

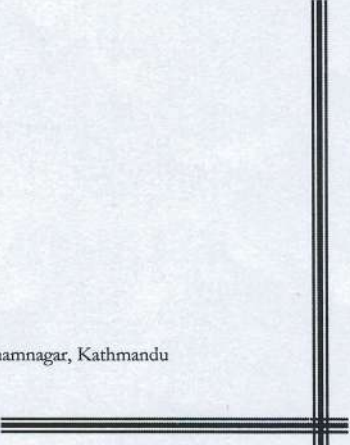
**CHHITO PAISA PRIVATE LIMITED**  
Kathmandu, Nepal

**Audit Report**  
**Financial Statements**

**F.Y. 2080-81 [2023-24]**

**B.R.S.S & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

Office Address: Tanka Prasad Ghumti Sadak, Anamnagar, Kathmandu



# B.R.S.S & ASSOCIATES

Chartered Accountants

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CHHITO PAISA PVT. LTD.

### Unqualified Opinion

We have audited the accompanying financial statements of **CHHITO PAISA PVT. LTD.** ("The Company"), which comprise the Statement of Financial Position as at Ashad 31, 2081, (July 15, 2024), the Statement of Profit or Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended on that date, and a summary of the significant accounting policies and other explanatory information (hereafter referred to as "the financial Statements").

In our opinion, the financial statements give a true and fair view in conformity with Nepal Accounting Standards and comply with Companies Act, 2063:

- in the case of the Statement of Financial Position, of the financial position of the **CHHITO PAISA PVT. LTD.** as at July 15, 2024;
- in the case of the Statement of Profit or Loss (including other Comprehensive Income), of the financial performance for year ended on that date;
- in the case of the Statement of Changes in Equity, of the changes in equity for the year ended on that date; and
- in the case of the Statement of Cash flows, of the cash flows for the year ended on that date.

### Emphasis of Matter (EOM)

- We draw attention to Note 14(3.7) as the E wallet's customer balance as per books could not be reconciled with EOD balance as on the date of completion of audit.

Our opinion is not modified in respect of this matter.

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

### Key Audit Matters

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

### Other Information

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



# B.R.S.S & ASSOCIATES

## Chartered Accountants

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material

Misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Responsibility of Management and Those Charged with Governance for the Financial Statements

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

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

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

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or taken together, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

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

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



# B.R.S.S & ASSOCIATES

## Chartered Accountants

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

### Report on Other Legal and Regulatory Requirements

Based on our examination, we would like to further report that:

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

For B.R.S.S and Associates  
Chartered Accountants

Place: Kathmandu, Nepal  
Date: November 10, 2024  
UDIN: 241110CA0080653yJH



**CHHITO PAISA PRIVATE LIMITED**  
Kathmandu, Nepal  
**STATEMENT OF FINANCIAL POSITION**  
As at Ashad 31, 2081 (15th July 2024)

Particulars	Note	<i>Amount in R.s.</i>	
		As at 31.03.2081 (July 15, 2024)	As at 31.03.2080 (July 16, 2023)
<b>ASSETS</b>			
<b>Non- Current Assets:</b>			
-Property, Plant & Equipment	1	1,558,885	1,511,325
-Deferred Tax		-	-
-Other Non Current Assets		-	-
<b>Total Non- Current Assets</b>		<b>1,558,885</b>	<b>1,511,325</b>
<b>Current Assets:</b>			
-Advances, Deposits	2	2,840,623	5,769,419
-Trade and Other Receivables	3	42,356	63,832
-Cash and Cash Equivalent	4	25,460,847	27,502,982
<b>Total Current Assets</b>		<b>28,343,826</b>	<b>33,336,233</b>
<b>Total Assets</b>		<b>29,902,711</b>	<b>34,847,558</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity and Reserve and Surplus</b>			
-Share Capital	5	16,600,000	16,600,000
-Retained Earnings and Reserves	6	(14,126,988)	(7,621,514)
<b>Total Equity</b>		<b>2,473,012</b>	<b>8,978,486</b>
<b>Liabilities</b>			
<b>Non- Current Liabilities</b>			
-Loans and Borrowings		-	-
-Deferred Tax		-	-
<b>Total Non- Current Liabilities</b>		<b>-</b>	<b>-</b>
<b>Current Liabilities:</b>			
-Trade and Other Payables	7	27,353,319	25,858,008
- Statutory Dues	8	76,380	11,064
<b>Total Current Liabilities</b>		<b>27,429,699</b>	<b>25,869,072</b>
<b>Total Liabilities</b>			
<b>Total Equity and Liabilities</b>		<b>29,902,711</b>	<b>34,847,558</b>

**Notes to Accounts**

14

Notes 1 to 14 Form Integral part of this financial statement

On Behalf of Board

**Suraksha Hamal**  
Chairman

**Shrish Tharu Manni**  
Finance Officer

**Biplay Dhakal**  
Acting Chief Executive Director

In terms of our report of even date attached

**Binod Raj Singh, FCA**  
Partner

For and on behalf of  
**B.R.S.S. & Associates,**  
Chartered Accountants

Date:-

Place :- Kathmandu



**CHHITO PAISA PRIVATE LIMITED**

Kathmandu, Nepal

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

For the year ended 31, Ashad 2081 (15th July 2024)

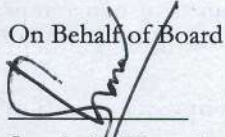
Particulars	Note	Amount in Rs	
		Period Ended on Ashad 31, 2081 (July 15, 2024)	Period Ended on Ashad 31, 2080 (July 16, 2023)
Revenue From Operation	9	9,819,602	2,110,967
Less:- Cost Of Service( Direct Cost)	11	9,586,503	3,048,176
<b>Gross Profit</b>		<b>233,099</b>	<b>(937,209)</b>
Add:- Other Income	10	762,986	-
Employee Related Expenses	12	5,262,284	1,597,518
Operating Expenses	13	1,783,415	828,712
Depreciation and Amortization Expenses	1	449,860	458,450
<b>Total Expenditure</b>		<b>7,495,560</b>	<b>2,884,680</b>
<b>Profit from Operations</b>		<b>(6,499,474)</b>	<b>(3,821,889)</b>
Finance Cost		-	-
<b>Profit before tax</b>		<b>(6,499,474)</b>	<b>(3,821,889)</b>
<b>Income tax</b>			
Current tax		-	-
Deferred tax( Income) /Expenses		-	-
<b>Profit from Operations</b>		<b>(6,499,474)</b>	<b>(3,821,889)</b>
<b>Other Comprehensive Income</b>			
Exchange Gain/(Loss)		-	-
Others		-	-
<b>Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income</b>		<b>(6,499,474)</b>	<b>(3,821,889)</b>


**Notes to Accounts**

14

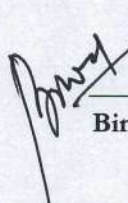
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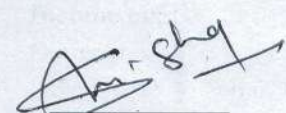
On Behalf of Board

  
Suraksha Hamal  
Chairman

  
Biplay Dhakal  
Acting Chief Executive Director

In terms of our report of even date attached

  
Binod Raj Singh, FCA  
Partner

  
Shrish Tharu Manni  
Finance Officer

For and on behalf of  
B.R.S.S. & Associates,  
Chartered Accountants

Date:-

Place :- Kathmandu



**CHHITO PAISA PRIVATE LIMITED**

Kathmandu, Nepal

**CASH FLOW STATEMENT**

As at Ashad 31, 2081 (15th July 2024)

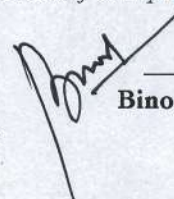
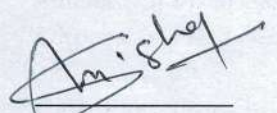
Particulars	As at 31.03.2081 (July 15, 2024)	As at 31.03.2080 (July 16, 2023)
<b>Cash Flow From Operating Activities (A)</b>		
Net Profit after Tax	(6,499,474)	(3,821,889)
Less: Tax paid excess of Tax Provision for Previous Year	-	-
Add: Deferred Tax Expense	-	-
Less: Prior Period Item	(6,000)	(191,895)
Add: Depreciation on Fixed Assets	449,860	-
	<b>(6,055,614)</b>	<b>(4,013,784)</b>
<b>Change in working capital</b>		
(Increase)/Decrease in Trade Receivables, Deposits and Advances	2,950,272	(5,466,979)
Increase/(Decrease) in Short Term Borrowing, Trade and Other Payables	1,560,627	25,833,647
	<b>(1,544,715)</b>	<b>16,352,884</b>
<b>Cash Flow From Investing Activities (B)</b>		
Purchase of Fixed Assets	(497,419)	300,900
Disposal of Fixed Assets	-	-
	<b>(497,419)</b>	<b>300,900</b>
<b>Cash Flow From Investing Activities (C)</b>		
Issue of Share Capital	-	6,600,000
Increase / (Decrease) in borrowings	-	-
Less : Dividend paid	-	-
	-	<b>6,600,000</b>
<b>Increase/Decrease in Cash &amp; Cash Equivalent (D=A+B+C)</b>	<b>(2,042,134)</b>	<b>23,253,784</b>
<b>Cash &amp; Bank balance at the beginning of the Period (E)</b>	<b>27,502,982</b>	<b>4,249,197</b>
<b>Cash &amp; Bank balance at the end of the Period</b>	<b>25,460,847</b>	<b>27,502,982</b>

Notes 1 to 14 Form Integral part of this financial statement

On Behalf of Board

**Suraksha Hamal**  
Chairman**Biplav Dhakal**  
Acting Chief Executive Director

In terms of our report of even date attached

**Binod Raj Singh, FCA**  
PartnerFor and on behalf of  
**B.R.S.S. & Associates,**  
Chartered Accountants  
**Shrish Tharu Manni**  
Finance Officer

Date:-

Place :- Kathmandu

**CHHITO PAISA PRIVATE LIMITED**

Kathmandu, Nepal


**Statement of Changes in Equity**

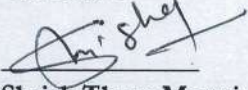
As at Ashad 31, 2081 (15th July 2024)

*Amount in Rs*

Particulars	Notes	Share Capital	Share Premium	Retained Earnings	Total
Opening Balance		16,600,000	-	(7,621,514)	8,978,486
Issue of Shares		-	-	-	-
Changes in Accounting Policies		-	-	-	-
<b>Restated Balance</b>		<b>16,600,000</b>	<b>-</b>	<b>(7,621,514)</b>	<b>8,978,486</b>
Profit for the year		-	-	(6,499,474)	(6,499,474)
Issue of Share Capital		-	-	-	-
Dividends to Shareholders		-	-	-	-
Prior Period Expenses		-	-	(6,000)	(6,000)
<b>Balance at Ashad 31, 2081</b>		<b>16,600,000</b>	<b>-</b>	<b>(14,126,988)</b>	<b>2,473,012</b>

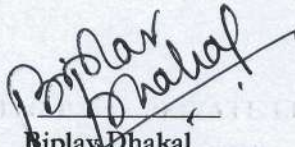
On Behalf of Board

  
**Suraksha Hamal**  
Chairman



  
**Shrish Tharu Manni**  
Finance Officer

Date:-  
Place :- Kathmandu



  
**Niplav Dhakal**  
Acting Chief Executive Director

*In terms of our report of even date attached*

  
  
**Binod Raj Singh, FCA**  
Partner

*For and on behalf of*  
**B.R.S.S. & Associates,**  
Chartered Accountants



**CHHITO PAISA PRIVATE LIMITED**  
Kathmandu, Nepal

**Note:1 Property, Plant and Equipments**

Note 1

Particulars	Dep. Rate %	Net Block			Depreciation		Net Block as on Asadh 31, 2081	
		Opening WDV	Additions	Sales / Adj	Total	For the Year		Sales/Adj.
Land	-	-	-	-	-	-	-	-
Building Structure	5	-	-	-	-	-	-	-
Furnitures, Computers etc.	25	152,156	497,419	-	649,575	110,068	110,068	539,508
Vehicle, Automobiles	20	-	-	-	-	-	-	-
Tools, Equipment & Machinery	15	-	-	-	-	-	-	-
Software	25	1,359,169	-	-	1,359,169	339,792	339,792	1,019,377
<b>Current Year</b>		<b>1,511,325</b>	<b>497,419</b>	<b>-</b>	<b>2,008,745</b>	<b>449,860</b>	<b>449,860</b>	<b>1,558,885</b>

Note: Rate of Depreciation are as per the Provision of Income Tax Act 2058



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**CHHITO PAISA PRIVATE LIMITED**  
Kathmandu, Nepal  
**Fixed Assets Schedule as per Income Tax**

PARTICULARS	DEP Rate	Opening WDV	ADDITION			DEPRECIATION	Repair & Maintenance		CLOSING WDV
			Till Poush 2080	Poush to Chaitra 2080	Chaitra to Ashad 2081		Allowable	Actual	
LAND	0%		-	-	-	-	-	-	-
POOL - "A" Building	5%		-	-	-	-	-	-	-
<b>Total</b>									
POOL - "B" Furniture & Fixtures, Computers etc	25%	143,436	371,667	12,035	113,717	140,258	39,272	25,720	500,597
<b>Total</b>		<b>143,436</b>	<b>371,667</b>	<b>12,035</b>	<b>113,717</b>	<b>140,258</b>	<b>39,272</b>	<b>25,720</b>	<b>500,597</b>
POOL - "C" Vehicle	20%		-	-	-	-	-	-	-
<b>Total</b>									
POOL - "D" Equipments (Plant & Machinery)	15%		-	-	-	-	-	-	-
<b>Total</b>									
POOL - "E" Intangible Assets Year	25%	1,359,169	-	-	-	339,792	95,142	-	1,019,377
<b>Total</b>		<b>1,359,169</b>				<b>339,792</b>	<b>95,142</b>		<b>1,019,377</b>
<b>Net Total</b>		<b>1,502,605</b>	<b>371,667</b>	<b>12,035</b>	<b>113,717</b>	<b>480,050</b>	<b>134,414</b>	<b>25,720</b>	<b>1,519,974</b>



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