

**Reliance Spinning Mills Ltd.**  
**Unaudited Statement of Financial Position**  
As at 17th Oct, 2025 (Ashwin 31, 2082)

Amount in NPR

Particulars	Note	As at Ashwin 31, 2082	As at Ashad 32, 2082
<b>Assets</b>			
<b>Non Current Assets</b>			
Property, Plant and Equipment	4	9,540,876,718.49	9,638,832,660.35
Capital work-in-progress	4.1	-	-
Right-of-use Assets	4.2	15,378,779.04	16,836,862.65
Intangible Assets	5	-	-
Financial Assets			
Other Financial Assets	6	3,045,925.01	3,045,925.01
<b>Total Non Current Assets</b>		<b>9,559,301,422.54</b>	<b>9,658,715,448.01</b>
<b>Current Assets</b>			
Inventories	7	2,319,778,712.75	2,204,371,745.89
Financial Assets			
Trade Receivables	8	1,524,502,329.23	1,423,457,212.72
Cash & Cash Equivalents	9	68,374,112.59	17,555,299.65
Other Financial Assets	10	1,356,793,965.46	1,349,138,355.69
Other Current Assets	11	283,853,585.53	250,719,697.44
Current Tax Assets (Net)	12	10,411,636.61	11,572,990.64
<b>Total Current Assets</b>		<b>5,563,714,342.17</b>	<b>5,256,815,302.03</b>
<b>Total Assets</b>		<b>15,123,015,764.71</b>	<b>14,915,530,750.04</b>
<b>Equity and Liabilities</b>			
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
Financial Liabilities			
Borrowings	13	2,730,960,541.99	2,945,475,791.99
Lease Liabilities	14	12,708,495.82	12,589,030.64
Other Financial Liabilities	15	2,341,566.85	2,341,566.85
Deferred Tax Liabilities (Net)	16	237,420,035.00	226,462,581.00
Provisions	17	16,171,816.47	15,089,128.00
<b>Total Non Current Liabilities</b>		<b>2,999,602,456.13</b>	<b>3,201,958,098.48</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	18	1,849,811,546.12	1,553,804,666.85
Trade payable	19	312,975,771.80	255,389,855.85
Lease Liabilities	20	6,823,019.04	8,229,257.76
Other Financial Liabilities	21	2,235,770,149.37	2,228,545,798.46
Other Current Liabilities	22	2,536,535.52	27,998,996.85
Current Tax Liabilities (Net)	12	-	-
Provisions	23	115,406,073.22	108,404,248.85
<b>Total Current Liabilities</b>		<b>4,523,323,095.07</b>	<b>4,182,372,824.62</b>
<b>Total Liabilities</b>		<b>7,522,925,551.20</b>	<b>7,384,330,923.10</b>
<b>Equity</b>			
Share Capital	24	1,707,340,000.00	1,707,340,000.00
Other Equity	25	5,892,750,213.51	5,823,859,826.94
<b>Total equity</b>		<b>7,600,090,213.51</b>	<b>7,531,199,826.94</b>
<b>Total liabilities and equity</b>		<b>15,123,015,764.71</b>	<b>14,915,530,750.04</b>

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

For and on Behalf of Board

As per our report of even date

**P.K. Golyan**    **S.K. Agrawal**    **Akshay Golyan**    **A.K. Somani**  
Chairman          Director                      MD                      CFO  
Place: Kathmandu, Nepal  
Date: 2082.08.03

**CA Pravin Sarawagi**  
Partner  
A.P.M. & Associates  
Chartered Accountants

**Reliance Spinning Mills Ltd.**  
**Unaudited Statement of Profit and Loss**  
**For the period ended Ashwin 31, 2082**

*Amount in NPR*

Particulars	Note	For the period ended Ashwin 31, 2082	For the year ended Ashad 32, 2082
Revenue From Operations	26	2,487,121,154.14	10,237,848,901.81
Cost of Sales	27	(2,190,841,788.41)	(8,748,464,353.90)
<b>Gross Profit</b>		<b>296,279,365.73</b>	<b>1,489,384,547.91</b>
Other Income	28	8,526,008.76	52,212,564.91
Selling and Distribution Expenses	29	(44,282,693.22)	(182,608,595.55)
Administrative & Other Expenses	30	(91,355,330.52)	(321,558,561.49)
Allowance for Expected Credit Loss	31	(15,669.65)	(261,285.56)
<b>Operating Profit</b>		<b>169,151,681.10</b>	<b>1,037,168,670.22</b>
Finance Costs	32	(87,235,261.76)	(443,404,448.31)
<b>Profit/(Loss) Before Tax</b>		<b>81,916,419.34</b>	<b>593,764,221.91</b>
Income Tax Expense	33	(13,026,032.77)	(117,952,242.79)
<b>Profit/(Loss) for the year</b>		<b>68,890,386.57</b>	<b>475,811,979.12</b>
Earnings Per Share (EPS)			
Basic EPS (Rs)		15.84	27.87
Diluted EPS (Rs)		15.84	27.87

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

For and on Behalf of Board

As per our report of even date

**P.K. Golyan**    **S.K. Agrawal**    **Akshay Golyan**    **A.K. Somani**  
Chairman          Director                      MD                      CFO

**CA Pravin Sarawagi**  
*Partner*  
**A.P.M. & Associates**  
Chartered Accountants

Place: Kathmandu, Nepal  
Date: 2082.08.03

**Reliance Spinning Mills Ltd.**  
**Unaudited Statement of Cash Flow**  
**For the period ended Ashwin 31, 2082**

*Amount in NPR*

Particulars	Note	For the period ended Ashwin 31, 2082	For the year ended Ashad 32, 2082
<b>A Cash Flow from Operating Activities:</b>			
Profit Before Income Tax		81,916,419.34	593,764,221.91
<b>Adjustments for Non Cash Items:</b>			
Depreciation & Amortization		107,209,188.46	487,750,800.17
<b>Adjustments for non operating items: -</b>			
Interest Expenses		87,235,261.76	443,404,448.31
Unrealised Exchange (Gain)/Loss		-	23,918,293.26
Profit on Sale of Fixed Assets		-	(6,713,638.83)
Sundry Balances Written Back		(53.68)	(512,715.23)
Sundry Balances Written Off		-	-
Interest Income		(5,957,639.87)	(33,592,387.69)
<b>Operating Profit Before Changes to Receivables and Payables</b>		<b>270,403,176.01</b>	<b>1,508,019,021.90</b>
(Increase)/Decrease in Trade & Other Receivables		(141,834,614.37)	(41,819,976.87)
(Increase)/Decrease in Inventories		(115,406,966.86)	(38,902,637.44)
(Decrease)/Increase in Current Liabilities		342,356,562.85	(251,600,417.78)
(Increase)/Decrease in Non-Current Assets		-	(40,000.00)
(Decrease)/Increase in Non-Current Liabilities		1,082,688.47	492,341.64
<b>Cash Generated from Operations</b>		<b>356,600,846.10</b>	<b>1,176,148,331.45</b>
Income Tax Paid		(907,224.74)	(13,585,951.99)
<b>Net Cash Inflow from Operating Activities</b>		<b>355,693,621.36</b>	<b>1,162,562,379.46</b>
<b>B Cash Flow from Investing Activities :</b>			
Proceeds From Disposal of Property and Equipment		-	8,201,000.00
Purchase of Property and Equipment, Capital work-in-progress and Intangible Assets		(7,795,162.99)	(637,963,865.50)
Interest Income		5,957,639.87	33,592,387.69
<b>Net Cash Used in Investing Activities</b>		<b>(1,837,523.12)</b>	<b>(596,170,477.81)</b>
<b>C Cash Flow from Financing Activities :</b>			
Equity Share Capital		-	-
Increase / (Decrease) in Long Term Loan		(214,515,250.00)	(139,673,281.55)
Principal component of Lease Liabilities		(1,286,773.54)	(5,050,240.25)
Interest Paid		(87,235,261.76)	(443,404,448.31)
Dividends Paid		-	-
<b>Net Cash Flow From Financing Activities</b>		<b>(303,037,285.30)</b>	<b>(588,127,970.11)</b>
<b>Net Increase in Cash &amp; Cash Equivalents</b>	<b>A+B+C</b>	<b>50,818,812.94</b>	<b>(21,736,068.46)</b>
Opening Cash & Cash Equivalents		17,555,299.65	39,291,368.11
<b>Closing Cash &amp; Cash Equivalents</b>		<b>68,374,112.59</b>	<b>17,555,299.65</b>

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

For and on Behalf of Board

As per our report of even date

**P.K. Golyan**    **S.K. Agrawal**    **Akshay Golyan**    **A.K. Somani**  
Chairman                      Director                      MD                      CFO

**CA Pravin Sarawagi**  
*Partner*  
**A.P.M. & Associates**  
Chartered Accountants

Place: Kathmandu, Nepal  
Date: 2082.08.03

**Reliance Spinning Mills Ltd.**  
**Unaudited Statement of Changes in Equity**  
**For the period ended Ashwin 31, 2082**

*Amount in NPR*

Particulars	Equity Share Capital	Other Comprehensive Income	Revaluation Reserve	Retained Earnings	Total
<b>For the Year 2081-82</b>					
At start of year	1,707,340,000.00	-	3,060,755,798.52	2,284,940,453.30	7,053,036,251.82
Profit for the year	-	-	-	475,811,979.12	475,811,979.12
Other comprehensive income	-	2,351,596.00	-	-	2,351,596.00
Change in fair value of financial assets through OCI	-	-	-	-	-
Revaluation of Land and Building through OCI	-	-	-	-	-
Deferred Tax Reserves	-	-	-	-	-
Transfer to retained earnings	-	-	(37,694,481.00)	37,694,481.00	-
Total comprehensive income for the year	-	-	-	-	-
<b>Transactions with owners:</b>	-	-	-	-	-
Ordinary Shares Dividend - Final	-	-	-	-	-
Ordinary Shares Dividend - Interim	-	-	-	-	-
Preference Shares Dividend	-	-	-	-	-
Issue of Share Capital	-	-	-	-	-
<b>Balance as at Ashad 32, 2082</b>	<b>1,707,340,000.00</b>	<b>2,351,596.00</b>	<b>3,023,061,317.52</b>	<b>2,798,446,913.42</b>	<b>7,531,199,826.94</b>
<b>For the Year 2082-83</b>					
At start of year	1,707,340,000.00	2,351,596.00	3,023,061,317.52	2,798,446,913.42	7,531,199,826.94
Profit for the year	-	-	-	68,890,386.57	68,890,386.57
Other comprehensive income	-	-	-	-	-
Change in fair value of financial assets through OCI	-	-	-	-	-
Revaluation of Land and Building through OCI	-	-	-	-	-
Deferred Tax Reserves	-	-	-	-	-
Transfer to retained earnings	-	-	(9,604,347.21)	9,604,347.21	-
Total comprehensive income for the year	-	-	-	-	-
<b>Transactions with owners:</b>	-	-	-	-	-
Ordinary Shares Dividend - Final	-	-	-	-	-
Ordinary Shares Dividend - Interim	-	-	-	-	-
Preference Shares Dividend	-	-	-	-	-
Issue of Share Capital	-	-	-	-	-
<b>Balance as at Ashwin 31, 2082</b>	<b>1,707,340,000.00</b>	<b>2,351,596.00</b>	<b>3,013,456,970.31</b>	<b>2,876,941,647.20</b>	<b>7,600,090,213.51</b>

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

**For and on Behalf of Board**

As per our report of even date

P.K. Golyan      S.K. Agrawal      Akshay Golyan      A.K. Somani  
Chairman          Director                  MD                  CFO

Place: Kathmandu, Nepal  
Date: 2082.08.03

CA Pravin Sarawagi  
Partner  
**A.P.M. & Associates**  
Chartered Accountants

**Reliance Spinning Mills Ltd.**  
**Unaudited Statement of Other Comprehensive Income**  
**For the period ended Ashwin 31, 2082**

*Amount in NPR*

Particulars	Note	For the period ended Ashwin 31, 2082	For the year ended Ashad 32, 2082
<b>Profit For The Year</b>		68,890,386.57	475,811,979.12
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Revaluation of Land and Building		-	2,690,613.00
<b>Net fair value (Losses)/Gains on financial assets</b>			
Quoted Promoter Shares		-	-
Quoted Ordinary Shares		-	-
<b>Items that are or may be reclassified subsequently to profit and Loss</b>			
Deferred Tax asset / (liability) on other comprehensive Income		339,017.00	(339,017.00)
<b>Total other comprehensive income, net of tax</b>		339,017.00	2,351,596.00
<b>Total comprehensive income for the Year</b>		69,229,403.57	478,163,575.12

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

**For and on Behalf of Board**

As per our report of even date

**P.K. Golyan**    **S.K. Agrawal**    **Akshay Golyan**    **A.K. Somani**  
Chairman          Director                      MD                      CFO

**CA Pravin Sarawagi**  
*Partner*  
**A.P.M. & Associates**  
Chartered Accountants

Place: Kathmandu, Nepal  
Date: 2082.08.03

**Reliance Spinning Mills Ltd.**  
**Significant Accounting Policies and Notes to Financial Statements**  
For the period ended Ashwin 31, 2082

**4 Property, Plant & Equipments (PPE)**

*Amount in NPR*

The changes in the carrying value of Property, Plant & Equipments (PPE) for the period ended Ashwin 31, 2082, Ashad 32, 2082 and Ashad 31, 2081 are as follows:

Particulars	Land & Land Development	Buildings	Plant & Machinery	Office & Electrical Equipment	Furniture & Fixtures	Vehicles	Computers	Total
<b>Balance as at Ashad end 2081</b>	<b>2,872,324,756.00</b>	<b>3,028,005,152.94</b>	<b>5,050,694,574.88</b>	<b>6,625,957.18</b>	<b>20,213,418.66</b>	<b>29,621,665.63</b>	<b>6,461,481.76</b>	<b>11,013,947,007.08</b>
<b>Addition during the Year</b>								-
Acquisition	-	-	747,504,299.16	185,459.05	656,907.91	-	1,444,233.41	749,790,899.53
Capitalization								-
Disposal during the year			(7,436,804.17)			-		(7,436,804.17)
<b>Balance as at Ashad end 2082</b>	<b>2,872,324,756.00</b>	<b>3,028,005,152.94</b>	<b>5,790,762,069.87</b>	<b>6,811,416.23</b>	<b>20,870,326.57</b>	<b>29,621,665.63</b>	<b>7,905,715.17</b>	<b>11,756,301,102.44</b>
<b>Addition during the Year</b>								-
Acquisition	-	-	7,362,716.45	-	172,446.54	260,000.00	-	7,795,162.99
Capitalization								-
Disposal during the year			-			-		-
<b>Balance as at Ashwin End 2082</b>	<b>2,872,324,756.00</b>	<b>3,028,005,152.94</b>	<b>5,798,124,786.32</b>	<b>6,811,416.23</b>	<b>21,042,773.11</b>	<b>29,881,665.63</b>	<b>7,905,715.17</b>	<b>11,764,096,265.43</b>
<b>Depreciation &amp; Impairment</b>								
<b>As at Ashad end 2081</b>	-	445,481,989.18	809,981,719.68	5,023,586.74	7,876,047.28	14,147,905.40	4,828,149.16	1,641,279,372.44
Depreciation charge for the Year		116,389,536.00	358,325,524.53	790,425.24	2,055,157.12	3,491,835.00	1,086,034.73	482,138,512.62
Impairment for the year								
Disposals			(5,949,443.00)			-		(5,949,443.00)
<b>As at Ashad end 2082</b>	-	561,871,525.18	1,162,357,801.21	5,814,011.98	9,931,204.40	17,639,740.40	5,914,183.89	2,117,468,442.09
Depreciation charge for the Year		29,648,531.99	74,322,993.43	96,493.49	536,692.73	894,944.95	251,448.26	105,751,104.85
Impairment for the year								
Disposals			-			-		-
<b>As at Ashwin end 2082</b>	-	591,520,057.17	1,236,680,794.64	5,910,505.47	10,467,897.13	18,534,685.35	6,165,632.15	2,223,219,546.94
<b>Net Carrying Amount:</b>								
<b>As at Ashad end 2081</b>	<b>2,872,324,756.00</b>	<b>2,582,523,163.76</b>	<b>4,240,712,855.20</b>	<b>1,602,370.44</b>	<b>12,337,371.38</b>	<b>15,473,760.23</b>	<b>1,633,332.60</b>	<b>9,372,667,634.64</b>
<b>As at Ashad end 2082</b>	<b>2,872,324,756.00</b>	<b>2,466,133,627.76</b>	<b>4,628,404,268.66</b>	<b>997,404.25</b>	<b>10,939,122.17</b>	<b>11,981,925.23</b>	<b>1,991,531.28</b>	<b>9,638,832,660.35</b>
<b>As at Ashwin end 2082</b>	<b>2,872,324,756.00</b>	<b>2,436,485,095.77</b>	<b>4,561,443,991.68</b>	<b>900,910.76</b>	<b>10,574,875.98</b>	<b>11,346,980.28</b>	<b>1,740,083.02</b>	<b>9,540,876,718.49</b>

**Reliance Spinning Mills Ltd.**  
**Significant Accounting Policies and Notes to Financial Statements**  
**For the period ended Ashwin 31, 2082**

Property, Plant & Equipment have been mortgaged/hypothecated against Bank Borrowings.

All categories of Property, Plant and Equipment are initially recorded at cost. Property, Plant and Equipment except Land & Building are subsequently measured at historical cost less depreciation and impairment losses. Historical cost includes expenditure . Subsequent cost are included in the assets carrying amount or recognised as separate asset, as appropriate, only when it is probable that future economic benefits are associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

The rates have been applied consistently over the years. The assets residual values and useful lives are reviewed and adjusted if appropriate, at each reporting period. An asset's carrying amount is written down immediately to its estimated recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and Losses on disposal of property and equipment are determined by reference to their carrying amount and are included in profit or loss.

**Reliance Spinning Mills Ltd.**  
**Significant Accounting Policies and Notes to Financial Statements**  
**For the period ended Ashwin 31, 2082**

**4.1 Capital work-in-progress**

The changes in the carrying value of Intangible Assets for the period ended Ashwin 31, 2082, Ashad 32, 2082 and Ashad 31, 2081 are as follows:

*Amount in NPR*

Particulars	Buildings	Plant & Machinery	Total
Addition during the Year	-	111,827,034.03	111,827,034.03
Transfer to property, plant and equipment	-	226,757,868.62	226,757,868.62
Foreign currency translation difference	-	-	-
<b>Balance as at Ashad end 2081</b>	-	<b>111,827,034.03</b>	<b>111,827,034.03</b>
Addition during the Year	-	-	-
Transfer to property, plant and equipment	-	111,827,034.03	111,827,034.03
Foreign currency translation difference	-	-	-
<b>Balance as at Ashad end 2082</b>	-	-	-
Addition during the Year	-	-	-
Transfer to property, plant and equipment	-	-	-
Foreign currency translation difference	-	-	-
<b>Balance as at Ashwin end 2082</b>	-	-	-

**4.2 Right-of-use Assets**

The changes in the carrying value of Right-of-use (ROU) of Assets for the period ended Ashwin 31, 2082, Ashad 32, 2082 and Ashad 31, 2081 are as follows:

*Amount in NPR*

Particulars	Land	Office Space	Total
<b><u>Gross Value:</u></b>			
<b>Balance as at Ashad end 2081</b>	<b>7,275,327.59</b>	<b>23,416,268.44</b>	<b>30,691,596.03</b>
Additions/disposals/adjustments during the year	-	(441,194.61)	(441,194.61)
<b>Balance as at Ashad end 2082</b>	<b>7,275,327.59</b>	<b>22,975,073.83</b>	<b>30,250,401.42</b>
Additions/disposals/adjustments during the year	-	-	-
<b>Balance as at Ashwin end 2082</b>	<b>7,275,327.59</b>	<b>22,975,073.83</b>	<b>30,250,401.42</b>
<b><u>Accumulated Depreciation:</u></b>			
<b>Balance as at Ashad end 2081</b>	<b>3,117,997.53</b>	<b>4,683,253.69</b>	<b>7,801,251.22</b>
Additions/disposals/adjustments during the year	1,039,332.51	4,572,955.04	5,612,287.55
Elimination on Disposal/Adjustment of Assets	-	-	-
<b>Balance as at Ashad end 2082</b>	<b>4,157,330.04</b>	<b>9,256,208.73</b>	<b>13,413,538.77</b>
Additions/disposals/adjustments during the year	264,816.23	1,193,267.38	1,458,083.61
Elimination on Disposal/Adjustment of Assets	-	-	-
<b>Balance as at Ashwin end 2082</b>	<b>4,422,146.27</b>	<b>10,449,476.11</b>	<b>14,871,622.38</b>
<b><u>Net Carrying Amount:</u></b>			
<b>As at Ashad end 2081</b>	<b>4,157,330.06</b>	<b>18,733,014.75</b>	<b>22,890,344.81</b>
<b>As at Ashad end 2082</b>	<b>3,117,997.55</b>	<b>13,718,865.10</b>	<b>16,836,862.65</b>
<b>As at Ashwin end 2082</b>	<b>2,853,181.32</b>	<b>12,525,597.72</b>	<b>15,378,779.04</b>



**Reliance Spinning Mills Ltd.**  
**Significant Accounting Policies and Notes to Financial Statements**  
**For the period ended Ashwin 31, 2082**

**5 Intangible Assets**

The changes in the carrying value of Intangible Assets for the period ended Ashwin 31, 2082, Ashad 32, 2082 and Ashad 31, 2081 are as follows:

*Amount in NPR*

Particulars	Computer Software
<b>Cost:</b>	
<b>As at Ashad end 2081</b>	<b>1,665,000.00</b>
Addition during the Year	
Acquisition	-
Capitalization	-
Disposal During the Year	-
Adjustment/Revaluation	-
<b>As at Ashad end 2082</b>	<b>1,665,000.00</b>
Addition during the Year	
Acquisition	-
Capitalization	-
Disposal During the Year	-
Adjustment/Revaluation	-
<b>As at Ashwin end 2082</b>	<b>1,665,000.00</b>
<b>Amortisation and impairment losses</b>	
<b>As on Ashad end 2081</b>	<b>1,665,000.00</b>
Amortization charge for the Year	-
Impairment for the Year	
Disposals	
Adjustment	
<b>As at Ashad end 2082</b>	<b>1,665,000.00</b>
Amortization charge for the Year	-
Impairment for the Year	
Disposals	
Adjustment	
<b>As at Ashwin end 2082</b>	<b>1,665,000.00</b>
<b>Net Carrying Amount:</b>	
<b>As at Ashad end 2081</b>	<b>-</b>
<b>As at Ashad end 2082</b>	<b>-</b>
<b>As at Ashwin end 2082</b>	<b>-</b>

**Reliance Spinning Mills Ltd.**  
**Significant Accounting Policies and Notes to Financial Statements**  
**For the period ended Ashwin 31, 2082**

**6 Other Financial Assets (Non-Current)**

*Amount in NPR*

Particulars	As at Ashwin 31, 2082	As at Ashad 32, 2082
Security Deposits	3,045,925.01	3,045,925.01
<b>Total</b>	<b>3,045,925.01</b>	<b>3,045,925.01</b>

**7 Inventories**

(As taken, valued and certified by the management.)

*Amount in NPR*

Particulars	As at Ashwin 31, 2082	As at Ashad 32, 2082
Raw Materials	739,083,289.11	697,867,783.60
Finished Goods	702,735,949.20	672,187,272.62
Work In Process	311,520,584.85	300,865,037.63
Store, Spares and Consumables	221,344,979.63	196,275,837.67
Waste	65,376,212.05	58,539,802.37
Goods in Transit	279,717,697.91	278,636,012.00
<b>Gross Total</b>	<b>2,319,778,712.75</b>	<b>2,204,371,745.89</b>
Less: Allowance for Obsolescence	-	-
<b>Total Inventories*</b>	<b>2,319,778,712.75</b>	<b>2,204,371,745.89</b>

*\* Inventories have been hypothecated with the Banks against borrowings (Refer Note No 13 and 18)*

**8 Trade Receivables**

Trade receivables comprises of amount receivable from our customers and are non-interest bearing. Such trade receivables are generally on credit terms of 30 - 90 days.

*Amount in NPR*

Particulars	As at Ashwin 31, 2082	As at Ashad 32, 2082
Trade Receivable*	1,524,517,998.88	1,425,581,181.45
Less : ECL provision	(15,669.65)	(2,123,968.73)
<b>Total</b>	<b>1,524,502,329.23</b>	<b>1,423,457,212.72</b>

*\* Trade Receivables have been hypothecated with the Banks against borrowings (Refer Note No 13 and 18)*

**9 Cash and Cash Equivalents**

*Amount in NPR*

Particulars	As at Ashwin 31, 2082	As at Ashad 32, 2082
Cash In Hand (as certified)	2,328,250.06	878,893.05
Cheques in Hand	1,813,142.72	-
Balances with Banks	64,232,719.81	16,676,406.60
<b>Total</b>	<b>68,374,112.59</b>	<b>17,555,299.65</b>

**Reliance Spinning Mills Ltd.**  
**Significant Accounting Policies and Notes to Financial Statements**  
**For the period ended Ashwin 31, 2082**

**10 Other Financial Assets**

*Amount in NPR*

Particulars	As at Ashwin 31, 2082	As at Ashad 32, 2082
Letter of Credit	22,559,514.00	20,322,093.95
Fixed Deposit	702,823,680.00	702,823,680.00
Bank Guarantee Margins & Other Margins	10,280,512.05	9,423,391.14
Insurance & Other Claims Receivable	16,673.00	16,673.00
Security Deposits	-	-
UK Aid-Receivable	-	-
Export Incentive Receivable	621,113,586.41	614,173,602.45
<b>Total</b>	<b>1,356,793,965.46</b>	<b>1,349,138,355.69</b>

The fair values of all the above financial assets are approximates to their carrying amounts. These advances are non-interest bearing and are expected to be settled in the normal course of operations.

**11 Other Current Assets**

*Amount in NPR*

Particulars	As at Ashwin 31, 2082	As at Ashad 32, 2082
Advance to Labours	223,912.00	220,912.00
Advance to Vendors	9,852,833.35	10,106,956.75
Prepaid Expenses	77,520,535.53	16,120,493.47
Reliance Welfare Loan-Staffs	2,122,220.00	2,107,643.71
Reliance Welfare Loan-Workers	5,858,354.53	6,656,365.03
Advance to Staff	59,078.28	830,963.89
Sundry Advances	57,654,768.58	43,889,375.60
VAT Input	130,561,883.26	170,786,986.99
<b>Total</b>	<b>283,853,585.53</b>	<b>250,719,697.44</b>

**12 Current Tax Assets / Liabilities (Net)**

*Amount in NPR*

Particulars	As at Ashwin 31, 2082	As at Ashad 32, 2082
<b>Opening Balance</b>	<b>11,572,990.64</b>	<b>8,658,217.44</b>
Less: Previous Year Taxation	-	-
<b>Balance</b>	<b>11,572,990.64</b>	<b>8,658,217.44</b>
Add: Taxes paid including TDS (Net of adjustments)	907,224.74	13,585,951.99
<b>Advance tax for the Year</b>	<b>12,480,215.38</b>	<b>22,244,169.43</b>
Less: Current tax payable for the year	2,068,578.77	10,671,178.79
<b>Current Tax Assets / (Liabilities)</b>	<b>10,411,636.61</b>	<b>11,572,990.64</b>

**Reliance Spinning Mills Ltd.**  
**Significant Accounting Policies and Notes to Financial Statements**  
**For the period ended Ashwin 31, 2082**

**13 Borrowings (Non Current)**

Non Current Borrowings are interest bearing fiancial liabilities consisting of Bank Borrowings. For these financial liabilities interest charged by the bank approximates effective interest rate and such rate is considered for calculation of amortized cost of liability and the finance cost. The effect of initial charges and its impact on effective rate is considered immaterial and the carrying value is considered approximate amortized cost.

*Amount in NPR*

Particulars	As at Ashwin 31, 2082	As at Ashad 32, 2082
<b>Secured Loans from Banks*</b>		
- Term Loan	3,328,970,541.99	3,450,771,791.99
Less: Current maturities (Refer Note No 18)	598,010,000.00	505,296,000.00
<b>Total</b>	<b>2,730,960,541.99</b>	<b>2,945,475,791.99</b>

**\*Secured Loans:**

Term Loan Facility has been disbursed by Consortium of Banks lead by Rastriya Banijya Bank Ltd. Such Loans are secured by a way of pari-passu first charge over the fixed assets , both present and future and pari-passu second charge over the Current Assets of the company, both present and future. Further, personal guarantee has been given by the promoters/directors viz. Mr. Pawan Golyan, Mr. Shashi Kant Agrawal and Mr. Akshay Golyan.

**14 Non-Current Lease Liabilities**

*Amount in NPR*

Particulars	As at Ashwin 31, 2082	As at Ashad 32, 2082
Lease Liability	19,531,514.86	20,818,288.40
Less: Current portion (Refer Note no. 20)	6,823,019.04	8,229,257.76
<b>Total</b>	<b>12,708,495.82</b>	<b>12,589,030.64</b>

**15 Other Non-Current Financial Liabilities**

*Amount in NPR*

Particulars	As at Ashwin 31, 2082	As at Ashad 32, 2082
Security Deposits	2,341,566.85	2,341,566.85
<b>Total</b>	<b>2,341,566.85</b>	<b>2,341,566.85</b>

**Reliance Spinning Mills Ltd.**  
**Significant Accounting Policies and Notes to Financial Statements**  
For the period ended Ashwin 31, 2082

**16 Deferred Tax Liabilities (Net)**

*Amount in NPR*

Particulars	As at Ashwin 31, 2082	As at Ashad 32, 2082
Deferred Tax Asset	12,231,135.00	16,296,908.00
Deferred Tax Liability	249,651,170.00	242,759,489.00
<b>Net Deferred Tax Asset / (Liability) at the end of the year</b>	<b>(237,420,035.00)</b>	<b>(226,462,581.00)</b>
<b>Net Changes</b>	<b>(10,957,454.00)</b>	<b>(107,620,081.00)</b>
Deferred Tax charged in OCI	339,017.00	(339,017.00)
<b>Deferred Tax charged in Statement of Profit or Loss</b>	<b>(11,296,471.00)</b>	<b>(107,281,064.00)</b>
Deferred Tax charged Directly in Equity due to change in estimate of the life of asset	-	-
<b><u>Deferred tax Assets:</u></b>		
Recognized in profit or loss	12,231,135.00	16,296,908.00
Recognized in OCI	-	-
Recognized in Equity	-	-
<b>Deferred tax Assets</b>	<b>12,231,135.00</b>	<b>16,296,908.00</b>
<b><u>Deferred tax liability:</u></b>		
Recognized through profit or loss	249,651,170.00	242,420,472.00
Recognized through OCI	-	339,017.00
<b>Deferred tax liability</b>	<b>249,651,170.00</b>	<b>242,759,489.00</b>

**Reliance Spinning Mills Ltd.**  
**Significant Accounting Policies and Notes to Financial Statements**  
**For the period ended Ashwin 31, 2082**

**17 Provisions (Non Current)\***

*Amount in NPR*

Particulars	As at Ashwin 31, 2082	As at Ashad 32, 2082
Provision for Leave Encashment	16,171,816.47	15,089,128.00
<b>Total</b>	<b>16,171,816.47</b>	<b>15,089,128.00</b>

\*Refer Note no 23.1

**18 Borrowings (Current)**

Current Borrowings are interest bearing financial liabilities consisting of Bank Borrowings. For these financial liabilities interest charged by the bank approximates effective interest rate and such rate is considered for calculation of amortized cost of liability and the finance cost. The effect of initial charges and its impact on effective rate is considered immaterial and the carrying value is considered approximate amortized cost.

*Amount in NPR*

Particulars	As at Ashwin 31, 2082	As at Ashad 32, 2082
<b>Secured Loans from Banks</b>		
Bank Overdraft	662,461.58	1,774,145.00
Short Term Loan	1,160,501,000.00	976,901,000.00
TR Loan	90,638,084.54	69,833,521.85
Current maturities of Non-Current Borrowings (Refer Note No 13 )	598,010,000.00	505,296,000.00
<b>Total</b>	<b>1,849,811,546.12</b>	<b>1,553,804,666.85</b>

Short Term Loans, TR Loans including Foreign Currency Loan and Bank Overdraft has been disbursed by the Consortium of Banks led by Rastriya Banijya Bank Ltd. for meeting the working capital requirements of the company. Such Loans are secured by a way of pari-passu first charge over the Current Assets, both present and future and pari-passu second charge over fixed assets of the company, both present and future. Further, personal guarantee has been given by the promoters/directors viz. Mr. Pawan Golyan, Mr. Shashi Kant Agrawal and Mr. Akshay Golyan.

**19 Trade Payables**

Trade payables are amount payable to creditors for goods and services and are non interest bearing. These trade payables are normally settled on credit period of 30 to 90 days.

*Amount in NPR*

Particulars	As at Ashwin 31, 2082	As at Ashad 32, 2082
Trade Payables	312,975,771.80	255,389,855.85
<b>Total</b>	<b>312,975,771.80</b>	<b>255,389,855.85</b>

**20 Lease Liabilities (Current)**

*Amount in NPR*

Particulars	As at Ashwin 31, 2082	As at Ashad 32, 2082
Current Portion of Lease Liabilities (Refer no. 14)	6,823,019.04	8,229,257.76
<b>Total</b>	<b>6,823,019.04</b>	<b>8,229,257.76</b>

**Reliance Spinning Mills Ltd.**  
**Significant Accounting Policies and Notes to Financial Statements**  
**For the period ended Ashwin 31, 2082**

**21 Other Financial Liabilities (Current)**

*Amount in NPR*

Particulars	As at Ashwin 31, 2082	As at Ashad 32, 2082
LC payable	1,374,419,571.64	1,356,917,184.61
Other Payables	23,279,895.80	41,417,913.38
Reliance Welfare Fund	7,641,492.02	7,479,468.38
Security Deposit Payable	-	-
Expenses Payable	18,632,011.68	8,476,122.05
Interest Payable	1,388,959.06	244,063.54
Labour Security Payable	5,588,001.00	5,581,701.00
Salary Payable	18,137,359.83	18,342,918.09
Wages Payable	83,859,178.34	87,262,747.41
Advance for Share Capital (QII)*	702,823,680.00	702,823,680.00
<b>Total</b>	<b>2,235,770,149.37</b>	<b>2,228,545,798.46</b>

\*Refer Note 24.4

**22 Other Current Liabilities**

*Amount in NPR*

Particulars	As at Ashwin 31, 2082	As at Ashad 32, 2082
<b>Statutory Dues:</b>		
- Citizen Investment Fund	1,257,462.00	1,110,630.00
- TDS	1,251,370.52	6,216,738.36
- VAT Payable	-	6,957,193.92
Advance from Customers	27,703.00	13,714,434.57
<b>Total</b>	<b>2,536,535.52</b>	<b>27,998,996.85</b>

**23 Provisions (Current)**

*Amount in NPR*

Particulars	As at Ashwin 31, 2082	As at Ashad 32, 2082
Provision for CSR	40,887,064.31	42,159,625.73
Provision for Bonus	68,522,348.91	60,247,963.12
Provision for Leave Encashment	5,996,660.00	5,996,660.00
<b>Closing Balance</b>	<b>115,406,073.22</b>	<b>108,404,248.85</b>

**Reliance Spinning Mills Ltd.**  
**Significant Accounting Policies and Notes to Financial Statements**  
**For the period ended Ashwin 31, 2082**

**24 Share Capital**

The Company classifies capital instruments as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments. Equity is defined as residual interest in total assets of the Company after deducting all its liabilities.

Accordingly the share capital of the company comprises following:

*Amount in NPR*

Particulars	As at Ashwin 31, 2082	As at Ashad 32, 2082
<b>Authorised Capital</b>		
26,000,000 Shares of Rs. 100/- each	2,600,000,000	2,600,000,000
	<b>2,600,000,000</b>	<b>2,600,000,000</b>
<b>Issued Capital</b>		
19,000,000 Shares of Rs.100/- each	1,900,000,000	1,900,000,000
	<b>1,900,000,000</b>	<b>1,900,000,000</b>
<b>Subscribed and fully Paid-up</b>		
17,073,400 Ordinary Shares of Rs.100/- each	1,707,340,000	1,707,340,000
<b>Total</b>	<b>1,707,340,000</b>	<b>1,707,340,000</b>

**24.1 Reconciliation of the number of ordinary shares outstanding at the beginning and period of the year:**

Particulars	As at Ashwin 31, 2082		As at Ashad 32, 2082	
	No of Shares	Amount	No of Shares	Amount
Balance as at the beginning of the year	17,073,400	1,707,340,000	17,073,400	1,707,340,000
Add: Shares issued during the year*	-	-	-	-
<b>Balance as at the period of the year</b>	<b>17,073,400</b>	<b>1,707,340,000</b>	<b>17,073,400</b>	<b>1,707,340,000</b>

**24.2 Rights, preferences and Restrictions Attached to Shares Equity Shares**

The Company has only one class of equity shares having a par value of Rs. 100/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**24.3 Shareholding Pattern of the Company**

Particulars	As at Ashwin 31, 2082		As at Ashad 32, 2082	
	No. of Shares	Amount	No. of Shares	Amount
Mr. Shashi Kant Agrawal	8,536,100	853,610,000	8,536,100	853,610,000
Mr. Pawan Kumar Golyan	4,171,114	417,111,400	4,171,114	417,111,400
Mr. Akshay Golyan	4,365,386	436,538,600	4,365,386	436,538,600
Others	800	80,000	800	80,000
<b>Balance as at the Period of the Year</b>	<b>17,073,400</b>	<b>1,707,340,000</b>	<b>17,073,400</b>	<b>1,707,340,000</b>



**Reliance Spinning Mills Ltd.**  
**Significant Accounting Policies and Notes to Financial Statements**  
**For the period ended Ashwin 31, 2082**

- 24.4** The Company has approved the issuance of 1,926,600 equity shares through an Initial Public Offering (IPO) using the Book Building Method. A portion of this IPO, totaling 40%, or 770,640 equity shares, has already been issued to Qualified Institutional Investors (QII) at NPR 912 per share. This amount is reflected in "Other Financial Liability (Current)" due to its contingent nature, as the public issue process is still pending.

The Company filed its Prospectus with the Securities Board of Nepal (SEBON), and SEBON approved the prospectus on 2081/03/12. However, the IPO process was temporarily halted. Further information has been provided in Note 42 of these financial statements.

**25 Other Equity**

**25.1 Retained Earnings**

*Amount in NPR*

Particulars	As at Ashwin 31, 2082	As at Ashad 32, 2082
Balance up to Last Year	2,800,798,509.42	2,284,940,453.30
Profits for the Year	68,890,386.57	475,811,979.12
Other Comprehensive Income for the Year		2,351,596.00
Revaluation Reserve	9,604,347.21	37,694,481.00
Fixed Assets NFRS Adjustment - Charged off to Reserve		
Changes in accounting policy (on account of adoption of NFRS 16, leases)	-	-
Deferred Tax adjustment directly in Equity due to change in estimate of the life of asset	-	-
<b>Total Comprehensive Income</b>	<b>2,879,293,243.20</b>	<b>2,800,798,509.42</b>
<b>Less:</b>		
Earlier Years' Tax	-	-
Earlier Years' Gratuity	-	-
Dividend Distribution	-	-
<b>Sub-Total (A)</b>	<b>2,879,293,243.20</b>	<b>2,800,798,509.42</b>

**25.2 Revaluation Reserves**

Particulars	As at Ashwin 31, 2082	As at Ashad 32, 2082
<b><u>Revaluation of Land &amp; Buildings:</u></b>		
Balance up to Last Year	3,023,061,317.52	3,060,755,798.52
NFRS Adjustments-Additions	-	-
Increase/(Decrease) during the year	(9,604,347.21)	(37,694,481.00)
<b>Sub-Total (B)</b>	<b>3,013,456,970.31</b>	<b>3,023,061,317.52</b>
<b>Grand Total (A+B)</b>	<b>5,892,750,213.51</b>	<b>5,823,859,826.94</b>

**Reliance Spinning Mills Ltd.**  
**Significant Accounting Policies and Notes to Financial Statements**  
For the period ended Ashwin 31, 2082

**26 Revenue from Operations**

*Amount in NPR*

Particulars	For the period ended Ashwin 31, 2082	For the year ended Ashad 32, 2082
<b>Sales of Goods</b>		
- Export Sales	1,938,088,347.35	7,701,944,963.22
- Local Sales	542,823,078.99	1,896,180,484.64
<b>Other Operating Income</b>		
- Export Incentives*	-	614,173,602.45
- Sale of Scraps & Wastages	6,209,727.80	25,549,851.50
<b>Total</b>	<b>2,487,121,154.14</b>	<b>10,237,848,901.81</b>

\*For the period ended Ashwin 31, 2082, the Company has not recognized export incentives under Other Operating Income as the previous dues are yet to be cleared. The export incentive amount according to the existing policy based on export sales would be Rs. 15,48,28,277.56.

**27 Cost of Sales**

*Amount in NPR*

Particulars	For the period ended Ashwin 31, 2082	For the year ended Ashad 32, 2082
Raw Material Consumed	1,565,199,793.39	6,122,328,104.82
<b>Total Raw Material Consumed</b>	<b>1,565,199,793.39</b>	<b>6,122,328,104.82</b>
Production and Manufacturing Overheads	673,682,628.50	2,747,220,080.07
<b>Gross Cost of Production</b>	<b>2,238,882,421.89</b>	<b>8,869,548,184.89</b>
Cost of Consumable Sold	-	-
<b>Cost of Goods</b>	<b>2,238,882,421.89</b>	<b>8,869,548,184.89</b>
Changes In Inventory Of		
- Finished Goods	(30,548,676.58)	(100,877,890.24)
- WIP	(10,655,547.22)	(18,860,106.70)
- Usable Waste	(6,408,195.21)	1,698,812.15
- Waste	(428,214.47)	(3,044,646.20)
<b>Total Cost of Sales</b>	<b>2,190,841,788.41</b>	<b>8,748,464,353.90</b>

**27.1 Production and Manufacturing Overheads**

*Amount in NPR*

Particulars	For the period ended Ashwin 31, 2082	For the year ended Ashad 32, 2082
Consumption of Dyes & Chemicals	25,121,023.05	88,637,820.99
Consumption of Packing Materials	45,924,091.35	175,251,003.27
Consumption of Stores & Spares	62,423,847.26	283,937,788.85
Wages & Salaries	220,029,177.05	775,237,292.15
Labour Welfare	668,851.05	1,762,734.99
Power & Fuel	198,048,839.16	872,992,335.40
Insurance Charges	12,453,846.57	46,909,716.19
Repairs & Maintenance-Plant & Machinery	4,260,711.63	21,383,896.03
Repairs & Maintenance-Building	348,725.47	4,017,290.99
Laboratory Expenses	152,248.00	585,030.49
Factory General Expenses	279,742.49	1,790,110.19
Depreciation	103,971,525.42	474,715,060.53
<b>Total</b>	<b>673,682,628.50</b>	<b>2,747,220,080.07</b>

**Reliance Spinning Mills Ltd.**  
**Significant Accounting Policies and Notes to Financial Statements**  
**For the period ended Ashwin 31, 2082**

**28 Other Income**

*Amount in NPR*

Particulars	For the period ended Ashwin 31, 2082	For the year ended Ashad 32, 2082
Rental Income	2,316,675.21	9,092,327.45
Interest Income	5,957,639.87	33,592,387.69
Gain on Revaluation of long term benefits**	-	-
Sundry Balances written Back	53.68	512,715.23
Gain on Sale of Fixed Assets	-	6,713,638.83
Miscellaneous Income	251,640.00	2,301,495.71
<b>Total</b>	<b>8,526,008.76</b>	<b>52,212,564.91</b>

**\*\*Refer Note No.3.18 (c)**

**29 Selling and Distribution Expenses**

*Amount in NPR*

Particulars	For the period ended Ashwin 31, 2082	For the year ended Ashad 32, 2082
Commission on Sales	23,665,954.32	95,550,748.29
Business Promotion Expenses	416,694.52	1,116,611.61
Export Sales Expenses	9,932,066.08	48,992,718.67
Local Sales Expenses	10,267,978.30	36,948,516.98
<b>Total</b>	<b>44,282,693.22</b>	<b>182,608,595.55</b>

**Reliance Spinning Mills Ltd.**  
**Significant Accounting Policies and Notes to Financial Statements**  
For the period ended Ashwin 31, 2082

**30 Administrative & Other Expenses**

*Amount in NPR*

Particulars	For the period ended Ashwin 31, 2082	For the year ended Ashad 32, 2082
Advertisement Exp.	127,397.26	613,973.38
Audit Fees	254,794.52	1,000,000.00
Bank Charges	695,793.58	3,044,646.25
Books & Periodicals	9,100.00	35,706.67
Charity & Donation	-	352,000.00
Electricity	178,356.16	632,235.00
Gardening	200.00	90,480.00
General Expenses	318,401.87	1,343,995.89
Leave	1,228,224.32	8,325,893.00
Guest Entertainment	257,840.47	1,098,946.24
House Keeping Expenses	72,300.00	258,000.00
Legal & Professional Fees	1,915,400.60	4,281,459.21
Membership & Subscription	102,000.00	46,000.00
IPO Expenses	765,000.00	2,230,123.93
Postage & Telegram	305,753.42	1,162,840.67
Printing & Stationery	741,463.46	3,255,806.39
Pooja Expenses	186,950.75	600,894.25
Rates & Taxes	1,401,369.86	3,262,131.98
Recruitment & Training	-	16,800.00
Rent	560,547.95	1,977,900.25
Repairs & Maintenance- Others	353,522.88	2,201,312.09
Salaries	30,293,602.82	116,052,041.38
Security Expenses	3,081,893.06	12,595,001.01
Staff Welfare	166,616.55	1,753,542.35
Telephones & Telex	528,921.12	1,968,725.97
Travelling & Conveyance	636,986.30	2,281,385.34
Exchange Difference (Net)	32,724,769.99	50,241,500.40
UK Aid Training	-	12,483,293.28
Vehicle Repair & Maintenance	989,735.00	4,463,190.32
Vehicle Running	1,118,901.17	4,580,237.17
Depreciation	3,237,663.04	13,035,739.64
Bonus to Staff	8,274,385.79	60,247,963.12
CSR Expenses	827,438.58	6,024,796.31
<b>Total</b>	<b>91,355,330.52</b>	<b>321,558,561.49</b>

**Reliance Spinning Mills Ltd.**  
**Significant Accounting Policies and Notes to Financial Statements**  
For the period ended Ashwin 31, 2082

**30A Depreciation and Amortisation Expense**

*Amount in NPR*

Particulars	For the period ended Ashwin 31, 2082	For the year ended Ashad 32, 2082
Depreciation of Tangible Assets	105,751,104.85	482,138,512.62
Depreciation of Right of use Assets	1,458,083.61	5,612,287.55
Amortisation of Intangible Assets	-	-
<b>Total</b>	<b>107,209,188.46</b>	<b>487,750,800.17</b>

**Depreciation Disclosure:**

Particulars	For the period ended Ashwin 31, 2082	For the year ended Ashad 32, 2082
- Cost of Sales	103,971,525.42	474,715,060.53
- Administrative Expenses	3,237,663.04	13,035,739.64
<b>Total</b>	<b>107,209,188.46</b>	<b>487,750,800.17</b>

**31 Allowance for Expected Credit Loss**

*Amount in NPR*

Particulars	For the period ended Ashwin 31, 2082	For the year ended Ashad 32, 2082
ECL Allowance	15,669.65	261,285.56
<b>Total</b>	<b>15,669.65</b>	<b>261,285.56</b>

**32 Finance Cost**

Finance Cost comprises of interest on borrowings, lease liabilities and allied charges. All these costs are carried at amortized cost using effective interest rate which is assumed to be bank interest rate.

*Amount in NPR*

Particulars	For the period ended Ashwin 31, 2082	For the year ended Ashad 32, 2082
Interest Expense	86,560,061.06	440,754,467.08
Interest on Lease Liabilities	675,200.70	2,649,981.23
<b>Total</b>	<b>87,235,261.76</b>	<b>443,404,448.31</b>

**Reliance Spinning Mills Ltd.**  
**Significant Accounting Policies and Notes to Financial Statements**  
**For the period ended Ashwin 31, 2082**

**33 Income Tax**

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that they relate to items recognised directly in equity or in other comprehensive income.

**A) Current Tax**

Current tax is the expected tax payable or recoverable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

**B) Deferred Tax**

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected realization or settlement of the carrying amount of assets and liabilities using tax rates at the balance sheet date.

*Amount in NPR*

Particulars	For the period ended Ashwin 31, 2082	For the year ended Ashad 32, 2082
<b>Current Tax Expense</b>		
Provision for income tax	(2,068,578.77)	(10,671,178.79)
Previous years tax	-	-
<b>Total Current Tax Expense</b>	<b>(2,068,578.77)</b>	<b>(10,671,178.79)</b>
<b>Deferred Tax</b>		
Origination and reversal of temporary differences	(10,957,454.00)	(107,281,064.00)
Recognition of previously unrecognized deferred tax assets	-	-
<b>Total Deferred Tax Income / (Expense)</b>	<b>(10,957,454.00)</b>	<b>(107,281,064.00)</b>
<b>Total Tax (Expense)/Income for the Year</b>	<b>(13,026,032.77)</b>	<b>(117,952,242.79)</b>