewed on an ongoing basis at an individual portfolio level, Individual debts are known to be uncollectable are written off when identified. An impairment provision is recognized when there is objective evidence that the Company will not be able to collect the receivable. Financial difficulties of the debtor, default payments are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate.

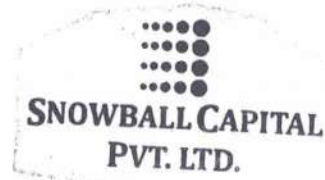
Financial assets measured at fair value through profit or loss (FVPL)

A financial asset is measured at fair value through profit or loss if:

- (a) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding Or
- (b) It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell Or
- (c) At initial recognition, it is irrevocably designated as measured at FVPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

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5.1.5: Subsequent Measurement

After initial measurement, the Company measures financial instruments which are classified as at FVPL, at fair value. Subsequent changes in the fair value of those financial instruments are recorded in net gain or loss on financial assets and liabilities at FVPL in the statement of comprehensive income. Interest and dividends earned or paid on these instruments are recorded separately in interest revenue or expense and dividend revenue or expense in the statement of comprehensive income.

Debt instruments, other than those classified as at FVPL, are measured at amortised cost using the effective interest method less any allowance for impairment. Gains and losses are recognised in profit or loss when the debt instruments are derecognised or impaired, as well as through the amortisation process.

Financial liabilities, other than those classified as at FVPL, are measured at amortised cost using the effective

5.1.6: Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right of offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle on a net basis, or realize the asset and settle the liability simultaneously.

5.2: Explanatory Notes:**5.2.1: Trade and Other Receivables**

Particulars	Year Ended 32.03.2082	Year Ended 31.03.2081
Bid Deposit	555,500.00	555,500.00
Brass Consulting Group Pvt. Ltd	-	6,161.73
BRASS Advisory P.Ltd	1,205.00	-
Prepaid Expenses	118,705.57	11,724.61
Pema Doleck (Consulting Services)	14,388.00	14,388.00
Debenture Interest Receivable	31,483.20	31,192.69
Total	721,281.77	618,967.03

5.2.2: Current Tax Assets

Particulars	Year Ended 32.03.2082	Year Ended 31.03.2081
Advance Tax 80.81	244,090.08	244,090.08
Advance Tax 81.82	32,808.72	-
Capital Gain Tax	816,761.84	420,596.42
30% VAT Receivable	862.83	-
Value Added Tax	5,262.63	-
Total	1,099,786.10	664,686.50



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5.2.3 Financial Assets Held at Fair Value Through Profit or Loss (FVTPL)

Particulars	Year Ended	Year Ended
	32.03.2082	31.03.2081
Financial Assets	59,817,695.38	52,516,327.80
Total	59,817,695.38	52,516,327.80

The details of Financial Assets Held at FVTPL s on 32nd Ashadh 2082 are as follows:

Shares	No. of shares	Total Market Value
Debt Instruments		
10% Sanima Bank Limited Debentures	385.00	455,705.25
10.25% NIC Asia Debenture 2083/84	25.00	28,625.00
10.5% SBL Debenture 82	30.00	33,000.00
8.5% Sanima Debenture 2087	10.00	10,680.00
8.5% SBL Debenture 2084	125.00	137,812.50
8.75% Garima Debentures 2085	110.00	120,505.00
Equity Instruments		
Agriculture Development Bank Limited	694.00	227,028.22
Asian Life Insurance Co. Limited	314.00	156,485.04
Bottlers Nepal (Terai) Limited	405.00	5,184,000.00
Chhimek Laghubitta Bikash Bank Limited	988.00	1,023,548.24
Everest Bank Limited	400.00	280,624.00
Forward Microfinance Laghubitta Bittiya Sanstha Limited	106.00	137,149.16
Forward Microfinance Laghubitta Bittiya Sanstha Limited Promoter	1,911.00	573,300.00
Garima Bikash Bank Limited	3,865.00	1,655,611.40
Global IME Balance Fund-I	11,200.00	122,192.00
Global IME Bank Limited	9,338.00	2,423,864.66
Himalyan Everest Insurance Limited	323.00	199,084.28
Mega Mutual Fund - 1	6,500.00	62,270.00
Muktinath Bikash Bank Limited	6,243.00	2,534,158.56
National Life Insurance Co Ltd	965.00	601,754.70
Neco Insurance Co.Ltd	236.00	167,644.96
Nepal Insurance Company Limited	1.00	645.18
NIMB Promoter Share	22,176.00	3,725,568.00
NMB Sulav Investment Fund - 2	50,000.00	564,500.00
National Microfinance Laghubitta Bittiya Sanstha Limited (NMFBS)	49.00	68,602.45
National Microfinance Laghubitta Bittiya Sanstha Limited Promoter (NMF)	197.00	132,975.00
Prabhu Insurance Ltd.	246.00	226,629.96
Prime Commercial Bank Promoter Share	5,000.00	515,000.00
RBB Mutual Fund 1	5,000.00	49,800.00
RBB Mutual Fund -2	2,200.00	22,176.00
Sagarmatha Lumbini Insurance Company Limited	272.00	197,496.48
Sanima Bank Limited	28,285.00	10,600,369.45
Shine Resunga Development Bank Promoter	5,150.00	1,174,200.00
Shivam Cements Ltd	12,315.00	6,589,017.60
Siddhartha Bank Ltd.	6,413.00	2,461,117.01



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Snowball Capital Private Limited

Kathmandu, Nepal

Siddhartha Investment Growth Scheme - 2	11,000.00	115,500.00
Siddhartha Investment Growth Scheme 3	10,000.00	104,400.00
Standard Chartered Bank Limited	10,740.00	7,046,514.00
Sun Nepal Life Insurance Company Limited	502.00	246,301.28
Sunrise Focused Equity Fund	11,000.00	110,440.00
Uniliver Nepal Limited	210.00	9,731,400.00
	224,929.00	59,817,695.38

Notes:

1. FOWADP has been valued as per the Mero Share's valuation at NPR 80 per unit although it has been valued at NPR 300 as per NEPSE.

6. Payables

6.2.1: Trade and Other Payable

Particulars	Year Ended	Year Ended
	32.03.2082	31.03.2081
Audit fee payable	105,000.00	55,750.00
Salary Payable	105,000.00	115,000.00
Rent Payable	276,000.00	114,000.00
Brass Consulting Group	27,288.27	-
Brass Advisory Pvt. Ltd	-	11,000.00
Lemon Tree Premier	7,708.25	-
Shree Krishna Securities	1,110,208.61	42,123.51
Girish Lakhey	115,748.95	1,086,544.01
Yurop Man Shrestha	173,167.32	1,344,812.01
Zuleika By Gahana Griha Private Limited	0.00	-
Bijen Lakhey	-	-
The New Gokem Books and Stationery	-	-
Total	1,920,121.40	2,769,229.53

6.2.2: Current Tax Liabilities

Particulars	Year Ended	Year Ended
	32.03.2082	31.03.2081
TDS Payable - Audit Fee	750.00	750.00
TDS Payable - Rent	-	-
TDS Payable - BRASS Consulting Group Pvt. Ltd	450.00	750.00
TDS Payable - BRASS Advisory Pvt. Ltd	45.00	300.00
TDS Payable - Consultancy	-	3,240.00
TDS Payable-Lemon Tree Premier	291.29	-
SST Payable-80.81	-	5,557.15
SST Payable-81.82	10,574.17	-
Remuneration Tax Payable	-	13,611.11
Total	12,110.46	24,208.26

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7: Income Tax

7.1: Accounting Policy

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

7.2: Current Tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment made to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Current tax assets and liabilities are offset if certain criteria are met.

As per the Nepalese tax laws, in absence of taxable profits, the company has not recognized any current tax expenses.

7.3: Deferred Tax Asset/ Liabilities

Deferred tax is recognized in respect of temporary difference between carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

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

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity or on different tax entities, but they instead to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses. Tax credits and deductible temporary differences to the extent that it is probable that the future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized, based on the level of future tax profit forecasts and tax planning strategies.

Deferred tax liabilities are recognized for all taxable temporary differences.

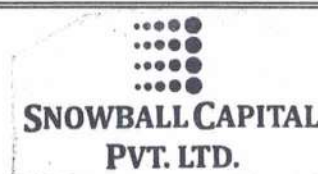
Deferred tax is calculated applying future tax rate which is 25%.

Significant components of net deferred tax assets and liabilities as at Ashadh 32, 2082 are as follows:

Particulars	Carrying Amount	Tax Base	Temporary Difference
2081-82			
Property, plant and equipment	22,031.81	22,031.81	(0.00)
Financial Asset Held at FVTPL	59,817,695.38	53,994,791.88	(5,822,903.50)
Accumulated Losses	-	(6,239,102.34)	6,239,102.34
Total	59,839,727.19	47,777,721.35	416,198.84
Tax Rate			25%
Deferred Tax Asset/(liability) 32-03-2082			104,049.71
Deferred Tax Asset/(liability) 31-03-2081			749,650.16
Deferred Tax Income/(Expense) FY 2081-82			(645,600.45)

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8: Provisions and Contingent Liabilities**8.1: Accounting Policy:**

A provision is a liability of uncertain timing or amount.

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made 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 determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of time value of money and the risks specific to the liability (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or the present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefit will be required to settle the obligation or the amount of obligation cannot be measured with sufficient reliability. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent asset is a probable asset that arises from the past events and whose existence will be confirmed only by the occurrence and non-occurrence of one or more uncertain future events not wholly within the control of the company. Contingent assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

8.2: Explanatory Notes:**Particulars**

Provision for Income tax
Provision for Employee bonus
Provision for Employee benefits
Total

	Year Ended 32.03.2082	Year Ended 31.03.2081
	-	-
	-	-
	-	-
	-	-

9: Share Capital**9.1: Explanatory notes**

A. The details of share capital structure is presented below:

Particulars

(a) Authorized Capital
300,000/- shares of Rs. 100/- each
(b) Issued Capital
300,000/- shares of Rs. 100/- each
(c) Paid up Capital
130,084/- Ordinary shares of Rs. 100/- each
Total

	Year Ended 32.03.2082	Year Ended 31.03.2081
	30,000,000.00	30,000,000.00
	30,000,000.00	30,000,000.00
	13,008,400.00	13,008,400.00
	13,008,400.00	13,008,400.00



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B. Advance for Share Capital Includes the amounts received as follows:

Name of Shareholders

Advance for Share Capital

Total

Year Ended 32.03.2082	Year Ended 31.03.2081
39,431,258.00	39,431,258.00
39,431,258.00	39,431,258.00

9.2: Reserve and Surplus

Particulars

Balance at the beginning of the year

Profit for the year

Premium on redemption

Prior Period Adjustment

Total

Year Ended 32.03.2082	Year Ended 31.03.2081
6,911,595.51	2,096,645.27
7,870,427.29	4,814,950.24
-	-
-	-
14,782,022.80	6,911,595.51

9.3: Rights, Preferences and Restrictions Attached to Equity Shares

The company has a single class of equity shares. Accordingly, all equity shares rank equally with regards to dividends and shares in the company's residual assets. The equity shares are entitled to receive dividend as declared from time to time.

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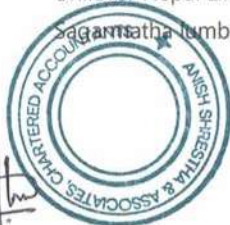
10. Dividend Income

10.1: Accounting Policy:

Dividend income is recognized in Statement of Profit or Loss on the date that the company's right to receive payment is established. Dividend income is recognized on the ex-dividend date.

10.2: Explanatory Note:

Particulars	Year Ended 32.03.2082	Year Ended 31.03.2081
ANLB Aatmanirbhar LBSL	-	570.00
BNT Bottlers Nepal (Terai) Limited	19,237.50	20,520.00
CBBL Chhimek Laghubitta Bikash Bank Limited	13,022.62	12,207.64
ADBL Agricultural development Bank Ltd	6,720.36	776.00
EBL Everest Bank Limited	5,331.23	3,139.57
FMDBL First Micro Finance Dev Bank Ltd	-	1,904.49
FOWAD Forward Microfinance Laghubitta Bittiya Sanstha Limited	1,200.00	1,814.40
FOWADP Forward Microfinance Laghubitta Bittiya Sanstha Limited Promotor	22,400.00	-
GBBL Garima Bikash Bank Limited	27,008.26	29,000.00
GBIME Global IME Bank Limited	5,700.00	400.00
GILB Global IME Laghubitta Sanstha	-	3,463.33
LSL Laxmi Sunrise Bank Limited	-	3,600.00
MBL Machhapuchhre Bank Limited	-	5,000.00
MNBBL Muktinath Bikash Bank Limited	-	81,700.00
NIBLPF NIBL Pragati Fund	-	5,780.00
NICA NIC Asia Bank Ltd	-	3,500.00
SPIIL Siddhartha Premiere Insurance	3.04	
MLBL Mahalaxmi Bikas Bank	3.40	
NICL Nepal Insurance Company Limited	9,650.00	1,200.00
NLICL National Life Insurance Company	-	
SAEF Sanima Equity Fund	520,977.75	
NMB NMB Bank	-	
NMBHF1 NMB Hybrid Fund L-1	-	462,068.93
NMFBS National Microfinance Laghubitta Bittiya Sanstha Limited	600.00	300.00
NMFBS National Microfinance Laghubitta Bittiya Sanstha Limited Promoter	2,400.00	3,300.00
CMF-1 Citizens Mutual Fund-1	82,543.50	
SANIMA Sanima Bank Limited	196,172.20	355,457.55
SBD87 8.5% Sanima Debenture 2087	-	
SBI Nepal SBI Bank Limited	-	1,000.00
SBL Siddhartha Bank	45,989.86	2.37
HEI Himalayan Everest Insurance	2,684.94	
SCB Standard Chartered Bank Limited	65,500.00	148,407.10
SHINEP Shine Resunga Development Bank Promoter Share	38,000.00	
SHIVM Shivam Cements Limited	65,500.00	19,100.00
SKBBL Sana Kisan Bikas Bank Ltd	-	1,500.00
UNL Unilever Nepal Limited	195,396.00	135,090.00
SALICO Siddhartha Lumbini insurance	3,876.00	
Total	1,329,916.66	1,300,801.38



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11: Interest Income

Interest Income is recognized in profit or loss for all financial instruments measured at amortized cost using the effective interest method. Income on assets held at fair value through profit or loss is included in the net gains/ (losses) on the financial instruments. The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability and of allocating the interest income or interest expenses over the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, the Company estimates cash flows considering all the contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

11.1: Explanatory notes

Particulars

Interest Income from cash and cash equivalents
Interest from debt securities at fair value through profit or loss
Total

	Year Ended 32.03.2082	Year Ended 31.03.2081
Interest Income from cash and cash equivalents	106,195.25	147,524.71
Interest from debt securities at fair value through profit or loss	65,626.71	67,562.51
Total	171,821.96	215,087.22

12: Net Gain/(loss) on Financial Asset held at FVTPL

12.1: Accounting Policy:

Realized gain is the difference between the cost price and realized price on the sale of the shares after deducting the selling expenses and commission expenses.

Unrealized gain is the difference between the cost price and the closing market price available at the end of the reporting period or the latest trading price if the closing price as on the year end is not available.

12.2: Net Gains/ Losses on Financial Assets Held at Fair Value through Profit or Loss has been presented below:

Particulars

Opening Balance
Effective Buy Amount
DP Charge
Broker Commission
SEBO Commission
Closing Value of Financial Assets at Cost
Cost of Financial Assets transacted
Effective sell amount
Redemption of Equity Funds
Net Realized Gains/(Losses) on Financial Assets at FVTPL
Net Unrealized Gains/(Losses) on Financial Assets at FVTPL
Total

	Year Ended 32.03.2082	Year Ended 31.03.2081
Opening Balance	52,516,327.80	29,186,570.83
Effective Buy Amount	24,692,071.32	32,957,265.72
DP Charge	8,390.47	3,225.00
Broker Commission	126,077.48	111,333.08
SEBO Commission	6,546.13	4,816.84
Closing Value of Financial Assets at Cost	(53,994,791.88)	(47,890,223.82)
Cost of Financial Assets transacted	23,354,621.32	14,372,987.65
Effective sell amount	17,497,466.29	7,418,924.80
Redemption of Equity Funds	7,834,867.92	7,470,934.56
Net Realized Gains/(Losses) on Financial Assets at FVTPL	1,977,712.89	516,871.71
Net Unrealized Gains/(Losses) on Financial Assets at FVTPL	5,822,903.50	4,626,103.98
Total	7,800,616.39	5,142,975.69



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13: Other Expenses**13.1: Accounting Policy:**

All expenses except specially mentioned are accounted on accrual basis.

All expenditure incurred in running of the business and in maintaining the property, plant and equipment in a state of efficiency has been changed to revenue in arriving at the profit for the year and presented in Statement of Profit or Loss.

Expenditure incurred for the purpose of acquiring, expanding or improving assets of a permanent nature by means of which to carry on the business or for the purpose of increasing the earning capacity of the business has been treated as capital expenditure.

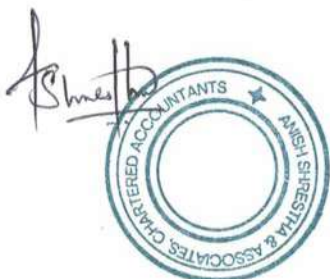
Repairs and renewals are charged to the Statement of Profit and Loss in the year in which the expenditure is incurred. The profit earned by the Company is before income tax expense and after making provision for all known liabilities and for the depreciation of property, plant & equipment.

13.2: Explanatory Notes:**13.2.1: Administration Expenses****Particulars**

	Year Ended 32.03.2082	Year Ended 31.03.2081
Audit Fees	50,000.00	56,500.00
Advertisement Expenses	6,780.00	-
Bank Charges	948.30	3,454.00
Communication Expenses	3,385.00	2,690.00
Courier Expense	10,000.00	
Office rent	180,000.00	60,000.00
Auction Charges	333.90	1,100.00
Fines and Penalty	2,394.70	6,504.18
Food and Refreshment	7,564.56	-
Legal Expenses	-	22,600.00
Repair and Maintenance Expenses	-	3,500.00
Registration and Renewal Expenses	10,000.00	
Printing and Stationery	1,090.00	-
Consultancy Expenses	33,000.00	56,500.00
Office Expenses	34,725.10	395.00
Renewal charges	6,420.00	3,150.00
Event Expenses	1,130,069.61	-
Web Hosting Expenses	11,724.61	4,000.00
Software Subscription	125,374.43	250,818.00
Miscellaneous Expenses	919.50	-
Total	1,614,729.71	471,211.18

13.2.2: Employee Benefits Expenses**Particulars**

	Year Ended 32.03.2082	Year Ended 31.03.2081
(a) Salaries and wages including bonus	1,057,417.17	691,868.26
(b) Contribution to provident and other funds	-	-
(c) Staff welfare expenses	-	-
Total	1,057,417.17	691,868.26



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14: Financial Risk Management

The company's activities are exposed to a variety of financial risk, market risk (including price risk and interest rate risk), credit risk and liquidity risk.

14.1: Market Risk

a. Price Risk

The company is exposed to equity securities price risk. This arises from investments held by the company for which prices in the future are uncertain, paragraph below sets out how this component of price risk is managed and measured. Investments are classified in the statement of financial position at fair value through profit or loans and loans and receivables. All securities investments present a risk of loss of capital. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments.

The company's policy is to manage price risk through diversification and selection of securities and other financial instruments within specified limits set by the investment advisor of the company.

All of the Company's equity investments in companies are listed in NEPSE. The company's management monitors the status of the investments in a periodical basis as per necessity.

b. Foreign Exchange Rate Risk

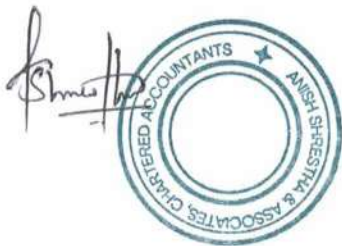
The company is not exposed to the fluctuations in exchange rates as all investments and transactions of the company are made in investments denominated in Nepalese Rupees.

c. Cash Flow and Fair Value Interest Rate Risk

The company is exposed to interest rate risk on financial instruments with variable interest rates.

Financial instruments with fixed rates expose the Company to fair value interest rate risk. The company's interest-bearing financial assets expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The risk is measured using sensitivity analysis.

The company has direct exposure to interest rate changes on the valuation and cash flows of its interest-bearing assets and liabilities. However, it may also be indirectly affected by the impact of interest rate changes on the earnings of certain companies in which the company invests and impact on the valuation of certain assets that use interest rates as an input in their valuation model.



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The Company is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other

Particulars	Units	Fair Market Value	Fair Market Value (%)	Cost	Cost (%)
Debenture	685.00	786,327.75	1.31%	795,183.00	1.47%
Microfinance	3,251.00	1,935,574.85	3.24%	1,320,021.64	2.44%
Manufacturing Company	12,930.00	21,504,417.60	35.95%	21,463,442.23	39.75%
Development Bank	15,258.00	5,363,969.96	8.97%	4,863,851.89	9.01%
Mutual Fund	106,900.00	1,151,278.00	1.92%	1,118,022.97	2.07%
Insurance Company	2,859.00	1,796,041.88	3.00%	1,830,028.00	3.39%
Commercial Bank	83,046.00	27,280,085.34	45.61%	22,604,242.15	41.86%
Total	224,929.00	59,817,695.38	100%	53,994,791.88	100%

Financial assets not subject to IFRS 9's impairment requirements

The Company is exposed to credit risk on debt instruments, money market funds and similar securities and derivative assets. These classes of financial assets are not subject to NFRS 9's impairment requirements as they are measured at FVTPL. The carrying value of these assets, under NFRS 9 represents the Fund's maximum exposure to credit risk on financial instruments not subject to the NFRS 9 impairment requirements on the respective reporting dates. Hence, no separate maximum exposure to credit risk disclosure is provided for these instruments.

14.3: Liquidity Risk

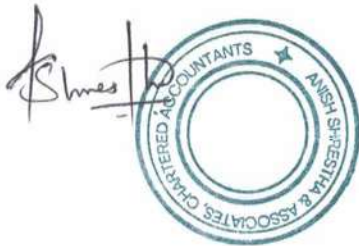
Liquidity risk is the risk that the company may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The company's policy is to invest the majority of its assets in investments that are traded in an active market or can be readily disposed.

The company's listed securities are considered readily realizable, as all are listed on the Nepal Stock Exchange (NEPSE).

The company has the ability to borrow in the short term to ensure settlement. No such borrowings have arisen during the period.

The Company's management monitors the company's liquidity position on a periodic basis.



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15. Fair Value Measurement

The company measures and recognizes the financial assets and liabilities at fair value on a recurring basis.

The Company has no assets or liabilities measured on a non-recurring basis in the current reporting period.

NFRS 13 requires disclosure of fair value measurements by level of the following fair value hierarchy:

- a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

i) Fair value in an active market (level 1)

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

The company values its investments in fair market value. For the majority of its investments, the company relies on information provided by Nepal Stock Exchange (NEPSE).

A financial instrument is regarded as quoted in an active market if quoted price are readily and regularly available from Nepal Stock Exchange (NEPSE) and are traded frequently.

ii) Fair value in an inactive or unquoted market (level 2 and level 3)

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques as seen appropriate by management.

16. Related Party Transactions

Disclosure has been made in respect of the transactions in which one party has the ability to control or exercise significant influence over the financial and operating policies/ decisions of the other, irrespective of whether a price is charged.

The company identifies the following as the related parties under the requirements of NAS 24.

- a) The member of board of directors.
- b) The key management personnel of the entity.
- c) The Subsidiary of the entity and its board of directors and key management personnel.
- d) The close member of the family of any individual referred to in (a) or (c).

17. Proposed Dividend

The company has not proposed any dividend for FY 2081/82.

18. Mortgaged Properties

The company has not taken any loans and advances during the FY 2081/82.



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Snowball Capital Private Limited

Kathmandu, Nepal

Maskewari Details

F. Y. 2081.82

Month	Taxable Sales	VAT on sales	Taxable Purchase	VAT on Purchase	Exempt Purchase	Adjustment Dr.	Adjustment Cr.	Balance
Opening Balance								-
Shrawan								-
Bhadra								-
Ashwin								-
Kartik								-
Mangsir								-
Poush								-
Magh								-
Falgun								-
Chaitra								-
Baisakh	1,119,469.00	145,530.00	1,126,946.00	146,503.00	19,570.00			(973.00)
Jestha			33,000.00					(973.00)
Asar				4,290.00				(5,263.00)
Total	1,119,469.00	145,530.00	1,159,946.00	150,793.00	19,570.00			

Sales Reconciliation:

Particulars	Amount
Taxable Sales as per maskewari	1,119,469.00
Taxable Sales as per System	1,893,163.55
Difference	(773,694.55)
Add: Difference due to pan sales i.e. before registering in VAT	773,694.59
Difference	0.04

Purchases Reconciliation:

Particulars	Amount
Taxable Purchases as per maskewari	1,179,516.00
Taxable Purchases as per System	1,181,946.27
Non-Taxable Purchase	19,570.00
Difference	(22,000.27)

VAT Reconciliation:

Particulars	Amount
VAT Receivable as per maskewari	(5,263.00)
VAT Receivable as per System	(5,262.63)
Difference	(0.37)



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Snowball Capital Private Limited

Kathmandu, Nepal

Calculation of Taxable Income & Income Tax for Income Year 2081/82

	Figures in NRs.		
	As per Income Tax Act 2058	As per PL	Difference
Revenue on Sale of shares	1,977,712.89	7,800,616.39	(5,822,903.50)
Interest Income	171,821.96	171,821.96	-
Dividend Income	-	1,329,916.66	(1,329,916.66)
Service Fees	1,893,163.55	1,893,163.55	-
Total amount to be included in Income	4,042,698.40	11,195,518.56	(7,152,820.16)
Less: Allowable Deductions :			
General deduction under section 13	2,649,752	2,652,147	(2,395)
Interest Cost under section 14	-	-	-
Cost of Trading Stock under section 15	-	-	-
Repair and Improvement under section 16	-	-	-
Pollution control cost under section 17	-	-	-
Research & Development cost under section 1	-	-	-
Depreciation under section 19	7,344	7,344	0.00
Provisions	-	-	-
Total Deductions	2,657,096	2,659,491	(2,394.70)
Gross Taxable Income/ (Loss) for the Year	1,385,602	8,536,028	(7,150,425)
Accumulated loss upto previous year	(7,624,705)		
Net Taxable Income/ (Loss) for the Year	(6,239,102)		

Calculation of Income Tax

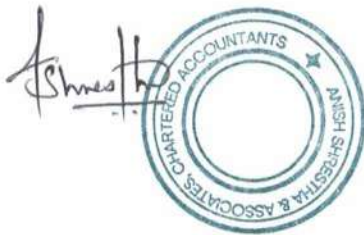
Applicable tax rate	25%
Income tax for the year	-
Fee under section 117	-
Interest under section 119	-
Total Tax	-

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Snowball Capital Private Limited
Kathmandu, Nepal

Expenses as per section 13 of Income Tax Act, 2058

	Figures in NRs.		
	As per Income Tax Act 2058	As per PL	Difference
Employee benefits	1,057,417.17	1,057,417.17	-
Administrative Expenses	1,592,335.01	1,594,729.71	(2,394.70)
Office rent	180,000.00	180,000.00	-
Auction Charges	333.90	333.90	-
Fines and Penalty	-	2,394.70	(2,394.70)
Communication Expenses	3,385.00	3,385.00	-
Legal Expenses	-	-	-
Repair and Maintenance Expenses	-	-	-
Printing and Stationery	1,090.00	1,090.00	-
Advertisement Expenses	6,780.00	6,780.00	-
Consultancy Expenses	33,000.00	33,000.00	-
Office Expenses	34,725.10	34,725.10	-
Renewal charges	6,420.00	6,420.00	-
Event Expenses	1,130,069.61	1,130,069.61	-
Web Hosting Expenses	11,724.61	11,724.61	-
Software Subscription	125,374.43	125,374.43	-
Audit Fees	50,000.00	50,000.00	-
Bank Charges	948.30	948.30	-
Food and Refreshment	7,564.56	7,564.56	-
Miscellaneous Expenses	919.50	919.50	-
	2,649,752.18	2,652,146.88	(2,394.70)



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Snowball Capital Private Limited
Kathmandu, Nepal

As per Income Tax Act 2058, Section 19: Depreciation Basis and Depreciation

Particulars/Pool of Assets	A	B	C	D	E	Total
Opening Cost		40,500.00				40,500.00
Opening Accumulated Depreciation		26,986.25				26,986.25
Addition (As per Sec. 2(5) of Annexure of income Tax A		15,862.00				15,862.00
Disposal						
Closing Depreciation Basis (Disposal Gain)		29,375.75				29,375.75
Rate of Depreciation	5%	25%	20%	15%		
Depreciation As per Section 19 and Annexure 2(5)		7,343.94				7,343.94
Opening Depreciation		26,986.25				26,986.25
Total Accumulated Depreciation		34,330.19				34,330.19
Opening WDV for Next Year						
Net closing WDV of current year		22,031.81				22,031.81
Unabsorbed addition						
Capitalised portion of Repair and Maintenance						
Total Opening WDV for Next Year		22,031.81				22,031.81

Repair and Maintenance As per sec. 16 of Income Tax Act, 2058

Particulars/Pool of Assets	A	B	C	D	E	Total
WDV for Repair and Maintenance		29,375.75				29,375.75
7% of WDV		2,056.30				2,056.30
Actual Repair and Maintenance						
Repair and Maintenance As per Income Tax Act, 2058						
Capitalised portion of Repair and Maintenance						

As per sec 2(5) of Annexure of income Tax Act 2058 : Addition during the year

Particulars/Pool of Assets	A	B	C	D	E	Total
Total Cost of Addition During The Year		15,862				15,862
Purchase upto Pouch		15,862				15,862
Purchase from Magh to Chaitra						
Purchase from Baishak to Ashadh						
Total Absorbed Addition		15,862				15,862
Unabsorbed Addition (Addition for next year)						



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