

Independent Auditor's Report

To the Shareholders of Sopan Multiple Company Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of the Sopan Multiple Company Limited (the "Company") and its subsidiary (the "Group"), which comprise the consolidated statement of financial position as at Ashadh 31, 2081 (July 15, 2024), and the consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements presents fairly, in all material respects, the consolidated financial position of the Group as at Ashadh 31, 2081 (July 15, 2024), and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Nepal Financial Reporting Standards.

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 *Auditors Responsibilities for the Audit of the Consolidated Financial Statements* section of our Report. We are independent of the Group in accordance with the *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 other ethical responsibilities in accordance with these requirements and ICAN's Handbook of Code of Ethics for Professional Accountants. 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 judgement, were of most significance in the audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated 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.

S.N.	Key Audit Matters	Auditor's Response
1.	Information Technology General Controls IT controls with respect to recording transactions, generating various reports in compliance to regulators is an important part of the process. Such reporting is highly dependent on the effective working of the information systems used. We have considered this as key audit matter as any control lapses, validation failures, incorrect input data and wrong extraction of data may result in wrong reporting of data to the management, shareholders, and regulators	Our audit approach regarding Information technology of the company is included: - Understanding the feeding of the data in the system and going through the extraction of the financial information and statements from the IT system existing in the company - Reviewing the reports generated by the system on sample basis. We also verified the income booking under various revenue stream on test basis with the system.

Responsibility of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Nepal Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 high level of assurance but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists. Misstatement 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 consolidated 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 risk of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtained 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 purposes of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management,
- Conclude on the appropriateness of the 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 Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

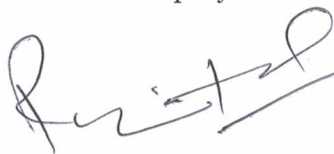
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on the requirements of Company Act, 2063

We have obtained satisfactory information and explanations asked for, which to the best of our knowledge and belief were necessary for the purpose of our audit; the returns received from the Company were adequate for the purpose of the audit; the consolidated financial statements including the consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows including a summary of significant accounting policies and other explanatory notes have been prepared in all material respect in accordance with the provisions of the Company Act, 2063, and they are in agreement with the books of accounts of the Company; and the accounts and records of the Company are properly maintained in accordance with the prevailing laws.

To the best of our information and according to the explanations given to us, in the course of our audit, we observed the business of the Company was conducted satisfactorily, and the Company's transactions were found to be within the scope of its authority. We did not come across cases of accounting related fraud and the cases where the board of directors or any director or any office bearer of the Company has acted contrary to the provisions of law or caused loss or damage to the Company or committed any misappropriation of the funds of Company.



Ramesh Kumar Dhital
Partner



Place: Kathmandu, Nepal
Date: December 09, 2024

UDIN: 250105CA00577RkxgA

Sopan Multiple Company Limited
Subidhanagar-32, Tinkune, Kathmandu
Consolidated Statement of Financial Position
As on 31st Ashadh 2081 (15th July 2024)

Particulars	Notes	Group			Company		
		31st Ashadh 2081	31st Ashadh 2080 (Restated)	1st Shrawan 2079 (Restated)	31st Ashadh 2081	31st Ashadh 2080 (Restated)	1st Shrawan 2079 (Restated)
Assets							
Non-Current Assets							
Property, Plant and Equipment	3.1	3,071,102,208	1,903,494,591	2,006,166,360	2,444,723	2,978,193	3,740,793
Intangible Assets	3.2	300,980,682	300,944,960	300,995,629	3,693	4,616	5,770
Investment	3.3	222,105,550	224,584,646	223,551,824	1,121,669,630	1,082,169,630	1,149,426,777
Investment Properties	3.4	297,269,759	247,769,634	254,611,394	45,569,759	171,722,071	169,122,072
Deferred Tax Assets	3.5	-	-	38,095,804	4,949,357	15,920,075	13,020,087
Other Non Current Assets	3.6	7,734,395	5,284,051	8,263,400	-	-	-
Total Non Current Assets (A)		3,899,192,595	2,682,077,882	2,831,684,412	1,174,637,162	1,272,794,585	1,335,315,499
Current Assets							
Inventories	3.7	65,800,971	58,462,231	60,104,446	-	-	-
Loans Advances and Deposits	3.8	60,131,480	34,353,536	20,943,809	60,298,669	52,761,996	100,729,481
Trade and Other Receivables	3.9	197,964,641	146,176,377	31,245,945	-	-	-
Cash and Cash Equivalents	3.10	126,631,296	22,006,218	42,278,037	36,639,283	96,728	16,104,091
Other Current Assets	3.11	32,742,708	37,323,343	42,484,173	21,845,091	17,223,623	15,275,964
Total Current Assets (B)		483,271,095	298,321,704	197,056,410	118,783,043	70,082,347	132,109,536
Total Assets (A+B)		4,382,463,688	2,980,399,584	3,028,740,821	1,293,420,204	1,342,876,931	1,467,425,035
Equity & Liabilities							
Share Capital	3.12	1,166,000,000	1,068,880,800	1,060,000,000	1,166,000,000	1,068,880,800	1,060,000,000
Advance for Share Capital	3.14	-	16,300,000	5,968,750	-	-	-
Reserves and Surplus	3.13	(294,806,467)	(405,860,587)	(103,076,092)	74,989,316	29,036,317	23,925,833
Other Reserve	3.15	1,457,532,493	579,699,855	639,791,701	-	-	-
Equity attributable to Owners of Parent		2,328,726,026	1,259,020,068	1,602,684,359	-	-	-
Non- Controlling Interest (NCI)		568,731,693	298,154,799	18,296,532	-	-	-
Total Equity (C)		2,897,457,720	1,557,174,866	1,620,980,891	1,240,989,316	1,097,917,117	1,083,925,833
Non Current Liabilities							
Long Term Borrowings	3.16	570,761,542	862,104,346	948,694,301	15,000,000	205,550,137	251,000,000
Other Non Current Liabilities	3.17	53,208,374	55,478,797	48,417,782	-	-	-
Deferred Tax Liability	3.5	378,323,311	53,717,143	-	-	-	-
Long Term Provision	3.18	4,857,726	5,324,597	22,481,936	-	-	-
Total Non Current Liabilities (D)		1,007,150,953	976,624,883	1,019,594,019	15,000,000	205,550,137	251,000,000
Current Liabilities							
Trade & Other Payables	3.19	132,112,577	120,002,440	111,999,418	6,038,164	8,855,700	100,981,774
Current Portion Of Non-Current Liabilities	3.20	122,055,379	64,803,382	78,499,170	29,956,185	28,992,208	29,882,019
Short term Borrowings	3.21	200,028,345	229,381,785	158,335,385	-	-	-
Short term Provision	3.22	12,605,934	20,195,532	20,947,003	-	-	-
Other Current Liabilities	3.23	11,052,780	12,216,697	18,384,935	1,436,539	1,561,769	1,635,409
Total Current Liabilities (E)		477,855,016	446,599,835	388,165,911	37,430,888	39,409,677	132,499,202
Total Liabilities F=(D + E)		1,485,005,968	1,423,224,718	1,407,759,930	52,430,888	244,959,814	383,499,202
Total Equity and Liabilities (C+F)		4,382,463,688	2,980,399,584	3,028,740,821	1,293,420,204	1,342,876,931	1,467,425,035

The accompanying notes are an integral part of this financial statements.

Dr. Birendra Pd. Mahato
Chairman

Mr. Suman Rijal
Account Officer

As per our report on even date

Ramesh Kumar Dhital, FCA
Partner
For S.A.R. Associates,
Chartered Accountants

Dr. Er. Tara Pd. Pokharel
Board Director

Er. Rameshwar Rijal
Board Director

Mr. Ashok Kumar Khadka
Board Director

Mr. Anish Shah
Board Director

Mrs. Laila Basyal
Independent Director



Sopan Multiple Company Limited
Subidhanagar-32, Tinkune, Kathmandu
Consolidated Statement of Profit or Loss
For the year ended 31st Ashadh 2081 (15th July 2024)

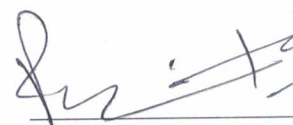
Particulars	Notes	Group		Company	
		2080-81	2079-80	2080-81	2079-80
Revenue From Operation	3.25	631,805,608	452,562,084	186,500,000	-
Other Income	3.26	210,204,621	27,183,861	2,247,055	33,726,501
Project Income	3.27	7,553,024	22,461,376	-	-
Income from Associate	3.28	258,101	2,467,399	-	-
Total Income		849,821,354	504,674,720	188,747,055	33,726,501
Expenses					
Cost of Sales	3.29	360,944,605	237,830,041	126,152,312	(0)
Employee Benefit Expenses	3.30	78,208,140	84,055,918	1,582,764	1,221,630
Office and Administrative Expenses	3.31	73,753,160	71,881,121	3,062,536	2,890,966
Selling And Distribution Cost	3.32	43,625,313	52,981,127	-	-
Depreciation and Amortization	3.33	28,579,939	30,062,736	607,393	763,754
Employee Bonus	3.34	-	-	-	-
Finance Costs	3.35	122,711,836	136,318,199	22,423,133	26,639,654
Project Expenses	3.36	7,553,024	24,348,673	-	-
Total Expenses		715,376,017	637,477,815	153,828,138	31,516,004
Profit Before Tax		134,445,337	(132,803,094)	34,918,917	2,210,497
Income Tax Expenses	3.37	43,222,113	121,718,027	10,970,718	(2,899,988)
Profit for the Year		91,223,223	(254,521,121)	23,948,199	5,110,485
Profit attributable to :					
Equity holders of the Company		118,532,768	(254,412,639)	23,948,199	5,110,485
Non Controlling interest		(27,309,544)	(108,483)	-	-
Basic Earning Per Share		9	(24)	2.24	0.48
Diluted Per Share		9	(24)	2.24	0.48

As per our report on even date

The accompanying notes are an integral part of this financial statements.


Dr. Birendra Pd. Mahato
Chairman

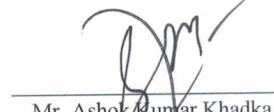

Mr. Suman Rijal
Account Officer


Ramesh Kumar Dhital, FCA
Partner
For S.A.R. Associates,
Chartered Accountants



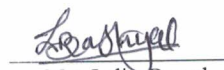

Dr. Er. Tara Rsa Pokharel
Board Director


Er. Rameshwar Rijal
Board Director


Mr. Ashok Kumar Khadka
Board Director


Mr. Anish Shah
Board Director




Mrs. Lalita Basyal
Independent Director

Date:

Place: Kathmandu, Nepal

Sopan Multiple Company Limited
Subidhanagar-32, Tinkune, Kathmandu
Consolidated Statement of Other Comprehensive Income
For the year ended 31st Ashadh 2081 (15th July 2024)

Particulars	Group		Company	
	2080-81	2079-80	2080-81	2079-80
Profit for the year	91,223,223	(254,521,121)	23,948,199	5,110,485
Other comprehensive income, net of income tax				
<i>a) Items that will not be reclassified to profit or loss</i>				
Gains/(losses) from investments in equity instruments measured at fair value	367,284,554	(1,431,698)		
Gains/(losses) on revaluation	678,922,292	(69,220,811)		
Actuarial gains/(losses) on defined benefit plans				
Income tax relating to above items	(169,727,974)	14,009,306		
Net other comprehensive income that will not be reclassified to profit or loss	876,478,872	(56,643,203)	-	-
<i>b) Items that are or may be reclassified to profit or loss</i>				
Gains/(losses) on cash flow hedge				
Income tax relating to above items				
Reclassify to profit or loss				
c) Share of OCI of associate accounted as per equity method	(10,396)	190,620		
Other comprehensive income for the year, net of income tax	876,468,476	(56,452,582)	-	-
Total comprehensive income for the year	967,691,700	(310,973,704)	23,948,199	5,110,485
Total comprehensive income attributable to:				
Equity holders of the Company	995,001,244	(310,865,221)		
Non-controlling interest	(27,309,544)	(108,483)		
Total comprehensive income for the period	967,691,700	(310,973,704)	23,948,199	5,110,485

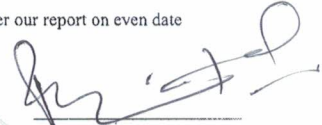
The accompanying notes are an integral part of this financial statements.

As per our report on even date


Dr. Birendra Pd. Mahato
Chairman


Mr. Saman Rijal
Account Officer



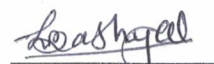

Ramesh Kumar Dhital, FCA
Partner
For S.A.R. Associates,
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Board Director


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Mr. Ashok Kumar Khadka
Board Director


Mr. Anish Shah
Board Director


Mrs. Lalita Basyal
Independent Director



Date:
Place: Kathmandu, Nepal

Sopan Multiple Company Limited
Subidhanagar-32, Tinkune, Kathmandu
Consolidated Statement of Cash Flow
For the year ended 31st Ashadh 2081 (15th July 2024)

Particulars	Group		Company	
	2080-81	2079-80	2080-81	2079-80
Cash Flows from Operating Activities				
Profit After Tax:	91,223,223	(254,521,121)	23,948,199	5,110,485
Adjustment for:				
Adjustment of Previous Year	3,293,954	-	-	-
Share Premium Income	22,004,800	-	22,004,800	-
Share on Profit and Loss of Investment	(258,101)	(2,467,399)	-	-
Adjustment for Provision of Loss	7,882,875	-	-	-
Depreciation on Fixed Assets	28,573,938	30,034,826	607,393	763,754
Revaluation Reserve	503,269,855	-	-	-
Amortisation of Intangibles	6,000	27,910	-	-
Profit/ Loss on Sale Of Fixed Assets	(735,829)	(409,944)	-	-
CSR Expenses	(100,000)	(344,371)	-	-
Finance Income	(35,252,380)	211,885,173	-	-
Finance Charge	31,378,332	128,877,887	22,423,133	26,639,654
Interest Expense	85,249,856	-	-	-
Deferred Tax	55,304,960	2,150,215	10,970,718	(2,899,988)
Interest Received	(188,076)	(222,992)	-	-
Operating Profit before working capital changes	791,653,408	115,010,184	79,954,243	29,613,904
(Increase)/ Decrease in Current Assets				
Trade Receivables	(53,328,197)	(100,680,432)	-	-
Inventories	(15,221,615)	1,642,216	-	-
Other Current Assets	44,831,202	(32,027,148)	(2,797,500)	-
(Increase)/ Decrease in Non-Current Assets	116,790,083	91,761,404	116,791,671	43,419,826
Increase/ (Decrease) in Current Liabilities				
Trade & Other Payables	(36,452,443)	47,898,597	-	-
Current Tax Liabilities	(444,313)	2,881	-	-
Provision	(3,552,001)	-	-	-
Short term Borrowings	(7,914,158)	38,448,241	-	-
Other Current Liabilities	(2,989,714)	(91,201,653)	(12,028,926)	(129,039,387)
Cash Generated From Operations	833,372,252	70,854,290	181,919,488	(56,005,657)
Interest Paid	(107,672,989)	(121,335,306)	(22,423,133)	(26,639,654)
Income Tax	16,944,110	(114,734,354)	-	-
Net Cash flows from Operating activities	742,643,373	(165,215,370)	159,496,355	(82,645,311)
Cash Flows from Investing Activities				
(Purchase)/ Sale of Property and Equipment	(706,486,539)	3,438,892	(73,000)	-
Increase/(Decrease) in Investments	(39,500,000)	67,257,147	(39,500,000)	67,257,147
(Purchase)/ Sale of Intangible Assets	(24,000)	9,441,759	-	-
(Purchase)/ Sale of Capital WIP	735,829	409,944	-	-
Interest Received	191,992	3,603,849	-	-
Net Cash Flows from Investing Activities	(745,082,718)	84,151,591	(39,573,000)	67,257,147
Cash Flows from Financing Activities				
Proceeds from issue of Equity and Preference ShareCapital	407,119,200	542,903,899	97,119,200	8,880,800
Proceeds Advance Against Share Capital	(16,300,000)	(409,058,106)	-	-
Dividend Paid	(15,000,000)	(34,000,000)	-	-
Proceeds from/ (Repayment) of Non- Current Borrowings	(251,589,752)	(16,816,889)	(180,500,000)	(9,500,000)
Proceeds from/ (Repayment) of Other Non- Current Liabilities	(2,126,178)	(7,254,052)	-	-
Interest Paid	(15,038,847)	(14,982,892)	-	-
Net Cash Flows from Financing Activities	107,064,423	60,791,960	(83,380,800)	(619,200)
Net Increase (Decrease) in Cash and Cash Equivalents	104,625,078	(20,271,819)	36,542,555	(16,007,364)
Cash and Cash Equivalents at the Beginning of the Period	22,006,218	42,278,037	96,728	16,104,092
Cash and Cash Equivalents at the End of the Period	126,631,296	22,006,218	36,639,283	96,728

The accompanying notes are an integral part of this financial statements.

As per our report on even date

Dr. Birendra Pd. Mahato
Chairman

Mr. Suman Rijal
Account Officer

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Mrs. Lalita Bhandari



Sopam Multiple Company Limited
Subdhanagar-32, Tinkune, Kathmandu
Statement of Changes in Equity Group

Particulars	Share Capital	Share Premium	Retained Earnings	Share Based Payment Reserve	Fair Value Reserve	Corporate Social Responsibility Fund	Revaluation Reserve	Actuarial Reserve	Total	Non-Controlling Interest	Total Group Equity
Balance at Shrawan 01, 2079	1,407,101,901		(102,377,770)		(728,667)	632,596	700,799,772		2,005,427,832	-	2,005,427,832
Adjustment/Restatement	(347,101,901)		(61,637,401)					27,079	(408,712,223)	18,296,532	(390,415,691)
Adjustment Due to Restatement in Sopam Pharma			60,939,079				(60,939,079)				
Adjustment/Restated Balance as at Shrawan 01, 2079	1,060,000,000		(103,076,092)		(728,667)	632,596	639,860,693	27,079	1,596,715,609	18,296,532	1,615,012,141
NFRS 3 Consolidation Adjustment											
Comprehensive Income for the year			(254,412,639)						(254,412,639)	(108,483)	(254,521,121)
Profit for the year											
Other Comprehensive Income, Net of Tax					(1,218,899)				(1,218,899)		(1,218,899)
Gains/(losses) from investment in equity instruments measured at fair value									(55,376,649)		(55,376,649)
Gains/(losses) on revaluation							(55,376,649)		142,965		142,965
Actuarial gains/(losses) on defined benefit plans Associate											
Gains/(losses) on cash flow hedge											
Total Comprehensive Income for the year			(263,968)						(263,968)		(263,968)
Transfer to Reserves during the year						263,968			263,968		263,968
Transfer from Reserves during the year			(49,966,749)							279,966,749	
Effect of change in holding without losing control											
Transactions with Owners, directly recognized in Equity											
Share Issued	8,880,800										
Advance for Share Capital			32,000								
Expenditure made out of CSR Fund			(3,075,000)	3,075,000							
ESOP Adjustment			6,601,861					(6,601,861)			
Transfer to Retained Earning from Revaluation Reserve on Disposal											
Dividend to Equity-Holders											
Bonus Shares											
Cash Dividend			(1,700,000)						(1,700,000)		(1,700,000)
Balance at Ashad 32, 2080	1,068,880,800		(405,860,587)	3,075,000	(1,947,566)	520,193	577,882,183	170,044	1,242,720,068	298,154,799	1,540,874,866
Adjustments											
NFRS 3 Consolidation Adjustment											
Adjustment in Kandipur SOE			(33,985)						(33,985)		(33,985)
Comprehensive Income for the year			118,532,768						118,532,768		118,532,768
Profit for the year			151,139						151,139		151,139
Deferred Tax Adjustment											
Other Comprehensive Income, Net of Tax											
Gains/(losses) from investment in equity instruments measured at fair value											
Revaluation Reserve arising on revaluation of ACME											
Gains/(losses) on revaluation											
Actuarial gains/(losses) on defined benefit plans Associate											
Gains/(losses) on cash flow hedge											
Total Comprehensive Income for the year			(27,386,439)						(27,386,439)		(27,386,439)
Effect of change in holding without losing control											
Transfer to Reserves during the year			(1,464,162)						1,464,162		1,464,162
Transfer from Reserves during the year											
Transactions with Owners, directly recognized in Equity											
Share Issued	97,119,200	22,004,800									
Expenditure made out of CSR Fund											
Dividend to Equity-Holders											
Bonus Shares											
Cash Dividend											
Balance at Ashad 31, 2081	1,166,000,000	22,004,800	(316,811,267)	3,075,000	365,336,988	1,884,355	1,087,076,501	159,648	2,328,726,026	568,731,693	2,897,457,720



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Sopam Multiple Company Limited
Subsidiary-32, Tinkune, Kathmandu
Statement of Changes in Equity Company

Particulars	Share Capital	Share Premium	Retained Earnings	Share Based Payment Reserve	Fair value Reserve	Corporate Social Responsibility Fund	Revaluation Reserve	Actuarial Reserve	Total	Non-Controlling Interest Share	Total Group Equity
Balance at Shrawan 01, 2079	1,060,000,000		23,925,833						1,083,925,833		1,083,925,833
Adjustment/Restatement											
Adjustment/Restated Balance as at Shrawan 01, 2079	1,060,000,000		23,925,833						1,083,925,833		1,083,925,833,00
Comprehensive Income for the year											
Profit for the year			5,110,485						5,110,485		5,110,485
Other Comprehensive Income, Net of Tax											
Gains/(losses) from investment in equity instruments measured at fair value											
Gains/(losses) on revaluation											
Actuarial gains/(losses) on defined benefit plans											
Total Comprehensive Income for the year											
Transfer to Reserves during the year											
Transfer from Reserves during the year											
Transactions with Owners, directly recognized in Equity											
Share Issued											
Advance for Share Capital	8,880,800										
Transfer to Retained Earning from Revaluation Reserve on Disposal											
Dividend to Equity-Holders											
Bonus Shares											
Cash Dividend											
Balance at Ashad 31, 2080	1,068,880,800		29,036,318						1,097,917,118		1,097,917,118
Comprehensive Income for the year											
Profit for the year			23,948,199						23,948,199		23,948,199
Deferred Tax Adjustment											
Other Comprehensive Income, Net of Tax											
Gains/(losses) from investment in equity instruments measured at fair value											
Gains/(losses) on revaluation											
Actuarial gains/(losses) on defined benefit plans											
Total Comprehensive Income for the year											
Share Issued	97,119,200	22,004,800							119,124,000		119,124,000
Dividend to Equity-Holders											
Bonus Shares											
Cash Dividend											
Balance at Ashad 31, 2081	1,166,000,000	22,004,800	52,984,516						1,240,989,316		1,240,989,316

The accompanying notes are an integral part of this financial statements.



Dr. Birendra Pd. Mahato
Chairman

Mr. Sunan Rijal
Account Officer

Ramesh Kumar Dhital, FCA
Partner
For S.A.R. Associates,
Chartered Accountants

Dr. Er. Tara Poudel
Board Director

Er. Rameshwar Rijal
Board Director

Mr. Ashok Kumar Khadka
Board Director

Mr. Anish Shah
Board Director

Mrs. Lalita Basyal
Independent Director

Sopan Multiple Company Limited
Subidhanagar-32, Tinkune, Kathmandu

Property Plant and Equipment

Schedule 3.1

Property Plant and Equipment	Group											
	Particulars	Land	Building	Office Equipment, Furniture and Computer	Vehicles	Lab Equipments & Machinery	Electrical and Electronics	Sport Items, Books	Plant & Machinery	Electricity Extension Line	Miscellaneous	Total
Cost												
As on Shrawan 1, 2079		1,084,875,842	467,874,215	18,777,977	20,276,030	14,529,526	100,357	3,675,079	395,027,332	832,077	199,076	2,006,167,511
Addition during the Year		-	1,373,061	3,377,343	8,188,900	3,995,051	-	206,624	7,520,184	-	-	24,661,163
Disposal during the year		(97,209,206)	-	-	(62,146)	-	-	-	-	-	-	(97,271,352)
Adjustment/Revaluation		-	-	-	-	-	-	-	-	-	-	-
Depreciation for the year		-	(8,953,781)	(3,725,914)	(4,107,420)	(2,523,933)	(15,433)	(573,247)	(10,008,335)	(124,812)	(29,862)	(30,062,737)
Carrying Amount as on Asadh end 2080		987,666,636	460,293,495	18,429,406	24,295,364	16,000,644	84,924	3,308,456	392,539,181	707,265	169,214	1,903,494,585
Addition during the Year		8,960,400	4,536,903	5,703,710	-	1,035,807	-	349,998	7,743,817	-	-	28,330,635
Disposal during the year		-	-	-	(805,713)	-	-	-	-	-	-	(805,713)
Adjustment		6,277,219	(6,271,219)	-	-	-	-	-	-	-	-	6,000
Revaluation Gain/Loss		884,356,939	284,278,092	-	-	-	-	-	-	-	-	1,168,635,031
Depreciation for the year		-	(7,785,440)	(3,739,481)	(3,954,900)	(2,534,852)	(13,024)	(521,639)	(9,877,525)	(106,090)	(25,383)	(28,558,334)
Carrying Amount as on Asadh end 2081		1,887,261,194	735,051,831	20,393,635	19,534,751	14,501,599	71,900	3,136,815	390,405,473	601,175	143,831	3,071,102,204

Property Plant and Equipment

Company											
Particulars	Land	Building	Office Equipment, Furniture and Computer	Vehicles	Lab Equipments	Electrical and Electronics	Sport Items, Books	Plant & Machinery	Electricity Extension Line	Miscellaneous	Total
Cost	-	-	288,822	3,451,971	-	-	-	-	-	-	3,740,793
As on Shrawan 1, 2079	-	-	-	-	-	-	-	-	-	-	-
Addition during the Year	-	-	-	-	-	-	-	-	-	-	-
Acquisition	-	-	-	-	-	-	-	-	-	-	-
Capitalization	-	-	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	-	-	-	-	-	-	-	-	-
Adjustment/Revaluation	-	-	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	-	(72,206)	(690,394)	-	-	-	-	-	-	(762,600)
Impairment for the year	-	-	-	-	-	-	-	-	-	-	-
Carrying Amount as on Asar end 2080	-	-	216,616	2,761,577	-	-	-	-	-	-	2,978,193
Addition during the Year	-	-	73,000	-	-	-	-	-	-	-	73,000
Disposal during the year	-	-	-	-	-	-	-	-	-	-	-
Adjustment/Revaluation	-	-	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	-	(54,154)	(552,315)	-	-	-	-	-	-	(606,469)
Impairment for the year	-	-	-	-	-	-	-	-	-	-	-
Carrying Amount as on Asar end 2081	-	-	235,462	2,209,262	-	-	-	-	-	-	2,444,724



Sopan Multiple Company Limited
Subidhanagar-32, Tinkune, Kathmandu

Schedule 3.2

Intangible Assets

Group

Particulars	Goodwill	Software	Software-Capital WIP	Others	Total
Cost					
As on Shrawan 1, 2079	300,409,778	33,680	465,750	86,422	300,995,630
Addition during the Year	-	-	-	-	-
Acquisition	-	-	-	-	-
Capitalization	-	-	-	-	-
Disposal during the year	-	-	-	-	-
Adjustment/Revaluation	-	(29,064)	-	(21,606)	(50,670)
Ammortization for the year	-	-	-	-	-
Impairment for the year	-	-	-	-	-
Carrying Amount as on Asar end 2080	300,409,778	4,616	465,750	64,816	300,944,960
Addition during the Year	-	-	-	-	-
Acquisition	-	-	-	-	-
Capitalization	-	30,000	34,250	-	64,250
Disposal during the year	-	-	-	-	-
Adjustment/Revaluation	-	-	-	-	-
Ammortization for the year	-	(6,923)	-	(21,605)	(28,528)
Impairment for the year	-	-	-	-	-
Carrying Amount as on Asar end 2081	300,409,778	27,693	500,000	43,211	300,980,682

Schedule 3.2

Intangible Assets

Company

Particulars	Goodwill	Software	Software-Capital WIP	Others	Total
Cost					
As on Shrawan 1, 2079	-	-	-	-	-
Addition during the Year	-	5,770	-	-	5,770
Acquisition	-	-	-	-	-
Capitalization	-	-	-	-	-
Disposal during the year	-	-	-	-	-
Adjustment/Revaluation	-	(1,154)	-	-	(1,154)
Ammortization for the year	-	-	-	-	-
Impairment for the year	-	-	-	-	-
Carrying Amount as on Asar end 2080	-	4,616	-	-	4,616
Addition during the Year	-	-	-	-	-
Acquisition	-	-	-	-	-
Capitalization	-	-	-	-	-
Disposal during the year	-	-	-	-	-
Adjustment/Revaluation	-	-	-	-	-
Ammortization for the year	-	(923)	-	-	(923)
Impairment for the year	-	-	-	-	-
Carrying Amount as on Asar end 2081	-	3,693	-	-	3,693

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Sopan Multiple Company Limited
Subidhanagar-32, Tinkune, Kathmandu

Schedule 3.3

Investments

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Investment in Subsidiaries	-	-	-	982,077,380	942,577,380	1,009,834,527
Investment in Associates	111,226,608	110,978,903	108,320,883	105,615,800	105,615,800	105,615,800
Other Investment	110,878,942	113,605,742	115,230,941	33,976,450	33,976,450	33,976,450
Total	222,105,550	224,584,646	223,551,824	1,121,669,630	1,082,169,630	1,149,426,777

3.3.1: Investment in subsidiaries

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Sharwan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Sharwan 2079
Acme Engineering College	-	-	-	168,543,255	168,543,255	168,543,255
Kantipur Engineering College	-	-	-	254,959,125	254,959,125	254,959,125
Sopan Properties Company Limited	-	-	-	10,000,000	10,000,000	10,000,000
Sopan Pharmaceuticals Limited	-	-	-	489,500,000	450,000,000	500,000,000
Molnia Power Limited	-	-	-	59,075,000	59,075,000	76,332,147
Total	-	-	-	982,077,380	942,577,380	1,009,834,527

3.3.2: Investment in associates

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Sharwan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Sharwan 2079
Mailun Khola Jal Vidhyut Company Limited	111,226,608	110,978,903	108,320,883	105,615,800	105,615,800	105,615,800
Total	111,226,608	110,978,903	108,320,883	105,615,800	105,615,800	105,615,800

3.3.3: Other Investments

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Sharwan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Sharwan 2079
Mathillo Mailun Khola Jalvidhyut Limited	108,001,450	108,001,450	108,001,450	33,976,450	33,976,450	33,976,450
Kalash Properties Limited	-	-	-	-	-	-
Middle Mailun Khola Power Ltd.	-	2,726,800	2,726,800	-	-	-
Investment in Star Hospital	2,877,492	2,877,492	4,502,691	-	-	-
Total	110,878,942	113,605,742	115,230,941	33,976,450	33,976,450	33,976,450

Schedule 3.4

Investment Properties

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Kuleshwar Land & Building	-	-	-	-	-	-
Pokhara Land	-	-	-	-	-	-
Dhapakhel Land	251,700,000	76,047,563	85,489,322	-	-	-
Lubhu Land	-	-	-	-	-	-
Nabalparasi Land (Beldehia)	-	-	-	-	-	-
Nabalparasi Land (Pithauli)	2,397,802	2,397,802	2,397,802	2,397,802	2,397,802	2,397,802
Chapali Land	2,600,000	2,600,000	-	2,600,000	2,600,000	-
Dhapakhel Land	-	-	-	-	-	-
Dadagaun Land	20,513,957	20,513,957	20,513,958	20,513,957	20,513,957	20,513,958
Lubhu Land	6,188,000	6,188,000	6,188,000	6,188,000	6,188,000	6,188,000
Nabalparasi Land (Beldehia)	8,670,000	8,670,000	8,670,000	8,670,000	8,670,000	8,670,000
Nabalparasi Land (Pithauli)	5,200,000	5,200,000	5,200,000	5,200,000	5,200,000	5,200,000
Pokhara Land	-	-	-	-	-	-
Harisiddi Land	-	126,152,312	126,152,312	-	126,152,312	126,152,312
Kuleshwar Land and Building	-	-	-	-	-	-
Total	297,269,759	247,769,634	254,611,394	45,569,759.00	171,722,071.00	169,122,072.00



Sopan Multiple Company Limited
Subidhanagar-32, Tinkune, Kathmandu

Other Non Current Assets

Schedule 3.6

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
NTC Security Deposit	880,256	25,000	25,000	-	-	-
Hal Chowk Fuel Station	25,000	25,000	25,000	-	-	-
Sopan Multiple Company Ltd.	-	-	-	-	-	-
Receivable Kalas Properties	-	-	-	-	-	-
Fee Receivables	3,929,139	2,334,051	5,313,400	-	-	-
Shakti Devi Petrol Station	400,000	400,000	400,000	-	-	-
Tribhuvan University (Nepal Bank Ltd)	2,500,000	2,500,000	2,500,000	-	-	-
Advance to Molina	-	-	-	-	-	-
Advance to Sopan Pharma	-	-	-	-	-	-
Total	7,734,395	5,284,051	8,263,400	-	-	-

Inventories

Schedule 3.7

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Harisiddi Land	-	7,882,875	7,882,875	-	-	-
Kuleshwor Land and Building	-	-	-	-	-	-
Raw-Material	63,403,281	33,959,778	31,658,193	-	-	-
Finished Goods	2,397,690	16,619,578	20,563,378	-	-	-
Total	65,800,971	58,462,231	60,104,446	-	-	-

Loans Advances and Deposits

Schedule 3.8

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Advance to Staff	3,197,624	1,974,773	1,619,748	1,255,325	1,477,650	1,263,000
Dividend Recievable	-	-	-	-	14,250,000	32,300,000
Rent Receivable	774,155	925,793	1,786,541	774,155	925,793	1,786,541
Land Advance	40,058,800	14,658,560	-	40,058,800	14,658,560	-
Deposit on NMB Bank	-	450,000	450,000	-	-	-
Custom & Transportation Agent	-	-	3,619,140	-	-	-
LC/TT Margin and Advance	4,299,190	2,004,215	2,640,220	-	-	-
Prepaid Expenses	-	3,842,032	4,186,113	-	-	-
Capital Gain Tax	-	-	-	-	-	-
Advance for House Rent	-	550,000	-	-	-	-
Deposit with Vendor and Other Deposit	828,500	311,000	331,600	18,142,139	17,596,339	9,000
Prepaid Advances	4,099,251	-	-	-	-	-
Advance to Supplier	6,459,210	-	-	-	-	-
Other Loan Advances and Deposits	414,750	9,637,163	6,310,448	68,250	3,853,654	65,370,940
Total	60,131,480	34,353,536	20,943,809	60,298,669	52,761,996	100,729,481

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Sopan Multiple Company Limited
Subidhanagar-32, Tinkune, Kathmandu

3.8.1: Other Loan Advances and Deposits

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Sopan Pharmaceuticals Limited	-	-	-	-	3,813,654	65,366,257
KSA Multi Suppliers P. Ltd	-	-	4,683	-	-	4,683
Sopan Healthcare Limited	68,250	40,000	-	68,250	40,000	-
Sopan Multipal Company	-	-	-	-	-	-
Deepak Thapa	-	1,565,000	1,565,000	-	-	-
Designco Nepal Pvt. Ltd.	-	80,000	80,000	-	-	-
Dirgha Dahal - Amini	-	20,000	20,000	-	-	-
Madhu Kumari Choudhary	-	20,790	20,790	-	-	-
Bhanu Bhakta Pokhrel - Sarkar Law Firm	-	50,000	50,000	-	-	-
Lal Babu Fabricator	-	-	-	-	-	-
Rajesh Hardware	-	16,958	25,542	-	-	-
A & A Labels Pvt Ltd	-	-	112,105	-	-	-
Caprihans India Limited	-	282	283	-	-	-
DPB Antibiotics	-	-	117,910	-	-	-
Konark Machine Tools	-	-	1,073,005	-	-	-
Nosch Labs Pvt Ltd	-	-	32,030	-	-	-
Pooja Industries	-	43,215	43,215	-	-	-
Printmann Offset Pvt Ltd	-	-	134,606	-	-	-
Rachana Overseas INC.	-	-	3,352	-	-	-
Svam Toyal Packaging Industries Pvt Ltd	-	311	311	-	-	-
Supreem Pharmaceuticals Mysore Pvt Ltd	-	1,606	21,065	-	-	-
Signet Excipients Pvt Ltd	-	-	793,944	-	-	-
Techmac Engineering Works	-	65,870	226,020	-	-	-
Care Ratings Nepal Ltd	-	479,450	156,100	-	-	-
Chandika Print Pack	-	1,426	58,000	-	-	-
Fablab Engineering India Pvt Ltd	-	555,754	803,987	-	-	-
Capital Gain Tax	-	-	-	-	-	-
Advance - Raju Rajthala	-	1,000,000	-	-	-	-
Sopan HealthCare Limited	-	5,050,000	-	-	-	-
Janata Press House Pvt. Ltd.	-	-	-	-	-	-
Munasri Construction (Oxygen Plant)	-	-	-	-	-	-
Sripadi Trading Pvt. Ltd.	-	-	-	-	-	-
Super Technical Equipment Sypliers Pvt. Ltd.	-	-	-	-	-	-
Basu Pasa Singh	15,000	15,000	15,000	-	-	-
Lal Bahadur Maharjan	86,000	86,000	86,000	-	-	-
Mana Lal Maharjan	25,500	25,500	25,500	-	-	-
Nara Ram Maharjan	200,000	200,000	200,000	-	-	-
Shiva Ram Maharjan	20,000	20,000	20,000	-	-	-
Bishal Rimal	-	150,000	100,000	-	-	-
Keshar Prasain	-	150,000	150,000	-	-	-
Nepal Pragya Pratisthan	-	-	35,000	-	-	-
Progmatic Research and Innovation Pvt Ltd	-	-	157,500	-	-	-
Tek Narayan Adhikari	-	-	179,500	-	-	-
Sushil Paudel	-	-	-	-	-	-
Social Media Promotion Pvt Ltd	-	-	-	-	-	-
Total	414,750	9,637,163	6,310,448	68,250	3,853,654	65,370,940



Sopan Multiple Company Limited
Subidhanagar-32, Tinkune, Kathmandu

3.8.2: Deposit with Vendor and Other Deposit :

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Deposit with Vendor	327,000	-	-	-	-	-
Areo Net Pvt. Ltd.	-	2,000	2,000	-	-	-
Kanak Oil Store	-	50,000	50,000	-	-	-
Namaste Oil Store (Deposit)	-	50,000	50,000	-	-	-
General Post Office (Post Box)	-	-	2,000	-	-	-
Nepal Electricity Authority (3 Phase Deposit)	-	-	5,100	-	-	-
Nepal Telecommunication (Security Deposit)	9,000	9,000	18,000	9,000	9,000	9,000
Nepal Water Supply Corporation	-	-	2,500	-	-	-
World Link (Internet)	-	-	2,000	-	-	-
Nepal Oxygen Gas Association	-	200,000	200,000	-	-	-
Molnia Power Ltd. - Advance for Investment	-	-	-	17,640,639	17,587,339	-
Ram KC - Land Valuator	-	-	-	-	-	-
Madhu Kumari Choudhary - Adv. House Rent	-	-	-	-	-	-
NMB Capital	492,500	-	-	492,500	-	-
Total	828,500	311,000	331,600	18,142,139	17,596,339	9,000

Trade and Other Recievables

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Student Fee Receivables	3,824,269	9,240,950	932,757	-	-	-
Unsecured Deposits	192,415,629	-	-	-	-	-
Other Receivables	104,743	40,933,750	131,200	-	-	-
Advance	1,620,000	95,946,223	30,131,914	-	-	-
Interest Receivable	-	55,454	50,074	-	-	-
Total	197,964,641	146,176,377	31,245,945	-	-	-

Schedule 3.9

3.9.1: Other Receivables

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
E Digital Nepal	-	465,750	-	-	-	-
PAI (QAA)	-	378,000	-	-	-	-
Prime Ants	40,000	40,000	-	-	-	-
Kalash Properties	-	40,000,000	-	-	-	-
Dipak Lamichhane (Himalayan Safety)	-	50,000	-	-	-	-
Dharmendra Mishra	-	-	-	-	-	-
Loop Network Pvt. Ltd.	-	-	-	-	-	-
Hotel Heaven Hill	-	-	100,000	-	-	-
Mani Kumar Silwal	-	-	-	-	-	-
Roshan Paudel	-	-	31,200	-	-	-
Other Receivables	64,743	-	-	-	-	-
Total	104,743	40,933,750	131,200	-	-	-

Cash and Cash Equivalents

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Cash in Hand	12,166	87,005	9,013	4,034	863	7,886
Cash at Bank	126,619,130	21,919,213	42,269,024	36,635,249	95,865	16,096,205
Total	126,631,296	22,006,218	42,278,037	36,639,283	96,728	16,104,091

Schedule 3.10

Other Current Assets

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Advance Tax	31,916,304	36,675,981	41,923,963	21,845,091	17,223,623	15,275,964
Prepaid Expenses	-	-	-	-	-	-
Insurance and other	826,404	647,362	560,211	-	-	-
Total	32,742,708	37,323,343	42,484,173	21,845,091	17,223,623	15,275,964

Schedule 3.11

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Sopan Multiple Company Limited
Subidhanagar-32, Tinkune, Kathmandu

3.5.1: Deferred Tax Assets

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	As At 31st Ashad 2080	As At 32nd Ashad 2079 (Restated)	As At 1st Shrawan 2078 (Restated)
Carrying Amount						
Fixed Assets Except Land	2,071,399,112	1,794,448,180	1,193,326,659	2,448,416	2,982,808	3,746,563
Non Depreciable Assets-Land	999,750,000	-	-	-	-	-
Investment properties	251,700,000	-	-	-	-	-
Loans Advances and Deposits	150,426	-	-	-	-	-
Cash and Cash Equivalents	434,130	-	-	-	-	-
Other current Assets	64,743	-	-	-	-	-
Trade and other payables	39,499,903	-	-	-	-	-
Intangible Assets	24,000	-	27,910	-	-	-
Gratuity Provision	539,787	673,633	9,353,196	-	-	-
Leave Provision	3,908,393	4,149,504	8,201,080	-	-	-
Medical Expenses Provision	409,546	501,460	4,977,716	-	-	-
Investment Measured at FVTOCI	24,877,492	24,877,492	26,502,691	-	-	-
Investment in Associates	111,226,608	110,978,903	108,320,883	-	-	-
Total Carrying Amount(A)	3,503,984,140	1,935,629,172	1,350,710,135	2,448,416	2,982,808	3,746,563
Tax Base						
Carry Forward Tax Loss	656,589,951	521,763,214	281,028,351	19,817,527	63,697,551	52,101,474
Inventories	7,882,875	-	-	-	-	-
Non Depreciable assets	109,115,842	-	-	-	-	-
Investment properties	-	-	-	-	-	-
Loans Advances and Deposits	-	-	-	-	-	-
Cash and Cash Equivalents	-	-	-	-	-	-
Other current Assets	-	-	-	-	-	-
Trade and other payables	-	-	-	-	-	-
Depreciable Assets including Intangibles	901,388,742	977,885,729	1,067,740,774	2,428,317	2,965,559	3,725,438
Investment Measured at Cost	27,392,100	27,392,100	27,392,100	-	-	-
Investment in Associates	105,615,800	105,615,800	105,615,800	-	-	-
Total Tax Base(B)	1,807,985,311	1,632,656,843	1,481,777,025	22,245,845	66,663,110	55,826,912
Taxable/ (Deductible) Temporary Difference(A-B)	1,695,998,829	302,972,329	(131,066,890)	(19,797,429)	(63,680,302)	(52,080,349)
Closing Deferred Tax Assets	13,404,279	25,083,059	38,772,075	4,949,357	15,920,075	13,020,087
Closing Deferred Tax liability	391,727,590	78,800,202	676,271			
Net Closing Deferred Tax Assets/(Liabilities)	(378,323,311)	(53,717,143)	38,095,804	4,949,357	15,920,075	13,020,087

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Sopan Multiple Company Limited
Subidhanagar-32, Tinkune, Kathmandu

Share Capital

Schedule 3.12

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Paid up Share Capital	1,166,000,000	1,068,880,800	900,000,000	1,166,000,000	1,068,880,800	900,000,000
Provision for Bonus Share	-	-	160,000,000	-	-	160,000,000
Total	1,166,000,000	1,068,880,800	1,060,000,000	1,166,000,000	1,068,880,800	1,060,000,000

Paidup Share Capital

Particulars	Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
<u>Authorized Capital</u>			
20,000,000 Ordinary shares of Rs. 100 each	2,000,000,000	2,000,000,000	1,000,000,000
10,000,000 Ordinary Shares of Rs 100 each-1st Shrawan 2079			
<u>Issued capital</u>			
14,575,000 Ordinary shares of Rs.100 each	1,457,500,000	1,457,500,000	1,000,000,000
10,000,000 Ordinary Shares of Rs 100 each-1st Shrawan 2079			
<u>Subscribed and paid up capital</u>			
10,913,808 Ordinary shares of Rs.100 each	1,091,380,800	1,060,000,000	900,000,000
Bonus Share Issued			160,000,000
Advance Share Capital	74,619,200	8,880,800	
Total	1,166,000,000	1,068,880,800	1,060,000,000

Reserve and Surplus

Schedule 3.13

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Share Premium	22,004,800	-	-	22,004,800	-	-
Retained Earnings	(316,811,267)	(405,860,587)	(103,076,092)	52,984,516	29,036,318	23,925,833
Total	(294,806,467)	(405,860,587)	(103,076,092)	74,989,316	29,036,318	23,925,833

Advance Share Capital

Schedule 3.14

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Advance for Share Capital	-	16,300,000	5,968,750	-	-	-
Total	-	16,300,000	5,968,750	-	-	-

Other Reserves

Schedule 3.15

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Share Based Payment Reserve	3,075,000	3,075,000	-	-	-	-
Fair value Reserve	365,336,988	(1,947,566)	(728,667)	-	-	-
Corporate Social Responsibility Fund	1,884,355	520,193	632,596	-	-	-
Revaluation Reserve	1,087,076,501	577,882,183	639,860,693	-	-	-
Acturial Reserve	159,648	170,044	27,079	-	-	-
Total	1,457,532,493	579,699,855	639,791,701	-	-	-

Non Controlling Interest

Particulars	Group		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Closing NCI	568,731,693	298,154,799	18,296,532
Total	568,731,693	298,154,799	18,296,532



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Long Term Borrowings

Schedule 3.16

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Bank Loan	555,907,697	835,314,000	867,448,125	6,000,000	186,500,000	196,000,000
Loan From Directors	9,000,000	19,050,137	55,000,000	9,000,000	19,050,137	55,000,000
Secured Loan	5,853,845	7,740,209	26,246,176	-	-	-
Total	570,761,542	862,104,346	948,694,301	15,000,000	205,550,137	251,000,000

3.16.1: Bank Loan

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Himalayan Bank Fixed Term Loan	-	174,500,000	-	-	174,500,000	-
Laxmi Bank Limited (012 TMLN 18000019)	-	-	-	-	-	-
Laxmi Bank Limited (012 TMLN 19000019)	-	-	-	-	-	-
Civil Bank Ltd.- Fixed Term Loan (LD22018268)	-	-	178,000,000	-	-	178,000,000
Nepal Bank Limited - Revolving TL	6,000,000	12,000,000	18,000,000	6,000,000	12,000,000	18,000,000
Prabhu Bank Limited (Term Loan) - Pharma	504,673,000	589,902,000	601,894,000	-	-	-
Prabhu Bank Limited (Term Loan) - Oxygen Pla	36,992,000	58,912,000	69,297,000	-	-	-
Prabhu Bank Limited (Hire Purchase Loan)	-	-	257,125	-	-	-
Prabhu Bank Limited (Mid Term Loan)-Pharma	8,242,697	-	-	-	-	-
Total	555,907,697	835,314,000	867,448,125	6,000,000	186,500,000	196,000,000

3.16.2: Secured Loan

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Himalayan Bank (HP Loan)	-	-	299,918	-	-	-
Loan P. K. P.	2,061,645	2,625,631	-	-	-	-
Laxmi Bank Limited (Term Loan)	-	-	-	-	-	-
Prabhu Bank Limited (Term Loan) - Pharma	-	-	-	-	-	-
Prabhu Bank Limited (Term Loan) - Oxygen Pla	-	-	-	-	-	-
Prabhu Bank Limited (Hire Purchase Loan)	-	-	-	-	-	-
Term Loan (BOK)	-	-	22,000,000	-	-	-
Vehicle Loan	3,792,200	5,114,578	3,946,258	-	-	-
Total	5,853,845	7,740,209	26,246,176	-	-	-

Other Non Current Liabilities

Schedule 3.17

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Grant Liability	4,193,593	(1,267,513)	19,533,643	-	-	-
Dream City Project	-	210,274	815,974	-	-	-
Student Deposit Payable	6,324,407	6,440,000	12,517,632	-	-	-
Other Payable	424,100	338,250	257,250	-	-	-
Advance from Shareholder for Investment	4,481,210	4,481,210	4,521,210	-	-	-
Advance for Share Capital	2,826,400	2,826,400	2,826,400	-	-	-
Loan from Director	8,000,000	6,000,000	-	-	-	-
Advance From Sopan Multiple	-	-	-	-	-	-
Teacher Security Bond	-	149,229	128,813	-	-	-
Student Security Deposits	7,325,256	7,113,447	7,816,860	-	-	-
Other Advances	19,633,408	29,187,500	-	-	-	-
Total	53,208,374	55,478,797	48,417,782	-	-	-

3.17.1: Grant Liability

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
EU Grant Liability (E-access Project)	(5,341,954)	(14,778,986)	(72,684)	-	-	-
EU Grant Liability (Smart Link Project)	9,670,265	11,945,265	11,945,265	-	-	-
EU Grant Liability (Sunspace Project)	(105,956)	1,504,570	4,305,073	-	-	-
EU Grant Liability (Yetis Project)	(28,762)	61,638	3,355,989	-	-	-
Total	4,193,593	(1,267,513)	19,533,643	-	-	-



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3.17.2: Loan From Director

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Loan from Director - Sharad Khanal	8,000,000	4,500,000	-	-	-	-
Loan From Director - Dr Anil Pokhrel	-	1,500,000	-	-	-	-
Total	8,000,000	6,000,000	-	-	-	-

3.17.3: Other Advances

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Advance - Ganesh Lamsal	889,103	7,187,500	-	-	-	-
Advance - Sudip Kumar Chaudhary	-	-	-	-	-	-
Advance - Nava Raj Raut	5,000,000	14,000,000	-	-	-	-
Advance From Sopan Multiple	13,744,305	8,000,000	-	-	-	-
Total	19,633,408	29,187,500	-	-	-	-

Long Term Provision

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Provision for Leave encashment	-	715,196	453,324	-	-	-
Provision for Gratuity	539,787	673,633	9,353,196	-	-	-
Provision for Accumulated Leave	3,908,393	3,434,308	7,697,700	-	-	-
Provision for Medical Expenses	409,546	501,460	4,977,716	-	-	-
Total	4,857,726	5,324,597	22,481,936	-	-	-

Trade and others Payables

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Trade Payables	97,227,379	36,260,111	77,344,594	5,890,155	8,844,810	100,981,774
Payables to Related parties	-	-	15,000	-	-	-
Audit Fee Payable	111,500	111,500	49,250	-	-	-
Other Payables	34,625,690	83,630,829	34,590,574	-	10,890	-
Payable to SAR Advisors	148,009	-	-	148,009	-	-
Total	132,112,577	120,002,440	111,999,418	6,038,164	8,855,700	100,981,774

3.19.1: Payables to Related Parties

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Acme Engineering College	-	-	-	-	-	-
Sopan Properties Company Limited	-	-	-	-	-	-
Kalash Properties Company Limited	-	-	-	-	-	-
Kantipur Engineering College	-	-	-	-	-	-
Pradeep Kumar Paudyal	-	-	-	-	-	-
Mathilo Mailung Khola Hydropower company	-	-	15,000	-	-	-
Total	-	-	15,000	-	-	-



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3.19.2: Other Payables

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Salary & Wage Payable	-	7,077,087	3,946,681	-	-	-
T.U. Sewa Sulka Payable	14,302,350	12,966,200	9,812,000	-	-	-
PF/CIT Payable	7,978,937	9,442,506	2,012,117	-	-	-
Advance Income	3,739,565	-	-	-	-	-
IOE Payable	2,999,000	3,000,200	1,225,400	-	-	-
Employee Bonus Payable	2,601,898	4,599,944	5,585,978	-	-	-
Leave Salary Payable	1,145,612	-	-	-	-	-
Other Individual Payable	495,212	-	-	-	-	-
Income Tax Payable	495,125	488,750	255,000	-	-	-
Nepal Engineering Council	443,000	711,000	1,459,000	-	-	-
Chand and Associates	223,000	67,407	67,407	-	-	-
Annapurna Catering Services	200,000	-	-	-	-	-
TDS Payable	1,991	3,294,254	2,169,577	-	-	-
Interest Payable	-	25,797,846	-	-	-	-
Payable(Electricity & water)	-	1,353,103	41,226	-	-	-
TADA Payable	-	5,237,882	1,748,175	-	-	-
Security Deposit- Oxygen Plant(From Customer)	-	3,657,574	2,953,012	-	-	-
Thoplo Machine Pvt Ltd	-	2,622,076	-	-	-	-
Ramila Ghimire	-	3,315,000	3,315,000	-	-	-
Acme Engineering College Ltd	-	-	-	-	-	-
Total	34,625,690	83,630,829	34,590,574	-	-	-

Current Portion of Non-Current Liabilities

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Bank Loan	90,190,000	33,956,992	47,615,414	-	-	-
Loan P. K. P.	566,194	574,369	-	-	-	-
Vehicle Loan	1,343,000	1,279,812	1,001,737	-	-	-
Current Portion of Long Term Loan	29,956,185	28,992,208	29,882,019	29,956,185	28,992,208	29,882,019
Total	122,055,379	64,803,382	78,499,170	29,956,185	28,992,208	29,882,019

3.20.1: Bank Loan

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Nepal Bank Limited	-	-	-	-	-	-
Himalayan Bank (HP Loan)	-	299,918	405,834	-	-	-
Prabhu Bank Limited (Term Loan) - Pharma	53,250,000	19,871,000	27,750,000	-	-	-
Prabhu Bank Limited (Term Loan) - Oxygen Pla	17,100,000	11,440,000	12,495,000	-	-	-
Prabhu Bank Limited (Hire Purchase Loan)	19,840,000	346,074	537,580	-	-	-
Term Loan (BOK)	-	-	6,427,000	-	-	-
Term Loan (GIBL)	-	2,000,000	-	-	-	-
Total	90,190,000	33,956,992	47,615,414	-	-	-

Short Term Borrowings

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Bank Loan	59,034,836	59,034,836	52,574,738	-	-	-
Advance from Promoter and Director	43,970,112	39,241,089	35,100,780	-	-	-
Loans and Borrowings (Secured)	97,023,397	131,105,860	70,659,867	-	-	-
Total	200,028,345	229,381,785	158,335,385	-	-	-



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3.21.1: Bank Loan

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Nepal Bank Limited - (OD Loan)	59,034,836	59,034,836	52,574,738	-	-	-
Prabhu Bank Limited (Short Term Loan)	-	-	-	-	-	-
Prabhu Bank Limited (Trust Receipt Loan)	-	-	-	-	-	-
Prabhu Bank Limited (OD Account)	-	-	-	-	-	-
Bank Import Loan	-	-	-	-	-	-
Prabhu Bank Limited (BG Loan)	-	-	-	-	-	-
Total	59,034,836	59,034,836	52,574,738	-	-	-

3.21.2: Advance from Promoter and Director

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Sopan Multiple Company Limited - Payable	-	-	-	-	-	-
Advance from Director	43,970,112	39,241,089	35,100,780	-	-	-
Advance from Promoter	-	-	-	-	-	-
Sopan Pharmaceuticals Limited	-	-	-	-	-	-
Total	43,970,112	39,241,089	35,100,780	-	-	-

3.21.3: Loans and Borrowings (secured)

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Laxmi Bank Limited (BG Loan)	-	-	-	-	-	-
Prabhu Bank Limited (BG Loan)	-	-	-	-	-	-
Prabhu Bank Limited (Short Term Loan)	15,801,084	28,379,000	16,272,000	-	-	-
Prabhu Bank Limited (Trust Receipt Loan)	-	6,258,058	409,000	-	-	-
Prabhu Bank Limited (OD Account)	40,000,000	40,000,000	38,935,526	-	-	-
Bank Import Loan	-	5,288,392	-	-	-	-
Overdraft BOK	-	-	15,043,341	-	-	-
Overdraft GIBL	17,472,313	3,680,409	-	-	-	-
Demand Loan (GIBL)	23,750,000	47,500,000	-	-	-	-
Total	97,023,397	131,105,860	70,659,867	-	-	-

Short Term Provision

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Provision for Income Tax	10,620,965	18,144,153	18,048,755	-	-	-
Provision for Bonus	1,984,969	2,051,379	2,898,248	-	-	-
Total	12,605,934	20,195,532	20,947,003	-	-	-

Other Current Liabilities

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Cash Dividend Payable	817,955	817,955	1,042,170	817,955	817,955	1,042,170
Employee-Related Liabilities	48,538	274,670	874,031	48,538	133,173	11,913
Accrued Expenses	2,809,900	3,338,900	2,746,101	548,127	236,578	279,154
Taxes Payable	536,386	1,449,014	2,209,180	21,919	374,063	302,172
Security Deposits	4,592,413	5,189,371	5,679,770	-	-	-
Advance fee	2,247,588	-	4,686,896	-	-	-
Other Payables	-	1,146,787	1,146,787	-	-	-
Total	11,052,780	12,216,697	18,384,935	1,436,539	1,561,769	1,635,409



Sopan Multiple Company Limited
Subidhanagar-32, Tinkune, Kathmandu

3.23.1: Employee-Related Liabilities

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
CIT Payable	48,538	137,310	196,050	48,538	129,360	8,100
PF Payable	-	3,813	3,813	-	3,813	3,813
SSF Payable	-	12,921	438,300	-	-	-
Gratuity Payable	-	-	-	-	-	-
ACME Staff Welfare Fund	-	120,626	235,868	-	-	-
Total	48,538	274,670	874,031	48,538	133,173	11,913

3.23.2: Accrued Expenses

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Audit Fee Payable	491,715	185,090	185,090	352,340	73,590	73,590
Shree Legal Practioners Firm	-	-	55,750	-	-	55,750
Mark International Pvt. Limited	-	-	904	-	-	904
Salary & Allowance Payable	2,175,860	3,131,510	2,482,057	195,787	162,988	148,910
Office Rent Payable	81,000	-	-	-	-	-
Interest Payable	-	-	-	-	-	-
Payable to Staff	-	-	-	-	-	-
Legal Fee Payable	44,600	22,300	22,300	-	-	-
Payable(Electricity & water)	-	-	-	-	-	-
Shree Legal Practitioner's Firm	16,725	-	-	-	-	-
Total	2,809,900	3,338,900	2,746,101	548,127	236,578	279,154

3.23.3: Taxes Payable

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Tax Payable	484,883	599,063	1,434,002	1,991	-	-
TDS Payable	20,153	804,306	724,268	19,928	374,063	302,172
Salary Tax Payable	300	27,900	3,468	-	-	-
TDS Payable- Audit Fee	600	525	2,874	-	-	-
TDS Payable- Legal Fee	300	1,125	1,593	-	-	-
TDS on Office Rent	15,000	15,000	42,000	-	-	-
TDS Other - Individual Firm	15,150	480	750	-	-	-
TDS on Advertisement	-	615	225	-	-	-
Total	536,386	1,449,014	2,209,180	21,919	374,063	302,172

3.23.4: Security Deposits

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Student Security Deposits	4,156,542	4,978,176	5,098,215	-	-	-
Teacher Security Bond	435,871	211,195	581,555	-	-	-
Total	4,592,413	5,189,371	5,679,770	-	-	-

3.23.5: Other Payables

Particulars	Group			Company		
	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079	31st Ashadh 2081	31st Ashadh 2080	1st Shrawan 2079
Jagannath Sharma	-	-	-	-	-	-
Durga Pd. Acharya	-	-	-	-	-	-
Sun Space Projecct Remuneration Payable	-	1,146,787	1,146,787	-	-	-
Sopan Healthcare Limited	-	-	-	-	-	-
Total	-	1,146,787	1,146,787	-	-	-



Sopan Multiple Company Limited

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Revenue

Particulars	Group		Schedule 3.25 Company	
	2080-81	2079-80	2080-81	2079-80
Revenue From Operations	631,805,608	452,562,084	186,500,000	-
Total	631,805,608	452,562,084	186,500,000	-

Other Income

Particulars	Group		Schedule 3.26 Company	
	2080-81	2079-80	2080-81	2079-80
Rent Income	2,723,055	19,987,902	2,247,055	19,476,501
Interest Income	191,992	3,603,850	-	-
Dividend Income	-	-	-	14,250,000
Grant Income	159,866	1,887,297	-	-
Admission Cancelled Income	150,000	60,000	-	-
Kabadi Sale	82,721	59,463	-	-
Sponsorship Income	205,000	103,000	-	-
Gain on Sale of Fixed Assets	735,829	409,944	-	-
Exchange Gain (Loss)	3,658	474,777	-	-
Management fee	29,945,375	-	-	-
Other Income	176,007,125	597,628	-	-
Total	210,204,621	27,183,861	2,247,055	33,726,501

Project Income

Particulars	Group		Schedule 3.27 Company	
	2080-81	2079-80	2080-81	2079-80
Grant Income (Smart Link Project)	2,275,000	-	-	-
Grant Income (E-access Project)	4,662,213	15,990,179	-	-
Grant Income (Sunspace Project)	525,411	1,967,911	-	-
Grant Income (Yetis Project)	90,400	4,503,286	-	-
Total	7,553,024	22,461,376	-	-

Income From Associates

Particulars	Group		Schedule 3.28 Company	
	2080-81	2079-80	2080-81	2079-80
Share of Profit/(Loss) on Associates	258,101	2,467,399	-	-
Total	258,101	2,467,399	-	-

Cost of Sales

Particulars	Group		Schedule 3.29 Company	
	2080-81	2079-80	2080-81	2079-80
Opening Stock	222,301,427	221,343,642	171,722,071	169,122,071
Purchase	55,612,858	62,155,833	-	2,600,000
Direct Costs	168,196,834	158,045,791	-	-
Less: Closing Stock	(111,370,730)	(222,301,427)	(45,569,759)	(171,722,071)
Operational Expenses	-	-	-	-
Registration Expenses	2,052,450	933,400	-	-
Lab Expenses	219,737	487,736	-	-
Project Works	381,822	376,300	-	-
Training and Promotional Expenses	1,295,832	54,000	-	-
Workshop/ Training Expenses	67,500	-	-	-
Student Examination Expenses	4,762,585	5,356,586	-	-
Field Expense	4,224,925	5,215,380	-	-
Study Support Expenses	200,490	-	-	-
Affiliation Expenses	5,100,000	6,153,000	-	-
Transportation Expenses	16,000	9,800	-	-
Loss of Inventory	7,882,875	-	-	-
Total	360,944,605	237,830,041	126,152,312	(0)



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Sopan Multiple Company Limited
Subidhanagar-32, Tinkune, Kathmandu

Employee Benefit Expenses

Particulars	Group		Schedule 3.30 Company	
	2080-81	2079-80	2080-81	2079-80
Salary & Allowances Expenses	68,366,853	73,866,720	1,582,764	1,221,630
Contribution Expenses	3,864,672	4,243,492	-	-
Employee Gratuity Expenses	3,327,854	1,345,762	-	-
Employee Medical Expenses	-	-	-	-
Employee Bonus	2,601,898	4,599,944	-	-
Overtime expenses	46,864	-	-	-
Total	78,208,140	84,055,918	1,582,764	1,221,630

Office and Administrative Expenses

Particulars	Group		Schedule 3.31 Company	
	2080-81	2079-80	2080-81	2079-80
Meeting Allowance Expenses	1,528,355	2,022,500	703,000	915,000
Land Mortgage and Other	236,400	256,525	236,400	256,525
Office Rent Expenses	343,000	466,900	-	141,900
AGM Expenses	687,011	921,187	457,876	692,822
Legal Expenses	437,310	175,150	363,860	56,500
Audit Fee Expenses	508,500	244,594	282,500	74,580
Travelling Expenses	-	56,290	-	19,330
Consultancy	539,850	777,475	150,000	22,600
Repair & Maintenance	12,850	9,483	12,850	9,483
Printing & Stationery	1,987,528	1,984,244	7,350	16,977
Renewal & Registration	545,960	193,171	431,400	63,500
Office Refreshment and Other Expenses	459,453	828,955	66,315	47,917
Fine & Penalty	298,845	42,456	282,973	-
Fuel Expenses	3,256,357	3,905,818	49,670	-
Miscellaneous Expenses	109,861	44,338	12,142	13,238
Programme & Seminar Expenses	-	127,804	-	127,804
Telephone & Mobile Expenses	6,200	9,800	6,200	9,300
Advertisement Expenses	2,432,033	1,095,788	-	33,900
Office Expenses	298,081	863,609	-	389,590
Land and Building Tax	605,417	612,748	-	-
Newspaper and Magazine	74,321	30,010	-	-
Insurance Expenses	1,180,513	1,132,709	-	-
Bank Charges	50,333	153,429	-	-
Utilities Expenses	2,334,217	2,431,071	-	-
Furnishing Expenses	356,414	191,081	-	-
Inspection Expenses	130,000	-	-	-
Admission promotional Expense	1,911,494	1,560,157	-	-
Advertisement	142,795	334,729	-	-
Security Expense	1,636,220	1,556,080	-	-
Software Expense	-	-	-	-
Charity and Donation	143,000	340,000	-	-
Miscellaneous Expense	467,393	436,028	-	-
Annual Maintenance Charge (Software)	650,893	1,203,902	-	-
Training and Research	313,199	241,000	-	-
Software & Internet exp	296,315	367,200	-	-
Repair and Maintenance*	8,036,879	2,842,313	-	-
Oxygen Unit*	10,076,991	9,872,000	-	-
Pharmaceuticals Unit*	31,659,172	34,550,577	-	-
Total	73,753,160	71,881,121	3,062,536	2,890,966

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Sopan Multiple Company Limited
Subidhanagar-32, Tinkune, Kathmandu

3.30.1: Repair and Maintanance

Particulars	Group		Company	
	2080-81	2079-80	2080-81	2079-80
Repair - Building/Structure	2,893,721	757,008	-	-
Repair - Equipment , Funiture, Computer, Printer	630,355	263,267	-	-
Repair - Vehicles	532,032	1,137,530	-	-
Repair - Others	-	-	-	-
Cleaning Expenses	305,198	306,545	-	-
CSR Expenses	-	-	-	-
Other Meeting Allowance	-	-	-	-
Rate, Renewal & Other Tax Expenses	398,773	377,963	-	-
Study Support	100,000	-	-	-
Receivable Written off	3,176,800	-	-	-
Total	8,036,879	2,842,313	-	-

3.30.2: Oxygen Unit

Particulars	Group		Company	
	2080-81	2079-80	2080-81	2079-80
Fuel-Oxygen	3,214,635	3,112,976	-	-
Prior Period Expenses	-	442,969	-	-
Repair and Maintenance of Vehicle-Oxygen	567,820	364,751	-	-
Repair and Maintenance of Oxygen Cylinder	675,021	146,984	-	-
Salary and Allowances Expense (Admin Oxygen)	3,783,350	4,110,224	-	-
Security Service	1,836,165	1,694,096	-	-
Total	10,076,991	9,872,000	-	-

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Sopan Multiple Company Limited

Subidhanagar-32, Tinkune, Kathmandu

3.30.3: Pharmaceuticals Unit

Particulars	Group		Company	
	2080-81	2079-80	2080-81	2079-80
Travelling Expenses	-	-	-	-
Consultancy Fee	-	-	-	-
Renewal and Registration	-	-	-	-
Printing & Stationery expenses	-	61,165	-	-
Audit Fees	62,150	62,150	-	-
Legal Fees	-	-	-	-
Miscellaneous	-	-	-	-
Fines and Penalties	662,625	-	-	-
Donation	79,100	653,129	-	-
Loading & Lifting Charges	-	-	-	-
Freight and Courier Expense	-	-	-	-
Accounting Software Expense	-	-	-	-
Canteen Expenses	-	-	-	-
Accessories Expense	-	-	-	-
Board Meeting Expenses	130,500	275,000	-	-
Board Meeting Allowances	-	-	-	-
Business Promotion Expenses	-	-	-	-
Cheque Bounce Charge	-	-	-	-
Computer Repair Expenses	-	-	-	-
Telephone & Communication Expenses	-	40,950	-	-
Consultancy Service	-	-	-	-
Colour Expenses	-	-	-	-
Renew & Registration Pharma- RM	-	-	-	-
Electricity, Water, Garbage Expense (City Office)	-	-	-	-
Electronic Goods	-	-	-	-
Fuel-Pharma	-	-	-	-
Guest Welfare Expenses	-	-	-	-
Garden Expenses	-	-	-	-
Garbage Expenses	-	-	-	-
Health Checkup Expenses	-	-	-	-
Internet Expenses	-	-	-	-
Kitchen Expenses	-	-	-	-
Land & Building -Tax	-	-	-	-
LC Commission Expense	-	-	-	-
Leave Allowances	-	-	-	-
Medical Expenses	-	-	-	-
Marine Insurance Expenses	-	-	-	-
Marketing Software Expense	-	-	-	-
Pooja Expenses	-	-	-	-
Property Insurance Expense	-	-	-	-
Renew & Registration Expenses	162,500	80,000	-	-
Repair & Maintenance of Generator- Pharma	-	-	-	-
Retirement Benefit	-	-	-	-
Staff Welfare Expenses	-	-	-	-
Service Fee for Audit(ISO/Internal/External)	-	-	-	-
Time Attendance System 2k Teco MB20	-	-	-	-
Vehicle Maintenance Expenses	-	-	-	-
Vehicle Insurance	-	-	-	-
Water and Electricity Expenses	-	-	-	-
Lunch & Refreshment Expense - Admin	-	-	-	-
Roadcess & Parking	-	-	-	-
Valuation Fee	-	-	-	-
Accidental Insurance	-	-	-	-
Audit Expense	-	-	-	-
Admin expenses-Pharma Unit	30,562,297	33,378,183	-	-
Total	31,659,172	34,550,577	-	-

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Sopan Multiple Company Limited

Subidhanagar-32, Tinkune, Kathmandu

Selling And Distribution Cost

Schedule 3.32

Particulars	Group		Company	
	2080-81	2079-80	2080-81	2079-80
Advertising Expenses	78,714	127,096	-	-
Air Ticket	1,930,689	2,580,431	-	-
Consumable Goods -Marketing	10,183	111,483	-	-
CME Program Expenses	386,539	407,501	-	-
Fuel - Marketing	2,088,735	1,549,105	-	-
Gift & Event Decoration -Marketing	800	58,215	-	-
Product Launching Expense	-	1,286,732	-	-
Lunch & Refreshment Expenses	1,394,504	1,917,750	-	-
Marketing Training Expenses	682,735	-	-	-
Promotional Input Expenses	4,336,755	11,760,335	-	-
Printing & Stationary Exp (Marketing)	187,314	752,731	-	-
Lunch & Refreshment - Marketing	19,270,528	18,456,016	-	-
Salary and TADA of Marketing	160,000	-	-	-
Stationary & Printing - Marketing	13,069,218	12,705,018	-	-
TADA of Marketing	2,600	21,383	-	-
Transportation Expense -Marketing	8,000	1,233,772	-	-
Vehicle Rent Expense -Marketing	18,000	13,560	-	-
Total	43,625,313	52,981,127	-	-

Depreciation and Amortization

Schedule 3.33

Particulars	Group		Company	
	2080-81	2079-80	2080-81	2079-80
Depreciation on Fixed Assets	28,558,334	30,062,736	607,393	763,754
Amortization on Intangible Assets	21,605	-	-	-
Total	28,579,939	30,062,736	607,393	763,754

Finance Costs

Schedule 3.35

Particulars	Group		Company	
	2080-81	2079-80	2080-81	2079-80
Bank Interest Expenses	121,659,126	132,791,859	22,168,309	23,258,547
Interest-Unsecured Loan	692,630	3,376,592	-	3,376,592
Bank Charges Expenses	360,081	149,747	254,824	4,515
Total	122,711,836	136,318,199	22,423,133	26,639,654

Project Expenses

Schedule 3.36

Particulars	Group		Company	
	2080-81	2079-80	2080-81	2079-80
Sun Space Project Expenses	-	1,281,597	-	-
Dream City Project Expenses	-	605,700	-	-
E-acces Project Expenses	4,662,213	15,990,179	-	-
Sunspace Project Expenses	525,411	1,967,911	-	-
Yetis Project Expenses	90,400	4,503,286	-	-
Smart Link Project Expense	2,275,000	-	-	-
Total	7,553,024	24,348,673	-	-

Income Tax Expenses

Schedule 3.37

Particulars	Group		Company	
	2080-81	2079-80	2080-81	2079-80
Current Tax	10,620,965	14,639,473	-	-
Deferred Tax Expenses (Income)	32,451,361	102,755,329	10,970,718	(2,899,988)
Previous Year's Tax Expenses	149,787	4,323,225	-	-
Total	43,222,113	121,718,027	10,970,718	(2,899,988)



Sopan Multiple Company Limited

1. Significant Accounting Policies and Notes to Financial Statement

1.1 General Background of the Company

Sopan Multiple Company Limited (PAN 302982176) is a limited liability company established in Nepal. The address of its registered office is Subidhanagar-32, Tinkune Kathmandu, Nepal. The Company basically invests in health, education, hydropower, and infrastructure development projects.

1.2 Basis of Preparation

Sopan Multiple Company Limited's financial statements are prepared in accordance with the Nepal Financial Reporting Standards which comprises of Nepal Accounting Standards and Nepal Financial Reporting Standards issued by Nepal Accounting Standards Board. These financial statements for the year ended 31st Ashadh 2081 comprising of following have been prepared as prescribed under Companies Act, 2063:

- a) Statement of Financial Position as at the end of the period;
- b) Statement of Profit or Loss and other Comprehensive Income for the period;
- c) Statement of Changes in Equity for the period;
- d) Statement of Cash Flows for the period;
- e) Notes, comprising significant accounting policies and other explanatory information;
- f) Comparative information in respect of the preceding period
- g) Statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective statement of items in its financial statement, or when it reclassifies items in its financial statements.

These financial statements for the year ended 31st Ashadh 2081 prepared by Sopan Multiple Company Limited is in accordance with NFRSs issued and prevailing as on date. Carve-outs issued by the Accounting Standard Board Nepal and applicable for Sopan Multiple Company Limited have been adopted as and where necessary.

1.3 Statement of Compliance

The Financial Statement of Sopan Multiple Company Limited which comprises components mentioned above have been prepared in accordance with Nepal Financial Reporting Standards (hereafter referred as NFRS laid down by the Institute of Chartered Accountants of Nepal).

1.4 Responsibility for Financial Statements

The Board of Directors is responsible for the preparation and presentation of Financial Statements as per applicable and relevant laws and provisions in force.

1.5 Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Defined Benefit plans
- Financial Assets and Liabilities Classified as measured at Fair value
- Lease assets measured as per NFRS 16
- Investment in Associates measured using equity method
- Investment Property measured at Fair Value
- Property, Plant and Equipment (i.e., land and building) measured under Revaluation Model other assets have been measured using cost model.



1.6 Functional and Presentation Currency

The Financial Statements of Sopan Multiple Company Limited are presented in Nepalese Rupees (NPR), which is the currency of the primary economic environment in which the Corporation operates. There was no change in Sopan Multiple Company Limited's presentation and functional currency during the year under review.

1.7 Presentation of Financial Statements

The assets and liabilities of the Corporation presented in the Statement of Financial Position are grouped in an order of the functions of assets within the entity and the amounts nature and timing of liabilities. An analysis is made on recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current).

1.8 Principle of Consolidation

The financial statements encompass the parent company, Sopan Multiple Company Limited, its subsidiaries—Acme Engineering College, Kantipur Engineering College, Sopan Properties Limited, Sopan Pharmaceuticals Limited, Molnia Power Limited, and Kalash Properties Limited—and its associate company, Mailun Khola Jalvidhyut Company Limited.

The Financial Statements has been consolidated in accordance with NFRS 1, NFRS 3 and NFRS 10. The consolidated financial statements have been prepared on the following basis:

- The financial statements of the parent and its subsidiaries have been combined on a line-by-line basis by adding together the carrying values of assets, liabilities, revenues and expenses after eliminating intra-Group balances / transactions and resulting profits in full. Unrealized profit / losses resulting from intra-Group transactions has also been eliminated except to the extent that recoverable value of related assets is lower than their cost to the Group.
- The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Companies' separate financial statements. Differences in accounting policies, if any, has been disclosed separately
- Non-Controlling Interest's share in net profit of consolidated subsidiary's result for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to the group and noncontrolling interest.
- Non-Controlling Interest's share in net assets of 'the Group' is identified and presented in the consolidated statement of financial position separate from liabilities and the equity of the Company's shareholders as Non-Controlling Interest (NCI).
- The extent of the group's control on the subsidiaries is reflected by the shareholding in the subsidiaries. The details of which is as under:

Name of the Company	As on 31 Ashadh 2081	As on 32 Ashadh 2080	As on 1 st Shrawan
Acme Engineering College	100%	100%	100%
Kantipur Engineering College (KEC)	100%	100%	100%
Sopan Properties Limited	100%	100%	100%
Sopan Pharmaceuticals Limited	49.44%	68.18%	100%
Molnia Power Limited	69.5%	69.5%	69.5%
Kalash Properties Limited	100%	100%	100%
Mailun Khola Jal Vidhyut Company Ltd.	28.07%	28.68%	28.68%

- The financial statements of the subsidiary used for consolidation are drawn for the same reporting period as that of the parent Company i.e., year ended 31st Ashadh, 2081.

As per NFRS 10 An investor needs to determine whether it controls an investee and if yes then the investor would be treated as a parent and the investee would be treated as a subsidiary of the parent.

An investor controls an investee if and only if the investor has all of the following three elements:

- a) Power over the investee.
- b) Exposure or rights to variable returns from the investee.
- c) Ability to use power over the investee to affect the investor's return.

After doing an initial assessment of control over an investee, the investor should reassess the control over the investee when there are changes to one or more of the three elements of control mentioned above.

Sopan Multiples do not have control over the Sopan Health Care as Sopan Multiple has not invested any amount in Sopan Health Care. Amount committed by Sopan Multiple to Sopan Health care as capital is unpaid. So Sopan health care is not considered for consolidation purpose.

Sopan Multiple's holding in Sopan Pharmaceuticals is diluted from 100% to 68.18% during the year 2079.80. This amounts to change in holding without change in control. Change in holding without change in control is accounted within equity as per NFRS 10. This holding is further diluted to 49.44% during 2080.81. However, majority of BOD is still elected by Sopan Multiple and Majority of NCI is widely disbursed so effective control is still exercised by Sopan Multiple. Hence this has also been accounted as change in holding without change in control as per NFRS 10 and NFRS 3.

Investment in associates has been accounted using equity method as per NAS 28.

1.9 Non-Controlling Interest

Non-controlling interest in the Sopan Multiple Company (Group) pertains to the other shareholding in Sopan Pharmaceuticals Limited and Molnia Power Limited Non-controlling interest is presented in accordance with the provision of NFRS 3 and NFRS 10 by allocating the net assets in the respective company in proportion to the shares held by other shareholders other than Sopan Multiple Company (the parent).

1.10 Materiality and Aggregation

In compliance with Nepal Accounting Standard - NAS 01 (Presentation of Financial Statements), each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or functions too are presented separately unless they are immaterial.

1.11 Offsetting

In compliance with Nepal Accounting Standard- NAS 01 (Presentation of Financial Statements), assets and liabilities or income and expenses are not offset, unless required or permitted by a NFRS.

Also, as per Para 42 of NAS 32 Financial Instruments-Presentation, Financial Assets and Financial Liabilities are offset and the net amount reported in the Statement of Financial Position, only when:

- a. There is legally enforceable right to set off the recognized amounts; and
- b. Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Different material and relevant items identified to have significant impact on user's decision-making process have been shown separately.

1.12 Comparative Information

The Financial Statement of the Corporation provides comparative information in respect of previous periods. The accounting policies have been consistently applied by the Corporation with those of the previous financial year in accordance with NAS 01 Presentation of Financial Statements, except those which had to be changed as a result of application of the new NFRSs. Further, comparative information is reclassified wherever necessary to comply with the current period presentation.

1.13 Judgments, Estimates and Assumptions

The preparation of Financial Statements in conformity with Nepal Accounting Standards requires the management to make judgments, estimates and assumptions in respect of the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these judgments, estimates and assumptions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively in the period in which the estimates are revised and in any future periods affected.

The most significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have significant effect in the Financial Statements are as follows:

1.14 Going Concern

The Board has made an assessment of the Corporation's ability to continue as a going concern and satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, Board is aware of any material uncertainties that may cast significant doubt upon ability to continue as a going concern and they do not intend either to liquidate or to cease operations of it. Therefore, the Financial Statements continue to be prepared on the going concern basis.

1.15 Fair Value measurement

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 measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market are considered when these are accessible by the Corporation.

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

2. SCHEDULE TO THE FINANCIAL STATEMENTS

2.1 Property, Plant and Equipment

The company applies same valuation models to assets within the same class of property, plant, and equipment (PPE) in accordance with **NAS 16: Property, Plant and Equipment**. However different model has been used for PPE within different class of PPE. **NAS 16** permits two methods of measurement for PPE:



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Revaluation Model: Under the revaluation model, certain assets are measured at their fair value, which is determined through periodic revaluations by independent valuers. The revaluation model is applied where active markets exist, and fair value can be reliably measured. Revaluation gains are recognized in other comprehensive income and credited to the revaluation surplus within equity, except where they reverse a previous revaluation loss recognized in profit or loss.

Cost Model: The cost model is applied to other assets where fair value cannot be reliably determined due to the absence of an active market. In these cases, assets are measured at historical cost less accumulated depreciation and impairment losses. This method provides a stable and consistent measurement basis.

Recognition and Measurement

The initial cost of an asset comprises its purchase price or construction cost and any costs directly attributable to bringing the asset into the operation. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. Revaluations have been made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period

When parts of property, plant and equipment are significant in cost in comparison to the total cost of the item, and where such parts/components have a useful life different than other parts and are required to be replaced at different intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major overhaul is performed, the directly attributable cost of the overhaul is recognized in the carrying amount of the plant and equipment if the recognition criteria are satisfied. This is recorded as a separate component with a useful life generally equal to the time period up to the next scheduled major overhaul.

Subsequent Expenditures

Subsequent expenditure incurred to replace a component of an item of property, plant and equipment or to improve its operational performance, that is accounted for separately, is included in the asset's carrying amount or recognized as a separate asset as appropriate when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced asset is subsequently derecognized.

Expenditure on major inspection and overhauls of production plant is capitalized when it meets the asset recognition criteria and is depreciated over the period until the next major overhaul. All other repair and maintenance costs are charged to the consolidated statement of comprehensive income during the year in which they are incurred

Depreciation

Depreciation is provided on all other items of property, plant and equipment so as to write off the carrying value over the expected useful economic life.

Depreciation is charged to statement of income on a written down value method over the estimated useful life of fixed assets. The company has applied the provision of Schedule 2 of Income Tax Act 2058 for calculating absorbed depreciation base during the year and rate of depreciation. The depreciation rate applied for various asset categories are as follows.

Nate of Assets	Depreciation Rate
Building and Structure of Permanent Nature	5 %
Furniture and Fixtures	25 %
Office Equipment, Computer & Accessories	25 %
Vehicle	20 %
Plant & Machinery	15 %

Impairment of Assets other than financial assets: -

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable (NAS 36 Impairment of assets). An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

At each financial reporting date, Sopan Multiple Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, Sopan Multiple Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest entity of cash-generating units for which a reasonable and consistent allocation basis can be identified.

However, assets are not tested for impairment as on reporting date.

2.2 Right of Use Assets

A lease is a contract in which the right to use an asset (the leased asset) is granted for an agreed-upon period in return for compensation. The Company has recognized at present value assets for the right of use received and liabilities for the payment obligation entered into for all leases. Lease liabilities include the following lease payments:

- Fixed payments, less lease incentives offered by the lessor
- Variable payment linked to an index or interest rate
- Expected residual payment from residual value guarantees
- The exercise price of call options when exercise is estimated to be sufficiently likely and
- Contractual penalties for the termination of lease if the lease term reflects the exercise of terminable option

Lease payments are discounted at the implicit interest rate underlying the lease to the extent that this can be determined. Otherwise, discounting is at the incremental borrowing rate. The Group lease discount rate has been considered for the reporting period.

Right of Use assets are measured at cost, which comprises the following:

- Lease liabilities,
- Lease payments made at or prior to delivery, less lease incentives received,
- Initial Direct Costs, and
- Restoration Obligations

However, lease contracts are not entered into by Sopan Multiple Company till date.

2.3 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

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[Circular stamp: R. Associates]

2.4 Financial Assets

Initial Recognition, Classification and Subsequent Measurement

Date of Recognition

All financial assets and liabilities are initially recognized on the trade date, i.e., the date that Sopan Multiple Company becomes a party to the contractual provisions of the instrument. This includes 'regular way trades. Regular way trade means purchases or sales of financial assets that required delivery of assets within the time frame generally established by regulation or convention in the market place.

Recognition and Initial Measurement of Financial Instruments

Transaction costs are expensed as incurred for financial instruments classified or designated as fair value through profit or loss. For other financial instruments, transaction costs are included in the carrying amount. All regular-way purchases or sales of financial assets are accounted for on a settlement date basis.

The classification of financial instruments at the initial recognition depends on their purpose and characteristics and the management's intention in acquiring them.

Classification and Subsequent Measurement of Financial Assets and Liabilities

At the inception, a financial asset or liability is classified as subsequently measured at either amortized cost or fair value on the basis of both:

- a. Sopan Multiple Company's business model for managing the financial assets and
- b. The contractual cash flow characteristics of the financial asset.

The financial asset thus may be classified into following categories:

- a. Financial Assets measured at amortized cost
- b. Financial assets at fair value through Other Comprehensive Income
- c. Financial assets at fair value through profit or loss

Financial Assets measured at amortized cost

The financial assets held by Sopan Multiple Company which meets following conditions are classified as Financial Assets measured at amortized cost:

- i. Held within the business model with objective to collect contractual cash flows.
- ii. The contractual cash flows are solely payments of principal and interest on the principal amount outstanding

Thus, these are non- derivative financial assets with fixed or determinable payments and fixed maturities, which Sopan Multiple Company has the intention and ability to hold till maturity. At initial recognition, such financial asset is measured at its fair value plus or minus transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequently such financial asset is measured at amortized cost using the effective interest rate, less impairment. Amortized cost is generally calculated by taking into account any discount or premium on acquisition and fees that are an integral part of EIR.

Interest income from these financial assets is included in other income using the effective interest rate method.

Financial assets at fair value through Other Comprehensive Income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the

recognition of impairment gains or losses, interest revenue, dividend and foreign exchange gains & losses which are recognized in profit and loss. Interest income from these financial assets is included in income using the effective interest rate method.

Equity Investments

As per Appendix A and Section 5.5.9 of the NFRS 9, entity may choose to apply cost method of accounting for equity instrument when entity is unable to measure the fair value of equity instrument reliably. In case of Mathilo Mailun Jalabidhyut Company, fair value for 2079 and 2080 cannot be measured reliably as it was unlisted hence it has been measured at cost.

Financial Assets at Fair Value through Profit or Loss (FVTPL)

A financial asset is classified as fair value through profit or loss they are acquired principally for the purpose of selling or repurchasing in the near term or holds as a part of a portfolio that is managed together for short-term profit or position taking and are carried at fair value.

Changes in fair value are recognized as trading income. Dividend income is recorded in 'Other Income' when the right to receive the payment has been established. Interest income earned from financial assets held for trading is recorded under 'Interest Income'.

Financial assets at FVTPL include instruments such as government securities and equity instruments that have been acquired principally for the purpose of selling or repurchasing in the near term. As on date of financial statement, Sopan Multiple Company does not have any such investments.

2.5 Investment Properties

Investment property is property (land or a building or part of a building or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both, rather than for:

- Use in the production or supply of goods or services or for administrative purposes; or
- Sale in the ordinary course of business.

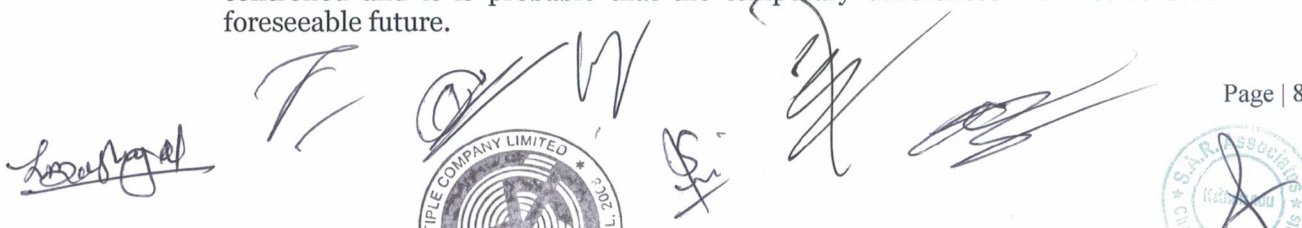
As per Para 30 of NAS 40 states "An entity shall choose either the cost model in paragraph 56 or the revaluation model in paragraph 33-35 as its accounting policy and shall apply that policy to an entire class of property, plant and equipment."

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) shall be included in profit or loss in the period in which the property is derecognized.

2.6 Deferred Tax Assets/Liabilities

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except: -

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

The bottom of the page features several handwritten signatures in black ink. Below the signatures, there are two circular official stamps. The stamp on the left is from 'SOPAN MULTIPLE COMPANY LIMITED' and includes the text '3-302 T. 1'. The stamp on the right is from 'S. P. Associates' and includes the text 'Kathmandu'. There are also some smaller, less legible handwritten marks and initials scattered around the stamps.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside profit or loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax asset/liability has been recognized and accounted for on the temporary timing difference between the Tax base with Carrying amount of assets and liabilities.

2.7 Other Non-Current Assets

The balances under receivables and advances as of the reporting dates include a security deposit with Nepal Telecom, an unchanged balance from Hal Chowk Fuel Station, and fee receivables that have fluctuated over the years due to variations in billing and collection cycles. The balances from Shakti Devi Petrol Station and Tribhuvan University (Nepal Bank Ltd) have remained consistent across all periods. A significant advance to Molina was reported in an earlier period but was adjusted in subsequent years.

2.8 Inventories

Inventories comprise consumables and repair spares, stocks, stock in transit, etc. Inventories are stated at the lower of cost and estimated net realizable value.

Cost is determined using the weighted average method. Inventory cost includes:

- costs of purchase (including taxes, transport, and handling) net of trade discounts received
- costs of conversion (including fixed and variable manufacturing overheads) and
- other costs incurred in bringing the inventories to their present location and condition

Net realizable value is the estimated selling price in the ordinary course of business, less applicable selling expenses.

The amount of any write-down of inventories to net realizable value and all losses of inventories shall be recognized as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realizable value, shall be recognized as a reduction in the number of inventories recognized as an expense in the period in which the reversal occurs.



The inventories include Chapali Land, Dhapakhel Land, Dadagaun Land, Lubhu Land, Nabalparasi Land (Beldehia and Pithauli), Pokhara Land, Harisiddi Land, Kuleshwor Land and Building, raw materials, and finished goods.

2.9 Loans Advances and Deposits

The schedule of loans, advances, and deposits includes amounts provided to staff, dividend receivables from institutions, rent receivables, land advances, and deposits in banks. It also consists of advances to various companies, individuals, and entities for services, investments, and operational needs. The balances fluctuate across the periods due to changes in receivables, repayments, or adjustments made against liabilities or expenses. Additionally, there are specific deposits with vendors, security deposits, and advances for investment in projects, reflecting the company's diversified financial engagements and operational requirements.

2.10 Trade and Other Receivables

Trade receivables are recognized initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognized at fair value. They are subsequently measured at amortised cost less Impairment allowance.

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Usually, the collection of such trade receivables is expected in 1 year or less (or in the normal operating cycle of the business if longer).

The trade and other receivables as of 31st Ashadh 2081 comprise student fee receivables, other receivables, and amounts due from various entities, including Prime Ants and specific advances to individuals such as Anita Shariya, Kiran Sariya, and Shila Shariya. The balance also includes other receivables, indicating outstanding amounts owed to the organization.

2.11 Cash and Cash Equivalent

Cash and Cash Equivalent comprise of cash in hand, cheques in hand, current and call accounts with the banks. For the purposes of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, deposits held at current and call accounts with banks, other short term highly liquid investments with original maturities of three months or less. Allowance for loss in lieu of shortage of cash and cash equivalents are made for, if any, in the value of such cash and cash equivalents.

2.12 Other Current Assets

The other current assets as of 31st Ashadh 2081 include advance tax payments and prepaid expenses, primarily for insurance and other related costs, resulting in a total balance of current assets reported for the period.

2.13 Share capital

Share capital represents the funds received in the form of cash or cash equivalents, including initial equity contributions. It encompasses provisions for issuing bonus shares, as guided by the relevant accounting standards, including NAS 32 (Financial Instruments: Presentation) and NAS 1 (Presentation of Financial Statements).

Bonus shares are issued from retained earnings or eligible reserves. Transaction costs related to equity are deducted from share capital, and the balance may be categorized under paid-up capital or other equity components.

2.14 Reserve and Surplus

Reserves and surplus comprise various components, including the opening balance, additions during the year, transfers to and from reserves, dividends, bonus shares issued, adjustments, and consolidation adjustments in retained earnings from owner transactions. It also includes share premium and transfers from revaluation surplus to retained earnings upon the disposal of assets, in compliance with NAS 1 and NAS 16.

2.15 Other reserves

Other Reserves are a group of reserves set aside by a company for specific purposes, other than retained earnings or general reserves. These reserves have been reported in the equity section of the balance sheet and are not available for distribution as dividends, ensuring the company's long-term financial stability.

The Other Reserves of Sopan Multiple Company comprise of Revaluation Surplus, Corporate Social Responsibility Fund, and Fair Value Reserve.

2.16 Long Term Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of comprehensive income over the period of the borrowings using the effective interest method.

2.17 Other Non-Current Liabilities

Other Non-Current Liabilities represent obligations that are due beyond one year from the balance sheet date and are not classified under other specific liabilities. These liabilities have been presented separately to distinguish them from short-term obligations, ensuring transparency in the company's financial position.

Liabilities include Grant Liabilities, Student Deposits, Other Payables, Advances, Director Loans, and Other Liabilities.

2.18 Deferred Tax Liability

As per NAS 12 (Income Taxes), "A deferred tax liability is the amount of income taxes payable in future periods in respect of taxable temporary differences." Sopan Multiple Company has accounted for deferred tax liability in compliance with the relevant provisions of **NAS 12 (Income Taxes)** and has presented it on the liability side of the Statement of Financial Position.

2.19 Long Term Provision

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Possible obligation, arising from past events and whose existence will be confirmed upon uncertain future events not wholly within the control of the Corporation and present obligation arising from past events with least probability of payment or the amount cannot be measured with sufficient reliability are disclosed as contingent liability.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The company has recognized the following long-term provisions as of the reporting date: Provision for Gratuity, Provision for Leave Encashment, Provision for Accumulated Leave, and Provision for Medical Expenses.

2.20 Trade and Other Payables

Trade and other payables represent liabilities for goods or services provided to Sopan Multiple Company prior to the end of financial year which are unpaid. Trade payables are classified as current liabilities unless payment is not due within twelve (12) months after the reporting period.

At the end of the financial year, Sopan Multiple Company reports Payable to Suppliers, Accrued Expenses, Statutory Liabilities, and Advance Income under Trade and Other Payables.

2.21 Current Portion of Non-Current Liabilities

The current portion of non-current liabilities refers to the portion of long-term liabilities that is due for settlement within the next 12 months or the company's operating cycle, whichever is longer. These liabilities are reclassified from non-current to current on the balance sheet in accordance with NAS 1 (Presentation of Financial Statements), ensuring that the financial position reflects obligations expected to be settled within the short term.

The company's current portion of non-current liabilities as of the reporting date includes loans from Nepal Bank Limited, Himalayan Bank (HP Loan), Prabhu Bank Limited (Pharma, Oxygen Plant, Hire Purchase), Vehicle Loan, Term Loans from BOK and GIBL, and the Current Portion of Long-Term Loan. It is mentioned in schedule no 3.20.

2.22 Short Term Borrowings

Short-term borrowings are liabilities other than non-current borrowings and are measured at transaction value considering the short period of maturity, scheduled as under:

The company's short-term borrowings include loans from Nepal Bank Limited, Prabhu Bank Limited (Short Term, Trust Receipt, OD, BG Loans), Laxmi Bank Limited (BG Loan), Bank Import Loan, advances from Sopan Multiple Company, Sopan Pharmaceuticals, and promoters/directors, along with Overdrafts (BOK, GIBL) and Demand Loan (GIBL). Details is mentioned in schedule no 3.21

2.23 Short Term Provision

The company has recognized provisions for Income Tax and Bonus under Short-Term Provisions in accordance with the applicable accounting standards, reflecting its current liabilities for the period.

2.24 Other Current Liabilities

Other Current Liabilities are obligations due for settlement within the normal operating cycle or 12 months, excluding trade payables and short-term borrowings.

2.25 Revenue from Operation

All income relating to normal business operations is recognized as revenue in the income statement in accordance with NFRS 15. All other income is reported as other operating income.



Revenue is recognized when control over the goods or services transfers to the customer, i.e., when the customer has the ability to control the use of the transferred goods or services provided and generally derive their remaining benefits. There must be a contract with enforceable rights and obligations and, amongst other things, the receipt of consideration must be likely, taking into account the customer's credit quality. Revenue corresponds to the transaction price to which Sopan Multiple Company is expected to be entitled. Variable consideration is included in the transaction price when it is highly probable that a significant reversal in the amount of revenue recognized will not occur and to the extent that the uncertainty associated with the variable consideration no longer exists.

For each performance obligation, revenue is either recognised at a point in time or over time. The revenue generated by providing services is recognised in the reporting period in which the service was rendered.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

2.26 Other Income

Other Income are the income earned by a company from activities outside its core operations. It includes revenue generated from non-operating sources such as interest income, dividend income, rental income, gains on sale of assets, and foreign exchange gains. These items are typically reported separately from revenue from operations in the financial statements.

The Other Income of the Company includes Interest Income, Dividend Income, Rental Income, Profit on Sale of Assets, Foreign Exchange Gains, Income from Investments, and Miscellaneous Income.

2.27 Project Income

Project Income represents income earned from long-term contracts and projects undertaken by the company, primarily related to construction, development, and other service-based contracts. In accordance with NAS 15 (Revenue from Contracts with Customers), revenue from such projects is recognized based on the transfer of control over time as the performance obligations are satisfied. This is done using the percentage-of-completion method or other contract-specific milestones.

Revenue is recognized when it is probable that the company will collect the consideration to which it is entitled and when the costs incurred for the project can be measured reliably.

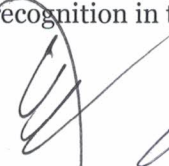
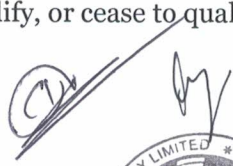
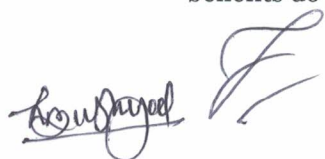
The income is recognized in line with the progress of the project and reflects the completion of performance obligations as agreed in the contract.

The Company includes Grant Income (Smart Link Project), Grant Income (E-access Project), Grant Income (Sunspace Project), and Grant Income (Yetis Project).

2.28 Cost Of Sales

The **Cost of Sales** includes all costs directly attributable to the production of goods and services sold during the period, in line with **NAS 2**. These costs consist of direct materials, direct labor, manufacturing overheads, and the cost of inventory sold. The cost of sales is recognized in the period when the related revenue is recognized.

The **Cost of Sales** includes all costs directly attributable to the production of goods and services sold during the period, in line with **NAS 2**. This amount includes the cost of the materials used in the production of goods and services along with the direct labor costs, manufacturing overheads, and the cost of inventory sold. and It does not include overhead expense related to the general operation of the business. An expense is recognized immediately in the income statement when an expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify, or cease to qualify, for recognition in the balance sheet as an asset.



2.29 Employee Benefit Expenses

As per NAS-19 Employee benefits include:

- Short Term Employee Benefits
- Post Employee Benefits
- Termination Benefits
- Other Long Term Employee Benefits

Company has complied with the relevant provision of NAS-19 regarding employee benefits.

2.30 Office and Administration Expense

Office and Administration Expense include the expenses from repair and maintenance, rent, rates and taxes, printing and stationeries, advertisement expenses, insurance premium, etc. Audit fees have also been incorporated in general administrative expenses. These expenses are recognized as and when incurred.

2.31 Selling and Distribution Cost

The Company's Selling and Distribution Expenses include advertising, marketing consumables, product launching, promotional costs, employee expenses (salary, TADA), and transportation-related costs.

2.32 Finance Cost

Finance cost includes expenses related to borrowing funds, such as interest, bank charges, and fees. These costs are expensed unless directly related to qualifying assets, in which case they are capitalized, as per NAS 23.

2.33 Project Expenses

The project expenses have been incurred for the Sun Space Project, Dream City Project, E-access Project, Sunspace Project, Yetis Project, and Smart Link Project.

2.34 Deferred Tax expense/(Income)

The Deferred Tax Expense or Income has been recognized in line with the provision of NAS 12. Details disclosed in schedule no. 3.5.

2.35 Contingent Liability

A contingent asset is a possible asset 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 entity. Contingent assets are not recognized in financial statements and when the realization of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. Where an inflow of economic benefits is probable, the Corporation discloses a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an estimate of their financial effect.

2.36 Related Party Disclosures

Under **NAS 24 Related Party Disclosures**, Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions and include major shareholders, subsidiary companies, associates, retirement funds, directors and key management personnel and their close family members.



Subsidiary

Transactions between Sopan Multiple and its subsidiaries, meet the definition of related party as defined under NAS-24 "Related Party Disclosures".

Name of Subsidiary	Nature of Transactions	Transactions during the year Dr/(CR.)	2080-81 (NPR) Dr/(CR.)	2079-80 (NPR) Dr/(CR.)
Sopan Properties Company Ltd.	Account Payable	10,14,655	(34,98,431)	(45,13,087)
Acme Engineering College	Account Payable	19,40,000	(23,91,723)	(43,31,723)
Sopan Pharmaceuticals Ltd.	Loans & Advances - Receivable	(38,13,654)	-	38,13,654

Associates

Company considers an investee as its associate if the company can exercise significant influence in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

Transactions during the year	Nature of Transaction	2080-81 (NPR)	2079-80 (NPR)
Molnia Power Limited	Loans and Advances	1,76,40,639	1,75,87,339

Directors and other Key Managerial Personnel (KMP)

Key Management Personnel and their immediate family members are also considered to be related parties for disclosure purpose as per NAS-24 "Related Party Disclosures".

As per Nepal Financial Reporting Standard (NAS 24) "Related Party Disclosures", Key Management Personnel are those having authority and responsibility for planning, directing and controlling the activities of the entity. Company considers the members of its Board, Chief Executive Officer and all managerial level executives as Key Management Personnel (KMP) of the Bank.

Following is the list of Board of Directors bearing office at 31st Ashadh 2081

Name of Member	Designation
1) Dr. Birendra Pd. Mahato	Chairman
2) Dr. Er. Tara Pd. Pokhrel	Director
3) Er. Rameshwar Rijal	Director
4) Mr. Ashok Kumar Khadka	Director
5) Mr. Anish Shah	Director

Compensation to the members of the Board

All members of the Board are non-executive directors and no executive compensation is paid to the directors. Specific non-executive allowances paid to directors are as under:

Compensation to other KMP of the Company

Nature of Compensation	Total Compensation (NPR)	Remarks
Board Meeting Allowance	915,000.00	FY 2079-080
Board Meeting Allowance	7,03,000.00	FY 2080-081

