



एभरेष्ट कलर लि.

दोस्रो साधारण सभाको
वार्षिक प्रतिवेदन

आ.ब. २०८१/८२



संचालक समीती



महेश्वर खनाल
अध्यक्ष



सरोज लुइटेल
प्रबन्ध संचालक



राजन लाल श्रेष्ठ
संचालक



रोजिना श्रेष्ठ
संचालक



कपिल देव महतो
स्वतन्त्र संचालक

लेखापरीक्षण समिति



राजन लाल श्रेष्ठ
संयोजक



शैलेन्द्र कु. सिटौला
सदस्य



सरु घिमिरे
सदस्य

व्यवस्थापन समीती



कृष्ण बहादुर लामा
CFO



शैलेन्द्र कु. सिटौला
Sales & Marketing
Head



नविन निरौला
Factory Manager

एभरेष्ट कलर लिमिटेड

केन्द्रिय कार्यालय, मध्यपुर थिमी-३, भक्तपुर ।

दोश्रो बार्षिक साधारण सभा सम्बन्धी सूचना ।।।

प्रथम पटक प्रकाशित मिति २०८२/०८/०५

श्री शेयरधनी महानुभावहरु,

मिति २०८२/०८/०१ मा सम्पन्न संचालक समितिको बैठकको निर्णय बमोजिम यस एभरेष्ट कलर लिमिटेडको **दोश्रो बार्षिक साधारण सभा** निम्न लिखित मिति, स्थान र समयमा निम्न प्रस्तावहरु उपर छलफल तथा निर्णय गर्न बस्ने भएको हुँदा कम्पनी ऐन, २०६३ को दफा ६७ (२) अनुसार सम्पूर्ण शेयरधनी महानुभावहरुको समुपस्थिती तथा जानकारीको लागि यो सूचना प्रकाशित गरिएको छ ।

सभा हुने मिति, स्थान र समय :

मिति : २०८२ मंसिर २९ गते सोमबार (तदनुसार १५ डिसेम्बर, २०२५)

स्थान : त्रिशक्ति बैक्वेट, कौशलटार, भक्तपुर

समय : बिहान १०:०० बजे

सभामा छलफलका लागि प्रस्तुत गरिने प्रस्तावित विषयहरु:

(क) सामान्य प्रस्तावहरु:

- (१) संचालक समितिको तर्फबाट अध्यक्षले प्रस्तुत गर्ने आ.व.२०८१/०८२ को वार्षिक प्रतिवेदन उपर छलफल गरि पारित गर्ने ।
- (२) लेखापरीक्षकको प्रतिवेदन सहितको आ.व.२०८१/०८२ को लेखा परीक्षण प्रतिवेदन, वासलात, नाफा नोक्सान हिसाब र नगद प्रवाह विवरणलगायतका वित्तीय विवरणहरु छलफल गरि पारित गर्ने ।
- (३) आ.व.२०८२/०८३ को लागि लेखापरीक्षण कार्य गर्न लेखापरीक्षक नियुक्ति गर्ने तथा निजको पारिश्रमिक तोक्ने ।
- (४) संचालक समितिबाट भए गरेका निर्णय, काम कारवाहीहरु अनुमोदन गर्ने ।

(ख) विशेष प्रस्तावहरु :

- (१) सर्वसाधारण समूहलाई प्राथमिक शेयर निष्काशन (IPO) सम्बन्धमा ।
- (२) प्रबन्धपत्र तथा नियमावली संशोधन गर्न नियमनकारी निकायबाट फेरबदल गर्न निर्देशन भए आवश्यकता अनुसार परिमार्जन, संशोधन तथा सच्याउन सञ्चालक समिति वा समितिले तोकेको व्यक्तिलाई अख्तियारी दिने ।

(ग) विविध :

साधारण सभा सम्बन्धी सामान्य जानकारी:

- (१) वार्षिक साधारण सभामा भाग लिने महानुभावहरुले आफु शेयरधनी रहेको स्पष्ट खुल्ने परिचय पत्र वा सोको प्रतिलिपी अनिवार्य रुपमा साथमा लिई आउनु पर्नेछ ।
- (२) शेयरधनी महानुभावहरुको उपस्थितीका लागि शेयरधनी उपस्थिती पुस्तिका विहान ९:०० बजे देखि १०:०० बजे सम्म खुल्ला रहनेछ ।
- (३) प्रतिनिधी नियुक्त गरि सकेको शेयरधनी आफै सभामा उपस्थित भई हाजिरी पुस्तिकामा दस्तखत गरेमा निजले दिएको प्रतिनिधी -प्रोक्सी) स्वतः बदर हुनेछ ।
- (४) साधारण सभा सम्बन्धी थप जानकारी आवश्यक परेमा कार्यालय समय भित्र कम्पनीको केन्द्रिय कार्यालयमा तथा फोन नं ०१-६६३४८०२ मा सम्पर्क राख्न सक्नु हुनेछ ।

साधारणसभा सम्बन्धी अन्य जानकारीका लागि everestcolour.com हेर्नु होला ।

दोश्रो वार्षिक साधारण सभा सम्बन्धी थप जानकारी :

- १) साधारण सभामा उपस्थित हुने शेयरधनी महानुभावहरूले सभा हलमा प्रवेशको लागि सक्कल शेयर प्रमाणपत्र वा हितग्राही खाता खोलिएको कागजात, प्रकाशित प्रवेशपत्र अथवा आफ्नो कुनै अधिकारिक परिचयपत्र साथमा लिई आउनु हुन अनुरोध छ ।
- २) साधारण सभामा भाग लिन प्रतिनिधी (प्रोक्सी) नियुक्त गर्न चाहने शेयरधनीहरूले प्रचलित कम्पनी कानुनले तोकेको ढाँचामा प्रतिनिधीपत्र (प्रोक्सी) फारम भरी सभा शुरु हुनु भन्दा कम्तीमा ४८ घण्टा अगावै कार्यालय समय भित्र कम्पनीको रजिष्टर्ड कार्यालय, मध्यपुर ठिमी-३, भक्तपुरमा दर्ता गराई सक्नु पर्नेछ । कम्पनीको शेयरधनी बाहेक अरुलाई प्रोक्सी दिन पाईने छैन ।
- ३) कम्पनीको शेयर दाखिल खारेजको काम मिति २०८२।०८।१४ गते (एक दिन) बन्द रहनेछ ।
- ४) साधारण सभामा भाग लिने प्रत्येक शेयरधनी महानुभावले सभा हुने स्थानमा उपस्थित भई सभा स्थलमा रहेको हाजिरी पुस्तिकामा दस्तखत गर्नुपर्नेछ । हाजिरी पुस्तिका विहान ९:०० बजेदेखि खुल्ला रहनेछ ।
- ५) कुनै एक शेयरधनीले एकभन्दा बढी व्यक्तिलाई प्रतिनिधि (प्रोक्सी) नियुक्त गरी पठाएकोमा जसको नियुक्ति सबैभन्दा अधिल्लो मितिमा कम्पनीमा प्राप्त हुन्छ निजलाई मात्र प्रतिनिधिको हैसियतले सभामा भाग लिने अधिकार हुनेछ ।
- ६) सभामा भाग लिन प्रतिनिधि नियुक्त गरिसकेपछि शेयरधनीहरूले प्रतिनिधि फेरबदल गर्न चाहेमा मिति २०८२।०८।२८ गते अपरान्ह २:०० बजे भित्र सोको सूचना कम्पनीको रजिष्टर्ड कार्यालयमा दर्ता गराई सक्नु पर्नेछ ।
- ७) नावालक शेयरधनीको तर्फबाट कम्पनीको शेयर लगत किताबमा संरक्षकको रूपमा नाम दर्ता भएको व्यक्तिले सभामा भाग लिन वा प्रतिनिधि तोक्न पाउनेछन् ।
- ८) संयुक्त रूपमा शेयरधनी कायम गरिएको अवस्थामा कम्पनीको शेयर लगत किताबमा पहिले नाम उल्लेख भएको व्यक्ति अथवा सर्वसम्मत प्रतिनिधि नियुक्त गरिएको एक व्यक्तिले मात्र सभामा भाग लिन पाउनेछ ।
- ९) छलफलका विषयमध्ये विविध शिर्षक अन्तर्गत छलफल गर्न ईच्छुक शेयरधनीहरूले सभा हुनुभन्दा ७ दिन अगावै छलफलको विषय कम्पनी सचिवमार्फत संचालक समितिको अध्यक्षलाई लिखित रूपमा दिनुपर्नेछ ।
- १०) साधारणसभा सम्बन्धी थप जानकारीका लागि कम्पनीको प्रधान कार्यालय, मध्यपुर ठिमी-३, भक्तपुरमा सम्पर्क राख्नु हुन अनुरोध छ । (फोन नं ०१-६६३४८०२)

पुनश्च:

कम्पनीबाट वार्षिक साधारण सभामा छलफल हुने विषयहरू सहितको सूचना शेयरधनी महानुभावहरूको ठेगानामा पठाईनेछ । कुनै शेयरधनी महानुभावले उक्त सूचना प्राप्त गर्न असमर्थ भएमा यसै सूचनालाई आधार मानी साधारण सभाको बैठकमा उपस्थित हुन अनुरोध गरिन्छ ।

संचालक समितिको आज्ञाले,
कम्पनी सचिव

एभरेष्ट कलर लिमिटेडको दोश्रो वार्षिक साधारण सभामा सञ्चालक समितिको तर्फबाट प्रस्तुत अध्यक्षज्यूको मन्तव्य सहितको वार्षिक प्रतिवेदन आर्थिक वर्ष २०८१।०८२

एभरेष्ट कलर लिमिटेडको दोश्रो वार्षिक साधारण सभामा उपस्थित सम्पूर्ण शेयरधनी महानुभावहरु, विभिन्न नियमनकारी निकाय तथा नेपाल सरकारका सम्बन्धित विभाग तथा कार्यालयहरु बाट पाल्नु भएका प्रतिनिधिज्यूहरु, आमन्त्रित अतिथीज्यूहरु, पत्रकारज्यूहरु, सञ्चालक साथीहरु, लेखा परीक्षकज्यू, कानुनी सल्लाहकार ज्यू, कर्मचारीहरु लगायत उपस्थित महिला तथा सज्जनबृद्ध प्रति म कम्पनीको अध्यक्ष तथा सञ्चालक समितिको तर्फबाट एभरेष्ट कलरमय स्वागत तथा अभिवादन गर्दछु।

आदरणीय महानुभावहरु,

नेपाली रँगको बजारमा आफ्नो बेग्लै पहिचान बनाई गुणस्तरीय उत्पादनहरु ल्याउने क्रममा परीकल्पित एभरेष्ट कलर आजका दिन सम्म आईपुग्न सहयोग, हौसला प्रदान गर्नुहुने समस्त शेयर सदस्य महानुभावहरु, कम्पनीका सञ्चालक समीतीका सहयात्री साथीहरु, कर्मचारीहरु तथा प्रत्यक्ष र अप्रत्यक्ष रुपमा संलग्न सम्पूर्ण महानुभावहरुमा विशेष धन्यवाद व्यक्त गर्दछु।

आ.व. २०८१/०८२ राज्यको नितिगत सुधारको अभावमा जटिल बनेको नेपाली निर्माण सामाग्री बजार विभिन्न वाह्य तथा आन्तरीक कारणले निर्माण कार्य ठप्प जस्तो भई उत्पादन लागत खर्च बढ्न गएको अवस्थामा पनी कम्पनीको विक्रीमा आ.व. २०८०/०८१ को तुलनामा आ.व. २०८१/८२ मा **४९.५७%** वृद्धि गरी गत आ.व. रु १४,२०,९६,७३८।०१ (अक्षरुपी रु चौध करोड बीस लाख छयानब्बे हजार सात सय अड्तीस र एक पैसा) मूल्य बराबरको विक्री गरी रु २,१२,१६,१९३।४० (अक्षरुपी रु दुई करोड बाह्र लाख सोह्र हजार एक सय त्रियानब्बे र चालीस पैसा) बराबरको खुद मुनाफा आर्जन गर्न सफल भएको छ। जुन यसै साथ सम्पन्न वार्षिक प्रतिवेदन सहितका बासलात, नाफा नोक्सान हिसाव किताव विवरणबाट प्रष्ट देखिने नै हुंदा यहाँ पुनरावृत्ति गरेको छैन।

आदरणीय शेयरधनी महानुभावहरु,

IPO को प्रक्रियामा रहेको यस कम्पनीलाई धितोपत्र बोर्ड द्वारा निर्देशन बमोजीम अण्डर राईटरको रुपमा श्री लक्ष्मी सनराईज क्यापीटललाई नियुक्ती गर्नुको साथै माग गरे बमोजीम रिपोर्ट असार मसान्त अगाडी नै पेश गरी सकेको जानकारी गराउदछु। यसै प्रक्रियामा हरेक वर्ष गर्नु पर्ने रेटीगको कार्य पनी अधि बढाई हामीले विगत भन्दा स्तरोन्नती भई BB रेटीग प्राप्त गरीसकेको जानकारी गराउँदछु।

यस आ.व.मा हामी नेपाल सरकारको शहरी विकास तथा भवन निर्माण विभागमा दर्ता भएका छौ जसको दर्ता न. ५८९ रहेको छ, यसले गर्दा अब हामी नेपाल सरकारको निकायहरुमा हाम्रा उत्पादन हरु प्रयोग तथा सप्लाई गर्न सक्नेछौ।

यसै क्रममा हामीले यस आ.व.मा पुर्व घोषित १२ वर्ष वारेन्टी भएको **EVERSTAY Super Premium Exterior Emulsion** तथा १० वर्ष वारेन्टी भएको **EVERTOP Super Premium Exterior Emulsion** को उत्पादन शुरु गरी बजारमा उपलब्ध गराउदै कलर ईण्डष्ट्रीमा सम्पूर्ण रेन्ज दिन सक्ने नेपाली ब्रान्डका रुपमा उभिएका छौ। बजार माग बमोजीम नीकट भविश्यमा **PREMIUM GOLD Paints** तथा एक्सटेरीयर ईमल्सनमा मीडियम रेन्जको **EVERGREEN** उत्पादन गर्ने तथा आवश्यकतानुसार प्रतिस्पर्धि ब्राण्ड तथा अन्य उत्पादनहरु उत्पादन गर्ने लक्ष्य रहेको छ।

यस कम्पनीका उत्पादनहरु, लोगो लगायतका बौद्धिक सम्पतीको सुरक्षणको लागी नेपाल सरकारको उधोग विभागमा दर्ता गरी २० वटा विधामा व्यापार चिन्ह (**Trade Mark- Patent Right**) लिईसकेको जानकारी गराउदछु र अन्यमा पनी लिने प्रक्रियामा रहेको जानकारी गराउँदछु।

आगामी दिनहरूमा बजार क्षमताको मुल्यांकन गर्दै बजार विस्तार तथा बजारमा आफ्नो ब्राण्डको उपस्थिति मजबुत बनाउँदै लैजान रणनीतिक योजना एभरेष्ट कलरको रहेको छ । सो अनुरूप ब्राण्ड भ्यालु बढाउँदै उपभोक्ताको मागमा अभिवृद्धि गर्नको लागि हालको डिजिटल प्रणालीलाई प्रयोग गरी विभिन्न विज्ञापनका गतिविधि गरीरहेका छौ र आगामी दिनहरूमा समय सापेक्षरूपमा अन्य क्षेत्रमा पनि विज्ञापन गर्दै जाने लक्ष्य रहेको छ ।

स्थानीय, क्षेत्रीय तथा बहुराष्ट्रिय कलर उद्योगहरू सँग प्रतिस्पर्धा गरी बजार वृद्धि गर्ने क्रममा **ISO 9001:2015 CERTIFIED COMPANY** भएता पनि नेपाल गुणस्तर चिन्ह प्राप्त गर्ने प्रक्रियामा हामी लगभग अन्तिम चरणमा पुगीसकेका थियौ तर देशमा अचानक भएको राजनैतिक परिवर्तनले त्यस कार्यालयमा भएको क्षतीले केही समय लाग्ने देखिन्छ ।

आगामी आ.व.मा यस लीमिटेडको सम्पूर्ण कार्य लाई अझ चुस्त दुरुस्त राखी कार्य सम्पादन वृद्धिको लागि लेखा प्रणालीलाई आधुनिक तवरमा स्तरोन्नती गरी **ERP System** लागु गर्ने छौ । यस मार्फत उत्पादकत्वमा वृद्धि भई कार्य सम्पादनमा वृद्धि तथा सम्पूर्ण प्रक्रियामा नै पारदर्शी रहने विश्वास दिलाउन चाहन्छु । बजार विस्तार तथा सहज सामान आपूर्तिको लागि आवश्यकतानुसार सवारी साधनहरू थप गर्ने तथा शाखा कार्यालयहरू थप गर्ने योजना रहेको छ र यस अन्तर्गत कोशी प्रदेश तथा काठमाडौंमा तुरुन्तै शाखा खोल्ने जानकारी गराउन चाहन्छु ।

विगतमा भै, कारखाना लगायत सबै क्षेत्रमा कार्य गर्ने कर्मचारी र व्यवस्थापन बीच कार्यगत एकता तथा सद्भाव कायम राख्नका लागि अभिमुखीकरण कार्यक्रम, सेमीनार, बनभोज जस्ता कार्यक्रम राखी ऐक्यवद्धता तथा उत्प्रेरणा प्रदान गर्ने कार्यलाई निरन्तरता दिईने छ । बजार विस्तारको लागि रँग बेचबिखन गर्ने व्यवसायीक साभेदारहरू तथा प्रयोग गर्न सहयोगी भुमीका खेल्ने पेन्टर तथा ठेकेदारहरू, ईन्टेरीयर डिजाईनरहरू लाई उत्प्रेरणाको लागि प्रतिस्पर्धि योजना ल्याईने जानकारी गराउदछु ।

आगामी दिनहरूमा एभरेष्ट कलरलाई एक नेपाली अग्रणी रँग कम्पनीको रूपमा स्थापित गर्ने तथा शेयर धनि महानुभावहरू लाई उच्च प्रतिफल दिन सक्ने विश्वास दिलाउन चाहन्छु । **यसको लागि सञ्चालक, कर्मचारी, विज्ञापनले मात्र नभएर हामी सम्पूर्ण यहाँ उपस्थित शेयरधनी महानुभाव लगायत अतीथीज्यु हरू सँग विनम्र अनुरोध गर्न चाहन्छु की सबैले आफ्नो क्षेत्रबाट कम्पनीको उत्पादन ढुक्क सँग प्रयोग गरौ र अरुलाई पनि प्रयोग गर्न प्रेरित गरौ ।** विशेषतः नेपालको भौतिक पूर्वाधार, संरचनाको निर्माण र नेपालकै विकासमा गुणस्तरीय एभरेष्ट कलर उत्पादन गरी आयात प्रतिस्थापन गर्ने, रोजगारीको सृजना गर्ने र आन्तरीक राजस्वमा योगदान पुऱ्याई देशको सेवा गर्ने प्रमुख उद्देश्य लिएर स्थापना भई संचालन भैरहेको यस कम्पनीको प्रभावकारी संचालनमा सम्बन्धित सबैको सद्भावपूर्ण सहयोग पाइरहने पूर्ण आशा गरेको छु ।

साथै यस वार्षिक साधारण सभामा उपस्थित भई कार्यक्रमको गरिमा बढाई दिनुभएकोमा यहाँहरू सबैप्रति हार्दिक कृतज्ञता व्यक्त गर्न चाहन्छु । अन्त्यमा यस कम्पनीको आ. व. २०८१।०८२ को वार्षिक प्रतिवेदनमा उल्लेखित संलग्न विवरणहरू यहाँहरू स्वयंम समेत अध्ययन गरी राय सुझाव प्राप्त गर्ने र संचालक समितिको निर्णयले छलफल गरी पारित गर्न लागि यस सभा समक्ष प्रस्तुत गरेका प्रस्तावहरू पारित गरिदिनु हुनेछ भन्ने अपेक्षाका साथ सञ्चालक समिति तथा मेरो संक्षिप्त मन्तव्य यही टुङ्ग्याउँदछु ।

“एभरेष्ट कलर गुणस्तरमा कम छैन, ढुक्क भई प्रयोग गरौ र प्रयोग गर्न प्रेरित गरौ । ”

जय एभरेष्ट कलर ।

धन्यवाद ।

महेश्वर खनाल

सञ्चालक अध्यक्ष

एभरेष्ट कलर लिमिटेड

संचालक समिति

मिति : २०८२।०८।२५



नेपाल चार्टर्ड एकाउन्टेन्ट्स संस्था
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NEPAL
(Established under the Nepal Chartered Accountants Act, 1997)

UDIN Document

Fiscal Year: 2081/82

Generated Date / Time: 2025-09-04 12:52:18	UDIN Number: 250904CA01260qm5qc
Member Name: SUMAN SHRESTHA	Date of Signing Document: 2025-08-31
Document Type: Audit	Audit Type: Statutory Audit
Office Type: Unlisted Public Company	Office Name: EVEREST COLOUR Ltd.
Type of Audit Opinion: Unqualified Opinion	
Client PAN: 304977309	

Financial figures

S.N.	Heading	Amount
1	Total Assets/Liabilities	NRs. 288,749,735.98
2	Gross Revenue / Turnover	NRs. 142,608,152.60
3	Gross Expenses	NRs. 122,782,491.86
4	Net Profit or Loss	NRs. 19,825,660.74

Status: Active Document

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Print Date / Time: 2025-09-04 12:52:33

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF EVEREST COLOUR LTD.

Opinion

We have audited the financial statements of Everest Colour Ltd. (the "Company"), which comprise the statement of financial position as at 16 July, 2025 (32 Ashadh, 2082), the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. During our audit of the financial statements, we observed that there were no key audit matters that are to be addressed in the context of our audit as a whole and would affect in forming our opinion thereon.

Other Information

Management is responsible for other information. The other information comprises the Chairman's statement and directors report, but does not include the financial statements and our auditors report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is 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 if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

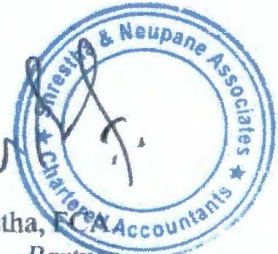


We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

On the basis of our examination, we would like to further report that:

- i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose for audit.
- ii) The accounts and records of the company have been maintained as required by law.
- iii) Financial statements are in agreement with the books of account maintained by the company.
- iv) In our opinion and to the best of our information and according to the explanations given to us, the Board of Directors, the representative, or any employee of the company has not acted contrary to the provision of law relating to accounts nor caused direct loss or damage to the company deliberately or acted in a manner that would jeopardize the interest and security of the company.
- v) The operations of the company were within its jurisdiction.
- vi) We have not come across any fraudulence in the accounts, so far as it appeared from our examination of the book of accounts.


Suman Shrestha, 
Partner

Shrestha and Neupane Associates,
Chartered Accountants

Date: 2025-08-31
Place: Kathmandu

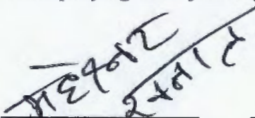
EVEREST COLOUR LIMITED
Bhaktapur, Nepal
Statement of Financial Position
For the Period Ended Ashadh 32, 2082 (July 16, 2025)

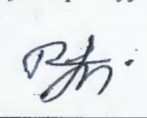
Amount in NPR

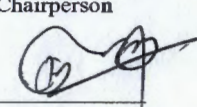
Particulars	Notes	As at 32 Ashadh, 2082	As at 31 Ashadh 2081
Assets			
Non Current Assets			
Property, Plant and Equipment	6.1	118,440,968.85	111,746,896.48
Intangible Assets	6.2	567,059.29	178,483.20
Deferred Tax Assets (Net)	6.10	-	-
Investment in Shares	6.3	-	12,500.00
Total Non-Current Assets		119,008,028.14	111,937,879.68
Current Assets			
Inventories	6.16	38,228,149.69	24,704,794.25
Income Tax Receivable	6.4	185,342.35	128,403.78
Trade and other receivable	6.4	91,170,218.65	55,268,271.53
Advance and deposits	6.4	3,238,188.86	23,154.86
Cash and cash equivalents	6.5	31,792,279.38	34,716,652.43
Other Financial Assets	6.6	5,127,528.91	4,543,141.96
Total Current Assets		169,741,707.84	119,384,418.81
Total Assets		288,749,735.98	231,322,298.49
Equity			
Share Capital	6.7	221,000,000.00	167,506,550.00
Advance for Share Capital		-	18,449,025.00
Retained Earnings		34,216.65	(20,944,976.75)
Revaluation Reserve		30,837,200.00	30,837,200.00
Total Equity		251,871,416.65	195,847,798.25
Liabilities			
Non Current Liabilities			
Loans and Borrowings	6.8	4,912,707.47	6,430,102.10
Non current Portion of Lease Liability	6.9	-	331,212.23
Deferred Tax Liabilities(Net)	6.10	2,918,872.70	9,703,688.35
Total Non-Current Liabilities		7,831,580.17	16,465,002.68
Current Liabilities			
Trade and other payables	6.11	11,661,407.89	12,643,574.98
Short Term Borrowings	6.12	-	-
Current Portion of Lease Liability	6.9	331,223.12	429,159.68
Tax Liabilities	6.13	11,367,056.06	2,584,753.85
Employee Benefits Liability	6.14	3,040,529.42	2,558,262.96
Other Liabilities	6.11	2,646,522.68	793,746.09
Total Current Liabilities		29,046,739.17	19,009,497.56
Total Liabilities		36,878,319.34	35,474,500.24
Total Equity and Liabilities		288,749,735.98	231,322,298.49

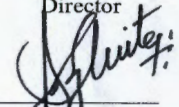
Accompanying Notes form significant part of financial Statements.

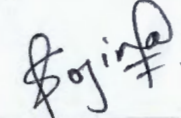
As per our report on even date.

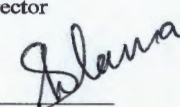

Maheshwor Khanal
Chairperson

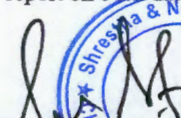

Rajan Lal Shrestha
Director


Kapil Dev Mahato
Independent Director


Saroj Luitel
Managing Director


Rojina Shrestha
Director


Krishna Bahadur Lama
CFO


Suman Shrestha, FCA
Partner


Shrestha and Neupane Associates
Chartered Accountants

Date: **2025-08-31**
Place: Kathmandu



EVEREST COLOUR LIMITED
Bhaktapur, Nepal

Statement of Profit or Loss

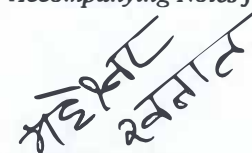
For the Period From Shrawan 1, 2081 To Ashadh 32, 2082 (July 17, 2024 to July 16, 2025)

Amount in NPR

Particulars	Notes	Year Ended 32 Ashad 2082	Year Ended 31 Ashad 2081
Revenue from operations	6.15	142,096,738.01	95,002,021.27
Cost of Goods Sold	6.16	71,199,458.95	60,135,244.36
Gross Profit		70,897,279.06	34,866,776.91
Other Income	6.17	511,414.59	370,042.90
Employee Benefit Expenses	6.18	9,959,146.37	6,116,609.73
Administrative Expenses	6.19	8,291,748.90	5,085,380.36
Depreciation	6.1	3,674,990.14	2,697,081.91
Amortisation	6.1	54,423.91	29,747.20
Selling And Distribution Expenses	6.20	29,043,432.62	11,392,665.42
Profit from Operations		20,384,951.71	9,915,335.19
Finance Cost	6.21	559,290.98	6,001,316.60
Profit Before Tax		19,825,660.74	3,914,018.59
Income Tax Expense	6.22		
Current Tax		5,394,282.99	-
Deferred Tax Expense/ (Income)		(6,784,815.65)	770,002.43
Profit From Continuing Operations		21,216,193.40	3,144,016.17
Profit /(Loss) On Discontinued Operations (Net Of Tax)		-	-
Net Profit For The Year		21,216,193.40	3,144,016.17
Basic Earnings Per Share (NPR)	6.23	9.60	0.94
Diluted Earnings Per Share (NPR)	6.23	9.60	0.94

Accompanying Notes form significant part of financial Statements.

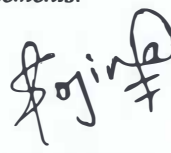
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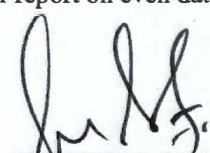
Maheshwor Khanal
Chairperson



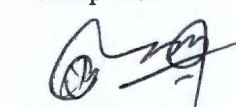
Rajan Lal Shrestha
Director



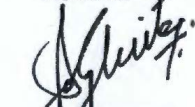
Rojina Shrestha
Director



Suman Shrestha, FCA
Partner



Kapil Dev Mahato
Independent Director



Saroj Luitel
Managing Director



Krishna Bahadur Lama
CFO

Shrestha and Neupane Associates
Chartered Accountants



Date: 2025-08-31

Place: Kathmandu

EVEREST COLOUR LIMITED

Bhaktapur, Nepal

Statement of Other Comprehensive Income

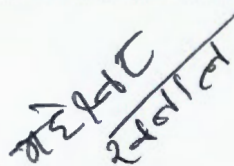
For the Period From Shrawan 1, 2081 To Ashadh 32, 2082 (July 17, 2024 to July 16, 2025)

Amount in NPR

Particulars	Notes	Year Ended 32 Ashad 2082	Year Ended 31 Ashad 2081
Net Profit For The Year As Per Profit Or Loss Statements		21,216,193.40	3,144,016.17
Other Comprehensive Income			
Gain/(Loss) On Revaluation		-	-
Available-For-Sale Financial Assets		-	-
Reclassification Adjustments		-	-
Exchange Gain/Loss Arising On Translation Of Foreign Operations		-	-
Actuarial Gain/Loss On Defined Benefit Pension Schemes		-	-
Tax Relating To Components Of Other Comprehensive Income		-	-
Total Other Comprehensive Income (OCI)		-	-
Total Comprehensive Income (TCI)		21,216,193.40	3,144,016.17

Accompanying Notes form significant part of financial Statements.

As per our report on even date,



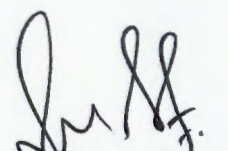
Maheshwor Khanal
Chairperson



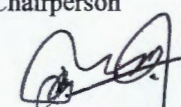
Rajan Lal Shrestha
Director



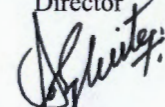
Rojina Shrestha
Director



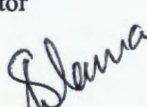
Suman Shrestha, FCA
Partner



Kapil Dev Mahato
Independent Director



Saroj Luitel
Managing Director



Krishna Bahadur Lama
CFO

Shrestha and Neupane Associates
Chartered Accountants

Date: 2025-08-31

Place: Kathmandu



EVEREST COLOUR LIMITED

Bhaktapur, Nepal

Statement of Cashflows

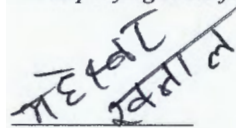
For the Period From Shrawan 1, 2081 To Ashadh 32, 2082 (July 17, 2024 to July 16, 2025)

Amount in NPR

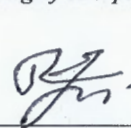
Particulars	Year Ended 32 Ashad 2082	Year Ended 31 Ashad 2081
Cash Flows From Operating Activities		
Profit For The Year	19,825,660.74	3,914,018.59
Adjustment For:		
Depreciation On Property, Plant And Equipment	3,674,990.14	2,697,081.91
Amortization Of Intangible Assets	54,423.91	29,747.20
Increase / Decrease In Trade And Other Receivables	(35,901,947.12)	(13,281,233.80)
Increase / Decrease In Inventories	(13,523,355.44)	(2,614,680.02)
Increase / Decrease In Advances and Deposits and other Financial Assets	(3,856,359.52)	(100,254.86)
Increase / Decrease In Trade And Other Payables	4,258,628.72	(3,746,944.29)
Increase/Decrease In Employee Benefits	482,266.46	(903,646.42)
Increase / Decrease In Lease Liability	(429,148.79)	(376,085.51)
Cash Generated From Operations.	(25,414,840.91)	(14,381,997.20)
Net Cash Flows From Operating Activities	(25,414,840.91)	(14,381,997.20)
Cash Flow From Investing Activities		
Proceeds From Sale Of Property, Plant And Equipment	-	1,589,129.37
Acquisition Of Property, Plant And Equipment	(10,369,062.51)	(13,149,931.27)
Purchase Of Intangibles	(443,000.00)	-
Proceeds From Sale of Shares	12,500.00	-
Net Cash Flows From Investing Activities	(10,799,562.51)	(11,560,801.90)
Cash Flow From Financing Activities		
Proceeds from the Issue Of Share Capital	53,493,450.00	102,138,450.00
Repayment Of Borrowings	(1,517,394.63)	(51,518,165.14)
Advance for Share Capital	(18,449,025.00)	8,448,425.00
Share Issue Cost	(237,000.00)	-
Net Cash Flows From Financing Activities	33,290,030.37	59,068,709.86
Net Increase In Cash And Cash Equivalents	(2,924,373.05)	33,125,910.76
Cash And Cash Equivalents at beginning of the year	34,716,652.43	1,590,741.67
Exchanges (Losses)/Gains On Cash And Cash Equivalents	-	-
Cash And Cash Equivalents At the end of the year	31,792,279.38	34,716,652.43

Accompanying Notes form significant part of financial Statements.

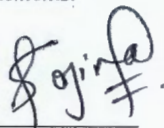
As per our report on even date,



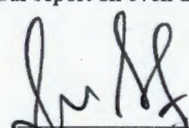
Maheshwor Khanal
Chairperson



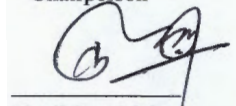
Rajan Lal Shrestha
Director



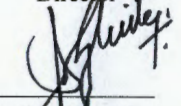
Rojina Shrestha
Director



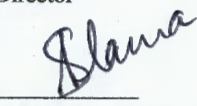
Suman Shrestha, FCA
Partner



Kapil Dev Mahato
Independent Director



Saroj Luitel
Managing Director



Krishna Bahadur Lama
CFO

Shrestha and Neupane Associates
Chartered Accountants



Date: 2025-08-31
Place: Kathmandu



EVEREST COLOUR LIMITED
Bhaktapur, Nepal

Statement of Changes in Equity

For the Period Ended Ashadh 32, 2082 (July 16, 2025)

Amount in NPR

Particulars	Share Capital	Advance For Share Capital	Revaluation Reserve	Retained Earnings	Total
FY 2080/81					
Balance At Shrawan 1, 2080	65,368,100.00	10,000,600.00	30,837,200.00	(24,088,992.92)	115,830,218.23
Change In Accounting Policies	-	-	-	-	-
Restated Balance as at 1 Shrawan 2080	65,368,100.00	10,000,600.00	30,837,200.00	(24,088,992.92)	115,830,218.23
Profit For The Year	-	-	-	3,144,016.17	3,144,016.17
Other Comprehensive Income	-	-	-	-	-
Issue Of Share Capital	102,138,450.00	-	-	-	102,138,450.00
Advance for Share Capital	-	8,448,425.00	-	-	8,448,425.00
Balance as at 31 Ashadh 2081	167,506,550.00	18,449,025.00	30,837,200.00	(20,944,976.75)	195,847,798.25

Particulars	Share Capital	Advance For Share Capital	Revaluation Reserve	Retained Earnings	Total
FY 2081/82					
Restated Balance as at 1 Shrawan 2081	167,506,550.00	18,449,025.00	30,837,200.00	(20,944,976.75)	195,847,798.25
Profit For The Year	-	-	-	21,216,193.40	21,216,193.40
Share Issue Cost	-	-	-	(237,000.00)	(237,000.00)
Other Comprehensive Income	-	-	-	-	-
Issue Of Share Capital	53,493,450.00	-	-	-	53,493,450.00
Advance for Share Capital	-	(18,449,025.00)	-	-	(18,449,025.00)
Balance as at 32 Ashadh 2082	221,000,000.00	-	30,837,200.00	34,216.65	251,871,416.65

Accompanying Notes form significant part of financial Statements.

As per our report on even date,

(Signature)
Maheshwor Khanal
Chairperson

(Signature)
Rajan Lal Shrestha
Director

(Signature)
Rojina Shrestha
Director

(Signature)
Kapil Dev Mahato
Independent Director

(Signature)
Saroj Luitel
Managing Director

(Signature)
Krishna Bahadur Lama
CFO

(Signature)
Sushan Shrestha, CPA
Partner
Shrestha & Neupane Associates
Chartered Accountants



Date: 2025-08-31

Place: Kathmandu

Everest Colour Ltd.

Bhaktapur, Nepal

Notes to Statement of Profit or loss and Other Comprehensive Income

For the Period From Shrawan 1, 2081 To Ashadh 32, 2082 (July 17, 2024 to July 16, 2025)

Note

6.1

Amount in NPR

Note	For the Year 2081-82	Right-to-use Assets	Land	Land and Buildings	Plant and Equipments	Furnitures and Fixtures	Office Equipments	Vehicles	Intangible Assets	Total
Cost:										
At start of year	1,152,473.03	57,839,110.00	31,116,049.73	10,399,104.63	1,122,926.91	4,274,907.97	10,778,839.53	237,977.60	116,921,389.40	
Additions	-	-	4,331,181.20	621,646.00	248,539.42	1,264,304.36	3,903,391.53	443,000.00	10,812,062.51	
Disposals	-	-	-	-	-	-	-	-	-	
At end of year	1,152,473.03	57,839,110.00	35,447,230.93	11,020,750.63	1,371,466.33	5,539,212.33	14,682,231.06	680,977.60	127,733,451.91	
Accumulated Depreciation										
At start of year	628,621.65	-	977,952.93	1,154,171.67	262,008.18	395,816.95	1,517,943.94	59,494.40	4,996,009.72	
Charge for the year	314,310.83	-	583,518.65	585,190.22	155,778.70	275,079.31	1,761,112.43	54,423.91	3,729,414.05	
Disposals	-	-	-	-	-	-	-	-	-	
At end of year	942,932.48	-	1,561,471.58	1,739,361.89	417,786.89	670,896.26	3,279,056.37	113,918.31	8,725,423.77	
Carrying amount as on Ashadh 32, 2082	209,540.55	57,839,110.00	33,885,759.35	9,281,388.74	953,679.44	4,868,316.07	11,403,174.70	567,059.29	119,008,028.14	



Shrestha

R.K.

Shrestha

Shrestha



Shrestha

Shrestha

Everest Colour Ltd.
Bhaktapur, Nepal
Notes to Statement of Financial Position
For the Period Ended Ashadh 32, 2082 (July 16, 2025)

Note

6.2

Intangible Assets

<i>Amount in NPR</i>		
Particular	As at 32 Ashadh, 2082	As at 31 Ashadh 2081
Cost:		
At start of year	237,977.60	237,977.60
Additions	443,000.00	-
Disposals	-	-
At end of year	680,977.60	237,977.60
Accumulated Amortization		
At start of year	59,494.40	29,747.20
Charge for the year	54,423.91	29,747.20
Disposals	-	-
At end of year	113,918.31	59,494.40
Carrying amounts as on Ashadh End	567,059.29	178,483.20

Note

6.3

Investment in Shares

Unquoted Equity Investments:

<i>Amount in NPR</i>		
Particulars	As at 32 Ashadh, 2082	As at 31 Ashadh 2081
Fair value of investment as at beginning of the year	-	12,500.00
Additions/transfers	-	-
Investment value	-	-
Reclassification	-	-
Fair value gain through Other Comprehensive Income	-	-
Fair value of investment as at end of the year (A)	-	12,500.00

Note

6.4

Trade & Other Receivables

<i>Amount in NPR</i>		
Particulars	As at 32 Ashadh, 2082	As at 31 Ashadh 2081
Advance and Deposits	3,238,188.86	23,154.86
Income Tax Receivable	185,342.35	128,403.78
Trade and other receivable	91,170,218.65	55,268,271.53
VAT Receivable	-	-
Total	94,593,749.86	55,419,830.17

The fair value of these financial assets are assumed to be their carrying value due to their short term nature

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Everest Colour Ltd.
Bhaktapur, Nepal
Notes to Statement of Financial Position
For the Period Ended Ashadh 32, 2082 (July 16, 2025)

Note

6.5

Cash and Bank Balance

Amount in NPR

Particulars	As at 32 Ashadh, 2082	As at 31 Ashadh 2081
Cash Balance	30,481.32	686,414.78
Total	30,481.32	686,414.78
Bank Balance		
Chitwan Audhyogic Bikash Saving & Credit Co-operative Ltd.	-	60,281.10
Everest Bank Ltd.	21,219,721.82	2,195,385.49
Global IME Bank Ltd.	793,296.56	620,762.97
NIC Asia Bank Ltd.	4,532,211.56	6,095,161.67
Prabhu Bank Ltd.	5,216,568.12	25,058,646.42
Total	31,761,798.06	34,030,237.65
Grand Total	31,792,279.38	34,716,652.43

For the purposes of the cash flow statement, cash and cash equivalents comprise cash and balances with banks with less than three months maturity period.

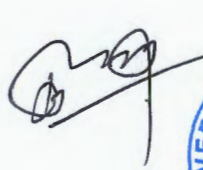
Note

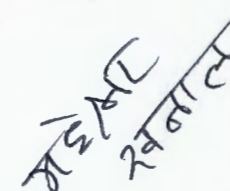
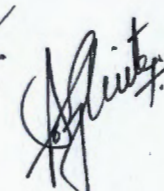
6.6

Other Financial Assets

Amount in NPR

Particulars	As at 32 Ashadh, 2082	As at 31 Ashadh 2081
Advance to Creditors	1,947,298.40	866,458.66
Margin Money	863,301.20	1,086,480.23
Other Advance and Deposits	-	-
Imprest/Other Advance	1,437,414.91	1,401,638.92
Prepaid Expenses	169,208.34	129,537.78
Prepaid Rent Expenses	-	-
Security Deposits	-	-
Staff Advance	710,306.06	1,059,026.37
Total	5,127,528.91	4,543,141.96





Everest Colour Ltd.
Bhaktapur, Nepal
Notes to Statement of Financial Position
For the Period Ended Ashadh 32, 2082 (July 16, 2025)

Note
Equity Share Capital

6.7

Amount in NPR

Particular	As at 32 Ashadh, 2082	As at 31 Ashadh 2081
Authorized Share Capital (3,000,000 equity Share of Rs. 100 Each)	300,000,000.00	300,000,000.00
Issued Share Capital (3,000,000 equity Share of Rs. 100 Each)	300,000,000.00	260,000,000.00
Subscribed and Paid-up Capital (2,210,000 equity Share of Rs. 100 Each)	221,000,000.00	167,506,550.00
Total	221,000,000.00	167,506,550.00
At end of year	221,000,000.00	167,506,550.00

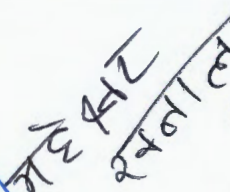
Note
Loans and Borrowings

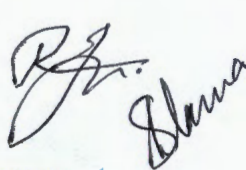
6.8

Amount in NPR

Particulars	As at 32 Ashadh, 2082	As at 31 Ashadh 2081
Mid Term Loan(GBIME)	-	-
Vehicle Loan (Mahindra Bolero)	845,125.27	1,036,587.08
Vehicle Loan	4,067,582.20	5,393,515.02
Vehicle Loan (Breeza)	-	-
Total	4,912,707.47	6,430,102.10










Leases**A. Leases as lessee**

The company has taken on lease a flat on rent for its business operation for 7 years, with an option to renew the lease after that date. Lease payments have escalation clause for increment at 10% after every 2 years.

Information about leases for which the Company is a lessee is presented below.

A.1 Right-of-use Assets

Right-of-Use Assets related to leased properties that donot meet the definition of investment property are presented as Property, Plant & Equipment.

Particulars	Year Ended 32-03-2082	Year Ended 31-03-2081
Balance as on 1st Shrawan	523,851.38	838,162.20
Depreciation for the year	(314,310.83)	(314,310.83)
Addition to Right-of-use Assets	-	-
Derecognition of Right-of-use Assets	-	-
Balance as an Ashad End	209,540.55	523,851.38

A.2 Amounts Recognised in Profit or Loss Account

Particulars	Year Ended 32-03-2082	Year Ended 31-03-2081
Interest on lease liabilities	54,299.21	91,770.49
Expenses relating to short-term leases	-	-
Total	54,299.21	91,770.49

A.3 Amounts recognized in Statement of Cashflows

Total Cash outflow as per the lease agreement for the fiscal years is as following:

Particulars	Year Ended 32-03-2082	Year Ended 31-03-2081
Total Cash flow for the year (as per Agreement)	483,448.00	467,863.44
Total	483,448.00	467,863.44

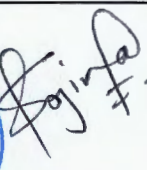
A.4 Lease Liability

Detail about the liability under lease agreements for right to use assets with breakdown of curent and long term portion of liability is as below:

Particulars	Year Ended 32-03-2082	Year Ended 31-03-2081
Opening Liability	760,371.91	1,136,457.43
Additional Liability during the year	-	-
Finance Cost	54,299.21	91,770.49
Cash Payment	483,448.00	467,856.00
Net Total Lease liability as on Ashad End	331,223.12	760,371.91

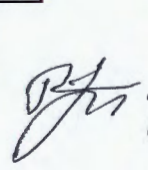
Breakdown:

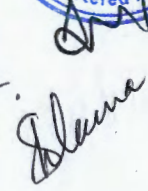
Current Portion of Lease Liability	331,223.12	429,159.68
Non Current Portion of Lease Liability	(0.00)	331,212.23
Total Lease Liability as on Ashad End	331,223.12	760,371.91

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Everest Colour Ltd.

Bhaktapur, Nepal

Notes to Statement of Financial Position

6.10

Deferred Tax

Particulars	Amount in NPR	
	2082-03-32	2081-03-31
Deferred Tax Asset	66,863.23	154,930.11
Deferred Tax Liability	(2,985,735.93)	(9,858,618.46)
Effect of Sec. 57 of Income Tax Act, 2058	-	-
Net Deferred Tax Asset / (Liability)	(2,918,872.70)	(9,703,688.35)
Net Changes	6,784,815.65	(770,002.43)
Deferred Tax on Other Comprehensive Income	-	-
Transfer to Statement of Comprehensive Income	6,784,815.65	(770,002.43)
Recognized in profit or loss	6,784,815.65	(770,002.43)
Recognized in OCI	-	-
Deferred Tax Assets at the end of year	6,784,815.65	(9,703,688.35)

Deferred Income Tax Assets and Liabilities, deferred tax charge/ (credit) in the profit or loss and to equity attributable as below

As at 2082.03.32

Amount in NPR

Particulars	Book Value Base	Tax Base	Difference	DTA/(DTL)	Recognised in profit or loss	Recognised in OCI
Property, Plant and Equipment						
Land	57,839,110.00	57,839,110.00	-	-	-	-
Other than Land	60,392,318.30	45,673,179.18	(14,719,139.12)	(2,943,827.82)	(2,943,827.82)	-
Intangible Assets	567,059.29	570,152.34	3,093.05	618.61	618.61	-
Right To use of Assets	209,540.55	-	(209,540.55)	(41,908.11)	(41,908.11)	-
Accrued Lease Liability	331,223.12	-	331,223.12	66,244.62	66,244.62	-
Total	119,339,251.26	104,082,441.52	(14,594,363.50)	(2,918,872.70)	(2,918,872.70)	-

As at 2081.03.31

Amount in NPR

Particulars	Book Value Base	Tax Base	Difference	DTA/(DTL)	Recognised in profit or loss	Recognised in OCI
Property, Plant and Equipment						
Land	57,839,110.00	19,292,610.00	(38,546,500.00)	(7,709,300.00)	-	(7,709,300.00)
Other than Land	53,383,935.10	43,161,194.15	(10,222,740.95)	(2,044,548.19)	(2,044,548.19)	-
Intangible Assets	178,483.20	192,761.86	14,278.66	2,855.73	2,855.73	-
Right To use of Assets	523,851.38	-	(523,851.38)	(104,770.28)	(104,770.28)	-
Accrued Lease Liability	760,371.91	-	760,371.91	152,074.38	152,074.38	-
Total	112,685,751.59	62,646,566.01	(48,518,441.76)	(9,703,688.35)	(1,994,388.35)	(7,709,300.00)

Signature of the Representative of Everest Colour Ltd.



Signature of the Representative of the Auditor.



Everest Colour Ltd.

Bhaktapur, Nepal

Notes to Statement of Profit or loss and Other Comprehensive Income

For the Period From Shrawan 1, 2081 To Ashadh 32, 2082 (July 17, 2024 to July 16, 2025)

Note

6.15

Revenue from Operation

Amount in NPR

Particulars	As at 32 Ashadh, 2082	As at 31 Ashadh 2081
Paints Sales	151,138,898.55	77,023,920.72
Colourent Sales	4,487,595.36	1,961,038.08
Wall Putty Sales	2,165,225.00	-
DTS Machine Sales	1,044,247.82	778,761.09
Raw Materials Sales	10,733,170.00	27,797,150.00
Packing Materials Sales	1,824.00	32,725.00
Plastic Drums & Other Sales	296,987.10	189,334.00
Less: Trade Discount	(23,269,763.82)	(11,691,597.62)
Less: Sales Return	(4,501,446.00)	(1,089,310.00)
Total	142,096,738.01	95,002,021.27

Note

6.16

Cost of Goods Sold

Amount in NPR

Particulars	As at 32 Ashadh, 2082	As at 31 Ashadh 2081
<u>Raw Material and Packing Materials</u>		
Opening Stock	20,904,379.02	16,680,691.71
Add: Purchase	70,599,677.51	54,364,437.57
Add: Direct Expenses	-	-
Less: Closing Stock	28,765,363.17	20,904,379.02
Raw Material and Packing Material Consumed (A)	62,738,693.36	50,140,750.26
<u>Finished Goods</u>		
Opening Stock	3,800,415.23	5,409,422.51
Add: Purchase	4,240,326.40	796,352.10
Add: Direct Expenses	9,882,810.48	7,589,134.71
Less: Closing Stock	9,462,786.52	3,800,415.23
Total Cost of Finished Goods (B)	8,460,765.59	9,994,494.10
Less: Closing Stock	9,462,786.52	3,800,415.23
Total Cost of Goods Sold (A+B)	71,199,458.95	60,135,244.36

Note

6.17

Other Income

Amount in NPR

Particulars	As at 32 Ashadh, 2082	As at 31 Ashadh 2081
Interest Income from Bank Deposit	386,389.82	13,176.34
Miscellaneous Income	25,000.00	21,836.64
Gain on sale of vehicle	-	335,029.92
Insurance Claim	100,024.77	-
Total	511,414.59	370,042.90

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Everest Colour Ltd.

Bhaktapur, Nepal

Notes to Statement of Profit or loss and Other Comprehensive Income

For the Period From Shrawan 1, 2081 To Ashadh 32, 2082 (July 17, 2024 to July 16, 2025)

Note

6.18

Employee Benefit Expenses

Amount in NPR

Particulars	As at 32 Ashadh, 2082	As at 31 Ashadh 2081
Salary	9,715,741.52	6,016,374.73
Staff Welfare Expense	243,404.85	100,235.00
Total	9,959,146.37	6,116,609.73

Note

6.19

Administrative Expenses

Amount in NPR

Particulars	As at 32 Ashadh, 2082	As at 31 Ashadh 2081
<u>Indirect Expenses</u>		
Aid & Donation Expenses	72,565.00	34,560.00
Audit Fee	110,000.00	110,000.00
AGM Expenses	444,637.00	-
Bank Charges & Commission	526,820.49	361,509.60
Certification Fee	-	-
Communication Expenses	367,358.39	370,025.13
Consultancy Fee	-	-
Fine & Penalties	74,400.00	27,543.21
Guest Entertainment Expenses	8,670.00	7,140.00
Insurance Expenses	388,941.40	289,753.72
Legal & Consultancy Expenses	738,420.00	1,153,500.00
Local Conveyance	91,726.50	62,360.00
Lunch and Snacks Expenses	-	-
Meeting Allowances	390,000.00	-
Miscellaneous Expenses	29,341.31	38,221.73
Office Expenses	597,609.61	307,475.37
Postage & courier	27,978.37	19,011.79
Previous Year Expenses	-	20,839.00
Printing & Stationery	596,680.59	190,849.60
Registration & Renewal Charge	463,886.50	154,645.00
Repair and Maintenance (6.19.1)	978,481.85	-
Software AMC Charge	192,000.00	269,791.78
Travelling Expenses	731,559.05	82,269.99
Vehicle Running & Fuel Expenses	916,450.14	-
Water & Electricity (Office)	88,574.84	42,188.76
Balance written off	2,134.48	-
<u>Indirect Expenses (Factory Office)</u>		
A/C Written Off	-	-
Communication	3,000.00	4,000.00
Medical Aid to staff & Workers	-	-
Puja expenses	4,570.00	91,722.00
Security expenses	304,220.00	304,220.00
Vehicle running & Fuel Expenses	141,723.38	677,338.42
Total	8,291,748.90	4,618,965.10

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Everest Colour Ltd.

Bhaktapur, Nepal

Notes to Statement of Profit or loss and Other Comprehensive Income

For the Period From Shrawan 1, 2081 To Ashadh 32, 2082 (July 17, 2024 to July 16, 2025)

Repair and Maintenance Expenses

6.19.1

Amount in NPR

Repair and Maintenance Expenses(Factory) are for assets which are directly associated with the production of the company and hence the same has been considered as direct expenses under Note 6.16.

Particulars	As at 32 Ashadh, 2082	As at 31 Ashadh 2081
Repair and Maintenance (Furniture)	-	-
Repair & Maintenance Expenses-Office Equipment	217,314.52	32,880.53
Repair & Maintenance Expenses(Vehicles)	584,020.19	303,809.15
Repair and Maintenance (Plant & Machinery)	177,147.14	14,350.00
Repair and Maintenance (Factory)	12,492.00	115,375.58
Total	990,973.85	466,415.26

Note

6.2

Selling and Distribution Expenses

Amount in NPR

Particulars	As at 32 Ashadh, 2082	As at 31 Ashadh 2081
Salary Expenses	7,000,989.53	4,702,285.49
Advertisement Expenses	2,430,883.75	36,124.00
Business Promotion Expenses	3,081,616.78	386,880.00
Dealers' Meet expenses	366,419.50	2,262,773.81
Discounts and Commission Expenses	11,457,558.47	1,209,188.08
Painter Scheme Expenses	629,872.54	508,451.83
Loading & Unloading Expenses	52,491.02	2,929.24
Transportation/ Freight on Sales	2,187,727.99	1,193,128.32
Travelling Expenses	1,835,873.04	1,090,904.65
Total	29,043,432.62	11,392,665.42

Note

6.21

Finance Cost

Amount in NPR

Particulars	As at 32 Ashadh, 2082	As at 31 Ashadh 2081
Interest Expenses	504,991.77	5,909,546.11
Finance Cost on Lease Liability	54,299.21	91,770.49
Total	559,290.98	6,001,316.60

Note

6.22

Tax Expense (Recognized in Statement of Comprehensive Income)

Total tax expense of the company has been briefed as below;

Amount in NPR

Particulars	As at 32 Ashadh, 2082	As at 31 Ashadh 2081
Current Tax Expense		
Current Tax on Profit for the year	-	-
Total Current Tax	-	-
Deferred Tax		
Deferred Tax Recognized in Profit or Loss	6,784,815.65	770,002.43
Deferred Tax Recognized in Statement of Other Comprehensive Income	-	-
Total Deferred Tax (Income)/ Expense	6,784,815.65	770,002.43

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Everest Colour Ltd.

Bhaktapur, Nepal

Notes to Statement of Profit or loss and Other Comprehensive Income

For the Period From Shrawan 1, 2081 To Ashadh 32, 2082 (July 17, 2024 to July 16, 2025)

Note

6.23

Earnings Per Share

Basic earnings per share (EPS) amount are calculated by dividing the net profit attributable to shareholders by weighted average number of shares outstanding at the end of the year.

Diluted EPS amounts are calculated by dividing the profit attributable to ordinary equity holders of the company by the weighted average number of ordinary shares outstanding during the year, plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. The company had issued 4,420,000 ordinary shares at the rate of Rs. 50 per share. However, the company through its SGM dated May 21, 2025 changed its per share value from Rs. 50 to Rs. 100. The following reflects the profit and share data used in the basic and diluted EPS computations:

Amount in NPR

Particulars	As at 32 Ashadh, 2082	As at 31 Ashadh 2081
Net profit attributable to Shareholders for Basic and diluted earnings	21,216,193.40	3,144,016.17
Weighted average number of Ordinary Shares for basic EPS	2,210,000.00	3,350,131.00
Effects of dilution:		
Share Option		-
Weighted average number of ordinary shares adjusted for the effect of dilution		-
Basic earning per ordinary share	9.60	0.94
Diluted earning per ordinary share	9.60	0.94

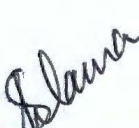
Since there is no convertible and other option, diluted earning per share would be equal to Basic earning per share.

Calculation of Weighted no. of shares:

Particulars	As at 32 Ashadh, 2082	As at 31 Ashadh 2081
Opening number of shares	3,350,131	1,307,362
Issued during the year	534,935	2,042,769
Weighted no. of shares issued during the year		
Bonus share issued during the year	-	-
Share Value increased to Rs. 100 per share	(1,675,066)	-
Right share issued during the year	-	-
No. of right shares issued	-	-
Weighted no. of right shares issued	-	-
Total Weighted No of shares	2,210,000	3,350,131









EVEREST COLOUR LIMITED

BHAKTAPUR, NEPAL

Notes to the Financial Statements

For the year ended 32nd Ashadh, 2082

1. General Information

Everest Colour Limited (ECL) is a paint manufacturing company established on 2068 B.S. in Nepal. The company is registered under Companies Act, 2063 as a public company on 2081/03/10 (June 24, 2024). The company has been registered under VAT and Income Tax with Inland Revenue Department as on 2068/01/28 and under excise as on 2069/04/11. The registered office of the company is located at Madhyapur Thimi-3, Bhaktapur, Nepal and the factory is located at Khairahani-3, Chitwan.

2. Basis of Preparation

2.1. Statement of Compliance

The Financial statements of the Company have been prepared in accordance with Nepal Financial Reporting Standards (NFRS) including Nepal Accounting Standards (NAS), IFRS Interpretation Committee (IFRIC), Standards Interpretation Committee (SIC) and Application Guidance issued by Accounting Standard Board of Nepal (ASB).

Previous year's figures have been regrouped/reclassified wherever necessary to confirm with the current year's classification / disclosures.

2.2. Accounting Pronouncements

The company for its preparation of financial statement has adopted accounting policies to comply with the pronouncements made by Accounting Standards Board Nepal.

2.3. Accounting Conventions

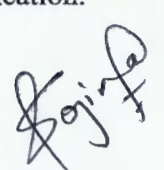
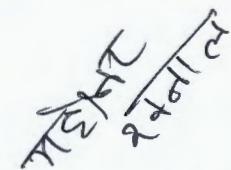
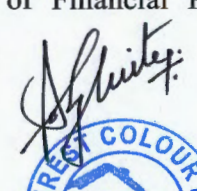
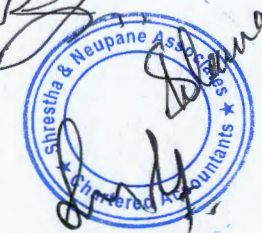
The financial statements are prepared on a historical cost convention except for certain financial elements that have been measured at fair value, wherever standard requires or allows such measurement. The fair values, wherever used, are discussed in relevant notes.

The financial statements are prepared on accrual basis. The financial statements have been prepared on going concern basis. The company has a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future.

2.4. Presentations

The financial statements are prepared in Nepalese Rupees and rounded off to the nearest rupee. The figures for previous years are rearranged and reclassified wherever necessary for the purpose of facilitating comparison. Appropriate disclosures are made wherever necessary.

The company presents assets and liabilities in Statement of Financial Position based on current/non-current classification.

The company classifies an asset as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

The company classifies a liability as current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities as non-current.

Deferred Tax assets and liabilities are classified as non-current assets/liabilities.

The company operating cycle has been defined as twelve-month period.

The Statement of Profit or Loss has been prepared using classification 'by function' method.

The Statement of Cash flows has been prepared using indirect method.

2.5. Significant Accounting Policies

The company, under NFRS, is required to apply accounting policies to most appropriately that suit its circumstances and operating environment. Directors and management are required to make judgement in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the company's reported financial position, results or cashflows.

Specific accounting policies have been included in the specific section of the notes for each item of financial statements which requires disclosures of accounting policies or changes in accounting policies. Effect and nature of the changes have been disclosed.

2.6. Accounting estimates

The preparation of financial statements in line with NFRS which requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent asset and liabilities at the date of financial statements.

The company applies estimates in preparing and presenting the financial statements. The estimates and underlying assumptions are reviewed periodically. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount



of assets or liabilities in future periods. The estimates are reviewed periodically by the management. Revision to accounting estimate are recognized in the period in which the estimates are revised and are applied prospectively.

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

2.7. Financial Periods:

The company prepares financial statements in accordance with the Nepalese financial year based on the Nepalese calendar. The corresponding dates for the Gregorian calendar are as follows:

Relevant Financial Statement	Nepalese Calendar	Gregorian/English Calendar
Comparative reporting period	1 Shrawan 2080 - 31 Ashad 2081	17 July 2023- 15 July 2024
NFRS reporting period	1 Shrawan 2081- 32 Ashad 2082	16 July 2024 - 16 July 2025

2.8. Materiality and Aggregation

Each material class of similar items is presented separately in the financial statements. Items of dissimilar nature or function are presented separately, unless they are immaterial.

2.9. Discounting

Discounting has been applied where assets and liabilities are non-current, and the impact of the discounting is material.

2.10. Limitations on NFRS implementation

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

3. Significant Accounting Policies

3.1. Property, Plant and Equipment

Property, Plant and equipment are initially measured at cost in the Statement of Financial Position. These are inclusive of all cost less any subsequent accumulated depreciation and subsequent accumulated impairment losses, if applicable for each class of assets. Property, plant and equipment are recognized as an asset, if and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Cost includes the purchase price and other directly attributable costs of property, plant and equipment. Cost also includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. All other repair and maintenance costs are recognized in profit or loss as incurred. Subsequent costs that do not meet the recognition criteria under NFRS are expensed as and when incurred.

Initial estimate of cost of dismantling and removal is included in the initial cost of property, plant and equipment by discounting the future outflow to its present value and unwinding the discount

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each year. The company at present doesn't have any liability for dismantling and removal and hence no estimate of the same has been made.

3.1.1. Depreciation

The company depreciates property, plant and equipment following Straight Line Method based on the useful life of the assets. The useful life of the asset differs from the useful life as prescribed under Appendix – I of Application Guidance Note on NAS 16 as the company believes that the useful life depicts the best use of the asset. The useful life of the assets used for depreciation purpose as per the management estimates are as follows:

<i>Assets</i>	<i>Useful Life</i>
Right to Use Asset	Over the lease term
Land	Infinite
Land and Buildings	60 yrs
Plant and Equipment	20 yrs
Furniture and Fixtures	10 yrs
Office Equipment	20 yrs
Vehicles	10 yrs

The rates have been applied consistently over the years. The residual values, useful lives and the depreciation methods of assets are reviewed at least at each financial year end and, if expectations differ from previous estimates, are accounted for as a change in accounting estimates in accordance with NAS 8. An asset's carrying amount is written down immediately to its estimated recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

3.1.1.1. Change in Accounting Estimate

Change in accounting estimate is an adjustment of the carrying amount of an asset or a liability, or the amount of the periodic consumption of an asset, that results from the assessment of the present status of, and expected future benefits and obligations associated with, assets and liabilities. Changes in accounting estimates result from new information or new developments and accordingly, are not corrections of errors.

3.1.2. Revaluation

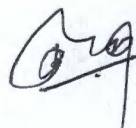
The land of the company is stated at revalued amounts. The effective date of revaluation is 2080.03.25. The land was revalued by an independent valuator Endeavour Engineering Services Pvt. Ltd.

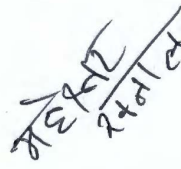
The carrying amount of the land would be as below if the land was not revalued:

<i>Particulars</i>	<i>Carrying Amount (NRs.)</i>	<i>Revalued Amount (NRs.)</i>	<i>Revaluation Surplus (NRs.)</i>
Land	15,112,500	53,659,000	38,546,500

3.1.3. De-recognition

An item of property, plant and equipment is de-recognized on disposal or when no future economic benefits are expected from the use of that asset. The gain or loss arising from the disposal of an









item of property, plant and equipment is the difference between net disposal proceeds, if any, and the carrying amount of that item and is recognized in the Statement of Profit or Loss.

3.2. Intangible Assets

An intangible asset is recognized based on costs incurred to acquire and bring to use, where it is probable that the extended future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. Amortization is recognized on a straight-line basis over their estimated useful lives. Accounting software is amortized over an estimated useful life of 10 years (the estimate is being reviewed periodically.) Trademark is amortized over an estimated useful life of 7 years.

The amortization expense has been shown as a separate line item in the Statement of Profit or Loss.

3.3. Leases

At inception of a contract, the company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

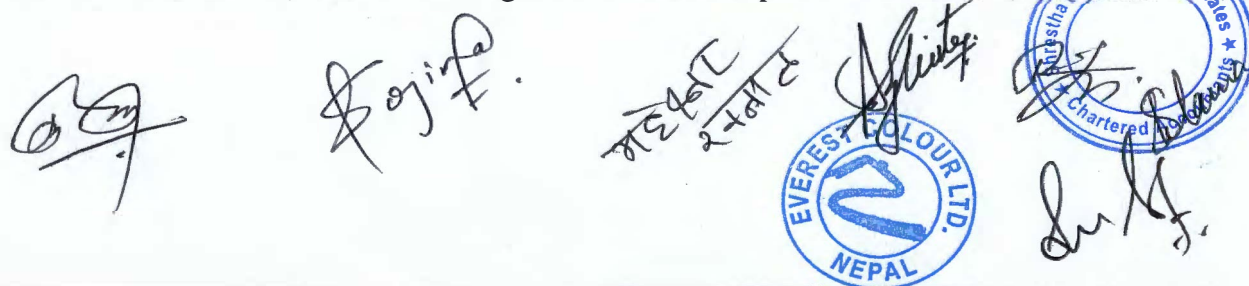
i. As a Lessee

At commencement or on modification of a contract that contains a lease component, the company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the company by the end of the lease term or the cost of the right-of-use asset reflects that the company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate

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cannot be readily determined, the company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

The company has determined its' incremental borrowing rate as per the interest rate charged by Global IME Bank on its lending which is 9.49% for the financial year.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the Effective Interest Rate method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, if the company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'Other Liabilities' in the statement of financial position.

Short-term leases and leases of low-value assets

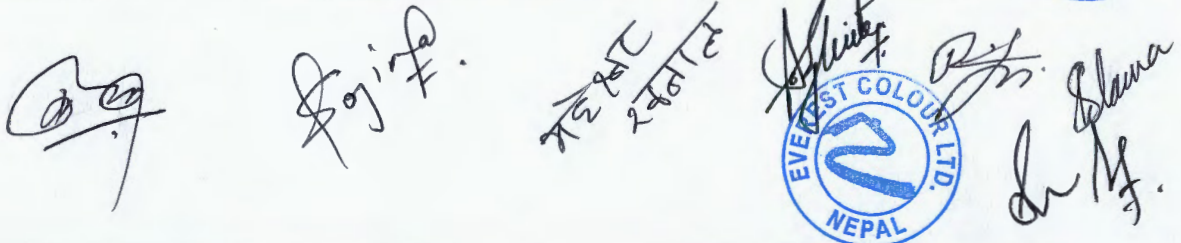
The company has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

ii. As a Lessor

At inception or on modification of a contract that contains a lease component, the company allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

When the company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is

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the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the company applies NFRS 15 to allocate the consideration in the contract.

The company recognizes lease payments received under operating leases as income on a straight line basis over the lease term as part of 'other revenue'. During the financial year, the company has not entered into any agreement as a lessor, hence no income is generated due to the same.

3.4. Income Tax Expense

Income tax on the profit for the year comprises current and deferred tax. Income tax is recognized in the Statement of Profit or loss except to the extent that it relates to items recognized directly in equity.

(i) Current Tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and any adjustments to tax payable or receivable in respect of previous years. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and liabilities are offset if certain criteria are met.

Income tax rates applicable to the Company

Income from manufacturing and sale of goods: 20%

Income from trading activities: 25%

The company has availed rebate of 20% on tax liabilities on Income from manufacturing and sale of goods under Section 11 (2Kha) of Income Tax Act, 2058.

(ii) Deferred Tax

Deferred tax is recognized using the liability method on taxable temporary differences between the tax base and the accounting base of items included in the Statement of Financial Position of the company and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred Tax Assets (DTA) are generally recognized for all deductible temporary differences to the extent that is



probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred Tax Liabilities (DTL) and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the assets realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is calculated on temporary differences at the future effective rate of 20%. Deferred tax has been recognized in respect of all tax gain/loss and other temporary differences giving rise to deferred tax liability(net) where the management believe it is probable that this liability will be adjusted.

(iii) Reconciliation of Profit

The reconciliation of the Profit as per financial statement and tax is shown below:

Profit as per Financials	19,825,661
Add:	
Depreciation & Amortization as per books	3,729,414
Repair & Maintenance as per books	990,974
Disallowed Expenses	178,441
Interest on lease	54,299
Gain on deemed disposal of Land (Sec 57)	38,546,500
Disposal of Closing Stock (Sec 57)	30,391,676
Less:	
Depreciation & Amortization as per tax	(7,729,925)
Repair & Maintenance as per tax	(860,184)
Actual Rent Payment	(483,448)
Repair as per Section 13	(130,790)
Cost of disposal of Closing Stock (Sec 57)	(30,391,676)
Loss Carried forward	(27,166,242)
Profit as per Tax	26,954,700
Income Tax	5,394,283
Effective Tax Rate	20.01%

3.5. Inventories

Inventories are carried at lower of cost or net realizable value.

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Net Realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the necessary estimated expenses. The cost of obsolescence and other anticipated losses are also considered for determining the net realizable values.

In determining the cost of raw materials and packing materials, First In First Out (FIFO) method is used. Cost of inventory comprises of all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities), cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Cost of finished goods includes the cost of raw materials, packing materials, direct labor and appropriate portions of fixed and variable production overheads incurred in bringing the inventory to their present location and condition. The weighted average method is used for valuation of finished goods by the company.

3.6. Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held with banks. Cash at bank earns interest at floating rates based on daily balances.

3.7. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset for one entity and a financial liability or equity instrument of another entity. The company classifies financial assets and financial liabilities in accordance with the categories specified in NAS 32 and NFRS 9.

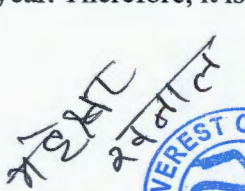
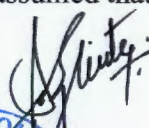
3.7.1. Financial Assets

Financial Asset is any asset that is:

- a) Cash
- b) An equity instrument of another entity:
- c) A contractual right:
 - i) To receive cash or another financial asset from another entity: or
 - ii) To exchange financial assets or financial liabilities with another entity under conditions that are potentially favorable to the entity: or
- d) A contract that will or may be settled in the entity's own equity instruments and is:
 - i) A non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments: or,
 - ii) A derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial assets of the company comprise of Advances, Other Current Assets, Trade Receivables and Cash and Cash Equivalents.

These instruments are interest bearing and non-interest bearing. Where, interest component is present, the implicit interest rate approximates the effective interest rate. These instruments are expected to be settled or recovered within a year. Therefore, it is assumed that the carrying amount represents the amortized cost of the assets.

3.7.1.1. Investments

The company does not have any investments as on the reporting date.

3.7.1.2. Trade and other Receivable

Trade and other Receivables comprises of amount receivable from the customers and are non-interest bearing and are generally on terms of 30 to 90 days. The company does not consider the fair value of the amounts to be significantly different from their carrying value. The company has estimated the expected credit losses to be immaterial.

3.7.2. Financial Liabilities

A financial liability is any liability that is:

a) A contractual obligation:

- i) To deliver cash or another financial asset to another entity: or
- ii) To exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the entity: or

b) A contract that will or may be settled in the entity's own equity instruments and is:

- i) A non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments: or,
- ii) A derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instrument

Financial Liabilities are classified, at initial recognition, as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognized initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs. The company's financial liabilities include trade payables and borrowings.

Financial liabilities held by the company are both interest bearing and non-interest bearing.

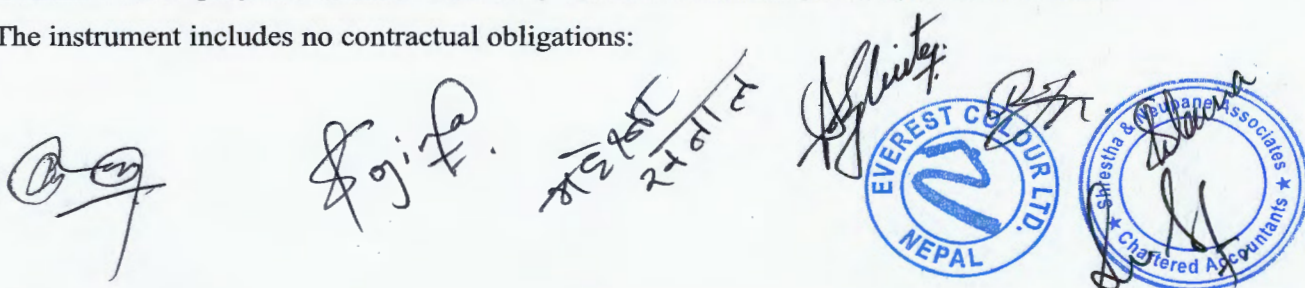
For interest bearing financial liabilities which comprises of the bank loans, interest charged by the bank approximates effective interest rate and the rate is considered for calculation of amortized cost of liability and the finance cost. The effect of initial charges and their impact on effective interest rate is not considered material and the carrying value is considered to approximate the amortized cost.

3.7.3. Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

When an issuer applies the definitions in Para 11 of NAS 32, "Financial Instruments" to determine whether a financial instrument is an equity instrument rather than a financial liability, the instrument is an equity instrument, if, and only if, both conditions (a) and (b) below are met:

a) The instrument includes no contractual obligations:

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- i) To deliver cash or another financial asset to another entity; or
- ii) To exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the issuer.
- b) If the instrument will or may be settled in the issuer's own equity instruments, it is:
 - i) A non-derivative that includes no contractual obligation for the issuer to deliver a variable number of its own equity instruments; or,
 - ii) A derivative that will be settled only by the issuer exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

Share Capital

The number and the face value of the shares of the company are as follows:

Particulars	As at 32 nd Ashadh, 2082			As at 31 st Ashadh, 2081		
	Number of Shares	Face Value	Total (NRs.)	Number of Shares	Face value	Total (NRs.)
Authorized Share Capital	3,000,000	100	300,000,000	6,000,000	50	300,000,000
Issued Share Capital	3,000,000	100	300,000,000	5,200,000	50	260,000,000
Paid up Share Capital	2,210,000	100	221,000,000	3,350,131	50	167,506,550

Share issue expenses have not been netted off against the capital collected but it has been shown as expense through *Statement of Changes in Equity*.

Advance for Share Capital

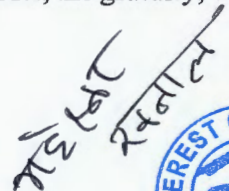
The amount received for advance for share capital is the amount that is to be converted into the share capital of the company in the future. Since such amount meets the definition of the equity, they are presented as a component of equity in the Statement of the Financial Position. The Advance for Share Capital has been converted into Share Capital during the year.

3.8. Employee Benefits

(i) Short-term benefits and defined contribution

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. The defined contribution expenses include employer's contribution to Social Security Fund. These amounts have been deposited in Social Security Fund, a 100% Government of Nepal undertaking.

Defined Contribution Plan is a post-employment benefit plan in which the entity pays fixed contribution to the fund and will have no legal or constructive obligation to pay further contributions if the fund is not able to pay the employee benefits. i.e. actuarial and investment risk lies with the employees. As per the recent amendment in Labor Act, the gratuity, which was previously classified

as a Defined Benefit Plan, now is to be classified as Defined Contribution Plan and hence no actuarial calculations for the same shall have to be made.

Currently, the company does not have any defined benefit plans.

(ii) Other Long Term Employee Benefits

Other Long Term Employee Benefits include items not expected to be settled wholly before twelve months after the end of the annual reporting period. This item includes accumulated leaves and medical benefits. The company currently does not provide any long term benefits to the employees.

3.9. Revenue

The entity has applied NFRS 15-Revenue from Contracts with Customers for the recognition of revenue from its ordinary course of business.

3.9.1. Significant Accounting Policy

Revenue is measured based on the consideration specified in the contract with a customer. The entity recognizes revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service (i.e an asset) to a customer. In the comparative period, revenue was recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue and associated costs incurred or to be incurred can be reliably measured and when recognition criteria related to the sale of goods i.e when the significant risks and rewards of ownership of the goods have transferred to the buyer, with the company retaining neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

3.9.2. Nature of Goods

The company is engaged in the manufacturing of paints and trading of colourant, wall putty, DTS Machine, raw materials.

3.9.3. Timing of Revenue Recognition

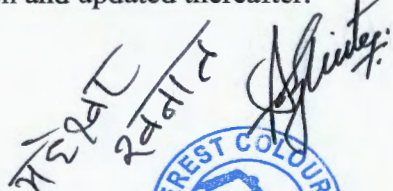
The company recognizes revenue at a point in time when control of goods is transferred to the customer, generally on delivery of the goods.

3.9.4. Sales Channel

The company sells its goods through dealers as well as directly to the end consumer as well.

3.9.5. Transaction Price related to remaining performance obligations

Some of the sales made to dealers comprise trade discounts or volume rebates and incentives. Currently, the entity recognizes revenue from the sale of goods upon delivery measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. If revenue cannot be reliably measured, the entity defers revenue recognition until the uncertainty is resolved. Such provisions give rise to variable consideration under NFRS 15, and will be required to be estimated at contract inception and updated thereafter.

i) Volume Rebates

The entity provides retrospective volume rebates to its customers on all products purchased by the customer once the quantity of products purchased during the period under scheme in force exceeds a threshold specified in the scheme under constructive obligation as evidenced in sales and marketing policy of the company.

Under NFRS 15, retrospective volume rebates give rise to variable consideration. The amount of variable consideration is calculated at the end of the financial year on the basis of sales. The company has presented the rebates under Selling & Distribution Expenses.

4. Accounting Estimates and Risk Assessment:

4.1. Critical Accounting Estimates and Judgements in Applying Accounting Policies

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The critical accounting estimates and assumptions applied in the year are:

(a) Income Tax

The Company is subject to income taxes in Nepal. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(b) Measurement of Fair Value

(i) Valuation of Quoted Equity Investments

The company uses the prevailing market rates for the valuation of quoted equity investments held by the company. The fair value changes due to valuation is transferred to Other Comprehensive Income (OCI). Currently, the company does not have any investment in quoted instruments.

(ii) Valuation of Unquoted Equity Investments

The Company uses valuation techniques for valuing unquoted shares that are not based on observable market data. The Company reviewed several valuation techniques and selected a value that is based on net assets of the company. The management has taken this decision as other methods for valuation were not available at the time of valuation.

5. Management of Risk

The Company's activities expose it to a variety of risks, including financial risk, credit risk, and the effects of changes in property values, debt and equity market prices, and interest rates. The Company's overall risk management program focuses on the identification and management of risks and seeks to minimize potential adverse effects on its financial performance, by use of underwriting guidelines and capacity limits, reinsurance planning, credit policy governing the acceptance of clients, and defined criteria for the approval of intermediaries and reinsurers. Investment policies are in place which help manage liquidity and seek to maximize return within an acceptable level of interest rate risk.

This section summarizes the way the Company manages risk.

(i) Credit Risk Management

Credit Risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers. All the trade and other receivables at the reporting date are due for payment as per normal business credit terms and hence, the management accordingly, does not believe that the Company has any exposure to credit risk.

(ii) Market Risk Management

Market risk comprises of four types of risk: interest rate risk, currency risk, commodity price risk, and other price risk such as equity price risk. Market risk is the risk that changes in market price, interest rates and equity prices will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company currently has no transactions which expose it primarily to the financial risks of changes in interest rates, equity prices etc.

(iii) Liquidity Risk Management

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

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6. Other Significant Disclosure

6.1. Related Party Disclosure

The Company identifies following as the related parties under the requirements of NAS 24.

- i) Companies represented by the Directors
- ii) The company and the reporting entity are the members of the same group
- iii) Directors of the Company and their close family members if any
- iv) Key Managerial Personnel and their close family members if any

6.1.1. Transactions with and payments to directors of the Company

Following constitute the Board of Directors of the company:

Particulars	Position
Maheshwor Khanal	Chairperson
Rojina Shrestha	Member
Kapil Dev Mahato	Member /Independent Director
Rajan Lal Shrestha	Member
Saroj Luitel	Member

- i. During the fiscal year 2081/82, board meetings have been held 32 times. However, allowances have been provided to the board members for only 16 board meetings held during the fiscal year. The meeting allowances have been shown in the financial statements in Note 6.19, the details of which are mentioned below:

Meeting Name	No. of meetings	Allowances	Remarks
Board Meetings	32	390,000	Allowance for 16 meetings have been made during the fiscal year.

- ii. Related party transactions with the board members and the details of them are tabulated below:

Name of Related Party	Relation	Transaction	Opening Balance	During the year		Closing Balance
				Dr	Cr	
Rajan Lal Shrestha	Director	Sales/Purchases	706,870.23	4,546,457.17	3,995,063.67	1,258,263.73

6.1.2. Transactions with and payment to key management personnel

The amounts disclosed in the table are the amounts recognized as an expense during the reporting period related to the key management personnel.

Following payments have been made to the key management personnel to the company during the financial year:

Particulars	2081/82
Short Term Employee Benefits	14,667,011.40
Other Long-Term Benefits	-

6.2. Subsequent Event or post balance sheet event after the reporting period.

There are no events past the reporting period which would require any adjustments to the financial statements, neither adjusting nor non-adjusting event.

[Signature]

[Signature]

[Signature]



6.3. Contingent Liabilities and Capital Commitment

6.3.1. Contingent Liabilities

Contingent liabilities are potential future cash outflows, where the likelihood of payment is considered more than remote but is not considered probable or cannot be measured reliably.

6.3.1.1. Corporate Tax Matters

The Inland Revenue Office, Bhaktapur has assessed income tax, and VAT liabilities of the company for the year 2076/77. For the unaccepted amount, the company has filed the case for Administrative Review. Pending decision from the Director General, additional liabilities have not been recognized in the financial statements and have been disclosed as contingent liabilities as below:

<i>Fiscal Year</i>	<i>Assessment Amt (NRs.)</i>	<i>Fine (NRs.)</i>	<i>Additional Fee (NRs.)</i>	<i>Interest (NRs.)</i>	<i>Total Amount (NRs.)</i>
2076/77	1,418,500.00	283,700.00	551,466.00	833,368.00	3,087,034.00

The company has paid NRs. 3,087,034 vide voucher number 68003372 dated 2081.04.28 in relation to the Administrative Review of the tax matters in Inland Revenue Office, Bhaktapur. As on the reporting date, the decision regarding such contention from Inland Revenue Office in regard to Administrative Review has not yet been received.

6.3.2. Details of claimed against the companies not accepted by the company

There has been no such claim lodged against the company till the reporting date.

6.3.3. Pending litigation

There is no such pending litigation filed against the company.

6.3.4. Commitment

A commitment is a contractual obligation to make payment in the future, mainly in relation to underwriting, loans, investment and fixed assets. There is no such commitment.

6.4. Others

6.4.1. Provision for Bonus

Provision for Bonus has not been made by the company as per Bonus Act, 2030.

6.4.2. Effect of Change of Control:

The company has undergone a change in the control of the organization vide the board decision dated 2081.06.10. However, the financial statements cover the period from 2081.04.01 to 2082.03.32. Following are effects of the change of control under Income Tax Act, 2058:

- Since the company has undergone a change of control as on 2081.06.10, Section 57 of Income Tax Act, 2058 was attracted. The fixed assets as on 2081.06.10 were disposed off

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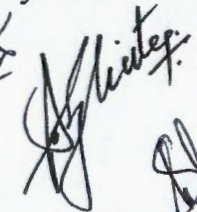
- on book value as on such date and addition of asset was made for same disposed value for the period after change in control. However, land was disposed off on the revalued amount.
- The company has not carried forward the unrecovered losses of previous year after the change in control.



गोर्खा
27/01/20



अध्यापक
शुभा & नेपाली Associates
Chartered Accountants



शुभा

अनुसूची - ४

एभरेष्ट कलर लिमिटेड

मध्यपुर ठिमी ३, भक्तपुर ।

फोन नं. ०१-.....

(कम्पनी ऐन, २०६३ को दफा ७१ सँग सम्बन्धित)

प्रोक्सी फारम

.....बस्ने, म..... यस एभरेष्ट कलर लिमिटेडको संस्थापक/सर्वसाधारण शेयरधनीको हैसियतले मिति २०.....। गते हुने वार्षिक साधारण सभामा सहभागी हुन नसक्ने भएकोले मेरो/हाम्रो प्रतिनिधित्व गरी सभाको छलफल तथा निर्णयमा भाग लिन तथा मतदान गर्नका लागि श्री..... लाई अख्तियारी प्रदान गरेको छु/छौं ।

प्रोक्सी लिनेले भर्ने :

प्रोक्सी लिनेको सही :

शेयर धनी / DEMAT No :

ठेगाना :

मिति :

प्रोक्सी दिनेले भर्ने :

शेयर प्र.पत्र नं. :

शेयर धनी / DEMAT No :

शेयर संख्या :

प्रोक्सी दिनेको सही :

मिति :

प्रवेश पत्र

श्री एभरेष्ट कलर लिमिटेडको वार्षिक साधारण सभामा उपस्थितीको लागि जारी गरिएको प्रवेश पत्र

प्रोक्सी लिनेको नाम :

प्रोक्सी लिनेको शेयरधनी नं. / DEMAT No.:

समुह : संस्थापक/सर्वसाधारण

प्रोक्सी लिनेको दस्तखत:

द्रष्टव्य:

१) शेयरधनी आफैले खाली कोष्ठहरु भर्नु होला ।

२) सभाकक्षमा प्रवेश गर्न यो प्रवेश-पत्र प्रस्तुत गर्न अनिवार्य छ ।

३) शेयरधनी स्वयं उपस्थित भएमा प्रोक्सीद्वारा नियुक्त प्रतिनिधि स्वतः रद्ध हुनेछ ।

४) प्रोक्सी दिँदा कम्पनीको शेयरधनीलाई मात्र दिन पाइनेछ ।

रुजू गर्ने

एमरष्ट कलर लि.

નોટ :

एमरष्ट कलर लि.

નોટ :

EVEREST COLOUR
on Mount Everest!!

Congratulations

Mr. FURI SHERPA

7th time successfully
climbed mount everest

A photograph of Mr. Furi Sherpa, a mountaineer, standing on a snowy mountain peak. He is wearing a red and grey expedition jacket, a blue knit beanie with goggles, and a harness. He is holding a white banner with the Everest COLOUR logo and website. The background shows a clear blue sky and snow-covered mountain ridges.

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COLOUR
Manufacturer of all kinds of decorative paints.
www.everestcolour.com

मेरो देश, मेरो everest



EVEREST COLOUR

Manufacturer of all kinds of
Decorative Paints



Everest Colour Ltd.

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