Audited Project Financial Statements

Project Number: 54107-001 and 54107-002
Loan/Grant Number: L4014 (NEP) and 4109 (NEP)
Period Covered:16 July 2021 to 16 July 2022

Nepal: Electricity Grid Modernization Project and

Nepal: Electricity Grid Modernization Project-Additional Financing

Prepared by Nepal Electricity Authority

For the Asian Development Bank

Date Accepted by ADB: 9 February 2023

This audited project financial statements are documents owned by the borrower. The views expressed herein do not necessarily represent those of ADB's Board of Directors, Management, or Staff. These documents are made publicly available in accordance with ADB's Access to Information Policy and as agreed between ADB and Nepal Electricity Authority.

PUBLIC. This information is being disclosed to the public in accordance with ADB's Access to Information Policy.

महालेखापरीक्षकको कार्यालय
Office of the Auditor General
बबरमहल / अनामनगर, काठमाण्डौं, नेपाल
Babarmahal / Anamnagar, Kathmandu, Nepal
(Public Enterprises Audit Directorate)

Reference No. 2079/80 /161

To,
The Secretary,
Ministry of Finance,
Singh Durbar, Kathmandu.

Date : 2079/10/16 (30th January, 2023)

Independent Auditor's Report

Qualified Opinion

We have audited the financial statements of Electricity Grid Modernization Project implemented by NEA under the project financing agreement with the Asian Development Bank (ADB loan reference number4014 – NEP(COL) and reference number 4109-NEP(Col))for the fiscal year 2021/22 (2078/79),which comprise the Project Financial Statements showing sources and application of fund as at 32nd Ashad, 2079 (16.07.2022), including Statements of Designated Account as at 32.03.2079(16.07.2022) and a summary of significant accounting policies and notes related to project financial statements. These project financial statements have been prepared by Nepal Electricity Authority's (NEA) management to meet the financial reporting requirement of the financing agreements (ADB loan reference number4014 – NEP(COL) for the fiscal year 2021/22 (2078/79) signed between Government of Nepal (GoN) and Asian Development Bank (ADB) on 30th December, 2020 for Electricity Grid Modernization Project which includes;

i. 132 Kv Transmission Conductor Upgrading Project
ii. Grid Substation Automation Project - Phase 2
iii. DadhakhetRahughat132KvT.L. Project
iv. GhorahiMadhichaur 132 Kv T.L. Project
v. Distribution System Control And Data Center Project
vi. Keron (Morang) 132/33 Kv Substation Project
vii. BorangNaubise (Ratmate) 220 Kv Transmission Line Project
viii. Kohalpur-Nepalganja132kv Transmission Line Project
ix. ArunkholaDumkibas 132/33 Kv Sub-Station Project

In our opinion, except for the effect of matters described in Basis for Qualified Opinion section of our report, the accompanying project financial statements for the year ended on 32nd Ashad 2079(16.07.2022) are prepared in all material respects, in accordance with the terms of project financing agreement signed between Asian Development Bank (ADB)and Government of Nepal (GoN). We also report that the fund provided under said agreement have been utilized in intended purpose.

Basis for Qualified Opinion

We were requested to audit the financial statements of this project for the year ended on 32nd Ashad, 2079. It came to our notice that the project financial statements have not been audited from the beginning till previous year. We were unable to satisfy ourselves by alternative means to the accuracy or correctness of opening balances appearing in project financial statements as at 1st Shrawan, 2078.

We conducted our audit in accordance with Nepal Government Auditing Standards (NGASs). 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 Project in accordance with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other 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 qualified opinion.

Emphasis of Matter – Basis of Accounting and Restriction on Distribution

We draw attention to Note 3 of schedule 12 "Significant Accounting Policies and Notes relating to project financial statements" which describes the basis of accounting. The financial statements are prepared in order to assist NEA to comply with the financial reporting requirement of the agreement with ADB and GoN referred to above. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for GoN and ADB and should not be distributed to or used by parties other than NEA, GoN or ADB. Our opinion is not modified in respect of this matter.

Management Letter

Management Letter highlighting areas for improving financial management including compliance with financial convenants is attached herewith.

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

Management of NEA is responsible for the preparation of the project financial statements in accordance with the financial reporting requirement of grant agreement between GoN and ADB and for such internal control as management determines is necessary to enable the preparation of project financial statements that are free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Project's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the project financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material

Office of the Auditor General
Nepal
2016

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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the project 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 internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated 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.

.....

Bamdev Sharma Adhkari
Deputy Auditor General

Office of the Auditor General
Nepal
2016

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

(Amount In NRs)

Sources				
Particulars	**Schedule**	**For FY 2077/78 (2020/21)**	**For FY 2078/79 (2021/22)**	**As at Ashad 32,2079 (July 16,2022)**
GoN Share	1	621,691,890.44	115,566,700.00	737,258,590.44
ADB Loan No. 4014-NEP(COL)	2	-	751,024,039.32	751,024,039.32
Restated Loan	3	-	39,619,077.33	39,619,077.33
Long Term Loan GoN	4	96,167,000.00	-	96,167,000.00
NEA Source	5	(160,480,371.96)	234,314,261.94	73,833,889.98
Liabilities & Provisions	6	9,179,697.17	27,235,269.43	36,414,966.60
Total		**566,558,215.65**	**1,167,759,348.02**	**1,734,317,563.67**

(Amount in NRs)

Applications				
Particulars	**Schedule**	**For FY 2077/78 (2020/21)**	**For FY 2078/79 (2021/22)**	**As at Ashad 32,2079 (July 16,2022)**
Fixed Assets (Net)	7	211,543,999.29	296,464,004.11	508,008,003.40
Capital Work in Progress	8	198,859,943.51	(30,490,765.17)	168,369,178.34
Operating Cost	9	90,244,155.84	78,701,394.44	168,945,550.28
Advances	10	47,233,844.78	800,355,814.68	847,589,659.46
Cash and Bank Balance	11	18,676,272.23	22,728,899.96	41,405,172.19
		566,558,215.65	**1,167,759,348.02**	**1,734,317,563.67**

Schedule:- 12 Accounting Policy and Notes to the Account.

Note: Schedule 1 to 12 are integral part of the financial statements.

Kul Man Ghising
Managing Director
NEA

Dinesh Kumar Ghimire
Secretary
MoEWRI, GoN

Hari Prasad Mainali
Financial Comptroller General
FCGO, GoN

Bamdev Sharma Adhikari
Deputy Auditor General
OAG, Nepal

Office of the Auditor General
Nepal
2016

CA. Narayan Bajaj
Joint Auditor

Ganesh Datta Bhatta
Joint Director
PMD, NEA

Tara Prasad Pradhan
Officiating Chief
PMD, NEA

Sameer Prasad Pokharel
Director
Account Dept., NEA

Lok Hari Luitel
DMD
Finance Directorate, NEA

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)

Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

GON Share

Schedule-1
(Amount in NRs)

Components	For FY 2077/78 (2020/21)	For FY 2078/79 (2021/22)	As at Ashad 32,2079 (July 16,2022)
132 Kv Transmission Conductor Upgrading Project	-	-	-
Grid Substation Automation Project - Phase 2	-	6,000,000.00	6,000,000.00
Dadhakhet Rahughat 132Kv T.L. Project	289,071,000.00	20,000,000.00	309,071,000.00
Ghorahi Madhichaur 132 Kv T.L. Project	59,901,176.00	20,833,350.00	80,734,526.00
Pantang 132Kv Substation Project	-	-	-
Distribution System Control And Data Center Project	2,500,000.00	10,000,000.00	12,500,000.00
Keron (Morang) 132/33 Kv Substation Project	68,695,981.11	14,333,350.00	83,029,331.11
Borang Naubise (Ratmate) 220 Kv Transmission Line Project	201,523,733.33	21,400,000.00	222,923,733.33
Kohalpur-Nepalganja 132kv Transmission Line Project	-	9,000,000.00	9,000,000.00
Arunkhola Dumkibas 132/33 Kv Sub-Station Project	-	14,000,000.00	14,000,000.00
	621,691,890.44	115,566,700.00	737,258,590.44

ADB Loan

Schedule-2
(Amount in NRs)

Components	For FY 2077/78 (2020/21)	For FY 2078/79 (2021/22)	As at Ashad 32,2079 (July 16,2022)
132 Kv Transmission Conductor Upgrading Project	-	185,727,628.33	185,727,628.33
Grid Substation Automation Project - Phase 2	-	-	-
Dadhakhet Rahughat 132Kv T.L. Project	-	315,097,261.83	315,097,261.83
Ghorahi Madhichaur 132 Kv T.L. Project	-	-	-
Pantang 132Kv Substation Project	-	7,708,549.47	7,708,549.47
Distribution System Control And Data Center Project	-	148,804,800.15	148,804,800.15
Keron (Morang) 132/33 Kv Substation Project	-	93,685,799.54	93,685,799.54
Borang Naubise (Ratmate) 220 Kv Transmission Line Project	-	-	-
Kohalpur-Nepalganja 132kv Transmission Line Project	-	-	-
Arunkhola Dumkibas 132/33 Kv Sub-Station Project	-	-	-
Total	-	751,024,039.32	751,024,039.32

Restated

Schedule-3
(Amount in NRs)

Components	For FY 2077/78 (2020/21)	For FY 2078/79 (2021/22)	As at Ashad 32,2079 (July 16,2022)
132 Kv Transmission Conductor Upgrading Project	-	-	-
Grid Substation Automation Project - Phase 2	-	-	-
Dadhakhet Rahughat 132Kv T.L. Project	-	22,949,271.87	22,949,271.87
Ghorahi Madhichaur 132 Kv T.L. Project	-	-	-
Pantang 132Kv Substation Project	-	-	-
Distribution System Control And Data Center Project	-	10,390,824.07	10,390,824.07
Keron (Morang) 132/33 Kv Substation Project	-	6,278,981.39	6,278,981.39
Borang Naubise (Ratmate) 220 Kv Transmission Line Project	-	-	-
Kohalpur-Nepalganja 132kv Transmission Line Project	-	-	-
Arunkhola Dumkibas 132/33 Kv Sub-Station Project	-	-	-
Total	-	39,619,077.33	39,619,077.33

Long Term Loan GoN

Schedule-4
(Amount in NRs)

Components	For FY 2077/78 (2020/21)	For FY 2078/79 (2021/22)	As at Ashad 32,2079 (July 16,2022)
132 Kv Transmission Conductor Upgrading Project	-	-	-
Grid Substation Automation Project - Phase 2	-	-	-
Dadhakhet Rahughat 132Kv T.L. Project	44,833,000.00	-	44,833,000.00
Ghorahi Madhichaur 132 Kv T.L. Project	16,667,000.00	-	16,667,000.00
Pantang 132Kv Substation Project	-	-	-
Distribution System Control And Data Center Project	-	-	-
Keron (Morang) 132/33 Kv Substation Project	6,667,000.00	-	6,667,000.00
Borang Naubise (Ratmate) 220 Kv Transmission Line Project	28,000,000.00	-	28,000,000.00
Kohalpur-Nepalganja 132kv Transmission Line Project	-	-	-
Arunkhola Dumkibas 132/33 Kv Sub-Station Project	-	-	-
Total	96,167,000.00	-	96,167,000.00

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)

Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

NEA Source

Schedule-5

Components	For FY 2077/78 (2020/21)	For FY 2078/79 (2021/22)	As at Ashad 32,2079 (July 16,2022)
132 Kv Transmission Conductor Upgrading Project	-	-	-
Grid Substation Automation Project - Phase 2	-	(4,502,147.04)	(4,502,147.04)
Dadhakhet Rahughat 132Kv T.L. Project	(126,057,555.00)	25,953,826.28	(100,103,728.72)
Ghorahi Madhichaur 132 Kv T.L. Project	29,308,099.60	(50,961,759.97)	(21,653,660.37)
Pantang 132Kv Substation Project	-	-	-
Distribution System Control And Data Center Project	4,804,824.27	9,236,501.78	14,041,326.05
Keron (Morang) 132/33 Kv Substation Project	29,389,637.36	25,910,747.38	55,300,384.74
Borang Naubise (Ratmate) 220 Kv Transmission Line Project	(97,925,378.19)	20,520,308.06	(77,405,070.13)
Kohalpur-Nepalganja 132kv Transmission Line Project	-	126,377,734.42	126,377,734.42
Arunkhola Dumkibas 132/33 Kv Sub-Station Project	-	81,779,051.03	81,779,051.03
Total	**(160,480,371.96)**	**234,314,261.94**	**73,833,889.98**

Liabilities and Provisions

Schedule-6
(Amount in NRs)

Components	For FY 2077/78 (2020/21)	For FY 2078/79 (2021/22)	As at Ashad 32,2079 (July 16,2022)
132 Kv Transmission Conductor Upgrading Project	-	10,318.20	10,318.20
Grid Substation Automation Project - Phase 2	-	-	-
Dadhakhet Rahughat 132Kv T.L. Project	5,315,878.56	15,035,831.76	20,351,710.32
Ghorahi Madhichaur 132 Kv T.L. Project	-	-	-
Pantang 132Kv Substation Project	-	428.26	428.26
Distribution System Control And Data Center Project	202,321.43	4,799,656.34	5,001,977.77
Keron (Morang) 132/33 Kv Substation Project	1,330,464.14	7,213,385.17	8,543,849.31
Borang Naubise (Ratmate) 220 Kv Transmission Line Project	2,331,033.04	(2,316,943.63)	14,089.41
Kohalpur-Nepalganja 132kv Transmission Line Project	-	2,426,692.83	2,426,692.83
Arunkhola Dumkibas 132/33 Kv Sub-Station Project	-	65,900.50	65,900.50
Total	**9,179,697.17**	**27,235,269.43**	**36,414,966.60**

Fixed Assets (Net)

Schedule-7
(Amount in NRs)

Components	For FY 2077/78 (2020/21)	For FY 2078/79 (2021/22)	As at Ashad 32,2079 (July 16,2022)
132 Kv Transmission Conductor Upgrading Project	-	-	-
Grid Substation Automation Project - Phase 2	-	370,227.70	370,227.70
Dadhakhet Rahughat 132Kv T.L. Project	59,593,140.39	87,485,685.04	147,078,825.43
Ghorahi Madhichaur 132 Kv T.L. Project	60,222,737.73	(2,355,256.89)	57,867,480.84
Pantang 132Kv Substation Project	-	-	-
Distribution System Control And Data Center Project	1,077,237.64	4,397,306.46	5,474,544.10
Keron (Morang) 132/33 Kv Substation Project	32,666,584.21	(1,003,581.20)	31,663,003.01
Borang Naubise (Ratmate) 220 Kv Transmission Line Project	57,984,299.32	1,768,431.49	59,752,730.81
Kohalpur-Nepalganja 132kv Transmission Line Project	-	127,149,979.02	127,149,979.02
Arunkhola Dumkibas 132/33 Kv Sub-Station Project	-	78,651,212.49	78,651,212.49
Total	211,543,999.29	296,464,004.11	508,008,003.40

Capital Work-In-Progress

Schedule-8
(Amount in NRs)

Components	For FY 2077/78 (2020/21)	For FY 2078/79 (2021/22)	As at Ashad 32,2079 (July 16,2022)
132 Kv Transmission Conductor Upgrading Project	-	-	-
Grid Substation Automation Project - Phase 2	-	-	-
Dadhakhet Rahughat 132Kv T.L. Project	130,087,260.38	(103,335,454.35)	26,751,806.03
Ghorahi Madhichaur 132 Kv T.L. Project	7,387,563.62	2,503.90	7,390,067.52
Pantang 132Kv Substation Project	-	-	-
Distribution System Control And Data Center Project	-	21,526,002.19	21,526,002.19
Keron (Morang) 132/33 Kv Substation Project	53,969,769.14	38,361,031.84	92,330,800.98
Borang Naubise (Ratmate) 220 Kv Transmission Line Project	7,415,350.37	-	7,415,350.37
Kohalpur-Nepalganja 132kv Transmission Line Project	-	3,300,201.25	3,300,201.25
Arunkhola Dumkibas 132/33 Kv Sub-Station Project	-	9,654,950.00	9,654,950.00
Total	**198,859,943.51**	**(30,490,765.17)**	**168,369,178.34**

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)

Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

72,844,689.18

Operating Cost

Schedule-9
(Amount in NRs)

Components	For FY 2077/78 (2020/21)	For FY 2078/79 (2021/22)	As at Ashad 32,2079 (July 16,2022)
132 Kv Transmission Conductor Upgrading Project	-	10,318.20	10,318.20
Grid Substation Automation Project - Phase 2	-	408,498.32	408,498.32
Dadhakhet Rahughat 132Kv T.L. Project	13,326,213.03	38,207,213.64	51,533,426.67
Ghorahi Madhichaur 132 Kv T.L. Project	32,454,144.81	(25,406,516.84)	7,047,627.97
Pantang 132Kv Substation Project	-	428.26	428.26
Distribution System Control And Data Center Project	3,938,341.05	19,158,692.36	23,097,033.41
Keron (Morang) 132/33 Kv Substation Project	12,588,484.31	21,210,697.47	33,799,181.78
Borang Naubise (Ratmate) 220 Kv Transmission Line Project	27,936,972.64	17,946,614.54	45,883,587.18
Kohalpur-Nepalganja 132kv Transmission Line Project	-	5,215,557.31	5,215,557.31
Arunkhola Dumkibas 132/33 Kv Sub-Station Project	-	1,949,891.18	1,949,891.18
Total	**90,244,155.84**	**78,701,394.44**	**168,945,550.28**

Advance

Schedule-10
(Amount in NRs)

Components	For FY 2077/78 (2020/21)	For FY 2078/79 (2021/22)	As at Ashad 32,2079 (July 16,2022)
132 Kv Transmission Conductor Upgrading Project	-	185,727,628.33	185,727,628.33
Grid Substation Automation Project - Phase 2	-	100,000.00	100,000.00
Dadhakhet Rahughat 132Kv T.L. Project	4,147,895.79	377,463,613.06	381,611,508.85
Ghorahi Madhichaur 132 Kv T.L. Project	1,193,140.41	1,113,799.77	2,306,940.18
Pantang 132Kv Substation Project	-	7,708,549.47	7,708,549.47
Distribution System Control And Data Center Project	2,081,920.18	137,856,733.05	139,938,653.23
Keron (Morang) 132/33 Kv Substation Project	1,746,800.00	88,159,284.22	89,906,084.22
Borang Naubise (Ratmate) 220 Kv Transmission Line Project	38,064,088.40	636,156.78	38,700,245.18
Kohalpur-Nepalganja 132kv Transmission Line Project	-	1,590,050.00	1,590,050.00
Arunkhola Dumkibas 132/33 Kv Sub-Station Project	-	-	-
Total	**47,233,844.78**	**800,355,814.68**	**847,589,659.46**

Cash And Bank Balance

Schedule-11
(Amount in NRs)

Components	For FY 2077/78 (2020/21)	For FY 2078/79 (2021/22)	As at Ashad 32,2079 (July 16,2022)
132 Kv Transmission Conductor Upgrading Project	-	-	-
Grid Substation Automation Project - Phase 2	-	619,126.94	619,126.94
Dadhakhet Rahughat 132Kv T.L. Project	6,007,813.97	(784,865.65)	5,222,948.32
Ghorahi Madhichaur 132 Kv T.L. Project	4,618,689.03	(3,482,939.91)	1,135,749.12
Pantang 132Kv Substation Project	-	-	-
Distribution System Control And Data Center Project	409,646.83	293,048.28	702,695.11
Keron (Morang) 132/33 Kv Substation Project	5,111,444.95	694,831.15	5,806,276.10
Borang Naubise (Ratmate) 220 Kv Transmission Line Project	2,528,677.45	19,252,161.62	21,780,839.07
Kohalpur-Nepalganja 132kv Transmission Line Project	-	548,639.67	548,639.67
Arunkhola Dumkibas 132/33 Kv Sub-Station Project	-	5,588,897.86	5,588,897.86
Total	**18,676,272.23**	**22,728,899.96**	**41,405,172.19**

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

Fixed Assets

Account Code	Account Head	132 Kv Transmission Conductor Upgrading Project	Grid Substation Automation Project - Phase 2	Dadhakhel Rahughat 132Kv T.L. Project	Ghorahi Madhichaur 132 Kv T.L. Project	Pantang 132Kv Substation Project	Distribution System Control And Data Center Project	Keron (Morang) 132/33 Kv Substation Project	Borang Naubise (Ratmate) 220 Kv Transmission Line Project	Kohalpur-Nepalganja 132kv Transmission Line Project	Arunkhola Dumkibas 132/33 Kv Sub-Station Project	Total
3	**Fixed Assets**											-
3.101	Land Purchase	-	-	-	32,144,700.00	-	-	27,188,054.39	57,428,243.15	121,553,734.82	78,004,950.00	316,317,682.36
3.2	**Buildings**	-	-	-	-	-	-	-	-	-	-	-
3.211	Office building	-	-	-	-	-	-	-	-	-	-	-
3.221	Residential Building	-	-	57,028,653.07	-	-	-	-	-	-	-	57,028,653.07
3.231	Godown	-	-	-	6,461,208.91	-	-	-	-	-	-	6,461,208.91
3.291	Other Civil Structures	-	-	85,311,914.02	18,023,221.92	-	-	-	-	-	-	103,335,135.94
3.3	**Plant & Machineries**	-	-	-	-	-	-	-	-	-	-	-
3.306	Transmission S/S Trans. S/G	-	-	-	-	-	-	-	-	-	-	-
3.310	Meter & M. Testing Equipment	-	-	-	-	-	-	-	-	-	-	-
3.313	Tools and Equipments	-	-	-	-	-	-	-	-	-	-	-
3.314	Workshop Plant & Equipment	-	-	-	-	-	-	-	-	-	-	-
3.315	Vehicles and Mobile Plant	-	-	18,372,850.00	9,297,600.00	-	7,144,000.00	7,778,000.00	8,607,155.00	5,234,900.00	384,900.00	56,819,405.00
3.4	**Furniture and Fixtures**	-	-	-	-	-	-	-	-	-	-	-
3.401	Furniture and Fixtures	-	35,764.50	120,835.99	734,947.99	-	365,577.60	696,139.50	1,044,329.52	-	138,880.10	3,136,475.20
3.5	**Office Equipments**	-	-	-	-	-	-	-	-	-	-	-
3.501	Office Equipments	-	338,900.00	352,660.00	582,991.50	-	1,306,587.60	998,839.64	1,275,074.10	360,580.00	376,403.00	5,592,035.84
3.6	**Miscellaneous Assets**	-	-	-	-	-	-	-	-	-	-	-
3.601	Miscellaneous Assets	-	16,944.00	23,592.85	10,701.00	-	58,873.00	212,026.49	126,447.00	16,599.70	-	467,184.04
	Total	-	393,608.50	161,210,505.93	67,255,371.32	-	8,875,038.20	36,873,060.02	68,479,248.77	127,165,814.52	78,905,133.10	549,157,780.36
3.8	**Less: Provision**											-
3.801	Provision for Depreciation	-	23,380.80	14,131,680.50	9,387,890.48	-	3,400,494.10	5,210,057.01	8,726,517.96	15,835.50	253,920.61	41,149,776.96
	Net Fixed Assets	-	370,227.70	147,078,825.43	57,867,480.84	-	5,474,544.10	31,663,003.01	59,752,730.81	127,149,979.02	78,651,212.49	508,008,003.40

Capital Work in Progress

Account Code	Account Head	132 Kv Transmission Conductor Upgrading Project	Grid Substation Automation Project - Phase 2	Dadhakhel Rahughat 132Kv T.L. Project	Ghorahi Madhichaur 132 Kv T.L. Project	Pantang 132Kv Substation Project	Distribution System Control And Data Center Project	Keron (Morang) 132/33 Kv Substation Project	Borang Naubise (Ratmate) 220 Kv Transmission Line Project	Kohalpur-Nepalganja 132kv Transmission Line Project	Arunkhola Dumkibas 132/33 Kv Sub-Station Project	Total
4	**Capital Work in Progress**											-
4.101	Land Purchase	-	-	-	-	-	-	-	-	2,232,300.00	-	2,232,300.00
4.2	**Buildings**	-	-	-	-	-	-	-	-	-	-	-
4.201	Power House Building	-	-	-	-	-	-	-	-	-	-	-
4.221	Residential Building	-	-	-	-	-	-	-	-	-	-	-
4.231	Godown	-	-	-	-	-	-	-	-	-	-	-
4.291	Other Civil Structures	-	-	-	-	-	17,382,268.19	78,859,306.44	-	-	-	96,241,574.63
4.3	**Plant & Machineries**	-	-	-	-	-	-	-	-	-	-	-
4.302	Hydrolic Plant & Machinery	-	-	-	-	-	-	-	-	-	-	-
4.304	Transmission Line above 33 kV	-	-	-	-	-	-	-	-	-	-	-
4.305	Transmission Line above 33 kV	-	-	-	-	-	-	-	-	-	-	-
4.306	Trans- Switchgear	-	-	17,921,549.03	-	-	-	-	-	-	-	17,921,549.03
4.307	Distribution Line (Nea)	-	-	-	-	-	-	-	-	-	-	-
4.308	Dist. S/S Transf. & S/G	-	-	-	-	-	-	-	-	-	-	-
4.310	Meter & Meter Testing Equiotment	-	-	-	-	-	-	-	-	-	-	-
4.311	Consumer Service	-	-	-	-	-	-	-	-	-	-	-
4.312	Public Lighting & Traffic Signal	-	-	-	-	-	-	-	-	-	-	-
4.315	Transmission Line (H.M.G. Inv.)	-	-	-	-	-	-	-	-	-	-	-
4.79	**Miscellaneous**	-	-	8,680,257.00	-	-	-	-	-	-	-	8,680,257.00
4.791	Feasibility Study	-	-	150,000.00	3,711,295.00	-	-	13,471,494.54	2,719,808.37	-	-	20,052,597.91
4.792	Consultancy Service (Capital)	-	-	-	-	-	4,143,734.00	-	-	-	-	4,143,734.00
4.793	Essential Customs & Duties	-	-	-	3,654,085.00	-	-	-	-	679,492.00	-	4,333,577.00
4.794	Environment Study Expenditure	-	-	-	-	-	-	-	233,214.33	-	9,654,950.00	9,888,164.33
4.797	Infrastructure Dev. Expenditurew	-	-	-	-	-	-	-	-	-	-	-
4.798	Social Development Expenditure	-	-	-	-	-	-	-	-	-	-	-
4.799	Other Miscellaneous	-	-	-	-	-	-	-	-	-	-	-
4.8	**Advance against Capital Works**	-	-	-	-	-	-	-	4,462,327.67	339,746.00	-	4,802,073.67
4.801	Contractors	-	-	-	-	-	-	-	-	-	-	-
4.802	Suppliers	-	-	-	-	-	-	-	-	-	-	-
4.803	L/C Advances	-	-	-	-	-	-	-	-	-	-	-
4.901	Capital Stock	-	-	-	24,687.52	-	-	-	-	48,663.25	-	73,350.77
4.902	Capital Stock in transit	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	26,751,806.03	7,390,067.52	-	21,526,002.19	92,330,800.98	7,415,350.37	3,300,201.25	9,654,950.00	168,389,178.34

Operating Cost

Account Code	Account Head	132 Kv Transmission Conductor Upgrading Project	Grid Substation Automation Project - Phase 2	Dadhakhel Rahughat 132Kv T.L. Project	Ghorahi Madhichaur 132 Kv T.L. Project	Pantang 132Kv Substation Project	Distribution System Control And Data Center Project	Keron (Morang) 132/33 Kv Substation Project	Borang Naubise (Ratmate) 220 Kv Transmission Line Project	Kohalpur-Nepalganja 132kv Transmission Line Project	Arunkhola Dumkibas 132/33 Kv Sub-Station Project	Total
4.7	**Operating Cost**											-
4.701	Employees Expenses	-	-	8,909,060.29	27,924,045.44	-	8,113,982.39	15,296,101.44	18,609,182.19	2,701,723.55	881,324.61	82,435,399.91
4.705	Stores & Services	-	600.00	100,369.22	353,798.12	-	535,212.02	230,134.09	478,442.75	252,932.60	164,345.97	2,115,834.97
4.711	Repair & Maintenance	-	-	421,564.85	517,757.04	-	315,157.19	-	419,847.95	-	-	1,674,347.03
4.721	Vehicle Repair & Maintenance	-	83,055.35	3,020,440.27	900,536.44	-	1,444,766.83	1,650,698.35	4,694,182.98	513,598.97	165,887.89	12,473,169.09
4.731	Administration Expenses	-	315,525.80	4,241,040.76	6,606,971.70	-	1,004,068.70	4,811,194.94	12,978,715.99	1,876,625.14	894,070.60	32,520,213.65
4.741	Interest & Finance Cost	-	250.00	363,893.64	365.00	-	-	12,150.32	1,864,793.47	1,525.00	-	2,242,977.43
4.751	Other Expenditure	-	-	31,157,531.75	6,818,018.59	-	10,849,984.64	4,527,172.88	4,687,840.32	15,835.50	150,370.02	58,206,753.70
2.801	Depreciation	-	23,380.80	3,771,352.88	2,569,871.89	-	-	-	2,128,234.17	-	-	6,492,839.74
4.795	Head Office Expenses	-	-	-	-	-	-	-	-	-	-	-
4.796	Interest on during const. period	-	-	1,842,150.99	2,009,526.00	428.26	933,053.05	1,395,018.96	1,723,733.33	-	-	7,903,920.59
1.200	Other Income	10,318.20	-	-	-	-	-	-	-	-	-	10,318.20
1.271	Interest on Staff Loan	-	-	(41,453.66)	(48,462.05)	-	(91,403.00)	(64,304.29)	(72,691.94)	(15,836.13)	-	(334,151.07)
1.299	Miscellaneous Income	-	-	-	(40,026,675.00)	-	(4,623.38)	(55,804.85)	-	(2,000.00)	-	(40,089,103.23)
1.285	Sale of Tender Form	-	-	(7,000.00)	(99,900.00)	-	-	-	-	-	(160,000.00)	(266,900.00)
1.279	Other Interest	-	(14,313.63)	(245,913.22)	(10,081.64)	-	(3,157.03)	-	(67,475.87)	(130,847.52)	(136,107.91)	(607,896.82)
	Profit And Loss Account Up To Last Year	-	-	-	-	-	-	-	-	-	-	-
8.271	Income From Forex Veriation	-	-	(1,850,140.61)	(468,143.56)	-	-	(80,566.27)	(1,561,218.17)	-	-	(3,960,068.61)
1.239	FOREX LOSS ON FOREIGN	-	-	(149,490.51)	-	-	-	(0.14)	-	-	-	(149,490.65)
2.866	BORROWING	-	-	-	-	-	-	-	-	-	-	-
2.610	INTEREST	-	-	-	-	-	-	-	-	-	-	-
2.851	Loss On Exchange Rate Veriation	-	-	-	-	-	-	-	-	-	-	-
	Total	10,318.20	408,498.32	51,533,426.67	7,047,527.97	428.26	23,087,033.41	33,799,181.78	46,883,587.18	5,216,667.31	1,949,891.18	168,945,569.28

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

Sources:	132 Kv Transmission Conductor Upgrading Project	Grid Substation Automation Project - Phase 2	Dadhakhet Rahughat 132Kv T.L. Project	Ghorahi Madhichaur 132 Kv T.L. Project	Pantang 132Kv Substation Project	Distribution System Control And Data Center Project	Keron (Morang) 132/33 Kv Substation Project	Borang Naubise (Ratmate) 220 Kv Transmission Line Project	Kohalpur-Nepalganja 132kv Transmission Line Project	Arunkhola Dumkibas 132/33 Kv Sub-Station Project	Total
GON Share	-	6,000,000.00	309,071,000.00	80,734,526.00	-	12,500,000.00	83,029,331.11	222,923,733.33	9,000,000.00	14,000,000.00	737,258,590.44
ADB Loan No. 4014-NEP(COL)	185,727,628.33	-	315,097,261.83	-	7,708,549.47	148,804,800.15	93,685,799.54	-	-	-	751,024,039.32
Restated Loan	-	-	22,949,271.87	-	-	10,390,824.07	6,278,981.39	-	-	-	39,619,077.33
Long Term Loan GoN	-	-	44,833,000.00	16,667,000.00	-	-	6,667,000.00	28,000,000.00	-	-	96,167,000.00
NEA Source	-	(4,502,147.04)	(100,103,728.72)	(21,653,660.37)	-	14,041,326.05	55,300,384.74	(77,405,070.13)	126,377,734.42	81,779,051.03	73,833,889.98
Liabilities & Provisions	10,318.20	-	20,351,710.32	-	428.26	5,001,977.77	8,543,849.31	14,089.41	2,426,692.83	65,900.50	36,414,966.60
Total	**185,737,946.53**	**1,497,852.96**	**612,198,515.30**	**75,747,865.63**	**7,708,977.73**	**190,738,928.04**	**253,505,346.09**	**173,532,752.61**	**137,804,427.25**	**95,844,951.53**	**1,734,317,563.67**
Applications:											
Fixed Assets	-	370,227.70	147,078,825.43	57,867,480.84	-	5,474,544.10	31,663,003.01	59,752,730.81	127,149,979.02	78,651,212.49	508,008,003.40
Capital work in progress	-	-	26,751,806.03	7,390,067.52	-	21,526,002.19	92,330,800.98	7,415,350.37	3,300,201.25	9,654,950.00	168,369,178.34
Operating Cost	10,318.20	408,498.32	51,533,426.67	7,047,627.97	428.26	23,097,033.41	33,799,181.78	45,883,587.18	5,215,557.31	1,949,891.18	168,945,550.28
Advance	185,727,628.33	100,000.00	381,611,508.85	2,306,940.18	7,708,549.47	139,938,653.23	89,906,084.22	38,700,245.18	1,590,050.00	-	847,589,659.46
Cash and Bank	-	619,126.94	5,222,948.32	1,135,749.12	-	702,695.11	5,806,276.10	21,780,839.07	548,639.67	5,588,897.86	41,405,172.19
Total	**185,737,946.53**	**1,497,852.96**	**612,198,515.30**	**75,747,865.63**	**7,708,977.73**	**190,738,928.04**	**253,505,346.09**	**173,532,752.61**	**137,804,427.25**	**95,844,951.53**	**1,734,317,563.67**
						0.00					0.00

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

Component: 132 Kv Transmission Conductor Upgrading Project (Amount in NRs)

Sources				
Particulars	**Schedule**	**For FY 2077/78 (2020/21)**	**For FY 2078/79 (2021/22)**	**As at Ashad 32,2079 (July 16,2022)**
GON Share				-
ADB Loan No. 4014-NEP(COL)			185,727,628.33	185,727,628.33
Restated Loan				-
Long Term Loan GoN				-
NEA Source				-
Liabilities & Provisions			10,318.20	10,318.20
Total		-	**185,737,946.53**	**185,737,946.53**

(Amount in NRs)

Applications				
Particulars	**Schedule**	**For FY 2077/78 (2020/21)**	**For FY 2078/79 (2021/22)**	**As at Ashad 32,2079 (July 16,2022)**
Fixed Assets (Net)	1		-	-
Capital Work in Progress	2		-	-
Operating Cost	3		10,318.20	10,318.20
Advance			185,727,628.33	185,727,628.33
Cash and Bank Balance				-
		-	**185,737,946.53**	**185,737,946.53**

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

Component: 132 Kv Transmission Conductor Upgrading Project

Fixed Assets

Schedule 1
(Amount in NRS.)

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
3	Fixed Assets										
3.101	Land Purchase				-			-	-	-	-
3.2	Buildings				-			-	-	-	-
3.211	Office building				-			-	-	-	-
3.221	Residential Building										
3.231	Godown				-			-	-	-	-
3.291	Other Civil Structures				-			-	-	-	-
3.3	Plant & Machineries				-			-	-	-	-
3.306	Transmission S/S Trans. S/G				-			-	-	-	-
3.310	Meter & M. Testing Equipment				-			-	-	-	-
3.313	Tools and Equipments				-			-	-	-	-
3.314	Workshop Plant & Equipment				-			-	-	-	-
3.315	Vehicles and Mobile Plant				-			-	-	-	-
3.4	Furniture and Fixtures				-			-	-	-	-
3.401	Furniture and Fixtures				-			-	-	-	-
3.5	Office Equipments				-			-	-	-	-
3.501	Office Equipments				-			-	-	-	-
3.6	Miscellaneous Assets				-			-	-	-	-
3.601	Miscellaneous Assets				-			-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-
3.8	Less: Provision								-		-
3.801	Provision for Depreciation				-			-	-		-
	Net Fixed Assets	-	-	-	-	-	-	-	-	-	-

Capital Work in Progress

Schedule 2
(Amount in NRS.)

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
4	Capital Work in Progress							-	-	-	-
4.101	Land Purchase				-			-	-	-	-
4.2	Buildings				-			-	-	-	-
4.205	Substation Building				-			-	-	-	-
4.221	Residential Building				-			-	-	-	-
4.231	Godown				-			-	-	-	-
4.291	Other Civil Structures				-			-	-	-	-
4.3	Plant & Machineries				-			-	-	-	-
4.302	Hydrolic Plant & Mechinery				-			-	-	-	-
4.304	Transmission Line above 33 kV				-			-	-	-	-
4.305	Transmission Line above 33 kV				-			-	-	-	-
4.306	Trans- Switchgear							-	-	-	-
4.307	Distribution Line (Nea)										
4.308	Dist. S/S Transf. & S/G							-	-	-	-
4.310	Meter & M. Testing Equipment										
4.311	Consumer Service				-			-	-	-	-
4.312	Public Lighting & Traffic Signal				-			-	-	-	-
4.315	Transmission Line (H.M.G. Inv.)				-			-	-	-	-
4.79	Miscellaneous				-			-	-	-	-
4.791	Feasibility Study				-			-	-	-	-
4.792	Consultancy Service (Capital)				-			-	-	-	-
4.793	Essential Customs & Duties				-			-	-	-	-
4.794	Environment Study Expenditure				-			-	-	-	-
4.797	Infrastructure Dev. Expenditure				-			-	-	-	-
4.798	Social Development Expenditure				-			-	-	-	-
4.799	Other Miscellaneous				-			-	-	-	-
4.8	Advance against Capital Works				-			-	-	-	-
4.801	Contractors				-			-	-	-	-
4.802	Suppliers				-			-	-	-	-
4.803	L/C Advances				-			-	-	-	-
4.901	Capital Stock				-			-	-	-	-
4.902	Capital Stock in transit				-			-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-

Operating Cost

Schedule 3
(Amount in NRS.)

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
4.7	Operating Cost										
4.701	Employees Expenses				-			-	-	-	-
4.705	Stores & Services				-			-	-	-	-
4.711	Repair & Maintenance				-			-	-	-	-
4.721	Vehicle Repair & Maintenance				-			-	-	-	-
4.731	Administration Expenses				-			-	-	-	-
4.741	Interest & Finance Cost				-			-	-	-	-
4.751	Other Expenditure				-			-	-	-	-
2.601	Depreciation				-			-	-	-	-
4.795	Head Office Expenses				-			-	-	-	-
4.796	Interest on during const. period				-			-	-	-	-
1.2	Other Income				-	10,318.20		10,318.20	10,318.20	-	10,318.20
1.271	Interest on Staff Loan				-			-	-	-	-
1.299	Miscellaneous Income				-			-	-	-	-
1.285	Sale of Tender Form				-			-	-	-	-
1.279	Other Interest				-			-	-	-	-
8.271	Profit And Loss Account Up To Last Year				-			-	-	-	-
1.239	Income From Forex Veriation				-			-	-	-	-
2.866	FOREX LOSS ON FOREIGN BORROWING							-	-	-	-
2.610	INTEREST							-	-	-	-
2.851	Loss On Exchange Rate Variation							-	-	-	-
	Total	-	-	-	-	10,318.20	-	10,318.20	10,318.20	-	10,318.20

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

Component: Grid Substation Automation Project - Phase 2 (Amount in NRs)

Sources				
Particulars	**Schedule**	**For FY 2077/78 (2020/21)**	**For FY 2078/79 (2021/22)**	**As at Ashad 32,2079 (July 16,2022)**
GON Share			6,000,000.00	6,000,000.00
ADB Loan No. 4014-NEP(COL)				-
Restated Loan				-
Long Term Loan GoN				-
NEA Source			(4,502,147.04)	(4,502,147.04)
Liabilities & Provisions				-
Total		-	**1,497,852.96**	**1,497,852.96**

(Amount in NRs)

Applications				
Particulars	**Schedule**	**For FY 2077/78 (2020/21)**	**For FY 2078/79 (2021/22)**	**As at Ashad 32,2079 (July 16,2022)**
Fixed Assets (Net)	1		370,227.70	370,227.70
Capital Work in Progress	2		-	-
Operating Cost	3		408,498.32	408,498.32
Advance			100,000.00	100,000.00
Cash and Bank Balance			619,126.94	619,126.94
		-	**1,497,852.96**	**1,497,852.96**

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

Component: Grid Substation Automation Project - Phase 2

Schedule 1
(Amount in NRS.)

Fixed Assets

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
3	Fixed Assets										
3.101	Land Purchase				-			-	-	-	-
3.2	Buildings				-			-	-	-	-
3.211	Office building				-			-	-	-	-
3.221	Residential Building										
3.231	Godown				-			-	-	-	-
3.291	Other Civil Structures				-			-	-	-	-
3.3	Plant & Machineries							-	-	-	-
3.306	Transmission S/S Trans. S/G				-			-	-	-	-
3.310	Meter & M. Testing Equipment				-			-	-	-	-
3.313	Tools and Equipments				-			-	-	-	-
3.314	Workshop Plant & Equipment				-			-	-	-	-
3.315	Vehicles and Mobile Plant				-			-	-	-	-
3.4	Furniture and Fixtures				-			-	-	-	-
3.401	Furniture and Fixtures				-	35,764.50		35,764.50	35,764.50	-	35,764.50
3.5	Office Equipments				-			-	-	-	-
3.501	Office Equipments				-	338,900.00		338,900.00	338,900.00	-	338,900.00
3.6	Miscellaneous Assets				-			-	-	-	-
3.601	Miscellaneous Assets				-	18,944.00		18,944.00	18,944.00	-	18,944.00
	Total	-	-	-	-	393,608.50	-	393,608.50	393,608.50	-	393,608.50
3.8	Less: Provision								-		-
3.801	Provision for Depreciation				-	23,380.80		23,380.80	23,380.80		23,380.80
	Net Fixed Assets	-	-	-	-	370,227.70	-	370,227.70	370,227.70	-	370,227.70

Schedule 2
(Amount in NRS.)

Capital Work in Progress

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
4	Capital Work in Progress				-			-	-	-	-
4.101	Land Purchase				-			-	-	-	-
4.2	Buildings				-			-	-	-	-
4.201	Power House Building				-			-	-	-	-
4.221	Residential Building				-			-	-	-	-
4.231	Godown				-			-	-	-	-
4.291	Other Civil Structures				-			-	-	-	-
4.3	Plant & Machineries				-			-	-	-	-
4.302	Hydrolic Plant & Mechinery				-			-	-	-	-
4.304	Transmission Line above 33 kV				-			-	-	-	-
4.305	Transmission Line above 33 kV				-			-	-	-	-
4.306	Trans- Switchgear				-			-	-	-	-
4.307	Distribution Line (Nea)										
4.308	Dist. S/S Transf. & S/G				-			-	-	-	-
4.310	Meter & M. Testing Equipment										
4.311	Consumer Service				-			-	-	-	-
4.312	Public Lighting & Traffic Signal				-			-	-	-	-
4.315	Transmission Line (H.M.G. Inv.)				-			-	-	-	-
4.79	Miscellaneous				-			-	-	-	-
4.791	Feasibility Study				-			-	-	-	-
4.792	Consultancy Service (Capital)				-			-	-	-	-
4.793	Essential Customs & Duties				-			-	-	-	-
4.794	Environment Study Expenditure				-			-	-	-	-
4.797	Infrastructure Dev. Expenditure				-			-	-	-	-
4.798	Social Development Expenditure				-			-	-	-	-
4.799	Other Miscellaneous				-			-	-	-	-
4.8	Advance against Capital Works				-			-	-	-	-
4.801	Contractors				-			-	-	-	-
4.802	Suppliers				-			-	-	-	-
4.803	L/C Advances				-			-	-	-	-
4.901	Capital Stock				-			-	-	-	-
4.902	Capital Stock in transit				-			-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-

Schedule 3
(Amount in NRS.)

Operating Cost

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
4.7	Operating Cost										
4.701	Employees Expenses				-			-	-	-	-
4.705	Stores & Services				-	600.00		600.00	600.00	-	600.00
4.711	Repair & Maintenance				-			-	-	-	-
4.721	Vehicle Repair & Maintenance				-	83,055.35		83,055.35	83,055.35	-	83,055.35
4.731	Administration Expenses				-	315,525.80		315,525.80	315,525.80	-	315,525.80
4.741	Interest & Finance Cost				-	250.00		250.00	250.00	-	250.00
4.751	Other Expenditure				-			-	-	-	-
2.801	Depreciation				-	23,380.80		23,380.80	23,380.80	-	23,380.80
4.795	Head Office Expenses				-			-	-	-	-
4.796	Interest on during const. period				-			-	-	-	-
1.2	Other Income				-			-	-	-	-
1.271	Interest on Staff Loan				-			-	-	-	-
1.299	Miscellaneous Income				-			-	-	-	-
1.285	Sale of Tender Form				-			-	-	-	-
1.279	Other Interest				-	(14,313.63)		(14,313.63)	(14,313.63)	-	(14,313.63)
6.271	Profit And Loss Account Up To Last Year				-			-	-	-	-
1.239	Income From Forex Variation				-			-	-	-	-
2.866	FOREX LOSS ON FOREIGN BORROWING							-	-	-	-
2.610	INTEREST							-	-	-	-
2.851	Loss On Exchange Rate Variation							-	-	-	-
	Total	-	-	-	-	408,498.32	-	408,498.32	408,498.32	-	408,498.32

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

Component: Dadhakhet Rahughat 132Kv T.L. Project (Amount in NRs)

Sources				
Particulars	Schedule	For FY 2077/78 (2020/21)	For FY 2078/79 (2021/22)	As at Ashad 32,2079 (July 16,2022)
GON Share		289,071,000.00	20,000,000.00	309,071,000.00
ADB Loan No. 4014-NEP(COL)			315,097,261.83	315,097,261.83
Restated Loan			22,949,271.87	22,949,271.87
Long Term Loan GoN		44,833,000.00		44,833,000.00
NEA Source		(126,057,555.00)	25,953,826.28	(100,103,728.72)
Liabilities & Provisions		5,315,878.56	15,035,831.76	20,351,710.32
Total		**213,162,323.56**	**399,036,191.74**	**612,198,515.30**

(Amount in NRs)

Applications				
Particulars	Schedule	For FY 2077/78 (2020/21)	For FY 2078/79 (2021/22)	As at Ashad 32,2079 (July 16,2022)
Fixed Assets (Net)	1	59,593,140.39	87,485,685.04	147,078,825.43
Capital Work in Progress	2	130,087,260.38	(103,335,454.35)	26,751,806.03
Operating Cost	3	13,326,213.03	38,207,213.64	51,533,426.67
Advance		4,147,895.79	377,463,613.06	381,611,508.85
Cash and Bank Balance		6,007,813.97	(784,865.65)	5,222,948.32
		213,162,323.56	**399,036,191.74**	**612,198,515.30**

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

Component: Dadhakhat Rahughat 132Kv T.L. Project

Fixed Assets

Schedule 1
(Amount in NRS.)

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
3	Fixed Assets				-			-	-	-	-
3.101	Land Purchase				-			-	-	-	-
3.2	Buildings				-			-	-	-	-
3.211	Office building				-			-	-	-	-
3.221	Residential Building		57,028,653.07		57,028,653.07			-	57,028,653.07	-	57,028,653.07
3.231	Godown				-			-	-	-	-
3.291	Other Civil Structures					85,311,914.02		85,311,914.02	85,311,914.02	-	85,311,914.02
3.3	Plant & Machineries				-			-	-	-	-
3.306	Transmission S/S Trans. S/G				-			-	-	-	-
3.310	Meter & M. Testing Equipment				-			-	-	-	-
3.313	Tools and Equipments				-			-	-	-	-
3.314	Workshop Plant & Equipment				-			-	-	-	-
3.315	Vehicles and Mobile Plant		8,309,400.00		8,309,400.00	10,063,450.00		10,063,450.00	18,372,850.00	-	18,372,850.00
3.4	Furniture and Fixtures				-			-	-	-	-
3.401	Furniture and Fixtures		120,835.99		120,835.99			-	120,835.99	-	120,835.99
3.5	Office Equipments				-			-	-	-	-
3.501	Office Equipments		352,150.00		352,150.00	510.00		510.00	352,660.00	-	352,660.00
3.6	Miscellaneous Assets				-			-	-	-	-
3.601	Miscellaneous Assets		6,999.95		6,999.95	16,592.90		16,592.90	23,592.85	-	23,592.85
	Total	-	66,818,039.01	-	66,818,039.01	95,392,466.92	-	95,392,466.92	161,210,505.93	-	161,210,505.93
3.8	Less: Provision								-		-
3.801	Provision for Depreciation		6,224,898.62		6,224,898.62	7,906,781.88		7,906,781.88	14,131,680.50		14,131,680.50
	Net Fixed Assets	-	59,593,140.39	-	59,593,140.39	87,485,685.04	-	87,485,685.04	147,078,825.43	-	147,078,825.43

Capital Work in Progress

Schedule 2
(Amount in NRS.)

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
4	Capital Work in Progress										
4.101	Land Purchase				-			-	-	-	-
4.2	Buildings				-			-	-	-	-
4.201	Power House Building				-			-	-	-	-
4.221	Residential Building				-			-	-	-	-
4.231	Godown				-			-	-	-	-
4.291	Other Civil Structures				-			-	-	-	-
4.3	Plant & Machineries				-			-	-	-	-
4.302	Hydrolic Plant & Mechinery				-			-	-	-	-
4.304	Transmission Line above 33 kV				-			-	-	-	-
4.305	Transmission Line above 33 kV				-			-	-	-	-
4.306	Trans- Switchgear		55,602,006.29		55,602,006.29		(37,680,457.26)	(37,680,457.26)	55,602,006.29	(37,680,457.26)	17,921,549.03
4.307	Distribution Line (Nea)				-			-	-	-	-
4.308	Dist. S/S Transf. & S/G				-			-	-	-	-
4.310	Meter & M. Testing Equipment				-			-	-	-	-
4.311	Consumer Service				-			-	-	-	-
4.312	Public Lighting & Traffic Signal				-			-	-	-	-
4.315	Transmission Line (H.M.G. inv.)				-			-	-	-	-
4.79	Miscellaneous		7,529,284.10		7,529,284.10	1,150,972.90		1,150,972.90	8,680,257.00	-	8,680,257.00
4.791	Feasibility Study				-			-	-	-	-
4.792	Consultancy Service (Capital)		150,000.00		150,000.00			-	150,000.00	-	150,000.00
4.793	Essential Customs & Duties				-			-	-	-	-
4.794	Environment Study Expenditure				-			-	-	-	-
4.797	Infrastructure Dev. Expenditure				-			-	-	-	-
4.798	Social Development Expenditure				-			-	-	-	-
4.799	Other Miscellaneous				-			-	-	-	-
4.8	Advance against Capital Works				-			-	-	-	-
4.801	Contractors		66,805,969.99		66,805,969.99	(66,805,969.99)		(66,805,969.99)	-	-	-
4.802	Suppliers				-			-	-	-	-
4.803	L/C Advances				-			-	-	-	-
4.901	Capital Stock				-			-	-	-	-
4.902	Capital Stock in transit				-			-	-	-	-
	Total	-	130,087,260.38	-	130,087,260.38	(65,654,997.09)	(37,680,457.26)	(103,335,454.35)	64,432,263.29	(37,680,457.26)	26,751,806.03

Operating Cost

Schedule 3
(Amount in NRS.)

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
4.7	Operating Cost										
4.701	Employees Expenses		2,729,174.73		2,729,174.73	6,179,885.56		6,179,885.56	8,909,060.29	-	8,909,060.29
4.705	Stores & Services		72,210.89		72,210.89	28,158.33		28,158.33	100,369.22	-	100,369.22
4.711	Repair & Maintenance		160,094.00		160,094.00	261,490.85		261,490.85	421,584.85	-	421,584.85
4.721	Vehicle Repair & Maintenance		1,521,916.93		1,521,916.93	1,498,523.34		1,498,523.34	3,020,440.27	-	3,020,440.27
4.731	Administration Expenses		2,649,375.82		2,649,375.82	1,591,664.96		1,591,664.96	4,241,040.78	-	4,241,040.78
4.741	Interest & Finance Cost		680.00		680.00	363,213.64		363,213.64	363,893.64	-	363,893.64
4.751	Other Expenditure		7,891,033.89		7,891,033.89	23,266,497.86		23,266,497.86	31,157,531.75	-	31,157,531.75
2.801	Depreciation				-	3,771,352.88		3,771,352.88	3,771,352.88	-	3,771,352.88
4.795	Head Office Expenses				-			-	-	-	-
4.798	Interest on during const. period		312,243.89		312,243.89	1,529,907.10		1,529,907.10	1,842,150.99	-	1,842,150.99
1.2	Other Income				-			-	-	-	-
1.271	Interest on Staff Loan		(10,830.19)		(10,830.19)	(30,623.47)		(30,623.47)	(41,453.66)	-	(41,453.66)
1.299	Miscellaneous Income				-			-	-	-	-
1.285	Sale of Tender Form		(2,000.00)		(2,000.00)	(5,000.00)		(5,000.00)	(7,000.00)	-	(7,000.00)
1.279	Other Interest		(147,546.32)		(147,546.32)	(98,366.90)		(98,366.90)	(245,913.22)	-	(245,913.22)
8.271	Profit And Loss Account Up To Last Year		(1,850,140.61)		(1,850,140.61)			-	(1,850,140.61)	-	(1,850,140.61)
1.239	Income From Forex Veriation				-	(149,490.51)		(149,490.51)	(149,490.51)	-	(149,490.51)
2.866	FOREX LOSS ON FOREIGN BORROWING							-	-	-	-
2.610	INTEREST				-			-	-	-	-
2.851	Loss On Exchange Rate Variation				-			-	-	-	-
	Total	-	13,326,213.03	-	13,326,213.03	38,207,213.64	-	38,207,213.64	51,533,426.67	-	51,533,426.67

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

Component: Ghorahi Madhichaur 132 Kv T.L. Project

(Amount in NRs)

Sources				
Particulars	**Schedule**	**For FY 2077/78 (2020/21)**	**For FY 2078/79 (2021/22)**	**As at Ashad 32,2079 (July 16,2022)**
GON Share		59,901,176.00	20,833,350.00	80,734,526.00
ADB Loan No. 4014-NEP(COL)				-
Restated Loan				-
Long Term Loan GoN		16,667,000.00		16,667,000.00
NEA Source		29,308,099.60	(50,961,759.97)	(21,653,660.37)
Liabilities & Provisions				-
Total		**105,876,275.60**	**(30,128,409.97)**	**75,747,865.63**

(Amount in NRs)

Applications				
Particulars	**Schedule**	**For FY 2077/78 (2020/21)**	**For FY 2078/79 (2021/22)**	**As at Ashad 32,2079 (July 16,2022)**
Fixed Assets (Net)	1	60,222,737.73	(2,355,256.89)	57,867,480.84
Capital Work in Progress	2	7,387,563.62	2,503.90	7,390,067.52
Operating Cost	3	32,454,144.81	(25,406,516.84)	7,047,627.97
Advance		1,193,140.41	1,113,799.77	2,306,940.18
Cash and Bank Balance		4,618,689.03	(3,482,939.91)	1,135,749.12
		105,876,275.60	**(30,128,409.97)**	**75,747,865.63**

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

Component: Ghorahi Madhichaur 132 Kv T.L. Project
Fixed Assets

Schedule 1
(Amount in NRS.)

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
3	Fixed Assets							-			
3.101	Land Purchase		32,144,700.00		32,144,700.00			-	32,144,700.00	-	32,144,700.00
3.2	Buildings				-			-		-	-
3.211	Office building				-			-		-	-
3.221	Residential Building										
3.231	Godown		6,461,208.91		6,461,208.91			-	6,461,208.91	-	6,461,208.91
3.291	Other Civil Structures		18,023,221.92		18,023,221.92			-	18,023,221.92	-	18,023,221.92
3.3	Plant & Machineries				-			-		-	-
3.306	Transmission S/S Trans. S/G				-			-	-	-	-
3.310	Meter & M. Testing Equipment				-			-	-	-	-
3.313	Tools and Equipments				-			-	-	-	-
3.314	Workshop Plant & Equipment				-			-	-	-	-
3.315	Vehicles and Mobile Plant		9,297,600.00		9,297,600.00			-	9,297,600.00	-	9,297,600.00
3.4	Furniture and Fixtures				-			-	-	-	-
3.401	Furniture and Fixtures		537,197.99		537,197.99	197,750.00		197,750.00	734,947.99	-	734,947.99
3.5	Office Equipments				-			-	-	-	-
3.501	Office Equipments		571,126.50		571,126.50	11,865.00		11,865.00	582,991.50	-	582,991.50
3.6	Miscellaneous Assets				-			-	-	-	-
3.601	Miscellaneous Assets		5,701.00		5,701.00	5,000.00		5,000.00	10,701.00	-	10,701.00
	Total	-	67,040,756.32	-	67,040,756.32	214,615.00	-	214,615.00	67,255,371.32	-	67,255,371.32
3.8	Less: Provision								-		-
3.801	Provision for Depreciation		6,818,018.59		6,818,018.59	2,569,871.89		2,569,871.89	9,387,890.48		9,387,890.48
	Net Fixed Assets	-	60,222,737.73	-	60,222,737.73	(2,355,256.89)	-	(2,355,256.89)	57,867,480.84	-	57,867,480.84

Capital Work in Progress

Schedule 2
(Amount in NRS.)

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
4	Capital Work in Progress				-			-	-	-	-
4.101	Land Purchase				-			-	-	-	-
4.2	Buildings				-			-	-	-	-
4.201	Power House Building				-			-	-	-	-
4.221	Residential Building				-			-	-	-	-
4.231	Godown				-			-	-	-	-
4.291	Other Civil Structures				-			-	-	-	-
4.3	Plant & Machineries				-			-	-	-	-
4.302	Hydrolic Plant & Mechinery				-			-	-	-	-
4.304	Transmission Line above 33 kV				-			-	-	-	-
4.305	Transmission Line above 33 kV				-			-	-	-	-
4.306	Trans- Switchgear				-			-	-	-	-
4.307	Distribution Line (Nea)				-			-	-	-	-
4.308	Dist. S/S Transf. & S/G				-			-	-	-	-
4.310	Meter & Meter Testing Equiptments				-			-	-	-	-
4.311	Consumer Service				-			-	-	-	-
4.312	Public Lighting & Traffic Signal				-			-	-	-	-
4.315	Transmission Line (H.M.G. inv.)				-			-	-	-	-
4.79	Miscellaneous				-			-	-	-	-
4.791	Feasibility Study				-			-	-	-	-
4.792	Consultancy Service (Capital)		3,711,295.00		3,711,295.00			-	3,711,295.00	-	3,711,295.00
4.793	Essential Customs & Duties				-			-		-	-
4.794	Environment Study Expenditure		3,654,085.00		3,654,085.00			-	3,654,085.00	-	3,654,085.00
4.797	Infrastructore Dev. Expenditurew				-			-	-	-	-
4.798	Social Development Expenditure				-			-	-	-	-
4.799	Other Miscellaneous				-			-	-	-	-
4.8	Advance against Capital Works				-			-	-	-	-
4.801	Contractors				-			-	-	-	-
4.802	Suppliers				-			-	-	-	-
4.803	L/C Advances				-			-	-	-	-
4.901	Capital Stock		22,183.62		22,183.62	2,503.90		2,503.90	24,687.52	-	24,687.52
4.902	Capital Stock in transit				-			-	-	-	-
	Total	-	7,387,563.62	-	7,387,563.62	2,503.90	-	2,503.90	7,390,067.52	-	7,390,067.52

Operating Cost

Schedule 3
(Amount in NRS.)

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
4.7	Operating Cost										
4.701	Employees Expenses		17,636,614.98		17,636,614.98	10,287,430.46		10,287,430.46	27,924,045.44	-	27,924,045.44
4.705	Stores & Services		336,598.12		336,598.12	17,200.00		17,200.00	353,798.12	-	353,798.12
4.711	Repair & Maintenance		256,563.72		256,563.72	261,193.32		261,193.32	517,757.04	-	517,757.04
4.721	Vehicle Repair & Maintenance		865,127.44		865,127.44	35,409.00		35,409.00	900,536.44	-	900,536.44
4.731	Administration Expenses		5,833,074.52		5,833,074.52	773,897.18		773,897.18	6,606,971.70	-	6,606,971.70
4.741	Interest & Finance Cost		115.00		115.00	250.00		250.00	365.00	-	365.00
4.751	Other Expenditure		6,818,018.59		6,818,018.59			-	6,818,018.59	-	6,818,018.59
2.601	Depreciation				-	2,569,871.89		2,569,871.89	2,569,871.89	-	2,569,871.89
4.795	Head Office Expenses				-			-	-	-	-
4.796	Interest on during const. period		1,176,176.00		1,176,176.00	833,350.00		833,350.00	2,009,526.00	-	2,009,526.00
1.2	Other Income				-			-	-	-	-
1.271	Interest on Staff Loan				-	(48,462.05)		(48,462.05)	(48,462.05)	-	(48,462.05)
1.299	Miscellaneous Income				-	(40,026,675.00)		(40,026,675.00)	(40,026,675.00)	-	(40,026,675.00)
1.285	Sale of Tender Form				-	(99,900.00)		(99,900.00)	(99,900.00)	-	(99,900.00)
1.279	Other Interest				-	(10,081.64)		(10,081.64)	(10,081.64)	-	(10,081.64)
6.271	Profit And Loss Account Up To Last Year		(468,143.56)		(468,143.56)			-	(468,143.56)	-	(468,143.56)
1.239	Income From Forex Veriation				-			-	-	-	-
2.856	FOREX LOSS ON FOREIGN BORROWING							-	-	-	-
2.610	INTEREST							-	-	-	-
2.851	Loss On Exchange Rate Variation							-	-	-	-
		-	32,454,144.81	-	32,454,144.81	(25,406,516.84)	-	(25,406,516.84)	7,047,627.97	-	7,047,627.97

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

Component:Pantang 132Kv Substation Project (Amount in NRs)

Sources				
Particulars	**Schedule**	**For FY 2077/78 (2020/21)**	**For FY 2078/79 (2021/22)**	**As at Ashad 32,2079 (July 16,2022)**
GON Share				-
ADB Loan No. 4014-NEP(COL)			7,708,549.47	7,708,549.47
Restated Loan				-
Long Term Loan GoN				-
NEA Source				-
Liabilities & Provisions			428.26	428.26
Total		-	**7,708,977.73**	**7,708,977.73**

(Amount in NRs)

Applications				
Particulars	**Schedule**	**For FY 2077/78 (2020/21)**	**For FY 2078/79 (2021/22)**	**As at Ashad 32,2079 (July 16,2022)**
Fixed Assets (Net)	1		-	-
Capital Work in Progress	2		-	-
Operating Cost	3		428.26	428.26
Advance			7,708,549.47	7,708,549.47
Cash and Bank Balance				-
		-	**7,708,977.73**	**7,708,977.73**

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

Component: Pantang 132Kv Substation Project

Schedule 1
(Amount in NRS.)

Fixed Assets

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
3	Fixed Assets										
3.101	Land Purchase				-			-	-	-	-
3.2	Buildings				-			-	-	-	-
3.211	Office building				-			-	-	-	-
3.221	Residential Building				-			-	-	-	-
3.291	Other Civil Structures				-			-	-	-	-
3.291	Other Civil Structures				-			-	-	-	-
3.3	Plant & Machineries				-			-	-	-	-
3.306	Transmission S/S Trans. S/G				-			-	-	-	-
3.310	Meter & M. Testing Equipment				-			-	-	-	-
3.313	Tools and Equipments				-			-	-	-	-
3.314	Workshop Plant & Equipment				-			-	-	-	-
3.315	Vehicles and Mobile Plant				-			-	-	-	-
3.4	Furniture and Fixtures				-			-	-	-	-
3.401	Furniture and Fixtures				-			-	-	-	-
3.5	Office Equipments				-			-	-	-	-
3.501	Office Equipments				-			-	-	-	-
3.6	Miscellaneous Assets				-			-	-	-	-
3.601	Miscellaneous Assets				-			-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-
3.8	Less: Provision								-		-
3.801	Provision for Depreciation				-			-	-		-
	Net Fixed Assets	-	-	-	-	-	-	-	-	-	-

Schedule 2
(Amount in NRS.)

Capital Work in Progress

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
4	Capital Work in Progress							-	-	-	-
4.101	Land Purchase				-			-	-	-	-
4.2	Buildings				-			-	-	-	-
4.201	Power House Building				-			-	-	-	-
4.221	Residential Building				-			-	-	-	-
4.231	Godown				-			-	-	-	-
4.291	Other Civil Structures				-			-	-	-	-
4.3	Plant & Machineries				-			-	-	-	-
4.302	Hydrolic Plant & Mechinery				-			-	-	-	-
4.304	Transmission Line above 33 kV				-			-	-	-	-
4.305	Transmission Line above 33 kV				-			-	-	-	-
4.306	Trans- Switchgear				-			-	-	-	-
4.307	Distribution Line (Nea)										
4.308	Dist. S/S Transf. & S/G				-			-	-	-	-
4.310	Meter & Meter Testing Equiptments										
4.311	Consumer Service				-			-	-	-	-
4.312	Public Lighting & Traffic Signal				-			-	-	-	-
4.315	Transmission Line (H.M.G. inv.)				-			-	-	-	-
4.79	Miscellaneous				-			-	-	-	-
4.791	Feasibility Study				-			-	-	-	-
4.792	Consultancy Service (Capital)				-			-	-	-	-
4.793	Essential Customs & Duties				-			-	-	-	-
4.794	Environment Study Expenditure				-			-	-	-	-
4.797	Infrastructore Dev. Expenditurew				-			-	-	-	-
4.798	Social Development Expenditure				-			-	-	-	-
4.799	Other Miscellaneous				-			-	-	-	-
4.8	Advance against Capital Works				-			-	-	-	-
4.801	Contractors				-			-	-	-	-
4.802	Suppliers				-			-	-	-	-
4.803	L/C Advances				-			-	-	-	-
4.901	Capital Stock				-			-	-	-	-
4.902	Capital Stock in transit				-			-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-

Schedule 3
(Amount in NRS.)

Operating Cost

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
4.7	Operating Cost								-		
4.701	Employees Expenses				-			-	-	-	-
4.705	Stores & Services				-			-	-	-	-
4.711	Repair & Maintenance				-			-	-	-	-
4.721	Vehicle Repair & Maintenance				-			-	-	-	-
4.731	Administration Expenses				-			-	-	-	-
4.741	Interest & Finance Cost				-			-	-	-	-
4.751	Other Expenditure				-			-	-	-	-
2.801	Depreciation				-			-	-	-	-
4.795	Head Office Expenses				-			-	-	-	-
4.796	Interest on during const. period				-	428.26		428.26	428.26	-	428.26
1.2	Other Income				-			-	-	-	-
1.271	Interest on Staff Loan				-			-	-	-	-
1.299	Miscellaneous Income				-			-	-	-	-
1.285	Sale of Tender Form				-			-	-	-	-
1.279	Other Interest				-			-	-	-	-
8.271	Profit And Loss Account Up To Last Year										
					-			-	-	-	-
1.239	Income From Forex Veriation				-			-	-	-	-
2.866	FOREX LOSS ON FOREIGN BORROWING							-	-	-	-
2.610	INTEREST							-	-	-	-
2.851	Loss On Exchange Rate Variation							-	-	-	-
	Total	-	-	-	-	428.26	-	428.26	428.26	-	428.26

Nanaya

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

Component: Distribution System Control And Data Center Project (Amount in NRs)

Sources				
Particulars	**Schedule**	**For FY 2077/78 (2020/21)**	**For FY 2078/79 (2021/22)**	**As at Ashad 32,2079 (July 16,2022)**
GON Share		2,500,000.00	10,000,000.00	12,500,000.00
ADB Loan No. 4014-NEP(COL)			148,804,800.15	148,804,800.15
Restated Loan			10,390,824.07	10,390,824.07
Long Term Loan GoN				-
NEA Source		4,804,824.27	9,236,501.78	14,041,326.05
Liabilities & Provisions		202,321.43	4,799,656.34	5,001,977.77
Total		**7,507,145.70**	**183,231,782.34**	**190,738,928.04**

(Amount in NRs)

Applications				
Particulars	**Schedule**	**For FY 2077/78 (2020/21)**	**For FY 2078/79 (2021/22)**	**As at Ashad 32,2079 (July 16,2022)**
Fixed Assets (Net)	1	1,077,237.64	4,397,306.46	5,474,544.10
Capital Work in Progress	2		21,526,002.19	21,526,002.19
Operating Cost	3	3,938,341.05	19,158,692.36	23,097,033.41
Advance		2,081,920.18	137,856,733.05	139,938,653.23
Cash and Bank Balance		409,646.83	293,048.28	702,695.11
		7,507,145.70	**183,231,782.34**	**190,738,928.04**

Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

Component: Distribution System Control And Data Center Project

Fixed Assets

Schedule 1
(Amount in NRS.)

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
3	**Fixed Assets**										
3.101	Land Purchase	-			-			-	-	-	-
3.2	**Buildings**	-			-			-	-	-	-
3.211	Office building	-			-			-	-	-	-
3.221	Residential Building										
3.231	Godown	-			-			-	-	-	-
3.291	Other Civil Structures	-			-			-	-	-	-
3.3	**Plant & Machineries**	-			-			-	-	-	-
3.306	Transmission S/S Trans. S/G	-			-			-	-	-	-
3.310	Meter & M. Testing Equipment	-			-			-	-	-	-
3.313	Tools and Equipments	-			-			-	-	-	-
3.314	Workshop Plant & Equipment	-			-			-	-	-	-
3.315	Vehicles and Mobile Plant	-	3,065,000.00		3,065,000.00	4,079,000.00		4,079,000.00	7,144,000.00	-	7,144,000.00
3.4	**Furniture and Fixtures**	-			-			-	-	-	-
3.401	Furniture and Fixtures	-	269,301.60		269,301.60	96,276.00		96,276.00	365,577.60	-	365,577.60
3.5	**Office Equipments**	-			-			-	-	-	-
3.501	Office Equipments	-	897,193.20		897,193.20	409,394.40		409,394.40	1,306,587.60	-	1,306,587.60
3.6	**Miscellaneous Assets**	-			-			-	-	-	-
3.601	Miscellaneous Assets	-	29,041.00		29,041.00	29,832.00		29,832.00	58,873.00	-	58,873.00
	Total	-	4,260,535.80	-	4,260,535.80	4,614,502.40	-	4,614,502.40	8,875,038.20	-	8,875,038.20
3.8	**Less: Provision**								-		-
3.801	Provision for Depreciation	-	3,183,298.16		3,183,298.16	217,195.94		217,195.94	3,400,494.10		3,400,494.10
	Net Fixed Assets	-	1,077,237.64	-	1,077,237.64	4,397,306.46	-	4,397,306.46	5,474,544.10	-	5,474,544.10

Capital Work in Progress

Schedule 2
(Amount in NRS.)

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
4	**Capital Work in Progress**										
4.101	Land Purchase				-			-	-	-	-
4.2	**Buildings**				-			-	-	-	-
4.201	Power House Building				-			-	-	-	-
4.221	Residential Building				-			-	-	-	-
4.231	Godown				-			-	-	-	-
4.291	Other Civil Structures				-		17,382,268.19	17,382,268.19	-	17,382,268.19	17,382,268.19
4.3	**Plant & Machineries**				-			-	-	-	-
4.302	Hydrolic Plant & Mechinery				-			-	-	-	-
4.304	Transmission Line above 33 kV				-			-	-	-	-
4.305	Transmission Line above 33 kV				-			-	-	-	-
4.306	Trans- Switchgear				-			-	-	-	-
4.307	Distribution Line (Nea)				-			-	-	-	-
4.308	Dist. S/S Transf. & S/G				-			-	-	-	-
4.310	Meter & Meter Testing Equiptments				-			-	-	-	-
4.311	Consumer Service				-			-	-	-	-
4.312	Public Lighting & Traffic Signal				-			-	-	-	-
4.315	Transmission Line (H.M.G. inv.)				-			-	-	-	-
4.79	**Miscellaneous**				-			-	-	-	-
4.791	Feasibility Study				-			-	-	-	-
4.792	Consultancy Service (Capital)				-			-	-	-	-
4.793	Essential Customs & Duties				-	4,143,734.00		4,143,734.00	4,143,734.00	-	4,143,734.00
4.794	Environment Study Expenditure				-			-	-	-	-
4.797	Infrastructore Dev. Expenditurew				-			-	-	-	-
4.798	Social Development Expenditure				-			-	-	-	-
4.799	Other Miscellaneous				-			-	-	-	-
4.8	**Advance against Capital Works**				-			-	-	-	-
4.801	Contractors				-			-	-	-	-
4.802	Supoliers				-			-	-	-	-
4.803	L/C Advances				-			-	-	-	-
4.901	Capital Stock				-			-	-	-	-
4.902	Capital Stock in transit	-			-			-	-	-	-
	Total	-	-	-	-	4,143,734.00	17,382,268.19	21,526,002.19	4,143,734.00	17,382,268.19	21,526,002.19

Operating Cost

Schedule 3
(Amount in NRS.)

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
4.7	**Operating Cost**								-		
4.701	Employees Expenses		2,348,333.40		2,348,333.40	5,765,628.99		5,765,628.99	8,113,962.39	-	8,113,962.39
4.705	Stores & Services		264,862.90		264,862.90	270,349.12		270,349.12	535,212.02	-	535,212.02
4.711	Repair & Maintenance		146,854.74		146,854.74	168,302.45		168,302.45	315,157.19	-	315,157.19
4.721	Vehicle Repair & Maintenance		567,696.19		567,696.19	877,072.64		877,072.64	1,444,768.83	-	1,444,768.83
4.731	Administration Expenses		553,938.36		553,938.36	450,130.34		450,130.34	1,004,068.70	-	1,004,068.70
4.741	Interest & Finance Cost				-			-	-	-	-
4.751	Other Expenditure		79,627.01		79,627.01	10,770,357.63		10,770,357.63	10,849,984.64	-	10,849,984.64
2.801	Depreciation				-			-	-	-	-
4.795	Head Office Expenses				-			-	-	-	-
4.796	Interest on during const. period				-	933,063.05		933,063.05	933,063.05	-	933,063.05
1.2	Other Income				-			-	-	-	-
1.271	Interest on Staff Loan		(19,814.52)		(19,814.52)	(71,588.48)		(71,588.48)	(91,403.00)	-	(91,403.00)
1.299	Miscellaneous Income				-	(4,623.38)		(4,623.38)	(4,623.38)	-	(4,623.38)
1.285	Sale of Tender Form				-			-	-	-	-
1.279	Other Interest		(3,157.03)		(3,157.03)			-	(3,157.03)	-	(3,157.03)
8.271	Profit And Loss Account Up To Last Year				-			-	-	-	-
2.856	FOREX LOSS ON FOREIGN BORROWING							-			-
2.610	INTEREST							-	-	-	-
2.800	DEPRECIATION							-	-	-	-
1.239	Income From Forex Veriation							-	-	-	-
	Total	-	3,938,341.05	-	3,938,341.05	19,158,692.36	-	19,158,692.36	23,097,033.41	-	23,097,033.41

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

Component: Keron (Morang) 132/33 Kv Substation Project (Amount in NRs)

Sources				
Particulars	Schedule	For FY 2077/78 (2020/21)	For FY 2078/79 (2021/22)	As at Ashad 32,2079 (July 16,2022)
GON Share		68,695,981.11	14,333,350.00	83,029,331.11
ADB Loan No. 4014-NEP(COL)			93,685,799.54	93,685,799.54
Restated Loan			6,278,981.39	6,278,981.39
Long Term Loan GoN		6,667,000.00		6,667,000.00
NEA Source		29,389,637.36	25,910,747.38	55,300,384.74
Liabilities & Provisions		1,330,464.14	7,213,385.17	8,543,849.31
Total		**106,083,082.61**	**147,422,263.48**	**253,505,346.09**

(Amount in NRs)

Applications				
Particulars	Schedule	For FY 2077/78 (2020/21)	For FY 2078/79 (2021/22)	As at Ashad 32,2079 (July 16,2022)
Fixed Assets (Net)	1	32,666,584.21	(1,003,581.20)	31,663,003.01
Capital Work in Progress	2	53,969,769.14	38,361,031.84	92,330,800.98
Operating Cost	3	12,588,484.31	21,210,697.47	33,799,181.78
Advance		1,746,800.00	88,159,284.22	89,906,084.22
Cash and Bank Balance		5,111,444.95	694,831.15	5,806,276.10
		106,083,082.61	**147,422,263.48**	**253,505,346.09**

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

Component: Keron (Morang) 132/33 Kv Substation Project

Fixed Assets

Schedule 1
(Amount in NRS.)

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
3	**Fixed Assets**										
3.101	Land Purchase		26,700,454.39		26,700,454.39	487,600.00		487,600.00	27,188,054.39	-	27,188,054.39
3.2	**Buildings**				-			-	-	-	-
3.211	Office building				-			-	-	-	-
3.221	Residential Building				-			-	-	-	-
3.231	Godown				-			-	-	-	-
3.291	Other Civil Structures				-			-	-	-	-
3.3	**Plant & Machineries**				-			-	-	-	-
3.306	Transmission S/S Trans. S/G				-			-	-	-	-
3.310	Meter & M. Testing Equipment				-			-	-	-	-
3.313	Tools and Equipments				-			-	-	-	-
3.314	Workshop Plant & Equipment				-			-	-	-	-
3.315	Vehicles and Mobile Plant		7,778,000.00		7,778,000.00			-	7,778,000.00	-	7,778,000.00
3.4	**Furniture and Fixtures**										
3.401	Furniture and Fixtures		609,129.50		609,129.50	87,010.00		87,010.00	696,139.50	-	696,139.50
3.5	**Office Equipments**				-			-	-	-	-
3.501	Office Equipments		695,762.65		695,762.65	303,076.99		303,076.99	998,839.64	-	998,839.64
3.6	**Miscellaneous Assets**				-			-	-	-	-
3.601	Miscellaneous Assets		209,826.49		209,826.49	2,200.00		2,200.00	212,026.49	-	212,026.49
	Total	-	35,993,173.03	-	35,993,173.03	879,886.99	-	879,886.99	36,873,060.02	-	36,873,060.02
3.8	**Less: Provision**										
3.801	Provision for Depreciation		3,326,588.82		3,326,588.82	1,883,468.19		1,883,468.19	5,210,057.01	-	5,210,057.01
	Net Fixed Assets	-	32,666,584.21	-	32,666,584.21	(1,003,581.20)	-	(1,003,581.20)	31,663,003.01	-	31,663,003.01

Capital Work in Progress

Schedule 2
(Amount in NRS.)

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
4	**Capital Work In Progress**							-			-
4.101	Land Purchase				-			-	-	-	-
4.2	**Buildings**				-			-	-	-	-
4.201	Power House Building				-			-	-	-	-
4.221	Residential Building				-			-	-	-	-
4.231	Godown				-			-	-	-	-
4.291	Other Civil Structures		53,969,769.14		53,969,769.14		24,889,537.30	24,889,537.30	53,969,769.14	24,889,537.30	78,859,306.44
4.3	**Plant & Machineries**				-			-	-	-	-
4.302	Hydrolic Plant & Mechinery				-			-	-	-	-
4.304	Transmission Line above 33 kV				-			-	-	-	-
4.305	Transmission Line above 33 kV				-			-	-	-	-
4.306	Trans- Switchgear				-			-	-	-	-
4.307	Distribution Line (Nea)				-			-	-	-	-
4.308	Dist. S/S Transf. & S/G				-			-	-	-	-
4.310	Meter & Meter Testing Equiptments				-			-	-	-	-
4.311	Consumer Service				-			-	-	-	-
4.312	Public Lighting & Traffic Signal				-			-	-	-	-
4.315	Transmission Line (H.M.G. inv.)				-			-	-	-	-
4.79	**Miscellaneous**				-			-	-	-	-
4.791	Feasibility Study				-			-	-	-	-
4.792	Consultancy Service (Capital)				-		13,471,494.54	13,471,494.54		13,471,494.54	13,471,494.54
4.793	Essential Customs & Duties							-		-	-
4.794	Environment Study Expenditure							-		-	-
4.797	Infrastructure Dev. Expenditurew							-		-	-
4.798	Social Development Expenditure							-		-	-
4.799	Other Miscellaneous							-		-	-
4.8	**Advance against Capital Works**							-		-	-
4.801	Contractors							-		-	-
4.802	Suppliers							-		-	-
4.803	L/C Advances							-		-	-
4.901	Capital Stock							-		-	-
4.902	Capital Stock in transit							-		-	-
	Total	-	53,969,769.14	-	53,969,769.14	-	38,361,031.84	38,361,031.84	53,969,769.14	38,361,031.84	92,330,800.98

Operating Cost

Schedule 3
(Amount in NRS.)

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
4.7	**Operating Cost**								-		-
4.701	Employees Expenses		5,251,230.49		5,251,230.49	10,044,870.96		10,044,870.96	15,296,101.44	-	15,296,101.44
4.705	Stores & Services		203,991.07		203,991.07	26,143.02		26,143.02	230,134.09	-	230,134.09
4.711	Repair & Maintenance				-			-	-	-	-
4.721	Vehicle Repair & Maintenance		838,277.83		838,277.83	812,420.52		812,420.52	1,650,698.35	-	1,650,698.35
4.731	Administration Expenses		3,368,865.39		3,368,865.39	1,242,329.55		1,242,329.55	4,611,194.94	-	4,611,194.94
4.741	Interest & Finance Cost				-	12,150.32		12,150.32	12,150.32	-	12,150.32
4.751	Other Expenditure		2,643,704.69		2,643,704.69	1,883,468.19		1,883,468.19	4,527,172.88	-	4,527,172.88
2.601	Depreciation				-			-	-	-	-
4.795	Head Office Expenses				-			-	-	-	-
4.796	Interest on during const. period		362,981.11		362,981.11	1,032,037.85		1,032,037.85	1,395,018.96	-	1,395,018.96
1.2	Other Income				-			-	-	-	-
1.271	Interest on Staff Loan				-	(64,304.29)		(64,304.29)	(64,304.29)	-	(64,304.29)
1.299	Miscellaneous Income				-	(55,804.85)		(55,804.85)	(55,804.85)	-	(55,804.85)
1.285	Sale of Tender Form				-			-	-	-	-
1.279	Other Interest				-			-	-	-	-
8.271	Profit And Loss Account Up To Last Year		(80,566.27)		(80,566.27)			-	(80,566.27)	-	(80,566.27)
1.239	Income From Forex Variation				-	(0.14)		(0.14)	(0.14)	-	(0.14)
2.666	FOREX LOSS ON FOREIGN BORROWING							-	-	-	-
2.610	INTEREST							-	-	-	-
2.651	Loss On Exchange Rate Variation					6,277,386.35		6,277,386.35	6,277,386.35	-	6,277,386.35
	Total	-	12,588,484.31	-	12,588,484.31	21,210,697.47	-	21,210,697.47	33,799,181.78	-	33,799,181.78

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

Component: Borang Naubise (Ratmate) 220 Kv Transmission Line (Amount in NRs)

Sources				
Particulars	**Schedule**	**For FY 2077/78 (2020/21)**	**For FY 2078/79 (2021/22)**	**As at Ashad 32,2079 (July 16,2022)**
GON Share		201,523,733.33	21,400,000.00	222,923,733.33
ADB Loan No. 4014-NEP(COL)				-
Restated Loan				-
Long Term Loan GoN		28,000,000.00		28,000,000.00
NEA Source		(97,925,378.19)	20,520,308.06	(77,405,070.13)
Liabilities & Provisions		2,331,033.04	(2,316,943.63)	14,089.41
Total		**133,929,388.18**	**39,603,364.43**	**173,532,752.61**

(Amount in NRs)

Applications				
Particulars	**Schedule**	**For FY 2077/78 (2020/21)**	**For FY 2078/79 (2021/22)**	**As at Ashad 32,2079 (July 16,2022)**
Fixed Assets (Net)	1	57,984,299.32	1,768,431.49	59,752,730.81
Capital Work in Progress	2	7,415,350.37	-	7,415,350.37
Operating Cost	3	27,936,972.64	17,946,614.54	45,883,587.18
Advance		38,064,088.40	636,156.78	38,700,245.18
Cash and Bank Balance		2,528,677.45	19,252,161.62	21,780,839.07
		133,929,388.18	**39,603,364.43**	**173,532,752.61**

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

Component: Borang Naubise (Ratmate) 220 Kv Transmission Line Project

Fixed Assets

Schedule 1
(Amount in NRS.)

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
3	Fixed Assets										
3.101	Land Purchase		54,076,829.09		54,076,829.09	3,349,414.06		3,349,414.06	57,426,243.15	-	57,426,243.15
3.2	Buildings				-			-	-	-	-
3.211	Office building				-			-	-	-	-
3.221	Residential Building				-			-	-	-	-
3.231	Godown				-			-	-	-	-
3.291	Other Civil Structures				-			-	-	-	-
3.3	Plant & Machinerias				-			-	-	-	-
3.306	Transmission S/S Trans. S/G				-			-	-	-	-
3.310	Meter & M. Testing Equipment				-			-	-	-	-
3.313	Tools and Equipments				-			-	-	-	-
3.314	Workshop Plant & Equipment				-			-	-	-	-
3.315	Vehicles and Mobile Plant				-			-	-	-	-
3.4	Furniture and Fixtures		8,607,155.00		8,607,155.00			-	8,607,155.00	-	8,607,155.00
3.401	Furniture and Fixtures				-			-	-	-	-
3.5	Office Equipments		591,651.52		591,651.52	452,678.00		452,678.00	1,044,329.52	-	1,044,329.52
3.501	Office Equipments				-			-	-	-	-
3.6	Miscellaneous Assets		1,210,954.00		1,210,954.00	64,120.10		64,120.10	1,275,074.10	-	1,275,074.10
3.601	Miscellaneous Assets				-			-	-	-	-
	Total	-	95,993.50		95,993.50	30,453.50		30,453.50	126,447.00	-	126,447.00
			64,582,583.11	-	64,582,583.11	3,896,665.66	-	3,896,665.66	68,479,248.77	-	68,479,248.77
3.8	Less: Provision										
3.801	Provision for Depreciation		6,598,283.79		6,598,283.79	2,128,234.17		2,128,234.17	8,726,517.96	-	8,726,517.96
	Net Fixed Assets	-	57,984,299.32	-	57,984,299.32	1,768,431.49	-	1,768,431.49	59,752,730.81	-	59,752,730.81

Capital Work in Progress

Schedule 2
(Amount in NRS.)

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
4	Capital Work in Progress										
4.101	Land Purchase	-			-			-	-	-	-
4.2	Buildings	-			-			-	-	-	-
4.201	Power House Building	-			-			-	-	-	-
4.221	Residential Building	-			-			-	-	-	-
4.231	Godown	-			-			-	-	-	-
4.291	Other Civil Structures	-			-			-	-	-	-
4.3	Plant & Machinerias	-			-			-	-	-	-
4.302	Hydrolic Plant & Mechinery	-			-			-	-	-	-
4.304	Transmission Line above 33 kV	-			-			-	-	-	-
4.305	Transmission Line above 33 kV	-			-			-	-	-	-
4.306	Trans- Switchgear	-			-			-	-	-	-
4.307	Distribution Line (Nea)				-			-	-	-	-
4.308	Dist. S/S Transf. & S/G	-			-			-	-	-	-
4.310	Meter & Meter Testing Equiptments				-			-	-	-	-
4.311	Consumer Service	-			-			-	-	-	-
4.312	Public Lighting & Traffic Signal	-			-			-	-	-	-
4.315	Transmission Line (H.M.G. Inv.)	-			-			-	-	-	-
4.79	Miscellaneous	-			-			-	-	-	-
4.791	Feasibility Study	-			-			-	-	-	-
4.792	Consultancy Service (Capital)	-	2,719,808.37		2,719,808.37			-	2,719,808.37	-	2,719,808.37
4.793	Essential Customs & Duties	-			-			-	-	-	-
4.794	Environment Study Expenditure	-			-			-	-	-	-
4.797	Infrastructore Dev. Expenditurew	-	233,214.33		233,214.33			-	233,214.33	-	233,214.33
4.798	Social Development Expenditure	-			-			-	-	-	-
4.799	Other Miscellaneous	-			-			-	-	-	-
4.8	Advance against Capital Works	-			-			-	-	-	-
4.801	Contractors	-	4,462,327.67		4,462,327.67			-	4,462,327.67	-	4,462,327.67
4.802	Suppliers	-			-			-	-	-	-
4.803	L/C Advances	-			-			-	-	-	-
4.901	Capital Stock	-			-			-	-	-	-
4.902	Capital Stock in transit	-			-			-	-	-	-
	Total	-	7,415,350.37	-	7,415,350.37	-	-	-	7,415,350.37	-	7,415,350.37

Operating Cost

Schedule 3
(Amount in NRS.)

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
4.7	Operating Cost								-		
4.701	Employees Expenses		8,639,192.69		8,639,192.69	9,969,989.30		9,969,989.30	18,609,182.19	-	18,609,182.19
4.705	Stores & Services		196,806.82		196,806.82	281,635.93		281,635.93	478,442.75	-	478,442.75
4.711	Repair & Maintenance		5,000.00		5,000.00	414,847.95		414,847.95	419,847.95	-	419,847.95
4.721	Vehicle Repair & Maintenance		3,221,253.15		3,221,253.15	1,472,929.84		1,472,929.84	4,694,182.99	-	4,694,182.99
4.731	Administration Expenses		10,559,570.83		10,559,570.83	2,419,145.16		2,419,145.16	12,978,715.99	-	12,978,715.99
4.741	Interest & Finance Cost		1,864,793.47		1,864,793.47			-	1,864,793.47	-	1,864,793.47
4.751	Other Expenditure		4,687,840.32		4,687,840.32			-	4,687,840.32	-	4,687,840.32
2.801	Depreciation				-	2,128,234.17		2,128,234.17	2,128,234.17	-	2,128,234.17
4.795	Head Office Expenses				-			-	-	-	-
4.796	Interest on during const. period		323,733.33		323,733.33	1,400,000.00		1,400,000.00	1,723,733.33	-	1,723,733.33
1.2	Other Income				-			-	-	-	-
1.271	Interest on Staff Loan				-	(72,691.94)		(72,691.94)	(72,691.94)	-	(72,691.94)
1.299	Miscellaneous Income				-			-	-	-	-
1.285	Sale of Tender Form				-			-	-	-	-
1.279	Other Interest				-			-	-	-	-
	Profit And Loss Account Up To Last				-	(67,475.87)		(67,475.87)	(67,475.87)	-	(67,475.87)
8.271	Year										
1.239	Income From Forex Veriation		(1,561,218.17)		(1,561,218.17)			-	(1,561,218.17)	-	(1,561,218.17)
2.866	FOREX LOSS ON FOREIGN BORROWING				-			-	-	-	-
2.610	INTEREST							-	-	-	-
2.651	Loss On Exchange Rate Variation							-	-	-	-
	Total	-	27,936,972.64	-	27,936,972.64	17,946,614.54	-	17,946,614.54	45,883,587.18	-	45,883,587.18

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

Component: Kohalpur-Nepalganja 132kv Transmission Line Projec (Amount in NRs)

Sources				
Particulars	**Schedule**	**For FY 2077/78 (2020/21)**	**For FY 2078/79 (2021/22)**	**As at Ashad 32,2079 (July 16,2022)**
GON Share			9,000,000.00	9,000,000.00
ADB Loan No. 4014-NEP(COL)				-
Restated Loan				-
Long Term Loan GoN				-
NEA Source			126,377,734.42	126,377,734.42
Liabilities & Provisions			2,426,692.83	2,426,692.83
Total		-	**137,804,427.25**	**137,804,427.25**

(Amount in NRs)

Applications				
Particulars	**Schedule**	**For FY 2077/78 (2020/21)**	**For FY 2078/79 (2021/22)**	**As at Ashad 32,2079 (July 16,2022)**
Fixed Assets (Net)	1		127,149,979.02	127,149,979.02
Capital Work in Progress	2		3,300,201.25	3,300,201.25
Operating Cost	3		5,215,557.31	5,215,557.31
Advance			1,590,050.00	1,590,050.00
Cash and Bank Balance			548,639.67	548,639.67
		-	**137,804,427.25**	**137,804,427.25**

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

Component: Kohalpur-Nepalganja 132kv Transmission Line Project

Fixed Assets

Schedule 1
(Amount in NRS.)

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
3	Fixed Assets				-						
3.101	Land Purchase				-	121,553,734.82		121,553,734.82	121,553,734.82	-	121,553,734.82
3.2	Buildings				-			-	-	-	-
3.211	Office building				-			-	-	-	-
3.221	Residential Building				-			-	-	-	-
3.231	Godown				-			-	-	-	-
3.291	Other Civil Structures				-			-	-	-	-
3.3	Plant & Machineries				-			-	-	-	-
3.306	Transmission S/S Trans. S/G				-			-	-	-	-
3.310	Meter & M. Testing Equipment				-			-	-	-	-
3.313	Tools and Equipments				-			-	-	-	-
3.314	Workshop Plant & Equipment				-			-	-	-	-
3.315	Vehicles and Mobile Plant				-	5,234,900.00		5,234,900.00	5,234,900.00	-	5,234,900.00
3.4	Furniture and Fixtures				-			-	-	-	-
3.401	Furniture and Fixtures				-			-	-	-	-
3.5	Office Equipments				-			-	-	-	-
3.501	Office Equipments				-	360,580.00		360,580.00	360,580.00	-	360,580.00
3.6	Miscellaneous Assets				-			-	-	-	-
3.601	Miscellaneous Assets				-	16,599.70		16,599.70	16,599.70	-	16,599.70
	Total	-	-	-	-	127,165,814.52	-	127,165,814.52	127,165,814.52	-	127,165,814.52
3.8	Less: Provision										
3.801	Provision for Depreciation	-			-	15,835.50		15,835.50	15,835.50	-	15,835.50
	Net Fixed Assets	-	-	-	-	127,149,979.02	-	127,149,979.02	127,149,979.02	-	127,149,979.02

Capital Work In Progress

Schedule 2
(Amount in NRS.)

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
4	Capital Work in Progress										
4.101	Land Purchase	-			-			-	-	-	-
4.2	Buildings	-			-	2,232,300.00		2,232,300.00	2,232,300.00	-	2,232,300.00
4.201	Power House Building	-			-			-	-	-	-
4.221	Residential Building	-			-			-	-	-	-
4.231	Godown	-			-			-	-	-	-
4.291	Other Civil Structures	-			-			-	-	-	-
4.3	Plant & Machineries	-			-			-	-	-	-
4.302	Hydrolic Plant & Mechinery	-			-			-	-	-	-
4.304	Transmission Line above 33 kV	-			-			-	-	-	-
4.305	Transmission Line above 33 kV	-			-			-	-	-	-
4.306	Trans- Switchgear	-			-			-	-	-	-
4.307	Distribution Line (Nea)				-			-	-	-	-
4.308	Dist. S/S Transf. & S/G	-			-			-	-	-	-
4.310	Meter & Meter Testing Equiptments				-			-	-	-	-
4.311	Consumer Service	-			-			-	-	-	-
4.312	Public Lighting & Traffic Signal	-			-			-	-	-	-
4.315	Transmission Line (H.M.G. inv.)	-			-			-	-	-	-
4.79	Miscellaneous	-			-			-	-	-	-
4.791	Feasibility Study	-			-			-	-	-	-
4.792	Consultancy Service (Capital)	-			-			-	-	-	-
4.793	Essential Customs & Duties	-			-			-	-	-	-
4.794	Environment Study Expenditure	-			-	679,492.00		679,492.00	679,492.00	-	679,492.00
4.797	Infrastructore Dev. Expenditurew	-			-			-	-	-	-
4.798	Social Development Expenditure	-			-			-	-	-	-
4.799	Other Miscellaneous	-			-			-	-	-	-
4.8	Advance against Capital Works	-	-		-			-	-	-	-
4.801	Contractors	-	-		-	339,746.00		339,746.00	339,746.00	-	339,746.00
4.802	Suppliers	-	-		-			-	-	-	-
4.803	LIC Advances	-	-		-			-	-	-	-
4.901	Capital Stock	-	-		-	48,663.25		48,663.25	48,663.25	-	48,663.25
4.902	Capital Stock in transit	-	-		-			-	-	-	-
	Total	-	-	-	-	3,300,201.25	-	3,300,201.25	3,300,201.25	-	3,300,201.25

Operating Cost

Schedule 3
(Amount in NRS.)

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
4.7	Operating Cost										
4.701	Employees Expenses				-	2,701,723.55		2,701,723.55	2,701,723.55	-	2,701,723.55
4.705	Stores & Services				-	252,932.80		252,932.80	252,932.80	-	252,932.80
4.711	Repair & Maintenance				-			-	-	-	-
4.721	Vehicle Repair & Maintenance				-	513,598.97		513,598.97	513,598.97	-	513,598.97
4.731	Administration Expenses				-	1,878,625.14		1,878,625.14	1,878,625.14	-	1,878,625.14
4.741	Interest & Finance Cost				-	1,525.00		1,525.00	1,525.00	-	1,525.00
4.751	Other Expenditure				-	15,835.50		15,835.50	15,835.50	-	15,835.50
2.601	Depreciation				-			-	-	-	-
4.795	Head Office Expenses				-			-	-	-	-
4.798	Interest on during const. period				-			-	-	-	-
1.2	Other Income				-			-	-	-	-
1.271	Interest on Staff Loan				-	(15,836.13)		(15,836.13)	(15,836.13)	-	(15,836.13)
1.299	Miscellaneous Income				-	(2,000.00)		(2,000.00)	(2,000.00)	-	(2,000.00)
1.285	Sale of Tender Form				-			-	-	-	-
1.279	Other Interest				-	(130,847.52)		(130,847.52)	(130,847.52)	-	(130,847.52)
5.271	Profit And Loss Account Up To Last Year				-			-		-	-
1.239	Income From Forex Veriation				-			-	-	-	-
2.868	FOREX LOSS ON FOREIGN BORROWING							-	-	-	-
2.610	INTEREST							-	-	-	-
2.851	Loss On Exchange Rate Veriation							-	-	-	-
	Total	-	-	-	-	5,215,557.31	-	5,215,557.31	5,215,557.31	-	5,215,557.31

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

Component: Arunkhola Dumkibas 132/33 Kv Sub-Station Project

(Amount in NRs)

Sources				
Particulars	**Schedule**	**For FY 2077/78 (2020/21)**	**For FY 2078/79 (2021/22)**	**As at Ashad 32,2079 (July 16,2022)**
GON Share				
ADB Loan No. 4014-NEP(COL)			14,000,000.00	14,000,000.00
Restated Loan				-
Long Term Loan GoN				-
NEA Source				-
Liabilities & Provisions			81,779,051.03	81,779,051.03
			65,900.50	65,900.50
Total		-	**95,844,951.53**	**95,844,951.53**

(Amount in NRs)

Applications				
Particulars	**Schedule**	**For FY 2077/78 (2020/21)**	**For FY 2078/79 (2021/22)**	**As at Ashad 32,2079 (July 16,2022)**
Fixed Assets (Net)	1		78,651,212.49	78,651,212.49
Capital Work in Progress	2		9,654,950.00	9,654,950.00
Operating Cost	3		1,949,891.18	1,949,891.18
Advance				-
Cash and Bank Balance			5,588,897.86	5,588,897.86
		-	**95,844,951.53**	**95,844,951.53**

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

Component: Arunkhola Dumkibas 132/33 Kv Sub-Station Project

Schedule 1
(Amount in NRS.)

Fixed Assets

Account Code	Account Head	Upto 075/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
3	Fixed Assets										
3.101	Land Purchase				-	78,004,950.00		78,004,950.00	78,004,950.00	-	78,004,950.00
3.2	Buildings				-			-	-	-	-
3.211	Office building				-			-	-	-	-
3.221	Residential Building				-			-	-	-	-
3.231	Godown				-			-	-	-	-
3.291	Other Civil Structures				-			-	-	-	-
3.3	Plant & Machineries				-			-	-	-	-
3.306	Transmission S/S Trans. S/G				-			-	-	-	-
3.310	Meter & M. Testing Equipment				-			-	-	-	-
3.313	Tools and Equipments				-			-	-	-	-
3.314	Workshop Plant & Equipment				-			-	-	-	-
3.315	Vehicles and Mobile Plant				-			-	-	-	-
3.4	Furniture and Fixtures				-			-	-	-	-
3.401	Furniture and Fixtures				-	384,900.00		384,900.00	384,900.00	-	384,900.00
3.5	Office Equipments				-			-	-	-	-
3.501	Office Equipments				-	138,880.10		138,880.10	138,880.10	-	138,880.10
3.6	Miscellaneous Assets				-			-	-	-	-
3.601	Miscellaneous Assets				-	376,403.00		376,403.00	376,403.00	-	376,403.00
	Total	-	-	-	-	78,905,133.10	-	78,905,133.10	78,905,133.10	-	78,905,133.10
3.8	Less: Provision										
3.801	Provision for Depreciation					253,920.61		253,920.61	253,920.61		253,920.61
	Net Fixed Assets	-	-	-	-	78,651,212.49	-	78,651,212.49	78,651,212.49	-	78,651,212.49

Capital Work in Progress

Schedule 2
(Amount in NRS.)

Account Code	Account Head	Upto 076/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
4	Capital Work In Progress										
4.101	Land Purchase	-			-			-	-	-	-
4.2	Buildings	-			-			-	-	-	-
4.201	Power House Building	-			-			-	-	-	-
4.221	Residential Building	-			-			-	-	-	-
4.231	Godown	-			-			-	-	-	-
4.291	Other Civil Structures	-			-			-	-	-	-
4.3	Plant & Machineries	-			-			-	-	-	-
4.302	Hydrolic Plant & Machinery	-			-			-	-	-	-
4.304	Transmission Line above 33 kV	-			-			-	-	-	-
4.305	Transmission Line above 33 kV	-			-			-	-	-	-
4.306	Trans- Switchgear	-			-			-	-	-	-
4.307	Distribution Line (Nea)	-			-			-	-	-	-
4.308	Dist. S/S Transf. & S/G	-			-			-	-	-	-
4.310	Meter & Meter Testing Equipments	-			-			-	-	-	-
4.311	Consumer Service	-			-			-	-	-	-
4.312	Public Lighting & Traffic Signal	-			-			-	-	-	-
4.315	Transmission Line (H.M.G. inv.)	-			-			-	-	-	-
4.79	Miscellaneous	-			-			-	-	-	-
4.791	Feasibility Study	-			-			-	-	-	-
4.792	Consultancy Service (Capital)	-			-			-	-	-	-
4.793	Essential Customs & Duties	-			-			-	-	-	-
4.794	Environment Study Expenditure	-			-			-	-	-	-
4.797	Infrastructore Dev. Expenditurew	-			-			-	-	-	-
4.798	Social Development Expenditure	-			-			-	-	-	-
4.799	Other Miscellaneous	-			-			-	-	-	-
4.8	Advance against Capital Works	-			-	9,654,950.00		9,654,950.00	9,654,950.00	-	9,654,950.00
4.801	Contractors	-			-			-	-	-	-
4.802	Suppliers	-			-			-	-	-	-
4.803	L/C Advances	-			-			-	-	-	-
4.901	Capital Stock	-			-			-	-	-	-
4.902	Capital Stock in transit	-			-			-	-	-	-
	Total	-	-	-	-	9,654,950.00	-	9,654,950.00	9,654,950.00	-	9,654,950.00

Operating Cost

Schedule 3
(Amount in NRS.)

Account Code	Account Head	Upto 075/077	Previous Year			This Year			Cumulative Upto This Year		
			Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure	Local Currency Expenditure	Foreign Currency Expenditure	Total Expenditure
4.7	Operating Cost										
4.701	Employees Expenses				-	861,324.61		861,324.61	861,324.61	-	861,324.61
4.705	Stores & Services				-	164,345.97		164,345.97	164,345.97	-	164,345.97
4.711	Repair & Maintenance				-			-	-	-	-
4.721	Vehicle Repair & Maintenance				-	165,887.89		165,887.89	165,887.89	-	165,887.89
4.731	Administration Expenses				-	884,070.60		884,070.60	884,070.60	-	884,070.60
4.741	Interest & Finance Cost				-			-	-	-	-
4.751	Other Expenditure				-	150,370.02		150,370.02	150,370.02	-	150,370.02
2.801	Depreciation				-			-	-	-	-
4.795	Head Office Expenses				-			-	-	-	-
4.796	Interest on during const. period				-			-	-	-	-
1.2	Other Income				-			-	-	-	-
1.271	Interest on Staff Loan				-			-	-	-	-
1.299	Miscellaneous Income				-			-	-	-	-
1.285	Sale of Tender Form				-			-	-	-	-
1.278	Other Interest				-			-	-	-	-
8.271	Profit And Loss Account Up To Last Year				-	(160,000.00)		(160,000.00)	(160,000.00)	-	(160,000.00)
1.239	Income From Forex Variation				-	(136,107.91)		(136,107.91)	(136,107.91)	-	(136,107.91)
2.868	FOREX LOSS ON FOREIGN BORROWING				-			-	-	-	-
2.810	INTEREST				-			-	-	-	-
2.851	Loss On Exchange Rate Variation				-			-	-	-	-
	Total	-	-	-	-	1,949,891.18	-	1,949,891.18	1,949,891.18	-	1,949,891.18

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

Schedule 2.2

Category Number	Item	Upto Previous Year					This year					Upto This year				
		Foreign Expenditure			Local Expenditure in	Total Expenditure in NRs	Foreign Expenditure			Local Expenditure in	Total Expenditure in NRs	Foreign Expenditure			Local Expenditure in	Total Expenditure in NRs
		In SDR	In US$	Equivalent NRs			In SDR	In US$	Equivalent NRs			In SDR	In US$	Equivalent NRs		
	Equipment and Materials:					-										
1A,1B	Turnkey Contracts for Parts A and B				-	-		6,049,032.57	732,238,635.85		732,238,635.85	-	6,049,032.57	732,238,635.85	-	732,238,635.85
2	Supply Contracts				-	-			-		-	-	-	-	-	-
3	Consulting Services				-	-		151,591.08	18,785,403.47		18,785,403.47	-	151,591.08	18,785,403.47	-	18,785,403.47
4	Service Charge During Construction				-	-		14,963.48	1,818,649.90		1,818,649.90	-	14,963.48	1,818,649.90	-	1,818,649.90
						-										
	TOTAL	-	-	-	-	-	-	6,215,587.13	752,842,689.22	-	752,842,689.22	-	6,215,587.13	752,842,689.22	-	752,842,689.22

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu

ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)

Audited Project Financial Statements

as of July 16, 2022 (Ashad 32,2079)

Schedule 2.1

Particulars	2020/21			2021/22			Upto 2021/22		
	USD	SDR	NRs	USD	SDR	NRs	USD	SDR	NRs
A. Reimbursement	-	-	-				-	-	-
B. Replenishment	-	-	-				-	-	-
C. Direct Payment				6,200,623.65	-	751,024,039.31	6,200,623.65	-	751,024,039.31
D. Imperest Account	-	-	-				-	-	-
TOTAL	-	-	-	6,200,623.65	-	751,024,039.31	6,200,623.65	-	751,024,039.31

Nepal Electricity Authority
Project Management Directorate
Electricity Grid Modernization Project
Matatirtha, Kathmandu
ADB Loan No.4014-NEP(COL),Loan No. 4109-NEP(COL)
Audited Project Financial Statements
as of July 16, 2022 (Ashad 32,2079)

Reconcillation Statement

F/Y 2078-079 (2021/022)

Particulars	USD		
	Up to 2020/21	for 2021/22	Up to 2021/22
Disburshment As per Project Account		6,200,623.65	6,200,623.65
Add: Service Charge During Construction (Capitalisation)		14,963.48	14,963.48
Total Loan as per FCGO record	-	**6,215,587.13**	**6,215,587.13**

Nepal Electricity Authority
Electricity Grid Modernization Project
Statement of Disbursement from ADB
Loan no:- 4014 NEP(COL)

From 16 July 2021 to 16 July 2022 (2078/4/1-2079/3/32)

Appl.No.	CL. NO.	Office	Name of Cont./Supp.	Cur.	Requested Amount	Value Date	Amount paid by ADB	Amounts US$	Exch.rates	Nepalese Currency	Y/M/D	Interest Rate	IDC 7/16/2021 7/16/2022 2021/2022 2078/2079
A0001	Advance	Keraun 132 kV Sustation Project	Energypac	USD	446,696.30	25-Aug-21	446,696.30	446,696.30	118.42	52,897,775.85	322	1%	473,141.22
A0002	Advance	Keraun 132 kV Sustation Project	Energypac	NPR	21,991,479.90	26-Aug-21	21,991,479.90	185,676.12	118.5	22,002,620.22	321	1%	196,190.03
		Total for 2078/2079						**632,372.42**		**74,900,396.07**			**669,331.25**
E0001		individual Consultant	Puspa R wag	NPR	542,506.54	10-Jun-22	542,506.54	4,373.65	124.13	542,901.17	37	1%	557.98
E0002		individual Consultant	Puspa R wag	NPR	178,006.75	27-Jun-22	178,006.75	1,424.17	125.06	178,106.70	20	1%	98.95
E0003		individual Consultant	Puspa R wag	NPR	153,014.66	12-Jul-22	153,014.66	1,209.51	126.81	153,377.96	5	1%	21.30
		Total for 2078/2079						**7,007.33**		**874,385.84**			**678.23**
F0001		individual Consultant	Kalpana Prac	NPR	312,984.54	10-Jun-22	312,984.54	2,523.25	124.13	313,211.02	37	1%	321.91
F0002		individual Consultant	Kalpana Prac	NPR	97,372.97	24-Jun-22	97,372.97	781.36	124.99	97,662.19	23	1%	62.40
F0003		individual Consultant	Kalpana Prac	NPR	83,462.55	12-Jul-22	83,462.55	659.73	126.81	83,660.36	5	1%	11.62
		Total for 2078/2079						**3,964.34**		**494,533.57**			**395.93**
D0001	Advance	Project supervision consultant	Tractebel	USD	72060	20-May-22	72,060.00	72,060.00	124.07	8,940,484.20	57	1%	14,155.77
D0002	Advance	Project supervision consultant	Tractebel	NPR	8476000	17-May-22	8,476,000.00	68,559.41	123.63	8,475,999.86	60	1%	14,126.67
		Total for 2078/2079						**140,619.41**		**17,416,484.06**			**28,282.43**
B0002	Advance	Data Center	Yantai	NPR	18,311,227.03	12-Nov-21	18,311,227.03	154,969.76	118.92	18,429,003.86	245	1%	125,419.61
B0003	Advance	Data Center	Yantai	USD	1,013,954.76	17-Nov-21	1,013,954.76	1,013,954.76	118.7	120,356,430.01	240	1%	802,376.20
B0004	WA	Data Center	Yantai	NPR	4,347,549.84	6-Jun-22	4,347,549.84	35,094.85	123.9	4,348,251.92	41	1%	4,952.18
B0005	WA	Data Center	Yantai	NPR	5,651,100.00	15-Jul-22	5,651,100.00	44,475.84	127.51	5,671,114.36	2	1%	315.06
		Total for 2078/2079						**1,248,495.21**		**148,804,800.14**			**933,063.05**
C0001	Advance	Dadakhet rahughat	LT	USD	1,583,351.97	21-Jan-22	1,583,351.97	1,583,351.97	118.91	188,276,382.75	176	1%	920,462.32
C0002	Advance	Dadakhet rahughat	LT	NPR	126,970,369.59	24-Jan-22	126,970,369.59	1,067,785.46	118.77	126,820,879.08	173	1%	609,444.78
		Total for 2078/2079						**2,651,137.43**		**315,097,261.84**			**1,529,907.10**
G0001	WA	132 kV Conductor upgrading project	HG power	USD	1,456,573.04	15-Jul-22	1,456,573.04	1,456,573.04	127.51	185,727,628.33	2	1%	10,318.20
		Total for 2078/2079						**1,456,573.04**		**185,727,628.33**			**10,318.20**
I0001	WA	Pantang 132 kV SS project	CQNEC-NHE	USD	60,454.47	15-Jul-22	60,454.47	60,454.47	127.51	7,708,549.47	2	1%	428.25
		Total for 2078/2079						**60,454.47**		**7,708,549.47**			**428.25**
		Total loan for 2078/079						**6,200,623.65**		**751,024,039.31**			**3,172,404.44**

Nepal Electricity Authority

Project Management Directorate

Electricity Grid Modernization Project

Fiscal Year 2078/79 (2021/22)

Schedule 12: Significant Accounting Policies and Notes Relating to the Project Financial Statements

1. Background

The special purpose financial statements are prepared to meet the reporting requirement of the Financing Agreements (Loan No. 4014-NEP (COL) and Loan No. 4109-NEP (COL)) signed between Government of Nepal (GoN) and Asian Development Bank (ADB) on 30 December, 2020 and 26 November 2021 respectively for Electricity Grid Modernization Project. The project is implemented by Nepal Electricity Authority (NEA), which was incorporated on Bhadra 1, 2042 (16 August, 1985) under the Nepal Electricity Authority Act, 1984, through the merger of the Department of Electricity of Ministry of Water Resources, Nepal Electricity Corporation and related Development Boards. The merger was necessitated to remedy the inherent weaknesses associated with these fragmented electricity organizations with overlapping and duplication of works, and became necessary to achieve efficiency and reliable service. The principal objectives of NEA include generation, transmission and distribution of adequate, reliable and affordable electric power by planning, constructing, operating such facilities in Nepal's power system both interconnected and isolated.

The ADB Loan was effective from 4 February 2021 and the loan and grants are exclusively used for intended purpose of the project in compliance with the financing agreement. Electricity Grid Modernization Project is a component unit of NEA and not an independent project in itself. These special purpose financial statements are prepared by consolidating various sub-projects' financial information derived from the NEA's accounting system as of 16 July, 2022 and are part of the NEA's overall financial statements. The sub-project specific income, expenses, assets and liabilities are segregated and presented in accordance with the relevant project agreement. The project financial statements consolidates financial information of the sub-projects under the Electricity Grid Modernization Project only and do not represent NEA as a whole.

2. Project Information

Loan No.: 4014-NEP (COL) and 4109-NEP (COL)

Loan Agreement Date: 10 December 2020 and 26 November 2021

Loan Effective Date: 4 February 2021 and 8 February 2022

Loan Closing Date: 30 September 2026

The project financial statements comprise of the financial information of the following sub-projects:

Name of Sub-Projects	Status as on 32 Ashad, 2079 (16 July, 2022)
1. 132 Kv Transmission Conductor Upgrading Project	On-going
2. Grid Substation Automation Project - Phase 2	On-going

3. Dadhakhet Rahughat 132Kv T.L. Project	On-going
4. Ghorahi Madhichaur 132 Kv T.L. Project	On-going
5. Pantang 132Kv Substation Project	On-going
6. Distribution System Control And Data Center Project	On-going
7. Keron (Morang) 132/33 Kv Substation Project	On-going
8. Borang Naubise (Ratmate) 220 Kv Transmission Line Project	On-going
9. Kohalpur-Nepalganja 132kv Transmission Line Project	On-going
10.Arunkhola Dumkibas 132/33 Kv Sub-Station Project	On-going

3. Basis of Presentation

The special purpose Project's financial statements are prepared in accordance with NEA's Financial Administration Regulations, 2068, terms of financing agreements with ADB and GoN., unless otherwise stated. The project financial statements have been prepared on an accrual basis and under historical cost convention, except otherwise stated.

The accounting policies adopted in the preparation of the project financial statements are consistent with those of previous year except for the change in accounting policy, if any explained below.

4. Reporting Period and Currency

Project financial statements are prepared as per Nepalese financial year i.e. Shrawan to Ashad (Mid July to Mid July) and are stated in Nepali Rupees.

5. Summary of Significant Accounting Policies

A. Capital Work in Progress (CWIP) and Fixed Assets

All expenditures in developing property, plants and equipment not yet completed or not ready to use are categorized as CWIP. The CWIP comprises of all directly attributable costs for the specific sub-projects, including stock of equipment lying in store or in transit for the purpose of use in construction or development. All direct costs incurred by the project for its operations, including interest during construction period are shown under operating costs. These are capitalized upon commissioning or identified as being ready to use.

Fixed assets purchased and used by the project for construction of qualifying assets are capitalized with all costs associated to bring the assets in usable condition and location and presented separately at cost less accumulated depreciation. Depreciation on those fixed assets are included in project operating costs.

B. Depreciation

Depreciation is provided on Property, Plant and Equipment, except land, on straight-line method, at the rates determined by the management in line with Rule 42 of NEA's Financial Administration Regulations, 2068. The rates of depreciation applied on property, plant and equipment are as follows:

Account Code	Assets Name	Depreciation Rate
3.2	Buildings	2%
3.301	Hydraulic Works	2%
3.302	Hydraulic Plant & Machinery	3%
3.303	Internal Combustion, Plant & Machinery	2.50%
3.304	Transmission Line Above 33 kV	3%
3.305	Transmission Line 33kV & below	3%
3.306	Transmission Subs. Trans. & Switchgear	3%
3.307	Distribution Line	3%
3.308	Distribution Subs. Trans. & Switchgear	4%
3.309	Solar Power Equipment	3%
3.310	Meter & Meter Testing Equipment	10%
3.311	Consumer Services	7%
3.312	Public Lighting & Traffic Signal	3%
3.313	Tools & Equipment	20%
3.314	Workshop Plant & Machinery	15%
3.315	Vehicles & Mobile Plant	20%
3.401	Furniture & Fixture	20%
3.501	Office Equipment	15%
3.601	Miscellaneous Property	50%

Note: Depreciation on fixed assets addition during the year is charged on proportional basis of the concerned asset's depreciation rate.

C. Interest During Construction (IDC):

Interest on GoN Loan and ADB Loan amounts are calculated as per the terms of agreements with GoN and accounted for under Interest during Construction Period, except stated below and included under operating cost for project financial statement purpose.

D. Sources of fund

There are three sources of fund for the project. The sources are as follows;

- GoN (Share and Loan)
- ADB (Loan)
- NEA sources

All project incomes received in the form of loan, share, grants and contributions are accounted for on cash basis.

GoN (share and loan) financing are accounted for based on amount reflected in GoN Red Book and received by NEA and allocated by Project Management Directorate (PMD). ADB (Loan) financing

are accounted for based on amount released by ADB on the recommendation of the PMD and terms and condition of LC for specific sub-project activities/suppliers/contractors. However, these will be treated as GoN loan to NEA as per Subsidiary Loan Agreement. NEA contribution includes contribution made both in cash and kinds for concerned project purposes other than financed by GoN and ADB.

E. Inventory

Inventories include goods in hand being held for use or as spares. Inventories are valued at lower of cost or net realisable value, using the weighted average method. Net realizable value is the sale price as estimated by the management in the ordinary course of business, less estimated costs, if any, necessary to make the sale. Further, adjustments are made for those inventories identified by management as obsolete or otherwise.

F. Foreign Currency Transactions and Exchange Gain/Loss

NEA translates foreign currency payments made by ADB for project purposes at the buying rate of the day as per Nepal Rastra Bank published rate. At the end of reporting period, total USD loan liability is translated to NRs. using the closing exchange rate and difference amount is included in operating cost as gain/loss on foreign exchange variation. The closing rate used for translation was 1 USD = NRs. 119.04.

G. Miscellaneous Income

Miscellaneous income related to projects are accounted for as Other Income and netted off with operating cost for the purpose of ADB reporting.

6. Notes to the Accounts

a. Grant and loan.

The status of sources of funding as at 16 July, 2022 is as under:

Description	Up to Previous Year	This Year (NPR)	Up to this year (NPR)
GoN Loan (GoN Credit)	96,167,000.00		96,167,000.00
GoN Share	621,691,890.44	115,566,700.00	737,258,590.44
ADB Loan No. 4014 NEP(COL)		751,024,039.32	751,024,039.32
Restated Loan		39,619,077.33	39,619,077.33

b. Capital Work in Progress

Particulars	2078/79 (in NPR)
A: Capital Work in Progress:	
Opening CWIP	**198,859,943.51**
Add: Addition during the year	**72,844,689.18**
Less: Capitalization during the year	(103,335,454.35)
Closing CWIP	**168,369,178.34**

c. GoN Share and Loan have been shown in the project financial statements based on allocation of fund to sub-projects by the PMD and not based on the amount transferred/used by the sub-projects. This has resulted in negative balance under NEA sources due to less amount utilized by the sub-projects.

d. Interest on loan used for purchasing fixed assets is also included in interest during construction period as the assets is used in the project construction.

e. Interest on staff loans/advances recovered by the sub-projects are treated as income from the project and deducted from operating costs for current F.Y.

f. Cash at Banks include deposits amounting to NRs 41.40 million maintained at concerned banks of the sub-projects.

Kul Man Ghising
Managing Director
NEA

Dinesh Kumar Ghimire
Secretary
MoEWRI, GoN

Hari Prasad Mainali
Financial Comptroller General
FCGO, GoN

Bamdev Sharma Adhikari
Deputy Auditor General
OAG, GoN

Office of the Auditor General
Nepal
2016

CA. **Narayan Bajaj**
Joint Auditor

Ganesh Datta Bhatta
Joint Director
PMD, NEA

Sameer Prasad Pokharel
Director
Account Dept., NEA

Tara Prasad Pradhan
Officiating Chief
PMD, NEA

Lokhari Luitel
DMD
Finance Directorate,
NEA