

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Kalinchowk Investment Company Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of **Kalinchowk Investment Company Limited** (the "Company"), which comprise the Statement of Financial Position as at Ashad 32, 2082 (July 16, 2025), Statement of Profit or Loss, Statement of Other Comprehensive Income, Statement of Cash Flows & Statement of Changes in Equity and for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at Ashad 32, 2082 (July 16, 2025), and of its financial performance and its cash flows for the year then ended in accordance with Nepal Financial Reporting Standards (NFRS).

BASIS FOR OPINION

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Financial Statements section of our Report. We are independent of the Company in accordance with the ICAN's Handbook of Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the financial statements in Nepal, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAN's Handbook of Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

RESPONSIBILITY 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 Nepal Financial Reporting Standards (NFRS) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that



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

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

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the 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 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 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.

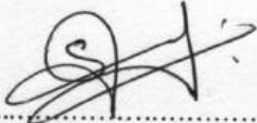
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON THE REQUIREMENTS OF COMPANY ACT, 2063

We have examined the attached Financial Statements and report that:




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



CA Saroj Suryabanshi
Partner
J.S. & Associates
Chartered Accountants



Date: 2082.04.07

Place: Kathmandu

UDIN: 250803CA01543LFazW


Kalinchowk Investment Company Ltd.
Kathmandu, Nepal

Statement of Financial Position
As at 32nd Ashad 2082 (16 July 2025)

Amount in NPR

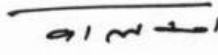
Particulars	Note	32nd Ashad 2082	31st Ashad 2081
Assets			
Non Current Assets			
Property, Plant & Equipment	3.1	-	-
Investment Property	3.2	204,199,160	204,199,160
Financial Assers			
Investment in Securities	3.3	35,000,000	-
Defered Tax Assets	3.4	-	-
Total Non Current Assets (A)		239,199,160	204,199,160
Current Assets			
Trade & Other Receivables	3.5	100,000	-
Term Deposit with Commerical Bank	3.6	80,000,000	-
Cash & Cash Equivalent	3.7	40,804,924	71,356
Advances & Deposits	3.8	425,458	1,819,766
Total Current Assets (B)		121,330,383	1,891,122
Total Assets (A+B)		360,529,543	206,090,282
Equity & Liabilities			
Equity			
Equity Share Capital	3.9	233,000,000	192,500,000
Retained Earnings	3.10	901,288	307,850
Advance Share Capital		113,097,000	
Total Equity (C)		346,998,288	192,807,850
Current Liabilities			
Trade & Other Payables	3.11	13,329,522	13,161,840
Provisions	3.12	201,732	120,592
Total Current Liabilities (E)		13,531,254	13,282,432
Total Equity & Liabilities (C+D+E)		360,529,543	206,090,282

The accompanying notes are an integral part of these financial statements



Ashok Siwakoti
Director

Date: 2082.04.07
Place: Kathmandu




Balkrishna Shiwakoti
Chairman

As per our report of even date


A. Saroj Suryabanshi
Partner
J.S. & Associates
Chartered Accountants



Kalinchowk Investment Company Ltd.
Kathmandu, Nepal

Statement of Profit or Loss
For the year ended 32nd Ashad 2082 (16 July 2025)

Amount in NPR

Particulars	Note	Current Year	Previous Year
Income			
Revenue from Operations	3.13	1,224,449	258,602
Other Income	3.14	5,575	473,185
Total Income		1,230,024	731,787
Expenses			
Employee Benefit Expenses	3.15	-	-
Administrative Expenses	3.16	434,854	128,780
Depreciation & Amortization	3.1	-	-
Finance Cost	3.17	-	-
Total Expenses		434,854	128,780
Net Profit/(Loss) Before Tax		795,170	603,007
Provision for Income Tax		201,732	119,617
Deferred Tax Expense / (Income)		-	-
Net Profit/(Loss) After Tax		593,438	483,390

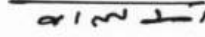
The accompanying notes are an integral part of these financial statements

As per our report of even date



Ashok Siwakoti
Director

Date: 2082.04.07
Place: Kathmandu



Balkrishna Shiwakoti
Chairman



CA. Saroj Surya
Partner
J.S. & Associates
Chartered Accountants



Kalinchowk Investment Company Ltd.
Kathmandu, Nepal

Statement of other comprehensive income
For the year ended 32nd Ashad 2082 (16 July 2025)

Amount in NPR

Particulars	Current Year	Previous Year
Profit/(loss) for the period	593,438	483,390
Other comprehensive income (OCI)		
Fair Value Gain/Loss on investment through other comprehensive income	-	-
Fair Value Gain/Loss on Actuarial Valuation	-	-
Other items that will not be reclassified to statement of profit or loss	-	-
Other comprehensive income (OCI) for the period, net of tax	-	-
Total comprehensive income for the period, net of tax	593,438	483,390

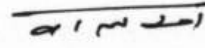
The accompanying notes are an integral part of these financial statements

As per our report of even dat



Ashok Shiwakoti
Director

Date: 2082.04.07
Place: Kathmandu



Balkrishna Shiwakoti
Chairman



CA. Saroj Subbanshi
Partner
J.S. & Associates Nepal
Chartered Accountants

Kalinchowk Investment Company Ltd.
Kathmandu, Nepal

Cash Flow Statement
For the year ended 32nd Ashad 2082 (16 July 2025)

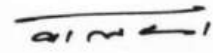
Amount in NPR


Particulars	Current Year	Previous Year
Net Profit/ (Loss) After Tax	593,438	483,390
Non Cash and Non-Operating Activities		
Depreciation & Amortization	-	-
Interest Expenses	-	-
Cash Flow Before Changes in Working Capital	593,438	483,390
Working capital adjustments:		
(Increase)/ Decrease in Current Assets		
Trade & Other Receivables	(100,000)	-
Term Deposit with Commerical Bank	(80,000,000)	-
Advances & Deposits	1,394,308	(1,872,975)
Increase/ (Decrease) in Current Liabilities		
Trade & Other Payables	167,682	(129,462,826)
Provisions	81,140	123,467
Net Cash Flows from Operating Activities	(77,863,431)	(130,728,944)
Increase/ (Decrease) in Investment Property	-	(69,563,950)
Proceeds from sale of PPE	-	-
Investment in shares	(35,000,000)	-
Net Cash Flow from Investing Activities	(35,000,000)	(69,563,950)
Increase/(Decrease) in Share Capital	40,500,000	192,500,000
Increase/(Decrease) in Advance Share Capital	113,097,000	-
Interest Expenses	-	-
Net Cash Flow from Financing Activities	153,597,000	192,500,000
Increase/(Decrease) in Cash and Cash Equivalents	40,733,569	(7,792,894)
Increase/(Decrease) in Cash and Cash Equivalents	71,356	7,864,250
Closing Cash and Cash Equivalents	40,804,924	71,356

The accompanying notes are an integral part of these financial statements

As per our report of even date


Ashok Siwakoti
Director


Balkrishna Shiwakoti
Chairman


C.A. Saroj Suryabanshi
Partner
J.S. & Associates
Chartered Accountants



Date: 2082.04.07
Place: Kathmandu



Kalinchowk Investment Company Ltd.
Kathmandu, Nepal

Statement of Changes in Equity
For the year ended 32nd Ashad 2082 (16 July 2025)

Amount in NPR

Particulars	Share Capital	Advance Share Capital	Retained Earning	Total Equity
Balance as at Ashad 31,2080	-	-	(175,540)	(175,540)
Profit / (Loss) for the Year	-	-	483,390	483,390
Increase in Advance Share Capital	-	-	-	-
Issue of Share Capital	192,500,000	-	-	192,500,000
Balance as at Ashad 31,2081	192,500,000	-	307,850	192,807,850
Profit / (Loss) for the Year	-	-	593,438	593,438
Increase in Advance Share Capital	-	113,097,000	-	113,097,000
Issue of Share Capital	40,500,000	-	-	40,500,000
Balance as at Ashad 32, 2082	233,000,000	113,097,000	901,288	346,998,288

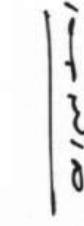
The accompanying notes are an integral part of these financial statements

As per our report of even date

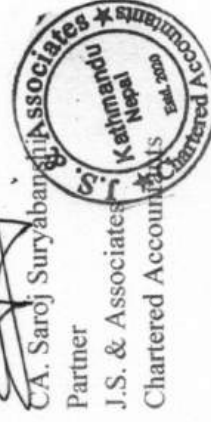


Ashok Siwakoti
Director

Date: 2082.04.07
Place: Kathmandu



Balkrishna Shiwakoti
Chairman



CA. Saroj Suryabanshi
Partner
J.S. & Associates
Chartered Accountants



Kalinchowk Investment Company Ltd.

Kathmandu, Nepal

Significant Accounting Policies and Notes to Accounts For the Year Ended 32nd Ashad 2082 (16 July 2025)

1. Corporate Overview

Kalinchowk Investment Company Limited is a subsidiary of Kalinchowk Darshan Limited and was incorporated in 2082/12/31 as a public limited company. The Company is engaged in making investment in various unlisted securities, and real-estate properties etc. The company's registered office is located in Gaushala Kathmandu.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparations

A. Statement of Compliance

Financial Statements of the Company comprises of financial Statement of the Company prepared in accordance with Nepal Financial Reporting Framework (NFRS) recommended by the Accounting Standards Board of Nepal and pronounced by the Institute of Chartered Accountants of Nepal which confirm, in material respect, to International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB). The financial statements have been prepared in accordance with Nepal Financial Reporting Standards (NFRS) to the extent applicable and as published by the Accounting Standards Board (ASB) – Nepal.

B. Authorization of the Financial Statements

The Financial Statements have been approved from 5th Board of Directors' meeting held on 2082/04/07 and have been recommended for approval by shareholders in the Annual General Meeting.

C. Historical Cost Convention

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies below.

D. Function and Presentation Currency

The financial statements are presented in Nepalese Rupee (NPR.), which is the functional and presentation currency of the Company. Amounts in the financial statements are rounded off to the nearest rupee.



2.2 Accounting Convention, Estimates, assumptions, and judgments

The preparation of the financial statements requires the management to make estimates and assumptions that are considered while reporting amounts of assets and liabilities (including contingent assets and liabilities) as of the date of the financial statements. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

Information about assumptions and estimation that have a significant risk of resulting in a material adjustment within the next financial year are:

- Key assumptions used in discounted cash flow projections.
- Provisions, commitments, and contingencies.
- Determination of useful life of the property, plants, and equipment.
- Assessment of the company's ability to continue as going concern.
- Determination of fair value of financial instruments; and property and equipment.
- Impairment of financial and non-financial assets.
- Assessment of current as well as deferred tax.

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

2.3 Changes in Accounting Policies

The Company has consistently applied the accounting policies to all periods presented in the financial statements except for new or revised statements and interpretations implemented during the year. The nature and effect of new standards and interpretations are discussed in note that follows.

2.4 Current and Non-Current distinction

Assets and liabilities, wherever applicable, are bifurcated in current and non-current based on their respective maturity. Such information has been separately disclosed wherever applicable.

2.5 Discounting

When the realisation of assets and settlement of obligation is for more than one year, the company considers the discounting of such assets and liabilities where the impact is material. Various internal and external factors have been considered for determining the discount rate to be applied to the cash flows of company.

2.6 Presentation of Financial Statements

The statement of profit or loss has been prepared using classification 'by nature' method. The cash flows from operation within the statement of cash flows have been derived using the 'indirect' method.



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2.7 Materiality and Aggregation

Each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or function are presented separately unless they are immaterial as permitted by the Nepal Accounting Standard – NAS 1 on ‘Presentation of Financial Statements’.

Notes to the Financial Statements are presented in a systematic manner which ensures the understandability and comparability of Financial Statements. Understandability of the Financial Statements is not compromised by obscuring material information with immaterial information or by aggregating material items that have different natures or functions.

2.8 Limitation of NFRS Implementation

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

2.9 Basis of Measurement

The financial statements are prepared on the historical-cost basis except for the required material items in the statement of financial position where it has been disclosed as measured at fair value or otherwise.

Estimates and underlying assumptions are reviewed on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from those estimates. The estimates and judgments used in the preparation of the consolidated financial statements are continuously evaluated by the group. Any revision to accounting estimates are recognized prospectively in the period in which the estimates are revised and in the future periods. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in notes that follow.

2.10 Going Concern

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



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2.11 Financial Assets and Financial Liabilities

2.11.1 Recognition

Financial Asset

The Company initially recognizes a financial asset or a financial liability in its Statement of Financial Position when, and only when, it becomes party to the contractual provisions of the instruments. The transaction costs that are directly attributable to the acquisition or issues of financial instruments (other than of the Financial Instruments through Profit or Loss) are added or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on the initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in Statement of Profit or Loss. The institution thus has initially recognized investment and borrowings etc. on the date when they are originated i.e., date when the group has become party to the contractual provision of the instruments. Investment on the equity instruments is recognized on trade date at which the group commits to purchase the financial assets.

2.11.2 Classification

The company classifies its financial assets as subsequently measured at amortized cost using effective interest method or fair value based on the company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The two classes of financial assets are as follows:

1. Financial Assets measured at Amortized Cost
2. Financial Assets measured at Fair Value

1. Financial Assets measured at amortized cost

The company classifies financial assets at amortized cost if both of the following conditions are

- a. The asset is held within a business model whose objectives is to hold assets to collect
- b. The contractual term of the financial asset gives rise on a specified date to cash flows that are solely payments of principals and interest on the outstanding principals.

2. Financial Assets measured at Fair Value

The company classifies financial assets other than those measured at amortized cost as measured at fair value. Financial assets measured at fair value are further classified into two categories as below:

a) Financial assets at fair value through Profit or Loss

Financial assets are classified as fair value through profit or loss (FVTPL) if they are held for trading purpose or are designated at fair value through profit or loss. Upon initial recognition, transaction costs are directly attributable to the acquisition are recognized in profit or loss as incurred. Such assets are subsequently measured at fair value and changes in fair value are recognized in Statement of Profit or Loss.



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b) **Financial assets at fair value through Other Comprehensive Income**

Investment in an equity instrument that is not held for trading and at the initial recognition, the Company makes an irrevocable election that the subsequent changes in fair value of the instrument is to be recognized in other comprehensive income are classified as financial assets at fair value through other comprehensive income. Such assets are subsequently measured at fair value and changes in fair value are recognized in other comprehensive income.

Financial Liability

The company classifies the financial liabilities as follows:

1. **Financial Liabilities at fair value through profit or loss:**

The company classifies financial Liabilities as fair value through profit or loss if they are held for trading or are designated at fair value through Profit or Loss. Upon initial recognition, transaction costs are directly attributable to the acquisition are recognized in Statement of Profit or Loss as incurred. Subsequent changes in fair value are recognized in Statement of Profit or Loss.

2. **Financial Liabilities measured at amortized cost:**

All financial liabilities other than measured at fair value through profit or loss are classified as subsequently measured at amortized cost using effective interest method.

2.11.3 Measurement

Initial Measurement

The company measure financial assets or financial liability initially at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

Transaction costs in relation to financial assets and liabilities at fair value through profit or loss are recognized in Statement of Profit or Loss.

Subsequent Measurement

A financial asset or financial liability has been subsequently measured either at fair value or at amortized cost based on the classification of the financial asset or liability. Financial asset or liability classified as measured at amortized cost is subsequently measured at amortized cost using effective interest rate method.

Financial assets classified at fair value has been subsequently measured at fair value. The subsequent changes in fair value of financial assets at fair value through profit or loss are recognized in Statement of Profit or Loss whereas of financial assets at fair value through other comprehensive income are recognized in other comprehensive income.



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2.11.4 De-Recognition

a. De-recognition of financial assets

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset.

Any interest in such transferred financial assets that qualify for de-recognition that is created or retained by the company is recognized as a separate asset or liability. On de-recognition of a financial asset, the difference between the carrying amount of the asset, and the sum of (i) the consideration received and (ii) any cumulative gain or loss that had been previously recognized is recognized in Statement of Profit or Loss.

The company enters transactions whereby it transfers assets recognized on its Statement of Financial Position but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them, then the transferred assets are not derecognized.

b. De-recognition of financial liabilities

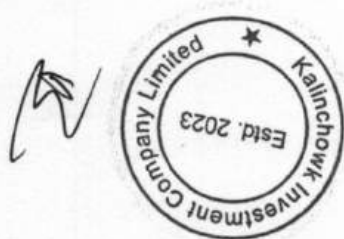
The company derecognizes a financial liability when the obligation under the liability is discharged, cancelled, or expired. Where an existing financial liability is replaced by another from the same lender on different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a De-recognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognized in Statement of Profit or Loss.

2.11.5 Determination of Fair Value

When available, the company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If there is no quoted price in an active market, then the group uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

2.11.6 Impairment

At each reporting date, the company assesses whether there is objective evidence that a financial asset or group of financial assets not carried at fair value through profit or loss are impaired. A financial asset or a group of financial assets is impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset(s), and that the loss event has an impact on the future cash flows of the asset(s) that can be estimated reliably.



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Impairment of non-financial assets/ Other Assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value of the Cash Generating Unit's (CGU) less costs to sell and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

2.11.7 Offsetting

Financial Assets and liabilities are offset and the net amount presented in the Statement of Financial Position when and only when, the group has a legal right to set off the amounts and it intends either to settle them on a net basis or to realize the assets and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under NFRS, or for gains and losses arising from a group of similar transactions such as in the group's trading

2.12. Reporting dates

Kalinchowk Investment Company Limited follows the Nepalese financial year based on the Nepalese calendar. The corresponding dates for the English calendar are as follows:

Relevant Financial Statement	Nepalese Calendar Date / Period	English Calendar Date / Period
Opening SFP date	1 Shrawan 2081	16-Jul-24
Closing SFP Date	32 Ashadh 2082	16-Jul-25
Comparative reporting period	1 Shrawan 2080 - 31 Ashadh 2081	16 July 2023 - 15 July 2024



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Kalinchowk Investment Company Ltd.
Kathmandu, Nepal

Schedule Forming parts of Statement of Financial Position as at 32nd Ashad 2082

Note 3.1: Property, Plant & Equipment

Property, plant and equipment are stated in the statement of financial position at their cost and are inclusive of all expenses necessary to bring the assets to working condition for its intended use less any subsequent accumulated depreciation and subsequent accumulated impairment losses, if applicable. Property, plant and equipment are recognised as an asset, if and only if it is probable that future economic benefits associated with the item will flow to the company; and the cost of the item can be measured reliably.

The depreciation period is based on the expected useful life of an asset. Items of property plant and equipment are depreciated on pro rata basis in the year of acquisition. The residual values, useful lives and the depreciation methods of assets are reviewed at least at each financial year end and, if expectations differ from previous estimates are accounted for as a change in accounting estimates in accordance with NAS 8.

In addition to the purchase price and cost directly attributable to bringing the asset to the location and conditions necessary for it to be capable of operating in the manner intended by management if an item of property, plant and equipment consists of several components with different estimated useful lives, those components that are significant are depreciated over their individual useful lives. Subsequent costs that do not qualify the recognition criteria under NAS 16 are expensed as and when incurred.

Particulars	32nd Ashad 2082	31st Ashad 2081
Gross Block	-	-
Less: Accumulated Depreciation	-	-
Net Block	-	-



Kalinchowk Investment Company Ltd.
Kathmandu, Nepal

Schedule Forming parts of Statement of Financial Position as at 32nd Ashad 2082

Note 3.2: Investment Property

The company applies the **cost model** for its investment property, in accordance with NAS 40 Investment Property. Under this model, investment property is measured at cost less accumulated depreciation (if applicable) and accumulated impairment losses.

Particulars	32nd Ashad 2082	31st Ashad 2081
Land	204,199,160	204,199,160
Net Block	204,199,160	204,199,160

Due to the absence of recent transactions involving similar properties in the relevant market and the lack of observable market data, the fair value of Land cannot be reliably estimated. The limited market activity and specific characteristics of the property make it difficult to determine a reasonable range for fair value at the reporting date. Therefore, performing a fair value valuation is not feasible at this time.

Note 3.3: Investment in Securities

The Company has made investments in equity shares of following companies.

Particulars	32nd Ashad 2082	31st Ashad 2081
Investment in Unquoted Promoter Shares		
Sano Pathivara Cable Car Pvt. Ltd.	15,000,000	-
Tamor Energy Pvt. Ltd.	20,000,000	-
Total	35,000,000	-

Note 3.4: Deferred Tax Assets

Particulars	32nd Ashad 2082	31st Ashad 2081
Opening Deferred Tax Assets	-	-
Less: Charge for the year	-	-
Closing Deferred Tax Assets	-	-
Total	-	-

Kalinchowk Investment Company Ltd.
Kathmandu, Nepal

Schedule Forming parts of Statement of Financial Position as at 32nd Ashad 2082

Note 3.5: Trade & Other Receivables

Particulars	32nd Ashad 2082	31st Ashad 2081
Receivable	100,000	-
Total	100,000	-

Note 3.6: Term Deposit with Commerical Bank

The Company has following term deposits with Prabhu Bank Limited. These instruments have maturity of 6 Months and are interest bearing.

The rates implicit on these deposits approximate the effective interest rates and the same rates are used to calculate the interest (finance) income and for the purpose of calculating the amortized costs of these assets. The carrying value of these assets represents the amortized costs.

Particulars	32nd Ashad 2082	31st Ashad 2081
Short term fixed deposit	80,000,000	-
Total	80,000,000	-

These instruments are held with the intention for settlement of principal and interest only, with no other costs or premium/discounts being involved, the intrinsic coupon rate is taken as effective interest rate for all term deposits. The Company has intention and capacity to hold these instruments until their respective maturity dates.

Impairment

Fixed Deposits are made with class 'A' commercial banks in Nepal which are closely regulated by the Nepal Rastra Bank (NRB). There has been no indication of impairment on these instruments.

Kalinchowk Investment Company Ltd.
Kathmandu, Nepal

Schedule Forming parts of Statement of Financial Position as at 32nd Ashad 2082

Note 3.7: Cash & Cash Equivalent

Cash and cash equivalents include deposit account balances maintained with banks or financial institutions. These enable the Company to meet its short-term liquidity requirements. The carrying amount of cash and cash equivalents approximates their fair value. They are readily convertible to known amount of cash and are subject to insignificant risk of change in value.

These balances have been used as Cash and Cash Equivalents for the presentation of SCF as well. Banks and financial institution in Nepal are closely regulated by the NRB. The Company closely assesses the risks of these instruments and there is no apparent indication of impairment of these balances. The Company discourages the use and holding of cash balances therefore there are no cash balances as at the reporting dates.

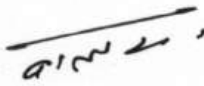
Particulars	32nd Ashad 2082	31st Ashad 2081
Bank	40,804,924	71,356
Cash	-	-
Total	40,804,924	71,356

Risk associated with Financial Assets

The Company closely monitors the risks associated with the financial assets. The Company has an enterprise risk management system commensurate with the nature and the size of the business, which management considers sufficient to identify, manage and monitor risks.

Note 3.8: Advances & Deposits

Particulars	32nd Ashad 2082	31st Ashad 2081
Advance Tax	211,167	38,790
Advances and Deposits	214,291	1,780,976
Prepaid Expenses	-	-
Total	425,458	1,819,766



Kalinchowk Investment Company Ltd.
Kathmandu, Nepal

Schedule Forming parts of Statement of Financial Position as at 32nd Ashad 2082

Note 3.9: Equity Share Capital

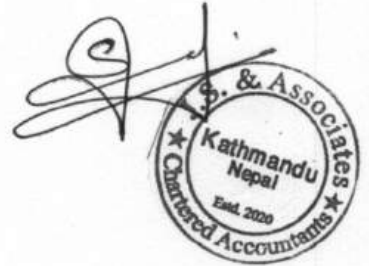
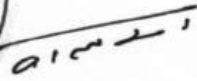
Particulars	32nd Ashad 2082	31st Ashad 2081
Authorised:		
Ordinary shares @ Rs. 100	750,000,000	300,000,000
Issued:		
Ordinary shares @ Rs. 100	520,000,000	250,000,000
Paid up :		
Share capital	233,000,000	192,500,000
Total	233,000,000	192,500,000

Existing Share Holding Structure

Shareholder	Number of shares	Amount of share capital	Percentage of shareholding
Kalinchowk Darshan Limited	2,015,000	201,500,000	86.48%
Other Promoters	315,000	31,500,000	13.52%
Total	2,330,000	233,000,000	100%

Note 3.10: Retained Earnings

Particulars	32nd Ashad 2082	31st Ashad 2081
Opening Balance	307,850	(175,540)
Prior Period Adjustments	-	-
Profit/ Loss transferred from Income Statement	593,438	483,390
Total	901,288	307,850



Kalinchowk Investment Company Ltd.
Kathmandu, Nepal

Schedule Forming parts of Statement of Financial Position as at 32nd Ashad 2082

Note 3.11: Trade & Other Payables

Trade and Other Payables mainly consist of amounts the Company owes to suppliers and government authority that have been invoiced or are accrued including taxes payable. These amounts have been initially recognized at cost and is continued to be recognized at cost as it fairly represents the value to be paid since it does not include interest on payment.

Particulars	32nd Ashad 2082	31st Ashad 2081
Sundry Creditors	5,007	11,150
Kalinchowk Darshan Limited	13,278,640	13,122,815
Salary & Wages Payable	-	-
Expenses Payable	18,000	-
Other Payable		
Audit Fee Payable	27,875	27,875
Total	13,329,522	13,161,840

Note 3.12: Provisions

Particulars	32nd Ashad 2082	31st Ashad 2081
Duties & Tax Payable		
TDS Payable	-	975
Provision for Income Tax	201,732	119,617
Total	201,732	120,592



Kalinchowk Investment Company Ltd.
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Note Forming the part of Statement of Profit or Loss
For the Year Ended 32nd Ashad 2082 (16 July 2025)

Note 3.13: Revenue from Operations

Particulars	Current Year	Previous Year
Interest Income	74,449	258,602
Rental Income	1,150,000	-
Total	1,224,449	258,602

Note 3.14: Other Income

Particulars	Current Year	Previous Year
Other Income	5,575	473,185
Total	5,575	473,185

Note 3.15: Employee Benefit Expenses

The company has not employed any employee till date. All the activities of the company are being taken care by the Board of Directors and its parent company.

Particulars	Current Year	Previous Year
Salary Expenses	-	-
Total	-	-

Note 3.16: Administrative Expenses

Particulars	Current Year	Previous Year
Advertisement expenses	3,757	-
Audit Fee Expenses	28,250	28,250
Bank Charges	5,193	1,080
BOD Meeting Allowances	75,000	-
Certification Expenses	22,600	-
Consultancy Expenses	-	40,000
Donation	-	51,000
Fine and Penalties	11,758	-
Miscellaneous Expenses	-	8,450
Registration & Renewal	263,446	-
Rent Expenses	20,000	-
Telephone & Communication Services	4,850	-
Total	434,854	128,780

Note 3.17: Finance Cost

Particulars	Current Year	Previous Year
Interest Expenses	-	-
Total	-	-



2025



Kalinchowk Investment Company Ltd.
Kathmandu, Nepal

Note Forming the part of Statement of Profit or Loss

Note 3.18 Related Party Transactions

Transactions with Parent

Kalinchowk Darshan Limited holds an 86.48% share in Kalinchowk Investment Company Limited. The following transactions occurred between Kalinchowk Investment Company Limited and Kalinchowk Darshan Limited:

Particulars	Current Year	Previous Year
Advance From Kalinchowk Darshan Limited	13,278,640.00	13,122,815.00
Total	13,278,640.00	13,122,815.00

Transactions with key management personnel

Kalinchowk Investment Company Limited has a 6-member Board of Directors (BoD) appointed under the provisions of Companies Act 2063. Except for the following transactions, Kalinchowk Investment Company limited has not conducted any other transaction with directors or their relatives during the financial year.

Name	Position	Meeting Allowances Paid
Balkrishna Shiwakoti	Chairperson	15,000
Ashok Siwakoti	Director	12,000
Nandaraj Sedai	Director	12,000
Ganesh Prasad Shiwakoti	Director	12,000
Anushka Parajuli	Director	12,000
Yograj Shiwakoti	Director	12,000
Total		75,000

Note 3.19: Re-grouping and Re-arrange

The previous year's figures are re-group and re-arranged as per necessary for the better presentation of the



Kalinchowk Investment Company Ltd.
Kathmandu, Nepal

Details of Schedule 5 of the Income Tax Return
Income Year 2081-82

S.N	Particulars	As per Income Tax	As per books
Inclusion			
1	Income from Sale u/s 7.2 Kha	1,224,449	1,224,449
2	Other Income	5,575	5,575
Total Income		1,230,024	1,230,024
Deduction of Expenses			
1	Interest u/s 14	-	-
2	Depreciation u/s 19	-	-
3	Repair & Improvement u/s 16	-	-
4	Other Expenses u/s 13	-	-
	General Expenses 434,854.08	423,096	434,854
	Less:		
	Donation expenses -		
	Fine & Penalties 11,757.87		
Total Expenses		423,096	434,854

Assessible Income/(Loss) for the year	806,928	795,170
Brought forward Business Loss	-	-
Net Assessible Income/(Loss) for the year	806,928	
Tax Liability	201,732	
Fine u/s 117	-	
Interest u/s 118	-	
Interest u/s 119	-	
Total Tax Liability	201,732	
Less : Advance Tax for the Year	211,167	
Net Tax Liability	(9,435)	

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