

# सर्वोत्तम सिमेन्ट

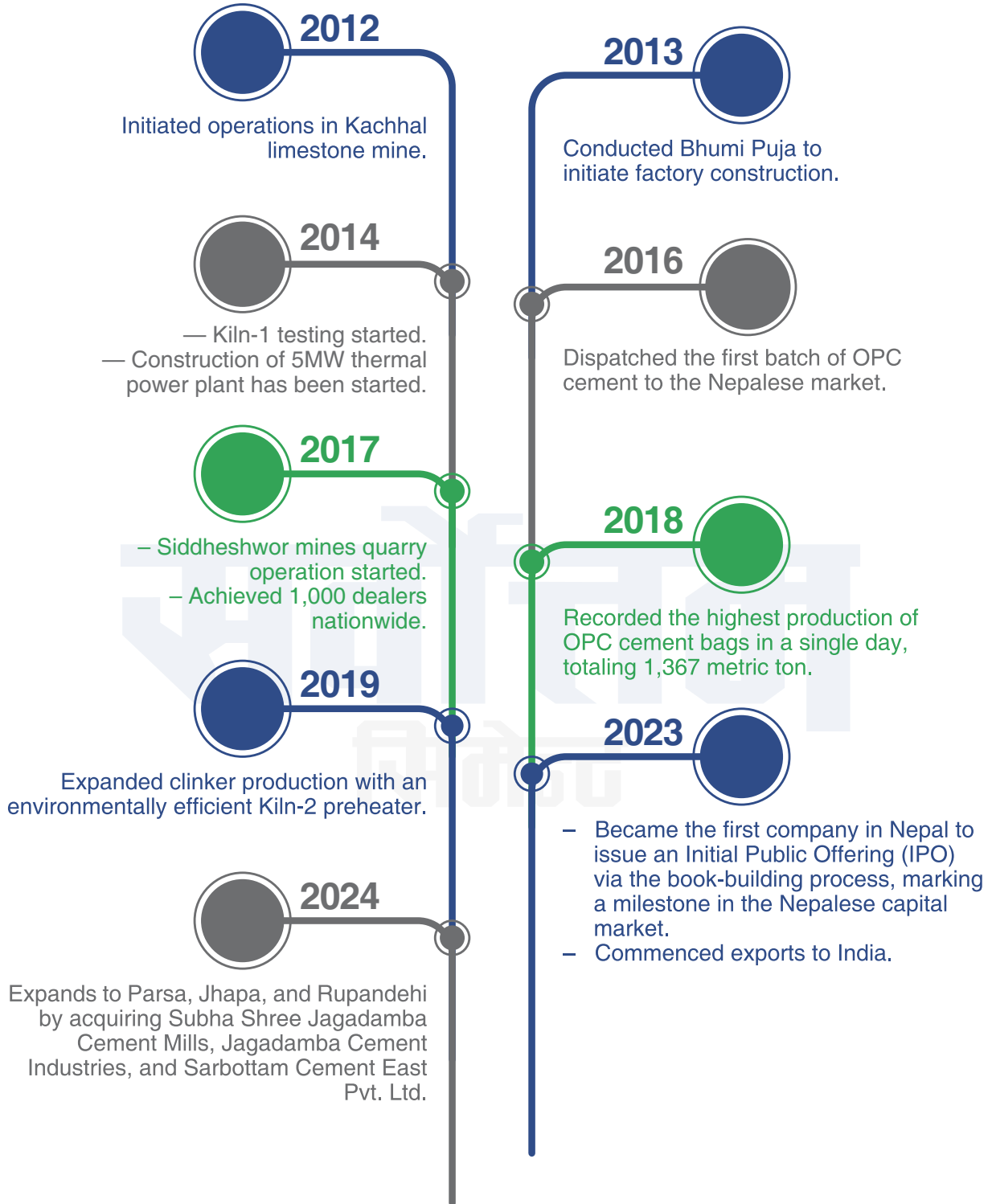


छैठौं  
वार्षिक प्रतिवेदन

आ.व. २०२०/२०२१

**ANNUAL REPORT**

FY 2023/24



Sarbottom Cement Limited (SCL), is a trailblazer in Nepal's cement industry. Established in 2010 and commencing operations in February 2014, SCL has consistently delivered on its mission to redefine quality, innovation, and sustainability in cement manufacturing.

With its head office at Neupane Tower, Tinkune, Kathmandu, and a state-of-the-art production facility in Sunwal, Nawalparasi, SCL is strategically positioned to serve the growing demands of Nepal's construction and infrastructure sectors. The factory, one of the largest in the country, is spread across 30 bighas, and its limestone mines—covering over 20 square kilometers—are among the finest in Nepal, ensuring premium raw materials for high-quality cement production. SCL's distinction lies in being Nepal's first cement manufacturer to employ Vertical Roller Mill (VRM) technology, a revolutionary production system that ensures precision, consistency, and energy efficiency. This innovation reduces energy consumption by up to 50%, making Sarbottom Cement an industry leader in eco-friendly and "green" cement production. SCL's products—Ordinary Portland Cement (OPC) and Pozzolana Portland Cement (PPC)—are crafted to international standards, ensuring strength, durability, and trustworthiness, especially in earthquake-prone areas.

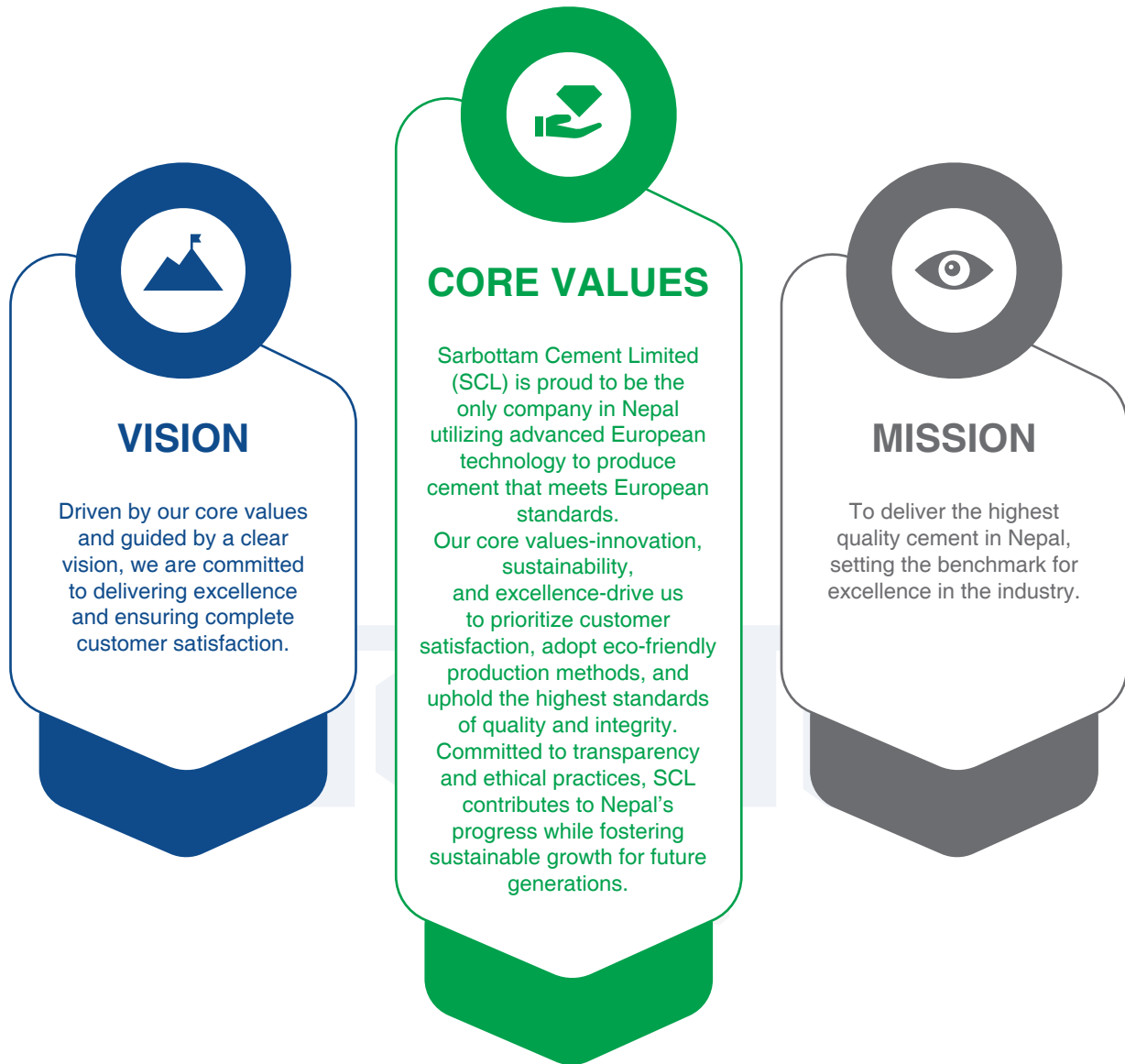
In addition to its technological achievements, Sarbottom Cement has also transformed Nepal's financial landscape by becoming the first company to issue an IPO through the book-building process. This pioneering initiative underscores SCL's commitment to transparency, innovation, and creating value for its stakeholders.

SCL's success is driven by its unwavering commitment to sustainability, ethical practices, and community development. By adopting energy-efficient production processes and fostering local economic growth, Sarbottom Cement contributes meaningfully to Nepal's sustainable development goals.

Backed by a highly skilled workforce of over 200 professionals, cutting-edge facilities, and an extensive distribution network, Sarbottom Cement ensures that its superior products reach every corner of Nepal. The company's dedication to excellence, reliability, and sustainability has made it a trusted name in the industry.

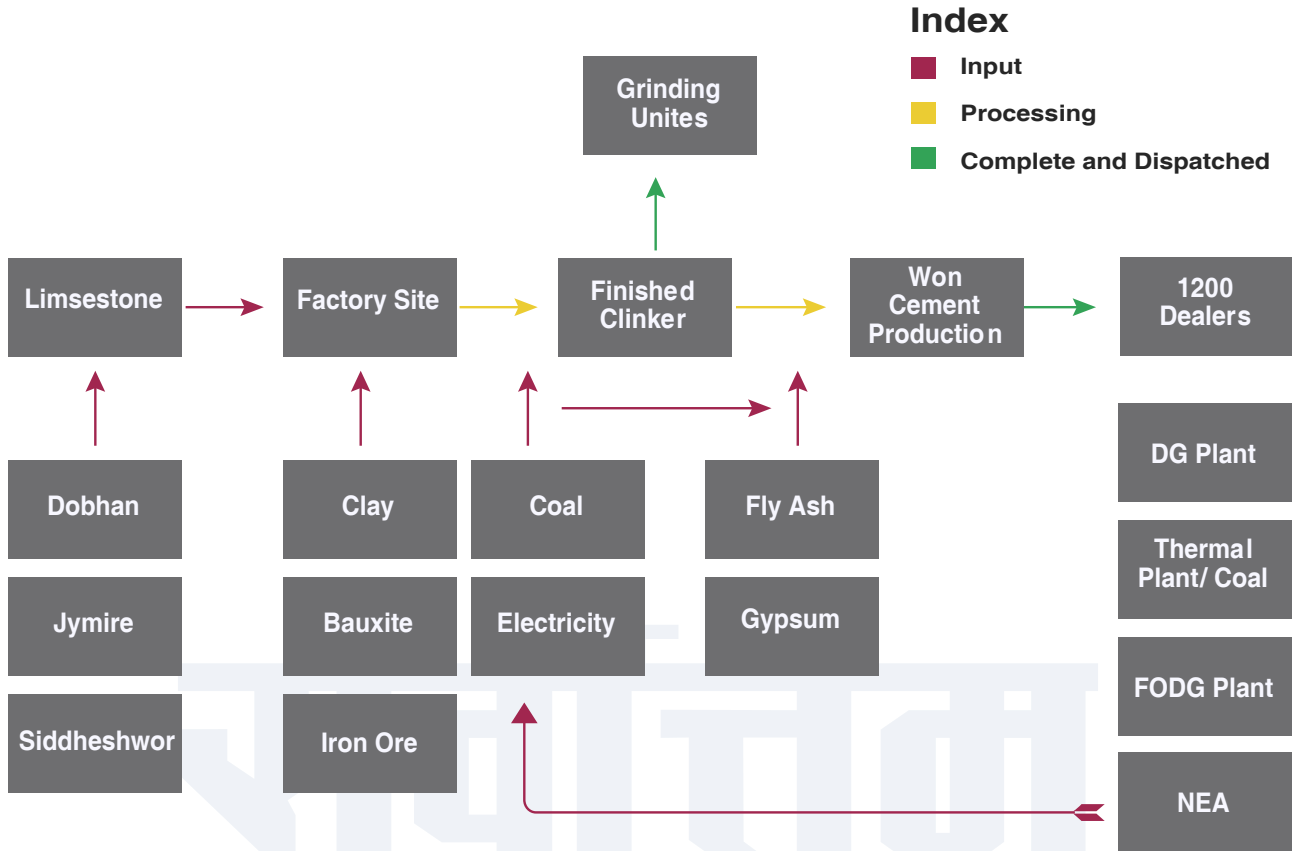
With a visionary approach, Sarbottom Cement Limited is not just producing cement—it is building the foundation for a stronger, more resilient, and sustainable Nepal. As the company looks to the future, it remains committed to innovation, integrity, and leadership in the construction and infrastructure sectors, setting benchmarks for generations to come.



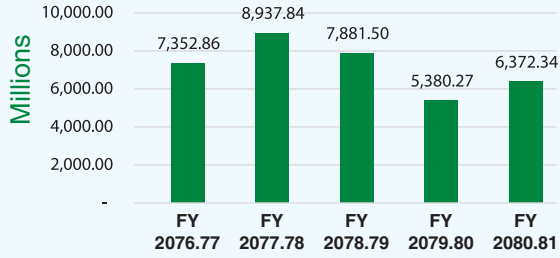


### Major Achievement and Milestones

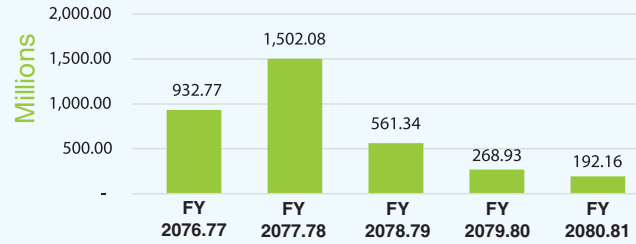
Sarbottam Cement Limited (SCL) has achieved several milestones, including being Nepal's first company to use Vertical Roller Mill (VRM) technology, which improves energy efficiency and product quality. Additionally, SCL made history as the first company in Nepal to issue an IPO through the Book Building process, setting a new standard for transparency in the capital market. The company is also recognized for its strong commitment to sustainability and community development, along with its high-quality cement products that cater to the growing infrastructure needs of Nepal.



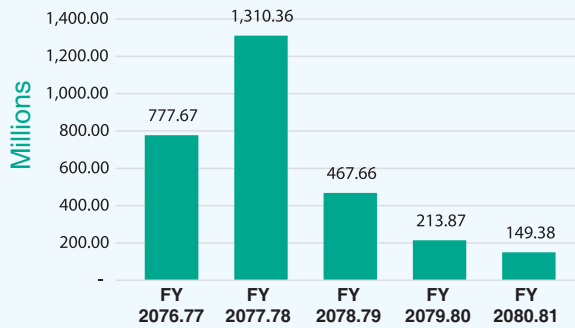
## SALES/REVENUE



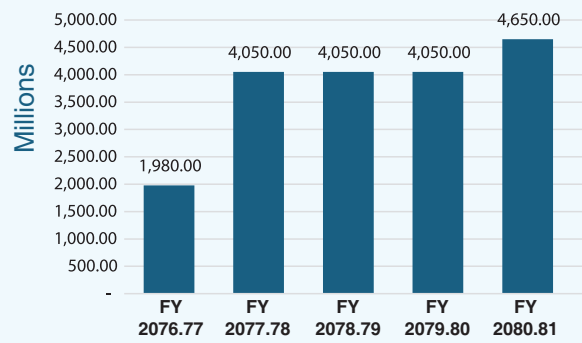
## OPERATING PROFIT MARGIN



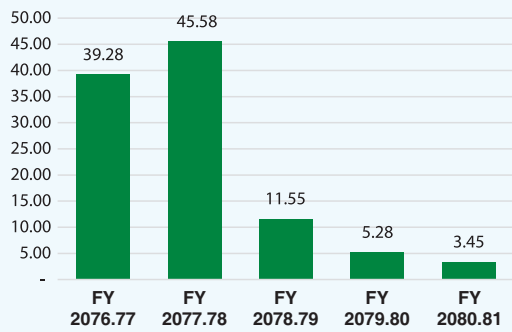
## NET PROFIT



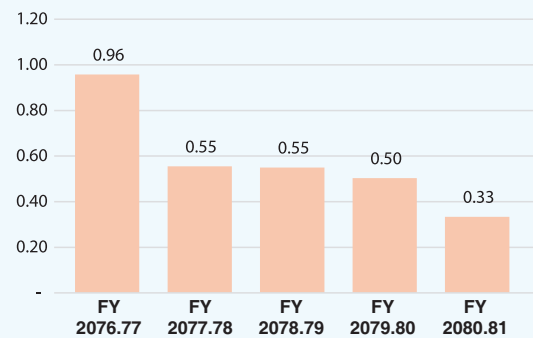
## PAID-UP CAPITAL



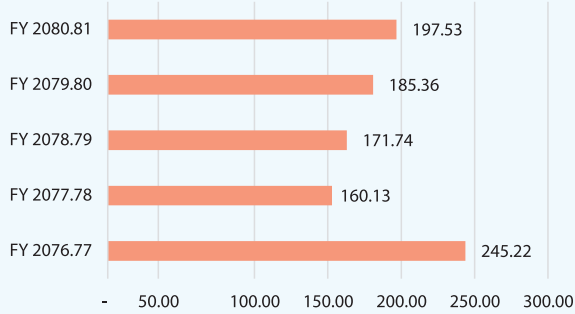
## EARNING PER SHARE



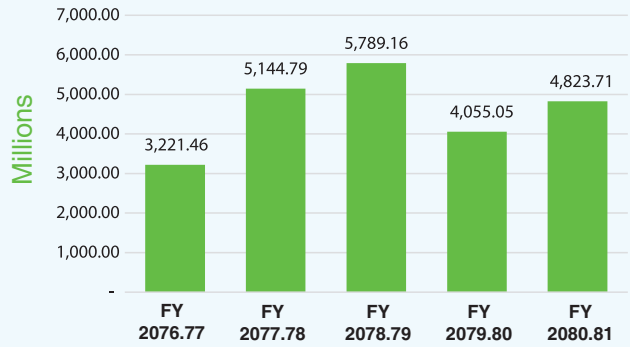
## DEBT-TO-EQUITY RATIO



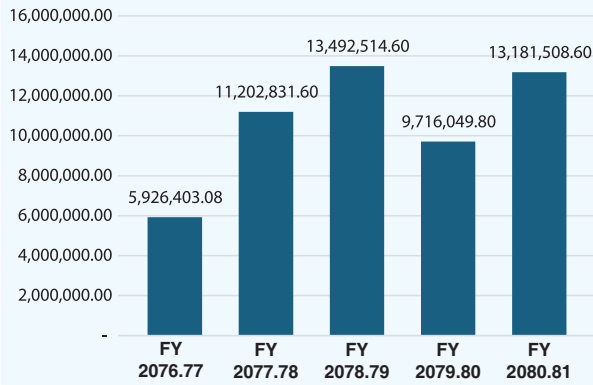
**NET WORTH PER SHARE**



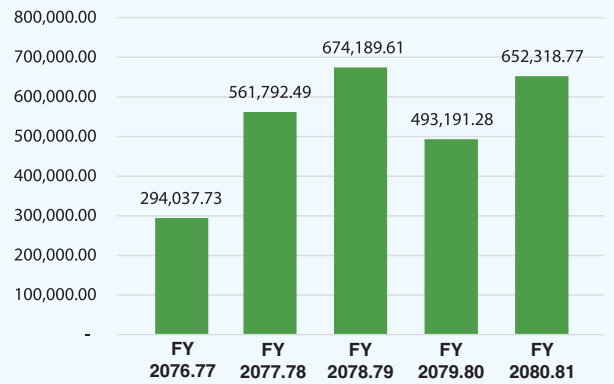
**CEMENT SALES AMOUNT (OPC & PPC)**



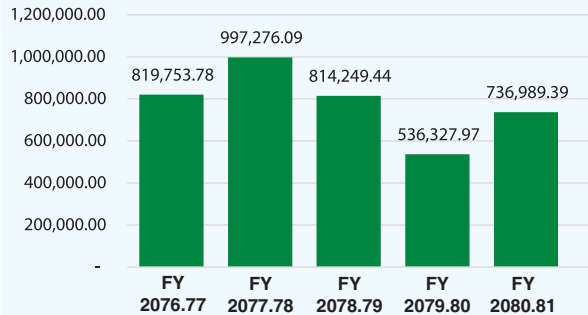
**CEMENT BAG SALES (OPC & PPC)**



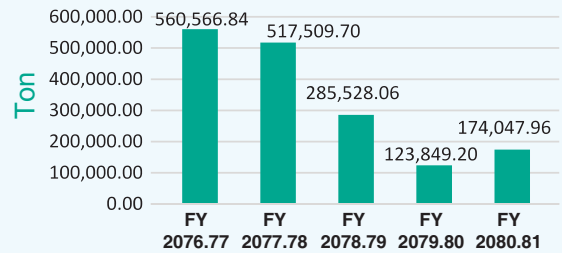
**PRODUCTION CEMENT IN TON (OPC & PPC)**



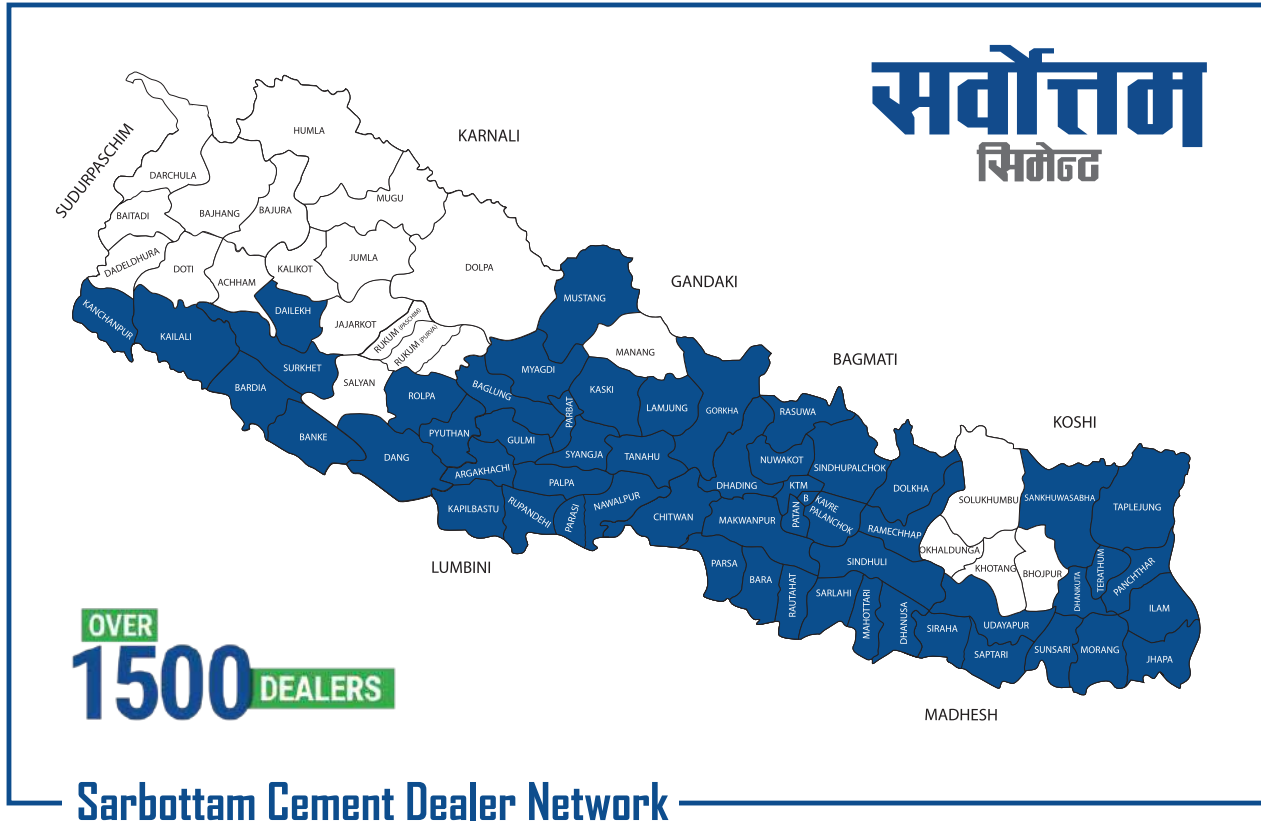
**PRODUCTION IN TON (CLINKER)**



**CLINKER (SALES)**



We have more than 1500 active dealers in approx 56 districts and all 7 provinces. SCL is the first company to adopt a micro-marketing approach in cement selling and has eliminated the wholesaler as a middle man. This has followed to incentivize the retail dealers and to mitigate the impact of economic jerks created through the centralized buyer. Company strictly follows 100% secured sales policy with its dealers.



### Expanding Excellence Across Nepal

With a steadfast commitment to delivering high-quality cement to both national and international markets, Sarbottam Cement Limited proudly announces its strategic expansion across key regions in Nepal. Through its subsidiaries, the company has broadened its operations to Parsa, Jhapa, and Rupandehi, ensuring unparalleled reach and efficiency.

The acquisition of Subha Shree Jagadamba Cement Mills Limited in Parsa, Birgunj; Jagadamba Cement Industries Pvt. Ltd. in Mayadevi, Rupandehi; and Sarbottam Cement East Pvt. Ltd. in Bhadrapur, Jhapa, marks a significant milestone in its journey of growth. These strategic moves underscore Sarbottam Cement Limited's vision of accelerating business operations and strengthening its market presence across Nepal, setting new benchmarks in the cement industry.



**Dear Stakeholders,**

At Sarbottam Cement Limited, we take immense pride in our journey of redefining Nepal's construction industry through innovation, excellence, and sustainability. Over the years, we have consistently set new benchmarks, guided by our forward-thinking vision and an unwavering commitment to quality, transparency, and stakeholder value.

From being the first company in Nepal to adopt cutting-edge VRM technology for superior cement production to pioneering the issuance of an IPO through the Book Building procedure, we have continued to lead the way in setting industry standards. We achieved another milestone by expanding our operations to key regions through the acquisition of Subha Shree Jagadamba Cement Mills Limited (Parsa), Jagadamba Cement Industries Pvt. Ltd. (Rupandehi), and Sarbottam Cement East Pvt. Ltd. (Jhapa). These strategic additions have significantly strengthened our production capacity, optimized our distribution channels, and expanded our market presence across Nepal.

These milestones are a testament to the dedication of our team, the trust of our customers, and the enduring support of our shareholders—each of whom plays an integral role in our success. Together, we have created a legacy built on innovation, resilience, and an unyielding commitment to sustainability.

As we look to the future, our vision extends beyond manufacturing. We are committed to delivering exceptional products, fostering innovation, and driving sustainability in every aspect of our operations. We aim to positively impact the communities and environments we serve while creating lasting value for all our stakeholders.

Thank you for being an integral part of our journey. Together, we will continue to lay the foundation for enduring progress and shared success.

**C.A. Santosh K.C.**  
**Chief Executive Officer**



**Mr. Bishnu Prasad Neupane**

**Executive Chairman**

A self-made entrepreneur with over 25 years in manufacturing, driving Sarbottam Cement as a visionary leader.



**Mr. Bimal Kumar Sawartha**

**Executive Director**

Finance expert with more than 25 years in manufacturing and trading; director at IMS and Sawartha Group, operating in more than 28 countries.



**Mr. Tenzing Lakden Tamang**

**Executive Director**

Brings more than 10 years of experience in cement and diverse industries, including as a managing director.



**Mr. Tika Ram Neupane**

**Non- Executive Director**

Founder of Saurabh Group, chairs Laxmi Steels and Sarbottam Minerals, with more than 20 years of experience in manufacturing.



**Mr. Utsav Neupane**

**Non-executive Director**

A young and energetic leader actively involved in procurement and production operations for more than 5 years.



**Mr. Shiva Singh Karki**

**Public Non-Executive Director**

Investor across Nepalese industries, appointed Public Director at SCL's 5th AGM, with more than 20 years of experience.



**Ms. Neha Agrawal**

**Independent Non-Executive Director**

FP&A Business Analyst with 6 years and above experience delivering data-driven insights for strategic decisions.



### Mr. Santosh K.C.

#### CEO

- LLB and Chartered Accountant with over 10 years of experience in finance and strategic leadership.
- Expert in managing diverse financial portfolios and driving organizational growth.
- Known for his intellectual approach and ability to deliver innovative solutions.



### Mr. Shekhar Paudel

#### Company Secretary

- Master of Law (LLM) graduate with 5+ years of experience in legal and regulatory compliance.
- Expertise in corporate governance and maintaining strong PR and IR networks.
- Ensures the company's adherence to legal standards and effective corporate communication.



### Mr. Brij Bhushan Vadhwani

#### Plant Head

- Holds a Bachelor's in Mechanical Engineering with over 25 years of expertise in manufacturing.
- Manages the Sunawal plant, ensuring seamless operations and high productivity.
- Recognized for his leadership in handling technical and operational challenges.



### Mr. Sunil Malla

#### Vice President-Sales

- M.Phil. and MBA graduate with over 20 years of experience in sales leadership.
- Skilled in building and managing large, results-oriented sales teams.
- Expertise in implementing sales strategies to achieve and exceed targets.



### Mr. Ashok Kumar Thakur

#### Head of Mines

- Experienced professional with over 15 years in mining operations across Nepal.
- Possesses strong PR skills, ensuring smooth coordination with regulatory bodies.
- Expert in managing multiple mining sites and ensuring efficient resource utilization.



**Mr. Rupesh Kumar Yadav**

**Head- HR**

- MBA in Human Resources with more than 10 years of experience in HR management.
- Specializes in HR operations, Industrial Relations (IR), and Public Relations (PR).
- Proficient in handling legal aspects of HR and ensuring a positive work environment.



**Mr. Netra Ghimire**

**Head- Factory Admin**

- Graduate in Management with over 20 years of experience in HR and administration.
- Skilled in workforce management and fostering effective team collaboration.
- Known for his ability to handle complex administrative operations at the factory level.



**Nirmal Budathooki**

**Manager-Accounts**

- Master's degree in business studies specializing in Finance (MBS) and Undertaking Course of ACCA UK.
- Meticulous, bilingual professional with extensive experience at major firms and agencies for over 15 years.
- Liaising with government departments, regulatory authorities and ensuring compliance with various statutory obligations.



**Mr. Gopal Sarda**

**Head- Marketing and Brand**

- Holds a Master's in Marketing with more than 14 years of professional experience.
- Proficient in branding, market positioning, and creating impactful marketing strategies.
- Leads marketing efforts for multiple companies under Saurabh Group.



**Er. Abhishek Jha**

**Head- Institutional Sales**

- Civil Engineer with a Master's in Construction and over 10 years of experience.
- Leads institutional sales with a focus on bulk project orders and client satisfaction.
- Plays a vital role in resolving client issues and maintaining long-term relationships.

क्र.सं.	विवरण	पेज नं.
१	छैठौं वार्षिक (आ.व. २०८०/०८१) साधारण सभा सम्बन्धी सूचना	१६
२	प्रोक्सी फारम तथा प्रवेश पत्र	१७
३	सञ्चालक समितिको तर्फबाट प्रस्तुत अध्यक्षज्युको वार्षिक प्रतिवेदन	१९
४	सहायक कम्पनी सम्बन्धी विवरण	२४
५	धितोपत्र दर्ता तथा निष्काशन नियमावली २०७३ बमोजिमको प्रतिवेदन	२५
६	कम्पनी ऐन, २०६३ को दफा १०९ (४) अनुसार अतिरिक्त विवरण	२७
७	आ.व. २०८०/०८१ को लेखापरीक्षकको प्रतिवेदन	३१
८	संस्थागत तस्वीरहरु	६८
९	थप जानकारीका लागि सम्पर्क नम्बरहरु	७९

सर्वोत्तम  
सिमेन्ट

At Sarbottam Cement Limited, we are committed to maintaining the highest standards of corporate governance. We believe that strong governance is the cornerstone of sustainable growth and value creation for our stakeholders. Our corporate governance framework is built on the principles of accountability, transparency, fairness, and responsibility, ensuring the long-term success of our organization.

### 1. Board of Directors

The board of directors at Sarbottam Cement Limited is structured to ensure balanced leadership and effective governance. It comprises a mix of executive and non-executive members, with 43% representation each from executive and non-executive directors, along with 14% from independent non-executive directors. This composition ensures diversity, transparency, and accountability, fostering strategic decision-making and stakeholder trust. The inclusion of public and independent representation reinforces the company's commitment to corporate governance excellence, enabling it to align with its vision of sustainable growth and innovation.

The board comprises experienced professionals with diverse expertise in areas such as industry operations, finance, legal compliance, and sustainability. The board is responsible for providing effective oversight, ensuring compliance with legal and regulatory frameworks, and fostering an ethical corporate culture.

#### Key highlights of our board governance include:

**Independent Oversight:** Inclusion of an Independent Non-Executive Director ensures balanced decision-making and protection of stakeholder interests.

**Committees:** Establishment of specialized committees such as the Audit Committee, Nomination and Remuneration Committee, and Risk Management Committee to address specific governance areas.

**Regular Meetings:** Timely and structured board meetings to discuss critical business issues and review performance.

### 2. Transparency and Disclosure

SCL would maintain high standards of transparency and disclosure, providing shareholders, investors, and the public with accurate and timely information about its operations, financial performance, and business strategies.

- **Annual Disclosures:** The company would publish annual reports and financial statements audited by an independent external auditor.
- **Regular Updates:** SCL likely keeps stakeholders informed through quarterly reports and press releases.

### 3. Shareholder Rights

SCL emphasizes the protection of shareholder rights, ensuring that all stakeholders have an equal opportunity to participate in the decision-making process.

- **Annual General Meetings (AGMs):** Shareholders are invited to attend AGMs, where they can ask questions and vote on key issues.
- **Minority Shareholder Protection:** The company ensures that minority shareholders' rights are protected and their voices are heard.

### 4. Ethical Business Practices

Ethical conduct is central to our operations. Our Code of Conduct outlines the ethical standards that all employees, management, and board members must adhere to. We are committed to fostering a work environment that values integrity, respect, and fairness.

### 5. Risk Management

SCL has a robust risk management framework to identify, assess, and mitigate potential risks. Our approach to risk management encompasses operational, financial, regulatory, and environmental risks. Regular risk assessments and audits ensure that we remain resilient in a dynamic business environment.

## 6. Corporate Social Responsibility (CSR)

As a responsible corporate citizen, SCL integrates sustainability and social responsibility into its business strategy. Our CSR initiatives focus on environmental conservation, community development, health infrastructure development and employee well-being, reinforcing our commitment to creating value for society.

## 7. Compliance and Regulatory Adherence

We strictly adhere to all applicable laws, regulations and standards governing the cement industry in Nepal. Our compliance team ensures that our operations align with the regulatory requirements set by the Ministry of Forests and Environment, Indian Standards Institute (ISI), Nepal Bureau of Standards and Metrology (NBSM) and other governing bodies.

## 8. HR Committee

The HR Committee is focused on fostering a strong and inclusive workforce by managing human resource policies and practices. Its responsibilities include employee recruitment, retention, and welfare, alongside talent development through training and professional growth initiatives. The committee also ensures compliance with labor laws and promotes a workplace culture that reflects the company's values and vision.

## 9. Sales & Purchase Committee

The Sales & Purchase Committee plays a critical role in managing and optimizing the company's supply chain and market operations. It formulates procurement policies to ensure quality, cost-effectiveness, and timely delivery of materials, while also driving sales strategies to strengthen market presence and enhance customer satisfaction. In addition, the committee oversees risk management related to procurement and sales activities, ensuring operational resilience and mitigating potential market and supply chain risks.

## 10. Audit Committee

The Audit Committee ensures financial integrity and operational transparency by overseeing the company's financial statements, audits, and internal controls. It actively monitors compliance with statutory and regulatory requirements, identifies potential risks, and provides recommendations to enhance governance practices. The committee's work is instrumental in maintaining stakeholder trust and ensuring

## 11. Continuous Improvement

As part of our commitment to excellence, we continually strive to enhance our governance practices. We benchmark against global best practices and incorporate feedback from stakeholders to refine our governance framework.

Through our strong corporate governance framework, Sarbottam Cement Limited aims to build trust with our stakeholders and contribute to the sustainable development of the cement industry and the broader community.



## सर्वोत्तम सिमेन्ट लिमिटेड

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E-mail : info@Sarbottamcement.com  
Website : sarbottamcement.com

## छैठौं वार्षिक साधारण सभा सम्बन्धी सूचना

(प्रथम पटक प्रकाशित मिति : २०८१/०९/०५)

## श्री शेयरधनी महानुभावहरू,

सर्वोत्तम सिमेन्ट लिमिटेडको मिति २०८१ पौष ३ गते बसेको सञ्चालक समितिको २२९ औं बैठकको निर्णयानुसार देहायका विषयहरूमा छलफल तथा निर्णय गर्न निम्न लिखित मिति, समय र स्थानमा यस कम्पनीको छैठौं वार्षिक साधारण सभा बस्ने भएकोले कम्पनी ऐन, २०६३ को दफा ६७ (२) अनुसार सम्पूर्ण शेयरधनी महानुभावहरूको जानकारीको लागि यो सूचना प्रकाशित गरिएको व्यहोरा अनुरोध गरिन्छ।

## वार्षिक साधारण सभा बस्ने मिति, स्थान र समय :

मिति : २०८१ साल पौष २६ गते शुक्रबार (तदनुसार १० जनवरी, २०२५)।

समय : बिहान ११:३० बजे।

स्थान : रुपन्देही जिल्ला, सिद्धार्थनगर नगरपालिका, आचलपुर स्थित होटल सिद्धार्थ भिलासा।

## छलफल गर्ने विषयहरू

## (क) सामान्य प्रस्तावहरू :

- १) कम्पनीको सञ्चालक समितिको तर्फबाट अध्यक्षज्यूले प्रस्तुत गर्नुहुने आ.व. २०८०/०८१ को वार्षिक प्रतिवेदन उपर छलफल गरी पारित गर्ने।
- २) लेखापरीक्षकको प्रतिवेदन सहितको २०८१ आषाढ मसान्तको वासलात, नाफा नोक्सान हिसाब, नगद प्रवाहको विवरण लगायतका वित्तीय विवरणहरू सहित अनुसूचीहरू उपर छलफल गरी पारित गर्ने।
- ३) कम्पनी ऐन, २०६३ को दफा १११ अनुसार आर्थिक वर्ष २०८१/०८२ को लागि लेखापरीक्षकको नियुक्ति तथा निजको पारिश्रमिक निर्धारण गर्ने।
- ४) कम्पनीमा कायम शेयरधनीहरूलाई आ.व.२०८०/०८१ सम्मको मुनाफा रकम बाट कम्पनीको चुक्ता पुँजी रु. ४,६५,००,००,०००/- को ३% का दरले हुन आउने रु १३,९५,००,०००/- (अक्षरेपी तेह करोड पन्चानब्बे लाख रुपैयाँ मात्र) (लाभांश कर सहित) नगद लाभांश वितरण गर्ने प्रस्ताव छलफल गरी पारित गर्ने सम्बन्धमा।
- ५) विविध।

## (ख) विशेष प्रस्तावहरू :

- १) सञ्चालक समितिले प्रस्ताव गरे अनुसार शेयरधनीहरूलाई आ.व. २०८०/८१ सम्मको मुनाफा रकमबाट कम्पनीको चुक्ता पुँजी रु ४,६५,००,००,०००/- को ७% का दरले हुन आउने रु ३२,५५,००,०००/- (अक्षरेपी बत्तिस करोड पच्चपन्न लाख रुपैयाँ मात्र) बराबरको बोनश शेयर वितरण गर्न स्वीकृती प्रदान गर्ने।
- २) प्रस्तावित बोनश शेयर वितरण गर्ने सम्बन्धी विशेष प्रस्ताव पारित भए पश्चात् कम्पनीको जारी तथा चुक्ता पुँजीमा बृद्धि हुने भएकोले सोही बमोजिम प्रबन्धपत्रमा संशोधन पारित गर्ने।
- ३) प्रबन्धपत्र तथा नियमावलीमा आवश्यक संशोधन गर्ने।
- ४) सञ्चालकहरूको सेवा सुविधा पारित गर्ने।
- ५) विविध।

संचालक समितिको आज्ञाले  
कम्पनी सचिव



**सर्वोत्तम सिमेन्ट लिमिटेडको**  
छैठौं वार्षिक साधारण सभामा उपस्थितिको लागि  
प्रोक्सी फारम (प्रतिनिधि पत्र)

श्री सञ्चालक समिति  
सर्वोत्तम सिमेन्ट लिमिटेड ।

**विषय: प्रतिनिधि (प्रोक्सी) नियुक्त गरेको बारे ।**

महोदय,

.....जिल्ला .....न.पा./गा.पा. वडा नं.....  
बस्ने म/हामी.....ले त्यस कम्पनीको शेयरधनीको  
हैसियतले मिति २०८१ साल पौष २६ गते का दिन हुने कम्पनीको छैठौं वार्षिक साधारण सभामा स्वयमं उपस्थित भई छलफल  
तथा निर्णयमा सहभागी हुन नसक्ने भएकोले उक्त सभामा भाग लिन र मतदान गर्नको लागि .....  
जिल्ला ..... न.पा./गा.पा. वडा नं ..... बस्ने त्यस कम्पनीको शेयरवाला  
श्री .....(ना.प्र.नं. ....) लाई मेरो/हाम्रो  
प्रतिनिधि मनोनित गरी पठाएको छु/छौं ।

प्रतिनिधि नियुक्त भएको व्यक्तिको निवेदक,  
हस्ताक्षरको नमुना : ..... दस्तखत : .....  
नाम : ..... हितग्राही खाता नं : .....  
हितग्राही खाता नं : ..... ठेगाना : .....  
मिति : ..... शेयर संख्या : .....

द्रष्टव्य : यो प्रतिनिधि(प्रोक्सी) पत्रसाधारण सभा हुनुभन्दा ४८ घण्टा अगावै कम्पनीको कर्पोरेट कार्यालयमा पेश गरिसक्नु पर्नेछ ।  
एक भन्दा बढि प्रतिनिधि (प्रोक्सी) को नाम उल्लेख गरेमा प्रतिनिधि फारम स्वतःरद्द हुनेछ ।

**सर्वोत्तम सिमेन्ट लिमिटेडको छैठौं साधारण सभामा उपस्थितिको लागि**  
प्रवेश पत्र

१. शेयरधनीको नाम :
२. ठेगाना :
३. शेयरधनी नं./हितग्राहि खाता नं. :
४. शेयर संख्या :
५. शेयर धनीको दस्तखत :

द्रष्टव्य: सभा कक्षमा प्रवेश गर्न यो प्रवेश पत्र प्रस्तुत गर्नु अनिवार्य छ ।

कम्पनी सचिव

# सर्वोत्तम सिमेन्ट

## छैठौं वार्षिक साधारण सभामा सञ्चालक समितिको तर्फबाट प्रस्तुत अध्यक्षज्यूको मन्तव्य सहितको

## वार्षिक प्रतिवेदन (आर्थिक वर्ष २०८०/०८१)

आदरणीय शेयरधनी महानुभावहरू,

यस सर्वोत्तम सिमेन्ट लिमिटेडको छैठौं वार्षिक साधारण सभामा उपस्थित सम्पूर्णमा संचालक समितिको तर्फबाट म हार्दिक स्वागत एवं अभिवादन गर्दछु। छैठौं वार्षिक प्रतिवेदनका साथ तपाईंहरू समक्ष प्रस्तुत हुन पाउदाँ म अत्यन्त गर्व महसुस गर्दछु।

यहाँहरूको सहयोग, सद्भाव एवं शुभेच्छाबाट संचालन भएको हाम्रो यस कम्पनीले सफलतापूर्वक चौधौं वर्ष पुरा गर्दै नेपालको सिमेन्ट व्यवसायमा एउटा सर्वोत्कृष्ट कम्पनीको भूमिका खेल्दै आफ्नो कार्य क्षेत्रको विस्तार गर्न सफल भएको छ। नेपाली बजारमा उत्कृष्ट युरोपियन गुणस्तरको सिमेन्ट उत्पादन गरी देशलाई सिमेन्ट उत्पादनमा आत्मनिर्भर बनाउने उद्देश्यका साथ स्थापित भएको सर्वोत्तम सिमेन्ट नेपालमै पहिलो पटक VRM प्रविधि मार्फत सिमेन्ट उत्पादन गर्ने कम्पनी हो। हाम्रो उच्च गुणस्तरीय उत्पादन राष्ट्रिय तथा अन्तर्राष्ट्रिय बजारमा पुऱ्याउने प्रतिवद्धताले हामीलाई सिमेन्ट उद्योगमा अग्रणी स्थानमा पुऱ्याएको छ। पाल्पा जिल्लामा अवस्थित आफ्नै ३ वटा खानिहरूबाट चुनदुङ्गा उत्खनन् गरी तयार गरिएको उच्च गुणस्तरीय सिमेन्ट तथा क्लिङ्करको उत्पादनलाई नेपाली तथा भारतीय सिमेन्ट बजारमा बिक्री वितरण गर्दै आईरहेको छ। सर्वोत्तम सिमेन्टले आफ्नो देश भरिमा ४ स्थानमा रहेका उद्योगबाट उच्च गुणस्तरीय सिमेन्ट तथा क्लिङ्करको उत्पादन गरी बिक्री वितरण गर्दै गर्दा, देशको समग्र भौतिक पुर्वाधार विकास निर्माणका साथै देशको अर्थतन्त्रमा समेत उल्लेखनिय योगदान गरीरहेको जानकारी तपाईं शेयरधनीहरूलाई गराउदै गर्दा मैले गौरवान्वित महसुस गरेको छु। यसका साथै पाल्पा जिल्लामा रहेको चौथो खानी समेत सञ्चालनको तयारीमा रहेको जानकारी गराउन चाहन्छु।

आफ्नो उत्पादनलाई नेपालभर विस्तार गर्ने दिर्घकालिन योजना अनुरूप नेपालको पुर्वी क्षेत्रमा समेत सर्वोत्तम ब्राण्डको सिमेन्टलाई बलियो रूपमा उपस्थिती गराउने हेतुले यस कम्पनीले आफ्नो शतप्रतिशत लगानी रहेको सर्वोत्तम सिमेन्ट ईष्ट प्रा.लि. को भापा भद्रपुरमा रहेको उद्योगबाट उत्पादन शुरु गरेको जानकारी गराउँदछु। यसका साथै पर्सा जिल्लामा रहेको शुभश्री जगदम्बा सिमेन्ट मिल्स लिमिटेड तथा भैरहवा, रुपन्देहीमा रहेको जगदम्बा सिमेन्ट प्रा.लि. लाई समेत खरिद गरी त्यहाँबाट समेत उत्पादन सुचारु गरिएको जानकारी गराउन चाहन्छु।

सर्वोत्तम सिमेन्ट लिमिटेड भारतीय गुणस्तर चिन्ह BIS Certificate IS 269:2015 र IS: 1489: PART: 2015 प्राप्त कम्पनी रहेकोले यस कम्पनीले आफ्नो क्लिङ्कर तथा सिमेन्टको भारतीय बजारमा निर्यात गर्दै आईरहेको जानकारी गराउन चाहन्छु। साथै कम्पनीले आफ्नो सुनवल स्थित उद्योगबाट आवश्यक कानूनी प्रकृया पुरा गरी विभिन्न ब्राण्डको सिमेन्ट उत्पादन गरि बिक्री गरिएको समेत जानकारी गराउन चाहन्छु।

सर्वोत्तम सिमेन्ट लिमिटेडले कुल १७ मेगावाट को विद्युत आपूर्तिको लागि नेपाल विद्युत प्राधिकरण संग सम्भौता गरी प्राधिकरणको विद्युत आपूर्तिबाट शत प्रतिशत क्षमतामा उद्योग सञ्चालन गर्न सक्षम भईसकेको भएतापनि देशमा सुख्खायाममा विद्युत आपूर्ति निकै न्यून मात्रामा हुने हुँदा उत्पादन क्षमताको सत प्रतिशत प्रयोग गर्न सकिएको छैन। यसका साथै नेपालमा हाईड्रोपावर को प्रचुर सम्भावना रहेको र हाल सालै प्राधिकरणको विद्युत कटौतिमा सुधार हुदै गएकोले निकट भविष्यमा उत्पादन लागत खर्च भन कम हुने विश्वास दिलाउन चाहन्छु। साथै, सर्वोत्तम सिमेन्ट लिमिटेड ५.५ मेगावाट क्षमताको Thermal Power Plant भएको उद्योग भएकोले विद्युत कटौतिको परिस्थितीमा समेत उत्पादन तथा बिक्री वितरण गर्न सक्षम रहेको जानकारी गराउदै गर्दा गौरवान्वित भएको अनुभूति गरेको छु।

आदरणीय शेयरधनी महानुभावहरू, व्यापार व्यवसायमा हुने उतार चढाव एक साधारण प्रकृया हो, जसलाई व्यवस्थापन गर्दै अगाडी बढ्नु नै एक सफल व्यवसायको प्रमुख विशेषता हो। यसरी उतार चढावहरूलाई व्यवस्थापन गर्दै यस वर्ष हाम्रो कम्पनीले चुनौतीपूर्ण आर्थिक परिवेशमा पनि उल्लेखनीय उपलब्धिहरू हासिल गर्न सफल भएको छ। गत आ.व. मा कम्पनीको सञ्चालन आमदानी अधिल्लो वर्षको ५ अर्ब ३८ करोडबाट करिब १८ प्रतिशतले वृद्धि भई ६ अर्ब ३७ करोड रुपैयाँ पुगेको छ। साथै चालु आ.व. को मंसिर मसान्त सम्म गत आ.व.को सोहि अवधिको तुलनामा क्लिङ्करको विक्री ५३ प्रतिशतले र सिमेन्ट विक्री १४ प्रतिशतले वृद्धि भई जम्मा विक्री रु. २ अर्ब २८ करोड बाट २४ प्रतिशतले वृद्धि भई रु. २ अर्ब ८३ करोड पुगेको छ। जसले हाम्रो व्यवसायिक कार्यक्षमता, प्रतिवद्धता र रणनीतिक योजनाहरू प्रभावकारी रहेको भन्ने स्पष्ट गर्दछ।

यस कम्पनीले आर्थिक वर्ष २०८०/०८१ सम्मको संचित मुनाफाबाट आफ्नो चुक्ता पुँजी रु ४,६५,००,००,०००।०० (अक्षरुपी चार अर्ब पैसठ्ठी करोड मात्र) को ७% का दरले हुन आउने रु ३२,५५,००,०००।- (अक्षरुपी बत्तिस करोड पचपन्न लाख रुपैयाँ मात्र) बराबरको

बोनश शेयर र चुक्ता पुँजीको ३% का दरले हुन आउने रु १३,९५,००,०००/- (अक्षरेपी तेह करोड पन्चानब्बे लाख रुपैयाँ मात्र) (लाभांश कर सहित) नगद लाभांश वितरण गर्ने प्रस्ताव गरेका छौं ।

हामिले आगामी दिनहरूमा उद्योगको उत्पादन क्षमताको उपभोग वृद्धि गर्दै सञ्चालन गर्ने तथा उत्पादनमा लाग्ने लागत घटाउँदै निरन्तर नेपाली तथा भारतीय बजारमा उच्च गुणस्तरको सिमेन्ट आपूर्ति गराउने दिर्घकालिन रणनीति लिएका छौं । बजार विस्तार तथा बजारमा आफ्नो ब्राण्डको उपस्थित मजबुत बनाउँदै लैजान योग्य सिमेन्ट कम्पनीहरूलाई आवश्यकता अनुसार खरिद गर्ने रणनीति सर्वोत्तम सिमेन्टको रहेको छ । आगामी दिनहरूमा सिमेन्टको निर्यातमा जोड गर्दै सर्वोत्तम सिमेन्टलाई एक अग्रणी सिमेन्ट कम्पनीको रूपमा स्थापित गर्ने तथा शेयरधनी महानुभावहरूलाई उच्च प्रतिफल दिन सक्ने विश्वास दिलाउन चाहन्छु ।

यथा समयमै लेखापरिक्षण कार्य सम्पन्न गरी यस कम्पनीलाई यथोचित व्यावसायिक सूझावहरू प्रदान गर्ने आन्तरिक तथा बाह्य लेखापरीक्षकलाई संचालक समितिको तर्फबाट हार्दिक कृतज्ञता ज्ञापन गर्दछु ।

स्थापना समय देखिनै प्रेरणादायी र निरन्तर सहयोग पुऱ्याउने यस कम्पनीको संचालक समिति, व्यवस्थापन तथा कर्मचारीहरूलाई विशेष धन्यवाद दिन चाहन्छु ।

त्यसै गरी यस कम्पनीको उद्देश्य प्राप्तिका लागि सहयोग पुऱ्याउनु हुने शेयरधनी महानुभावहरू, ग्राहकवर्ग तथा नेपाल सरकारको सम्बन्धित निकाय लगायत नेपाल धितोपत्र बोर्ड, कम्पनी रजिष्ट्रारको कार्यालय, नेपाल स्टक एक्सचेञ्ज लिमिटेड तथा सिडिएस एण्ड क्लियरिङ लिमिटेड, शेयर रजिष्ट्रार तथा सम्पूर्ण सञ्चारकर्मी महानुभावहरू प्रति संचालक समितिको तर्फबाट हार्दिक आभार प्रकट गर्दछौं । कम्पनीको उत्तरोत्तर उन्नति तथा प्रगतिमा आफ्नो अमूल्य श्रम र समय खर्च गरी लगनशीलताका साथ योगदान पुऱ्याउनु हुने कम्पनीको व्यवस्थापन तथा कर्मचारीहरूसँगै कम्पनीको गतिविधिको बारेमा सकारात्मक रूपमा जनसमक्ष पुऱ्याईदिने संचार जगत र प्रत्यक्ष/अप्रत्यक्ष रूपमा सहयोग पुऱ्याउनु हुने सम्पूर्ण शुभेच्छुकहरू प्रति पनि हामी हार्दिक आभार व्यक्त गर्दछौं र यस साधारण सभा सफल बनाईदिन समेत यहाँ उपस्थित सम्पूर्ण महानुभावहरूलाई हार्दिक धन्यवाद व्यक्त गर्दछु ।

विष्णु प्रसाद न्यौपाने  
सञ्चालक अध्यक्ष



१) गत वर्षको कारोवारसंगको तुलनात्मक सिंहावलोकन :

आ.व. २०७९।०८० आ.व. २०८०।०८१ मा कम्पनीको वित्तीय स्थितीको तुलनात्मक संक्षिप्त प्रगति विवरण :

विवरण	आ.व. २०८०।८१	आ.व. २०७९।८०
बिक्री रकम (रु.)	६,३७२,३३९,९०५।००	५,३८०,२६५,४८९।९८
खुद मुनाफा (रु.)	१४९,३७८,८४९।९९	२९३,८६७,७४९।५२
चुक्ता पुँजी (रु.)	४,६५०,०००,०००।००	४,०५०,०००,०००।००
लगानी रकम (रु.)	५५६,०३६,९००।००	५५६,०३६,९००।००
प्रति शेयर आमदानी (रु.)	३।४५	५।२८
संचित मुनाफा (रु.)	२,५७३,३४७,९५५।५८	३,९२०,९२०,३४३।८९
शेयर प्रिमियम कोष (रु.)	१,६२५,००४,००८।८०	-
फेयर भ्यालु रिजर्व (रु.)	३३६,८५४,९८६।६०	३३६,८५४,९८६।५६
लाभांश प्रतिशत (रु.)	१०	१५
नेटवर्थ (रु.)	१९७।५३	१८५।३६

२) सहायक कम्पनी र सो मार्फत भएको लगानी :

यस कम्पनीको सहायक कम्पनीको रुपमा स्थापना भएका कम्पनीहरूको विवरण तथा लगानी सम्बन्धी थप विवरण यसै प्रतिवेदनको अनुसूचीमा उल्लेख गरिएको छ ।

३) कम्पनीको उत्पादन र बजार क्षेत्र :

कम्पनीको मुख्य उत्पादन सर्वोत्तम ब्राण्डको ओ.पि.सि. ५३ ग्रेड तथा ४३ ग्रेड र पि.पि.सि. सिमेन्ट रहेको छ । नेपाली बजारमा उत्कृष्ट युरोपनिय गुणस्तरको सिमेन्ट उत्पादन गरी देशलाई सिमेन्ट उत्पादनमा आत्म निर्भर बनाउने उद्देश्यका साथ स्थापित भएको सर्वोत्तम सिमेन्ट नेपालमै पहिलोपटक VRM प्रविधि मार्फत सिमेन्ट उत्पादन गर्ने कम्पनी हो । कम्पनीको उद्योग रहेको जिल्ला नवलपरासी र अन्य जिल्ला तथा स्थानहरू क्रमशः कपिलवस्तु, बुटवल, मकवानपुर, काठमाण्डौ, ललितपुर, भक्तपुर, काभ्रे, सिन्धुपाल्चोक, बारा, पर्सा, दोलखा, चितवन, धादिङ, रौतहट, सर्लाही, सिन्धुली, पोखरा, तनहुँ, गोरखा, स्याङ्गजा, पर्वत, लमजुङ्ग, म्याग्दी, बाग्लुङ्ग, नेपालगञ्ज, धनगढी, भ्र्पा, ईलाम, ताप्लेजुङ्ग, पाँचथर, सुनसरी, मोरङ समेतका क्षेत्रहरूमा उत्पादित सिमेन्ट बिक्री वितरणको लागि कम्पनीले दुई (२) प्रकारका वितरण प्रणाली अवलम्बन गरेको छ । जसमा डिलर वितरण प्रणाली मार्फत होलसेलर, रिटेलर हुँदै ग्राहकसम्म पुऱ्याउने र अर्को प्रणाली अनुसार उद्योगबाट सोभै ठुला ठुला परियोजना तथा आयोजनाहरूमा सिधै आपूर्ति गर्ने व्यवस्था गरी बिक्री वितरण गर्ने गरिएको छ । साथै बजार प्रवर्द्धनका कार्यहरू समेत सञ्चालन गरिएको छ ।

मार्केटिङ्ग गतिविधिहरूमा कम्पनीले वालपेन्ट, होर्डिङ्ग बोर्ड, प्रिन्ट मिडिया, TVC र डिजिटल एवं अनलाईन, फेसबुक लगायतका आधुनिक मार्केटिङ्गलाई समेत आत्मसाथ गरेर अगाडी बढेको छ । खेलकुद लगायतका अतिरिक्त क्रियाकलाप मार्फत संस्थागत सामाजिक दायित्व समेत पुरा गर्दै अप्रत्यक्ष रुपमा ब्राण्डिङ्गको कार्यमा सहयोग पुर्याउने उद्देश्यले विभिन्न राष्ट्रिय तथा अन्तर्राष्ट्रिय खेलकुदका कार्यक्रममा कम्पनीलाई आवद्ध गर्ने, गराउने अभियान सञ्चालन गरेका छौं ।

४) उद्योगले यस आ. व. २०८०/०८१ मा गरेको उत्पादन तथा बिक्री वितरण (गत आ. व. २०७९/०८० संगको तुलनात्मक परिमाण) :  
कम्पनीले स्वीकृत उत्पादन क्षमता अर्न्तर्गत रहि क्लिङ्कर तथा उच्च गुणस्तरीय सर्वोत्तम ब्राण्डको ओ.पि.सि. ५३ ग्रेड तथा ४३ ग्रेड र पि.पि.सि. सिमेन्ट उत्पादन तथा बिक्री वितरण गरि आएको व्यहोरा विदितै छ। आ. व. २०७९/०८० को उत्पादन तथा बिक्री वितरण परिमाण र आ.व. २०८०/०८१ को तुलनात्मक परिमाण निम्न अनुसार रहेको छ।

विवरण	आ.व. २०८०/०८१	आ.व. २०७९/०८०
क्लिङ्कर उत्पादन (मे.ट.)	७३६,९८९।३९	५,३६,३२७।९७
सिमेन्ट उत्पादन (मे.ट.)	६५२,३९८।७७	४,९३,९९९।२८
सिमेन्ट बिक्री (मे.ट.)	६५९,०७५।४३	४,८५,८०२।४९

#### ५) उच्च गुणस्तरीयता कायम राख्न गरिएको व्यवस्था :

अत्याधुनिक भि.आर.एम.प्रविधियुक्त प्लान्ट एण्ड मेशिनरी जडित उद्योगको निर्माण, चुनदुङ्गा संकलनको लागि पर्याप्त क्षेत्रफल सहितको चुनदुङ्गा राख्न सक्ने क्षमतायुक्त भण्डारण व्यवस्था, वातावरणीय वायु प्रदुषण नियन्त्रणका लागि ब्याग फिल्टर र ब्याग हाउस निर्माण तथा नेपाल गुणस्तर चिन्ह आइ.एस.ओ प्रमाण पत्र १४००१:२०१५ र आइएसओ प्रमाण पत्र ९००१:२०१५ को मान्यता प्राप्त गरेको छ। उद्योगमा २४सै घण्टा आफ्नै अत्याधुनिक ल्याबबाट हरेक घण्टामा उत्पादन परिक्षण गर्ने गरिएको छ। चुनदुङ्गाको गुणस्तर परिक्षणको लागि स्वचालित उपकरणहरू उद्योग मै जडीत छन्। साथै उत्पादित सिमेन्टको हरेक ब्याच सरकारी तथा अन्य निजी ल्याबहरूमा समेत नियमित गुणस्तर परिक्षण गर्ने गरिनुका साथै सिमेन्टको Compressive Strength परिक्षण गर्ने उच्च प्रविधियुक्त मेशिनरी जडित टेक्निकल ल्याबबाट सिमेन्टको ज्ञान भएका अनुभवी ईन्जिनियर, प्राविधिक मार्फत निर्माणस्थलमा गई उत्पादित सिमेन्टको गुणस्तरको जानकारी गराउने व्यवस्था मिलाइएको छ। साथै, कम्पनीमा रहेको अत्याधुनिक प्रविधियुक्त XRF मेशिनले कच्चा पदार्थको गुणस्तरियताको परिक्षण गर्ने र परिक्षण पश्चात् मात्र कच्चा पदार्थ प्रयोगमा ल्याइने गरिएको छ।

कम्पनीले सिमेन्टका आम उपभोक्ताहरूले सिमेन्ट खरिद गरी निर्माण गर्ने स्थलमा नै नि:शुल्क रुपमा पुगी सिमेन्टसंग काम गर्ने मिस्त्री र कामदारहरूलाई सिमेन्टको प्रयोग गर्ने तरिका र सिमेन्टको गुणस्तर परीक्षण जस्ता कार्यहरू नि: शुल्क रुपमा गर्न गराउन विगत वर्षहरू देखि नै अनुभवी ईन्जिनियर सहितको प्राविधिक टिम, परीक्षण उपकरण मार्फत सेवा पुर्‍याइरहेका छौं। यस सेवालार्ई कम्पनीले निरन्तरता दिने नीति लिएको छ।

कम्पनीले प्रतिस्पर्धी सिमेन्टको बजारमा आफ्नो छुट्टै पहिचान स्थापित गरी अन्य सिमेन्टको तुलनामा प्रिमियममा बिक्री वितरण गर्न गराउन दक्ष अनुभवि र इमान्दार नेतृत्व सहितको उत्पादन र सेल्स एण्ड मार्केटिङ तथा व्यवस्थापकीय क्षेत्रमा सक्षम जनशक्तिको व्यवस्थापनद्वारा कार्य गर्ने गराउने परिपाटी स्थापित गरेका छौं। यहाँ सम्मको यात्रामा कम्पनीको सबै शाखा र विभागमा कार्यरत जिम्मेवार कर्मचारीहरूको सधै उच्च मूल्यांकन गरी मनोबल बढाउने कार्यलाई निरन्तरता दिएका छौं। कर्मचारीहरूको वृत्ति विकासमा समेत कम्पनीले उपयुक्त ध्यान दिने छ भन्ने विश्वास दिलाउन चाहान्छु। साथै कर्मचारीहरूलाई सम्पत्तिको रुपमा ग्रहण गरी उहाँहरूलाई थप प्रोत्साहित गर्दै अझै दक्ष गराउन उपयुक्त तालिम, प्रशिक्षण, गोष्ठि, सेमिनारहरूमा सहभागि हुने वातावरण बनाउने व्यवस्था मिलाई मानव संसाधनलाई प्रेरणा दिने कार्यलाई निरन्तरता दिएका छौं।

#### ६) कम्पनीको शेयर पूँजी र संचित कोष :

कम्पनीको अधिकृत पूँजी रु. ५,००,००,००,०००।०० (अक्षरुपी पाँच अर्व रुपैयाँ मात्र) छ। हाल कम्पनीको जारी तथा चुक्ता पूँजी रु. ४,६५,००,००,०००।०० (अक्षरुपी चार अर्व पैसठ्ठी करोड रुपैयाँ मात्र) रहेको छ। आ.व. ०७९।८० मा बुक विल्डिङ विधिबाट शेयर निष्काशन गर्ने नेपालको पहिलो कम्पनीको रुपमा स्थापित भई उक्त शेयर निष्काशन वापत रु. २,२६,१६,४०,०००।०० (अक्षरुपी दुई अर्व छब्बिस करोड सोह्र लाख चालिस हजार रुपैयाँ मात्र) रकम प्राप्त गरिसकेको छ। जसमध्ये रु. १,६६,१६,४०,०००।०० (अक्षरुपी एक अर्व छैसठ्ठी करोड सोह्र लाख चालिस हजार रुपैयाँ मात्र) शेयर प्रिमियम वापत र रु. ६०,००,००,०००।०० (अक्षरुपी साठी करोड रुपैयाँ मात्र) शेयर पूँजी वापत प्राप्त गरी शेयरधनी कोषमा थप गरिएको व्यहोरा जानकारी गराउन चाहान्छु। आ.व. २०८०।८१ को अन्त्य सम्ममा कम्पनीको संचित मुनाफा रु. २,५७३,३४७,९५८।- (अक्षरुपी दुई अर्व सन्ताउन्न करोड तेत्तीस लाख सतचालिस हजार नौ सय अन्ताउन्न रुपैयाँ) (सम्पत्तिको पूर्णमूल्याङ्कन बाहेक) रहेको छ।

### ७) सूचना प्रविधि :

कम्पनीको कारोबारको लेखाङ्कन तथा अभिलेखलाई आधुनिकीकरण गर्न प्रारम्भ देखि नै FACT ERP नामक सफ्टवेयर खरिद गरी केन्द्रीकृत सर्भरमा आधारित विधि प्रयोग गरिरहेको र सोही अनुरूप सो सफ्टवेयरको अपग्रेड र कर्मचारीहरूको क्षमतामा अभिवृद्धि गर्दै लैजाने नीति रहेको छ । साथै, कम्पनीले मानव संसाधन व्यवस्थापनका लागि NIMBLE नामक सफ्टवेयर खरिद गरी प्रयोग गरिरहेको छ ।

### ८) बोनस तथा लाभांश बाड्न सिफारिस गरिएको रकम :

कम्पनीले आ.व. २०८०/०८१ सम्म गरेको व्यवसायबाट आर्जित संचित मुनाफा (Retained Earnings) बाट शेयरधनीहरूलाई चुक्ता पुँजी ४,६५,००,००,०००/०० (अक्षरूपी चार अर्ब पैसठ्ठी करोड मात्र) को ७% का दरले हुन आउने रु. ३२,५५,००,०००/०० (अक्षरूपी बत्तिस करोड पचपन्न लाख रुपैयाँ मात्र) बराबरको बोनस शेयर र चुक्ता पुँजीको ३% ले हुन आउने रु. १३,९५,००,०००/०० (अक्षरूपी तेह्र करोड पन्चानब्बे लाख रुपैयाँ मात्र) (लाभांश कर सहित) नगद लाभांश वितरण गर्न सञ्चालक समितिको निर्णय बमोजिम प्रस्ताव गरिएको छ ।

### ९) लेखापरीक्षण, वासलात र अन्य विवरण :

२०८१ आषाढ मसान्तको वासलात, नाफा/नोक्सान हिसाब, नगद प्रवाह विवरण, सम्बन्धित अनुसूचीहरू र लेखापरीक्षकको प्रतिवेदन यसै प्रतिवेदनको अंगको रूपमा राखिएका छन् । साथै धितोपत्र दर्ता तथा निष्काशन नियमावली २०७३ को नियम २६(२) संग सम्बन्धित विवरण र कम्पनी ऐन, २०६३ को दफा १०९(४) बमोजिमका विवरणहरूलाई अतिरिक्त विवरणको रूपमा समेत प्रस्तुत गरिएको हुँदा यहाँ पुनरावृत्ति गरेको छैन । साथै कम्पनीको उत्पादन लागत, बिक्री वितरण खर्च, व्यवस्थापन र प्रशासनिक खर्चहरूको विवरण लगायतका विषयहरू समेत यसै सञ्चालक समितिको प्रतिवेदन साथ संलग्न लेखापरीक्षकको प्रतिवेदन, वासलात, नाफा नोक्सान हिसाब किताब, लगायतका संलग्न विवरणहरूबाट प्रष्ट हुने नै छ भन्ने विश्वास लिएका छौं ।



१) सर्वोत्तम होल्डिङ्स प्रा.लि

सर्वोत्तम सिमेन्ट लिमिटेडको शत प्रतिशत लगानी रहेको यस सर्वोत्तम होल्डिङ्स प्रा.लि ले भविष्यमा आफ्नो शत प्रतिशत लगानीमा निर्माण सामग्रीसंग सम्बन्धित अन्य उद्योग तथा व्यवसायमा लगानी गरी नाफामुलक कारोवार गर्दै जाने योजना रहेको छ । यस सहायक कम्पनीको अधिकृत पुँजी रु. ६०,००,००,०००/- (अक्षरूपी साठी करोड मात्र) र जारी पुँजी रु. ५०,००,००,०००/- (अक्षरूपी पचास करोड मात्र) तथा चुक्ता पुँजी रु. ५०,००,००,०००/- (अक्षरूपी पचास करोड मात्र) रहेको छ । यस प्रा.लि.को सहायक कम्पनीहरू देहाय बमोजिम रहेको व्यहोरा समेत जानकारी गराउँदछौं ।

कम्पनीको नाम	अधिकृत पुँजी रु	जारी पुँजी रु	चुक्ता पुँजी रु	सर्वोत्तम होल्डिङ्स को लगानी रकम (रु.)
सर्वोत्तम मिनरल्स प्रा.लि.	१० करोड	९ करोड	२ करोड ७१ लाख	२ करोड ३१ लाख
सिद्धेश्वर मिनरल्स प्रा.लि.	२ करोड	१ करोड	१ करोड	१ करोड
सर्वोत्तम सिमेन्ट ईष्ट प्रा.लि.	१० करोड	५ करोड	४ करोड	४ करोड

२) सर्वोत्तम ईन्भेष्टमेन्ट प्रा. लि. :

सर्वोत्तम सिमेन्ट लिमिटेडको शत प्रतिशत शेयर लगानी रहने गरी यो सहायक कम्पनी संस्थापना गरिएको छ । यसको अधिकृत पुँजी रु १०,००,००,०००/- (अक्षरूपी दस करोड मात्र), जारी पुँजी १०,००,००,०००/- (अक्षरूपी दस करोड मात्र) र चुक्ता पुँजी रु ७,५०,००,०००/०० (अक्षरूपी सात करोड पचास लाख रुपैयाँ मात्र) रहेको छ ।





सर्वोत्तम सिमेन्ट लिमिटेड  
धितोपत्र दर्ता तथा निष्काशन नियमावली, २०७३ को नियम २६ को उपनियम (२) संग सम्बन्धित  
वार्षिक प्रतिवेदन

- १) सञ्चालक समितिको प्रतिवेदन : यसै वार्षिक प्रतिवेदनमा संलग्न गरिएको ।
- २) लेखापरीक्षकको प्रतिवेदन : यसै वार्षिक प्रतिवेदनमा संलग्न गरिएको ।
- ३) लेखापरीक्षण भएको वित्तीय विवरण : यसै वार्षिक प्रतिवेदनमा संलग्न गरिएको ।
- ४) कानूनी कारवाही सम्बन्धी विवरण

यस संस्थाले वा संस्थाको विरुद्ध कुनै मुद्दा दायर भएको जानकारी :

- (क) नेपाल विद्युत प्राधिकरणसंगको डेडिकेटेड र ट्रंक लाईनको छुट विल विवाद सम्बन्धि विभिन्न मुद्दाहरु सम्मानित अदालत र डेडिकेटेड तथा ट्रंक लाईनको विद्युत महशुल विवाद समाधानका लागि गठित जाँचबुझ आयोगमा विचाराधिन रहेको ।
- (ख) कम्पनीले सिमेन्ट बिक्री गर्न नियुक्त गरेका वितरक र सिमेन्ट खरिदकर्ता संस्थाहरुले समयमा रकम भुक्तानी नगरेको विषयमा त्यस्ता केहि संस्था समेतका विरुद्ध रकम असूलीका लागि श्री काठमाडौं जिल्ला अदालत र अन्य जिल्ला अदालतहरुमा फिराद दायर गरेकोमा कानूनी प्रक्रियामा मुद्दाहरु विचाराधिन रहेका छन् ।

- ५) कुनै संस्थापक वा सञ्चालक विरुद्ध आर्थिक अपराध गरेको सम्बन्धमा कुनै मुद्दा दायर गरेको वा भएको बारे कुनै जानकारी प्राप्त भएको छैन ।

६) संगठित संस्थाको शेयर कारोबार तथा प्रगतिको विश्लेषण

- (क) धितोपत्र बजारमा भएको संगठित संस्थाको शेयरको कारोबार सम्बन्धमा व्यवस्थापनको धारणा : शेयर कारोबार धितोपत्र बोर्डको नीति नियमबाट निर्देशित भई खुल्ला बजारले निर्धारण गर्ने विषय रहेको हुँदा यस कम्पनीको शेयर कारोबार सोही अनुरूप हुने गरेको छ ।
- (ख) आ.व. ०८०।८१ को प्रत्येक त्रैमासिक अवधिमा संगठित संस्थाको शेयरको अधिकतम, न्यूनतम र अन्तिम मूल्यका साथै कुल कारोबार शेयर संख्या र कारोबार दिन :

विवरण	आश्विन मसान्त	पौष मसान्त	चैत्र मसान्त	आषाढ मसान्त
अधिकतम मूल्य रु.	-	-	१,०८३।००	८७७।७०
न्यूनतम मूल्य रु.	-	-	५५६।००	७४१।००
अन्तिम मूल्य रु.	-	-	८४७।००	८०६।५०
कूल कारोबार शेयर संख्या	-	-	३९,६०३	३०,४९४
कूल कारोबार दिन	-	-	१५	६१

- ७) समस्या तथा चुनौती र समाधानका लागि कम्पनीले लिएको रणनीति देहाय बमोजिम रहेका छन् :

क) समस्या तथा चुनौती :

- १) नेपाल सरकार तथा नियमनकारी निकायबाट समय समयमा प्रतिकूल निति नियम तर्जुमा गर्दा, समस्या तथा चुनौती थप हुन सक्ने ।
- २) सिमेन्टको उत्पादन क्षमता तथा आपूर्ति र मागमा रहेको असन्तुलनले गर्दा, समस्या तथा चुनौती थप हुन सक्ने ।
- ३) बाह्य रुपले अन्तर्राष्ट्रिय समसामयिक घटनाक्रम तथा आर्थिक मन्दीले सृजना हुने विदेशी मुद्राको सटही दरमा हुने उच्च वृद्धि तथा ईन्धन र कोईलाको मूल्य वृद्धिले संस्थालाई कारोवारमा समस्या तथा चुनौती थप हुन सक्ने ।
- ४) नेपाल विद्युत प्राधिकरणसंगको डेडिकेटेड र ट्रंक लाईनको छुट विल विवाद सम्बन्धि विभिन्न मुद्दाहरु सम्मानित अदालतहरु र डेडिकेटेड तथा ट्रंक लाईनको विद्युत महशुल विवाद समाधानका लागि गठित जाँचबुझ आयोगमा विचाराधिन रही रहेकोले सो को राय ले संस्थालाई असर गर्न सक्नेछ ।

- ५) नेपाल सरकारको वजेटबाट निर्माण हुनु पर्ने परियोजनाहरू समयमा सम्पन्न हुन नसक्ने परिस्थिति र सरकारी वजेटको विकास तर्फको विनियोजित वजेट समयमा खर्च नहुनुले व्यवसायमा समस्या तथा चुनौती थप हुन सक्ने ।
- ६) विद्युतको नियमित आपूर्ति नहुनु तथा भोल्टेज सप्लाई स्थिर नरहुनुले उद्योगको उत्पादन तथा कारोवारमा समस्या तथा चुनौती थप हुन सक्ने ।
- ७) बैंकको व्याजदर तथा तरलता स्थिर नहुनुले कम्पनीलाई समस्या तथा चुनौती थप हुन सक्ने ।
- ८) विश्वव्यापी रूपले संक्रमण फैलीने सक्ने कोभिड जस्ता अन्य माहामारी, प्राकृतिक आपदा तथा सृजना हुन सक्ने अन्य कम्पनीको काबु बाहिरको परिस्थितिहरूले कारोवारमा समस्या तथा चुनौती थप हुन सक्ने ।
- ९) संस्थाको सूचना प्रविधि प्रणाली तथा महत्वपूर्ण तथ्याङ्क संग्रहित सर्वरमा हुन सक्ने जोखिम ।

**(ख) रणनीति :**

माथि उल्लेखित चुनौती र समस्याका अतिरिक्त वर्तमान अवस्थामा व्याजदरमा हुने उताचढाव, प्रतिस्पर्धि उत्पादनको उपस्थितिले हुनसक्ने अस्वस्थ प्रतिस्पर्धा, कोइला, पेटकोट, डिजेल लागतका समाग्रीको उच्च दरमा भई रहेको मूल्य बृद्धि जस्ता कुराहरूले असर गर्न सक्ने भएतापनि हाल सम्म यस्ता घटनाबाट पर्न सक्ने असरबाट संस्था सचेत भई संस्थालाई प्रगति उन्मुख बनाउन देहाय बमोजिमका रणनीतिहरू अवलम्बन गरी आएको छ ।

- १) विदेशी मुद्रामा आयात गर्नुपर्ने कच्चा पदार्थको हकमा संस्थाले विनिमय दर हेज (HEDGE) गर्ने निति बनाएको छ ।
- २) नियमित विद्युतको आपूर्तिलाई सुचारु राख्न संस्थाले ५.५ मेगावाटको थर्मल पावर प्लान्टबाट विद्युत उत्पादनका साथै संस्थाले अतिरिक्त १० मेगावाटको फर्नेश आईल जेनेरेटरको व्यवस्था गरेको छ ।
- ३) बाह्य तथा आन्तरिक समसामयिक घटनाक्रम तथा काबु बाहिरका परिस्थितिबाट उद्योग सञ्चालनमा रोकावट आउन नदिन संस्थाले प्रयाप्त मात्रामा कच्चा पदार्थको भण्डारण र उद्योग तथा आफ्ना कर्मचारीहरूको बीमा समेत गरेको छ ।
- ४) बैंकिङ्ग ब्याजदरमा हुने परिवर्तनबाट संस्थालाई हुने असर न्यूनीकरण गर्न संस्थाले निकट भविष्यमा नै ऋण मुक्त हुने निति अवलम्बन गरेको छ । सोहि निति बमोजिम संस्थाले हाल सम्म ९८ प्रतिशत भन्दा बढी आवधिक कर्जा भुक्तानी गरिसकेको छ ।
- ५) संस्थाको सूचना प्रविधि प्रणालि तथा महत्वपूर्ण तथ्याङ्क संग्रहित सर्वरमा हुन सक्ने जोखिमको न्यूनीकरणको लागि संस्थाले अतिरिक्त सर्वरको व्यवस्था गर्नुको साथै साईवर सुरक्षाका उपायहरू हदैसम्म अवलम्बन गरेको छ ।
- ६) राष्ट्रको औद्योगिक, आर्थिक, मौद्रिक तथा वित्तीय नीति परिवर्तनबाट सृजना हुन सक्ने संभावित जोखिमहरू रहने नै छन् । कम्पनीले सरकारी नीति परिवर्तनका कारण जोखिम हुने छैन भन्ने विश्वास लिएका छौं ।

**द) संस्थागत सुशासन :**

संस्थागत सुशासनका लागि कम्पनी प्रतिवद्ध रहेको छ आकर्षित हुने सबै ऐन, नियम, निर्देशिकाहरूको पूर्ण पालना गर्दै उद्योग संचालन गरिएको छ । सञ्चालक समितिका काम कारवाहीहरू तथा संस्थाको अन्य सबै क्रियाकलापहरू पारदर्शी रूपमा संचालन गरी संस्थागत सुशासनको विकास गर्न एवम् सोको अनुभूति गराउन संस्था सदैव तत्पर रहेको छ ।

**९) विवरणपत्रमा प्रक्षेपण गरिएका र लेखापरीक्षण भएको विवरणमा पर्न गएको फरक र त्यसको कारण:**

विवरण	प्रक्षेपित (रु. हजारमा)	वास्तविक (रु. हजारमा)	फरक (%)	कारण
जम्मा सम्पत्ति	१३,९८८,३२६	१२,०२८,२५५	१४।०९%	
जम्मा इक्विटी	९,१८५,२०६	९,६३५,८१५	-४।९९%	
जम्मा दायित्व	४,४४२,०५६	१,९०४,६६९	५७।९२%	Slow sales का कारण current stock बढेकाले
संचालनबाट आमदानी	६,३७२,३४०	७,८९०,५९४	-२३।८३%	निर्माण गतिविधिमा ढिलाई, प्रतिस्पर्धा बृद्धि, मन्दी र उपभोक्ता खर्च घटेकाले
बिक्री लागत	५,६९६,९२४	६,२२६,५१९	-१०।८५%	
जम्मा खर्च	६१४,१८९	६४७,९३८	-५।४९%	

सर्वोत्तम सिमेन्ट लिमिटेड

कम्पनी ऐन, २०६३ को दफा १०९ को उपदफा ४ अनुसारको अतिरिक्त विवरण आर्थिक वर्ष २०८०/०८१

- (क) विगत वर्षको कारोबारको सिंहावलोकन : सञ्चालक समितिको प्रतिवेदनमा विस्तृत रूपमा उल्लेख गरिएको ।
- (ख) राष्ट्रिय तथा अन्तर्राष्ट्रिय परिस्थितिबाट कम्पनीको कारोबारलाई कुनै असर परेको भए सो असर : संचालक समितिको प्रतिवेदनमा विस्तृतरूपमा उल्लेख गरिएको ।
- (ग) प्रतिवेदन तयार भएको मितिसम्म चालु वर्षको उपलब्धि र भविष्यमा गर्नुपर्ने कुराको सम्बन्धमा संचालक समितिको धारणा : संचालक समितिको प्रतिवेदनमा विस्तृत रूपमा उल्लेख गरिएको ।
- (घ) कम्पनीको औद्योगिक वा व्यवसायिक सम्बन्ध: यस सम्बन्धमा संचालक समितिको प्रतिवेदनमा विस्तृत जानकारी उपलब्ध गराईएको ।
- (ङ) संचालक समितिमा भएको हेरफेर र सोको कारण : संचालक समितिमा कुनै हेरफेर नभएको ।
- (च) संस्थाको कारोबारलाई असर पार्न सक्ने मुख्य समस्या तथा चुनौतिहरू: संचालक समितिको प्रतिवेदनमा उल्लेख गरिएको ।
- (छ) लेखापरीक्षण प्रतिवेदनमा कुनै कैफियत उल्लेख भएको भए सो उपर संचालक समितिको प्रतिक्रिया : कुनै कैफियत नरहेको ।
- (ज) लाभांश बाँडफाँड गर्न सिफारिस गरिएको रकम : कम्पनीले आ.व. ०८०१८१ सम्म गरेको व्यवसायबाट आर्जित संचित मुनाफा (Retained Earnings) बाट कम्पनीमा कायम शेयरधनीहरूलाई चुक्ता पुँजी ४,६५,००,००,०००।०० (अक्षरूपी चार अर्ब पैसठ्ठी करोड करोड मात्र) को ७% बोनस शेयर र ३% नगद लाभांश (कर सहित) पारित गर्न सिफारिस गरिएको छ ।
- (झ) शेयर जफत भएको भए जफत भएको शेयर संख्या र त्यसको शेयरको अंकीत मूल्य, त्यस्तो शेयर जफत हुनुभन्दा अगावै सो वापत बैंकले प्राप्त गरेको जम्मा रकम र त्यस्तो शेयर जफत भएपछि सो शेयर बिक्री गरी बैंकले प्राप्त गरेको रकम तथा जफत भएको शेयर वापत रकम फिर्ता गरेको भए सोको विवरण : सो नभएको ।
- (ञ) विगत आ.व. मा संस्था र संस्थाको सहायक कम्पनीको कारोबारको प्रगति र सो आर्थिक वर्षको अन्त्यमा रहेको स्थितिको पुनरावलोकन: आ.व. ०८०१८१ मा संस्थाको प्रगतिको सम्बन्धमा मूल प्रतिवेदनमा उल्लेख भैसकेको छ । संस्थाको सहायक कम्पनीहरूमा गरिएको लगानीको स्थितिको विषयमा यसै प्रतिवेदनको अनुसूचीमा उल्लेख गरिएको छ ।
- (ट) संस्थाको सहायक कम्पनीले आर्थिक वर्ष ०८०१८१ मा सम्पन्न गरेको प्रमुख कारोबारहरू र सो अवधिमा संस्थाको कारोबारमा आएको कुनै महत्वपूर्ण परिवर्तन : संस्थाको र सहायक कम्पनीहरूको कारोवार विवरण मूल प्रतिवेदनको अनुसूची खण्डमा उल्लेख गरिएको छ ।
- (ठ) विगत आर्थिक वर्षमा संस्थाको आधारभूत शेयरधनीहरूले संस्थालाई उपलब्ध गराएको उपलब्ध जानकारी : आ.व.०८०१८१ मा संस्थाको आधारभूत शेयरधनीहरूले संस्थालाई कुनै व्यहोराको जानकारी नगराएको व्यहोरा अवगत गराउँदछौ ।
- (ड) विगत आर्थिक वर्षमा संस्थाका संचालक तथा पदाधिकारीहरूले लिएको शेयरको स्वामित्व विवरण र संस्थाको शेयर कारोबारमा निजहरू संलग्न रहेको भए सो सम्बन्धमा निजहरूबाट संस्थाले प्राप्त गरेको जानकारी :

सञ्चालकहरूले ग्रहण गरेको शेयर संख्या:

नाम	पद	शेयर संख्या
श्री बिष्णु प्रसाद न्यौपाने	सञ्चालक अध्यक्ष	११,७३४,२७९
श्री विमल कुमार सावरथिया (कृष्ण इन्टरनेशनल प्रा.लि.को प्रतिनिधि)	सञ्चालक	५९,५५९
श्री तेन्जीङ लाम्देन तामाङ	सञ्चालक	२,७०८,१४०

श्री टिकाराम न्यौपाने	सञ्चालक	३,९०३,४८५
श्री उत्सव न्यौपाने	सञ्चालक	५९५६
श्री शिव सिंह कार्की	सञ्चालक	५००
श्री नेहा अग्रवाल	स्वतन्त्र सञ्चालक	-

संस्थाको शेयर कारोवारमा संस्थाका सञ्चालक तथा पदाधिकारीहरु संलग्न नरहेको ।

(ढ) विगत आर्थिक वर्षमा संस्थासंग सम्बन्धित सम्भौताहरुमा कुनै सञ्चालक तथा निजको नातेदारको व्यक्तिगत स्वार्थको बारेमा उपलब्ध गराईएको जानकारीको व्यहोरा: आ.व.०८०१८१ मा संस्थासँग सम्बन्धित सम्भौताहरुमा सञ्चालक तथा निजको नजिकको नातेदारको व्यक्तिगत स्वार्थ नरहेको र हालसम्म संस्थामा त्यस्तो जानकारी उपलब्ध नभएको व्यहोरा जानकारी गराउँदछौं ।

(ण) संस्थाले आफ्नो शेयर आफैले खरिद गरेको भए त्यसरी आफै खरिद गर्नको कारण, त्यस्तो शेयरको संख्या र अंकित मूल्य तथा त्यसरी शेयर खरिद बापत संस्थाले भुक्तानी गरेको रकम : हालसम्म संस्थाले आफ्नो शेयर आफै खरिद गरेको छैन ।

(त) आन्तरिक नियन्त्रण प्रणाली भए वा नभएको र भएको भए सोको विस्तृत विवरण : सञ्चालक समितिको प्रतिवेदनमा विस्तृत रुपमा उल्लेख गरिएको ।

(थ) आर्थिक वर्ष ०८०१८१ को कूल व्यवस्थापनको खर्चको विवरण : आ.व. ०८०१८१ मा कूल व्यवस्थापन खर्च जम्मा रु २८,२१,५७,४३४ रहेको छ ।

(द) लेखापरीक्षण समितिका सदस्यहरुको नामावली, निजहरुले प्राप्त पारिश्रमिक, भत्ता तथा सुविधा, सो समितिले गरेको काम कारवाहीको विवरण र सो समितिले कुनै सुझाव दिएको भए सोको विवरण : लेखापरीक्षण समितिका पदाधिकारीहरुमा सञ्चालक श्री बिमल कुमार सावरथिया तथा प्रबन्धक श्री राजन बस्याल र सहायक प्रबन्धक ईश्वर अधिकारी रहनु भएको छ । लेखापरीक्षण समितिका पदाधिकारी सदस्यहरु र अन्य उप-समितिका पदाधिकारी सदस्यहरुलाई हाललाई बैठक भत्ता उपलब्ध गराउने व्यवस्था गरिएको छैन । उक्त समितिले कम्पनी ऐन, २०६३ ले तोके बमोजिमका काम कुराहरु हेरी सञ्चालक समिति समक्ष प्रतिवेदन पेश गर्ने गरेको व्यहोरा जानकारी गराउँदछौं ।

(ध) सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख, संस्थाका आधारभूत शेयरधनी वा निजका नजिकका नातेदार वा निज संलग्न रहेको फर्म कम्पनी वा संगठित संस्थाले संस्थालाई कुनै रकम बुझाउन बाँकी रहेको भए सो कुरा : लेखापरीक्षण प्रतिवेदनमा उल्लेख गरिएको ।

न) सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख, तथा पदाधिकारीहरुलाई भुक्तान गरिएको पारिश्रमिक भत्ता तथा सुविधाको रकम: संस्थाका सञ्चालक, तथा पदाधिकारीहरुलाई भुक्तान गरिएको पारिश्रमिक, भत्ता तथा सुविधाको रकम देहाय बमोजिम रहेको छ ।

विवरण	सञ्चालक समूह	व्यवस्थापन समूह
तलब भत्ता	५५,८७,१८८।००	१,५६,७२,९७३।६७

प) शेयरधनीहरुले बुझिलिन बाँकी रहेको लाभांशको रकम : ५५,६८,८७१.५०-

फ) कम्पनी ऐन, २०६३ को दफा १४१ बमोजिम सम्पत्ति खरिद वा बिक्री गरेको विवरण : छैन ।

ब) कम्पनी ऐन, २०६३ को दफा ९३ बमोजिम सम्बद्ध कम्पनी बिच भएको कारोवारको विवरण : कम्पनीका संस्थापक शेयरवाला तथा सञ्चालकहरु सम्बद्ध रहेका अन्य संस्थासंग कम्पनीले नियमानुसार गरेको खरिद बिक्री कारोवार विवरण निम्न अनुसार रहेका छन् ।

सम्बन्धित पक्षको नाम	कारोबार रकम	कारोबारको प्रकृति
जगदम्बा सिमेन्ट प्रा.लि.	४,७६१,५२१।१	खरिद
जगदम्बा सिमेन्ट प्रा.लि.	९०३,३९३,३९३।७	बिक्री
शुभश्री जगदम्बा सिमेन्ट लि.	३८४,८९६,५७३।९	खरिद
शुभश्री जगदम्बा सिमेन्ट लि.	१७५,८२३,०५६।५	बिक्री
लक्ष्मी स्टील्स लि.	२५,२४८,५७७।१	खरिद
लक्ष्मी स्टील्स लि.	११,१६४,४३७।७	बिक्री
सर्वोत्तम स्टील लि.	५३,८१३।२	बिक्री
सौरभ फोटो इन्टरनेशनल	३८७,६१०।६	खरिद

सहायक कम्पनीको कारोबार विवरण :

सम्बन्धित पक्षको नाम	कारोबार रकम	कारोबारको प्रकृति	कारोबारमा संलग्न भएको कारण
सर्वोत्तम मिनरल्स प्रा.लि.	५६,८६१,१६५।४	खरिद	
सर्वोत्तम मिनरल्स प्रा.लि.	७७२,९१४।३	बिक्री	
सिद्देश्वर मिनरल्स प्रा.लि.	३४,३६९,९१३।७	खरिद	सर्वोत्तम होल्डिङ्स प्रा.लि.को
सिद्देश्वर मिनरल्स प्रा.लि.	१,७२९,३४७।३	बिक्री	लगानी रहेको
सर्वोत्तम सिमेन्ट ईस्ट प्रा.लि.	११९,३००,६७४।४	खरिद	
सर्वोत्तम सिमेन्ट ईस्ट प्रा.लि.	३६,०२०,१४५।५	बिक्री	

भ) कम्पनी ऐन, २०६३ तथा प्रचलित कानून बमोजिम सञ्चालक समितिको प्रतिवेदनमा खुलाउनु पर्ने अन्य कुनै कुरा: प्रचलित कानून बमोजिम खुलाउने पर्ने आवश्यक सम्पूर्ण कुरा खुलाईएको व्यहोरा अवगत गराउँदछौं ।





# सर्वोत्तम सिमेन्ट



गर्न मजबुत निर्माण  
चाहिन्ह सर्वोत्तम आधार



# Priyank & Associates

Chartered Accountants

Sinamangal, Kathmandu, Mob:-9852031935

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SARBOTTAM CEMENT LTD. REPORT ON THE AUDIT OF STANDALONE FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying Standalone Financial Statements of Sarbottam Cement Ltd. ("the Company") which comprises the Statement of Financial Position as at Ashadh 31, 2081 (July 15, 2024), Statement of Profit or Loss & Other Comprehensive Income, Statement of Changes in Equity & Statement of Cash Flows for the year ended Ashadh 31, 2081 (July 15, 2024), and Notes to Financial Statement including Summary of Significant Accounting Policies.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give a true and fair view in conformity with Nepal Financial Reporting Standards (NFRSs), of the state of affairs of the Company as at Ashadh 31, 2081 (July 15, 2024), and its profit, total comprehensive income, its cash flows & the changes in equity for the year ended on that date.

### Basis of Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Nepal Standard on Auditing (NSAs) & applicable law. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the audit of the Standalone Financial Statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of Nepal (ICAN) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the ICAN's Code of Ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis of our audit opinion on Standalone Financial Statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	How the matter was addressed in our audit
<b>Useful life of Property, Plant and Equipment:</b>  Post adoption of NFRS, the Company has changed method of depreciation from Written Down Value (WDV) method to Straight Line Method (SLM). Given the judgement used for assessing useful life and its significant impact to the Financial Statement, this is a key audit matter.	Our principal audit procedures performed, among other procedures, included the following: <ol style="list-style-type: none"><li>1. We obtained understanding of the management's processes for assessing the useful life of PPE.</li><li>2. We carried out testing of management's control over assessing the useful life of PPE.</li><li>3. We tested the basis of useful life.</li></ol>



Depreciation on Property, Plant and Equipment other than Freehold Land is provided on "Straight Line Method (SLM)" based on Useful Life estimated by technical expert of the management.

The Assets Useful Life are reviewed at the reporting date and the effect of any changes in estimates are accounted for on a prospective basis.

4. We verified the technical evaluation done by management while assessing the useful life of PPE.
5. Assessed the accounting principles applied by the Company to estimate useful life in accordance with the Nepal Financial Reporting Standards and ensured adequacy of disclosures.

#### **Contingent Liabilities related to Appeals against Dedicated Line Electricity Bill of Rs. 774,204,476**

The Company is exposed to different laws, regulations and their interpretations thereof. In this regulatory environment there is inherent risk of litigations and claims. Consequently, contingent liabilities disclosures may arise from Contractual Obligation, Direct & Indirect Taxes and Other Matters (If Any).

The company applies significant judgement in estimating the likelihood of the future outcome in the case of Electricity Over Billing Issues amounting to Rs. 774,204,476 and the company has filed an Appeals against Nepal Electricity Authority at Honorable Supreme Court. Such legal case is pending till the date of reporting period. The impact of the same is not reflected in the profitability of respective financial years.

These estimates could change significantly over time as new facts emerge and each legal case progresses.

Given the inherent complexity and magnitude of potential exposures and the judgement necessary to estimate the amount of provisions required or to determine required disclosures this is a key audit matter.

Our audit procedures included:

1. We have gained an understanding of outstanding litigations against the company from the company's in-house legal counsel and other key managerial personnel who have knowledge of these matters.
2. We have read the cases records and the legal opinions of external legal advisors where applicable for significant matters.
3. We have tested the completeness of the litigations and claims by examining on a sample basis the Company's legal expenses and minutes of the Board meetings.
4. We have assessed the adequacy of the Company's disclosures in respect of contingent liabilities for Electricity Overbilling Issues and legal matters.
5. As per reminder letter from NEA Hetauda Distribution Center, the electricity disputed amount required to deposit of Rs.119,636,645.75 as per vide letter reference no. 995 dtaed 2081-7-8 which in the line of Lal Commission formed by Government of Nepal.

#### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' report and Management Discussion and Analysis, Report on Corporate Governance and Business Responsibility report, but does not include the Consolidated Financial Statements, Standalone Financial Statements & our Auditor's report thereon.

Our opinion on the Standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone





financial statements or our knowledge obtained during the course of our 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.

#### **Managements Responsibility for the Standalone Financial Statements**

Management is responsible for preparation and fair presentation of the Standalone Financial Statements in accordance with the Nepal Financial Reporting Standards (NFRSs) and for such internal control as management determines is necessary to enable the preparation of Standalone Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing its ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or 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 Responsibility for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone 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 decision of users taken on the basis of these Standalone Financial Statements.

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

- i) Identify and assess the risk of material misstatement of the Standalone 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, misrepresentation, or the override of internal controls.
- ii) Obtain an understanding of Internal Control relevant to 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 Company's Internal Control.
- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- iv) 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 Standalone 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.
- v) Evaluate the overall presentation, structure, and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.



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.

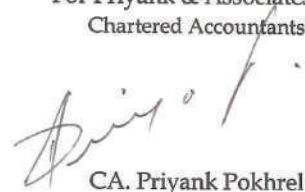
We also communicate with those charged with governance that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Report on the Other Legal & Regulatory Requirements**

- i) We have obtained information and explanations asked for, which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
- ii) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Standalone Financial Statements have been kept so far as it appears from our examination of those books.
- iii) Statement of Financial Position, Statement of Profit or Loss & Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows have been prepared in accordance with the requirements of the Companies Act, 2063 and are in agreement with the books of account of the Company.
- iv) During our examination of the books of account of the Company, we have not come across the cases where the Board of Directors or any member of there or any representative or any office holder or any employee of the Company has acted contrary to the provisions of law or caused loss or damage to the Company, and
- v) We have not come across any fraudulent activities in the books of accounts.

Place: Kathmandu  
Date: 2024-12-17  
UDIN: 241218CA00989wJt5g

For Priyank & Associates  
Chartered Accountants

  
CA. Priyank Pokhrel  
Proprietor



# SARBOTTAM CEMENT LTD.

## 1. Statement of Financial Position

As At Asadh 31 , 2081 (July 15, 2024)

Fig. in NPR

Particulars	Notes	Sarbotam Cement		Group	
		Asadh 31, 2081 (July 15, 2024)	Ashadh 31, 2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31, 2080 (July 16, 2023)
<b>Assets</b>					
<b>Non Current Assets</b>					
Property, Plant & Equipment	4	8,278,534,277	8,267,468,533	8,803,599,575	8,573,463,288
Intangible Assets	5	675,491	1,237,648	922,355	1,259,440
Goodwill on Acquisition				16,204,198	
<b>Financial Assets</b>					
Investment in Subsidiaries	6	556,036,900	556,036,900	-	-
Investment in Associates	7	-	-	37,852,111	14,167,464
Investment in Other Entity	8			-	1,355,000
Investment Advance				1,350,000	26,350,000
Deferred Tax Assets	9				
Other Non-Current Assets	10	12,402,560	12,402,560	161,623,935	139,817,425
<b>Total Non Current Assets</b>		<b>8,847,649,228</b>	<b>8,837,145,641</b>	<b>9,021,552,174</b>	<b>8,756,412,617</b>
<b>Current Assets</b>					
Inventories	11	2,776,050,052	2,494,264,275	2,888,461,171	2,501,325,804
<b>Financial Assets</b>					
Trade Receivables	12	1,757,484,715	1,708,339,446	1,714,799,655	1,725,408,860
Cash & Cash Equivalent	13	60,320,016	149,972,492	79,405,054	156,262,431
Bank Balance other than Cash & Cash Equivalent	14	-	-	-	-
Others	15	26,103,045	17,865,197	26,103,045	17,865,197
Other Current Assets	16	497,250,957	192,992,746	298,729,416	258,163,970
Income Tax Assets (Net)	24	23,467,714	23,456,581	43,684,197	26,049,150
<b>Total Current Assets</b>		<b>5,140,676,498</b>	<b>4,586,890,736</b>	<b>5,051,182,538</b>	<b>4,685,075,412</b>
<b>Total Assets</b>		<b>13,988,325,727</b>	<b>13,424,036,378</b>	<b>14,072,734,713</b>	<b>13,441,488,029</b>
<b>Equity &amp; Liabilities</b>					
<b>Equity</b>					
Equity Share Capital	17 (a)	4,650,000,000	4,050,000,000	4,650,000,000	4,050,000,000
Fair Value Reserve	17 (b)	-	-	-	-
Other Equity	17 (c)	2,573,347,958	3,120,120,344	2,561,901,020	3,115,409,196
Revaluation Reserve	17 (d)	336,854,187	336,854,187	336,854,187	336,854,187
Securities Premium	17 (e)	1,625,004,009		1,625,004,009	-
Non-Controlling Interest				503,700	
<b>Total Equity</b>		<b>9,185,206,153</b>	<b>7,506,974,530</b>	<b>9,174,262,915</b>	<b>7,502,263,382</b>
<b>Non Current Liabilities</b>					
<b>Financial Liabilities</b>					
Long Term Borrowings	18	73,597,000	321,962,860	122,417,278	321,962,860
Provisions	19	-	-	-	-
Deferred Tax Liabilities	9	361,063,667	318,489,394	357,221,697	320,167,691
<b>Total Non Current Liabilities</b>		<b>434,660,667</b>	<b>640,452,254</b>	<b>479,638,975</b>	<b>642,130,551</b>
<b>Financial Liabilities</b>					
Trade Payables	20	348,409,919	630,475,599	369,324,701	646,152,099
Short Term Borrowings	21	2,993,286,839	3,453,526,347	2,993,286,839	3,454,462,666
Other Financial Liabilities	22	20,530,298	32,274,818	23,174,552	33,599,561
Other Current Liabilities	23	955,364,542	1,110,057,726	982,179,422	1,112,604,667
Provisions	19	50,867,309	50,275,103	50,867,309	50,275,103
Income Tax Liabilities (Net)	24	-	-	-	-
<b>Total Current Liabilities</b>		<b>4,368,458,907</b>	<b>5,276,609,593</b>	<b>4,418,832,822</b>	<b>5,297,094,096</b>
<b>Total Liabilities</b>		<b>4,803,119,574</b>	<b>5,917,061,847</b>	<b>4,898,471,797</b>	<b>5,939,224,647</b>
<b>Total Equity and Liabilities</b>		<b>13,988,325,727</b>	<b>13,424,036,378</b>	<b>14,072,734,713</b>	<b>13,441,488,029</b>

Summary of Significant Accounting Policies & Accompanying Notes are an Integral Part of Financial Statements For & On behalf of the BOD

Mr. Shiv Singh Karki  
Public Director

Mr. Tika Ram Neupane  
Director

Mr. Tenzin Lakden Tamang  
Director

As per our report of even date,  
CA. Priyank Pokhrel  
Proprietor  
For: Priyank & Associates  
Chartered Accountants

Mr. Utsav Neupane  
Director

Mr. Santosh KC  
CEO

Ms. Neha Agrawal  
Independent Director

Mr. Bimal Kumar Sawartha  
Director

Mr. Bishnu Prasad Neupane  
Chairman

Date : .....  
Place : Kathmandu

# SARBOTTAM CEMENT LTD.

## 2. Statement of Profit or Loss and Other Comprehensive Income

For Year Ended Asadh 31 , 2081 (July 15, 2024)

Fig. in NPR

Particulars	Notes	Sarbotam Cement		Group	
		FY 2080/2081	FY 2079/2080	FY 2080/2081	FY 2079/2080
Revenue From Operations	25	6,372,339,905	5,380,265,482	6,390,288,777	5,399,935,145
Less: Cost of Sales	26	5,616,924,205	4,408,749,600	5,618,567,123	4,427,771,874
Gross Profit	27	755,415,700	971,515,882	771,721,654	972,163,271
Other Income	27	50,930,691	10,927,171	51,433,496	10,780,561
Expenses:					
Administrative Expenses	28	104,727,453	107,573,334	126,353,699	113,853,937
Selling & Distribution Expenses	29	177,429,981	196,825,261	178,443,499	196,825,261
Finance Cost	30	332,032,001	409,115,300	332,573,846	409,445,171
Total Expenses		614,189,435	713,513,895	637,371,044	720,124,368
"Profit/(Loss) Before Tax from Continuing Operations & Share of Profit of Associates"	10	192,156,956	268,929,158	185,784,106	262,819,464
Share of Profit/(Loss) of Associates accounted by using Equity Method				(1,315,353)	(832,536)
Profit/(Loss) Before Tax from Continuing Operations		192,156,956	268,929,158	184,468,753	261,986,928
Tax Expense					
Current Tax	31	203,842	2,517,547	203,842	2,967,583
Deferred Tax	31	42,574,273	52,543,869	42,312,238	53,834,756
Net Profit/(Loss) For The Year from Continuing Operations		149,378,841	213,867,742	141,952,673	205,184,589
Discontinued Operations					
Profit from Discontinued Operation Before Tax					
Tax expense on Discontinued Operation					
Net Profit/(Loss) For The Year		149,378,841	213,867,742	141,952,673	205,184,589
Other Comprehensive Income					
Actuarial Gain/ Loss on Defined Benefit Pension Schemes					
Tax Relating to Components of Other Comprehensive Income					
Items that will not be reclassified to profit or loss					
Net fair value (losses)/gains on financial assets:					
Quoted Ordinary Shares					
Items that are or/may be reclassified subsequently to profit or loss					
Deferred Tax asset / (liability) on other comprehensive income					
Total Other Comprehensive Income (OCI)		-	-	-	-
Total Comprehensive Income (TCI)		149,378,841	213,867,742	141,952,673	205,184,589
Profit for the Year attributable to:					
Non Controlling Interest		-	-	(690,378)	-
Equity Holders		149,378,841	213,867,742	142,643,051	205,184,589
Total Comprehensive Income for the Year attributable to:					
Non Controlling Interest					
Equity Holders		149,378,841	213,867,742	142,643,051	205,184,589
Basic Earnings Per Share (NPR)		3.45	5.28	3.27	5.07
Diluted Earnings Per Share (NPR)		3.21	5.28	3.05	5.07

Summary of Significant Accounting Policies & Accompanying Notes are an Integral Part of Financial Statements For & On behalf of the BOD

Mr. Shiv Singh Karki  
Public Director

Mr. Tika Ram Neupane  
Director

Mr. Tenzin Lakden Tamang  
Director

As per our report of even date,

Mr. Utsav Neupane  
Director

Mr. Santosh KC  
CEO

Ms. Neha Agrawal  
Independent Director

CA. Priyank Pokhrel  
Proprietor  
For: Priyank & Associates  
Chartered Accountants

Mr. Bimal Kumar Sawartha  
Director

Mr. Bishnu Prasad Neupane  
Chairman

Date : .....  
Place : Kathmandu

# SARBOTTAM CEMENT LTD.

## Statement of Cash Flow

For Year Ended Asadh 31, 2081 (July 15, 2024)

Fig. in NPR

Particulars	Sarbottam Cement		Group	
	FY 2080/2081	FY 2079/2080	FY 2080/2081	FY 2079/2080
<b>Cash Flow From Operating Activities:</b>				
Profit/(Loss) For the Year	149,378,841	213,867,742	141,952,673	205,184,589
<b>Adjustment for</b>				
Depreciation on Property, Plant & Equipment	231,496,270	230,588,189	249,091,273	235,678,663
Amortization of Intangible Assets	562,157	884,082	593,883	889,290
Profit/(Loss) on Sale of PPE	10,368	93,725	142,830	93,725
Interest Income	(937,282)	(1,580,949)	(953,515)	(1,585,091)
Share of Profit/(Loss) of Associates	-	-	1,315,353.06	832,536.11
Interest Cost	332,032,001	409,115,300	332,573,846	409,445,171
Deferred Tax	42,574,273	52,543,869	42,312,238	53,834,756
Current Tax	203,842	2,517,547	203,842	2,967,583
<b>Cash Flow Before Working Capital Change</b>	<b>755,320,471</b>	<b>908,029,505</b>	<b>767,232,423</b>	<b>907,341,222</b>
<b>Changes In Working Capital</b>				
Decrease/(Increase) In Inventory	(281,785,777)	206,602,612	(376,074,152)	207,125,299
Decrease/(Increase) In Trade Receivables	(49,145,269)	(225,172,570)	32,192,240	(177,742,343)
Decrease/(Increase) In Other Financial Assets	(8,237,847)	203,946,824	(8,237,847)	203,946,824
Decrease/(Increase) In Other Assets	(304,258,211)	306,192,005	(38,152,665)	83,729,356
Increase/(Decrease) In Sundry Creditors	(282,065,680)	(163,957,797)	(295,939,309)	(167,168,787)
Increase/(Decrease) In Financial Liabilities	(11,744,520)	(22,221,750)	(10,425,009)	(21,259,009)
Increase/(Decrease) In Other Liabilities	(154,693,184)	190,905,370	(259,965,707)	171,507,201
Increase/(Decrease) In Provisions	1,940,979	2,716,455	1,940,979	2,716,455
	<b>(1,089,989,510)</b>	<b>499,011,149</b>	<b>(954,661,472)</b>	<b>302,854,996</b>
<b>Cash Generated From Operations</b>	<b>(334,669,039)</b>	<b>1,407,040,654</b>	<b>(187,429,049)</b>	<b>1,210,196,218</b>
Income Tax Paid	(214,976)	574,127	(17,838,889)	(206,555)
<b>Net Cash Flow From Operating Activities [1]</b>	<b>(334,884,014)</b>	<b>1,407,614,781</b>	<b>(205,267,938)</b>	<b>1,209,989,663</b>
<b>Cash Flow From Investing Activities</b>				
Acquisitions of Property, Plant & Equipments	(248,191,039)	(633,880,540)	(393,871,931)	(729,942,427)
Proceeds From Sale of Property, Plant & Equipments	6,309,939	381,593	6,177,477	381,593
Acquisitions of Intangible Assets	(691,283)	(500,000)	(948,081)	(527,000)
Increase in Investment of Subsidiaries	-	(300,000,000)	-	-
Increase in Investment in Associates	-	-	(25,000,000)	(15,000,000)
Changes in Investment in Other Entity	-	-	1,355,000	(1,355,000)
Increase/(Decrease) in Investment Advance	-	-	25,000,000	5,000
Acquisition of Subsidiary net of cash	-	-	(17,328,507)	-
Interest Income	937,282	1,580,949	953,515	1,585,091
<b>Total Cash Flow From Investing Activities [2]</b>	<b>(241,635,101)</b>	<b>(932,417,998)</b>	<b>(403,662,528)</b>	<b>(744,852,743)</b>
<b>Cash Flow From Financing Activities</b>				
Repayment of Long Term Borrowings	(321,549,860)	(242,886,727)	(322,897,177)	(245,996,947)
Disbursement of Long Term Loan	-	-	47,095,611	-
Changes in Short-term Borrowings	(387,055,508)	194,055,047	(387,055,508)	194,055,047
Interest Cost	(332,032,001)	(409,115,300)	(332,573,846)	(409,445,171)
Lease Equalization Liability written back	-	167,293.25	-	167,293
Proceeds from Issue of Equity Shares at Premium	2,261,640,000	-	2,261,640,000	-
Share Issuance Cost	(36,635,991)	-	(36,635,991)	-
Dividend Distribution	(697,500,000)	-	(697,500,000)	-
<b>Total Cash Flow From Financing Activities [3]</b>	<b>486,866,639</b>	<b>(457,779,687)</b>	<b>532,073,089</b>	<b>(461,219,777)</b>
<b>Net Increase/(Decrease) In Cash &amp; Cash Equivalents [1+2+3]</b>	<b>(89,652,476)</b>	<b>17,417,096</b>	<b>(76,857,377)</b>	<b>3,917,143</b>
Cash & Cash Equivalents At Beginning of The Year	149,972,492	132,555,396	156,262,431	152,345,289
<b>Cash &amp; Cash Equivalents At End of The Year</b>	<b>60,320,016</b>	<b>149,972,492</b>	<b>79,405,055</b>	<b>156,262,431</b>
<b>Components of Cash &amp; Cash Equivalents</b>				
Cash In Hand	3,585,638	32,097,275	6,191,581	32,308,086
Balance With Banks	56,734,377	117,875,217	73,213,473	123,954,346

Notes: "Cash Flow Statement has been prepared using Indirect Method In Accordance with NAS 7 [Statement of Cash Flows]"  
Summary of Significant Accounting Policies & Accompanying Notes are an Integral Part of Financial Statements For & On behalf of the BOD

Mr. Shiv Singh Karki  
Public Director

Mr. Utsav Neupane  
Director

Mr. Bimal Kumar Sawartha  
Director

Mr. Tika Ram Neupane  
Director

Mr. Santosh KC  
CEO

Mr. Bishnu Prasad Neupane  
Chairman

Mr. Tenzin Lakden Tamang  
Director

Ms. Neha Agrawal  
Independent Director

As per our report of even date,

CA. Priyank Pokhrel  
Proprietor  
For: Priyank & Associates  
Chartered Accountants

Date : .....  
Place : Kathmandu

# SARBOTTAM CEMENT LTD.

## Statement of Changes In Equity

For Year Ended Asadh 31 , 2081 (July 15, 2024)

Fig. in NPR

Particulars	Sarbotam Cement					
	Share Capital	Share Premium	Fair Value Reserve	Revaluation Reserve	Retained Earnings	Total
Balance as on 01 04 2079	4,050,000,000	-	-	336,854,187	2,905,431,587	7,292,285,774
Excess of Purchase Consideration over Net Assets Acquired						-
Addition In Capital						-
Share Issuance Cost						-
CSR Provision Written Back					653,722	653,722
Lease Equalization Liability written back					167,293	167,293
Profit/(Loss) For the Year					213,867,742	213,867,742
Other Comprehensive Income for the Year						-
Dividend Distribution from Post -acquisition Profit						
Dividend Distribution from Pre-acquisition Profit						
Deferred Tax Reversal on Disposal of Equity Instruments measured at FVTOCI						-
Transfer on Disposal of Equity Instruments measured at FVTOCI						-
Change in fair value of financial assets through OCI						-
Dividend Paid						-
Balance as on 31 03 2080	4,050,000,000	-	-	336,854,187	3,120,120,344	7,506,974,530
Balance as on 01 04 2080	4,050,000,000	-	-	336,854,187	3,120,120,344	7,506,974,530
Excess of Purchase Consideration over Net Assets Acquired						-
Proceeds from Issue of Public Share at Premium	600,000,000	1,661,640,000				2,261,640,000
Share Issuance Cost		(36,635,991)				(36,635,991)
NCI at acquisition date						-
CSR Provision Written Back					1,348,773	1,348,773
Lease Equalization Liability written back					-	-
Profit/(Loss) For the Year					149,378,841	149,378,841
(-) Dividend Distribution					(697,500,000)	(697,500,000)
Addition / (Transfer) during the Year						-
Other Comprehensive Income for the Year						-
Deferred Tax Reversal on Disposal of Equity Instruments measured at FVTOCI						-
Transfer on Disposal of Equity Instruments measured at FVTOCI						-
Change in fair value of financial assets through OCI						-
Dividend Paid						-
Balance as on 31 03 2081	4,650,000,000	1,625,004,009	-	336,854,187	2,573,347,958	9,185,206,153

Notes: "Cash Flow Statement has been prepared using Indirect Method In Accordance with NAS 7 [Statement of Cash Flows]"  
Summary of Significant Accounting Policies & Accompanying Notes are an Integral Part of Financial Statements For & On behalf of the BOD

As per our report of even date,

Mr. Shiv Singh Karki  
Public Director

Mr. Tika Ram Neupane  
Director

Mr. Tenzin Lakden Tamang  
Director

CA. Priyank Pokhrel  
Proprietor  
For: Priyank & Associates  
Chartered Accountants

Mr. Utsav Neupane  
Director

Mr. Santosh KC  
CEO

Ms. Neha Agrawal  
Independent Director

Mr. Bimal Kumar Sawartha  
Director

Mr. Bishnu Prasad Neupane  
Chairman

Date : .....  
Place : Kathmandu

# SARBOTTAM CEMENT LTD.

## Statement of Changes In Equity

For Year Ended Asadh 31 , 2081 (July 15, 2024)

Fig. in NPR

Particulars	Group					Non - Controlling Interest	Total
	Attributable to Equity Share holders of Sarbottam Cement						
	Share Capital	Share Premium	Fair Value Reserve	Revaluation Reserve	Retained Earnings		
Balance as on 01 04 2079	4,050,000,000	-	-	336,854,187	2,909,933,402		7,296,787,588
Excess of Purchase Consideration over Net Assets Acquired					(529,810)		(529,810)
Addition In Capital							-
Share Issuance Cost							-
CSR Provision Written Back					653,722		653,722
Lease Equalization Liability written back					167,293		167,293
Profit/(Loss) For the Year					205,184,589		205,184,589
Other Comprehensive Income for the Year							-
Dividend Distribution from Post - acquisition Profit							-
Dividend Distribution from Pre - acquisition Profit							-
Deferred Tax Reversal on Disposal of Equity Instruments - measured at FVTOCI							-
Transfer on Disposal of Equity Instruments measured at FVTOCI							-
Change in fair value of financial assets through OCI							-
Dividend Paid							-
Balance as on 31 03 2080	4,050,000,000	-	-	336,854,187	3,115,409,196		7,502,263,382
Balance as on 01 04 2080	4,050,000,000	-	-	336,854,187	3,115,409,196		7,502,263,382
Excess of Purchase Consideration over Net Assets Acquired							-
Proceeds from Issue of Public Share at Premium	600,000,000	1,661,640,000					2,261,640,000
Share Issuance Cost		(36,635,991)					(36,635,991)
NCI at acquisition date						1,194,078	1,194,078
CSR Provision Written Back					1,348,773		1,348,773
Lease Equalization Liability written back							-
Profit/(Loss) For the Year					142,643,051	(690,378)	141,952,673
(-) Dividend Distribution					(697,500,000)		(697,500,000)
Addition/(Transfer) during the Year							-
Other Comprehensive Income for the Year							-
Deferred Tax Reversal on Disposal of Equity Instruments measured at FVTOCI							-
Transfer on Disposal of Equity Instruments measured at FVTOCI							-
Change in fair value of financial assets through OCI							-
Dividend Paid							-
Balance as on 31 03 2081	4,650,000,000	1,625,004,009	-	336,854,187	2,561,901,020	503,700	9,174,262,915

Notes: "Cash Flow Statement has been prepared using Indirect Method In Accordance with NAS 7 [Statement of Cash Flows]"  
Summary of Significant Accounting Policies & Accompanying Notes are an Integral Part of Financial Statements For & On behalf of the BOD

Mr. Shiv Singh Karki  
Public Director

Mr. Utsav Neupane  
Director

Mr. Bimal Kumar Sawartha  
Director

Mr. Tika Ram Neupane  
Director

Mr. Santosh KC  
CEO

Mr. Bishnu Prasad Neupane  
Chairman

Mr. Tenzin Lakden Tamang  
Director

Ms. Neha Agrawal  
Independent Director

As per our report of even date,

CA. Priyank Pokhrel  
Proprietor  
For: Priyank & Associates  
Chartered Accountants

Date : .....  
Place : Kathmandu

# SARBOTTAM CEMENT LTD.

## Notes to the Financial Statements

For Year Ended Asadh 31, 2081 (July 15, 2024)

### Significant Information, Accounting Policies & Notes to the Accounts

#### 1. General Information

Sarbottam Cement Limited (Herein after referred to as 'The Company') is a Public Limited Company domiciled in Nepal registered under the Company Act, 2063 of Nepal. The manufacturing unit is located at Sunwal, Nawalparasi with its registered corporate office at Neupane Tower, 5th Floor, Tinkune, Kathmandu. The Company was registered as a private limited company initially which later on changed to Public Limited Company from Shrawan 30, 2076.

With a vision to expand and grow, the company manufactures its own clinker and sources its limestone from mines located across Nepal, opting for higher quality limestone over the cheaper alternatives situated near by the plant with production capacity of 3,000 TPD Cement & Clinker each.

The Company was established with the vision to produce & provide quality OPC, PPC & PSC cement in the Nepalese market which was sustaining over imported cement from neighboring countries. The Company took the initiatives to explore Nepalese limestone potential to manufacture quality cement. The company are also the first and only manufacturer that produces cement through the use of a Vertical Roller Mill (VRM). This innovative technology allows us to save up to 50% in energy consumption, thereby drastically reducing our carbon footprint. In this regard, the company are the only Nepalese cement manufacturer able to produce eco-friendly or "green" cement. The Company's self-owned limestone quarries.

The Financial Statements of The Company are approved for issue by the Company's Board of Directors on December 19, 2024 (B.S. 2081/09/04).

#### 2. Basis of Preparation

##### (a) Statement of Compliance

The Financial Statements have been prepared in accordance with the Nepal Financial Reporting Standards (NFRS) issued by the Nepal Accounting Standards Board (NASB), as per the provisions of The Institute of Chartered Accountants of Nepal Act, 1997. These confirm, in material respect, to NFRS as issued by the Nepal Accounting Standards Board. The Financial Statements have been prepared on a going concern basis. The term NFRS, includes all the standards and the related interpretations which are consistently used. These financial statements are the Company's First Financial Statements under NFRS and the transition was carried out in accordance with NFRS 1, "First Time Adoption of NFRS".

##### (b) Basis of Measurement

The Financial Statements have been prepared on the historical cost basis except for certain Financial Assets & Liabilities which have been measured at Fair Value amount:

Historical cost is generally Fair Value of the consideration given in exchange for goods & services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the Fair Value of an Asset or a Liability, the Company takes into account the characteristics of the Asset or Liability if market participants would take those characteristics into account when pricing the Asset or Liability at the measurement date. Fair Value for measurement and/ or disclosure purposes in these Financial Statements is determined on such a basis, except for, measurements that have some similarities to Fair Value but are not Fair Value, such as Net Realizable Value in NAS 2 "Inventories" or Value in use in NAS 36 "Impairment of Assets".

In addition, for Financial Reporting purposes, Fair Value measurements are categorized into Level 1, or 2, or 3 based on the degree to which the inputs to the Fair Value measurements are observable & the significance of the inputs to the Fair Value measurement in its entirety, which are described as follows:

**Level 1** - Inputs are quoted prices (unadjusted) in active markets for identical Assets or Liabilities that the entity can access at the measurement date;

**Level 2** - Inputs are inputs, other than quoted prices included within Level 1, that are observable for the Asset or Liability, either directly or indirectly; and

**Level 3** - Inputs are unobservable inputs for the Asset or Liability.



**(c) Use of Estimates**

The preparation of these Financial Statements in conformity with NFRS requires management to make estimates, judgements and assumptions. These estimates, judgments and assumptions affect the reported balances of Assets & Liabilities, disclosures relating to Contingent Liabilities as at the date of the Financial Statements and the reported amounts of Income & Expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Changes in estimates are reflected in the Financial Statements in the period in which changes are made and, if material, their effects are disclosed in the Notes to the financial statements.

**(d) Going Concern**

The Financial Statements are prepared on a going concern basis. The Board of Directors have considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources while assessing the going concern basis. Furthermore, Board is not aware of any material uncertainties that may cast significant doubt upon Company's ability to continue as a going concern and they do not intend either to liquidate or to cease operations of it.

**(e) COVID - 19 Impact & Assessment**

The COVID-19 pandemic has developed rapidly towards the end of FY: 2077/78 with a substantial rise in number of cases. Measures taken to control the virus have contributed significantly to decline & volatility in global as well as Nepalese financial markets thereby leading to a significant decrease in economic activities.

In view of the highly uncertain economic environment, the extent to which the COVID-19 pandemic will impact the business of the Company depends upon future developments that cannot be predicted reliably at this stage. However, based on the preliminary estimates the company has considered the possible effects that may result from this pandemic on the carrying amounts of its Property, Plant & Equipment, Inventory, advances & receivables based on this assessment the Company does not foresee or anticipate any significant risk to the recoverability & carrying value of its assets or in meeting its financial obligations over the foreseeable future.

Management has considered wide range of factors, such as: Current & Expected Profitability, Debt Repayment Schedules, Overall impact to Economy & Industry in which it operates, ability to continue selling its products and impact of subsequent events while evaluating going concern based on the same it has concluded that there is not a significant doubt upon Company's ability to continue as a going concern due to ongoing COVID-19 pandemic.

Beside that we have taken number of actions to monitor & mitigate the effects of COVID-19, such as safety & health measures for our people (Social Distancing & Work from home culture has been adapted) and securing the supply of materials that are essential to our production process is kept on top priority.

The Company will continue to closely monitor any material changes arising due to the impact of this pandemic/ future economic conditions impacting the financial & operational performance of the Company and take necessary measures to address the same. Given the uncertainty because of COVID-19, the final impact of the same on Company's assets in future may differ from that estimated as at the date of approval of these financial statements.

**(f) Functional and Presentation Currency**

These Financial Statements are presented in Nepalese Rupees (NPR) which is the Company's functional currency. All financial information presented in NPR has been rounded to the nearest rupee except where indicated otherwise.

**(g) Changes in Accounting Policies**

Accounting policies are the specific principles, bases, conventions, rules and practices applied by the Company in preparing and presenting financial statements. The Company is permitted to change an accounting policy only if the change is required by a standard or interpretation; or results in the Financial Statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the entity's financial position, financial performance, or cash flows.

**(h) Recent Accounting Pronouncements - Standards Issued but not Effective**

i) **NFRS 9 "Financial Instruments"** has been issued with but is not effective until further notified. Earlier application of this standard is also allowed, however, the Company has not opted for earlier application of NFRS 9. For the reporting of financial instruments, NAS 32 Financial Instruments: Presentation, NAS 39 Financial Instruments: Recognition and Measurements and NFRS 7 Financial Instruments: Disclosures have been applied. Company is evaluating impact of NFRS 9 on impairment of financial instruments.

**(i) Carve-outs**

Accounting Standard Board (ASB) has issued carve-outs as on Bhadra 28, 2075 (September 13, 2018) on impracticability to determine transaction cost of all previous years which is part of effective interest rate where, it is mentioned that the calculation of effective interest rate shall include all fees and points paid or received, unless it is immaterial or impracticable to determine reliably. The Company has opted for this Carve-out, details of which has been mentioned in accounting policies of "Borrowings".

- (j) Exemption to accounting method for business combinations: the company has accounted those business combinations by applying pooling interest method i.e. all assets and liabilities shall be accounted for at their book values. The company has not been recognized goodwill ,however, it has debited the excess of purchase consideration over the net assets acquired over the purchase consideration in retained earnings.

### 3. Significant Accounting Policies

#### (a) Property, Plant & Equipment & Depreciation

##### i) Recognition

Freehold land is carried at historical cost and other items of property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation when, it is probable that future economic benefits associated with the item will flow to the Company and it can be used for more than one year and the cost can be measured reliably.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it meets the recognition criteria as mentioned above. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred.

On transition to NFRS, the Company has elected to continue with the carrying value of all of its Property, Plant & Equipment recognized as at 1st Shrawan, 2074 (July 16, 2017) measured as per the Previous Local GAAP & have disclosed its Gross Acquisition Value along with Accumulated Depreciation separately.

##### ii) Depreciation

Depreciation on Property, Plant and Equipment is provided on ""Straight Line Method (SLM)"" based on Useful Life estimated by technical expert of the management.

The Assets Useful Life are reviewed at the reporting date and the effect of any changes in estimates are accounted for on a prospective basis.

Accordingly the Board of Director of the company has been revised the Useful Life of Property, Plant and Equipment on the basis of technical analysis report submitted by Binita Engineering Sewa, Siddharthanagar 12, Bhairahwa on dated 2023-9-1. The details are as stated below:

List of Asset Categories	Life of Assets	Revised Life of Assets
Computer & Accessories	3 Years	3 Years
Office Equipment	5 Years	5 Years
Other Assets	5 Years	5 Years
Furniture & Fixture	8 Years	20 Years
Vehicles	8 Years	8 Years
Heavy Equipments	9 Years	12 Years
Plant & Machinery	15 Years	35 Years
Mines Development	20 Years	30 Years
Building	30 Years	60 Years

##### iii) Derecognition

An item of Property, Plant & Equipment is derecognized upon disposal or when no Future Economic Benefits are expected to arise from the continued use of the Asset. Any Gain or Loss arising on the disposal or retirement of an item of Property, Plant & Equipment is determined as the difference between the sales proceeds and the carrying amount of the Asset and is recognized in the Statement of Profit & Loss.

##### iv) Impairment of Assets

"The Company assesses at each reporting date as to whether there is any indication that Property, Plant & Equipment may be impaired. If any such indication exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any. An impairment loss is recognised in the Statement of Profit & Loss to the extent, asset's carrying amount exceeds its recoverable amount.

Here the recoverable amount is higher of an asset's fair value less cost of disposal & value in use. Whereas Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets."

##### v) Capital Work-In-Progress

These are expenses of capital nature directly incurred in the construction of buildings and major plant and machinery which are to be capitalized. Capital Work in Progress would be transferred to the relevant asset when it is available for use. Capital Work in Progress is stated at cost less any accumulated impairment losses.

#### vi) Revaluation of Land

Land has been revalued on the basis of Land Valuation Report submitted by Sunwal Consultancy, Sunwal-1, Nawalparasi on dated 2080-5-13. The details are as under:

Particulars	Amount
Commercial Value of Land	402,806,275.06
Historical Cost of Land	65,952,088.47
Revaluation Surplus	336,854,186.59

### (b) Intangible Assets

#### i) Recognition

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs are not capitalized and the related expenditure is reflected in Statement of profit or loss in the year in which the expenditure is incurred.

Subsequent expenditure on intangible assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is reflected in Statement of profit & loss in the year in which the expenditure is incurred.

#### ii) Amortization

The useful lives of intangible assets are assessed to be either finite or indefinite. An intangible asset shall be regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected generate net cash inflow for the entity.

Amortization is recognised in Statement of Profit & Loss on straight line method (SLM) over the estimated useful life of the intangible assets from the date that it is available for use since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit & Loss.

Useful Life of Intangible Assets based on SLM is categorised as stated below:

List of Asset Categories	Life of Assets
Softwares/Server & Networking	5

#### iii) Derecognition

An Intangible Asset is derecognised when no Future Economic Benefits are expected to arise from the continued use of the Asset. Any Gain or Loss arising on the derecognition is determined as the difference between the sales proceeds and the carrying amount of the Asset and is recognized in the Statement of Profit & Loss.

#### iv) Impairment of Assets

The Company assesses at each reporting date as to whether there is any indication that Intangible Asset may be impaired. If any such indication exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any. An impairment loss is recognised in the Statement of Profit & Loss to the extent, asset's carrying amount exceeds its recoverable amount.

Here the recoverable amount is higher of an asset's fair value less cost of disposal & value in use. Whereas Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

### (c) Cash & Cash Equivalent

For the purpose of presentation in the Statement of Cash Flows, Cash & Cash Equivalents includes Cash In Hand, Bank Balances & Positive Balance of Cash Credit Accounts.

### (d) Financial Assets

#### i) Initial Recognition & Measurement

Financial Assets are recognized when, and only when, the Company becomes a party to the contractual provisions of the Financial Instrument. The Company determines the classification of its Financial Assets at initial recognition.

When Financial Assets are recognized initially, they are measured at Fair Value, plus, in the case of Financial Assets not "at Fair value through Profit or Loss", transaction costs that are attributable to the acquisition of the Financial Asset. Transaction costs of Financial Assets carried "at Fair Value through Profit or Loss" are expensed in the Statement of Profit & Loss."

## ii) Subsequent Measurement

### a) Financial Assets carried at Amortized Cost (AC)

A Financial Asset is measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is measured using effective interest rate method.

### b) Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are measured at fair value and changes are taken to statement of other comprehensive income.

### c) Financial Assets at Fair Value through Profit or Loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL. These financial assets are measured at fair value and changes are taken to statement of profit or loss."

## iii) De-Recognition

A Financial Asset is derecognized only when the Company has transferred the rights to receive cash flows from the Financial Asset. Where the Company has transferred an Asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the Financial Asset. In such cases, the Financial Asset is derecognized. Where the Company has not transferred substantially all risks and rewards of ownership of the Financial Asset, the Financial Asset is not derecognized. Where the Company retains control of the Financial Asset, the Asset is continued to be recognized to the extent of continuing involvement in the Financial Asset.

## iv) Impairment of Financial Assets

The Company assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, there is objective evidence of impairment as a result of one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a financial asset or a group of financial assets is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

## (e) Financial Liabilities

### i) Initial Recognition & Measurement

Financial Liabilities are recognized when, and only when, the Company becomes a party to the contractual provisions of the Financial Instrument. The Company determines the classification of its Financial Liabilities at initial recognition. All Financial Liabilities are recognized initially at Fair Value, plus, in the case of Financial Liabilities not at fair value through profit or loss, transaction costs that are attributable to the issue of the Financial Liability.

### ii) Subsequent Measurement

After initial recognition, Financial Liabilities are subsequently measured at amortized cost.

For trade and other payables maturing within one year from the date of Statement of Financial Position, the carrying amounts approximate Fair value due to short maturity of these instruments.

### iii) De-Recognition

A Financial Liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing Financial Liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the Statement of Profit or Loss.

## (f) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position where there is legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## (g) Inventories

Inventories are initially recognized at cost, and subsequently at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and the estimated costs necessary to make the sale.

The cost is determined on weighted average method and includes expenditure incurred in acquiring the inventories and bringing them to their present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

**(h) Share Capital**

Financial Instruments issued by the Company are classified as Equity only to the extent that they do not meet the definition of a Financial Liability or Financial Asset.

**(i) Reserves & Funds**

**i) Fair Value Reserve:** Fair value reserve includes changes in fair value of investment in equity instruments.

**ii) Retained Earnings:** Retained earnings includes the accumulated Profit & Loss and amount retained by Company after distribution of dividends.

**(j) Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any differences between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit & Loss over the period of the borrowings using the effective interest method. Borrowings are derecognized from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired.

**Carve-Out:**

Carve out issued by Accounting Standards Board (ASB) of Nepal have provided exemption on including fees and points paid or received which are immaterial or impracticable to determine reliably for all previous years, while calculating effective interest rates. Accordingly company has not included transaction costs while calculating effective interest rates."

**(k) Provisions, Contingent Liabilities & Contingent Assets**

**(i) Provisions**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate to determine the present value is a Pre-Tax Rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense."

**(ii) Contingent Liabilities**

Contingent liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

**(iii) Contingent Assets**

Contingent assets where it is probable that future economic benefits will flow to the Company are not recognized but disclosed in the Financial Statements.

**(l) Employee Benefits**

**i) Short Term Obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Statement of Financial Position.

**- Leave Encashment**

Leave related payables are settled every-year by the Company, hence, Company doesn't have long term leave encashments. Accordingly, actuarial valuation for leave encashment has not been carried out.

**ii) Post - Employment Benefits**

**- Defined Contribution Plan**

The Company pays Provident Fund contributions to publicly administered Provident Funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contribution are recognized as Employee Benefit Expense when they are due.

As per Section 53 of Labor Act, 2074, with effect from Bhadra 19, 2074 (September 04, 2017), Gratuity shall be treated as defined contribution plan to be calculated at 8.33% of Basic Salary Per Month, based on that Actuarial Valuation has not been carried out.

**- Defined Benefit Plan**

For Defined Benefit Plan, the cost of providing benefits is determined using the Projected Unit Credit Method, with Actuarial Valuations being carried out at each Statement of Financial Position. Actuarial Gains & Losses are recognized in the Other Comprehensive Income in the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a Straight Line Basis over the average period until the benefits become vested.

**(m) Revenue Recognition:**

Revenue is 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. Revenue is measured at fair value of the consideration received or receivable net of Value Added Tax & Excise Duty.

Revenue is recognized upon transfer of ownership of goods to the customers, provided pervasive evidence of an arrangement exists whereby collectability of revenue is reasonably certain and no performance revenue from sales of goods or rendering of services is net of indirect taxes, returns & discounts."

**i) Revenue from Sale of Goods**

Revenue from sale of goods are recognized when the significant risks and rewards of ownership have been transferred to the Customers. Revenue is measured at the value of the consideration received or receivable, net of excise, trade discounts if any & Value Added Tax."

**(n) Leases**

**Long Term Lease**

Leases in which the Company has substantial portion of the risks and rewards of ownership are classified as Long Term Lease. Assets acquired under Long Term Leases are capitalised at the lower of the Fair Value of the Leased Assets at the inception of the Lease Term & the Present Value of Minimum Lease Payments. Lease Payments are apportioned between the Finance charge and the reduction of the outstanding liability. The Finance Charge is allocated to periods during the Lease Term at a constant periodic Rate of Interest on the remaining balance of the liability.

**Short Term Lease**

Short Term Leases payments are charged to Statement of Profit or Loss during the year.

**(o) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in Profit & Loss in the period in which they are incurred."

**(p) Income Taxes**

Income Tax Expense represents the sum of the tax currently payable & Deferred Tax.

**i) Current Tax**

Current Tax Expenses are accounted in the same period to which the revenue and expenses relate. Provision for Current Income Tax is made for the Tax Liability payable on Taxable Income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

**ii) Deferred Tax**

Deferred Tax is recognized on Temporary differences between the carrying amounts of Assets & Liabilities. Deferred Tax is recognized using the Statement of Financial Position and its Tax Base. Deferred Tax Assets & Liabilities are recognized for deductible and taxable temporary differences arising between the tax base of Assets & Liabilities and their carrying amount in Financial Statements, except when the Deferred Tax arises from the initial recognition of goodwill, an Asset or Liability in a transaction that is not a business combination and affects neither accounting nor taxable Profits or Loss at the time of the transaction.

Deferred Tax Assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible Temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred Tax Liabilities are generally recognized for all taxable Temporary differences.

The carrying amount of Deferred Tax Assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the Deferred Tax Asset to be utilized.

**(q) Cash Flow Statement**

Cash Flows are reported using the indirect method, whereby Net Profit Before Tax is adjusted for the effects of transactions of a non-cash nature and any deferrals of accruals of past or future cash receipts or payments.

**(r) Functional Currency & Foreign Currency Transactions**

The Financial Statements of the Company are presented in Nepalese Rupees, which is the Company's Functional Currency. In preparing the Financial Statements of the Company, transactions in currencies other than the Company's Functional Currency i.e. Foreign Currencies are recognized at the rates of exchange prevailing at the dates of the transactions.

**(s) Earnings Per Share**

Earning per share is calculated by dividing the profit attributable to owners of the company by the Weighted Average Number of equity shares outstanding during the Financial Year.

**(t) Operating Segment**

Operating Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) as defined by NFRS 8, "Operating Segment".

Company's Income & Expenses including interest are considered as part of un-allocable Income & Expenses which are not identifiable to any business segment. Company's Asset & Liabilities are considered as part of un-allocable Assets & Liabilities which are not identifiable to any business.

Company predominantly operates in the business of sale of cements & clinker and doesn't have major reportable segment.



#### 4. Property, Plant & Equipment

Sarbottam Cement Ltd.  
For Year Ended Asadh 31, 2081 (July 15, 2024)

Categories	Consolidated											
	Land	Land & Road Development	Building	Computer & Accessories	Vehicles	" Furniture & Fixture "	Plant & Machinery	Office Equip-ment	Heavy Equip-ments	Mines De-velopment	Other Assets	Total
Gross Block												
Balance As on Ashad End 2079	241,579,455	85,709,148	3,329,797,912	17,137,840	52,140,585	63,073,623	7,808,339,109	22,559,451	297,537,825	152,528,236	13,146,006	12,083,549,190
Addition During the Year	336,854,187	-	-	618,943	(532,784)	35,400	-	6,651,573	8,597,491	29,589,523	686,186	382,500,518
Acquisition	-	-	-	618,943	644,562	35,400	-	6,698,475	8,597,491	29,589,523	686,186	46,870,580
Capitalization	-	-	-	-	-	-	-	-	-	-	-	-
Disposal During the Year	-	-	-	-	(1,177,345)	-	-	(46,903)	-	-	-	(1,224,248)
Revaluation Surplus	336,854,187	-	-	-	-	-	-	-	-	-	-	336,854,187
Balance As on Ashad End 2080	578,433,642	85,709,148	3,329,797,912	17,756,783	51,607,802	63,109,023	7,808,339,109	29,211,024	306,135,315	182,117,759	13,832,192	12,466,049,709
Addition During the Year	32,975,989	-	158,385,843	319,163	(6,130,417)	9,513,497	723,620,839	2,206,040	38,233,020	98,970,664	397,485	1,058,492,123
Acquisition	32,975,989	-	50,147,210	319,163	6,340,281	9,513,497	185,176,508	2,206,040	38,233,020	55,275,498	397,485	380,584,692
Capitalization	-	-	108,238,633	-	-	-	538,444,331	-	-	43,695,166	-	690,378,130
Disposal During the Year	-	-	-	-	(12,470,699)	-	-	-	-	-	-	(12,470,699)
Balance As on Ashad End 2081	611,409,631	85,709,148	3,488,183,755	18,075,947	45,477,384	72,622,520	8,531,959,947	31,417,064	344,368,336	281,088,424	14,229,677	13,524,541,832
Depreciation & Impairment												
Balance As on Ashad End 2079	-	-	671,216,031	12,933,394	34,062,355	49,801,000	3,405,231,646	14,695,093	132,273,624	11,999,123	8,516,270	4,340,728,535
Depreciation Charge For the Year	-	-	49,554,920	2,474,462	4,757,819	786,038	148,960,740	2,363,134	19,500,202	5,615,290	1,666,059	235,678,663
Impairment For the Year	-	-	-	-	-	-	-	-	-	-	-	-
Disposal During the Year	-	-	-	-	(722,896)	-	-	(26,034)	-	-	-	(748,930)
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-
Balance As on Ashad End 2080	-	-	720,770,951	15,407,856	38,097,279	50,587,038	3,554,192,386	17,032,192	151,773,826	17,614,413	10,182,328	4,575,658,268
Depreciation Charge For the Year	-	-	50,514,975	1,941,265	4,622,907	948,036	154,726,418	3,715,339	24,479,769	6,585,070	1,557,492	249,091,273
Impairment For the Year	-	-	-	-	-	-	-	-	-	-	-	-
Disposal During the Year	-	-	-	-	(6,841,675)	-	-	-	-	-	-	(6,841,675)
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-
Balance As on Ashad End 2081	-	-	771,285,926	17,349,122	35,878,511	51,535,074	3,708,918,803	20,747,531	176,253,595	24,199,483	11,739,821	4,817,907,867
Capital WIP - 31 03 2080	-	-	51,882,558	-	-	-	522,163,232	-	-	109,026,057	-	683,071,848
Capital WIP - 31 03 2081	-	-	-	-	-	-	-	-	-	96,965,610	-	96,965,610
Net Book Value												
As on Ashad End 2080	578,433,642	85,709,148	2,660,909,519	2,348,927	13,510,523	12,521,985	4,776,309,955	12,178,831	154,361,490	273,529,404	3,649,864	8,573,463,288
As on Ashad End 2081	611,409,631	85,709,148	2,716,897,828	726,825	9,598,873	21,087,445	4,823,041,144	10,669,532	168,114,741	353,854,551	2,489,856	8,803,599,575



## 5. Intangible Assets

### Sarbottom Cement Ltd.

For Year Ended Asadh 31 , 2081 (July 15, 2024)

			Standalone
Categories	Server & Networking	Accounting Software	Total Ashad End
Gross Block			
Balance As on Ashad End 2079	1,820,054	5,548,370	7,368,424
Addition During the Year			
Acquisition	-	500,000	500,000
Capitalization			-
Disposal During the Year			
			-
Adjustment/Revaluation			
			-
Balance As on Ashad End 2080	1,820,054	6,048,370	7,868,424
Addition During the Year			
Acquisition	-	691,283	691,283
Capitalization			-
Disposal During the Year			
		(691,283)	(691,283)
Adjustment/Revaluation			
			-
Balance As on Ashad End 2081	1,820,054	6,048,370	7,868,424
Amortisation & Impairment			
Balance As on Ashad End 2079	1,790,434	3,956,259	5,746,694
Amortization Charge For the Year	13,340	870,742	884,082
Impairment For the Year			-
Disposals			
			-
Adjustment			
			-
Balance As on Ashad End 2080	1,803,774	4,827,001	6,630,776
Amortization Charge For the Year	13,340	548,817	562,157
Impairment For the Year			-
Disposals			
			-
Adjustment			
			-
Balance As on Ashad End 2081	1,817,114	5,375,819	7,192,933
Capital WIP - 31 03 2080			-
Capital WIP - 31 03 2081			-
Net Book Value			
As on Ashad End 2080	16,280	1,221,368	1,237,648
As on Ashad End 2081	2,940	672,551	675,491

### Sarbottom Cement Ltd.

For Year Ended Asadh 31 , 2081 (July 15, 2024)

			Consolidated
Categories	Server & Networking	Accounting Software	Total Ashad End
Gross Block			
Balance As on Ashad End 2079	1,820,054	5,548,370	7,368,424
Addition During the Year			
Acquisition	-	527,000	527,000
Capitalization	-	-	-
Disposal During the Year			
	-	-	-
Adjustment/Revaluation			
	-	-	-
Balance As on Ashad End 2080	1,820,054	6,075,370	7,895,424
Addition During the Year			
Acquisition	-	948,081	948,081
Capitalization			-
Disposal During the Year			
		(691,283)	(691,283)

Adjustment/Revaluation			-
Balance As on Ashad End 2081	1,820,054	6,332,168	8,152,222
Amortisation & Impairment			
Balance As on Ashad End 2079	1,790,434	3,956,259	5,746,694
Amortization Charge For the Year	13,340	875,950	889,290
Impairment For the Year	-	-	-
Disposals	-	-	-
Adjustment	-	-	-
Balance As on Ashad End 2080	1,803,774	4,832,209	6,635,984
Amortization Charge For the Year	13,340	580,543	593,883
Impairment For the Year			-
Disposals			-
Adjustment			-
Balance As on Ashad End 2081	1,817,114	5,412,753	7,229,867
Capital WIP - 31 03 2080			-
Capital WIP - 31 03 2081			-
Net Book Value			
As on Ashad End 2080	16,280	1,243,160	1,259,440
As on Ashad End 2081	2,940	919,415	922,355

## 6. Investment in Subsidiaries

### Sarbottam Cement Ltd.

Notes to the Financial Statements For Year Ended Asadh 31 , 2081 (July 15, 2024)

Fig. in NPR

Particulars	Sarbottam Cement		Group	
	Asadh 31 , 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31, 2080 (July 16, 2023)
Investment in Unquoted Ordinary Shares of				
Sarbottam Holding Pvt. Ltd. :				
(5,000,000 Shares @ Rs.100 each partially Paid up @ Rs. 96.2074 Eeach)	481,036,900	481,036,900		
Sarbottam Investment Pvt. Ltd. :				
(750,000 Shares @ NPR.100 each fully paid up)	75,000,000	75,000,000		
<b>Total</b>	<b>556,036,900</b>	<b>556,036,900</b>	-	-

## 7. Investment in Associates

### Sarbottam Cement Ltd.

Notes to the Financial Statements For Year Ended Asadh 31 , 2081 (July 15, 2024)

Fig. in NPR

Particulars	Sarbottam Cement		Group	
	Asadh 31 , 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)
Investment in Unquoted Ordinary Shares of				
Dhading Cement Pvt. Ltd.	-		37,443,682	12,472,034
Star Lime Industries Pvt. Ltd.	-		408,429	1,695,430
<b>Total</b>	-	-	<b>37,852,111</b>	<b>14,167,464</b>

Note: Share of Profit /(Loss) for the year has been adjusted by equity method in Investment of Associates.

## 8. Investment in Other Entity

### Sarbottam Cement Ltd.

Notes to the Financial Statements For Year Ended Asadh 31 , 2081 (July 15, 2024)

Fig. in NPR

Particulars	Sarbottam Cement		Group	
	Asadh 31 , 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)
Investment in Unquoted Ordinary Shares of				
Sarbottam Minerals Pvt. Ltd. (13,550 equity shares of Rs.100 each)	-	-	-	1,355,000
<b>Total</b>	-	-	-	<b>1,355,000</b>

## Percentage of Holding in Subsidiaries

Particulars	Sarbottam Cement		Group	
	Asadh 31 , 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)
Sarbottam Holding Pvt. Ltd.				
Number of Shares Held	-	-	-	1,355,000
Percentage of Holding (100% shares held by Sarbottam Cement Ltd.)				
Sarbottam Investment Pvt. Ltd.				
Number of Shares Held	-	-	-	1,355,000
Percentage of Holding (100% shares held by Sarbottam Cement Ltd.)				
Siddheswor Minerals Pvt. Ltd.	-	-	-	1,355,000
Number of Shares Held				
Percentage of Holding (100% shares held by Sarbottam Holding Pvt. Ltd.)				
Jyamire Minerals Pvt. Ltd.	-	-	-	1,355,000
(100% shares held by Sarbottam Holding Pvt. Ltd.)				
<b>Total</b> (13,550 equity shares of Rs.100 each)	-	-	-	<b>1,355,000</b>

## 9. Deferred Tax Assets

### Sarbottam Cement Ltd.

Notes to the Financial Statements For Year Ended Asadh 31 , 2081 (July 15, 2024)

Fig. in NPR

Particulars	Sarbottam Cement		Group	
	Asadh 31 , 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)
Deferred Tax Asset/(Liability) on				
Property, Plant & Equipment	(513,122,248)	(401,989,849)	(515,514,532)	(406,263,070)
Provision For Gratuity	-	-	-	-
Provision For Doubtful Debts	2,909,561	3,742,234	2,909,561	3,742,234
Lease Equalization Liability	-	-	-	-
Changes in OH Component Inclusion in Cost of Conversion	(3,759,349)	(5,316,460)	(3,759,349)	(5,316,460)
Provision For CSR	10,173,462	10,055,021	10,173,462	10,055,021
Fair Value change on investment				
Carried Forward of Losses	142,734,907	75,019,660	148,969,161	77,614,584
<b>Total</b>	<b>(361,063,667)</b>	<b>(318,489,394)</b>	<b>(357,221,697)</b>	<b>(320,167,691)</b>

Particulars	Sarbottam Cement		Group	
	Asadh 31 , 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)
Shrawan 1,2079 (July 17, 2022)		(265,945,525)		(266,332,935)
(Charged)/Credited to Statement of Profit & Loss		(52,543,869)		(53,834,756)
(Charged)/Credited to Other Comprehensive Income				
Ashadh 31,2080 (July 16, 2023)		(318,489,394)		(320,167,691)
Charged)/Credited to Statement of Profit & Loss		(42,574,273)		(37,054,006)
(Charged)/Credited to Other Comprehensive Income				
Asadh 31 , 2081 (July 15, 2024)		(361,063,667)		(357,221,697)

## 10. Other Non Current Assets

Particulars	Sarbottam Cement		Group	
	Asadh 31 , 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)
Capital Advances	12,402,560	12,402,560	161,623,935	139,817,425
<b>Total</b>	<b>12,402,560</b>	<b>12,402,560</b>	<b>161,623,935</b>	<b>139,817,425</b>

## 11. Inventories (as taken, valued & certified by the Management)

Particulars	Sarbottam Cement		Group	
	Asadh 31 , 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)
Raw Materials	610,034,604	306,887,033	610,034,604	306,887,033
Raw Materials In Transit			-	-
Power & Fuel	1,145,405,966	1,130,158,942	1,145,405,966	1,130,158,942
Packing Material	27,751,188	16,651,885	27,751,188	16,651,885
Semi Finished Goods	1,776,232	1,971,791	1,776,232	1,971,791
Finished Goods	400,398,915	480,455,953	402,048,915	482,105,953
Finished Goods Trading	-	-	-	-
Stores and Spares	590,683,147	558,138,672	701,444,266	563,550,201
<b>Total</b>	<b>2,776,050,052</b>	<b>2,494,264,275</b>	<b>2,888,461,171</b>	<b>2,501,325,804</b>

## 12. Trade Receivables

Particulars	Sarbottam Cement		Group	
	Asadh 31 , 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)
Trade Receivables From Related Parties	387,843,727	116,759,428	336,108,099	116,759,428
Trade Receivables From Others	1,384,188,791	1,610,291,185	1,393,239,359	1,627,360,599
Provision for Impairment of Trade Receivables	(14,547,803)	(18,711,167)	(14,547,803)	(18,711,167)
<b>Total</b>	<b>1,757,484,715</b>	<b>1,708,339,446</b>	<b>1,714,799,655</b>	<b>1,725,408,860</b>

## 13. Cash & Cash Equivalent

Particulars	Sarbottam Cement		Group	
	Asadh 31 , 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)
Cash In Hand (as certified by the Mangement)	3,535,000	32,011,882	6,140,942	32,222,693
Digital Wallet	50,638	85,393	50,638	85,393
Balance With Banks				
Agricultural Development Bank Ltd.	207,681	1,363,722	207,681	1,363,722
Bank of Kathmandu Ltd.	-	136,997	-	136,997
Century Commercial Bank Ltd.	1,500	36,047	1,500	36,047
Citizens International Bank Ltd.	1,203,472	704,735	1,203,472	704,735
Civil Bank Ltd.	-	36,796	-	36,796
Everest Bank Ltd.	2,535,061	4,711,226	3,027,951	4,794,977
Garima Bikash Bank Ltd.	367,700	814,414	367,700	814,414
Global IME Bank Ltd.	3,754,531	2,890,406	3,754,531	2,890,406
Himalayan Bank Ltd.	669,084	470,274	669,084	470,274
Kumari Bank Ltd.	3,771,783	4,317,175	3,771,783	4,317,175
Laxmi Bank Ltd.	228,543	969,712	228,543	969,712

Machhapuchre Bank Ltd.	715,734	159,889	715,734	159,889
Mega Bank Ltd.	930,092	893,331	930,092	893,331
Muktinath Bikash Bank Ltd.	13,709	7,539	13,709	7,539
Nabil Bank Ltd.	1,391,501	2,586,734	1,410,086	2,621,099
NCC Bank Ltd.	-	13,890	-	13,890
Nepal Bangladesh Bank Ltd.	-	10,380	-	10,380
Nepal Bank Ltd.	4,366,878	5,209,743	4,366,878	5,209,743
Nepal Investment Bank Ltd.	1,399,242	266,205	4,474,505	1,255,410
Nepal SBI Bank Ltd.	-	722,780	-	722,780
NIC Asia Bank Ltd.	902,031	1,047,292	903,669	1,047,292
NMB Bank Ltd.	1,885,086	1,017,321	1,885,086	1,017,321
Prabhu Bank Ltd.	3,627,070	2,364,956	3,627,070	2,364,956
Shine Resunga Development Bank Ltd.	-	-	3,260,883	428,410
Standard Chartered Bank Nepal Ltd.	-	-	6,036	-
Kamana Sewa Bikas Bank Ltd.	-	-	3,884,029	-
Prime Commercial Bank Ltd.	20,240,909	73,748,635	20,441,379	73,781,888
Rastriya Banijya Bank Ltd.	2,186,123	707,319	2,186,123	707,319
Sanima Bank Ltd.	202,010	1,037,340	202,010	1,037,340
Siddhartha Bank Ltd.	1,366,171	785,063	1,366,171	785,063
Sunrise Bank Ltd.	4,768,469	10,845,294	10,307,769	15,355,439
<b>Total</b>	<b>60,320,016</b>	<b>149,972,492</b>	<b>79,405,054</b>	<b>156,262,431</b>

#### 14. Bank Balance other than Cash & Cash Equivalent

Particulars	Sarbottam Cement		Group	
	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)
Fixed Deposits with Original Maturity of More than 3 months:				
<b>Total</b>	-	-	-	-

#### 15. Other Financial Assets

Particulars	Sarbottam Cement		Group	
	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)
Current				
Bank Guarantee Margin	201,000	134,000	201,000	134,000
LC & NRB Margin	25,902,045	17,731,197	25,902,045	17,731,197
<b>Total</b>	<b>#VALUE!</b>	<b>17,865,197</b>	<b>#VALUE!</b>	<b>17,865,197</b>

#### 16. Other Current Assets

Particulars	Sarbottam Cement		Group	
	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)
Prepaid Expenses	10,920,966	11,062,701	11,365,602	11,202,829
Advance for Expenses	-	12,232,446	-	12,232,446
Advance to Suppliers				
To Related Parties	246,209,278	73,206,551	14,792,000	3,752,600
To Others	112,537,613	67,432,597	115,380,566	67,978,590
Advance Against Staff & Labors	17,184,923	1,118,125	17,321,923	1,133,125
Custom Deposit	17,204,387	8,958,387	17,204,387	8,958,387
Deposit Against Appeal	2,908,018	2,908,018	2,908,018	2,908,018
Other Deposits	2,482,737	2,477,737	3,179,727	2,777,737
Other Receivables	69,616,795	981,627	70,342,273	124,726,779
VAT Receivable	18,186,240	12,614,557	46,234,920	22,493,458
<b>Total</b>	<b>497,250,957</b>	<b>192,992,746</b>	<b>298,729,416</b>	<b>258,163,970</b>

## 17.

## (a) Equity Share Capital

Particulars	Sarbottam Cement		Group	
	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)
Authorised Capital:				
50,000,000 Ordinary Shares of NPR 100 Each.	5,000,000,000	5,000,000,000	5,000,000,000	5,000,000,000
Issued Capital:				
46,500,000 Ordinary Shares of NPR 100 Each.	4,650,000,000	4,650,000,000	4,650,000,000	4,650,000,000
Paid Up Capital:				
40,500,000 Ordinary Shares of NPR 100 Each.	-	4,050,000,000	-	4,050,000,000
46,500,000 Ordinary Shares of NPR 100 Each.	4,650,000,000	-	4,650,000,000	-
<b>Total</b>	<b>4,650,000,000</b>	<b>4,050,000,000</b>	<b>4,650,000,000</b>	<b>4,050,000,000</b>

## (b) Fair Value Reserve

Particulars	Sarbottam Cement		Group	
	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)
Balance at the Beginning of the Year				
Net fair value (losses)/gains on financial assets recognised through OCI				
Transfer on Disposal of Equity Instruments measured at FVTOCI				
<b>Balance at the End of the Year</b>		-		-

## (c) Other Equity

Particulars	Sarbottam Cement		Group	
	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)
Retained Earnings				
Balance at the Beginning of the Year	3,120,120,344	2,905,431,587	3,115,939,006	2,909,933,402
(-) Excess of Purchase Consideration over Net Assets Acquired			(529,810)	(529,810)
Balance at the Beginning of the Year (Adjusted)	3,120,120,344	2,905,431,587	3,115,409,195	2,909,403,591
(+) Profit For the Year	149,378,841	213,867,742	142,643,051	205,184,589
Available For Distribution	3,269,499,185	3,119,299,329	3,258,052,247	3,114,588,180
(-) Dividend Distribution	(697,500,000)		(697,500,000)	
Other Adjustment	-		-	
CSR Provision Written Back	1,348,773	653,722	1,348,773	653,722
Lease Equalization Liability written back	-	167,293	-	167,293
<b>Balance at the End of the Year</b>	<b>2,573,347,958</b>	<b>3,120,120,344</b>	<b>2,561,901,020</b>	<b>3,115,409,196</b>

## (d) Revaluation Reserve

Particulars	Sarbottam Cement		Group	
	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)
Balance at the Beginning of the Year	336,854,187	-	336,854,187	-
Addition / (Transfer) during the Year	-	336,854,187	-	336,854,187
<b>Balance at the End of the Year</b>	<b>2,573,347,958</b>	<b>3,120,120,344</b>	<b>336,854,187</b>	<b>336,854,187</b>

## (e) Securities Premium

Particulars	Sarbottam Cement		Group	
	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)
Balance at the Beginning of the Year				
Addition / (Transfer) during the Year	1,661,640,000	-	1,661,640,000	-
(-) Share Issue Expenses	(36,635,991)		(36,635,991)	
<b>Balance at the End of the Year</b>	<b>1,625,004,009</b>	<b>-</b>	<b>1,625,004,009</b>	<b>-</b>

## 18. Long Term Borrowings

Particulars	Sarbottom Cement		Group	
	Asadh 31 , 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)
Hire Purchase Loan				
Nepal Investment Bank Ltd. HP	-	-	1,724,667	936,319
(-) HP Loan Current Portion	-	-	-	(936,319)
Long Term Loan				
Kamana Sewa Bikas Bank Ltd.	-	-	47,095,611	-
Mega Bank Nepal Ltd.	-	48,856,500	-	48,856,500
Nepal Bank Ltd.	69,765,500	130,865,360	69,765,500	130,865,360
Prabhu Bank Ltd.	-	97,829,500	-	97,829,500
Prime Commercial Bank Ltd.	81,015,500	194,779,500	81,015,500	194,779,500
(-) Term Loan Current Portion	(77,184,000)	(150,368,000)	(77,184,000)	(150,368,000)
<b>Total</b>	<b>73,597,000</b>	<b>321,962,860</b>	<b>122,417,278</b>	<b>321,962,860</b>

## 19. Provisions

Particulars	Sarbottom Cement		Group	
	Asadh 31 , 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)
Current				
Provision For Corporate Social Responsibility	50,867,309	50,275,103	50,867,309	50,275,103
Provision For Leave Encashment				
Current Provisions	50,867,309	50,275,103	50,867,309	50,275,103
(a) Disclosure under NAS 37 "Provisions, Contingent Liabilities & Contingent Assets"				
Particulars				
Shrawan 1, 2079 (July 17, 2022)		48,212,369	-	48,212,369
Additions During the Year		2,716,456		2,716,456
CSR Expenses During the Year		(653,722)		(653,722)
Ashadh 31,2080 (July 16, 2023)		50,275,103	-	50,275,103
Additions During the Year		1,940,979		1,940,979
CSR Expenses During the Year		(1,348,773)		(1,348,773)
<b>Asadh 31 , 2081 (July 15, 2024)</b>	<b>50,867,309</b>	<b>50,867,309</b>	<b>-</b>	<b>50,867,309</b>

## 20. Trade Payable

Particulars	Sarbottom Cement		Group	
	Asadh 31 , 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)
Trade Payable From Related Parties	155,817,330	341,551,184	131,999,715	317,313,692
Trade Payable From Others	192,592,589	288,924,415	237,324,986	328,838,407
<b>Total</b>	<b>348,409,919</b>	<b>630,475,599</b>	<b>369,324,701</b>	<b>646,152,099</b>

## 21. Short Term Borrowings

Particulars	Sarbottom Cement		Group	
	Asadh 31 , 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31,2080 (July 16, 2023)
Overdraft Loan				
Mega Bank Ltd. OD	-	100,000,000	-	100,000,000
Prabhu Bank Ltd OD	-	175,501,356	-	175,501,356
Nepal Bank Ltd. OD	1,368,832,282	1,225,900,000	1,368,832,282	1,225,900,000
Prime Commercial Bank Ltd  OD	197,270,557	978,299,297	197,270,557	978,299,297
Working Capital Loan				
Rastriya Banijya Bank Ltd. WC	200,000,000	200,000,000	200,000,000	200,000,000
Mega Bank Ltd. WC	-	86,821,142	-	86,821,142
Nepal Bank Ltd. WC	-	136,636,552	-	136,636,552
Prime Commercial Bank Ltd. WC	700,000,000	-	700,000,000	-

Prime Commercial Bank Ltd.   BG	450,000,000	400,000,000	450,000,000	400,000,000
Current Maturity of LTL	77,184,000	150,368,000	77,184,000	151,304,319
<b>Total</b>	<b>2,993,286,839</b>	<b>3,453,526,347</b>	<b>2,993,286,839</b>	<b>3,454,462,666</b>

## 22. Other Current Financial Liabilities

Particulars	Sarbottam Cement		Group	
	Asadh 31, 2081 (July 15, 2024)	Ashadh 31, 2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31, 2080 (July 16, 2023)
Retention Money Payable	1,147,435	4,561,782	1,147,435	4,561,782
Other Employee Related Payable				
Salaries and Wages Payable	18,777,445	17,428,885	20,476,060	18,482,023
Gratuity Payable	605,418	9,713,024	657,283	9,984,629
Payable to Staff	-	571,128	893,774	571,128
<b>Total</b>	<b>20,530,298</b>	<b>32,274,818</b>	<b>23,174,552</b>	<b>33,599,561</b>

## 23. Other Current Liabilities

Particulars	Sarbottam Cement		Group	
	Asadh 31, 2081 (July 15, 2024)	Ashadh 31, 2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31, 2080 (July 16, 2023)
Provision for Expenses	6,040,687	13,536,235	12,560,387	13,896,235
Advance From Customers	-	-	-	-
From Related Parties	-	-	-	-
From Others	48,929,119	57,011,244	49,351,434	57,171,478
Statutory Dues				
TDS Payable	16,383,059	21,730,967	16,959,960	23,069,490
Reverse VAT Payable	32,956	177,984	32,956	177,984
Excise payable	9,328,051	10,393,530	9,328,051	10,393,530
Royalty payable	10,432,766	6,919,108	10,432,766	6,919,108
CIT Payable	1,485,278	1,701,900	1,485,278	1,701,900
Provident Fund Payable	1,121,174	1,003,789	1,690,098	1,195,847
Audit Fee Payable	999,775	999,775	1,580,450	1,185,900
Other Liabilities				
Interest Payable	355,314	40,335,828	355,314	40,335,828
Payable Against Letter of Credit	860,181,946	671,247,366	860,181,946	671,247,366
Other Payable	74,417	-	17,430,782	-
Directors Payable	-	285,000,000	360,000	285,000,000
Rent Payable	-	-	430,000	310,000
<b>Total</b>	<b>955,364,542</b>	<b>1,110,057,726</b>	<b>982,179,422</b>	<b>1,112,604,667</b>

## 25. Revenue From Operations

For Year Ended Asadh 31, 2081 (July 15, 2024)

Fig. in NPR

Particulars	Sarbottam Cement		Group	
	FY 2080   2081	FY 2079   2080	FY 2080   2081	FY 2079   2080
Revenue From Cement Sales	4,823,713,630	4,055,048,469	4,823,713,630	4,050,816,054
Revenue From Clinker Sales	1,087,292,659	924,067,694	1,087,292,659	924,067,694
Revenue From Limestone Sales	-	-	1,716,615	23,902,078
Other Operating Income				
Revenue From Trading Sales	421,604,072	372,530,169	437,836,329	372,530,169
Revenue From Scrap Sales	39,729,544	28,619,151	39,729,544	28,619,151
<b>Total</b>	<b>6,372,339,905</b>	<b>5,380,265,482</b>	<b>6,390,288,777</b>	<b>5,399,935,145</b>



## 26. Cost of Sales

For Year Ended Asadh 31 , 2081 (July 15, 2024)

Fig. in NPR

Particulars	Sarbottam Cement		Group	
	FY 2080   2081	FY 2079   2080	FY 2080   2081	FY 2079   2080
Raw Materials Consumed	1,839,381,693	1,553,399,009	1,683,316,852	1,513,565,684
Cost of Trading Goods	392,895,442	343,355,958	414,526,088	343,355,958
Packing Materials Consumed	179,895,911	145,528,627	179,895,911	145,528,627
Production Expenses [25 A]	3,124,694,121	2,490,888,320	3,260,771,233	2,551,393,919
	<b>5,536,867,167</b>	<b>4,533,171,914</b>	<b>5,538,510,084</b>	<b>4,553,844,188</b>
Opening Stock - FG	480,455,953	356,033,639	482,105,953	356,033,639
Closing Stock - FG	(400,398,915)	(480,455,953)	(402,048,915)	(482,105,953)
<b>Total</b>	<b>5,616,924,205</b>	<b>4,408,749,600</b>	<b>5,618,567,123</b>	<b>4,427,771,874</b>

## 25A. Production Expenses

For Year Ended Asadh 31 , 2081 (July 15, 2024)

Fig. in NPR

Particulars	Sarbottam Cement		Group	
	FY 2080   2081	FY 2079   2080	FY 2080   2081	FY 2079   2080
Excavator & Loader Charges	8,998,337	8,850,732	89,981,567	62,171,899
Other Production Expenses	15,986,651	9,582,787	32,933,702	10,409,656
Insurance Premium Factory	12,882,483	13,833,011	13,473,052	13,987,353
Salary & Wages - Factory	197,200,318	182,291,356	207,523,065	183,787,756
Security Expenses - Factory	9,543,933	10,232,029	10,214,013	10,232,029
Electricity/Power & Fuel	2,557,537,185	1,975,679,998	2,561,621,304	1,975,679,998
Repair & Maintainance (Plant & Equipment)	98,881,830	68,694,243	104,307,493	69,013,679
Repair & Maintainance (Building & Shed)	1,676,836	814,340	2,853,313	814,340
Depreciation of Factory Building & Shed	49,108,547	49,103,072	50,514,975	49,554,920
Depreciation of Plant & Equipments	172,878,000	171,806,751	187,348,749	175,742,290
<b>Total</b>	<b>3,124,694,121</b>	<b>2,490,888,320</b>	<b>3,260,771,233</b>	<b>2,551,393,919</b>

## 27. Other Income

For Year Ended Asadh 31 , 2081 (July 15, 2024)

Fig. in NPR

Particulars	Sarbottam Cement		Group	
	FY 2080   2081	FY 2079   2080	FY 2080   2081	FY 2079   2080
Interest Income	937,282	1,580,949	953,515	1,585,091
Export Incentive Income	46,915,747	981,627	46,915,747	981,627
Gain/(Loss) on Sale of PPE	(10,368)	(93,725)	(142,830)	(93,725)
Others	3,088,031	8,458,320	3,707,064	8,307,568
<b>Total</b>	<b>50,930,691</b>	<b>10,927,171</b>	<b>51,433,496</b>	<b>10,780,561</b>

## 28. Administrative Expenses

For Year Ended Asadh 31 , 2081 (July 15, 2024)

Fig. in NPR

Particulars	Sarbottam Cement		Group	
	FY 2080   2081	FY 2079   2080	FY 2080   2081	FY 2079   2080
Salary & Allowances -Administrative	33,613,122	30,983,412	39,883,562	32,744,329
Tax Assessment Expenses	45,422	1,550,436	45,422	1,550,436
Rates & Taxes	3,508,586	6,258,751	5,901,583	6,314,704
Registration & Renewable Charges	4,832,158	5,270,306	5,694,798	5,280,506
Office Rent Expenses	4,624,263	4,469,149	4,950,596	4,626,482
Audit Fee	1,000,000	1,000,000	1,463,000	1,142,600
Tax Audit Fee	15,000	15,000	76,300	61,300
Guest Entertainment Expenses	1,464,056	1,252,013	1,674,950	1,346,843
Mess & Canteen Expenses	10,106,004	10,151,501	12,020,263	11,649,983
Insurance Premium	4,333,948	4,620,021	4,541,016	4,689,292
Internet Expense	81,828	391,717	218,828	391,717

Legal and Consultancy Charges	1,915,115	1,556,109	1,980,115	1,590,609
Postage & Courier Expenses	197,608	169,770	213,819	169,770
Gift and Donation	432,507	27,035	433,607	356,504
Misc. Expenses	795,542	1,459,324	799,454	1,459,324
Fine & Penalty	184,400	2,565	193,900	5,758
Printing & Stationery	1,591,947	1,353,058	1,830,739	1,412,584
Telephone Expenses	1,251,582	1,835,447	1,400,156	1,939,674
Travelling & Conveyance	4,103,074	2,704,140	4,815,707	2,759,940
Staff Welfare	2,126,695	1,654,629	2,680,950	1,871,439
Corporate Social Responsibility (CSR)				
CSR Expenses	1,348,773	653,722	1,348,773	653,722
CSR Provision	1,940,979	2,716,456	1,940,979	2,716,456
Vehicle Running Expense	4,989,506	7,595,573	6,111,604	7,704,513
Other Administrative Expenses	5,840,510	4,923,381	8,920,611	5,747,337
Repair & Maintainance (Furniture & Equipment)	2,018,947	1,929,533	2,372,194	1,929,533
Repair & Maintainance (Vehicle)	2,294,001	2,467,839	3,019,340	2,467,839
Depreciation of Furniture & Equipment	6,296,323	5,546,943	6,604,641	5,623,634
Depreciation of Vehicle	3,213,399	4,131,423	4,622,907	4,757,819
Amortization of Intangible Assets	562,157	884,082	593,883	889,290
<b>Total</b>	<b>104,727,453</b>	<b>107,573,334</b>	<b>126,353,699</b>	<b>113,853,937</b>

## 29. Selling & Distribution Expenses

For Year Ended Asadh 31 , 2081 (July 15, 2024)

Fig. in NPR

Particulars	Sarbottam Cement		Group	
	FY 2080   2081	FY 2079   2080	FY 2080   2081	FY 2079   2080
Salary & Allowances -Sales	32,236,820	28,962,385	32,236,820	28,962,385
Sales Incentive	11,723,699	5,591,767	11,723,699	5,591,767
Advertisement & Publicly Expenses	31,772,352	30,811,865	31,772,352	30,811,865
TADA & Fooding Expenses	3,410,473	3,007,298	3,410,473	3,007,298
Carriage Outward	5,822,583	458,968	6,773,551	458,968
Sales Commission	57,324,280	121,399,635	57,324,280	121,399,635
Sales Promotion	25,588,204	4,179,946	25,650,754	4,179,946
Export Expenses	13,714,934	373,197	13,714,934	373,197
(Reversal) /Provision for Trade Receivables	(4,163,364)	2,040,200	(4,163,364)	2,040,200
<b>Total</b>	<b>177,429,981</b>	<b>196,825,261</b>	<b>178,443,499</b>	<b>196,825,261</b>

## 30. Finance Cost

For Year Ended Asadh 31 , 2081 (July 15, 2024)

Fig. in NPR

Particulars	Sarbottam Cement		Group	
	FY 2080   2081	FY 2079   2080	FY 2080   2081	FY 2079   2080
Interest on OD & Working Capital Loan	257,866,676	371,754,145	257,866,676	371,754,145
Interest on Term Loan	58,876,139	66,996,164	58,876,139	66,996,164
Interest on Bridge Gap Loan	73,061,293	-	73,061,293	-
Interest on Hire Purchase Loan	-	-	119,876	311,540
Bank Charges & Commission	12,816,907	7,164,487	13,238,875	7,182,817
(-) Interest Capitalized to Property, Plant & Equipment	(70,589,012)	(36,799,495)	(70,589,012)	(36,799,495)
<b>Total</b>	<b>332,032,001</b>	<b>409,115,300</b>	<b>332,573,846</b>	<b>409,445,171</b>

## 31. Income Tax Expense

For Year Ended Asadh 31, 2081 (July 15, 2024)

Fig. in NPR

Particulars	Sarbottam Cement		Group	
	FY 2080   2081	FY 2079   2080	FY 2080   2081	FY 2079   2080
Current Tax on Profit For The Year	203,842	2,517,547	203,842	2,967,583
Deferred Tax For The Year	42,574,273	52,543,869	42,312,238	53,834,756
<b>Income Tax Expense</b>	<b>42,778,115</b>	<b>55,061,416</b>	<b>42,516,080</b>	<b>56,802,339</b>

## 32. Fair Value Measurements

### (i) Financial Instruments by Category & Hierarchy

This section explains the judgements and estimates made in determining the Fair Values of the Financial Instruments that are measured at Amortised Cost and at which Fair Values are disclosed in the Financial Statements. The Company doesn't have any Financial Instruments which are to be measured at Fair Value through Profit & Loss or Fair Value through Other Comprehensive Income.

To provide an indication about the reliability of the inputs used in determining Fair Value, the Company has classified its financial instruments into Three Levels prescribed as per applicable NFRS. However, all the Financial Instruments held by the Company fall under Level 3 Category.

Level 1: Level 1 Hierarchy includes Financial Instruments measured using Quoted Prices.

Level 2: Fair Value of Financial Instruments that are not traded in an active market is determined using valuation techniques which maximises the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to determine Fair Value of an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

There is no transfer of Financial Instruments between different levels as mentioned above during the year.

## 33. Financial Risk Management

The Company's activities expose it to Credit Risk, Liquidity Risk & Market Risk.

### i) Credit Risk

The Company is exposed to credit risk for various Financial Instruments, For Example Customer Receivables, Loans or Advances given. The Company continuously monitors Receivables and defaults with customers & other counterparties. Appropriate Security Deposits along with Bank Guarantee are kept against the supplies to customers.

Credit Risk with respect to Trade Receivable is managed by the Company through setting up Credit Limits for customers & also periodically reviewing the Credit worthiness of major customers.

Impairment for Trade Receivables:

Particulars	Sarbottam Cement		Group	
	Asadh 31, 2081 (July 15, 2024)	Ashadh 31, 2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31, 2080 (July 16, 2023)
Gross Carrying Amount	1,772,032,518	1,727,050,613	1,729,347,458	1,744,120,027
Impairment Losses	(14,547,803)	(18,711,167)	(14,547,803)	(18,711,167)
<b>Carrying Amount of Trade Receivables</b>	<b>1,757,484,715</b>	<b>1,708,339,446</b>	<b>1,714,799,655</b>	<b>1,725,408,860</b>

The credit risk for cash & cash equivalents is considered negligible, since the counterparties are Nepal Rastra Bank approved Financial Institutions.

### ii) Liquidity Risk

Prudent Liquidity Management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of internal and external financing to meet obligations when due. The Company monitors its risk to a shortage of funds on a regular basis through cash forecast for scheduled debts servicing payments and considering maturity profiles of Financial Assets & Other Financial Liabilities.

**a) Financing Arrangements:**

The Company had availed Financing Arrangements as categorised below. Closing balances of the same stands as follows:

Particulars	Sarbottam Cement		Group	
	Asadh 31, 2081 (July 15, 2024)	Ashadh 31, 2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31, 2080 (July 16, 2023)
Short Term Borrowings	2,993,286,839	3,453,526,347	2,993,286,839	3,454,462,666
Long Term Borrowings	73,597,000	321,962,860	122,417,278	321,962,860
<b>Total Borrowings</b>	<b>3,066,883,839</b>	<b>3,775,489,207</b>	<b>3,115,704,117</b>	<b>3,776,425,526</b>

**b) Maturity of Financial Liabilities:**

The table below summarises the Company's Financial Liabilities into Relevant Maturity Groupings based on their Contractual Maturities for all Financial Liabilities.

Particulars	Sarbottam Cement			
	Asadh 31, 2081 (July 15, 2024)		Ashadh 31, 2080 (July 16, 2023)	
	< 1 Year	> 1 Year	< 1 Year	> 1 Year
Trade Payables	348,409,919	-	630,475,599	-
Borrowings	2,993,286,839	73,597,000	3,453,526,347	321,962,860
Other Financial Liabilities	20,530,298	-	32,274,818	-
<b>Total Financial Liabilities</b>	<b>3,362,227,056</b>	<b>73,597,000</b>	<b>4,116,276,764</b>	<b>321,962,860</b>

Particulars	Group			
	Asadh 31, 2081 (July 15, 2024)		Ashadh 31, 2080 (July 16, 2023)	
	< 1 Year	> 1 Year	< 1 Year	> 1 Year
Trade Payables	369,324,701	-	646,152,099	-
Borrowings	2,993,286,839	122,417,278	3,454,462,666	321,962,860
Other Financial Liabilities	23,174,552	-	33,599,561	-
<b>Total Financial Liabilities</b>	<b>3,385,786,092</b>	<b>122,417,278</b>	<b>4,134,214,327</b>	<b>321,962,860</b>

**iii) Market Risk****a) Interest Rate Risk**

Interest Rate Risk is the risk that the Fair Value or Future Cash Flows of a Financial Instrument will fluctuate because of changes in Market Rates. The Company's policy is to minimise Interest Rate Cash Flow risk exposure on borrowings.

**b) Interest Rate Sensitivity**

Profit or Loss is Sensitive to changes in Interest Rate for Borrowings. A change in Market Interest Level by 100 Basis Points which is reasonably possible based on Management's Assessment would have the following effect on the Profit After Tax.

Particulars	Sarbottam Cement		Group	
	Asadh 31, 2081 (July 15, 2024)	Ashadh 31, 2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31, 2080 (July 16, 2023)
Interest Rate - Increase By 100 Basis Points*	9,699,800	34,935,754	6,223,440	34,935,754
Interest Rate - Decrease By 100 Basis Points*	(9,699,800)	(34,935,754)	(6,223,440)	(34,935,754)

\* Holding all other Variable Constant

**34. Capital Management**

The Company has Equity Share Capital & Reserves as the source of capital. The primary objective of the Company's capital management is to maximize the shareholder value & provide adequate return to shareholders. To maintain or adjust the Capital Structure, the company may adjust the dividend payment to shareholders or Issue New Shares for further capital infusion.

**35. Related Party Disclosure**

<b>Subsidiaries</b>	1) Siddheswor Minerals Pvt. Ltd.	4) Sarbottam Cement East Pvt. Ltd.
	2) Sarbottam Holding Pvt. Ltd.	5) Sarbottam Minerals Pvt. Ltd.
	3) Sarbottam Investment Pvt. Ltd.	
<b>Other Related Entities</b>	1) Sarbottam Minerals Pvt Ltd	5) Shubhashree Jagdamba Cement Pvt. Ltd.
	2) Jagdamba Spinning Pvt. Ltd.	6) Laxmi Steels Pvt. Ltd.

	3) Jagdamba Synthetics Pvt. Ltd.	7) Saurabh Photo International
	4) Jagdamba Cement Pvt. Ltd.	8) Neupane Tower
<b>Key Managerial Personnel</b>	Chairman	Bishnu Prasad Neupane
	Director- Representative	Bimal Kumar Sawathia
	Director	Tenzin Lakden Tamang
	Director	Tika Ram Neupane
	Director	Diwas Neupane
	Board Advisor	Meena Kumari Agrawal
	Board Advisor	Ankur Neupane
	CEO	Santosh KC
	VP-Sales & Marketing	Dipak Baral

**(a) Key Management Personnel Compensation:**

Particulars	Sarbottam Cement		Group	
	Asadh 31, 2081 (July 15, 2024)	Ashadh 31, 2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31, 2080 (July 16, 2023)
Short Term Employee Benefits	13,364,454	12,719,408	13,364,454	12,719,408
	<b>13,364,454</b>	<b>12,719,408</b>	<b>13,364,454</b>	<b>12,719,408</b>

**(b) Related Party Transactions:**

Particulars	Sarbottam Cement				Group		
	Other Related Entities	Key Managerial Personnel	Subsidiaries	Total	Other Related Entities	Key Managerial Personnel	Total
Sales							
Goods							
For the Year Ended Ashad 31, 2081 (July 15, 2024)	1,091,127,165		38,522,407	1,129,649,572	1,091,127,165		1,091,127,165
For the Year Ended Ashad 31, 2080 (July 16, 2023)	667,321,873		4,263,850	671,585,723	667,321,873	-	667,321,873
Service							
For the Year Ended Ashad 31, 2081 (July 15, 2024)	53,813			53,813	53,813		53,813
For the Year Ended Ashad 31, 2080 (July 16, 2023)	372,781			372,781	372,781	-	372,781
Purchases							
Goods							
For the Year Ended Ashad 31, 2081 (July 15, 2024)	510,556,220		210,531,754	721,087,973	510,556,220		510,556,220
For the Year Ended Ashad 31, 2080 (July 16, 2023)	587,272,667		39,833,325	627,105,992	587,272,667	-	587,272,667
Service							
For the Year Ended Ashad 31, 2081 (July 15, 2024)	4,570,899			4,570,899	4,570,899		4,570,899
For the Year Ended Ashad 31, 2080 (July 16, 2023)	4,688,631			4,688,631	4,688,631	-	4,688,631

**(c) Related Party Balances:**

Particulars	Sarbottam Cement			Group			
	Other Related Entities	Key Managerial Personnel	Subsidiaries	Total	Other Related Entities	Key Managerial Personnel	Total
Trade Receivables							
As at Ashad 31, 2081 (July 15, 2024)	336,108,099		51,735,628	387,843,727	336,108,099		336,108,099
As at Ashad 31, 2080 (July 16, 2023)	116,759,428			116,759,428	116,759,428		116,759,428
Trade Payables							
As at Ashad 31, 2081 (July 15, 2024)	131,999,715		23,817,616	155,817,330	131,999,715		131,999,715
As at Ashad 31, 2080 (July 16, 2023)	317,313,692			317,313,692	317,313,692		317,313,692
Advance to Suppliers							
As at Ashad 31, 2081 (July 15, 2024)	14,792,000		231,417,278	246,209,278	14,792,000		14,792,000
As at Ashad 31, 2080 (July 16, 2023)	3,752,600			3,752,600	3,752,600		3,752,600

### 36. Legal Matters, Contingent Liabilities & Contingent Assets

#### i) Claims against the Company - Nepal Electricity Authority

Company has not ascertained the financial impact of Electricity Due (including interest & penalty) so arising against an appeal so filed at honorable Supreme Court by Sarbottam Cement Ltd. against Nepal Electricity Authority for electricity overbilling issues so prevailing in the reporting period. The impact of the same is not reflected in the profitability of respective financial years. The amount so quantified by the management in this regards is as stated below:

Particulars	Sarbottam Cement		Group	
	Asadh 31, 2081 (July 15, 2024)	Ashadh 31, 2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31, 2080 (July 16, 2023)
Amount Payable to NEA (including interest & penalty)				
For Electricity Over Billing Issues	774,204,476	675,773,147	774,204,476	675,773,147

Note: As per reminder letter from NEA Hetauda Distribution Center, the electricity disputed amount required to deposit of Rs. 119,636,645.75 as per vide letter reference no. 995 dated 2081-7-8 which in the line of Lal Commission formed by Government of Nepal.

#### ii) Legal Case against Trade Debtors

The company has started legal proceedings against various Trade Debtors to recover the receivable amount from them. Management believes that chances of losing of the legal cases against such Trade Debtors are remote and there will not be any probable cash outflow or loss. However, the management has provided of Rs.8,769,727 for financial year 2080-81 against impairment of Trade Receivables for Legal Case Debtors. The amount so pending with various Court of Law is as stated below:

Particulars	Sarbottam Cement		Group	
	Asadh 31, 2081 (July 15, 2024)	Ashadh 31, 2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31, 2080 (July 16, 2023)
Amount Receivable from Trade Debtors				
Case Pending with various Court of Law	104,970,304	91,319,199	104,970,304	91,319,199

### 37. Corporate Social Responsibility

Provision for Corporate Social Responsibility, as required under the provision of Industrial Enterprise Act, 2076 Sec: 54 has been created.

### 38. Earnings Per Share

### i) Claims against the Company - Nepal Electricity Authority

Company has not ascertained the financial impact of Electricity Due (including interest & penalty) so arising against an appeal so filed at honorable Supreme Court by Sarbottam Cement Ltd. against Nepal Electricity Authority for electricity overbilling issues so prevailing in the reporting period. The impact of the same is not reflected in the profitability of respective financial years. The amount so quantified by the management in this regards is as stated below:

Particulars	Sarbottam Cement		Group	
	Asadh 31, 2081 (July 15, 2024)	Ashadh 31, 2080 (July 16, 2023)	Asadh 31, 2081 (July 15, 2024)	Ashadh 31, 2080 (July 16, 2023)
Profit For the Year	149,378,841	213,867,742	141,952,673	205,184,589
Weighted Avg. No. of Equity Shares O/S During the Year (For Basic)	43,360,112	40,500,000	43,360,112	40,500,000
Weighted Avg. No. of Equity Shares O/S During the Year (For Diluted)	46,500,000	40,500,000	46,500,000	40,500,000
Nominal Value of Equity Shares	100	100	100	100
Earnings Per Share (Basic) Annualized	3.45	5.28	3.27	5.07
Earnings Per Share (Diluted) Annualized	3.21	5.28	3.05	5.07

### 39 Assets Pledged

The entity has pledged its Property, Plant & Equipment, Trading Assets i.e. Receivables & Inventory to collateralize its Interest Bearing Borrowings.

### 40 Issue of Public Share through Book Building Process

The company has issued 6,000,000 kitta equity shares to general public via book building process & allotment and listing of such share to NEPSE has been completed as per the SEBON guidelines during the year.

### 41 Distribution of Cash Dividend @ 15%

The company has distributed cash dividend @ 15% (Rs.697,500,000 including tax) on its on paid up capital after public offering as per the decision of Annual General Meeting of 2079-80 so held on 2081-1-12.

### 42 Proposed Dividend for 2080-81

The Board of Director has proposed to declare 7% Bonus and 3% Cash dividend on paid up capital of Rs.4,650,000,000 for 2080-81 on date

### 43 Regrouping of Figures:

Previous Year's figures have been regrouped/rearranged as and where necessary.

### 44 Miscellaneous:

- (i) All amounts are in Nepalese Rupees unless otherwise stated.
- (ii) All figures are in the Nearest Rupee & Rounded off.

Mr. Shiv Singh Karki  
Public Director

Mr. Utsav Neupane  
Director

Mr. Bimal Kumar Sawartha  
Director

Date : .....

Place : Kathmandu

Mr. Tika Ram Neupane  
Director

Mr. Santosh KC  
CEO

Mr. Bishnu Prasad Neupane  
Chairman

Mr. Tenzin Lakden Tamang  
Director

Ms. Neha Agrawal  
Independent Director

As per our report of even date,

CA. Priyank Pokhrel  
Proprietor  
For: Priyank & Associates  
Chartered Accountants

सर्वोत्तम  
सिमेंट



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सिमेंट

# संस्थाको कार्यक्रमहरूका केहि भलकहरू

















ISO 9001:2015  
Certified Company



ISO 14001:2015  
Certified Company



नेपाल गुणस्तर प्रमाणित  
ने. गु.प. ५३९



IS 269: 2015  
CM/L-4100112656



IS 1489: 2015  
(Part 1)  
CM/L- 4100147069

# सर्वोत्तम सिमेन्ट

## नेपाल गुणस्तर तथा भारतीय गुणस्तर प्रमाणित



# CREDIBILITY OF सर्वोत्तम सिमेन्ट IN BIG PROJECTS

Butwal Substation (220/132 kV)  
(Developed by TATA Project Limited, India)

Gautam Buddha International  
Airport, Bhairawa

Citizen Investment Trust,  
Central Office

Dharahara  
(Historic Monument of Nepal)

Parliament Building  
in Singha Durbar

Kaligandaki Corridor  
Project, 44.48 km

Minister Quarter,  
Bhaisepati

Butwal International  
Conference Centre

Bir Hospital  
Surgical Block

Nepal Police Hospital  
(400 Beds Capacity)

Siddhartha Vilasa, Bhairawa  
(5 Star Hotel)

Hotel Saffron, Butwal  
(5 Star Hotel)

Solu Hydropower Project,  
23.5 MW

Nilgiri Khola Hydropower  
Project, Maygdi, 111 MW

Thulo Khola Hydropower  
Project, 21.3 MW

Rahughat Mangale Hydropower  
Project, 37.5 MW

Upper Rahughat Hydropower  
Project, 48 MW

Chilime-Trisuli Substation,  
220 kV

NEA Phutung Substation  
132/11 kV

Karma Residency, Kathmandu  
(162 Luxurious Earthquake Resistant  
Condominiums)

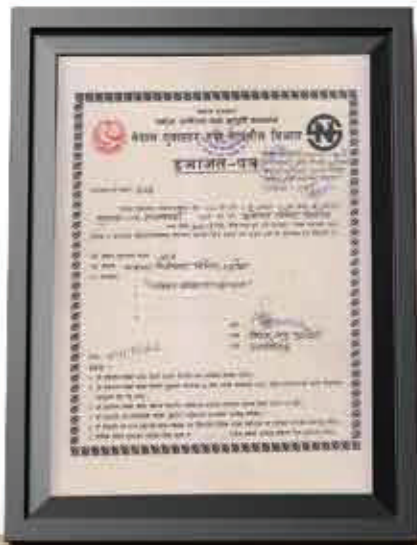
Pushpalal Mid- Hill  
Highway, 1776 km  
(Longest National Highway of Nepal)

Nijgadh-Kathmandu Fast Track  
Road Project, 72.5 km

And Many More



# NEPAL STANDARD & ISO CERTIFICATE



**NS 572-Certification for  
OPC 43 Grade & 53 Grade**



**ISO 14001:2015 - Standards on  
Environmental Management.**

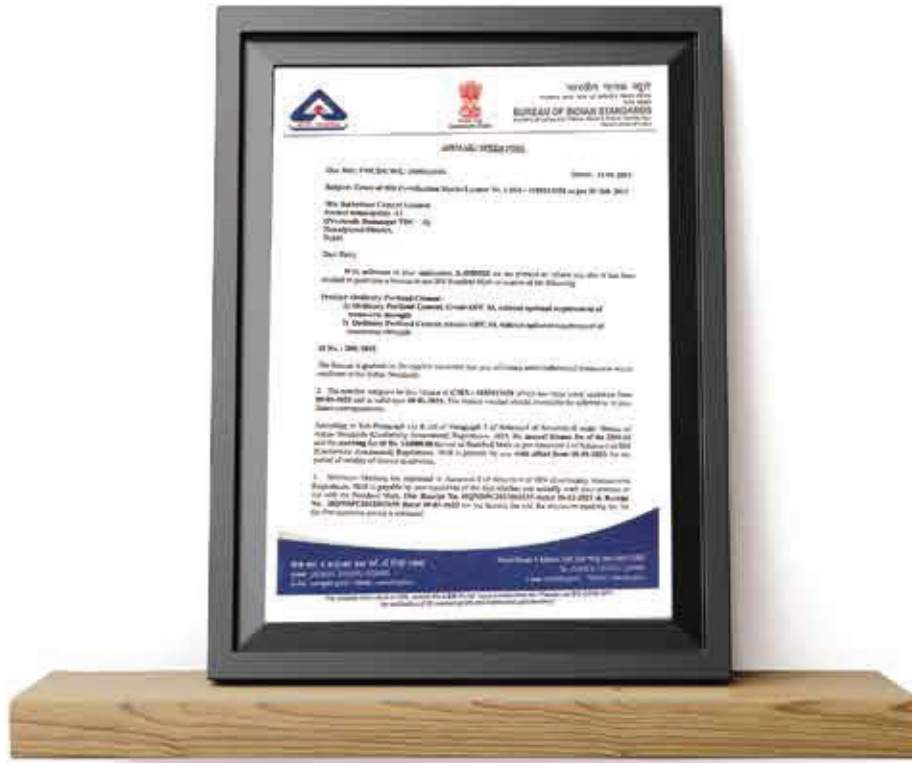


**NS 385-Certification for PPC**



**ISO 9001:2015 - Standards on  
Quality Management.**

# BIS CERTIFICATE



BIS Certification for OPC 43 Grade & 53 Grade



BIS Certification for PPC



# सर्वोत्तम सिमेन्ट

**PROUD TO BE IN INDIA**



सम्पर्क स्थान	सम्पर्क नम्बर
काठमाडौं, ललितपुर, भक्तपुर, सिन्धुपाल्चोक, दोलखा, सिन्धुली, नुवाकोट, धादिङ्ग	९८०२३२०६१३
नारायणगढ, मकवानपुर	९८०२३२०६१०
बुटवल, गुल्मी, अर्घाखाँची, स्याङ्जा, पाल्पा, कोहलपुर	९८०१२२४४२५
नेपालगञ्ज, सुर्खेत, धनगढी, महेन्द्रनगर, कर्णाली (पश्चिम)	९८०२३२०३१७
गण्डकी, धौलागिरी	९८०२३०२४१४
धनुषा, महोत्तरी, सर्लाही, सिरहा	९८०२३०२४१२
प्रदेश नं. १	९८०२३२०३१३
प्रदेश नं. २	९८०२३०२४१२
प्रोजेक्टका लागि सम्पर्क : ९८०१२२४४३८	

**सर्वोत्तम**  
सिमेन्ट

# बलियो सम्बन्ध



## सर्वोत्तम विश्वासको

सर्वोत्तम सिमेन्ट लि.

कम्पनी रजिस्टर्ड कार्यालय

न्यौपाने टावर, ५<sup>औं</sup> तल्ला, तिनकुने, काठमाण्डौ, ०१ ४१११६२१, ४१११७०९, ४१११९४२, ४११७५०२

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उद्योग

सुनवल नगरपालिका, वार्ड नं: ११ जोडेनी, नवलपरासी