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श्री शेयरधनी महानुभावहरू,

विषय:- ३३, ३४ र ३५औं वार्षिक साधारणसभाको सूचना

मिति २०८०/१०/०७ मा बसेको सञ्चालक समितिको बैठकले गरेको निर्णय अनुसार यस कम्पनीको ३३, ३४ र ३५औं वार्षिक साधारणसभा निम्न लिखित मिति, समय र स्थानमा देहायका विषयउपर छलफल तथा निर्णय गर्नका लागि बस्ने भएको र हाल अध्यक्षज्यूको अस्वास्थ्यका कारणले भौतिक उपस्थितिमा सभा सम्पन्न गर्न सम्भव नभएको हुँदा शेयरधनी महानुभावहरूको अमूल्य सुभावा तथा सल्लाह टेलिफोन वा e-mail मार्फत उपलब्ध गराई दिनु हुनका साथै शेयरधनी महानुभावहरूको जानकारी एवं Webinar (Zoom) मार्फत भाग लिन साधारणसभा हुने समय भन्दा २४ घण्टा अगाडी मोबाईल नं. ९८०११८२२१९ वा ०१ ५५३६३११ मा सम्पर्क गरी सहभागिता जनाउनु हुन यो सूचना प्रकाशित गरिएको छ ।

(क) सभा हुने मिति, समय र स्थान :

१. मिति : २०८० फाल्गुण ०६ गते आइतबार ।
२. समय : दिउसो १.०० बजे ।
३. स्थान : मुख्य कार्यालय, कृष्णगल्ली, पुल्चोक, ललितपुर ।
(Zoom को ID / Password उपलब्ध गराईनेछ ।)

(ख) छलफलको विषय :

१. सञ्चालक समितिको ३३, ३४ र ३५औं वार्षिक प्रतिवेदन पारित गर्ने ।
२. लेखा परीक्षकको प्रतिवेदनसहितको २०७८, २०७९, २०८० आषाढ मसान्तको वासलात, सोही मितिमा समाप्त आ.व.२०७७/७८, २०७८/७९ र २०७९/८० को नाफा(नोक्सान हिसाब, सोही अवधिको नगद प्रवाह विवरण र सोसंग सम्बन्धित अनुसूचीहरू उपर समेत छलफल गरी पारित गर्ने ।
३. आ.व. २०८०/८१ का लागि लेखा परीक्षकको नियुक्ती र निजको पारिश्रमिक तोक्ने ।
४. सर्वसाधारण शेयरधनीहरूको तर्फबाट २ जना सञ्चालकहरूको निर्वाचन गर्ने ।
५. विविध ।

आज्ञाले,

प्रविण पौडेल
कम्पनी सचिव

प्रोवसी फाराम

श्री सञ्चालक समिति
नेपाल बिटुमिन तथा ब्यारेल उद्योग लि.
कृष्णागल्ली, पुल्चोक, ललितपुर ।

विषय:- प्रतिनिधि नियुक्त गरेको बारे ।

महाशय,

... .. जिल्ला न.पा./गा.पा., वडा नं.... ..
बस्ने म/हामीले त्यस कम्पनीको
शेयरधनीको हैसियतले २०८० फागुण ०६ गते आइतबारका दिन हुने ३३, ३४ र ३५^{औं} वार्षिक साधारणसभामा म/हामी
स्वयं उपस्थित भई छलफल तथा निर्णयमा सहभागी हुन नसक्ने भएकाले उक्त सभामा मेरो/हाम्रो तर्फबाट भाग लिन
तथा मतदान गर्नको लागि जिल्ला
न.पा./गा.पा., वडा नं., बस्ने श्री लाई
मेरो/हाम्रो प्रतिनिधि मनोनित गरी पठाएको छु/छौं ।

प्रतिनिधि मनोनित भएको व्यक्तिको

निवेदक

हस्ताक्षरको नमूना :-

दस्तखत :-

नाम :-

ठेगाना :-

शेयरधनी नं. :-

शेयरधनी नं.:-

शेयर संख्या:-

कि.नं.:-... .. देखि सम्म

मिति :-

मिति :-

द्रष्टव्य : यो निवेदन साधारणसभा हुनु भन्दा कम्तीमा ४८ घण्टा अगावै कम्पनीको रजिष्टर्ड कार्यालय कृष्णागल्ली, पुल्चोक, ललितपुरमा
पेश गरिसक्नु पर्नेछ ।

एकभन्दा बढी प्रतिनिधिको नाम उल्लेख गरेमा प्रतिनिधि फाराम रद्द गरिनेछ ।

✂

नेपाल बिटुमिन तथा ब्यारेल उद्योग लि.

प्रवेश-पत्र

शेयरधनीको नाम श्री

शेयरधनी नं. : शेयर संख्या :

नेपाल बिटुमिन तथा ब्यारेल उद्योग लि.को मिति २०८० फागुण ०६ गते आइतबारका दिन हुने ३३, ३४ र ३५^{औं} वार्षिक साधारणसभामा
उपस्थित हुन जारी गरिएको प्रवेश-पत्र ।

.....
शेयरधनीको दस्तखत

.....
(प्रबिण पौडेल)

कम्पनी सचिव

द्रष्टव्य : शेयरधनी आफैले खाली कोष्ठहरू भर्नुहोला ।

(समाकक्षमा प्रवेश गर्न यो प्रवेश-पत्र प्रस्तुत गर्नु अनिवार्य छ ।)

साधारणसभा सम्बन्धी सामान्य जानकारी

१. मिति २०८०/१०/१५ देखि २०८०/११/०६ सम्म शेयर दारिखल खारेज किताब बन्द हुनेछ ।
२. सभामा भौतिक रूपमा भाग लिन इच्छुक शेयरधनी महानुभावहरूले सभा हुने दिन आषणो परिचय खुल्ने प्रमाण अथवा सोको प्रतिलिपि (जरतै नागरिकता प्रमाणपत्र वा अन्य कुनै फोटो सहितको परिचयपत्र) वा सक्कल शेयर प्रमाणपत्र अनिवार्य रूपमा साथमा लिई आउनुहुन अनुरोध छ । अन्यथा सभाकक्षभित्र प्रवेश गर्न पाइने छैन ।
३. सभामा भाग लिन प्रत्येक शेयरधनी महानुभावले Zoom मार्फत उपस्थिति जनाउनु हुन अनुरोध छ । साधारणसभाको हाजिरी पुस्तिका विहान १०.०० बजेदेखि खुल्ला रहनेछ ।
४. सभामा भाग लिनको लागि प्रतिनिधि (प्रोक्सी) मुकरर (नियुक्त) गर्न चाहने शेयरधनी महानुभावहरूले कम्पनीका शेयरधनीलाई मात्र प्रतिनिधि नियुक्त गर्न सक्नु हुनेछ र सो सम्बन्धी प्रचलित कम्पनी कानूनले तोकेको ढाँचामा प्रोक्सी फाराम भरी सभा शुरूहुनु भन्दा ४८ घण्टा अगावै कार्यालय समय भित्र कम्पनीको मुख्य कार्यालय कृष्णगल्ली, पुल्चोक, ललितपुरमा बुझाई सक्नु पर्ने छ । सभामा भाग लिन र मतदान गर्न सक्ने गरी एक ब्यक्तिलाई मात्र प्रतिनिधि नियुक्त गर्न सकिने छ ।
५. कुनै शेयरधनीले एक भन्दा बढी प्रतिनिधि नियुक्त गरेमा कार्यालयमा दर्ता भएको पहिलोलाई मात्र मान्यता दिइनेछ ।
६. नाबालक वा विक्षिप्त शेयरधनीको तर्फबाट उद्योगको शेयर लगात किताबमा संरक्षकको रूपमा नाम दर्ता भएको ब्यक्तिले सभामा भाग लिन, मतदान गर्न वा प्रतिनिधि तोक्न पाउने छैन ।
७. संयुक्त रूपमा शेयर खरीद गरिएको अवस्थामा लगात किताबमा पहिले नाम उल्लेख भएको ब्यक्ति अथवा सर्वसम्मतिबाट प्रतिनिधि नियुक्त गरिएको एक ब्यक्तिले मात्र सभामा भाग लिन र मतदान गर्न पाउनेछन् ।
८. सभामा भाग लिन र मतदान गर्नको लागि प्रतिनिधि नियुक्त गरिसकेपछि सम्बन्धित शेयरधनी आफैँ भाग लिन वा प्रतिनिधि फेरबदल गर्न चाहनेमा सभा शुरू हुनुभन्दा २४ घण्टा अगावै सोको सूचना कम्पनीको मुख्य कार्यालयमा दर्ता गरिसक्नु पर्नेछ । अन्यथा पहिले नियुक्तभएको प्रोक्सी मान्य हुने हुनाले शेयरधनीले स्वयं उपस्थित भई सभामा भाग लिन, मतदान आदि गर्न पाउने छैनन् ।
९. सभामा आफ्नो मन्तब्य वा प्रश्न राख्न चाहने शेयरधनीहरूले आफ्नो नाम उल्लेख गरी लिखित रूपमा राखिदिनु हुन अनुरोध गरिन्छ ।
१०. शेयरधनीहरूले ब्यक्त गरेको मन्तब्य वा प्रश्नहरूका सम्बन्धमा सञ्चालक समितिको तर्फबाट अध्यक्ष वा निजले तोकेको ब्यक्तिद्वारा सामुहिक रूपमा उत्तर दिइनेछ ।
११. सभा सम्बन्धमा थप जानकारी आवश्यक परेमा कार्यालय समयभित्र मुख्य कार्यालय, कृष्णगल्ली, ललितपुरमा सम्पर्क राख्न समेत अनुरोध गरिन्छ ।
१२. COVID-19 को हालको परिस्थितिमा सृजना हुन सक्ने सम्भावित असर तथा जोखिमलाई मध्यनजर गरी नेपाल सरकारले पालना गर्नु पर्ने भनी तोकिएका सम्पूर्ण सुरक्षात्मक उपायहरू अवलम्बन गरी साधारणसभा सञ्चालन गर्ने प्रबन्ध मिलाईएको छ । साथै शेयरधनी महानुभावहरूले कम्पनीको साधारण सभामा Zoom मार्फत भाग लिन साधारणसभा हुने समय भन्दा २४ घण्टा अगाडी फोन नं.०१ ५५३६३११ वा मोबाईल नं.९८०११८२२१९ मा सम्पर्क गरी सहभागीता जनाउनु हुन अनुरोध गरिन्छ ।
१३. शेयरधनीहरूलाई सभा स्थलमा नगढ वा जिन्सीको रूपमा कुनै पनि रकम उपलब्ध गराइने छैन ।

३३, ३४ र ३५औं वार्षिक साधारणसभामा अध्यक्षद्वारा प्रस्तुत मन्तव्य

आदरणीय शेयरधनी महानुभावहरू,

यस नेपाल बिटुमिन तथा ब्यारेल उद्योग लि.को ३३, ३४ र ३५औं वार्षिक साधारण सभामा उपस्थित भई सभाको गरिमा बढाइदिनु भएकोमा आदरणीय शेयरधनी महानुभावज्यूहरू, सञ्चालकज्यूहरू तथा उद्योगमा कार्यरत कर्मचारी/कामदारहरू, समस्त पत्रकार, विभिन्न सञ्चार मिडियाका साथै उपस्थित महिला तथा सज्जनबृन्दहरूमा सधन्यवाद सहित यस सभामा हार्दिक स्वागत गर्दछौं ।

विगतका विविध कारणहरूले गर्दा यस उद्योगको वार्षिक साधारणसभा नियमित रूपमा सम्पन्न गर्न कठिनाई उत्पन्न हुन गयो । त्यसैगरी मेरो अस्वस्थताको कारण स्वास्थ्य लाभ गरिरहेको हुँदा विगतका वर्षहरूमा ठेकै सबै शेयरधनीहरूको भौतिक उपस्थितिमा यस कम्पनीको वार्षिक साधारणसभा सम्पन्न गर्न कठिनाई भएको हुँदा भर्चुअल माध्यम भिडियो कन्फरेन्स Zoom मार्फत कम्पनीको ३३, ३४ र ३५औं वार्षिक साधारणसभा सम्पन्न गर्न गहिरहेका छौं । यस संयुक्त वार्षिक साधारणसभामा उपस्थित हुनु भएका सम्पूर्ण शेयरधनी महानुभावहरूलाई पुनः हार्दिक स्वागत तथा अभिवादन गर्दछौं । विविध कारणहरूले गर्दा समयमा साधारणसभा गर्न नसकेकोमा क्षमाप्रार्थी छौं । साथै आगामी वार्षिक साधारणसभा परिस्थितिको अनुकूलता हेरी अवश्य पनि समयमै सम्पन्न गर्ने प्रतिवद्धता व्यक्त गर्दछौं ।

आर्थिक वर्ष २०७९/८० मा सरकारी वित्त स्थिति दबाबमा परेको छ भने निजी क्षेत्रतर्फ प्रवाह हुने कर्जाको बृद्धिदर इतिहासकै तुलनामा कमजोर रहेको छ । आर्थिक गतिविधिमा केही शिथिलता आएकोले सडक निर्माण तथा मर्मत जस्ता कार्यमा मन्दी छएको छ । आर्थिक वर्ष २०८०/८१ को संघीय बजेटले निर्धारण गरेका अधिकांश सडक निर्माण कार्यहरूको पुरानो भुक्तानी निर्माण व्यवसायीहरूलाई उपलब्ध गराईने प्रतिवद्धता जनाए तापनि हालसम्म पुरा गर्न नसकि रहेको अवस्था विद्यमान रहेको छ । देशमा देखिएको आर्थिक मन्दीका कारण नयाँ तथा पुराना बहुवर्ष योजना/आयोजनाहरू समेत प्रभावित भई रहेको हुँदा देशमा सडक निर्माणका कार्यहरू न्यून मात्रामा मात्रै सञ्चालनमा आएका छन् । सरकारको मौद्रिक नीति पश्चात कम्पनीले आगामी दिनहरूमा निर्माण कार्यले गति लिने अपेक्षाका साथ योजना बनाई अगाडी बढी रहेको यहाँहरू समक्ष जानकारी गराउन चाहन्छौं ।

विगतमा इन्डियन आयल कर्पोरेशन लि. (IOC) बाट बल्क बिटुमिन आयात गर्दा हल्दीया रिफाइनरीको मात्र प्रयोग भई रहेकोमा हाल आएर भारतमा रहेका नजिकका बरोनी तथा मथुरा रिफाइनरीहरूबाट समेत बल्क बिटुमिन ल्याउने कार्य भईरहेको छ । जसले गर्दा ढुवानी खर्च घटन गएको छ । त्यसैगरी IOC सँग सम्झौता गरी परिमाणको आधारमा छुट सुविधा प्राप्त गरेको हुँदा प्रतिस्पर्धी बजारमा न्यून गुणस्तरका बिटुमिनहरूसँग प्रतिस्पर्धा गर्न सजिलो भएको छ । यसरी आयात गरिएका बल्क बिटुमिनहरूलाई नेपालका सिमावर्ती नाकाहरूमा बित्री डिपो स्थापना गरी बजार विस्तारलाई निरन्तरता दिई बित्री बढाउन पहल भईरहेको यहाँहरू समक्ष अवगत गराउन चाहन्छौं ।

गएका वर्षहरू जस्तै यी वर्षहरूमा पनि देशमा आर्थिक क्रियाकलाप तथा विकाश निर्माण कार्यले आशातित फड्को मार्न सकेन । कोरोना, डेंगु लगाएतका संक्रामक रोगहरूसँग जुध्दाजुध्दै विकाश निर्माणका कार्यमा केही आशाका किरणहरू देखिँदै गर्दा रुस-युक्रेन युद्धको विभिसिखाले पुनः विश्वलाई एकपटक ऋस्कायो । जसले गर्दा उठ्न खोजेको अर्थतन्त्रलाई फेरी सतहमै पुन्याइदिएको यथार्थ यहाँहरूलाई अवगत भएकै विषय हो । अन्तर्राष्ट्रिय बजारमा पेट्रोलियम पदार्थ लगाएतको उच्च मूल्य बृद्धि हुँदा देशका यावत आर्थिक क्रियाकलापहरूमा असर देखिनुका साथै विकास निर्माणको क्रममा अवरोध उत्पन्न हुनु स्वभाविक देखिए तापनि न्यून गुणस्तरका आयातित बिटुमिनजन्य सामग्रीसँग अस्वस्थ प्रतिस्पर्धा गर्नुपर्ने जस्ता परिस्थिति

विद्यमान रहँदा रहँदै कागजी रुपमा दर्ता भएका बिटुमिन तथा बिटुमिनजन्य पदार्थहरू उत्पादन गर्ने उद्योगहरूसंग प्रतिस्पर्धा गर्नु पर्ने अर्को चुनौती यस उद्योगका लागि थपिएकोमा व्यवसाय सांघुरिदै जाने देखिन्छ । कम्पनीले आगामी आर्थिक वर्षमा यस उद्योगका उत्पादनहरूलाई बजारमा अझ लोकप्रिय बनाउन गुणस्तर लगाएतका अन्य क्षेत्रमा विश्वसनियता कायम राखी प्रतिस्पर्धिहरू माझ अब्बल रुपमा स्थापित भई न्यून: गुणस्तरका बस्तुहरूलाई प्रतिस्थापन गरी हाम्रा उत्पादनहरूलाई स्थापित गर्नुका साथै बजार विस्तृतीकरण तथा सुदृढीकरण गरी राम्रो प्रतिफल प्राप्त गर्ने दिशातर्फ अग्रसर हुने हाम्रो प्रतिवद्धता निरन्तर कायम रहनेछ । आगामी दिनहरूमा कम्पनीले निर्वाह गर्नुपर्ने भूमिकाका सम्बन्धमा यस संयुक्त सभाबाट सदाकै रचनात्मक सुझाव तथा मार्गनिर्देशन प्राप्त हुने नै छन् भन्ने कुरामा हामी विश्वस्त छौं ।

विगतमा रहेको इमल्सन उत्पादन गर्ने पुरानो प्रविधिलाई प्रतिस्थापन गरी नयाँ डिजिटल अटोमेटिक प्रकृयाबाट सञ्चालनमा ल्याई उत्पादन समेत बृद्धि गरी बजारमा पठाई सकिएको छ । त्यसैगरी लामो समयदेखि बजारमा उठ्न नसकेको उधारो रकमहरू कानुनी प्रकृया अपनाई मुद्दाको रुपमा गएको हुँदा सोको किनारा लाग्दै गएकोमा पुराना रकमहरू उठ्ने क्रम जारी रहेको व्यहोरा यहाँहरूलाई अवगत गराउन पाउँदा गौरवान्वित भएका छौं ।

यस कम्पनीले आफ्नो कारोबारका सन्दर्भमा विभिन्न सरकारी गैरसरकारी, स्वदेशी तथा विदेशी संघ संस्था, व्यक्ति, बैंकहरूसंग पनि असल व्यवसायिक सम्बन्ध कायम राख्दै आएको छ । यस्ता व्यवहारले कम्पनीको कारोबार बृद्धि गर्न र प्रतिफल आर्जन गर्न समेत सहज हुने वातवरण सृजना गर्ने देखिन्छ । कम्पनीले सडक विभाग र सम्बन्धित निकायमा आफ्ना उत्पादनहरूको प्रयोग गुणस्तरिय रहेको तथा सार्वजनिक खरिद ऐनमा कायम भएको व्यवस्थालाई निरन्तरता दिनुका साथै गुणस्तरयुक्त बिटुमिनजन्य पदार्थको मात्र प्रयोग गरी सडक निर्माण गर्दा कालोपत्रेको आयु बृद्धि गर्न र न्यून: गुणस्तरको प्रयोगलाई निरुत्साहित गर्न उत्प्रेरित गरीरहेका छौं । आउँदा दिनहरूमा कम्पनीको कारोबारको दायरा अझ फराकिलो पाउँदै लैजाने प्रतिवद्धता व्यक्त गर्दछौं । खर्चहरूमा जतिसक्दो मितव्ययिता अपनाईने गरेको छ । सामाजिक उत्तर दायित्व अन्तर्गत विगतका वर्षहरू जस्तै यी वर्षहरूमा पनि कोभिड-१९ पिडीतलाई खाद्यान्न लगायतका सहयोग, विभिन्न शैक्षिक संस्थाहरूलाई सहयोगको निरन्तरता, वृक्षारोपण तथा सोको संरक्षण, रक्तदान, आदि जस्ता कार्यहरूमा कम्पनी सधैं संलग्न रहँदै आईरहेको छ ।

शेयरधनी महानुभावहरू,

सञ्चालक समितिको प्रस्तुत ३३, ३४ र ३५औं संयुक्त वार्षिक प्रतिवेदन सहितको संलग्न तीन आर्थिक वर्षको लेखा परीक्षकको प्रतिवेदनका साथ २०७७/७८, २०७८/७९ र २०७९/८० आषाढ मसान्तको वासलात, सोही मितिमा समाप्त आ.व. २०७७/७८, २०७८/७९ र २०७९/८० को नाफा-नोक्सान हिसाब, नगद प्रवाह विवरणहरू यहाँहरूबाट स्वीकृत हुने नै छ, साथै छलफलका अन्य विषयहरूमा पनि यहाँहरूबाट निर्णय हुने नै छ भन्ने विश्वास लिएका छौं ।

अन्त्यमा, कम्पनीलाई निरन्तर अमूल्य मार्गनिर्देशन प्रदान गर्दै आउनु भएका शेयरधनी महानुभावहरू, सरकारी निकायहरू, सल्लाहकारहरू साथै कम्पनीको उत्पादन माथि विश्वास प्रकट गर्ने सडक कार्यालयहरू, स्थानीय निकाय, निर्माण व्यवसायीहरू, कम्पनीको कारोबारलाई सहयोग गर्ने बैंक तथा वित्तीय संस्थाहरूका साथै कम्पनीको उन्नती र उत्तरोत्तर प्रगतिमा लागिपर्ने कर्मचारी कामदारहरूप्रति कृतज्ञता व्यक्त गर्दै यहाँहरूबाट निरन्तर सहयोग र सद्भाव पाउने अपेक्षा र विश्वाससहित सबैलाई हार्दिक धन्यवाद ज्ञापन गर्न चाहान्छौं ।

धन्यवाद ।

२०८०/१०/०७

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(प्रेमवहादुर श्रेष्ठ)

अध्यक्ष

३३, ३४ र ३५^{औं} वार्षिक साधारणसभामा प्रस्तुत सञ्चालक समितिको तर्फबाट प्रस्तुत आ.व. २०७७/०७८, २०७८/०७९ र २०७९/०८० को संयुक्त प्रतिवेदन

आदरणीय शेयरधनी महानुभावहरू,

नेपाल बिटुमिन तथा ब्यारेल उद्योग लि.को ३३, ३४ र ३५^{औं} वार्षिक साधारणसभा विगतमा विश्वव्यापी महामारीको रुपमा फैलिएको कोरोना भाईरस (COVID-19) तथा चालु आर्थिक वर्ष २०७९/८० मा छिमेकी देश भारत लगायत नेपालभर नै फैलिएको डेंगुका साथै दुई राष्ट्र रुस र युक्रेनको युद्ध र सो युद्धमा परोक्ष रुपमा विश्वका महाशक्ति राष्ट्रहरूको सहभागिताका कारण पेट्रोलियम पदार्थको आपूर्तिमा कमी र उच्च मूल्य बृद्धि, कच्चा पदार्थ तथा विभिन्न सामानहरूको आयात/निर्यातमा अवरोध, खाद्यान्न संकट, उच्च मुद्रास्फीति, उच्च बेरोजगारी दर र अन्तर्राष्ट्रिय ऋणमा बृद्धि जस्ता समस्याहरूको नेपाल लगाएत अधिकांश राष्ट्रहरूले सामना गर्नुपरेको । यि र यस्ता विविध कारण समेतले यस उद्योगको वार्षिक साधारणसभा सम्पन्न गर्न कठिनाई उत्पन्न हुन गयो । त्यस्तै विश्व बजारमा देखिएको मन्दीका साथै कम्पनीका अध्यक्षज्यूको अस्वस्थताका कारण विगतका वर्षहरूमा भै सबै शेयरधनीहरूको भौतिक उपस्थितिमा सभा सम्पन्न गर्न सम्भाव नभएको हुँदा भर्चुअल माध्यम (भिडियो कन्फरेन्स Zoom) मार्फत उपस्थित सम्पूर्ण शेयरधनी महानुभावहरू, कर्मचारीहरू, पत्रकारहरू, अन्य उपस्थित महिला तथा सज्जनबृन्दहरूलाई सञ्चालक समितिको तर्फबाट हार्दिक स्वागत गर्दछौं । कम्पनीको सञ्चालक समितिका तर्फबाट आर्थिक वर्ष २०७७/०७८, २०७८/०७९ र २०७९/०८० को वार्षिक प्रतिवेदनका साथै वासलात, नाफा-नोक्सान हिसाब र नगद प्रवाह विवरण यहाँहरूसमक्ष प्रस्तुत गर्न अनुमति चाहन्छौं ।

क) विगत वर्षको कारोबारको सिंहावलोकन:

विगतमा आतंकको रुपमा देखिएको कोरोना भाईरस (COVID-19) संक्रमण जोखिम त्यस्तै छिमेकी देश भारत लगायत नेपालभर नै फैलिरहेको डेंगुको प्रकोप साथै रुस र युक्रेनको युद्धको कारण परोक्ष रुपमा नेपाल पनि अछुतो रहन सकेन । यसले गर्दा देशमा देखिन गएको अर्थिक मन्दी, निर्माण व्यसायीहरूलाई विगतदेखिको मुक्तानीमा समस्या हालसम्म समाधान हुन नसक्नु जस्ता कारणले गर्दा देशकै आर्थिक तथा व्यवसायिक क्रियाकलापमा प्रतिकूल असर पर्न गयो । कच्चा पदार्थ आपूर्तिमा कठिनाईले पनि कम्पनीको कार्यमा थप व्यवधान सृजना भएको थियो । यसका बावजूत पनि समग्र नकारात्मक प्रभावले गर्दा कारोबारमा ह्रास आए तापनि आगामी वर्ष आर्थिक प्रगति हासिल गर्न प्रयत्न जारी रहनेछ । आ. व. २०७७/०७८, २०७८/०७९ र २०७९/०८० मा उत्पादन तथा बिक्रीको तथ्यांक निम्नानुसार रहेको छ ।

आ.व.२०७७/०७८

कारोबार स्थिति	आ.व. २०७६/७७	आ.व. २०७७/७८	बृद्धि (न्यून) प्रतिशत
क) उत्पादन परिमाण	५९५५.२६ मे.टन	४३७२.६३ मे.टन	(०.२७)
ख) बिक्री परिमाण	५९३०.६९ मे.टन	४९९९.९२ मे.टन	(०.३९)
ग) खुद मुनाफा	३६.५९ लाख	(२९९.४५) लाख	(७.०९)

आ.व.२०७८/०७९

कारोबार स्थिति	आ.व. २०७७/७८	आ.व. २०७८/७९	बृद्धि (न्यून) प्रतिशत
क) उत्पादन परिमाण	४३७२.६३ मे.टन	२३८३.६२ मे.टन	(०.४५)
ख) बिक्री परिमाण	४९९९.९२ मे.टन	२६९३.०८ मे.टन	(०.३६)
ग) खुद मुनाफा	(२९९.४५) लाख	(२६३.३७) लाख	(०.२०)

आ.व.२०७९/०८०

कारोबार स्थिति	आ.व. २०७८/७९	आ.व. २०७९/८०	बृद्धि (न्यून) प्रतिशत
क) उत्पादन परिमाण	२३८३.६२ मे.टन	३२००.०० मे.टन	०.३४
ख) बिक्री परिमाण	२६९३.०८ मे.टन	३०५५.५४ मे.टन	०.९७
ग) खुद मुनाफा	(२६३.३७) लाख	(४५०.५८) लाख	(०.७९)

वित्तीय स्थिति	आ.व. २०७६/७७ रु.	आ.व. २०७७/७८ रु.	आ.व. २०७८/७९ रु.	आ.व. २०७९/८० रु.
कारोबार आम्दानी	४७,३८,९२,६६९	३३,५४,८४,८४०	२६,९९,३०,३८९	३९,७४,९५,४७९
कुल खर्च	४६,९७,९६,०८६	३५,७४,३०,३९५	२८,८२,६७,४४५	३६,२५,५४,२६०
आयकर व्यवस्था	९३,०९,२६९	-	-	-
आयकर थप व्यवस्था	-	-	-	-
बोनस व्यवस्था	३,६५,९४३	-	-	-
कर्मचारी आवास व्यवस्था	-	-	-	-
स्थगन (Deferred) आयकर	(८५,९६०)	(९,०५,६०६)	(२,९९,४९५)	(२,०३,७७२)
गत आ.व.सम्मको नाफा (नोक्सान)	(९,६८,७५,०९३)	(९,९९,७९,७३२)	(४,९९,०७,९६७)	(६,९०,८३,६९५)
बाँडफाँड अगाडिको खुद नाफा	(९,९९,७९,७३२)	(४,९९,०७,९६७)	(६,९०,८३,६९५)	(९९,३९,३८,६२३)
विनियोजनका लागि उपलब्ध	-	-	-	-
लाभांश व्यवस्था	-	-	-	-
संस्थागत सामाजिक दायित्व	२४,२८९	-	-	-
अघिल्लो वर्षको छुट खर्च	४७,०८,४८०	-	-	-
बाँकी वासलातमा सारेको	(९,९९,७९,७३२)	(४,९९,०७,९६७)	(६,९०,८३,६९५)	(९९,३९,३८,६२३)

- ख) राष्ट्रिय तथा अन्तर्राष्ट्रिय परिस्थितिबाट कम्पनीको कारोबारलाई कुनै असर परेको भए सो असरः
- विगतमा देखिएको कोरोना भाइरस (COVID-19) आतंक, को रुपमा देखिएको संक्रमण जोखिम त्यस्तै छिमेकी देश भारत लगायत स्वदेशमा देखिएको डेंगुको प्रकोप साथै रुस र युक्रेनको युद्धले निम्त्याएको विश्व आर्थिक मन्दी, पेट्रोलियम पदार्थको आपूर्तिमा कमीका कारण उच्च मूल्य वृद्धि, कच्चा तथा तयारी पदार्थहरुको आयात/निर्यातमा अवरोध, खाद्यान्न संकट, उच्च मुद्रास्फीति, बेरोजगारी दरमा बृद्धि र अन्तर्राष्ट्रिय ऋणमा भएको बृद्धि जस्ता समस्याहरुको अधिकांश राष्ट्रहरुले सामना गर्नुपरेको बेला परोक्ष रुपमा नेपाल पनि अछुतो रहन सकेन । जसका कारण देशमा विकास निर्माणका कार्यले तीब्र गतिलिन सकेन । सडक निर्माण तथा मर्मत-संभारमा भएको कमिका कारण कम्पनीको कारोबारमा आशातित बृद्धि हुन सकेन । अन्तर्राष्ट्रिय बजारमा पेट्रोलियम पदार्थको मूल्य प्रत्येक १५ दिनमा हुने गरेको संशोधनका साथै नेपालमा पैठारी भएका न्यून गुणस्तरका बिटुमिनसंग कडा प्रतिस्पर्धा गर्नु परेकोले कम्पनीको कारोबारमा प्रत्यक्ष असर गरेको छ ।
- ग) प्रतिवेदन तयार भएको मितिसम्म चालु वर्षको उपलब्धि र भविष्यमा गर्नुपर्ने कुराको सम्बन्धमा सञ्चालक समितिको धारणाः
- आर्थिक वर्ष २०८०/०८१ को माघ मसान्तसम्म रु.१५ करोड मूल्य बराबरको बिटुमिन तथा बिटुमिन इमल्सन बिक्री भइसकेको छ । आगामी वर्ष करिब ६७.०% बिटुमिनजन्य पदार्थ बिक्री गर्ने लक्ष्यसाथ काम भइरहेको छ ।

कम्पनीले आगामी वर्षमा निम्नानुसार कार्य गर्ने लक्ष्य लिएको छ :

- (१) बिटुमिनमा नेपाल गुणस्तर प्रमाण चिह्न प्राप्त गर्न सम्बन्धित निकायमा पहल गरिनेछ ।
- (२) सडक विभाग तथा निर्माण व्यवसायीहरूसँग सहकार्य गरी बित्री अभिवृद्धिका लागि सेमिनार तथा गोष्ठीहरू जस्ता कार्यक्रमहरू आयोजना गरी बित्री प्रवर्द्धनका लागि आवश्यक पहल गरिनेछ ।
- (३) इण्डियन आयल कर्पोरेशन लिमिटेडको हलिदिया एवं मथुरा बाहेकका अन्य पायक पर्ने रिफाइनरीहरूबाट समेत अटुट रुपमा बल्क बिटुमिन (कच्चा पदार्थ) पैठारी गर्न आवश्यक पहल गरिनेछ ।
- (४) बिटुमिनबाट उत्पादन हुने अन्य बिटुमिनजन्य सहायक बस्तुहरूको अध्ययन गरिनेछ ।
- (५) हाल कारखानामा रहेको पुरानो प्रविधिको ल्याबलाई स्तरोन्नती गरी अत्याधुनिक बनाईनेछ ।

घ) कम्पनीको औद्योगिक वा व्यवसायिक सम्बन्ध:

कम्पनीले नेपाल सरकारअन्तर्गतका सडक डिभिजन कार्यालयहरू, नागरिक उड्डयन प्राधिकरण, स्थानीय निकाय, संस्थागत खरिदकर्ता, निर्माण कम्पनीहरू, योजना-आयोजनाहरू, विभिन्न वाणिज्य बैंकहरू, कर्मचारी कामदार सँग राम्रो सम्बन्ध राखी कारोबार संचालन गरिरहेको छ । त्यस्तै कच्चा पदार्थको प्रमुख स्रोत इण्डियन आयल कर्पोरेशनसँग राम्रो व्यवसायिक सम्बन्ध कायम गरेको छ ।

ङ) सञ्चालक समितिमा भएको हेरफेर र सोको कारण:

आ.व.२०७७/०७८, २०७८/०७९ र २०७९/०८० मा सञ्चालक समितिमा कुनै फेरबदल भएको छैन ।

च) कारोबारलाई असर पार्ने मुख्य कुराहरू:

अन्तर्राष्ट्रिय बजारमा पेट्रोलियम पदार्थको मूल्यमा पटक-पटक बृद्धि हुनु, नेपालमा अत्याधिक मात्रामा पैठारी भएका न्यून:गुणस्तरकोबिटुमिनसँग अस्वस्थ प्रतिस्पर्धा हुनु, कारखाना स्थल अमलेखगञ्जमा विद्युत आपूर्तिमा अत्याधिक व्यवधान हुनु, तथा इण्डियन आयल कर्पोरेशन लि.बाट समयमा आवश्यकता अनुसार कच्चा पदार्थ प्राप्त हुन नसक्ने अवस्था हुनु, कागजी रुपमा उद्योगका नाममा दर्ता भएका कम्पनीहरूसँग कडा प्रतिस्पर्धा गर्नु पर्ने अवस्था र सरकारी बजेट समयमा निकास हुन नसक्नु उद्योगको कारोबारलाई असर पार्ने प्रमुख कुराहरू हुन् ।

छ) लेखा परीक्षण प्रतिवेदनमा कुनै कौफियत उल्लेख भएको भए सोउपर सञ्चालक समितिको प्रतिक्रिया:

लेखा परीक्षण प्रतिवेदनमा कुनै किसिमको कौफियत नरहेको व्यहोरा जानकारी गराउँदछौं ।

ज) लाभांश बाँडफाँड गर्न सिफारिस गरिएको रकम:

प्रस्तुत आ.व.२०७७/०७८, २०७८/०७९ र २०७९/०८० हरूमा लाभांशका रुपमा वितरण गर्न कुनै पनि रकम बाँडफाँड गरिएको छैन ।

झ) शेयर जफत भएको भए जफत भएको शेयर संख्या, त्यस्तो शेयरको अंकित मूल्य, त्यस्तो शेयर जफत हुनुभन्दा अगावै सोबापत कम्पनीले प्राप्त गरेको जम्मा रकम र त्यस्तो शेयर जफत भएपछि सो शेयर बित्री गरी कम्पनीले प्राप्त गरेको रकम तथा जफत भएको शेयरबापत फिर्ता गरेको भए सोको विवरण:

आर्थिक वर्ष आ.व.२०७७/०७८, २०७८/०७९ र २०७९/०८० मा कुनै पनि शेयर जफत भएको छैन ।

ञ) विगत आर्थिक वर्षमा कम्पनी र यसको सहायक कम्पनीको कारोबारको प्रगति र सो आर्थिक वर्षको अन्तमा रहेको स्थितिको पुनरावलोकन:

यस कम्पनीको सहयोगी कम्पनी १२.५% शेयर भएको नेपाल सिलिन्डर्स (प्रा) लि.को आ.व.२०७७/०७८, २०७८/०७९ र २०७९/०८० कारोबारको आम्दानी र नाफा/नोक्सान निम्नानुसार रहेको छ ।

	आ.व.२०७७/०७८	आ.व.२०७८/०७९	आ.व.२०७९/०८०
कारोबारको आम्दानी	१३,५७,०७,७४३	४५,९३,४४०	४९,१०,९३६
नाफा-नोक्सान	(७४,८६,९०२)	(३,३२,८९,०३१)	(६९,६८,३६५)

यस कम्पनीको सहयोगी कम्पनी नेपाल सिलिन्डर्स (प्रा) लि.को बजार अस्वस्थ प्रतिस्पर्धाले गर्दा कारोबारमा नकारात्मक असर पर्दै गएकोले आ.व.२०७५/०७६ देखि क्रमशः उत्पादन तथा बिक्रीमा मन्दी शुरू भएको त्यस्तै २०७६/०७७ देखि क्रमशः कामदार कटौती गर्दै लगिएको र हाल सबै कर्मचारी/कामदार कटौती गरी कारोबार बन्द गरि सकिएको छ ।

- ठ) कम्पनी तथा त्यसको सहायक कम्पनीले आर्थिक वर्षमा सम्पन्न गरेको प्रमुख कारोबारहरू र सो अवधिमा कम्पनीको कारोबारमा आएको कुनै महत्वपूर्ण परिवर्तनः
यस उद्योगको कुनै सहायक कम्पनी छैन । सहयोगी कम्पनीको रूपमा रहेको नेपाल सिलिन्डर्स (प्रा) लि.ले सिलिन्डर उत्पादन तथा बिक्री वितरणको कारोबार समेत बन्द गरिएकोले तहाँ कार्यरत कामदार/कर्मचारी समेतलाई कुनै दायित्व नरहने गरी बिदा गरिसकिएको । यो । साथै उत्पादन कार्यमा प्रयोग भएका सम्पूर्ण मेशिन इक्विपमेण्टहरूका साथै प्लाण्ट समेत ब्राईट मेटल इण्डस्ट्रिजसंग २०७९ श्रावणमा खरिद/बिक्री सम्भौता गरी पश्चात निज पार्टीले उठाई लगिसकेको र सो वापतको रकम समेत चुक्ता भुक्तान गरिसकेको ।
- ठ) विगत आर्थिक वर्षमा कम्पनीको आधारभूत शेयरधनीहरूले कम्पनीलाई उपलब्ध गराएको जानकारीः
छैन ।
- ड) विगत आर्थिक वर्षमा कम्पनीका सञ्चालक तथा पदाधिकारीहरूले लिएको शेयरको स्वामित्वको विवरण र कम्पनीको शेयर कारोबारमा निजहरू संलग्न रहेको भए सो सम्बन्धमा निजहरूबाट कम्पनीले प्राप्त गरेको जानकारीः
२०७७/०७८, २०७८/०७९ र २०७९/०८० आषाढ मसान्तसम्म कम्पनीमा हालका सञ्चालक तथा पदाधिकारीहरूले लिएको शेयर स्वामित्वको विवरण निम्नानुसार छ । कम्पनीका सञ्चालक तथा पदाधिकारीहरूले प्राप्त गराएको जानकारी अनुसार निजहरू कम्पनीको शेयर कारोबारमा संलग्न भएका छैनन् ।

आ.व.२०७७/०७८

सि. नं.	शेयरधनी वा संस्थाको नाम	प्रतिनिधिको नाम	शेयर कित्ता
१.	श्री प्रेमबहादुर श्रेष्ठ	-	६९,२३७
२.	श्री धुबकुमार श्रेष्ठ	-	६२,१२०
३.	श्री प्रदीपकुमार श्रेष्ठ	-	४८,६९६
४.	श्री बट्टीकुमार श्रेष्ठ	-	४८,६९६
५.	श्री अशोककुमार श्रेष्ठ	-	१,०४०
६.	श्री श्यामकृष्ण श्रेष्ठ	-	४६२
७.	श्री ओमप्रकाश सुवेदी	-	स्वतन्त्र सञ्चालक

आ.व.२०७८/०७९

सि. नं.	शेयरधनी वा संस्थाको नाम	प्रतिनिधिको नाम	शेयर कित्ता
१.	श्री प्रेमबहादुर श्रेष्ठ	-	६९,२३७
२.	श्री धुबकुमार श्रेष्ठ	-	६२,१२०
३.	श्री प्रदीपकुमार श्रेष्ठ	-	४८,६९६
४.	श्री बट्टीकुमार श्रेष्ठ	-	४८,६९६
५.	श्री अशोककुमार श्रेष्ठ	-	१,०४०
६.	श्री श्यामकृष्ण श्रेष्ठ	-	४६२

आ.व.२०७९/०८०

सि. नं.	शेयरधनी वा संस्थाको नाम	प्रतिनिधिको नाम	शेयर किता
१.	श्री प्रेमबहादुर श्रेष्ठ	-	६२,२३७
२.	श्री धृबकुमार श्रेष्ठ	-	६२,१२०
३.	श्री प्रदीपकुमार श्रेष्ठ	-	४८,६९६
४.	श्री बद्धीकुमार श्रेष्ठ	-	४८,६९६
५.	श्री अशोककुमार श्रेष्ठ	-	१,०४०
६.	श्री श्यामकृष्ण श्रेष्ठ	-	४६२

- ढ) विगत आर्थिक वर्षमा कम्पनीसँग सम्बन्धित सम्भौताहरूमा कुनै सञ्चालक तथा निजको नजिकको नातेदारको व्यक्तिगत स्वार्थको बारेमा उपलब्ध गराइएको जानकारीको व्यहोरा:
छैन ।
- ण) कम्पनीले आफ्नो शेयर आफैँले खरिद गरेको भए त्यसरी आफ्नो शेयर खरिद गर्नुको कारण, त्यस्तो शेयरको संख्या र अंकित मूल्य तथा त्यसरी शेयर खरिद गरे बापत कम्पनीले भुक्तानी गरेको रकम:
आफ्नो शेयर आफैँले खरिद गरेको छैन ।
- त) आन्तरिक नियन्त्रण प्रणाली भए वा नभएको भए सोको विस्तृत विवरण:
कम्पनीमा रहेको आन्तरिक नियन्त्रण प्रणालीअनुसार सम्बन्धित प्रमुखहरूलाई जिम्मेवारी दिई निजहरू मातहतका कर्मचारी कामदारहरूको काम कारवाहीको अनुगमन तथा मूल्यांकन हुने गरेको छ ।
- थ) विगत आर्थिक वर्षको कूल व्यवस्थापन खर्चको विवरण:
कम्पनीको विगत आ.व.२०७७/०७८ को कूल व्यवस्थापन खर्च अनुसूची १५ अनुसार रु.२,०९,६१,३७४/-, आ.व.२०७८/०७९ को कूल व्यवस्थापन खर्च अनुसूची १५ अनुसार रु.२,६१,०६,४२८/- र आ.व. २०७९/०८० को कूल व्यवस्थापन खर्च अनुसूची १५ अनुसार रु.२,४०,२९,०५६/- रहेको छ ।
- द) लेखा परीक्षण समितिका सदस्यहरूको नामावली, निजहरूले प्राप्त गरेको पारिश्रमिक, भत्ता तथा सुविधा सो समितिले गरेको काम कारवाहीको विवरण र सो समितिले कुनै सुझाव दिएको भए सोको विवरण:
कम्पनी ऐन, २०६३ को दफा १६४ अनुसार तीन करोड रुपैया वा सोभन्दा बढी चुक्ता पूँजी भएको कम्पनीले लेखा परीक्षण समिति गठन गर्नुपर्ने व्यवस्था रहेको तर यस कम्पनीको चुक्ता पूँजी तीन करोडभन्दा कम रहेकाले लेखा परीक्षण समिति गठन गर्नुपरेको छैन ।
- ध) सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख, कम्पनीका आधारभूत शेयरधनी वा निजको नजिकका नातेदार वा निज संलग्न रहेको फर्म, कम्पनी वा संगठित संस्थाले कम्पनीलाई कुनै रकम बुझाउन बाँकी भए सो कुरा:
कम्पनीका सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख, कम्पनीका आधारभूत शेयरधनी वा निजका नजिकका नातेदारले कम्पनीलाई कुनै रकम बुझाउन बाँकी छैन ।
- न) सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख तथा पदाधिकारीहरूलाई भुक्तानी गरिएको पारिश्रमिक, भत्ता तथा सुविधाको रकम:
कम्पनीले सञ्चालकहरूको बैठक भत्ता, प्रबन्ध सञ्चालक, कारखाना सञ्चालकलाई आ.व.२०७७/०७८, २०७८/०७९ र २०७९/०८० मा साधारणसभाले तोकेअनुसार भुक्तानी गरेको पारिश्रमिक, भत्ता तथा सुविधाको रकम निम्नानुसार रहेको छ ।

२०७७/०७८

ओहोदा	पारिश्रमिक रु.	भत्ता रु.	सुविधा
कारखाना सञ्चालक	३,००,०००/-	-	कम्पनीको नियमानुसार सुविधाहरू प्रदान गरिएको ।
सञ्चालक समितिको बैठक भत्ता अध्यक्ष	रु. २,०००/-		प्रति बैठक ।
सञ्चालक रु.	१,५००/-		प्रति बैठक ।

२०७८/०७९

ओहोदा	पारिश्रमिक रु.	भत्ता रु.	सुविधा
कारखाना सञ्चालक	३,००,०००/-	-	कम्पनीको नियमानुसार सुविधाहरू प्रदान गरिएको ।
सञ्चालक समितिको बैठक भत्ता अध्यक्ष		रु. २,०००/-	प्रति बैठक ।
सञ्चालक रु.		१,५००/-	प्रति बैठक ।

२०७९/०८०

ओहोदा	पारिश्रमिक रु.	भत्ता रु.	सुविधा
कारखाना सञ्चालक	३,००,०००/-	-	कम्पनीको नियमानुसार सुविधाहरू प्रदान गरिएको ।
सञ्चालक समितिको बैठक भत्ता अध्यक्ष		रु. २,०००/-	प्रति बैठक ।
सञ्चालक रु.		१,५००/-	प्रति बैठक ।

- प) शेयरधनीले बुझिलिन बाँकी रहेको लाभांश रकम:
हालसम्म वितरण भएको लाभांशमध्ये शेयरधनीले आ.व. २०७७/०७८, २०७८/०७९ र २०७९/०८०सम्म लाभांश वापत बुझिलिन कुनै पनि रकम बाँकी नरहेको ।
- फ) दफा १४१ बमोजिम सम्पत्ति खरिद वा बिक्री गरेको कुराको विवरण:
कम्पनीले विगत आ.व.०७७/७८, ०७८/७९ र ०७९/८० मा सम्पत्ति खरिद बिक्री गरेको विवरण अनुसूची ६ अनुसार रहेको छ ।
- ब) दफा १७५ बमोजिम सम्बद्ध कम्पनीबीच भएको कारोबार विवरण:
दफा १७५ बमोजिम सम्बद्ध कम्पनीबीच कुनै किसिमको कारोबार भएको छैन ।
- ग) ऐन तथा प्रचलित कानूनबमोजिम सञ्चालक समितिको प्रतिवेदनमा खुलाउनुपर्ने अन्य कुनै कुरा:
सञ्चालक समितिको प्रतिवेदनमा खुलाउनुपर्ने अन्य कुनै कुरा रहेको छैन ।
- घ) अन्य आवश्यक कुराहरू:
विगतमा महामारीको रुपमा फैलिएको कोरोना भाईरस (COVID-19) को कहरले सुरुवातबाट नै विश्व अर्थतन्त्रमा बृद्धि हुन नसक्नु, बढ्दो डेंगु संक्रमणको अवस्था रहँदा रहँदै रुस युद्धका कारण आ.व. २०७९/८० मा विश्वव्यापी आपूर्ति श्रृंखला (Global Supply Chain) प्रभावित भई उच्च मूल्य वृद्धि, बेरोजगारी, खाद्यान्न संकट, औद्योगिक संकट लगायतका समस्याहरू देखा परेका छन् । राष्ट्रिय अन्तर्राष्ट्रिय स्तरमा देखिएका यस्ता चुनौतीहरूले आर्थिक मन्दी, आयात निर्यातमा संकुचन, विश्वस्तरमा नै ब्याजदर वृद्धि जस्ता कारणहरूले गर्दा विश्व अर्थतन्त्रमा परेको गम्भीर प्रभावका कारण देशका सम्पूर्ण आर्थिक गतिविधिहरू धिमा गतिमा चलिरहेको र कतिपय ठप्पप्राय रहेको हुँदा यि सबै समस्याहरूबाट पार भएपछि सडक निर्माणका कामहरूले गति लिने क्रम बढ्ने र विकास-निर्माणले नियमितता पाउने हुँदा आगामी दिनहरूमा बिटुमिनजन्य पदार्थ बिक्रीमा अपेक्षाकृत सुधार आई कम्पनीको आर्थिक स्थितिमा समेत क्रमशः सुधार आउने अपेक्षा राखेका छौं । हाल अर्थतन्त्रमा देखापरेको सम्पत्ति बजार मूल्य (Assets Market Price) करिब Crash जस्तै भएको, सरकारले नीति अनुसार का प्रतिबद्धतामा निर्माण तथा मर्मत कार्यमा सहभागी भएका व्यवसायिहरूलाई समेत विश्वासको कमी भई समग्र अर्थ व्यवस्थामा असर परिरहेकोमा बजेट अभाव देखाई सरकारी तथा निर्माण व्यवसायिहरूबाट असुलीमा गम्भीर प्रभाव परेको अहिलेको यस्तो चुनौतिपूर्ण अवस्थाको बाबजुद पनि कम्पनिले उत्साहजनक प्रगति Performance हासिल गर्न सफल हुने आशा लिएका छौं ।
- अन्तमा, कम्पनीको विकास र प्रगतिमा प्रत्यक्ष तथा परोक्ष रूपबाट सहयोग पुऱ्याउनु हुने शेयरधनी महानुभावहरू, नेपाल सरकारका सम्बन्धित निकायहरू, सम्बन्धित बैंक तथा संघ-संस्थाहरू र कम्पनीका सम्पूर्ण कर्मचारी तथा कामदारहरूप्रति हार्दिक धन्यवाद ज्ञापन गर्दछौं । हाम्रा उत्पादनहरू तथा सेवाको स्तरीयताउपर विश्वास गरेर हामीसँग कारोबार गर्ने सम्पूर्ण सडक कार्यालयहरू, योजना/आयोजनाहरू, उपभोक्ता, निर्माण कम्पनीहरू, जिल्ला समन्वय समितिहरू, नगरपालिका तथा गाउँपालिकाहरूलाई धन्यवाद दिन चाहन्छौं ।

धन्यवाद ।

अशोककुमार श्रेष्ठ
कारखाना सञ्चालक
२०८०/१०/०७

प्रेमबहादुर श्रेष्ठ
अध्यक्ष

D. Kumar & Associates

Chartered Accountants

VAT No. 601495690
Civil Trade Center (CTC Mall), 4th Floor,
Unit No.: 515, Sundhara, Kathmandu, Nepal
PO Box No.: 10911
Tel.: 01-4248701
Email: dka.canepal@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Shareholder's of Nepal Bitumen & Barrel Udyog Ltd.

Report on the Financial Statements

We have audited the attached financial statements of **Nepal Bitumen and Barrel Udyog Ltd.**, for the period from 1 Shrawan 2077 to 31 Ashad 2078 (16 July 2020 to 15 July 2021), which comprises of the statement of Financial Position as at 31 Ashad 2078, Statement of Income and Expenditure, Statement of Cash Flows, Statement of Change in Equity, Significant Accounting Policies and Explanatory Notes for the year then ended.

Responsibilities of Management and Those charged with Governance for the Financial Statement

Management of the company is responsible for the preparation and fair presentation of the financial statement in accordance with Nepal Accounting Standards. This responsibility include: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibilities for the Audit of the Financial Statement

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Nepal Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements give a true and fair view of the financial performance of Nepal Bitumen & Barrel Udhog Ltd. as at 31 Asadh 2078 (15 July 2021) and of its financial performance and cash flows for the year then ended in accordance with Nepal Accounting Standards.

Basis for Qualified Opinion

1. The financial statement shows Trade & other receivable of NPR 253,445,174. We were unable to obtain sufficient and appropriate audit evidence of the amount. Consequently, we were unable to determine whether any adjustment to this amount was necessary.

2. The financial statement shows Prepaid, Loan, Advance & Deposit under which amount for Accounts Receivable is NPR 2,996,995. We were unable to obtain sufficient and appropriate audit evidence of amount. Consequently, we were unable to determine whether any adjustment to this amount was necessary.
3. The financial statement shows Trade and Other Payable under which amount for Trade Creditors is NPR 8,379,630. We were unable to obtain sufficient and appropriate audit evidence of amount. Consequently, we were unable to determine whether any adjustment to this amount was necessary.
4. The Institute of Chartered Accountants of Nepal (ICAN) changed the applicable financial reporting framework for all other listed companies or all other entities not defined as SMEs (Small and Medium Enterprises) to Nepal Financial Reporting Standards (NFRS) from Nepal Accounting Standards (NAS) effective from the financial year 2073/74 (2016/17) onwards. However, Nepal Bitumen & Barrel Udhog Ltd. has prepared accompanying financial statement in accordance with NAS. Please refer to notes to accounts 2 (A) basis of accounting and presentation.

Report on Requirements as per Companies Act 2063

On the basis of our examination and according to explanations given to us, we would like to further report that:

1. We have obtained all the information and explanation which were considered necessary for the purpose for our audit.
2. The books of accounts as required by the prevailing Law have been maintained by company.
3. The Statement of Financial Position, Statement of Income & Expenditure, Statement of Cash Flows and Statement of Change in Equity have been prepared in accordance with Nepal Accounting Standards and; does not comply with Nepal Financial Reporting Standards. Please refer to notes to accounts 2 (A) basis of accounting and presentation.
4. We have not come across the case where the directors or any representative or any employee the company has acted against Law or caused any loss or damage to the company or misappropriated any funds of the company.
5. We have no knowledge of accounting fraud committed by the company.
6. The weaknesses in the company's internal controls and accounting system identified during audit have been presented in the Management Letter with recommendations.

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.

CA. Dipendra Kumar
Principal
D. Kumar & Associates
Chartered Accountants

Date: 12.01.2022
Place: Kathmandu

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

Balance Sheet

For the Year Ended 31 Ashad, 2078

Particulars	Schedule	Current Year (NRs.)	Previous year (NRs.)
EQUITY AND LIABILITIES			
1. Equity			
a. Share Capital	1	29,495,200	29,495,200
b. Reserve and Surplus	2	(41,907,167)	(19,179,732)
		(12,411,967)	10,315,468
2. Mid and Long Term Loan			
a. Secured Loan	11	576,479,788	367,293,914
3. Deferred Tax Liabilities			
		-	-
Total Equity and Liabilities		564,067,821	377,609,382
ASSETS			
1. Fixed Asset			
	6	11,151,963	12,130,599
2. Investment			
	3	5,000,000	5,000,000
3. Deferred Tax Assets			
		274,005	168,400
4. Current Assets			
a. Inventories	4	309,175,753	308,069,491
b. Account Receivables	5	253,445,174	266,162,303
c. Prepaid, Loan, Advance & Deposit	7	18,911,736	18,098,794
d. Cash & Bank Balance	8	6,320,969	10,914,321
Total Current Assets (A)		587,853,632	603,244,908
5. Current Liabilities & Provision			
a. Trade and Other Payable	9	11,092,383	204,753,890
b. Provisions	10	2,698,493	5,898,053
c. Bank Overdraft	12	26,420,903	32,282,580
Total Current Liabilities (B)		40,211,779	242,934,524
Net Current Assets (A-B)		547,641,853	360,310,384
Total Assets		564,067,821	377,609,382

As per our Report of even date

Ashok K. Shrestha
Factory Director

Directors
Dhurba K. Shrestha
Badri K. Shrestha
OM Prakash Subedi
Shyam K. Shrestha

Prem Bahadur Shrestha
Chairman

Chandra Lal Shrestha
Finance & Account Manager

Pradeep K. Shrestha
Managing Director

Dipendra Kumar
D. Kumar Associates

Date:.....
Place: Kathmandu

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

Profit & Loss A/C

For the Year Ended 31 Ashad, 2078

Particulars	Schedule	Current Year (NRs.)	Previous Year (NRs.)
Sales / Revenue	13	334,303,303	472,175,679
Less: Cost of Goods Sold	14	294,434,067	394,642,526
Gross Profit		39,869,237	77,533,153
Less: Administrative & Selling Expenses	15	20,961,374	26,020,436
Operating Profit		18,907,863	51,512,718
Add: Miscellaneous Income	16	1,181,537	1,636,982
Add/Less: Prior Period Items		-	-
Profit Before Interest, Depreciation & Tax		20,089,401	53,149,700
Bank Interest		41,767,649	48,824,323
Depreciation	6	267,305	308,802
Net Profit / (Loss)		(21,945,553)	4,016,575
Bonus Provisions for Staff		-	365,143
Profit Before Income Tax		(21,945,553)	3,651,432
Income Tax Provision			
Tax Paid			
- Current Year Tax		-	1,309,269
- Additional Taxes of earlier years		-	-
- Deferred Tax Expenses/(Income)		(105,606)	(85,960)
Profit After Tax		(21,839,948)	2,428,123
Provision for Corporate Social Responsibility		-	24,281
Profit & Loss account Brought Forward		(21,839,948)	2,403,842
Profit & Loss Account carried forward to B/S		(21,839,948)	2,403,842

As per our Report of even date

Ashok K. Shrestha
Factory Director

Directors
Dhurba K. Shrestha
Badri K. Shrestha
OM Prakash Subedi
Shyam K. Shrestha

Prem Bahadur Shrestha
Chairman

Chandra Lal Shrestha
Finance & Account Manager

Pradeep K. Shrestha
Managing Director

Dipendra Kumar
D. Kumar Associates

Date:.....
Place: Kathmandu

Nepal Bitumen & Barrel Udyog Ltd.
Krishnagalli, Lalitpur
Cash Flow Statement For the Year ended 31 Ashad, 2078

Particulars	Current Year (NRs.)	Previous year (NRs.)
A) Cash Flow From Operating Activities:		
Profit Before Tax	(21,945,553)	3,651,432
Adjustments		
Depreciation	1,108,838	1,255,562
Interest Expenses	41,767,649	48,824,323
Tax Adjustment	-	(1,309,269)
Provision for Corporate Social Responsibility	-	(24,281)
Prior Period Adjustment on Reserve & Surplus	(887,489)	(4,708,480)
Increase / (Decrease) in Current Assets and Liabilities:		
(Increase) / Decrease in Current Assets	10,797,924	(43,746,641)
Increase / (Decrease) in Current Liabilities	(202,722,745)	4,884,124
Total	(171,881,376)	8,826,769
Interest Paid	(41,767,649)	(48,824,323)
Total Cash Flow From Operating Activities: (A)	(213,649,025)	(39,997,554)
B) Cash Flow from Investment Activities:		
Purchase of Fixed Assets	(130,206)	(374,180)
Sales of Fixed Assets	-	44,248
Total Cash Flow From Investment Activities: (B)	(130,206)	(329,932)
C) Cash Flow from Financial Activities:		
Increase / (Decrease) on Long Term Loan	209,185,874	18,760,189
Total Cash Flow From Financing Activities: (C)	209,185,874	18,760,189
D) Net Increase in Cash & Cash Equivalents (A+B+C)	(4,593,356)	(21,567,297)
E) Cash & Cash Equivalents at the beginning of the year	10,914,321	32,481,613
F) Cash & Cash Equivalents at the end of the year	6,320,969	10,914,321

As per our Report of even date

Ashok K. Shrestha
Factory Director

Directors
Dhurba K. Shrestha
Badri K. Shrestha
OM Prakash Subedi
Shyam K. Shrestha

Prem Bahadur Shrestha
Chairman

Chandra Lal Shrestha
Finance & Account Manager

Pradeep K. Shrestha
Managing Director

Dipendra Kumar
D. Kumar Associates

Date:.....
Place: Kathmandu

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur
Statement of Changes in Equity
For the year ended Ashad 31, 2078

Particulars	Share Capital (NRs.)	Profit & Loss (NRs.)	Total (NRs.)
Balance at Ashad 31, 2075	29,495,200	(17,872,967)	11,622,233
Net Profit during the year	-	1,072,799	1,072,799
Prior Period Adjustment	-	(74,926)	(74,926)
Balance at Ashad 31, 2076	29,495,200	(16,875,093)	12,620,107
Net Profit during the year	-	2,403,842	2,403,842
Prior Period Adjustment	-	(4,708,480)	(4,708,480)
Balance at Ashad 32, 2077	29,495,200	(19,179,732)	10,315,468
Net Profit During The Year	-	(21,839,948)	(21,839,948)
Prior Period Adjustment	-	(887,489)	(887,489)
Balance at Ashad 31, 2078	29,495,200	(41,907,168)	(12,411,968)

As per our Report of even date

Ashok K. Shrestha
Factory Director

Directors
Dhurba K. Shrestha
Badri K. Shrestha
OM Prakash Subedi
Shyam K. Shrestha

Prem Bahadur Shrestha
Chairman

Chandra Lal Shrestha
Finance & Account Manager

Pradeep K. Shrestha
Managing Director

Dipendra Kumar
D. Kumar Associates

Date:.....
Place: Kathmandu

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

F.Y. 2077/78

Share Capital

Schedule No. - 1

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Authorised Capital 700,000 Ordinary Shares of Rs. 100/- each	70,000,000	70,000,000
Issued Capital 300,000 Ordinary Shares of Rs. 100/- each	30,000,000	30,000,000
Paid up Capital 294,952 Ordinary Shares of Rs. 100/- each	29,495,200	29,495,200
Total	29,495,200	29,495,200

Reserve & Surplus

Schedule No. - 2

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Opening Balance	(19,179,731)	(16,875,093)
Prior Period Adjustment	(887,489)	(4,708,480)
Profit & Loss Account	(21,839,948)	2,403,842
Total	(41,907,167)	(19,179,732)

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

Statement of Fixed Assets as on Ashad 31, 2078

Schedule No. 6

S. No.	Particulars	Book Value As on 2079/04/01	Addition of Fixed Assets during			Disposal/Adjust	Total As on 2080/03/31	Dep rate	Depreciation Amount for			Net Book Value As on 31/03/2077	
			Total	Shrawna to Poush	Magh to Chaitra				Baishak to Asadh	Opening Assets	Shrawna to Poush		Magh to Chaitra
1	Land	440,376	-	-	-	-	440,376		-	-	-	-	440,376
2	Block A												
	Factory Building	4,914,654	-	-	-	-	4,914,654	5%	245,733	-	-	-	245,733
	Administrative Building	1,888,603	-	-	-	-	1,888,603	5%	94,430	-	-	-	94,430
	Wall, Gate and Paved Area	383,853	-	-	-	-	383,853	5%	19,193	-	-	-	19,193
	Total	7,187,110	-	-	-	-	7,187,110		359,355	-	-	-	359,355
3	Block B												
	Furnitures	177,724	6,600	6,600	-	-	184,924	25%	44,431	1,650	-	-	46,081
	Office Equipment	87,118	34,602	34,602	-	-	121,721	25%	21,780	8,651	-	-	30,430
	Computer	113,040	-	-	-	-	113,040	25%	28,260	-	-	-	28,260
	Total	377,882	41,202	41,202	-	-	419,084		94,470	10,301	-	-	104,771
4	Block C												
	Vehicles	336,534	-	-	-	-	336,534	20%	67,306.82	-	-	-	67,307
	Navigator Software	3,986	-	-	-	-	3,986	20%	797	-	-	-	797
	Total	340,521	-	-	-	-	340,521		68,104	-	-	-	68,104
5	Block D												
	Cycle	3,212	-	-	-	-	3,212	15%	482	-	-	-	482
	Fire Fittings	34,144	-	-	-	-	34,144	15%	5,122	-	-	-	5,122
	Machineries	3,327,005	-	-	-	-	3,327,005	15%	499,051	-	-	-	499,051
	Electrification	228,275	-	-	-	-	228,275	15%	34,241	-	-	-	34,241
	Storage Tank and Pipe line	178,372	-	-	-	-	178,372	15%	26,756	-	-	-	26,756
	Sanitary, Plumbing and Water Tank	13,703	-	-	-	-	13,703	15%	2,056	-	-	-	2,056
	Testing Machinery & Equipment	-	89,003	-	-	-	89,003	15%	-	-	8,900	-	8,900
	Total	3,784,710	89,003	-	-	-	3,873,714		567,707	-	8,900	-	576,607
	Grand Total	12,130,599	130,206	41,202	-	-	12,260,804		1,089,637	10,301	8,900	-	1,108,838

Depr of Factory FA 841,532
Depr of Office FA 267,305
Total 1,108,838

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur
F.Y. 2077/78

Investment

Schedule - 4

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Investment on Nepal Cylinders Pvt. Ltd. 50,000 Shares @ Rs. 100 Per Share	5,000,000	5,000,000
Total	5,000,000	5,000,000

Inventories

Schedule No. - 5

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Raw Material	202,736,954	191,287,217
Goods in Transit	-	-
Finished Goods	118,289,524	116,782,274
Total	321,026,478	308,069,491

Account Receivables

Schedule No. - 6

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Sundry Debtors	253,445,174	266,162,303
Total	253,445,174	266,162,303

Prepaid, Loan, Advances & Deposits

Schedule No. - 7

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Staff Advance	3,044,314	3,116,083
Prepaid Expenses	341,682	-
Letter of Credit	4,987,425	6,939,118
Social Advance	958,172	939,198
Accounts Receivables	2,996,995	2,484,909
Advance-Others	3,500	3,500
Deposit receivable	5,327,909	3,541,448
Advance Tax	1,251,739	1,074,537
Total	18,911,736	18,098,794

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

F.Y. 2077/78

Cash & Bank Balance

Schedule No. - 8

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
HBL - Patan US\$	147,549	149,941
BOK - Kamaladi US\$	60,339	55,432
BOK - Kamaladi	42,170	42,170
Nepal SBI Bank Hattisar (Overdraft)	3,429,427	-
Nepal SBI Bank - Hattisar	6,066	6,066
Nabil Bank Limited - Newroad	370,648	476,935
Nepal Bank Limited - Bhugolpark	27,929	7,804
Rastriya Banijya Bank Pulchowk	398,411	5,438,378
Nepal Bikash Bank - Heritage Plaza	2,131	2,131
Mega Bank Ltd.	87,886	1,481,052
Nabil Bank- Birgunj	10,883	10,883
BOK- Hetauda	2,573	2,573
HBL- Birgunj	34,588	34,588
Nepal Bank Limited- Hetauda	14,667	14,667
HBL- Hetauda	32,007	32,007
BOK- Amlekhgunj	329,485	830,607
EBL- Birgunj	22,544	5,989
BOK- Amlekhgunj (Abhash)	51,956	38,256
Global IME Bank Ltd.	130,388	356,159
NIC Asia Bank	1,569	1,599
Civil Bank Ltd.	560,728	610,744
Laxmi Bank Ltd., Hattisar	51,326	13,543
Sunrise Bank Ltd., Gabbal	5,000	5,000
Century Commercial Bank Ltd.	459,702	273,574
Century Commercial Bank Ltd.	1,000	1,000
NMB Bank	5,513	5,513
Sanima Bank Ltd. (Current A/C)	1,000	1,000
Everest Bank Limited - Newbaneshwor	12,082	1,009,055
Machhapuchhre Bank Ltd.	13,746	-
Petty Cash	7,655	7,655
Total	6,320,969	10,914,321

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur
F.Y. 2077/78

Trade and Other Paybles

Schedule No. - 9

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Staff Providend fund Payable	244,897	474,085
CIT Payable	101,000	93,400
Salary Payable	1,162,903	1,740,047
Trade Creditors	8,379,630	198,967,726
Audit Fee Payable	73,875	73,875
TDS Payable	391,407	2,741,522
Social Security Tax	17,350	79,052
Value Added Tax	720,196	583,057
TDS on Audit Fees	1,125	1,125
Total	11,092,383	204,753,890

Provisions

Schedule No. - 10

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Staff Gratuity Provision	2,495,354	1,489,403
Staff Bonus Provision	0	488,894
Provisions for CSR	35,117	35,117
Provisions for Covid 19	20,524	29,924
Income Tax Provision	-	1,309,269
Staff Housing Provision	-	2,213,244
Staff Housing Fund	147,497.62	332,202
Total	2,698,493	5,898,053

Secured Loans and Unsecured Loans

Schedule No. - 11

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Secured Loans		
T.R. Loan	67,033,000	-
Demand Loan	489,446,788	347,293,914
Unsecured Loans		
Loan from Directors	20,000,000	20,000,000
Total	576,479,788	367,293,914

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

F.Y. 2077/78

Bank Overdraft

Schedule No. - 12

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Overdraft - SBI (Hattisar)	-	6,740,966
Himalayan Bank Ltd. (Patan -Overdraft)	6,178,374	191,550
Sanima Bank Limited	20,242,529	25,350,064
Total	26,420,903	32,282,580

Sales

Schedule No. - 13

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Bitumen Sales	284,339,291	425,324,678
Emulsion Sales	47,168,170	42,569,018
Anstrip Sales	1,704,401	841,080
Misc Sales (Transport)	269,630	422,000
Scrap Sales	821,811	3,044,350
Discount on Sales	-	(25,446)
Total	334,303,303	472,175,679

Cost of Goods Sold

Schedule No. - 14

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Opening Stock	308,069,491	276,926,987
Purchase - Raw Materials	285,181,958	415,371,715
Direct Expenses (<i>Annex 1</i>)	10,358,371	10,413,315
Less : Closing Stock Finished Goods	(321,026,478)	(308,069,491)
Total	282,583,342	394,642,526

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

F.Y. 2077/78

Administrative Expenses

Schedule No. - 15

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Staff Salaries and Allowances	10,616,865	9,456,604
Printing and Stationary expense	77,176	81,664
Electricity and water expense	-	-
Fuel and Transportation	160,403	-
Transportation expense	462,512	3,291,573
Maintenance Expense	893,638	444,107
Telephone and postage expense	200,290	258,109
Books and Periodicals	19,820	6,210
Advertising expense (sales)	101,028	76,468
Travelling and daily expense	201,718	179,299
Management Fees	10,000	-
Guest expense	125,723	85,603
Bank Commission	1,308,129	2,122,903
Consultancy exp.	80,273	158,827
Membership Fee	263,380	208,420
Penalty Charges	-	-
Donation	55,000	78,000
Audit Fee	75,000	75,000
Insurance premium	1,248,747	879,573
Puja & Festival Expenses	86,656	135,807
Miscellaneous expense	122,309	55,110
Gratuity Exp.	1,005,951	779,522
Medical Expenses	27,895	-
Security Expenses	781,200	781,200
Forex Exchange Loss	335,022	-
Business Promotion Expenses	374,146	4,442,090
Tax and fine Expenses	2,240,150	2,386,948
Staff Welfare Exp	63,344	37,399
Picnic Expenses	25,000	-
Total	20,961,374	26,020,436

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

F.Y. 2077/78

Miscellaneous Income

Schedule 16

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Interest Received from Customer	974,327	22,202
Exchange Gain/(Loss)	-	(60,362)
Miscellaneous Income	207,210	1,675,141
Total	1,181,537	1,636,982

Direct Expenses

Annex - 1

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Factory Salaries, Wages & Benefits	9,201,744	8,686,609
Factory Consumables Goods	237,696	713,591
Factory Water and Electricity Exp.	973,384	922,809
Packing Expenses	39,500	64,444
Factory Salaries & Benefits	7,676,338	7,130,506
Factory Wages	677,392	705,982
Factory Consumables Goods	23,630	160,643
Factory Water and Electricity Exp.	890,516	1,055,497
Testing & Packing Exp	123,966	5,900
Travelling & Daily Allowance - Factory	-	-
Fuel Exp. Factory	124,998	236,427
House Rent - Factory Staffs	-	171,600
Depreciation	841,532	946,760
Total	10,358,371	10,413,315

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpu

Schedule forming part of the Financial Statements for the year ended Ashad 31, 2078

Annexure 17: Significant Accounting Policies and Explanatory Notes

1. Background of the organization

Nepal Bitumen and Barrel Udyog Ltd. (NBBUL), a Public Limited Company, established by Nepal Oil Corporation Limited in 1984 was taken over by Panchakanya Group - a leading industrial and trading house of Nepal in 1994 under government's privatization program.

The Organization, marching ahead with the philosophy "Quality ensures success" is committed to total customer satisfaction and practicing high ethical standards.

Significant Accounting Policies & Explanatory Notes

2. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. The policies have been consistently applied for the whole period and to all the years presented, unless otherwise stated.

A. Basis of accounting and presentation

The Institute of Chartered Accountants of Nepal (ICAN) changed the applicable financial reporting framework for all other listed companies or all other entities not defined as SMEs (Small and Medium Enterprises) to Nepal Financial Reporting Standards (NFRS) from Nepal Accounting Standards (NAS) effective from financial year 2073/74 (2016/ 17) onwards.

NBBUL has not prepared accompanying financial statement in accordance with NFRS. Except otherwise stated hereinafter, the financial statements are prepared in accordance with Nepal Accounting Standards ("NAS")

- i. The accounts have been prepared on accrual basis.
- ii. The financial statements are prepared on the historical cost convention. The preparation of financial statements in conformity with NAS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in process of applying the company's accounting policies and accounting estimates.
- iii. Figures have been rounded off to the nearest Rupee.

B. Fixed Assets and Depreciation

- i. Fixed assets have been valued at cost of acquisition/construction inclusive of incidental expenses related to acquisition/construction. They are measured at Cost Model after their initial recognition.
- ii. Depreciation on fixed assets has been charged on diminishing balance value method at the rate and in a manner as prescribed by the Schedule II of the Income Tax Act, 2058.

C. Revenue Recognition

Revenue is recognized on accrual basis, except dividend income, which is recognized when right to receive is established.

D. Cash and Cash Equivalent

Cash and Cash equivalent represent cash in hand and balance in bank accounts.

E. Employees' Bonus

Employees' bonus is provided as per the provision of Bonus Act, 2030.

F. Income Taxes

Provision for current tax is made with reference to taxable income for the financial year determined under the provision of Income Tax Act, 2058.

Deferred Tax is recognized and provided for on timing differences between taxable income and accounting income subject to consideration of prudence.

G. Foreign Exchange Transactions

No foreign exchange transactions occurred during the year. The closing bank balance in foreign currency is translated using year-end exchange rate and difference is adjusted in exchange gain/ (loss) account.

H. Contingent Liabilities

No provision is made for a liability which is contingent in nature but if material, appropriate disclosure is made.

I. Closing stock

Closing stock has been measured at lower of cost and net realizable value. The quantity and value of closing stock has been verified and certified by the management.

3. Explanatory Notes

A. Revenue Recognition

Sales are recognized on issuance of sales invoice after deducting any sales return during the fiscal year. The net sales after deducting sales return amounting of NRs. 334,303,303.

B. Income Tax Liability

Tax liability is accounted in the books as per the provision of Income Tax Act.

C. Deferred Tax

As there is a temporary difference in amount of depreciation and provision for gratuity is eligible on basis of payment is consider at deferred tax calculation as per NAS 9.

Calculation of Deferred Tax Assets/Liabilities

S. No.	Particulars	Financial Accounting	Tax Accounting	Assets/ (Liabilities)	Tax Rate	Amount (NRs.)
1	Net Fixed Assets (WDV)	10,711,586	10,576,010	(135,576)	20%	(27,115)
2	Provision for Gratuity	2,495,354	989,751	1,505,603	20%	301,121
	Total	13,206,940	11,565,761	1,370,026		274,005
	Deferred Tax Assets Upto Last Year					168,400
	Deferred Tax Income/ (Expenses)					105,606

D. Sundry Receivables and Payables

Individual parties shown in sundry receivable and payable are subject to confirmation from concerned parties.

E. Forgery over resources of the Company

The company has filed a case against ex-employee Yogendra Mani Dahal on forgery of NRs. 123,596,505. Effect of the same has not been accounted in the books. The case is pending in the Supreme Court.

F. Legal Cases

NRs. 6,410,676 is receivable since FY 2058/59 from the erstwhile National Construction Company Nepal Ltd for sale of Bitumen. The said Company has been taken over by Ministry of Physical Infrastructure and Transport. The legal case is pending in the Supreme Court.

S.No.	NAME OF COMPANY	TOTAL AMOUNT	Legal Case No.	Case filling Date
1	BIRUWA CONSTRUCTION	13,173,188.54	CP-3653	27/08/2078
2	CHANGMILLA CONSTRUCTION	15,214,702.66	CP-3654	27/08/2078
3	LAMA BUILDERS CHANGMILLA JV	2,790,307.79	CP-3655	27/08/2078
4	GAURI PARWATI SUNAULO KHIMTI DHUKUCHHU JV	4,312,730.21	CP-3656	27/08/2078
5	SICHUWAN DANFE SUNAULO KHIMTI JV	8,878,201.60	CP-3657	27/08/2078
6	TUNDI RAMAN BIRUWA JV	6,146,256.39	CP-3658	27/08/2078
TOTAL		50,515,387.19		

Similarly, during the audit finalization we have found also the below further legal case filed at district court of Kathmandu.

G. Related party Disclosure

The details of related party disclosure verified by management have been given below:

- i) Receivable from Panchakanya Plast Pvt Ltd of NRs.5,000 and Unique Profile Pvt. . Ltd of NRs. 247,055.
- ii) Payable to Nepal Cylinders P. Ltd of NRs.4,12,33,483, Explore International of Rs.5,850/-, Panchakanya Plastic Ind. Pvt. Ltd. of Nrs. 14,20,000/- and Panchakanya Steel P. Ltd. of NPR 38,16,589.19.
- iii) Sales/Purchase:
Sales/Purchase were not made from with related parties during the financial year.
- iv) Others.
Loan of NRs. 20,000,000 has been received at without interest from Mr.Pradeep Kumar Shrestha, Managing Director of Panchakanya Group.

H. Employee benefits

- i) Provision for staff bonus has been provided on the basis of Net profit before Tax as per financial statement in accordance with Bonus Act 2030.
- ii) Provision for gratuity of NRs. 1,005,951 has been made during the year as required.
- iii) Provision for leave payment has already paid to employees within the financial year.

I. Going concern concept

The financial statements have been prepared on a going concern basis. The Company has a reasonable expectation that it has adequate resources to continue its operation for the foreseeable future as a going concern.

J. Bad debts

No bad debts have been booked in the fiscal year 2077/78.

K. Impairment of fixed assets

There is no indication of impairment of fixed assets during the fiscal year.

L. Regrouping/rearrangement

Previous year's figures are regrouped/rearranged wherever necessary.

D. Kumar & Associates Chartered Accountants

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Civil Trade Center (CTC Mall), 4th Floor,
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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF NEPAL BITUMEN AND BARREL UDYOG LIMITED

Report on the Audit of the Financial Statements Opinion

We have audited the financial statements of Nepal Bitumen and Barrel Udyog Limited, which comprises the statement of financial position as at Ashad 32, 2079 and statement of income & expenditure, statement of cash flow and statement of changes in equity for the year then ended, and explanatory notes to the financial statements, including a summary of significant accounting policies.

Because of the significance of the matter described in the basis for opinion paragraph, we have not been able to obtain sufficient and appropriate audit evidence for cumulative effect of not restating financial terms and making additional disclosures as required by the first time adaption of Nepal Financial Reporting Standards (NFRS) to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements which have not been prepared in accordance with Nepal Financial Reporting Standards.

Basis for Disclaimer of Opinion

The applicable financial reporting framework was changed to Nepal Financial Reporting Standards from Nepal Accounting Standards. Change to financial reporting framework required transitional NFRS complied financial statements. However, the accompanying financial statements have not been prepared based on transitional provision of Nepal Financial Reporting Standards which requires identification, restatement, presentation and disclosure of financial information based on new accounting policies as per Nepal Financial Reporting Standards.

The cumulative effect of not restating, presenting and disclosing financial information based on transitional provision of Nepal Financial Reporting Standards is uncertain and could be material and pervasive.

Other Information

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs), generally accepted auditing standards and applicable laws. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Nepal Bitumen and Barrel Udyog Limited in accordance with the ICAN's Handbook of Code of Ethics for Professional Accountants together with the ethical requirement that are relevant to our audit of the financial standards in Nepal, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

1. The financial statement shows trade & other receivables of NPR 212,363,500. We were unable to obtain sufficient and appropriate audit evidence of the amount. Consequently, we were unable to determine whether any adjustment to this amount was necessary.

2. The financial statement shows prepaid loans, advances & deposit under which amount for accounts receivable is NPR 2,215,392. We were unable to obtain sufficient and appropriate audit evidence of amount. Consequently, we were unable to determine whether any adjustment to this amount was necessary.
3. The financial statement shows prepaid loans, advances & deposit under which amount for staff advance to retired employee is NPR 822,354.07. We were unable to obtain sufficient and appropriate audit evidence of amount. Consequently, we were unable to determine whether any adjustment to this amount was necessary.
4. The financial statement shows trade and other payables under which amount for trade creditors is NPR 88,841,576.82. We were unable to obtain sufficient and appropriate audit evidence of amount. Consequently, we were unable to determine whether any adjustment to this amount was necessary.
5. The financial statement shows Inventories value NPR 323,473,542. We were unable to obtain sufficient and appropriate audit evidence of the amount. Consequently, we were unable to determine whether any adjustment to this amount was necessary.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audits conducted in accordance with NSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of user taken on the basis of these financial statements.

Further, an audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity internal control. An audit is also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimate made by the management, as well as evaluating the overall presentation of the financial statements. As part of an audit in accordance with NSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization'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 organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the organization to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the statutory audit. We remain solely responsible for our audit opinion.

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

Report on Other Legal and Regulatory Requirements

We have obtained all information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit. In our opinion, the statement of financial position, statement of income & expenditure, statement of changes in equity and statement of cash flow for the year then ended, and explanatory notes to the financial statements, including a summary of significant accounting policies have been prepared in accordance with the provisions of Companies Act 2063 and conform to the books of accounts of the Company and the books of accounts and records are properly maintained in accordance with the prevailing laws.

The company is not registered in social security fund

As explained in Note 3 (F) of the financial statements, a legal case is pending at Supreme Court of NPR 6,410,676 is a receivable since F.Y. 2058/59 from the Erstwhile Construction Company Nepal Limited for sale of Bitumen. Also total of NPR 76,645,284.94 receivable amount are under litigation at district court of Kathmandu.

The company has filed a case against ex-employee Yogendra Mani Dahal on forgery of NPR 123,596,505. Effect of the same has not been accounted in the books. The case is pending at Supreme Court.

For D. Kumar & associates,
Chartered Accountants,

.....
FCA. Dipendra Kumar
COP No.: 583

Date: Poush 20, 2079
Place: Kathmandu, Nepal
UDIN Number: 230112CA00693oTxPd

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

Balance Sheet

As at Ashad 32, 2079

Particulars	Schedule	Current Year (NRs.)	Previous year (NRs.)
EQUITY AND LIABILITIES			
1. Equity			
a. Share Capital	1	29,495,200	29,495,200
b. Reserve and Surplus	2	(69,083,615)	(41,907,167)
c. Revaluation Reserve		297,809,624	-
		258,221,209	(12,411,967)
2. Mid and Long Term Loan			
a. Secured Loan	11	453,340,545	576,479,788
3. Deferred Tax Liabilities			
		-	-
Total Equity and Liabilities		711,561,754	564,067,821
ASSETS			
1. Fixed Asset			
	6	308,242,190	11,151,963
2. Investment			
	3	5,000,000	5,000,000
3. Deferred Tax Assets			
		573,420	274,005
4. Current Assets			
a. Inventories	4	323,473,542	309,175,753
b. Account Receivables	5	212,363,500	253,445,174
c. Prepaid, Loan, Advance & Deposit	7	15,947,088	18,911,736
d. Cash & Bank Balance	8	6,920,978	6,320,969
Total Current Assets (A)		558,705,107	587,853,632
5. Current Liabilities & Provision			
a. Trade and Other Payable	9	131,197,840	11,092,383
b. Provisions	10	3,421,345	2,698,493
c. Bank Overdraft	12	26,339,777	26,420,903
Total Current Liabilities (B)		160,958,962	40,211,779
Net Current Assets (A-B)		397,746,145	547,641,853
Total Assets		711,561,754	564,067,821

As per our Report of even date

Ashok K. Shrestha
Factory Director

Directors
Dhurba K. Shrestha
Badri K. Shrestha
Shyam K. Shrestha

Prem Bahadur Shrestha
Chairman

Chandra Lal Shrestha
Finance & Account Manager

Pradeep K. Shrestha
Managing Director

Dipendra Kumar
D. Kumar Associates
Chartered Accountant

Date:.....
Place: Kathmandu

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

Profit & Loss A/C

For the Year Ended 32 Ashad, 2079

Particulars	Schedule	Current Year (NRs.)	Previous Year (NRs.)
Sales / Revenue	13	261,054,989	334,303,303
Less: Cost of Goods Sold	14	221,321,374	294,434,067
Gross Profit		39,733,615	39,869,237
Less: Administrative & Selling Expenses	15	26,106,428	20,961,374
Operating Profit		13,627,187	18,907,863
Add: Miscellaneous Income	16	875,392	1,181,537
Add/Less: Prior Period Items		-	-
Profit Before Interest, Depreciation & Tax		14,502,579	20,089,401
Bank Interest		40,631,922	41,767,649
Depreciation	6	207,721	267,305
Net Profit / (Loss)		(26,337,065)	(21,945,553)
Bonus Provisions for Staff		-	-
Profit Before Income Tax		(26,337,065)	(21,945,553)
Income Tax Provision			
Tax Paid			
- Current Year Tax		-	-
- Additional Taxes of earlier years		-	-
- Deferred Tax Expenses/(Income)		(299,415)	(105,606)
Profit After Tax		(26,037,650)	(21,839,948)
Provision for Corporate Social Responsibility		-	-
Profit & Loss account Brought Forward		(26,037,650)	(21,839,948)
Profit & Loss Account carried forward to B/S		(26,037,650)	(21,839,948)

As per our Report of even date

Ashok K. Shrestha
Factory Director

Directors
Dhurba K. Shrestha
Badri K. Shrestha
Shyam K. Shrestha

Prem Bahadur Shrestha
Chairman

Chandra Lal Shrestha
Finance & Account Manager

Pradeep K. Shrestha
Managing Director

Dipendra Kumar
D. Kumar Associates
Chartered Accountant

Date:.....
Place: Kathmandu

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

Statement of Cash Flows

For the Year ended 32 Ashad, 2079

S No.	Particulars	Current Year (NRs.)	Previous Year (NRs.)
A)	Cash Flow From Operating Activities:		
	Profit Before Tax	(26,337,065)	(21,945,553)
	Adjustments		
	Depreciation	1,012,238	1,108,838
	Interest Expenses	40,631,922	41,767,649
	Tax Adjustment	-	-
	Provision for Corporate Social Responsibility	-	-
	Prior Period Adjustment on Reserve & Surplus	(1,138,797)	(887,489)
	Increase / (Decrease) in Current Assets and Liabilities:		
	(Increase) / Decrease in Current Assets	29,748,534	10,797,924
	Increase / (Decrease) in Current Liabilities	120,747,183	(202,722,745)
	Total	164,664,015	(171,881,376)
	Interest Paid	(40,631,922)	(41,767,649)
	Total Cash Flow From Operating Activities: (A)	124,032,093	(213,649,025)
B)	Cash Flow from Investment Activities:		
	Purchase of Fixed Assets	(418,576)	(130,206)
	Sales of Fixed Assets	125,735	-
	Total Cash Flow From Investment Activities: (B)	(292,841)	(130,206)
C)	Cash Flow from Financial Activities:		
	Increase/ (Decrease) on Long Term Loan	(123,139,243)	209,185,874
	Total Cash Flow From Financing Activities: (C)	(123,139,243)	209,185,874
D)	Net Increase in Cash & Cash Equivalents (A+B+C)	600,009	(4,593,356)
E)	Cash & Cash Equivalents at the beginning of the year	6,320,969	10,914,321
F)	Cash & Cash Equivalents at the end of the year	6,920,978	6,320,969

As per our report of even date

Ashok K. Shrestha
Factory Director

Directors
Dhurba K. Shrestha
Badri K. Shrestha
Shyam K. Shrestha

Prem Bahadur Shrestha
Chairman

Chandra Lal Shrestha
Finance & Account Manager

Pradeep K. Shrestha
Managing Director

Dipendra Kumar
D. Kumar Associates
Chartered Accountant

Date:.....
Place: Kathmandu

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur
 Statement of Changes in Equity
 For the year ended Ashad 32, 2079

Particulars	Share Capital (NRs.)	Profit & Loss (NRs.)	Total (NRs.)
Balance at Ashad 31, 2076	29,495,200	(16,875,093)	12,620,107
Net Profit during the year	-	2,403,842	2,403,842
Prior Period Adjustment	-	(4,708,480)	(4,708,480)
Balance at Ashad 32, 2077	29,495,200	(19,179,732)	10,315,468
Net Profit during the year	-	(21,839,948)	(21,839,948)
Prior Period Adjustment	-	(887,489)	(887,489)
Balance at Ashad 31, 2078	29,495,200	(41,907,168)	(12,411,968)
Net Profit During The Year	-	(26,037,650)	(26,037,650)
Prior Period Adjustment	-	(1,138,797)	(1,138,797)
Balance at Ashad 32, 2079	29,495,200	(69,083,615)	(39,588,415)

As per our Report of even date

 Ashok K. Shrestha
 Factory Director

Directors
 Dhurba K. Shrestha
 Badri K. Shrestha
 Shyam K. Shrestha

 Prem Bahadur Shrestha
 Chairman

 Chandra Lal Shrestha
 Finance & Account Manager

 Pradeep K. Shrestha
 Managing Director

 Dipendra Kumar
 D. Kumar Associates
 Chartered Accountant

Date:.....
 Place: Kathmandu

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

F.Y. 2078/79

Share Capital

Schedule No. - 1

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Authorised Capital 700,000 Ordinary Shares of Rs. 100/- each	70,000,000	70,000,000
Issued Capital 300,000 Ordinary Shares of Rs. 100/- each	30,000,000	30,000,000
Paid up Capital 294,952 Ordinary Shares of Rs. 100/- each	29,495,200	29,495,200
Total	29,495,200	29,495,200

Reserve & Surplus

Schedule No. - 2

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Opening Balance	(41,907,167)	(19,179,731)
Prior Period Adjustment	(1,138,797)	(887,489)
Profit & Loss Account	(26,037,650)	(21,839,948)
Total	(69,083,615)	(41,907,167)

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

Statement of Fixed Assets as on Ashad 32, 2079

Schedule No. 6

S. No.	Particulars	Book Value As on 2079/04/01	Addition of Fixed Assets during			Disposal Total As on /Adjust 2080/03/31	Dep rate	Depreciation Amount for			Net Book ValueAs on 31/03/2077	
			Total Shrawna to Poush	Magh to Chaitra	Baishak to Asadh			Opening Assets	Shrawna to Poush	Magh to Chaitra		Baishak to Asadh
1	Land	440,376	-	-	-	440,376	-	-	-	-	-	298,250,000
2	Block A											
	Factory Building	4,758,630	-	-	-	4,758,630	5%	237,932	-	-	-	237,932
	Administrative Building	1,704,464	-	-	-	1,704,464	5%	85,223	-	-	-	85,223
	Wall, Gate and Paved Area	364,660	-	-	-	364,660	5%	18,233	-	-	-	18,233
	Total	6,827,754	-	-	-	6,827,754		341,388	-	-	-	6,486,366
3	Block B											
	Furnitures	138,243	57,500	-	-	195,743	25%	34,561	14,375	-	-	48,936
	Office Equipment	91,291	-	-	-	91,291	25%	22,823	-	-	-	22,823
	Computer	84,780	2,500	-	2,500	87,280	25%	21,195	-	208	-	21,403
	Total	314,313	60,000	-	2,500	374,313		78,578	14,375	-	208	93,162
4	Block C											
	Vehicles	269,227	-	-	-	269,227	20%	28,698.56	-	-	-	28,699
	Navigator Software	3,189	-	-	-	3,189	20%	638	-	-	-	638
	Total	272,416	-	-	-	272,416		29,336	-	-	-	29,336
5	Block D											
	Cycle	2,730	-	-	-	2,730	15%	410	-	-	-	410
	Fire Fittings	29,022	-	-	-	29,022	15%	4,353	-	-	-	4,353
	Machineries	2,827,954	-	-	-	2,827,954	15%	424,193	-	-	-	424,193
	Electrification	194,033	-	-	-	194,033	15%	29,105	-	-	-	29,105
	Storage Tank and Pipe line	151,616	-	-	-	151,616	15%	22,742	-	-	-	22,742
	Sanitary, Plumbing and Water Tank	11,648	-	-	-	11,648	15%	1,747	-	-	-	1,747
	Testing Machinery & Equipment	80,103	-	-	-	80,103	15%	12,015	-	-	-	12,015
	Weighing Bridge	-	358,576	-	-	358,576	15%	53,786	-	-	-	53,786
	Total	3,297,107	358,576	-	-	3,655,682		494,566	53,786	-	-	548,352
	Grand Total	11,151,967	418,576	-	2,500	11,444,808		943,868	68,161	-	208	1,012,238

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

F.Y. 2078/79

Investment

Schedule - 3

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Investment on Nepal Cylinders Pvt. Ltd. 50,000 Shares @ Rs. 100 Per Share	5,000,000	5,000,000
Total	5,000,000	5,000,000

Inventories

Schedule No. - 4

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Raw Material	196,160,271	202,736,954
Goods in Transit	1,710,228	-
Finished Goods	125,603,043	118,289,524
Total	323,473,542	321,026,478

Account Receivables

Schedule No. - 5

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Sundry Debtors	212,363,500	253,445,174
Total	212,363,500	253,445,174

Prepaid, Loan, Advances & Deposits

Schedule No. - 7

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Staff Advance	3,101,177	3,044,314
Prepaid Expenses	338,087	341,682
Letter of Credit	2,223,366	4,987,425
Social Advance	1,238,228	958,172
Accounts Receivables	2,215,392	2,996,995
Advance-Others	3,500	3,500
Deposit receivable	4,764,107	5,327,909
Advance Tax	2,063,230	1,251,739
Total	15,947,088	18,911,736

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur
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Cash & Bank Balance

Schedule No. - 8

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
HBL - Patan US\$	158,047	147,549
BOK - Kamaladi US\$	64,632	60,339
BOK - Kamaladi	42,170	42,170
Nepal SBI Bank Hattisar (Overdraft)	(0)	3,429,427
Nepal SBI Bank - Hattisar	118,732	6,066
Himalayan Bank Ltd. - Patan	179,955	-
Nabil Bank Limited - Newroad	2,098,398	370,648
Nepal Bank Limited - Bhugolpark	11,575	27,929
Rastriya Banijya Bank Pulchowk	1,249,441	398,411
Nepal Bikash Bank - Heritage Plaza	2,131	2,131
Mega Bank Ltd.	-	87,886
Nabil Bank- Birgunj	10,883	10,883
BOK- Hetauda	2,573	2,573
HBL- Birgunj	34,588	34,588
Nepal Bank Limited- Hetauda	14,667	14,667
HBL- Hetauda	32,007	32,007
BOK- Amlekhgunj	559,587	329,485
EBL- Birgunj	6,534	22,544
BOK- Amlekhgunj (Abhash)	51,956	51,956
Global IME Bank Ltd.	844,996	130,388
NIC Asia Bank	1,569	1,569
Civil Bank Ltd.	882,152	560,728
Laxmi Bank Ltd., Hattisar	169,468	51,326
Sunrise Bank Ltd., Gabbal	5,000	5,000
Century Commercial Bank Ltd.	338,921	459,702
Century Commercial Bank Ltd.	1,000	1,000
NMB Bank	5,513	5,513
Sanima Bank Ltd. (Current A/C)	1,000	1,000
Everest Bank Limited - Newbaneshwor	12,082	12,082
Machhapuchhre Bank Ltd.	13,746	13,746
Petty Cash	7,655	7,655
Total	6,920,978	6,320,969

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

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Trade and Other Paybles

Schedule No. - 9

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Staff Providend fund Payable	466	244,897
CIT Payable	-	101,000
Salary Payable	535,286	1,162,903
Trade Creditors	126,542,800	8,379,630
Audit Fee Payable	73,875	73,875
TDS Payable	2,144,939	391,407
Social Security Tax	41,136	17,350
Value Added Tax	1,858,213	720,196
TDS on Audit Fees	1,125	1,125
Total	131,197,840	11,092,383

Provisions

Schedule No. - 10

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Staff Gratuity Provision	3,218,206	2,495,354
Provisions for CSR	35,117	35,117
Provisions for Covid 19	20,524	20,524
Staff Housing Fund	147,498	147,498
Total	3,421,345	2,698,493

Secured Loans and Unsecured Loans

Schedule No. - 11

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Secured Loans		
T.R. Loan	-	67,033,000
Demand Loan	433,340,545	489,446,788
Unsecured Loans		
Loan from Directors	20,000,000	20,000,000
Total	453,340,545	576,479,788

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

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Bank Overdraft

Schedule No. - 12

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Himalayan Bank Ltd. (Patan -Overdraft)	-	6,178,374
Sanima Bank Limited	26,339,777	20,242,529
Total	26,339,777	26,420,903

Sales

Schedule No. - 13

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Bitumen Sales	193,533,471	284,339,291
Emulsion Sales	63,827,154	47,168,170
Anstrip Sales	1,846,800	1,704,401
Misc Sales (Transport & M/c Parts)	602,232	269,630
Scrap Sales	1,245,332	821,811
Total	261,054,989	334,303,303

Cost of Goods Sold

Schedule No. - 14

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Opening Stock	309,175,753	308,069,491
Purchase - Raw Materials	226,234,422	285,181,958
Direct Expenses (Annex 1)	9,384,740	10,358,371
Less : Closing Stock Finished Goods	(323,473,542)	(309,175,753)
Total	221,321,374	294,434,067

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

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Administrative Expenses

Schedule No. - 15

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Staff Salaries and Allowances	8,530,904	10,616,865
Printing and Stationary expense	64,131	77,176
Fuel and Transportation	241,530	160,403
Transportation expense	1,500,118	462,512
Maintenance Expense	522,067	893,638
Telephone and postage expense	243,059	200,290
Books and Periodicals	66,690	19,820
Advertising expense (sales)	39,749	101,028
Travelling and daily expense	289,633	201,718
Guest expense	164,134	125,723
Bank Commission	1,154,198	1,308,129
Consultancy exp.	1,152,774	90,273
Renewal & Membership Fee	483,890	263,380
Donation	27,000	55,000
Audit Fee	75,000	75,000
Insurance premium	1,181,150	1,248,747
Puja & Festival Expenses	81,040	86,656
Miscellaneous expense	67,257	122,309
Gratuity Exp.	5,449,290	1,005,951
Medical Expenses	692	27,895
Security Expenses	1,026,000	781,200
Forex Exchange Loss	-	335,022
Business Promotion Expenses	1,705,891	374,146
Tax and fine Expenses	1,974,935	2,240,150
Staff Welfare Exp	65,295	88,344
Total	26,106,428	20,961,374

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur
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Miscellaneous Income

Schedule 16

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Interest Received from Customer	860,600	974,327
Exchange Gain/(Loss)	14,792	-
Miscellaneous Income	-	207,210
Total	875,392	1,181,537

Direct Expenses

Annex - 1

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Factory Salaries & Benefits	7,418,109	7,676,338
Factory Wages	228,154	677,392
Factory Consumables Goods	2,830	23,630
Factory Water and Electricity Exp.	757,566	890,516
Testing & Packing Exp	-	123,966
Fuel Exp. Factory	173,566	124,998
Depreciation	804,517	841,532
Total	9,384,740	10,358,371

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

Schedule forming part of the Financial Statements for the year ended Ashad 31, 2079 Annexure 17: Significant Accounting Policies and Explanatory Notes

1. Background of the organization

Nepal Bitumen and Barrel Udyog Ltd. (NBBUL), a Public Limited Company, established by Nepal Oil Corporation Limited in 1984 was taken over by Panchakanya Group - a leading industrial and trading house of Nepal in 1994 under government's privatization program.

The Organization, marching ahead with the philosophy "Quality ensures success" is committed to total customer satisfaction and practicing high ethical standards.

Significant Accounting Policies & Explanatory Notes

2. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. The policies have been consistently applied for the whole period and to all the years presented, unless otherwise stated.

A. Basis of accounting and presentation

The Institute of Chartered Accountants of Nepal (ICAN) changed the applicable financial reporting framework for all other listed companies or all other entities not defined as SMEs (Small and Medium Enterprises) to Nepal Financial Reporting Standards (NFRS) from Nepal Accounting Standards (NAS) effective from financial year 2073/74 (2016/17) onwards.

NBBUL has not prepared accompanying financial statement in accordance with NFRS. Except otherwise stated hereinafter, the financial statements are prepared in accordance with Nepal Accounting Standards ("NAS")

- i. The accounts have been prepared on accrual basis.
- ii. The financial statements are prepared on the historical cost convention. The preparation of financial statements in conformity with NAS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in process of applying the company's accounting policies and accounting estimates.
- iii. Figures have been rounded off to the nearest Rupee.

B. Fixed Assets and Depreciation

- i. Fixed assets (Except other than Land) have been valued at cost of acquisition/ construction inclusive of incidental expenses related to acquisition/construction. They are measured at Cost Model after their initial recognition.
- ii. Depreciation on fixed assets has been charged on diminishing balance value method at the rate and in a manner as prescribed by the Schedule II of the Income Tax Act, 2058.

C. Revenue Recognition

Revenue is recognized on accrual basis, except dividend income, which is recognized when right to receive is established.

D. Cash and Cash Equivalent

Cash and Cash equivalent represent cash in hand and balance in bank accounts.

E. Employees' Bonus

Employees' bonus is provided as per the provision of Bonus Act, 2030.

F. Income Taxes

Provision for current tax is made with reference to taxable income for the financial year determined under the provision of Income Tax Act, 2058.

Deferred Tax is recognized and provided for on timing differences between taxable income and accounting income subject to consideration of prudence.

G. Foreign Exchange Transactions

No foreign exchange transactions occurred during the year. The closing bank balance in foreign currency is translated using year-end exchange rate and difference is adjusted in exchange gain/ (loss) account.

H. Closing stock

Closing stock has been measured at lower of cost and net realizable value. The quantity and value of closing stock has been certified by the management.

3. Explanatory Notes

A. Revenue Recognition

Sales are recognized on issuance of sales invoice after deducting any sales return during the fiscal year. The net sales after deducting sales return amounting of NRs. 314200128..

B. Income Tax Liability

Tax liability is accounted in the books as per the provision of Income Tax Act.

C. Deferred Tax

As there is a temporary difference in amount of depreciation and provision for gratuity is eligible on basis of payment is consider at deferred tax calculation as per NAS 9.

S. No.	Particulars	Financial Accounting	Tax Accounting	Assets/ (Liabilities)	Tax Rate	Amount (NRs.)
1	Net Fixed Assets (WDV)	9,992,190	9,641,084	(351,106)	20%	(70,221)
2	Provision for Gratuity	3,218,206	-	3,218,206	20%	643,641
	Total	13,210,395	9,641,084	2,867,100		573,420
	Deferred Tax Assets Upto Last Year					274,005
	Deferred Tax Income/ (Expenses)					299,415

D. Sundry Receivables and Payables

Individual parties shown in sundry receivable and payable are subject to confirmation from concerned parties.

E. Forgery over resources of the Company

The company has filed a case against ex-employee Yogendra Mani Dahal on forgery of NRs. 123,596,505. Effect of the same has not been accounted in the books. The case is pending in the Supreme Court.

F. Legal Cases

NRs. 6,410,676 is receivable since FY 2058/59 from the erstwhile National Construction Company Nepal Ltd for sale of Bitumen. The said Company has been taken over by Ministry of Physical Infrastructure and Transport. The legal case is pending in the Supreme Court. Similarly, during the audit finalization we have found also the below further legal case filed at district court of kathmandu.

G. Related party Disclosure

S.No.	NAME OF COMPANY	TOTAL AMOUNT	Legal Case No.	Case filling Date
1	BIRUWA CONSTRUCTION	13,173,188.54	CP-3653	27/08/2078
2	CHANGMILLA CONSTRUCTION	15,214,702.66	CP-3654	27/08/2078
3	LAMA BUILDERS CHANGMILLA JV	2,790,307.79	CP-3655	27/08/2078
4	GAURI PARWATI SUNAULO KHIMTI DHUKUCHHU JV	4,312,730.21	CP-3656	27/08/2078
5	SICHUWAN DANFE SUNAULO KHIMTI JV	8,878,201.60	CP-3657	27/08/2078
6	TUNDI RAMAN BIRUWA JV	6,146,256.39	CP-3658	27/08/2078
7	P.S. /Pappu /Jyoti JV	6,434,848.40	078-CP-1532	30/11/2078
8	M.K. Nirman Sewa Pvt. Ltd.	6,629,992.53	078-CP-1521	29/11/2078
9	Pappu /Jyoti JV	4,263,247.19	078-CP-1531	30/11/2078
10	Divison Road Office, Kathmandu	8,801,809.63	078-CP-1849	21/01/2079
	TOTAL:	76,645,284.94		

Mr Prem Bahadur Shrestha is the Chairman of the Company. There is some instant of transactions of the company with their families during this Fiscal Year. During this Fiscal Year Company has not paid any fees to Board of Directors as Meeting Allowance during the period.

Other Related Party Transaction are

Particulars	Amount (NPR)
Sundry Payable	
✓ Nepal Cylinders P. Ltd	20,646,418.00
✓ Panchakanya Plastic Pvt. Ltd	1,420,000.00
✓ Panchakanya Plast Pvt Ltd	26,995,000.00
✓ Panchakanya Steel P. Ltd.	106,666,589.00
✓ Explore International	5,850.00
Receivables	
✓ Unique Profile Pvt. Ltd	247,055.00
Advance from Directors	
✓ Mr. Pradeep Kumar Shrestha, Managing Director	20,000,000.00

H. Employee benefits

- i) Provision for staff bonus has been provided on the basis of Net profit before Tax as per financial statement in accordance with Bonus Act 2030.
- ii) No Provision for gratuity has been made during the year as required.
- iii) Provision for leave payment has already paid to employees within the financial year.

I. Going concern concept

The financial statements have been prepared on a going concern basis. The Company has a reasonable expectation that it has adequate resources to continue its operation for the foreseeable future as a going concern.

J. Bad debts

No bad debts have been booked in the fiscal year 2078/79.

K. Impairment of fixed assets

There is no indication of impairment of fixed assets during the fiscal year.

L. Regrouping/rearrangement

Previous year's figures are regrouped/rearranged wherever necessary.

D. Kumar & Associates
Chartered Accountants

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Civil Trade Center (CTC Mall), 4th Floor,
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Tel.: 01-4248701
Email: dka.canepal@gmail.com

Independent Auditor's Report

To the Shareholders of Nepal Bitumen and Barrel Udyog Limited

Report on the Audit of the Financial Statements

Opinion:

We have audited the accompanying financial statements of Nepal Bitumen and Barrel Udyog Limited (hereinafter referred to as the "Company"), which comprises the Statement of Financial Position as at Ashad 31, 2080, Statement of Income & Expenditure, Statement of Cash Flows and Statement of Changes in Equity attached thereto, for the year then ended, and Notes to the Financial Statements, including a Summary of Significant Accounting Policies and other Explanatory Notes & information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements, read together with Notes forming part of the financial statement give the information required by the provisions of Nepal Companies Act, 2006, as amended ("the Act") in the manner so required and, give a true and fair view in conformity with the Nepal Accounting Standards (NASs), of the state of affairs of the Company as at Ashad 31, 2080, its Profit/(Loss), Cash Flows and the Changes in Equity for the year ended on that date.

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 Financial Statements" section in our report. We are independent of the Company in accordance with the Code of Ethics issued by The Institute of Chartered Accountants of Nepal (ICAN) together with the ethical requirements that are relevant to our audit of the financial statement under the provisions of the Companies Act, 2006 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with those requirements and the Code of Ethics. We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. Based on the circumstances and facts of the audit, we consider following as key audit matters:

S.N.	Details of key Audit Matters	How the matters were addressed in our audit
1	Revenue Recognition (Refer Schedule-13 "Sales" and Note 2C and 3A of the financial Statements)	
	Sales Income (hereinafter referred to as "Revenue") is recognized on accrual basis where there is reasonable basis to estimate ascertain the obligation and rationality of such obligation.	Our audit procedures included the following: Assessed the appropriateness of the Company's revenue recognition accounting policies in line with NAS 7 (Revenue) and testing the accounting of revenue in books of accounts thereof.
2	Property, Plant and Equipment and Investment Property (Refer Schedule 6, 3 and Note 2B and 3K of the Financial Statements)	
	There are areas where management judgment impacts the carrying value of	We assessed the controls in place over the fixed assets, evaluated the appropriateness of capitalization process,

<p>property, plant and equipment and investment property and their respective depreciation or amortization rates. These include the decision to capitalize or expense the costs, the annual assets life review; the timeliness of the capitalization of assets and the use of management assumptions and estimates for the determination or the measurement and recognition criteria for assets retired from active use. Due to the materiality in the context of the balance sheet of the company and the level of judgment and estimates required, we consider this to be a Key Audit Matter.</p>	<p>performed tests on costs capitalized, the timeliness of the capitalization of the assets and the derecognition criteria for assets retired from active use. In performing these procedures, we reviewed the judgments made by the management including the nature of underlying costs capitalized, impairment, determination of realizable value of the assets retired from the active use, the appropriateness of useful life of assets. We have observed that the management has regularly reviewed the aforesaid judgments and there are no material misstatement of impairment and capitalization of assets.</p>
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Responsibilities of Management and Those Charged with Governance for the Financial Statements:

The company's Management and Board of Directors are responsible for the preparation and fair presentation of these financial statements in accordance with Nepal Accounting Standards (NASs). This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statement, the respective management and Board of Directors are responsible for assessing the company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Nepal Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial information.

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

- Identify and assess the risks of material misstatement of financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the 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 considered to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements:

We have obtained all information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit. In our opinion, the statement of financial position, statement of income & expenditure, statement of changes in equity and statement of cash flow for the year then ended, and explanatory notes to the financial statements, including a summary of significant accounting policies have been prepared in accordance with the provisions of Companies Act 2063 and conform to the books of accounts of the Company and the books of accounts and records are properly maintained in accordance with the prevailing laws.

The company is not registered in social security fund

As explained in Note 3 (F) of the financial statements, a legal case is pending at Supreme Court of NPR 6,410,676 is a receivable since F.Y. 2058/59 from the Erstwhile Construction Company Nepal Limited for sale of Bitumen. Also total of NPR 76,645,284.94 receivable amount are under litigation at district court of Kathmandu.

The company has filed a case against ex-employee Yogendra Mani Dahal on forgery of NPR 123,596,505. Effect of the same has not been accounted in the books. The case is pending at Supreme Court.

Dipendra Kumar, FCA
D. Kumar & Associates
Chartered Accountants
Kathmandu, Nepal
Date: 25th Poush 2080
UDIN Number: 240111CA00693ks7mW

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur
Statement of Financial Position
As at Ashad 31, 2080

Particulars	Schedule	Current Year (NRs.)	Previous year (NRs.)
EQUITY AND LIABILITIES			
1. Equity			
a. Share Capital	1	29,495,200	29,495,200
b. Reserve and Surplus	2	196,080,115	228,726,009
		225,575,315	258,221,209
2. Mid and Long Term Loan			
a. Secured Loan	11	442,019,753	433,340,545
b. Director Loan	11	60,000,000	20,000,000
3. Deferred Tax Liabilities			
		-	-
Total Equity and Liabilities		727,595,069	711,561,754
ASSETS			
1. Fixed Asset			
	6	311,605,358	308,242,190
2. Investment			
	3	5,000,000	5,000,000
3. Deferred Tax Assets			
		777,192	573,420
4. Current Assets			
a. Inventories	4	312,403,229	323,473,542
b. Account Receivables	5	292,075,481	212,363,500
c. Prepaid, Loan, Advance & Deposit	7	17,022,801	15,947,088
d. Cash & Bank Balance	8	20,992,965	6,920,978
Total Current Assets (A)		642,494,476	558,705,107
5. Current Liabilities & Provision			
a. Trade and Other Payable	9	204,213,342	131,197,840
b. Provisions	10	1,068,616	3,421,345
c. Bank Overdraft	12	27,000,000	26,339,777
Total Current Liabilities (B)		232,281,958	160,958,962
Net Current Assets (A-B)		410,212,518	397,746,145
Total Assets		727,595,069	711,561,754

As per our Report of even date

Ashok K. Shrestha
Factory Director

Directors
Dhurba K. Shrestha
Badri K. Shrestha
Shyam K. Shrestha

Prem Bahadur Shrestha
Chairman

Date:.....
Place: Kathmandu

Prabin Paudel
Finance & Account Manager

Pradeep K. Shrestha
Managing Director

Dipendra Kumar
D. Kumar Associates
Chartered Accountant

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

Statement of Income & Expenditure

For the Year Ended 31 Ashad, 2080

Particulars	Schedule	Current Year (NRs.)	Previous Year (NRs.)
Sales / Revenue	13	314,200,128	261,054,989
Less: Cost of Goods Sold	14	269,477,508	221,321,374
Gross Profit		44,722,620	39,733,615
Less: Administrative & Selling Expenses	15	24,021,056	26,106,428
Operating Profit		20,701,564	13,627,187
Add: Miscellaneous Income	16	3,295,351	875,392
Add/Less: Prior Period Items		-	-
Profit Before Interest, Depreciation & Tax		23,996,915	14,502,579
Bank Interest		68,880,977	40,631,922
Depreciation	6	174,719	207,721
Net Profit / (Loss)		(45,058,781)	(26,337,065)
Bonus Provisions for Staff		-	-
Profit Before Income Tax		(45,058,781)	(26,337,065)
Income Tax Provision			
Tax Paid			
- Current Year Tax		-	-
- Additional Taxes of earlier years		-	-
- Deferred Tax Expenses/(Income)		(203,772)	(299,415)
Profit After Tax		(44,855,008)	(26,037,650)
Provision for Corporate Social Responsibility		-	-
Profit & Loss account Brought Forward		(44,855,008)	(26,037,650)
Profit & Loss Account carried forward to B/S		(44,855,008)	(26,037,650)

As per our Report of even date

Ashok K. Shrestha
Factory Director

Directors
Dhurba K. Shrestha
Badri K. Shrestha
Shyam K. Shrestha

Prem Bahadur Shrestha
Chairman

Prabin Paudel
Finance & Account Manager

Pradeep K. Shrestha
Managing Director

Dipendra Kumar
D. Kumar Associates
Chartered Accountant

Date:.....
Place: Kathmandu

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

Statement of Cash Flows

For the Year ended 31 Ashad, 2080

S No.	Particulars	Current Year (NRs.)	Previous Year (NRs.)
A)	Cash Flow From Operating Activities:		
	Profit Before Tax	(45,058,781)	(26,337,065)
	Adjustments		
	Depreciation	1,107,719	1,012,238
	Interest Expenses	68,880,977	40,631,922
	Tax Adjustment	-	-
	Provision for Corporate Social Responsibility	-	-
	Prior Period Adjustment on Reserve & Surplus	12,209,115	(1,138,797)
	Increase / (Decrease) in Current Assets and Liabilities:		
	(Increase) / Decrease in Current Assets	(69,717,378)	29,748,534
	Increase / (Decrease) in Current Liabilities	71,322,996	120,747,183
	Total	38,744,647	164,664,014
	Interest Paid	(40,631,922)	
	Total Cash Flow From Operating Activities: (A)	38,744,647	124,032,092
B)	Cash Flow from Investment Activities:		
	Purchase of Fixed Assets	(4,470,891)	(418,576)
	Sales of Fixed Assets	-	125,735
	Total Cash Flow From Investment Activities: (B)	(4,470,891)	(292,841)
C)	Cash Flow from Financial Activities:		
	Increase/ (Decrease) on Long Term Loan	48,679,208	(123,139,243)
	Interest Paid	(68,880,977)	
	Total Cash Flow From Financing Activities: (C)	(20,201,769)	(123,139,243)
D)	Net Increase in Cash & Cash Equivalents (A+B+C)	14,071,988	600,009
E)	Cash & Cash Equivalents at the beginning of the year	6,920,978	6,320,969
F)	Cash & Cash Equivalents at the end of the year	20,992,965	6,920,978

As per our report of even date

Ashok K. Shrestha
Factory Director

Directors
Dhurba K. Shrestha
Badri K. Shrestha
Shyam K. Shrestha

Prem Bahadur Shrestha
Chairman

Prabin Paudel
Finance & Account Manager

Pradeep K. Shrestha
Managing Director

Dipendra Kumar
D. Kumar Associates
Chartered Accountant

Date:.....
Place: Kathmandu

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur
Statement of Changes in Equity
For the year ended Ashad 31, 2080

Particulars	Share Capital (NRs.)	Profit & Loss (NRs.)	Total (NRs.)
Balance at Ashad 32, 2077	29,495,200	(19,179,732)	10,315,468
Net Profit during the year	-	(21,839,948)	(21,839,948)
Prior Period Adjustment	-	(887,489)	(887,489)
Balance at Ashad 31, 2078	29,495,200	(41,907,169)	(12,411,969)
Net Profit during the year	-	(26,037,650)	(26,037,650)
Prior Period Adjustment	-	(1,138,797)	(1,138,797)
Balance at Ashad 32, 2079	29,495,200	(69,083,616)	(39,588,416)
Net Profit During The Year	-	(44,855,008)	(44,855,008)
Prior Period Adjustment	-	12,209,115	12,209,115
Balance at Ashad 31, 2080	29,495,200	(101,729,510)	(72,234,310)

As per our Report of even date

Ashok K. Shrestha
Factory Director

Directors
Dhurba K. Shrestha
Badri K. Shrestha
Shyam K. Shrestha

Prem Bahadur Shrestha
Chairman

Prabin Paudel
Finance & Account Manager

Pradeep K. Shrestha
Managing Director

Dipendra Kumar
D. Kumar Associates
Chartered Accountant

Date:.....
Place: Kathmandu

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

F.Y. 2079/80

Share Capital

Schedule No. - 1

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Authorised Capital 700,000 Ordinary Shares of Rs. 100/- each	70,000,000	70,000,000
Issued Capital 300,000 Ordinary Shares of Rs. 100/- each	30,000,000	30,000,000
Paid up Capital 294,952 Ordinary Shares of Rs. 100/- each	29,495,200	29,495,200
Total	29,495,200	29,495,200

Reserve & Surplus

Schedule No. - 2

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Opening Balance	(69,083,615)	(41,907,167)
Prior Period Adjustment	12,209,115	(1,138,797)
Profit & Loss Account	(44,855,008)	(26,037,650)
Revaluation Reserve	297,809,624	297,809,624
Total	196,080,115	228,726,009

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

Statement of Fixed Assets as on Ashad 31, 2080

Schedule No. 6

S. No.	Particulars	Book Value As on 2079/04/01	Addition of Fixed Assets during		Disposal / Adjust	Total As on 2080/03/31	Dep rate	Depreciation Amount for		Net Book Value As on 31/03/2077
			Total Shrawna to Poush	Magh to Chaitra				Magh to Chaitra	Baishak to Asadh	
1	Land	298,250,000	-	-	-	298,250,000	-	-	-	298,250,000
2	Block A									
	Factory Building	4,520,699	-	-	-	4,520,699	5%	226,035	-	4,294,664
	Administrative Building	1,619,241	-	-	-	1,619,241	5%	80,962	-	1,538,279
	Wall, Gate and Paved Area	346,427	-	-	-	346,427	5%	17,321	-	329,106
	Total	6,486,366	-	-	-	6,486,366		324,318	-	6,162,048
3	Block B									
	Furnitures	146,807	-	-	-	146,807	25%	36,702	-	110,105
	Office Equipment	68,468	-	-	-	68,468	25%	17,117	-	51,351
	Computer	65,877	-	-	-	65,877	25%	16,469	-	49,407
	Total	281,152	-	-	-	281,152		70,288	-	210,864
4	Block C									
	Vehicles	114,794	-	-	-	114,794	20%	22,958.84	-	91,835
	Navigator Software	2,551	-	-	-	2,551	20%	510	-	2,041
	Total	117,346	-	-	-	117,346		23,469	-	93,876
5	Block D									
	Cycle	2,321	-	-	-	2,321	15%	348	-	1,972
	Fire Fittings	24,669	-	-	-	24,669	15%	3,700	-	20,969
	Machineries	2,403,759	4,470,891	-	4,470,891	6,874,650	15%	360,564	223,545	6,290,540
	Electrification	164,926	-	-	-	164,926	15%	24,739	-	140,186
	Storage Tank and Pipe line	128,874	-	-	-	128,874	15%	19,331	-	109,543
	Sanitary, Plumbing and Water Tank	9,901	-	-	-	9,901	15%	1,485	-	8,416
	Testing Machinery & Equipment	68,088	-	-	-	68,088	15%	10,213	-	57,874
	Weighing Bridge	304,789	-	-	-	304,789	15%	45,718	-	259,071
	Total	3,107,326	4,470,891	-	4,470,891	7,578,217		466,099	223,545	6,888,570
	Grand Total	308,242,190	4,470,891	-	312,713,081			884,174	223,545	311,605,358

DEPR OF FACTORY FA 933,000
DEPR OF OFFICE FA 174,719
TOTAL 1,107,719

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

F.Y. 2079/80

Investment

Schedule - 3

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Investment on Nepal Cylinders Pvt. Ltd. 50,000 Shares @ Rs. 100 Per Share	5,000,000	5,000,000
Total	5,000,000	5,000,000

Inventories

Schedule No. - 4

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Raw Material	127,028,972	196,160,271
Goods in Transit	-	1,710,228
Finished Goods	185,374,257	125,603,043
Total	312,403,229	323,473,542

Accounts Receivables

Schedule No. - 5

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Sundry Debtors	292,075,481	212,363,500
Total	292,075,481	212,363,500

Prepaid, Loan, Advances & Deposits

Schedule No. - 7

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Staff Advance	3,079,671	3,101,177
Prepaid Expenses	452,803	338,087
Letter of Credit	1,816,500	2,223,366
Social Advance	418,800	1,238,228
Accounts Receivables	4,538,635	2,215,392
Advance-Others	3,500	3,500
Deposit receivable	3,503,668	4,764,107
Value Added tax	457,467	
Advance Tax	2,751,757	2,063,230
Total	17,022,801	15,947,088

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

F.Y. 2079/80

Cash & Bank Balance

Schedule No. - 8

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
HBL - Patan US\$	162,993	158,047
BOK - Kamaladi US\$	66,654	64,632
BOK - Kamaladi	42,170	42,170
Nepal SBI Bank Hattisar (Overdraft)	-	(0)
Nepal SBI Bank - Hattisar	118,732	118,732
Himalayan Bank Ltd. - Patan	14,441,810	179,955
Nabil Bank Limited - Newroad	192,758	2,098,398
Nepal Bank Limited - Bhugolpark	11,575	11,575
Rastriya Banijya Bank Pulchowk	1,002,603	1,249,441
Nepal Bikash Bank - Heritage Plaza	2,131	2,131
Mega Bank Ltd.	-	-
Nabil Bank- Birgunj	10,883	10,883
BOK- Hetauda	2,573	2,573
HBL- Birgunj	34,588	34,588
Nepal Bank Limited- Hetauda	14,417	14,667
HBL- Hetauda	32,007	32,007
BOK- Amlekhgunj	16,780	559,587
EBL- Birgunj	6,534	6,534
BOK- Amlekhgunj (Abhash)	67,311	51,956
Global IME Bank Ltd.	85,953	844,996
NIC Asia Bank	1,569	1,569
Civil Bank Ltd.	-	882,152
Laxmi Bank Ltd., Hattisar	391,902	169,468
Sunrise Bank Ltd., Gabbal	5,000	5,000
Century Commercial Bank Ltd.	1,000	338,921
Century Commercial Bank Ltd.	1,000	1,000
NMB Bank	5,513	5,513
Sanima Bank Ltd. (Current A/C)	1,000	1,000
Everest Bank Limited - Newbaneshwor	12,082	12,082
Machhapuchhre Bank Ltd.	13,746	13,746
Sanima Bank Ltd. (O/D)	3,066,989	-
NIMB Bank Ltd	1,173,038	-
Petty Cash	7,655	7,655
Total	20,992,965	6,920,978

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur
F.Y. 2079/80

Trade and Other Paybles

Schedule No. - 9

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Staff Providend fund Payable	30,537	466
Salary Payable	1,101,395	535,286
Trade Creditors	53,269,348	37,701,223
Other Payable	148,026,305	88,841,577
Audit Fee Payable	98,500	73,875
TDS Payable	1,551,060	2,144,939
Social Security Tax	134,698	41,136
Value Added Tax	-	1,858,213
TDS on Audit Fees	1,500	1,125
Total	204,213,342	131,197,840

Provisions

Schedule No. - 10

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Staff Gratuity Provision	1,048,092	3,218,206
Provisions for CSR	-	35,117
Provisions for Covid 19	20,524	20,524
Staff Housing Fund	-	147,498
Total	1,068,616	3,421,345

Secured Loans and Unsecured Loans

Schedule No. - 11

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Secured Loans		
T.R. Loan	-	-
Demand Loan	442,019,753	433,340,545
Unsecured Loans		
Loan from Directors	60,000,000	20,000,000
Total	502,019,753	453,340,545

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur
F.Y. 2079/80

Bank Overdraft

Schedule No. - 12

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Himalayan Bank Ltd. (Patan -Overdraft)	-	-
Sanima Bank Limited	27,000,000	26,339,777
Total	27,000,000	26,339,777

Sales

Schedule No. - 13

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Bitumen Sales	270,164,488	193,533,471
Emulsion Sales	40,113,710	63,827,154
Anstrip Sales	783,760	1,846,800
Misc Sales (Transport & M/c Parts)	440,000	602,232
Scrap Sales	2,698,170	1,245,332
Total	314,200,128	261,054,989

Cost of Goods Sold

Schedule No. - 14

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Opening Stock	323,473,542	309,175,753
Purchase - Raw Materials	244,816,664	226,234,422
Direct Expenses (Annex 1)	13,590,531	9,384,740
Less : Closing Stock Finished Goods	312,403,229	(323,473,542)
Total	269,477,508	221,321,374

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur
F.Y. 2079/80

Administrative Expenses

Schedule No. - 15

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Staff Salaries and Allowances	6,869,119	8,530,904
Printing and Stationary expense	86,511	64,131
Fuel and Transportation	255,575	241,530
Transportation expense	1,599,900	1,500,118
Maintenance Expense	780,947	522,067
Telephone and postage expense	186,027	243,059
Books and Periodicals	13,640	66,690
Advertising expense (sales)	124,795	39,749
Travelling and daily expense	382,244	289,633
Guest expense	153,738	164,134
Bank Commission	1,483,200	1,154,198
Consultancy exp.	631,113	1,152,774
Renewal & Membership Fee	134,215	483,890
Donation	24,005	27,000
Audit Fee	100,000	75,000
Insurance premium	897,401	1,181,150
Puja & Festival Expenses	68,530	81,040
Miscellaneous expense	86,238	67,257
Gratuity Exp.	8,525,768	5,449,290
Medical Expenses	12,790	692
Security Expenses	1,116,000	1,026,000
Internal Audit Fees	25,000	-
Business Promotion Expenses	-	1,705,891
Tax and fine Expenses	-	1,974,935
Staff Welfare Exp	149,000	65,295
Rent Expenses	303,600	-
Total	24,021,056	26,106,428

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur
F.Y. 2079/80

Miscellaneous Income

Schedule 16

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Interest Received from Customer	2,985,178	860,600
Exchange Gain/(Loss)	-	14,792
Miscellaneous Income	310,173	-
Total	3,295,351	875,392

Direct Expenses

Annex - 1

Particulars	Current Year Amount NRs.	Previous Year Amount NRs.
Factory Salaries & Benefits	7,941,385	7,418,109
Factory Wages	3,598,988	228,154
Factory Consumables Goods	7,269	2,830
Factory Water and Electricity Exp.	887,692	757,566
Testing & Packing Exp	3,130	-
Fuel Exp. Factory	219,067	173,566
Depreciation	933,000	804,517
Total	13,590,531	9,384,740

Nepal Bitumen & Barrel Udyog Ltd.

Krishnagalli, Lalitpur

Schedule forming part of the Financial Statements for the year ended Ashad 31, 2080 Significant Accounting Policies & Explanatory Notes

Schedule - 17

1. Background of the organization

Nepal Bitumen and Barrel Udyog Ltd. (NBBUL), a Public Limited Company, established by Nepal Oil Corporation Limited in 1984 was taken over by Panchakanya Group - a leading industrial and trading house of Nepal in 1994 under government's privatization program. The Organization, marching ahead with the philosophy "Quality ensures success" is committed to total customer satisfaction and practicing high ethical standards.

Significant Accounting Policies & Explanatory Notes

2. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. The policies have been consistently applied for the whole period and to all the years presented, unless otherwise stated.

A. Basis of accounting and presentation

The Institute of Chartered Accountants of Nepal (ICAN) changed the applicable financial reporting framework for all other listed companies or all other entities not defined as SMEs (Small and Medium Enterprises) to Nepal Financial Reporting Standards (NFRS) from Nepal Accounting Standards (NAS) effective from financial year 2073/74 (2016/17) onwards.

NBBUL has not prepared accompanying financial statement in accordance with NFRS. Except otherwise stated hereinafter, the financial statements are prepared in accordance with Nepal Accounting Standards ("NAS")

- i. The accounts have been prepared on accrual basis.
- ii. The financial statements are prepared on the historical cost convention. The preparation of financial statements in conformity with NAS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in process of applying the company's accounting policies and accounting estimates.
- iii. Figures have been rounded off to the nearest Rupee.

B. Fixed Assets and Depreciation

- i. Fixed assets (Except other than Land) have been valued at cost of acquisition/ construction inclusive of incidental expenses related to acquisition/construction. They are measured at Cost Model after their initial recognition.
- ii. Depreciation on fixed assets has been charged on diminishing balance value method at the rate and in a manner as prescribed by the Schedule II of the Income Tax Act, 2058.
- iii. Land is stated at their revalued amount, being the fair value on the basis of valuation report dated 25th June 2022.
- iv. Any Revaluation increase arising on revaluation of land is credited directly to the assets Revaluation Reserve.

C. Revenue Recognition

Revenue is recognized on accrual basis, except dividend income, which is recognized when right to receive is established.

D. Cash and Cash Equivalent

Cash and Cash equivalent represent cash in hand and balance in bank accounts.

E. Employees' Bonus

Employees' bonus is provided as per the provision of Bonus Act, 2030.

F. Income Taxes

Provision for current tax is made with reference to taxable income for the financial year determined under the provision of Income Tax Act, 2058.

Deferred Tax is recognized and provided for on timing differences between taxable income and accounting income subject to consideration of prudence.

G. Foreign Exchange Transactions

No foreign exchange transactions occurred during the year. The closing bank balance in foreign currency is translated using year-end exchange rate and difference is adjusted in exchange gain/ (loss) account.

H. Closing stock

Closing stock has been measured at lower of cost and net realizable value. The quantity and value of closing stock has been certified by the management.

3. Explanatory Notes

A. Revenue Recognition

Sales are recognized on issuance of sales invoice after deducting any sales return during the fiscal year. The net sales after deducting sales return amounting of NRs. 314200128.

B. Income Tax Liability

Tax liability is accounted in the books as per the provision of Income Tax Act.

C. Deferred Tax

As there is a temporary difference in amount of depreciation and provision for gratuity is eligible on basis of payment is consider at deferred tax calculation as per NAS 9.

S. No.	Particulars	Financial Accounting	Tax Accounting	Assets/ (Liabilities)	Tax Rate	Amount (NRs.)
1	Net Fixed Assets (WDV)	13,355,358	13,326,127	(29,231)	20%	(5,846)
2	Provision for Gratuity	1,048,092	-	1,048,092	20%	209,618
	Total	14,403,449	13,326,127	1,018,861		203,772
	Deferred Tax Assets Upto Last Year					
	Deferred Tax Income/ (Expenses)					203,772

D. Sundry Receivables and Payables

Individual parties shown in sundry receivable and payable are subject to confirmation from concerned parties.

E. Forgery over resources of the Company

The company has filed a case against ex-employee Yogendra Mani Dahal on forgery of NRs. 123,596,505. Effect of the same has not been accounted in the books. The case is pending in the Supreme Court.

F. Legal Cases

NRs. 6,410,676 is receivable since FY 2058/59 from the erstwhile National Construction Company Nepal Ltd for sale of Bitumen. The said Company has been taken over by Ministry of Physical Infrastructure and Transport.

The legal case is pending in the Supreme Court. Similarly, during the audit finalization we have found also the below further legal case filed at district court of Kathmandu.

S. No.	NAME OF COMPANY	TOTAL AMOUNT	Legal Case No.	Case filling Date
1	BIRUWA CONSTRUCTION	13,173,188.54	CP-3653	27/08/2078
2	CHANGMILLA CONSTRUCTION	15,214,702.66	CP-3654	27/08/2078
3	LAMA BUILDERS CHANGMILLA JV	2,790,307.79	CP-3655	27/08/2078
4	GAURI PARWATI SUNAULO			
	KHIMTI DHUKUCHHU JV	4,312,730.21	CP-3656	27/08/2078
5	SICHUWAN DANFE SUNAULO			
	KHIMTI JV	8,878,201.60	CP-3657	27/08/2078
6	TUNDI RAMAN BIRUWA JV	6,146,256.39	CP-3658	27/08/2078
7	P.S. /Pappu /Jyoti JV	6,434,848.40	078-CP-1532	30/11/2078
8	M.K. Nirman Sewa Pvt. Ltd.	6,629,992.53	078-CP-1521	29/11/2078
9	Pappu /Jyoti JV	4,263,247.19	078-CP-1531	30/11/2078
10	Division Road Office, Kathmandu	8,801,809.63	078-CP-1849	21/01/2079
	TOTAL:	76,645,284.94		

G. Related party Disclosure

Mr. Prem Bahadur Shrestha is the Chairman of the Company. There is some instant of transactions of the company with their families during this Fiscal Year. During this Fiscal Year Company has not paid any fees to Board of Directors as Meeting Allowance during the period.

Other Related Party Transaction are

Particulars	Amount (NPR)
Sundry Payable	
✓ Nepal Cylinders P. Ltd	1,56,10,138.56
✓ Panchakanya Plastic Pvt. Ltd	3,44,95,000.00
✓ Panchakanya Plast Pvt Ltd	14,20,000.00
✓ Panchakanya Steel P. Ltd.	15,00,66,589.19
✓ Panchakanya Rotomould Pvt Ltd	1,69,50,000.00
Receivables	
✓ Unique Profile Pvt. Ltd	247,055.00
Advance from Directors	
✓ Mr. Pradeep Kumar Shrestha, Managing Director	6,00,00,000.00

H. Employee benefits

- No Provision for staff bonus has been provided on the basis of Net profit before Tax as per financial statement in accordance with Bonus Act 2030.
- Rs.10,48,092 Provision for gratuity has been made during the year as required.
- Provision for leave payment has already paid to employees within the financial year.

I. Going concern concept

The financial statements have been prepared on a going concern basis. The Company has a reasonable expectation that it has adequate resources to continue its operation for the foreseeable future as a going concern.

J. Bad debts

No bad debts have been booked in the fiscal year 2079/80.

K. Impairment of fixed assets

There is no indication of impairment of fixed assets during the fiscal year.

L. Regrouping/rearrangement

Previous year's figures are regrouped/rearranged wherever necessary.

त्यवस्थापन समूह



श्री प्रविण पौडेल
प्रबन्धक - लेखा तथा अर्थ
मुख्य कार्यालय, ललितपुर



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