

A green line graph with a jagged, upward-trending path, symbolizing growth and progress.

# 2081-82 ANNUAL REPORT

To foster a trusted digital financial ecosystem  
that empowers generations.









# इसेवा लिमिटेड

## eSewa Limited

रजिस्टर्ड कार्यालय, पुल्चोक, ललितपुर फोन नं. ०१-५९७०१२१  
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### तेह्रौं वार्षिक साधारण सभाको सूचना

(पहिलो पटक प्रकाशित मिति: २०८२/०८/०२)

श्री आदरणीय शेयरधनी महानुभावहरु,

यस कम्पनीको मिति २०८२/०८/०१ गते सम्पन्न सञ्चालक समितिको बैठकको निर्णय अनुसार यस कम्पनीको वार्षिक साधारण सभा निम्न लिखित मिति, समय र स्थानमा निम्न विषयहरु उपर छलफल तथा निर्णयको लागि बस्ने भएको हुँदा सम्पूर्ण शेयरधनी महानुभावहरुलाई उपस्थितिको लागि हार्दिक अनुरोध गर्दछौं ।

#### साधारण सभा हुने मिति, समय र स्थान :

मिति : २०८२ साल मङ्सिर २४ गते (तदनुसार १० डिसेम्बर २०२५, बुधवार)

स्थान : मेरियट होटल, नक्साल, काठमाण्डौं

समय : अपराह्न ४:०० बजे ।

#### छलफलको विषयहरु :

##### क) सामान्य प्रस्ताव

१) आ.व. २०८१/८२ को सञ्चालक समितिको वार्षिक प्रतिवेदन छलफल गरी पारित गर्ने ।

२) आ.व. २०८१/८२ को लेखापरीक्षकको प्रतिवेदन सहितको वासलात, नाफानोक्सान, हिसाब तथा नगद प्रवाह विवरण लगायतका वित्तिय विवरणहरु उपर छलफल गरी पारित गर्ने ।

३) सञ्चालक समितिले प्रस्ताव गरे बमोजिम आ.व. २०८१/८२ को लेखापरीक्षक प्रतिवेदनको आधारमा कम्पनीको खुद नाफा तथा जगेडा कोषबाट हालको चुक्ता पूँजीको ८०.५३ प्रतिशतले हुन आउने जम्मा रु. ३०,६०,००,०००/- (अक्षरूपी तीस करोड साठी लाख रुपैयाँ मात्र) नगद लाभांश (कर सहित) स्वीकृत गर्ने ।

४) आ.व. २०८२/८३ को लागि लेखापरिक्षण गर्नका लागि लेखापरिक्षक नियुक्ति र निजको पारिश्रमिक निर्धारण गर्ने ।

५) सञ्चालक समितिमा प्रतिनिधित्व गर्ने दुई (२) जना सञ्चालकहरूको निर्वाचन गर्ने ।

६) कम्पनी ऐन २०६३ को दफा ९३ आकर्षित हुने विभिन्न कम्पनीहरूसँग भएका कारोबारहरू (जस्तै Topup, रेमिटेन्स, अन्तरराष्ट्रिय हवाईसेवाको भुक्तानी, QR/HUB कारोबार) तथा लगानीहरूको विवरण अनुमोदन गर्ने र भविष्यमा हुने यस्तै नियमित प्रकृतीका कारोबारहरू स्वीकृत गर्न सञ्चालक समितिलाई अख्तियारी प्रदान गर्ने ।

#### ख) विशेष प्रस्ताव

१) सञ्चालक समितिले प्रस्ताव गरे बमोजिम आ.व. २०८१।८२ को लेखापरिक्षक प्रतिवेदनको आधारमा कम्पनीको खुद नाफा तथा जगेडा कोषबाट हालको चुक्ता पूँजीको ३१.५८ प्रतिशतले हुन आउने जम्मा रु. १२,००,००,०००।- (अक्षरूपी: बाह्र करोड मात्र) रकमको बोनस शेयर जारी गर्ने ।

२) कम्पनीको अधिकृत पूँजी रु १,००,००,००,०००.०० (अक्षरूपी एक अर्ब रुपैयाँ मात्र ), जारी तथा चुक्ता पूँजी रु ५०,००,००,०००.०० (अक्षरूपी पचास करोड रुपैयाँ मात्र ) पूँजी वृद्धि गरी कम्पनीको प्रबन्धपत्रको दफा ६ (क), (ख) र (ग) तथा नियामवलीको नियम ३५ संशोधन गर्ने ।

३) माथि प्रस्ताव गरिए अनुसार प्रबन्धपत्र र नियमावलीमा संशोधन गर्ने लगायत सोसँग सम्बन्धित कार्यहरू स्वीकृतिका क्रममा नेपाल राष्ट्र बैंक, कम्पनी रजिष्ट्रारको कार्यालय लगायतका नियमनकारी निकायहरूबाट कुनै विषय, शर्तहरू लगायतमा संशोधन/फेरबदल गर्न निर्देशन प्राप्त भएमा आवश्यकता अनुसार थपघट, परिमार्जन, संशोधन, भाषागत लगायतका अन्य सुधार समेत गर्नका लागि सञ्चालक समितिलाई अख्तियारी दिने ।

#### ग) विविध ।

सञ्चालक समितिको आज्ञाले  
कम्पनी सचिव

#### विशेष नोट:

१. सभामा भाग लिन र मतदान गर्नको लागि प्रतिनिधि नियुक्त गर्न चाहने शेयरधनीहरूले कार्यालय समयको साभ ६.०० बजे, २३ मङ्सिर २०८२ सम्ममा कम्पनीको रजिष्टर्ड कार्यालय प्रतिनिधि नियुक्त (प्रोक्सी) सम्बन्धि फाराम दर्ता गरिसक्नुपर्नेछ । प्रतिनिधि नियुक्त गर्दा कम्पनीको शेयरधनी बाहेक अन्य व्यक्तिलाई नियुक्त गर्न पाइनेछैन ।
२. विविध शिर्षक अर्न्तगत छलफल गर्न इच्छुक शेयरधनीले सभा हुनुभन्दा दुई दिन अगावै कार्यालय समय भित्र छलफलको विषय कम्पनी सचिव माफत सञ्चालक समितिका अध्यक्षलाई सम्बोधन गरी कम्पनीको रजिष्टर्ड कार्यालय आइपुग्ने गरी लिखित रूपमा पठाउनु पर्नेछ । त्यस्तो विषय कम्पनीसंग सम्बन्धित औचित्य हेरी छलफलका लागि समावेश गरिनेछ ।
३. लाभांस तथा कम्पनीको १३औँ वार्षिक साधारण सभामा भाग लिने प्रयोजनको लागि मिति २०८२ मङ्सिर १२ गते (२८ नोवेम्बर २०२५) शुक्रबार कम्पनीको शेयर दाखिल खारेज दर्ता बन्द गरिनेछ । शेयरधनी दर्ता पुस्तिका बन्द भएको मिति २०८२ मङ्सिर १२ गते (२८ नोवेम्बर २०२५) भन्दा अघिल्लो दिन २०८२ मङ्सिर ११ गते (२७ नोवेम्बर २०२५) बिहिवारसम्म शेयर बाँडफाँड भई कम्पनीको शेयरधनी दर्ता किताबमा कायम शेयरधनीहरू सभामा भाग लिन, छलफल गर्न मतदान गर्न र लाभांस प्राप्त गर्न योग्य हुनेछन् ।



अनुसूची- २७

(दफा ७१ को उपदफा (३) सँग सम्बन्धित)

साधारण सभामा मतदान गर्न आफ्नो प्रतिनिधि नियुक्त गर्ने निवेदनको ढाँचा

श्री सञ्चालक समिति  
इसेवा लिमिटेड कम्पनी,  
पुलचोक, ललितपुर ।

**विषय : प्रतिनिधि नियुक्त गरेको बारे ।**

..... जिल्ला ..... न.पा./गा.वि.स., वडा नं. .... बस्ने म/हामी ..... ले त्यस कम्पनीको शेयरधनीको हैसियतले संवत् २० ..... साल .....  
महिना ..... गते ..... का दिन हुने वार्षिक/विशेष साधारण सभामा म/हामी स्वयम् उपस्थित भई छलफल तथा निर्णयमा सहभागी हुन नसक्ने भएकाले उक्त सभामा मेरो/हाम्रो तर्फबाट भाग  
लिन तथा मतदान गर्नका लागि ..... जिल्ला ..... न.पा./गा.वि.स., वडा नं. .... बस्ने श्री ..... लाई मेरो/हाम्रो प्रतिनिधि नियुक्त गरी पठाएको छु/पठाएका छौं ।

प्रतिनिधि नियुक्त भएको व्यक्तिको,-  
हस्ताक्षरको नमूना :  
शेयरधनी भए शेयरप्रमाणपत्र नं. :  
शेयरधनी नभए नागरिकताको प्रमाणपत्र नं. :

मिति :

**निवेदक**

दस्तखत :

नाम :

ठेगाना :

शेयर प्रमाणपत्र नं. :

शेयर संख्या :



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# General Overview

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# Who We Are

**Founded in 2009, eSewa is South Asia's and Nepal's first leading Payment Service Provider (PSP), licensed by Nepal Rastra Bank under the Payment and Settlement Act.**

From the beginning, we set out with a mission to make financial services simple, secure, and accessible for all. Over the years, this vision has brought us together with more than 10.8 million users worldwide, supported by a network of 280,000+ authorized representative, 560,000+ merchants, and partnerships with over 49 banks and financial institutions. Today, one-third of Nepal's population trusts us, and we remain committed to serving their everyday digital transactions from mobile top-ups and utility payments to travel, insurance, government services, and beyond. But our journey is about more than transactions. It is about inclusion, empowerment, and progress that reaches everyone.



With 450+ dedicated professionals and 11 branches and contact offices across the country, we continue working together with local communities to expand the reach of digital services. Together, we are promoting financial literacy, strengthening trust, and opening doors for individuals and businesses to lead together for our country's transition towards a fully digital economy.

We stand for a future where every person, regardless of location, background, or circumstance, has access to the financial resources they need to move forward in this digital world. We stand for a digital ecosystem built on reliability, security, and shared opportunities. Above all, we stand with one another.

This is who we are: moving forward, uplifting communities, and building Nepal's digital future.

## Our Brand Promise

सब . सधे . सँगे .

Everyone.

Always.

Together.



## Mission

To provide secured and simplified digital financial solutions.

## Vision

To foster a trusted digital financial ecosystem that empowers generations.

## Core Purpose

Democratizing financial services to bring every individual and entity to mainstream economy for inclusive growth.

सर्व.  
सर्व.  
सर्व.

# Our History & Progress



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## 2009

Launched eSewa

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## 2012

Started Agent Network

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## 2017

Received official license as a Payment Service Provider (PSP) from Nepal Rastra Bank

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## 2010

Launched Mobile Application

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## 2013

Awarded Best Technology Innovation Award by Ministry of Information & Technology

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## 2018

Reached 500k App Downloads

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## 2021

Reached 5 million  
App Downloads

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## 2023

Reached 8 million customers  
Expanded to 220k Agent Network  
Expanded to 350k Merchants

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## 2025

Surpassed 10.8 million eSewa users  
Expanded to 285k+ AR Network  
Expanded to 560k+ Merchants

Best Managed IT Company of  
Nepal at the 9th NewBiz Conclave  
Business Excellence Award 2025

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## 2022

Reached 5.6 million customers  
Expanded to 150k Agent Network  
Expanded to 200k Merchants

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## 2024

Reached 10 million customers  
Expanded to 252k Agent Network  
Expanded to 425k Merchants

# Our Stakeholders



# 2081/82 Highlights

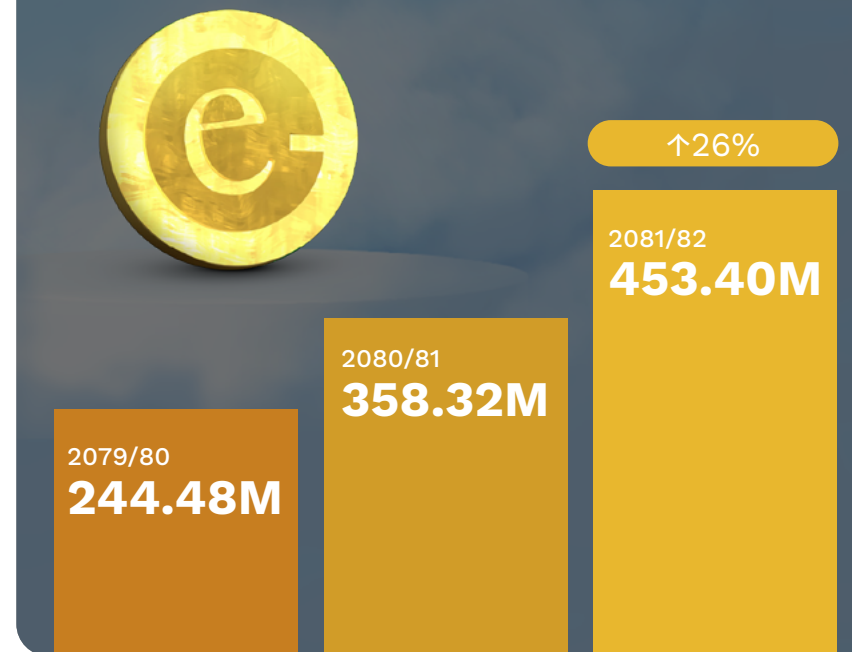
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## Revenue



## Net Profit

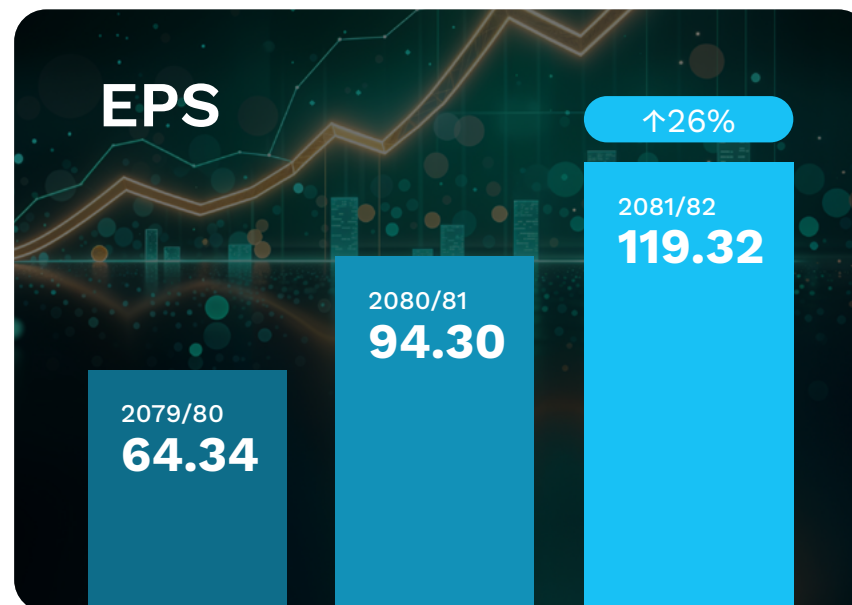


## Return on Equity

**53.45%**



## EPS



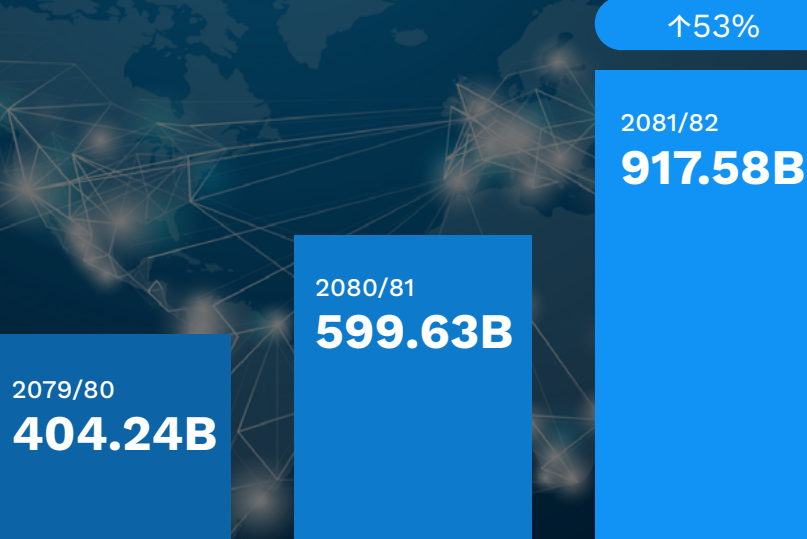
## Number of Users



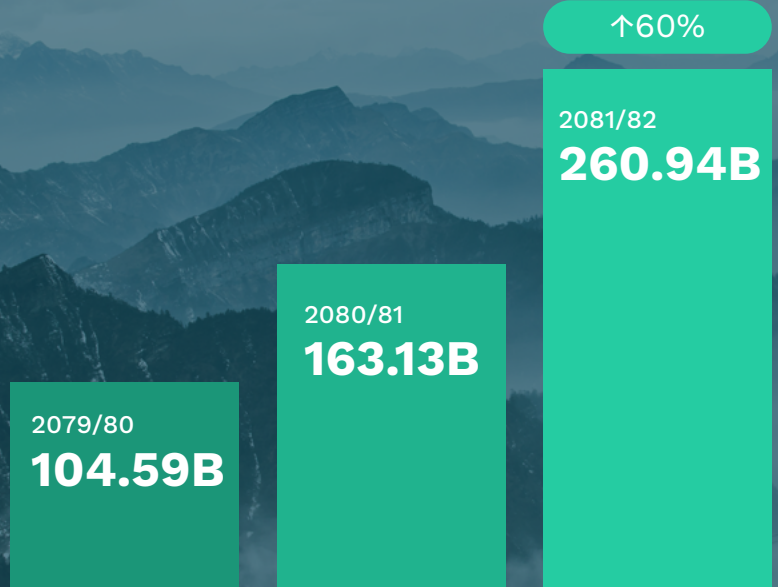
## Highest Load in a Year



## Annual Transaction Volume

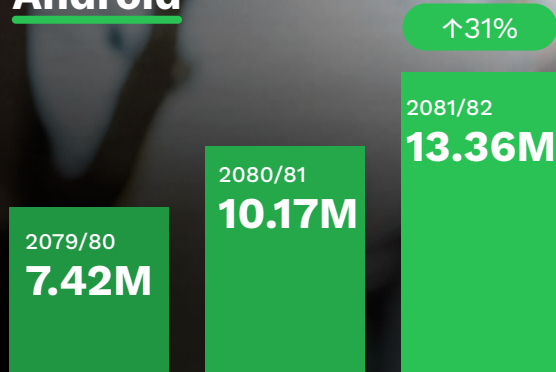


## Annual GMV

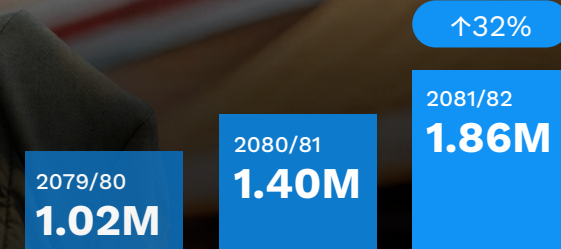


# App Downloads

## Android

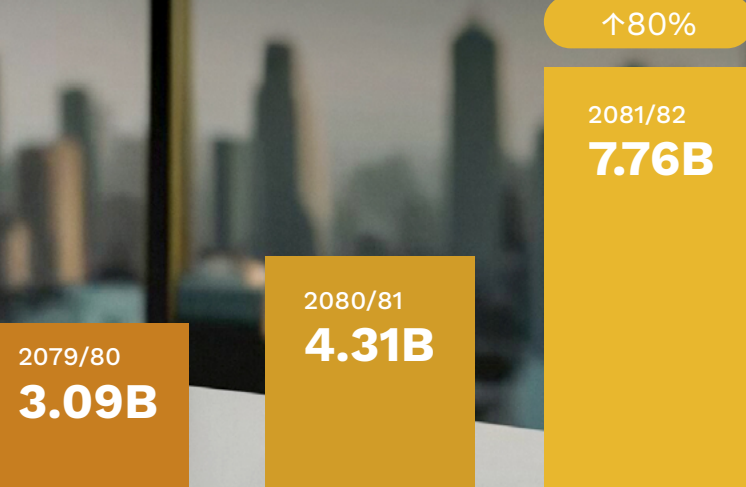


## iOS



**15.22M**  
Total Downloads

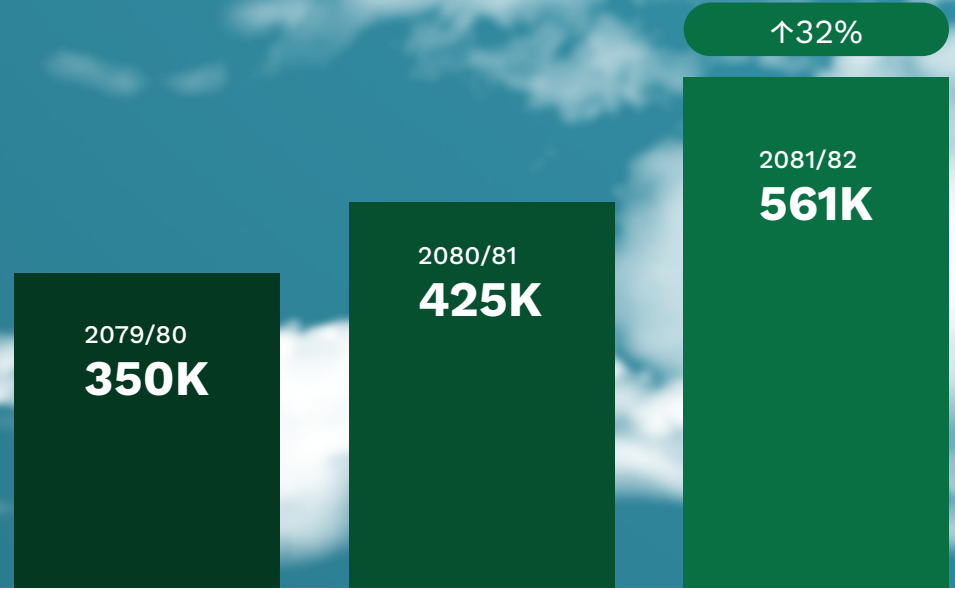
# Customer Wallet Balance



# Total No. of Authorized Representative



# Merchants



# Message from the Chairperson

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**Parshuram Kunwar Chhetri**  
Chairperson

## Overview

It is my privilege to present the Annual Report for the fiscal year 2081/82, a year that has been marked by significant growth, innovation, and resilience. The company has made significant strides in strengthening financial performance, driving operational growth, and reinforcing its governance framework. These accomplishments reflect our team's commitment, the resilience of our platform, and the continued confidence of our valued stakeholders.

## Strengthening Financial Performance and Resilience

During the fiscal year, our company delivered strong financial performance, marked by a revenue growth of 26.04%. This momentum reflects the strength of our diversified portfolio and our focus on enhancing value across our ecosystem. Supported by disciplined financial management and operational efficiency, we continued to build a solid foundation for sustainable, long-term growth and stakeholder value.

## Expanding Reach and Accessibility

This year, we continued to extend our digital reach across the country, ensuring that more individuals and communities can access the services they need. As we expanded our presence, we were reminded of the real impact digital access can have helping people participate more confidently in the evolving digital economy. Our commitment to financial inclusion and nationwide accessibility remains central to our purpose, and we will keep working to build a more connected and digitally empowered Nepal.

## Prioritizing Risk Management and Governance

Recognizing the increasing complexity of the financial ecosystem, we have further strengthened our Risk and Compliance Framework, reinforced our transaction monitoring capabilities, and enhanced our overall cyber and operational resilience.

Our zero-tolerance stance on regulatory non-compliance remains at the core of how we operate. We adhere strictly to all regulatory requirements, embedding strong compliance principles across our processes to ensure a secure, transparent, and trusted environment for all stakeholders. Robust internal and external audits have continued to elevate our governance standards and ensure full alignment with NRB directives and national regulatory expectations.





## **Forward-Looking Innovation and Commitment**

As we look to the future, our focus is firmly set on driving meaningful innovation that adds value to the everyday lives of our users. We remain committed to strengthening our technology and services so that eSewa continues to lead Nepal's digital journey with reliability and trust. With a dedicated team and a clear vision, we are prepared to embrace new opportunities and deliver solutions that support the growth of individuals, businesses, and the nation.

## **Poised for Sustainable Growth**

In line with the UN Sustainable Development Goals, we've steadily woven ESG practices into our daily operations. Whether it's encouraging paperless transactions, supporting education, or helping local entrepreneurs, each step reflects our commitment to doing business responsibly. These efforts are part of our long-term belief that growth should be sustainable and include everyone.

## **Acknowledgments**

I express heartfelt gratitude to our shareholders, customers, agents, merchants, regulators, employees and partners for their unwavering trust and support. Together, we have built a resilient organization that is financially strong, technologically advanced, and socially responsible.

With clear strategic direction, robust governance, and an unyielding commitment to innovation, we are confident that the coming year will bring even greater opportunities for growth and value creation.

# Letter from the CEO

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## Introduction: A Year of Purposeful Progress

Fiscal Year 2081/82 was a year where ambition met disciplined execution at eSewa. We asked ourselves how to expand financial access responsibly, empower users and merchants alike, and build technology that anticipates and protects. The answers emerged not only from strategic planning but from listening - listening to our users, merchants, field teams, and internal experts. Guided by our brand promise, “सबै . साथै . सँगै .”, we ensured that growth remained meaningful, benefiting customers, authorized representative, merchants, and teams alike. Over the past year, we achieved remarkable growth while laying strong foundations for the next phase of Nepal’s digital economy.

## Growth and Financial Impact

The numbers reflect deliberate, sustained progress. Our registered user base grew from 9 million to over 10.8 million, highlighting the increasing adoption of digital financial services across Nepal. Revenue rose from NPR 16.97 billion to NPR 21.40 billion, demonstrating operational scalability while maintaining trust and reliability. Customer balances increased from NPR 4.31 billion to NPR 7.76 billion, a clear indicator of deepening engagement and confidence in our ecosystem.

This growth was complemented by our disciplined expansion in digital lending. The flagship product, EasyLoan, launched on August 8, 2024, successfully disbursed NPR 315 million in retail loans to our authorized representative base by the end of the fiscal year. These loans support authorized representative in managing daily business operations efficiently and mark the first step toward more advanced lending products, including professional loans, Buy Now Pay Later (BNPL), and Virtual Credit Cards, which we are gradually rolling out.



## Innovation in Personal Finance and Wealth-Building

Our commitment to financial empowerment extends beyond transactional services. Finance360, our Personal Finance Management feature, offers a comprehensive view of income, expenses, and budgets. Users can categorize multiple income sources, manually track off-platform expenses, and compare actual expenditures against planned budgets. This one-stop solution promotes financial literacy, empowers users to make informed decisions, and reinforces eSewa's role as a partner in everyday financial life.

We also introduced avenues for long-term wealth creation. The SIP – Kumari Sunaulo Lagani Yojana allows users to register and manage SIPs directly through the eSewa app, fostering disciplined investment habits. During the festive season, Holi Care insurance was launched, providing short-term coverage for as little as NPR 10 for one week, with over 10,000 policies sold.

## Operational Excellence and Technological Advancements

This year, we strengthened our operational backbone through advanced automation and intelligent systems. Robotic Process Automation now handles repetitive manual tasks, particularly transaction status verification, allowing real-time issue resolution and significantly enhancing operational efficiency.

To ensure system stability amidst inter-module dependencies, we developed a high-priority circuit breaker to manage service-to-service communication.

A thread-pool mechanism for merchants further enhanced reliability during onboarding and high-transaction periods. Our technological infrastructure includes a nine-node, multi-data center Cassandra cluster, and a robust Big Data framework for data lakes and warehouses, enabling scalable, fault-tolerant operations. Analytics platforms like Power BI and Apache Superset empower teams to make data-driven decisions, responding intelligently to emerging opportunities and challenges.

## Customer Experience, Security, and Inclusion

Customer experience remains central to eSewa's mission. Our KYC and onboarding processes were modernized with AI/ML-driven preliminary verification, reducing onboarding from 24 hours to just two while maintaining global compliance standards.

Security was further strengthened by restricting screen captures on sensitive pages, enhancing backend fraud detection, and refining authentication pathways. Our virtual assistant, eVA, was upgraded to integrate live human support, ensuring faster, more accurate resolution for complex queries.

To promote inclusivity, we launched a fully supported Nepali-language interface and implemented thoughtful UI enhancements that reduce cognitive load. Cross-channel feedback mechanisms including in-app surveys, social listening, and call-based insights resulted in an NPS of 65% and CSAT of 85%, demonstrating strong alignment between user expectations and service delivery.

## Merchant Support and Market Engagement

Merchants are critical to eSewa's ecosystem. This year, we strengthened dedicated support channels, ensuring faster, specialized assistance from teams well-versed in settlement, integration, and operational processes. Technical enhancements, including thread-based load management, prevented system delays during peak periods.

Through the eSewa at Market initiative, our leadership visited marketplaces, engaging directly with QR merchants to understand challenges and service gaps firsthand. Insights gathered informed actionable improvements that enhanced merchant experience and adoption, reinforcing eSewa as a reliable business partner across Nepal.



## Investing in Talent and Future-Ready Skills

We continued to nurture talent through structured learning and exposure. The Career Climber with eSewa program engaged students from sixteen educational institutions, offering mentorship and hands-on experience. Student teams worked on real-world projects, applied their learning, and showcased outcomes to senior management. Top-performing teams received recognition, rewards, and trainee opportunities within eSewa.

Multiple intern cohorts also contributed fresh perspectives throughout the fiscal year. Within the organization, a growth mindset culture was embedded through leadership workshops, training programs, and employee recognition initiatives. Holistic well-being programs covering physical, mental, financial, and social health, ensure our teams are motivated, supported, and empowered to deliver exceptional service.

## Sustainability and ESG Commitment

Throughout our operations, sustainability and ESG principles guided decision-making. From digital solutions reducing paper usage and energy optimization in data centers, to financial inclusion initiatives reaching underserved populations, eSewa integrates social and environmental responsibility with business growth. We are committed to leveraging technology to deliver lasting positive impact while fostering inclusive economic participation across Nepal.

## Lifestyle and Convenience Services

To cater to evolving user needs, we shifted our focus more on services such as online hotel booking and international airline ticketing, transforming eSewa from a financial tool into a platform that supports modern lifestyles, convenience, and seamless travel experiences.

## Looking Ahead: Strategic Roadmap for FY 2082/83

As we look to the future, eSewa remains committed to disciplined innovation and service excellence. Investments will continue in AI-enabled operations, scalable support infrastructures, and evidence-based enhancements across all customer touchpoints. Lending, PFM, insurance, and investment products will be further expanded, while merchant engagement and support will remain a strategic focus. Our guiding principle is unwavering: to serve every Nepali with integrity, reliability, and accessible financial empowerment, making eSewa a trusted companion for every household and business.

## Closing Reflection

Fiscal Year 2081/82 exemplified how disciplined growth, technological innovation, and human-centered initiatives converge to create a trusted, reliable, and transformative financial ecosystem. I extend my heartfelt gratitude to our customers, agents, merchants, partners, Board, and teams for their dedication. Together, we move forward—“सबै. सधैँ. सँगै.”



# Letter from CSO





## Overview

We are on a mission to democratize financial services and bring every individual and business into Nepal's mainstream digital economy. Our focus remains clear: build secure, simplified, and accessible financial solutions while strengthening the digital ecosystem that will empower generations.

FY 2081/82 was a defining year for eSewa. We strengthened our core infrastructure, expanded our product ecosystem, and advanced our long-term ambition of becoming Nepal's most trusted and widely adopted digital financial platform. None of this would have been possible without the dedication of our team, the support of our partners, and the trust of millions of users. I extend my sincere appreciation to everyone who contributed to this progress.

## Expanding Customer Adoption & Engagement

We continued to experience strong traction across our user and merchant base. eSewa solidified its position as Nepal's leading digital financial platform, with more users choosing us for their daily financial needs. Engagement deepened across key segments, driven by improvements in product experience, reliability, and trust.

Transaction volumes continued to rise, supported by stronger uptime, faster processing, and improved fraud prevention. More customers kept balances within the platform, adopted new services, and used eSewa more frequently across their everyday journeys, from bills and household utilities to education, remittances, and lending.

Our growth reflects a disciplined focus on developing intuitive, reliable, and high-quality products that simplify financial life. Customer feedback remained positive across digital channels, and our organic adoption strengthened through word-of-mouth, reinforcing eSewa's position as the preferred digital wallet across Nepal.

## Strengthening Our Position as a Primary Financial Platform

We made meaningful progress in positioning eSewa as a core financial hub for individuals and families. This year, we expanded our lending offerings, automated more credit decisioning processes, and improved repayment journeys. Similarly, government, utility, and education payments saw accelerated adoption as we deepened integration coverage.

We strengthened platform reliability through upgraded processing infrastructure, advanced fraud intelligence, and improved dispute resolution. These efforts enhanced user confidence and supported the broader transition toward digital financial behavior in Nepal.

We also expanded our internal governance frameworks and introduced structured OGSM-based planning and aligned our teams around clearer cross-functional targets. This helped improve execution speed, predictability, and overall organizational efficiency.

## eSewa as an Enabling Platform for Business Expansion

In FY 2081/82, we began a pivotal transformation - evolving eSewa into a platform where businesses of any size can launch, distribute, and scale with ease. By integrating eSewa, businesses could instantly reach Nepal's largest digital customer base, reduce customer acquisition costs, and benefit from built-in trust and discovery.

This transformation is shaping Nepal's next-generation digital marketplace. By bringing distribution, engagement, payments, and trust into one ecosystem, we are enabling SMEs, startups, and enterprises to grow faster, operate smarter, and scale with ease. We are no longer just supporting merchants; we are building the launch platform that propels businesses forward.

## Merchant Empowerment: Moving Beyond QR Payments

This year, we made meaningful progress in elevating our merchant strategy, shifting from simple payment acceptance to comprehensive business enablement. Our goal is to equip merchants with the digital tools and financial capabilities they need to operate more efficiently, manage with greater confidence, and scale sustainably. Looking ahead to FY 2082/83, our roadmap introduces data-driven SME credit and working capital solutions, unified offline–online payment capabilities, and the rollout of an affordable, flexible Soundbox offering to enhance real-time payment confirmation. Together, these initiatives position eSewa as the operating system for Nepal's SMEs, laying a scalable foundation for long-term growth and competitiveness.

## Expanding the Financial Ecosystem

We will accelerate our evolution into a comprehensive digital financial platform, introducing a range of products designed to deepen engagement and broaden financial inclusion. Our roadmap includes micro-savings, wealth-building, and micro-insurance solutions; enhanced wallet-first remittance experiences; an AI-powered Personal Finance Assistant; and dedicated wallet features that support multi-generation financial management. These initiatives will not only enrich the user experience but also bring more individuals into Nepal's formal financial ecosystem.

## Scaling Merchant & SME Digitization

We aim to expand our merchant ecosystem through enhanced tools, deeper integrations, and improved onboarding pathways, enabling businesses to operate smarter, grow faster, and gain better access to financial products.



## Strengthening Our Nationwide Operational Backbone

With regional branches and contact offices already established across Nepal, our focus now is on elevating these hubs into centers of faster, more reliable, and locally attuned service. By enhancing their capabilities and deepening regional engagement, we ensure that eSewa's physical presence remains a strong pillar of trust, accessibility, and seamless nationwide support.

## Reinforcing Trust, Governance & Infrastructure

We will continue strengthening the core foundations of our platform by investing in advanced distributed architectures, AI-driven fraud detection, enhanced cybersecurity, and robust data governance frameworks. Alongside these efforts, we remain committed to ESG-aligned digital sustainability initiatives that support responsible and resilient growth. Trust is the cornerstone of our long-term success, and these investments ensure we maintain the security, stability, and integrity our users rely on.

## Looking Ahead

Our strategy is guided by a core conviction: financial access is a fundamental right, and digital inclusion is the pathway to national progress. We are not merely building products; we are constructing the digital infrastructure that will shape Nepal's economic transformation for years to come. Our role continues to expand, moving beyond payments into investment, lending, remittances, SME enablement, and now a full-scale platform for business distribution. We remain confident in our roadmap, disciplined in our execution, and committed to creating long-term value for our users, partners, and investors.

# Our Business Model and Strategy

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eSewa's strategy is centered on trust, technology, and transformation. By integrating payments, savings, lending, insurance, and investments into one seamless platform, we aim to become Nepal's most trusted and inclusive financial ecosystem, simplifying money for everyone, everywhere.

To fulfill our mission of making every financial interaction simple, secure, and accessible for every Nepali, we focus on five strategic pillars that guide our growth and innovation journey:

- Becoming the primary digital financial platform for every Nepali.
- Designing best-in-class digital financial products tailored to diverse customer needs.
- Strengthening trust, reliability, and security across our platform.
- Driving profitable and sustainable growth through ecosystem expansion.
- Scaling beyond borders to serve Nepali diaspora and emerging markets.



# Primary Financial Services Platform

**Our goal is to make eSewa the first choice for managing money from payments to savings, lending, insurance, and investments.**

## Retail Customers

We aim to deepen engagement by:

- Encouraging users to adopt eSewa as their primary wallet for investment, insurance, and savings.
- Introducing localized financial tools like micro-savings, EMI management, remittance, and automated bill payment.
- Expanding credit offerings such as easyloan, BNPL, micro-loan, and salary loan.
- Launching investment products in collaboration with partner institutions.
- Enhancing our travel and lifestyle services; hotels, flights, insurance, and more to make eSewa a true everyday financial companion.

## Business Customers

For merchants and SMEs, we aim to:

- Provide comprehensive digital payment and management tools, from QR and soundbox to invoicing and settlement.
- Introduce merchant credit, payroll solutions, and expense management tools tailored for growing businesses.
- Enable the Mini-App model to support merchant campaigns, loyalty programs, and analytics.
- Strengthen B2B payment solutions for institutions, schools, cooperatives, and local governments.





# Best-in-Class Digital Products

We design for simplicity, personalization, and inclusivity, making digital finance accessible and enjoyable for all.

## Our Focus Areas

We prioritize seamless user experiences, personalized financial insights, and a unified digital ecosystem. By combining intuitive UI, smart recommendations, and consistent performance, we aim to empower users to manage their finances effortlessly across every touchpoint.

## Product Expansion Roadmap

Looking ahead, our roadmap includes launching an AI-powered personal finance assistant, expanding cross-border remittance corridors for migrant workers, and introducing micro-savings and auto-investment features. We are also building an open API and Mini-App ecosystem to enable developers and partners to create even more value for our users.

# Security, Trust & Reliability

Trust is our core value and greatest asset. We continue to enhance security, compliance, and customer confidence through AI-driven fraud detection, user-controlled security features like biometric locks and custom limits, and a fully ISO 27001:2022 and PCI-DSS standard infrastructure. With strong data localization, redundancy, and an active-active data center, we ensure resilience at every level. Our 24/7 multilingual support combining automation with human assistance delivers fast and reliable resolutions for all users.



# Profitable & Sustainable Growth

We remain focused on sustainable profitability powered by innovation, strategic partnerships, and intelligent use of data.

## Growth Levers

Trust is our core value and greatest asset. We continue to enhance security, compliance, and customer confidence through AI-driven fraud detection, user-controlled security features like biometric locks and custom limits, and a fully ISO 27001:2022 and PCI-DSS standard infrastructure. With strong data localization, redundancy, and an active-active data center, we ensure resilience at every level. Our 24/7 multilingual support combining automation with human assistance delivers fast and reliable resolutions for all users.

## Profit Focus

At the same time, we maintain a strong focus on profitability by increasing transaction volume and frequency, optimizing partner costs and revenue-sharing models, and diversifying income through lending, investments, and cross-border services.

# Global Expansion

With over 10.8 million users and deep market penetration in Nepal, our next frontier is regional expansion, connecting Nepal's financial ecosystem to the world.

## International Roadmap

- **Nepali Diaspora Services:** Enabling remittance-linked wallets for Nepalis in UAE, Qatar, Australia, and India.
- **Cross-border Partnerships:** Collaborations with payment networks and financial institutions for instant transfers and top-ups.
- **Regional Collaboration:** Joint fintech ventures in South Asia to export eSewa's technology and model.

# Fueling Our Strategy

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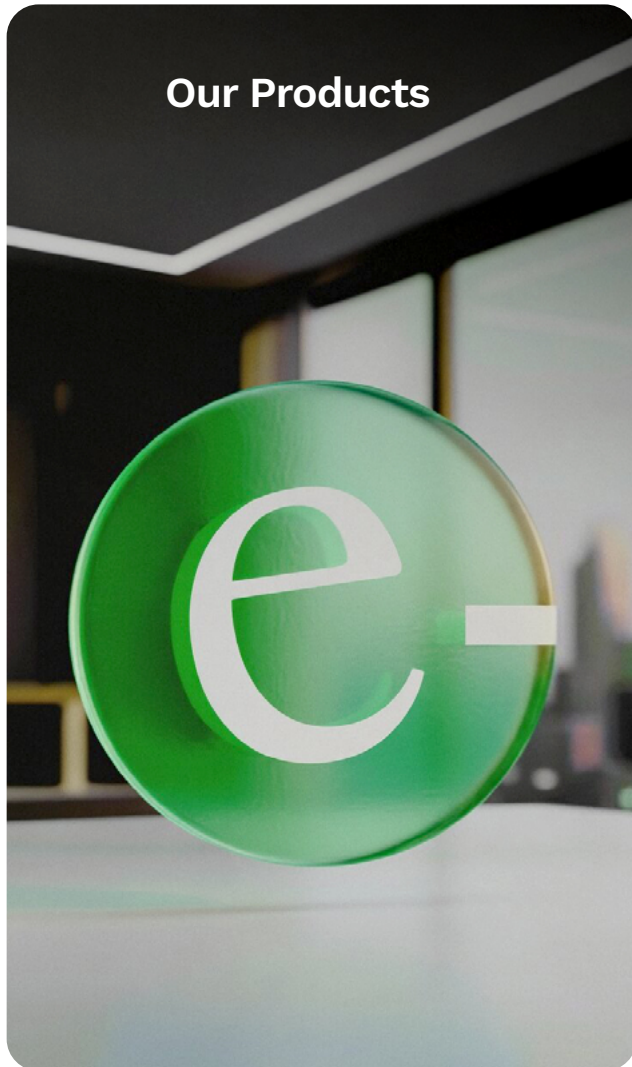
# Growth Engine: The Three Pillars

At eSewa, growth is not just measured in numbers, it's measured in impact. Guided by our brand promise “सबै . सधैँ . सँगै .”, we have built an ecosystem that brings digital finance within reach of every Nepali. Our journey has been defined by innovation, trust, and inclusion.

From enabling a shopkeeper in a remote town to receive QR payments to helping families connect through instant remittances, eSewa has grown to become more than a digital wallet, it is a platform of possibilities.

Our growth is rooted in three pillars - our products, our platforms, and our culture. Together, they form the foundation upon which we continue to innovate, serve, and empower.

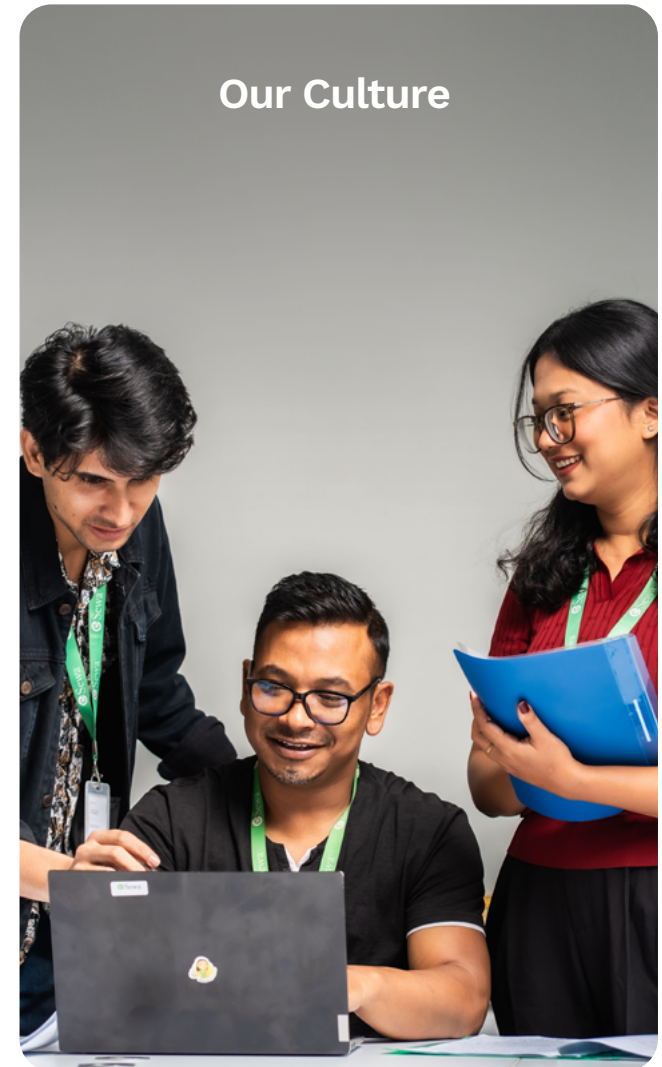
## Our Products



## Our Platforms



## Our Culture



# Our Products

Our products are designed with one simple purpose - to make life easier, faster, and more connected for every Nepali. From sending money and paying bills to accessing financial and lifestyle services, eSewa brings the entire digital economy into one trusted platform. With each feature, we reimagine how people experience convenience, powered by innovation, built on trust, and inspired by the needs of everyday life.



# Bridging Distances Digitally – Our Omnichannel Payment Network

At eSewa, we believe money moves more than value - it moves lives. We help families support loved ones across districts, enable small merchants to receive instant payments, and empower businesses to disburse salaries nationwide. Our network supports every form of money movement, including peer-to-peer wallet transfers, linked bank payments, QR transactions, and corporate bulk disbursements. Users can move funds across wallets, banks, and merchants, load their wallets via cards or agent cash points, or pay through web checkout on e-commerce platforms. All transactions are secured with bank-grade protection, processed in real time, and strengthened by deep integration with major banks, payment networks, and global remittance partners.

## Utility & Bill Payments

What began as a simple way to digitize mobile top-ups and electricity bills has grown into one of Nepal's most comprehensive digital payment ecosystems. As of 2082, we connect an extensive network of service providers, including NEA counters, water supply (Khanepani) offices, internet service providers, community electricity entities, waste management services, and educational institutions. The platform also supports seamless payments for more than 25+ government services including the widely used traffic fine payment along with e-commerce and digital service integrations.

To make daily life even easier, eSewa lets users schedule recurring payments for regular bills such as electricity and internet, with reminders and auto-payment options that help them stay on track effortlessly.

NEA Counter

120+

Community Electricity

75+

Governmental Institution

25+

Waste Management

8

Khanepani Counters

(Along with Community)

600+

Educational Institution

4500+



## Lifestyle Services

Beyond payments, eSewa has grown into a lifestyle platform that connects users to experiences, entertainment, and everyday conveniences in a single app. From travel and entertainment to health and dining, it offers seamless digital access to services that enrich how people live, move, and enjoy their day. Users can plan journeys, book tickets, reserve stays, and take part in cultural and social events with ease. Through integrations with Nepal's leading airlines, hotels, healthcare providers, and entertainment networks, eSewa continues to elevate convenience for a digitally connected generation. Whether exploring new destinations or attending national events, users can enjoy life's moments with the simplicity and trust of eSewa.

# Our Lifestyle Offerings

Category	Description
Domestic Airlines	Book flights instantly across major domestic carriers
International Airlines	Reserve flights with leading global carriers
Bus Ticket Booking	Reserve intercity and long-route bus tickets nationwide with secure digital payments
Hotels (OTA)	Discover and book hotels directly through eSewa's integrated partners
Movies (25+ Theatres Nationwide)	Purchase movie tickets across leading cinema chains with instant confirmation
Cable Cars (4 Major Networks)	Book cable car tickets seamlessly for popular destinations and attractions
Voting (Reality Shows)	Participate in national reality show voting through eSewa, engaging millions of viewers digitally
Events	Official ticketing partner for major events and concerts from Sonu Nigam, 1974 AD to Ghulam Ali and other nationwide acts
Healthcare (25+ Hospitals & Major Labs)	Schedule doctor appointments or lab tests at partner hospitals and diagnostic centers
Travel & Dining Experiences	Explore curated travel packages, dining offers, and lifestyle promotions through exclusive partner programs

# Financial Services

eSewa goes beyond payments to provide a suite of financial services that empower users to manage, protect, and grow their wealth all within the same trusted platform. From simplifying routine financial obligations to offering innovative insurance and investment solutions, our ecosystem brings financial inclusion and convenience to millions of Individual. By integrating technology, data, and partnerships, eSewa makes everyday financial decisions seamless, secure, and accessible.



## Protecting Your Colorful Moments



Holi Care

Coverage up to  
Rs. 2,30,000 at just Rs. 10

Over 10,000 Policies Sold



# Our Financial Services Offerings

## Financial Payments & Renewals

eSewa offers a wide range of financial payment services that make managing day-to-day obligations effortless. Users can pay all major brokers, settle Meroshare and Demat fees, clear credit card dues from more than twenty banks and financial institutions, and complete EMI payments for leading hire-purchase companies. The platform also supports quick and secure payments for over forty microfinance institutions, ensuring that financial commitments are handled with ease and reliability.

## Insurance

Our insurance offerings are designed to give users convenient access to essential protection. Users can easily pay and renew premiums for life and non-life insurance, vehicle insurance renewal, and access protection plans directly within the app. eSewa Care offers affordable accidental and hospitalization coverage, while eSewa Life Care provides broader protection including life, critical illness, accidental, and funeral benefits. Travel, health, and property insurance are also available for added convenience.

## Digital Lending

To support the growth of our authorized representative network, eSewa provides easyloan, a digital lending solution that provides instant working capital support through pre-eligibility checks based on KYC and transaction history, allowing quick access to credit and smooth operations.

## Micro Investment

eSewa empowers users to grow their financial future through accessible micro-investment options. With digital mutual funds and SIPs, users can start investing with simple steps and set up recurring contributions that build disciplined savings habits.

## Finance 360

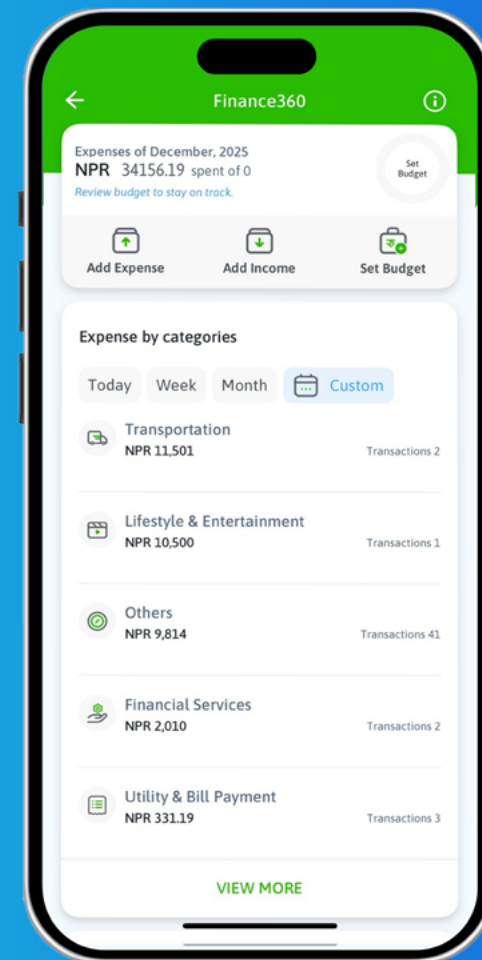
Empowering users to take control of their finances is central to our mission. eSewa's Personal Finance Management tools make it easy to track spending, analyze transactions, and plan smarter. With intuitive dashboards and clear, actionable insights, users gain transparency and confidence in their financial decisions, helping them improve their everyday financial wellbeing.

## Business Products

eSewa empowers merchants, SMEs, and institutions with simple yet powerful digital tools. Merchants can accept payments instantly through the eSewa Business QR for offline transactions and via Web Checkout/Payment Gateway for online payments. Our eSpeaker delivers real-time audio notifications for every QR transaction, ensuring clear and immediate payment visibility.

The Mini App platform allows businesses to offer seamless, integrated service experiences within eSewa. With Unified Bill Payment System integration, eSewa expands its services across multiple enterprise segments by enabling API-based aggregation for utilities, government payments, and other essential services.

Together, these offerings position eSewa as Nepal's leading digital payment network, connecting millions of users with a vast and diverse merchant ecosystem.





# Product Development & Expansion

## Retail Growth

As of 2025, eSewa has continued expanding its product depth, focusing on personal finance, micro-savings, and credit innovation.

Key developments include:

- **Micro-Savings & Auto-Invest:** Seamless saving options with interest and investment-linked returns.
- **EasyLoan 2.0:** Instant credit expansion through partner bank and Foneloan collaboration.
- **AI-Powered multi-generation wallet:** Intelligent alerts, spending insights, and personalized recommendations.
- **Remittance-Linked Wallets:** Enabling direct fund transfers from abroad into eSewa wallet.
- **Travel & Lifestyle Services:** Unified access to flight, hotel, and insurance products.

## Merchant & SME Growth

Our focus on enabling digital-first business management has led to several innovations:

- **Merchant Dashboard 2.0:** Analytics, credit access, and campaign management.
- **QR Soundbox & Offline Payments:** Simplifying rural merchant adoption.
- **Loyalty & Cashback Engine:** Custom campaigns to drive repeat customer engagement.
- **eSewa for Business API Suite:** Enabling developers and partners to integrate payment and data tools.

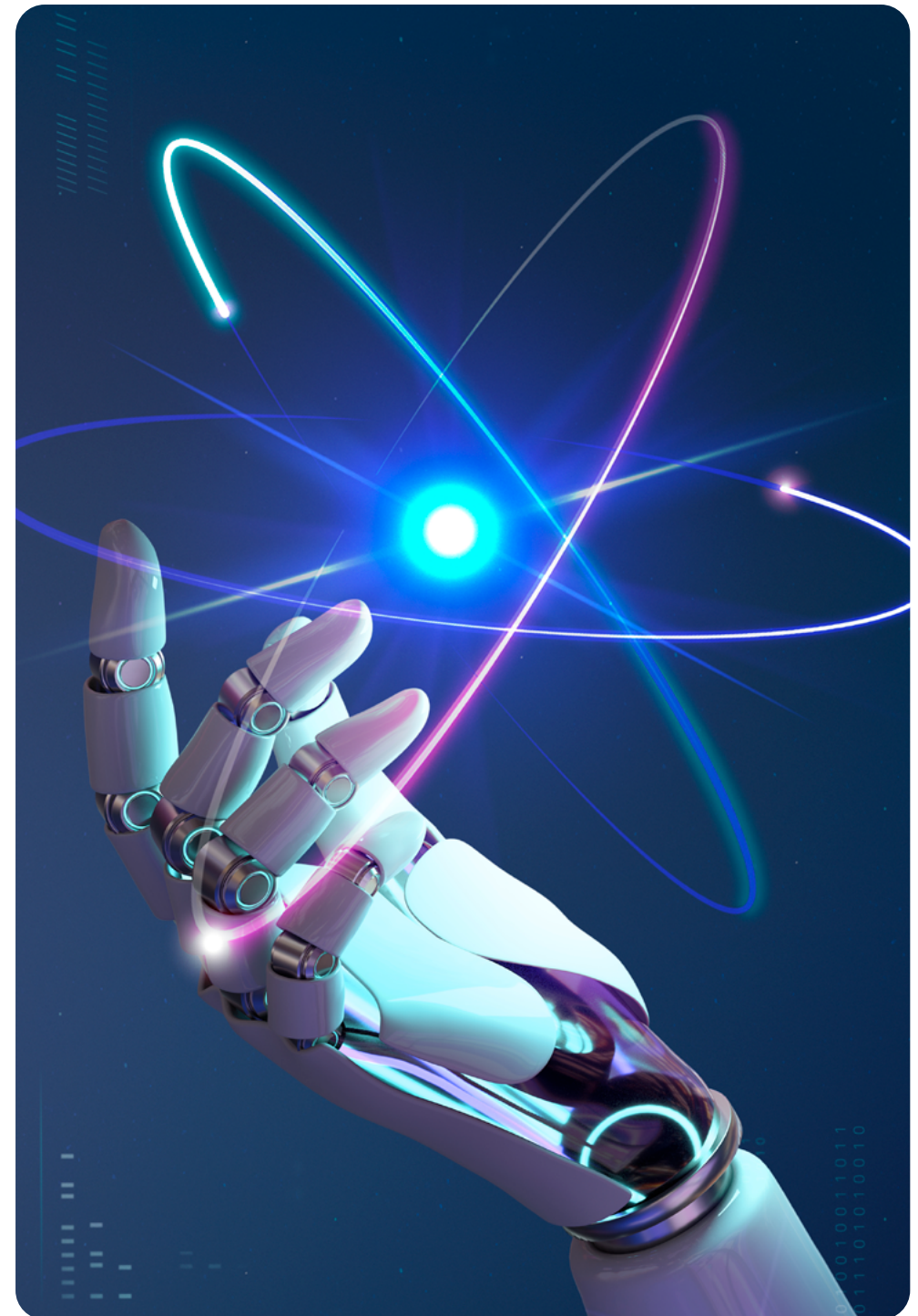
## Innovation Highlights

- **Instant Savings:** Partner bank collaboration for deposit-linked saving features directly in the wallet.
- **Auto Bill Pay:** Automated recurring bill payments and reminders for utilities and EMI.
- **SmartPay Scheduler:** Salary-based fund sorting into savings, EMI, and expenses.
- **eSIM Top-up & Travel:** Integration of eSIM and roaming data packs for travelers.
- **Cross-border Corridor:** Pilot programs enabling Nepali workers abroad to directly send money to eSewa wallets.

## Building Toward the Future

Our journey continues from being Nepal's first digital wallet to becoming Nepal's primary digital financial platform. Each new service from micro-savings to AI-driven financial insights brings us closer to our mission:

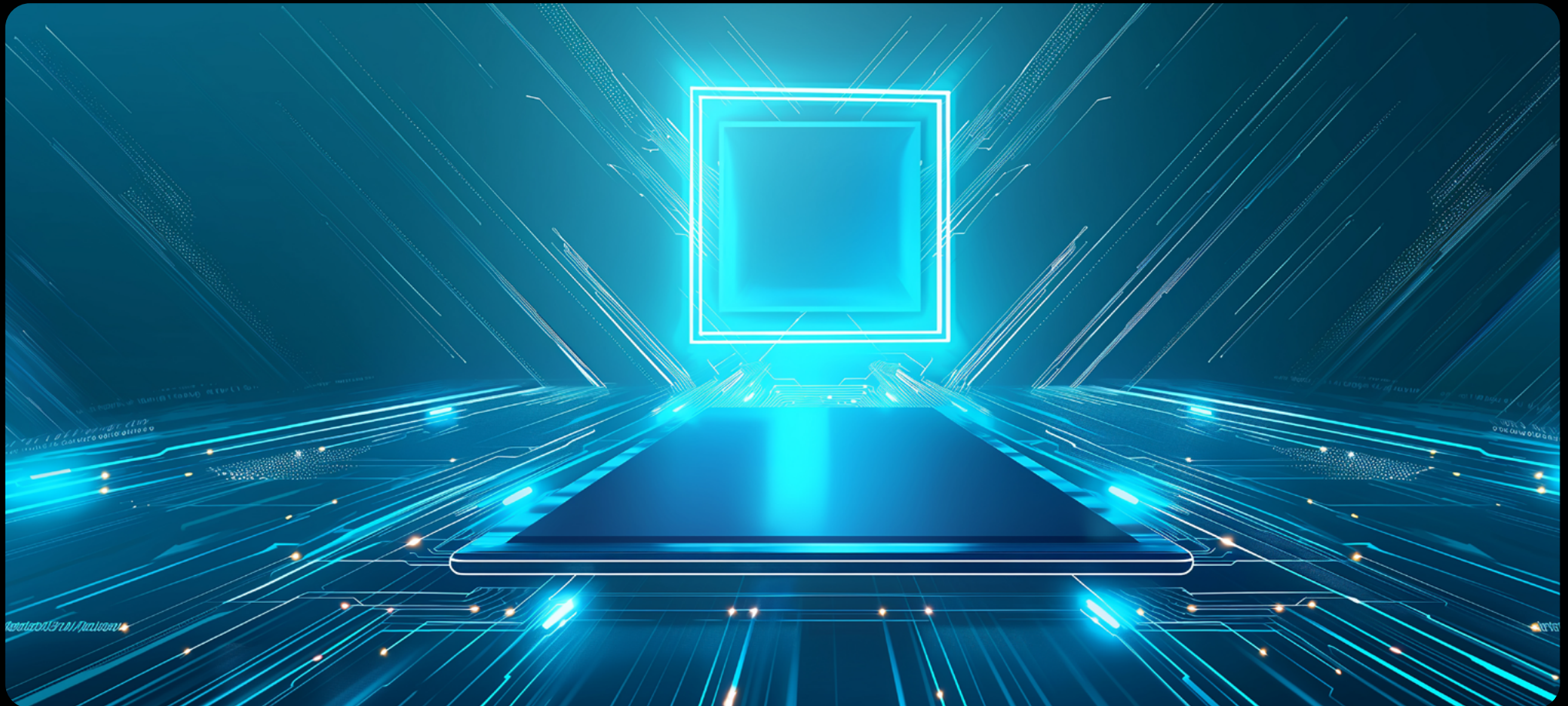
**To foster a trusted digital financial ecosystem that empowers generations.**



# Our Platforms

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From the beginning, eSewa has believed in building core systems in-house, strengthened by trusted partner integrations across Nepal and beyond. This “Nepal-built, Nepal-scale, future-ready” approach allows us to design platforms that understand local needs while maintaining global standards in security, compliance, and performance. Our internal systems spanning onboarding, payments, risk, analytics, and customer experience are the foundation on which millions of individuals transact every day with confidence. While these platforms operate behind the scenes, they power the stability, speed, and convenience our customers experience on the surface. Below are the pillars that shaped our progress this year.



# Smart Onboarding & Identity Platform

Our in-house KYC and onboarding engine ensures users enter the ecosystem securely and seamlessly. Built with OCR, liveness detection, and risk-based profiling, the platform supports real-time identity verification while complying with national regulations. This enables safer access for customers across Nepal, including first-time digital users.



## Payments Infrastructure

We operate on a highly resilient and always-available payments infrastructure built around a real-time ledger, scalable backend systems, and multi-layer redundancy to ensure uninterrupted service. Our secure API platform, advanced protection mechanisms, and continuous monitoring keep every transaction fast, stable, and safe. We also maintain an omnichannel communication engine that delivers timely, consistent updates across all customer touchpoints for a smooth payment experience.

# Security, Fraud & Risk Management

As digital transactions grow, so does our responsibility to protect them. Our security architecture combines robust processes with modern technologies, supported by ML-driven anomaly detection, continuous transaction monitoring, and strong device-level protections. Integrated risk-management tools ensure compliance with regulatory requirements, creating a safe environment for customers, merchants, and partners.



# Customer Experience Platform

Our Customer Experience Platform embodies our promise of - सबै . सधैँ . सँगैँ .

We operate 24/7 omnichannel support across call centers, in-app chatbot, e-mail, ticketing, and instant-messaging channels (including Viber, WhatsApp, and others), ensuring help is always within reach. Our intelligent virtual assistant, eVA (eSewa Virtual Assistant), delivers quick, accurate, and intuitive self-service, while our skilled human representatives collaborate seamlessly to resolve more complex or sensitive cases. Working hand in hand, this combined system allows us to maintain a consistently high-quality support experience across millions of monthly interactions.





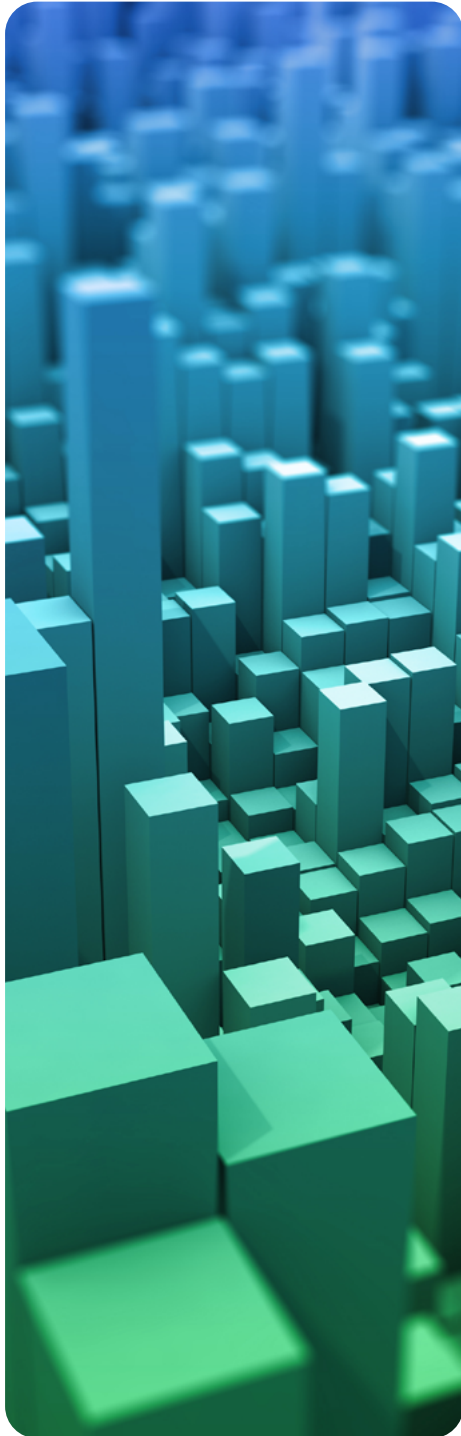
## Authorised Representative (AR) Platform

Nepal's unique geography requires hybrid digital-physical access. Our nationwide network of Authorised Representatives acts as a vital distribution layer for our core eSewa services, enabling customers to transact even in the most remote areas. ARs facilitate cash-in, cash-out, utilities and bill payments on behalf of customers, and assist in onboarding both users and merchants ensuring reliable, on-the-ground access to the full value of our digital wallet ecosystem.



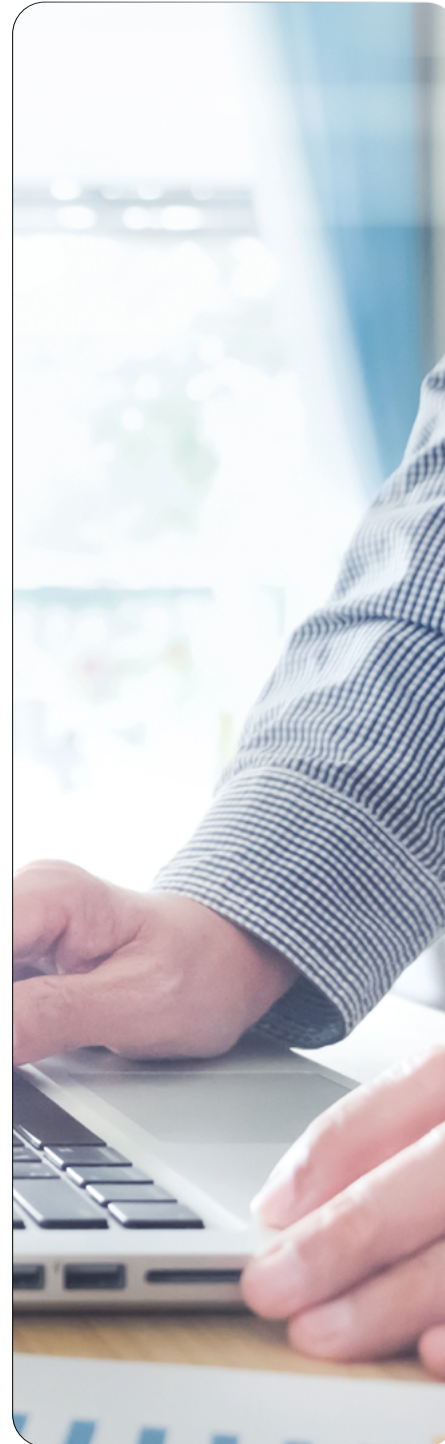
## Data, Insights & Intelligence

Our Data, Insights & Intelligence layer enables us to convert real-time transactional and operational signals into clear, actionable decisions. We use these insights to strengthen product design, optimize user experiences, and enhance the security and resilience of our payment ecosystem. By understanding patterns across our network, we can drive more inclusive, reliable, and efficient financial services without ever compromising individual customer privacy.



## Engineering & Architecture

eSewa's technology is built on a hybrid architecture that supports scalability, availability, and rapid iteration. An API-first, microservices-based approach enables faster development cycles and modular growth. Our platform also supports Mini App integration, allowing partners to build lightweight services within eSewa and extend the utility of the wallet across sectors.



## Compliance, Governance & Certifications

We maintain rigorous compliance frameworks aligned with NRB guidelines and international standards. Data governance, consumer protection, audit readiness, and strong operational controls remain central to our platform design. eSewa is ISO 27001:2022 certified, which further validates our commitment to maintaining the highest standards of security and reliability.

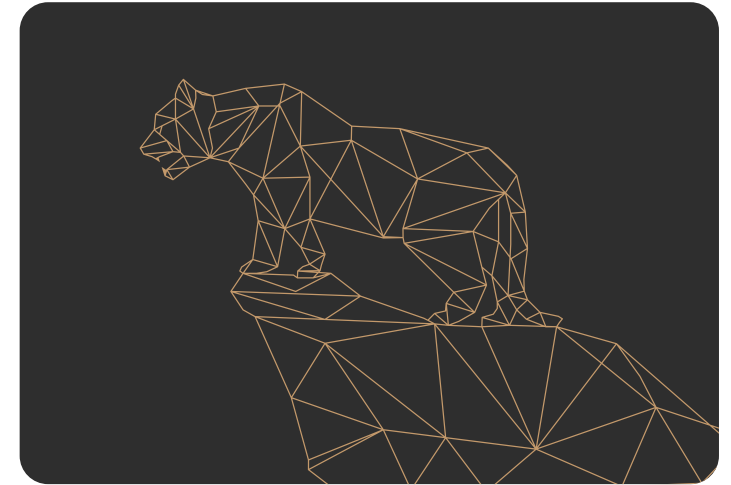
# Our Culture

At eSewa, our people are the driving force behind our innovation and impact. Every milestone we achieve is powered by a young, dynamic, and passionate team that embodies our core values, TIGER on a CLIFF: Trust, Integrity, Grit, Empathy, and Respect, grounded in a culture of Collaboration, Learning, Innovation, Fairness, and Fun.

Together, we continue shaping a workplace where every individual feels empowered to grow, contribute, and lead with purpose.



# TIGER ON A CLIFF



## CORE VALUES

We start with  
**Trust**

We are committed to honesty and reliability in all our relationships to ensure that we trust each other and our customers trust us.

We are driven by  
**Integrity**

We are guided by the highest moral and ethical standards and take full responsibility of our actions while caring deeply about the outcomes.

We work with  
**Grit**

We strive for excellence and remain focused and resilient to overcome all challenges even when faced with adversity.

We embrace  
**Empathy**

We put ourselves in the shoes of others to understand their feelings and perspectives to create an environment for human-centric relationships and customer-centric innovations.

We stand for  
**Respect**

We recognize that every individual is unique and treat everyone with dignity regardless of gender, class, opinion or creed.

## CULTURE PILLARS

A culture of  
**Collaboration**

Individuals work collectively towards a greater common goal by sharing knowledge, ideas and resources with mutual *Trust* for one another.

A culture of  
**Learning**

*Gritty* individuals and teams embrace each challenge and setback as an opportunity to adapt, re-strategize and grow.

A culture of  
**Innovation**

Everyone is focused on creating leading-edge solutions based on *Empathy* by putting customers at the core of everything.

A culture which is  
**Fair**

Individuals demonstrate *Integrity* to participate in interactions and decisions that are impartial, unprejudiced and unbiased.

A culture which is  
**Fun**

Individuals feel valued and treat each other with *Respect* to nurture a vibrant and inclusive workplace with an enjoyable experience.

## Learning and Growth

**400+** employees trained



**78** employees participated in 16 international conferences and learning programs



**60** learning sessions in a year

## Wellbeing and Engagement

**Health Strides**  
A walking challenge

**Hiking**  
initiatives

**eSewa Playfinity**  
An annual sports tournament

**Mental wellbeing**  
programs

**Weekly sponsored**  
sports activities

**Biannual team lunch**  
& annual team outings

## Transparency and Excellence



# Celebrating Excellence at eSewa

## Star Performer of the Year



Rabindra Pokhrel  
(In-charge – Butwal Branch)  
Star Performer of the year (Non-tech)



Gyalbu Sherpa  
(Software Engineer, Engineering)  
Star Performer of the year (Tech)



Aavish Bajracharya  
Software Engineer (eSewa Travels and Tours)  
Star Performer of the Year

## Brilliant Beginner



Raul Shrestha  
(Ticketing Assistant-eSewa Travels and Tours)  
Brilliant Beginner



Sushmita Lama  
(Operation Officer)  
Brilliant Beginner



Abinash Sharma  
(QA Engineer, Engineering)  
Brilliant Beginner

## Silent Soldier & Customer Delight Champion



Rabin Shrestha  
Sr. BD Officer (eSewa Travels and Tours)  
Silent Soldier



Roshani Dhaugoda  
(Business Development Officer)  
Silent Soldier



Sabina Kumari Thapa Magar  
(Customer Service Representative)  
Customer Delight Champion



Pranita Pathak  
Woman of Inspiration  
Award 2025



Rojesh Shrestha  
TIGER Award on the 21st anniversary of  
F1Soft Group



eSewa 16th Anniversary Cake-Cutting Ceremony by  
our Chairman, Parshuram Kunwar Chhetri.



## Learning and Growth

At eSewa, we foster a strong culture of continuous learning, an integral part of our cultural pillars. During the year, we delivered over 60 learning programs, spanning internal, external, and international platforms, engaging employees across departments and levels. To ensure global exposure, 78 employees participated in 16 different international conferences and learning programs. Marking a significant milestone, our CEO, Mr. Jagdish Khadka, represented eSewa as a speaker at the prestigious Asia Money 20/20 conference in Bangkok.

Through these initiatives, we successfully trained over 400 employees within the year, strengthening both individual capabilities and organizational performance.



## Nurturing Wellbeing & Team Spirit

We continue to strengthen our culture of collaboration and wellbeing through diverse initiatives that bring employees together beyond their daily roles while supporting both physical and mental health. Our Health Strides month-long walking challenge and seasonal hiking programs promote active lifestyles, while weekly futsal and cricket sessions encourage fitness and friendly competition. We also proudly launched our first-ever annual sports tournament, eSewa Playfinity, featuring futsal, cricket, sprints, and relay races to foster teamwork and cross-team bonding. Alongside physical wellness, we prioritize mental wellbeing through stress management sessions, regular check-ins, and mindfulness activities. To enhance collaboration, we organize annual team outings, biannual team lunches, and departmental engagement programs under our broader Team Engagement and Collaboration Program, strengthening communication, teamwork, and community across eSewa.

To help new employees feel connected from day one, we introduced Coffee with Corporate—an informal conversation space with our leadership team. This initiative fosters early belonging by giving new members a relaxed environment to share perspectives, ask questions, and build meaningful relationships that strengthen their confidence and engagement within eSewa.



## Building a Culture of Shared Purpose

In FY 2081/82, we continued strengthening a culture of clarity, accountability, and shared purpose. Through the OGSM (Objectives, Goals, Strategies, and Measures) framework and competency mapping, employees were able to align personal goals with organizational priorities, ensuring that everyone moved forward with a common direction. This structure enhanced transparency, improved role clarity, and helped teams measure progress more effectively. To reinforce leadership excellence, we also introduced the Leadership Alignment and Accountability Review (LAAR), fostering stronger goal ownership, constructive feedback, and a unified leadership mindset.

Our quarterly virtual townhall remained an essential platform for openness and connection. By bringing every team member together regardless of their location, we ensured that everyone stayed informed, engaged, and aligned with the organization's vision. These sessions create a space where achievements are celebrated, questions are welcomed, and shared understanding strengthens trust across the company.



## Support That Grows With You

We strive to ensure that our employees feel valued, supported, and rewarded through a comprehensive range of benefits that address both their professional and personal needs. Our offerings include lunch and fuel facilities, a Vehicle Ownership Program for both two-wheelers and four-wheelers, maternity and paternity leave, festival allowances, company bonuses, and enrollment in the Social Security Fund (SSF).

To support key life milestones, we also provide marriage allowances, parenthood gifts, and inclusive holidays (Type 2 holidays) that respect diverse cultural and personal needs. Additionally, forced leave provisions are implemented to encourage rest, work-life balance, and long-term wellbeing.



## Embedding Customer First in Our DNA

At eSewa, fostering a customer-first mindset and empathy in leadership are central to our work culture. To strengthen these principles, we organized immersive learning experiences for our team leads, enabling them to connect directly with customers and understand their needs, challenges, and expectations.

### One Day at Customer Service Excellence (CSE):

Leads spent a day on the Customer Support floor, handling calls, replying to support tickets, responding to emails, and listening to customer concerns. This hands-on exposure allowed leaders to gain a deeper appreciation of customer perspectives and front-line challenges, reinforcing the importance of empathetic decision-making and service delivery across all functions.

### One Day in the Market:

Leads engaged directly with customers in the market, pitching QR payment solutions, eSpeaker products, and other offerings. By experiencing customer interactions first-hand, leaders gained insights into market realities, customer pain points, and product reception, helping them make informed and customer-focused strategic and operational decisions.





## Celebrating Excellence

Recognizing excellence remained an integral part of how we motivate and celebrate our people. This year, we strengthened our Reward and Recognition Program to honor employees who exemplify our values and deliver outstanding performance. Key awards include the Brilliant Beginner Award, Star Performer Award, Silent Soldier Award, Customer Delight Award, and the TIGER Award, which recognizes the strongest embodiment of our core values. We also celebrate Long Service Recognition, honoring employees with 10 years of dedicated service. These awards were presented during eSewa's 16th Anniversary, reinforcing a strong culture of appreciation and pride.

We further recognize excellence through the Woman of Inspiration Award, celebrated on International Women's Day, honoring a woman employee for exceptional performance, leadership, and impact. To ensure continuous appreciation, we also conduct monthly shoutout programs to recognize unsung heroes who go above and beyond.

At eSewa, we celebrate both professional and personal milestones through Work Anniversary Celebrations, providing special tokens during 2nd, 5th, and 8th year anniversaries, along with recognition for marriage, parenthood, and farewell programs, marking every stage of the employee journey.

## Our Commitment to Young Talents

Reinforcing our commitment to nurturing young talent, we introduced the Career Climber with eSewa program, an experiential learning initiative designed to bridge academic learning with real-world applications. Through this effort, we engaged more than 16 institutions and over 150 students, providing mentorship, exposure, and hands-on learning opportunities.

Several intern cohorts joined us throughout the fiscal year, bringing fresh ideas and enthusiasm that enriched our workplace culture. To further support learning beyond our walls, eSewa experts also visited multiple educational institutions as guest speakers, sharing industry insights and real-world knowledge to inspire and guide aspiring professionals.

## Looking Forward

As we move forward, we remain committed to fostering a workplace that is value-driven, inclusive, and focused on growth. By deepening our investments in leadership, learning, and meaningful engagement, eSewa will continue to nurture an environment where innovation thrives and where our people feel inspired to make a lasting impact.

# Letter from the Finance Head





## Overview

FY 2081/82 marked another significant milestone in our journey to position eSewa as the preferred payment platform for individuals and businesses across the country. Financially, we continued to demonstrate the strength of our business model, delivering solid growth and consistent profitability throughout the year.

## Financial Profile

Our business model continued to deliver strong and steady growth this year, supported by meaningful improvements in profitability. Total revenues reached NPR 21.4 billion, reflecting a 26.04% year-on-year increase, while profit after tax rose to NPR 453.40 million. This improvement in margins was driven by healthy revenue momentum across our ecosystem and our continued focus on disciplined financial management, both in investment decisions and in controlling administrative costs.

We saw positive performance across all major revenue streams, powered by a growing customer base and deeper engagement with our products. Fund Transfer Services remained one of the standout contributors, reaching NPR 520 million, a remarkable 78.53% increase, supported by rising technology penetration and user adoption. Telecommunications revenue grew by 18.39%, reflecting stronger bundled offers and a rapidly expanding digital lifestyle.

Together, these results reinforce eSewa's position as Nepal's leading digital payments business, supported by a broadening ecosystem, trusted user relationships, and a business model that continues to scale responsibly and sustainably.

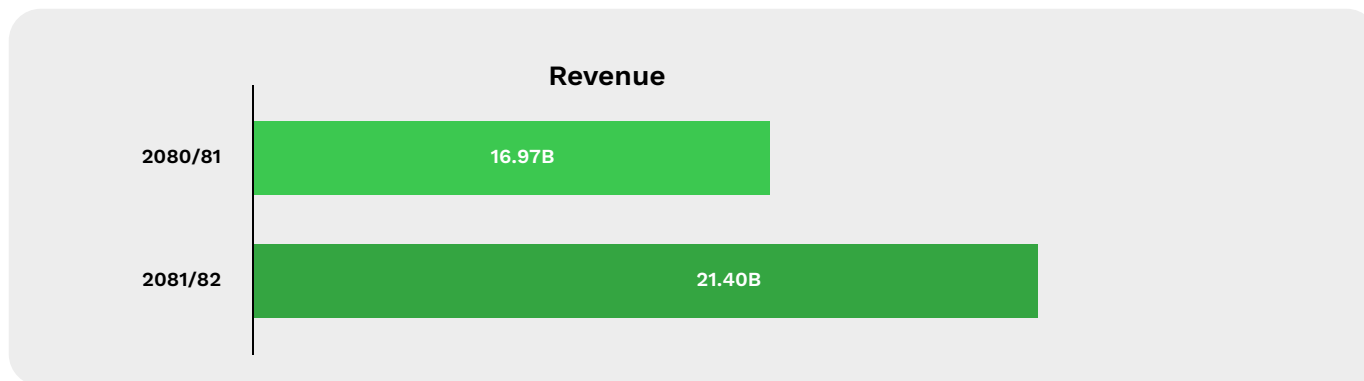
Lifestyle products, alongside Interest Income, continued to be among our largest revenue pillars, posting stable growth of 8.31% and 24.48%, respectively. Revenue from utilities and bill payments also showed strong momentum, surpassing NPR 115 million and contributing roughly 6.50% to our total revenue mix.

## Looking Ahead

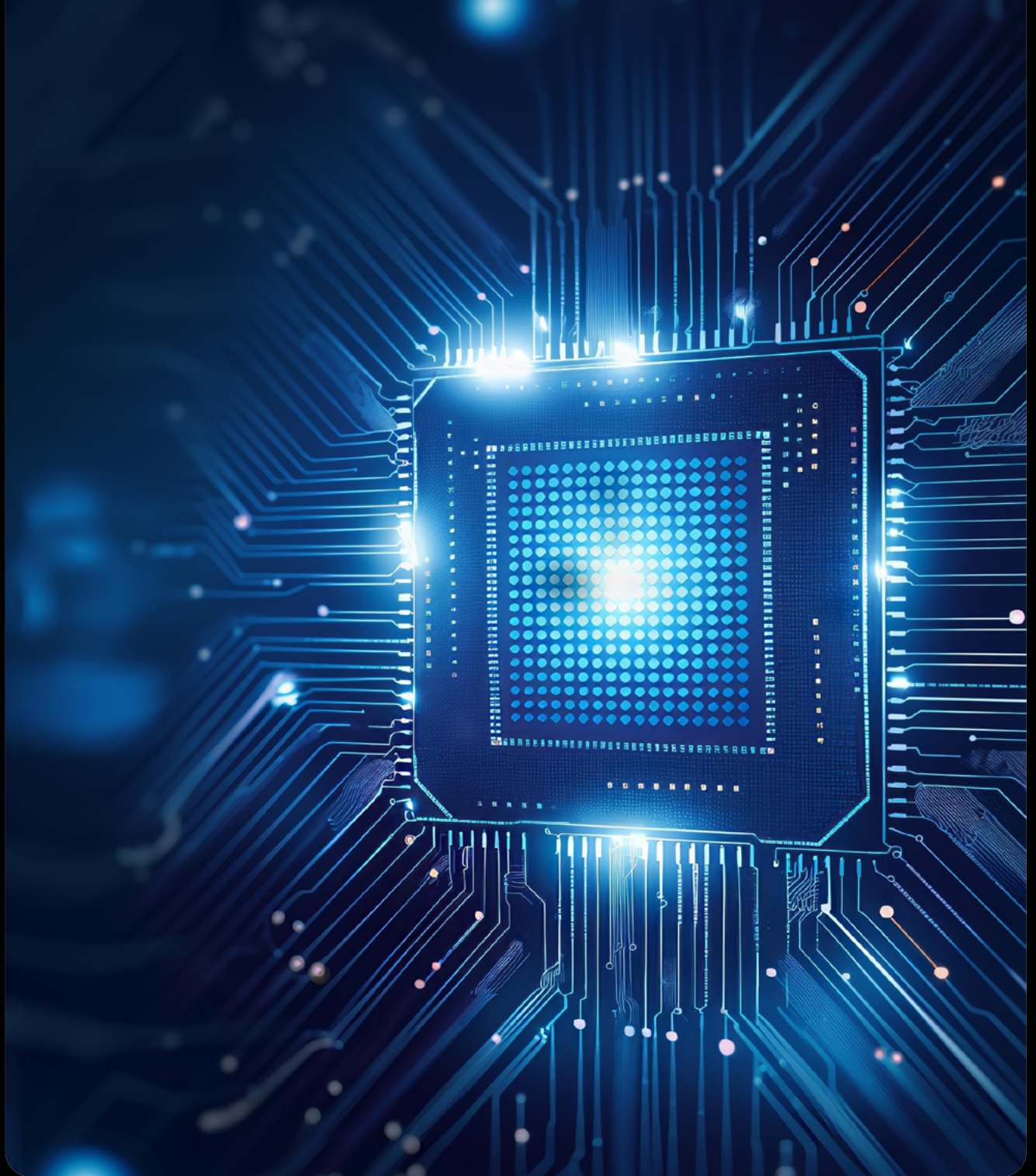
Beyond our business and financial achievements, FY 2081/82 marked a year of transformative milestones that laid a strong foundation for our future strategy. A key advancement this year positions us to broaden our product suite, paving the way for new financial services such as micro-investments, micro-insurance, and micro-lending, further reinforcing our long-term growth agenda.

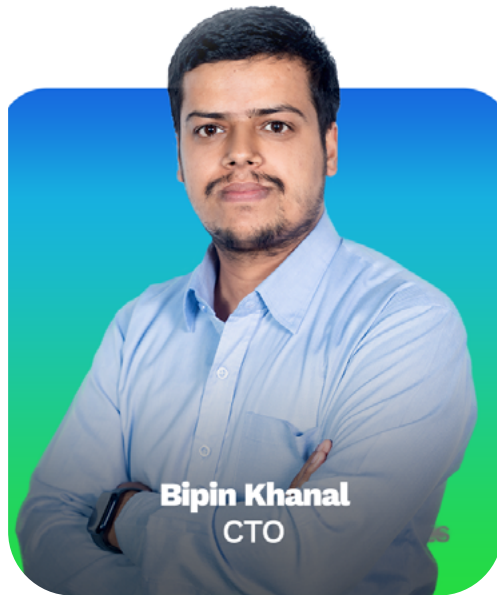
We also launched lifestyle-oriented products aimed at fostering long-term digital habits, encouraging customers to integrate eSewa into their daily routines for both essential and convenience-driven transactions. At the same time, we enhanced our services to promote deeper engagement and meaningful interactions with both merchants and users.

Looking ahead, we will focus on delivering comprehensive financial solutions, evolving beyond a payment platform to a full-service digital finance ecosystem. Additionally, we are committed to providing seamless and convenient access to cross-border services, empowering our customers to transact effortlessly across borders.



# Letter from CTO





## Overview

When I look back at the past fiscal year, I see more than just engineering milestones. I see a team that chose resilience over comfort, innovation over familiarity, and long-term impact over short-term ease. FY 2081/82 was not just another year of “keeping the systems running”; it was the year we rebuilt the foundations of how Nepal’s largest digital wallet operates at scale.

## A Platform Built for Nepal’s Tomorrow

Our journey this year started with a question: What will eSewa need to look like when Nepal’s digital economy is ten times bigger? The answer led us toward distributed systems, deeper automation, and a mindset of building for abundance and not limitations.

This vision inspired us to adopt Apache Cassandra, transforming the way we store and scale financial data. Today, Cassandra powers our most critical services with high throughput, resilience, and zero-downtime scalability. It is the unseen engine that helps millions of transactions run smoothly.

A significant shift this year came with the enhancement of our data center architecture. Previously, we operated on a traditional Primary DC and DR setup designed mainly for backup and recovery. With the introduction of our New Data Center (NDC), we have moved toward a more modern, distributed infrastructure. The NDC has been architected and equipped to support critical services in parallel with our Main DC, strengthening overall resilience, reducing single-site dependency, and enabling more seamless maintenance and performance optimization. This advancement provides a strong foundation for higher reliability, greater scalability, and more efficient load distribution across our platform

## Security: Our First and Last Responsibility

With eSewa touching so many lives every day, customers’ trust is not just a priority; it is the foundation of everything we do. In line with this commitment, this year we undertook our most comprehensive security enhancement to date, further strengthening the safety, reliability, and resilience of our platform.

We transitioned from ISO 27001:2013 to ISO 27001:2022, adopting new global cybersecurity controls. We built:

- An AI-powered Trust Engine
- A fully secure cryptographic vault
- Strong, modern PASETO-based tokenization

And we doubled down on VAPT, hardening our infrastructure, and educating the public about digital safety. Security is a moving target, but we are committed to staying ahead of every threat.

## Innovation With Heart: Built for Real Users

Our biggest product innovations this year were not about adding features, they were about adding value to everyday life. We built a Personalization Engine because no two users behave the same. We launched a Smart Payment Calendar to reduce missed bills and late fees. We created Favourite QR and home-screen widgets to make repeat payments effortless. And with Finance360, we gave users visibility into their spending patterns and financial habits. These features reflect our belief that technology is meaningful only when it makes life easier.

## Building a Larger Ecosystem for Nepal

This year, we unlocked new possibilities through the Mini App Framework, enabling partners to bring services inside eSewa and eSewa Link, a unified identity and checkout solution.

These innovations contributed to elevating eSewa from a mobile wallet to a digital ecosystem, one that can grow, adapt, and evolve with the needs of the country.

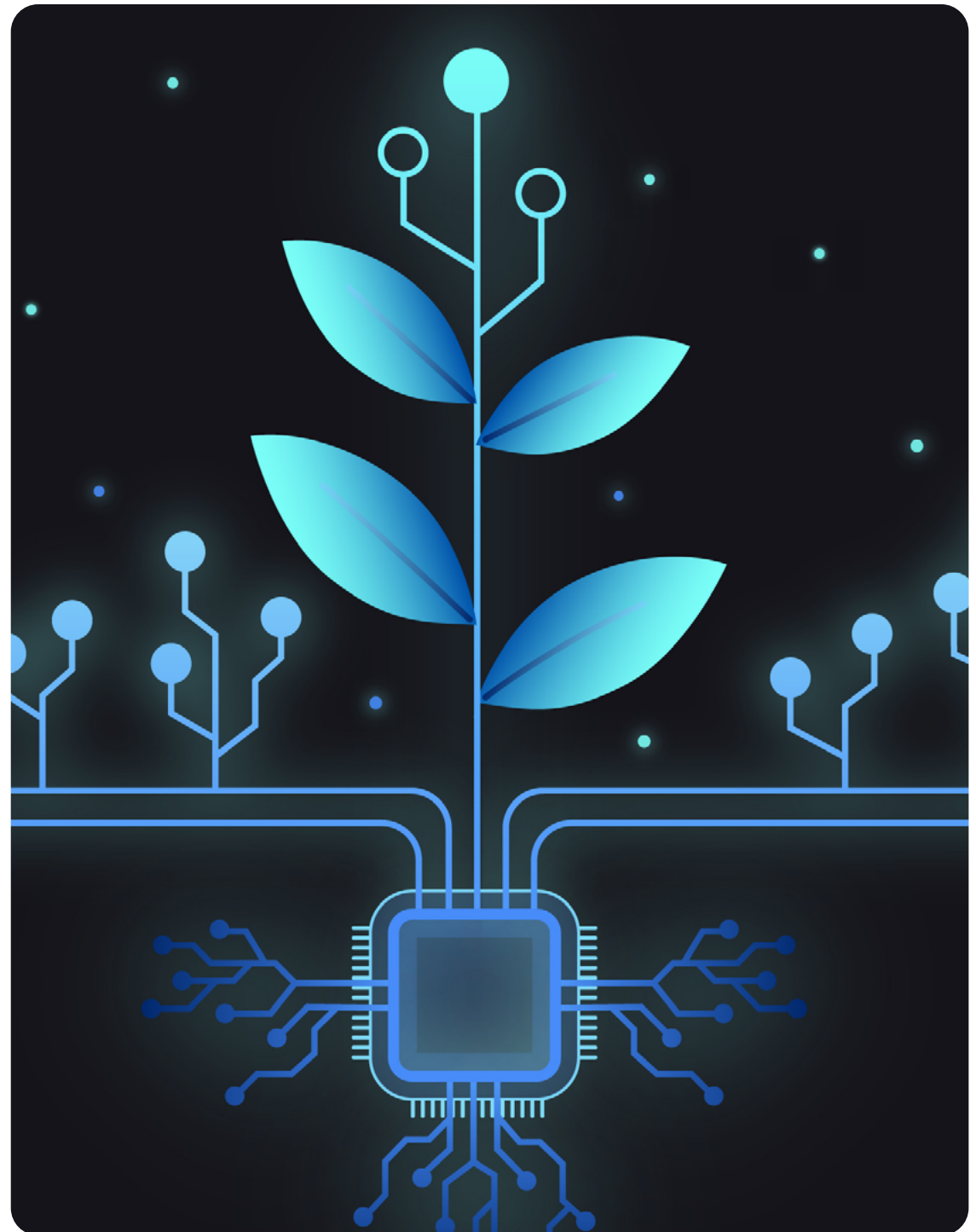
## Culture: The Engine Behind the Technology

A platform is only as strong as the people who build it. Through eSewa Diaries, we created a home for knowledge sharing, documentation, and connected learning. It has improved collaboration and given new engineers a faster, richer onboarding experience.

## Looking Forward

As we prepare for the next chapter, our priorities remain anchored in reliability, security, and innovation. We are building toward a future where digital payments are not just convenient, but an essential part of everyday life for every household and every business.

We remain committed to building safe and secure technology that the nation can truly depend on, to innovating with purpose, and to moving forward together with everyone who believes in our brand promise - “सबै . सधैँ . सँगैँ .”



# Environment, Social & Governance

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## Environment Aspect

As a digital wallet operating at national scale, eSewa naturally contributes to reducing environmental impact by limiting the need for physical cash movement, paper receipts, and in-person services. Still, we recognize that our own operations carry an environmental footprint-and we remain committed to managing it responsibly.

Inside our offices, we emphasize practical sustainability. We segregate waste into biodegradable and non-biodegradable categories, ensure proper handling of electronic waste in line with national standards, and place accessible disposal points across office spaces to encourage responsible habits.

Our services are powered by Nepal's renewable hydropower, giving us a clean foundation for all digital operations. To use this resource responsibly, we focus on efficiency across our technology stack, from optimized cloud usage and server performance management to energy-saving LED lighting throughout our offices.

We also remain mindful of everyday energy consumption. By encouraging small eco-friendly practices among employees and ensuring that devices, lighting, and office utilities are used thoughtfully, we reduce avoidable energy waste and minimize our operational footprint. We continue to explore digitization opportunities internally as well, replacing paper-based workflows with electronic records wherever possible.

By empowering our teams with sustainable practices, continuously improving our internal processes, and adopting greener digital solutions, eSewa is committed to steadily reducing its environmental impact-both as a fintech innovator and as a responsible corporate citizen.

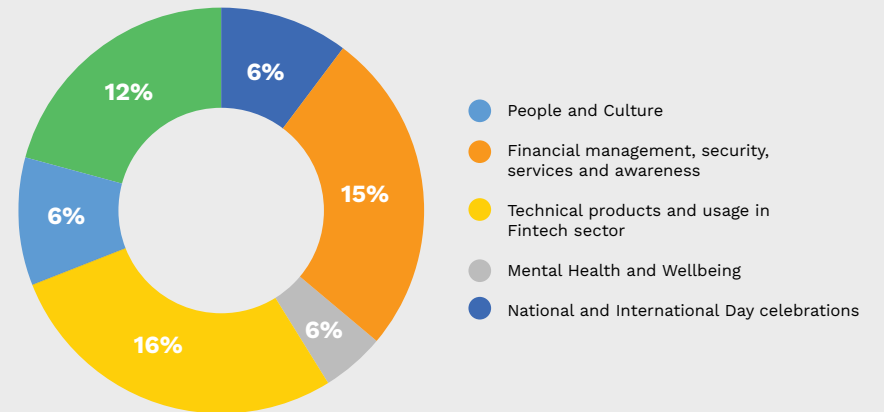


## Social Aspect

A total of 58 different capacity building events were carried out by eSewa. Among the different categories of capacity building events, 16 events were focused on skills in utilizing various technical products and systems for customer-centric service delivery. As part of eSewa's commitment to organizational excellence, 15 targeted events were designed and executed to enhance employee financial literacy, strengthen financial security awareness, and provide accessible financial services. The program focused on enhancing employee capabilities in financial management fundamentals—including personal budgeting, savings strategies, and investment planning—while providing comprehensive insurance literacy covering health, life, and asset protection options. Recognizing the digital-first nature of fintech operations, dedicated sessions addressed ERP system utilization for financial tracking and reporting, alongside rigorous training in regulatory compliance encompassing Nepal Rastra Bank directives, KYC/AML protocols, and data protection standards. Other notable events include celebration of national and international days, capacity building on people & culture aspects, Mental Health and wellbeing along with diverse events covering the capacity of staff, eSewa and customers.



Number and categories of capacity building sessions



**This holistic approach not only strengthened individual financial resilience and security awareness but also reinforced eSewa's organizational culture of responsibility, compliance, and continuous learning. Out of the total 58 events carried, 34% of the representation was from female and rest of 66% were male.**

# Corporate Social Responsibility: Key Initiatives

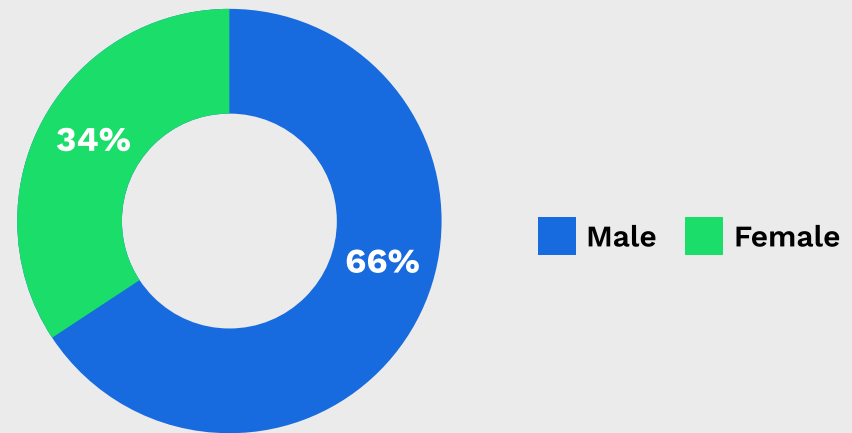
CSR at eSewa forms an integral part of our broader ESG agenda and is guided by our commitment to creating meaningful, lasting impact. Our efforts span community development, digital empowerment, and public welfare. Over the past year, we have supported improvements in public infrastructure-such as helping install public seating in bus parks to enhance commuter comfort-while also contributing to public safety through mobile phone and software support for traffic police. We have further strengthened digital inclusion by providing laptops and capacity-building assistance to NGOs working at the grassroots. Alongside these initiatives, we continue to promote financial literacy, digital skills, and community well-being, ensuring our role as a responsible corporate citizen extends beyond financial services and into the broader fabric of society.

**Public Infrastructure**  
Installation of public seats in bus parks to improve community comfort and accessibility.

**Technology Support**  
Mobile phone and software support provided to traffic police for enhanced public safety.

**NGO Empowerment**  
Laptop and capacity building support to NGOs to amplify their social impact.

## Staff Comparision



Also, to foster diversity of gender within eSewa, we have been promoting the inclusion of female workforce. Out of total 455 employees, 34.07% of the employees are female reflecting our commitment to promote inclusion.



## Governance Aspect

eSewa operates under a clear and well-defined governance framework that ensures accountability, transparency, and effective decision-making. The Board of Directors provides overall oversight and strategic guidance, supported by key executive committees that strengthen risk management, audit, and compliance practices. Our Executive Leadership Team drives operational management and cross-functional alignment, ensuring that business activities are conducted responsibly and in accordance with applicable laws and regulations. Transparency is a core principle of our governance, with regular reporting, disclosure of key decisions, and open communication channels that foster trust and confidence among stakeholders. This structured governance approach strengthens internal controls, promotes integrity, and supports sustainable, long-term growth for all stakeholders.

# Letter from the Chief Risk Officer





# Building Trust Through Responsible Risk Management

As Nepal's first and leading digital wallet, it has been incredibly rewarding to serve millions of users across the country and beyond, supported by our network of merchants and authorized representative. The trust our users place in us is at the heart of everything we do, and it is this trust that drives us to strengthen and continuously refine our risk management framework.

The world of digital payments is evolving at a remarkable pace, bringing exciting opportunities alongside new risks. From cyber threats to regulatory changes, managing these risks effectively is central to our mission of keeping digital financial services safe, reliable, and accessible for everyone.

Our risk management approach is designed to anticipate challenges across the organization. By combining technology, processes, and people, we ensure that every transaction and interaction within our ecosystem is secure and trustworthy. With a layered approach to mitigation, each control complements the others, giving us and our stakeholders confidence that we can achieve our business goals safely and responsibly.

To make this approach practical and effective, our risk management structure is organized across multiple levels, with clear responsibilities and oversight mechanisms that allow us to identify, assess, and mitigate risks systematically



## Governance Structure

Our governance is led by a distinguished Board of Directors with deep expertise in finance, technology, and business. Governance principles are embedded in our management practices—from proactively identifying payment challenges to designing solutions and ensuring every line of code supports secure, seamless transactions. The Board provides strategic direction and oversight, supported by the Risk Committee and Audit Committee.

## Strategic Risk

Our strategic risk management ensures long-term resilience in Nepal's evolving digital payments landscape through proactive monitoring of market trends, regulations, technology shifts, and competitive pressures. By integrating risk insights into decision-making and collaborating with financial institutions, regulators, and technology partners, we balance opportunity with caution while safeguarding trust and growing responsibly.

## Environmental Risk Management

As one of Nepal's leading digital payment platforms, we recognize the need to manage not only financial and operational risks but also environmental risks. As we expand our presence in the digital economy, environmental responsibility remains central to our long-term growth, guiding us to adopt sustainable practices that minimize ecological impact and contribute positively to the environment.

## Information Security Risk Management

Our information security strategy aligns with our enterprise risk framework and is reinforced by robust security programs that protect users and partner BFIs. Using a defense-in-depth model, we strengthen internal controls, enhance employee awareness through continuous training, and secure our infrastructure with next-generation firewalls, EDR/XDR, DLP, VPN, full-stack observability, PKI, IAM, and SOAR. High availability is maintained through resilient architecture with load balancing, multi-level fault tolerance, and geographically distributed data centers, while secure-by-design and privacy-by-design principles guide product development. A proactive vulnerability management process and year-round security program ensure risks are identified and remediated before products go live, safeguarding our entire ecosystem.

## Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT) Compliance and Risk Management

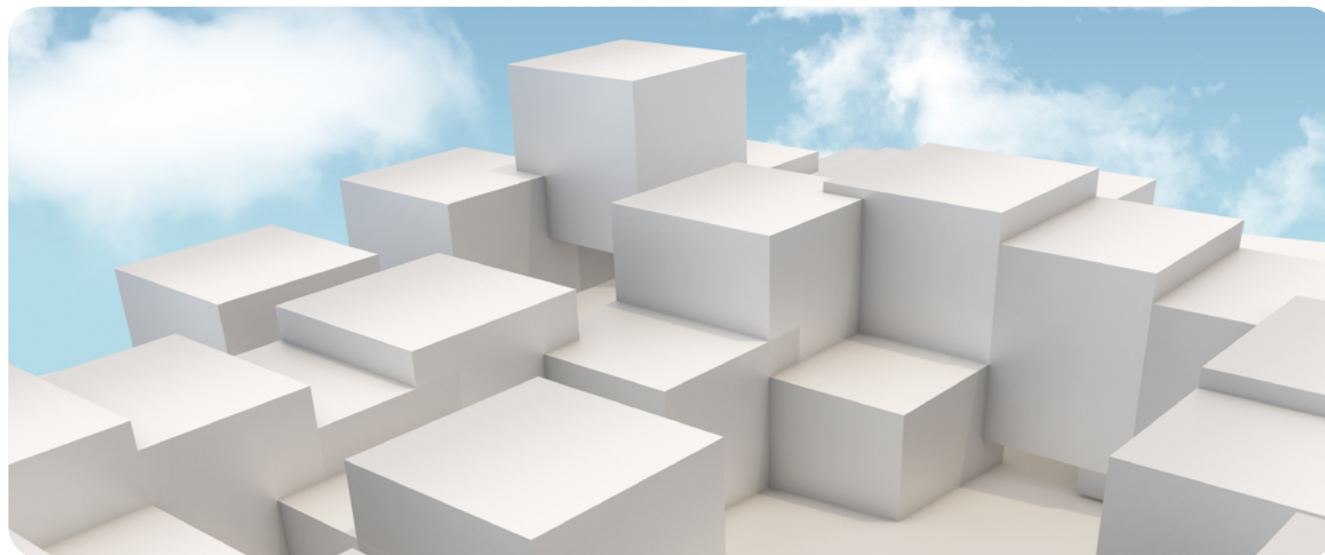
Our AML/CFT compliance framework is a core pillar of our enterprise risk strategy, built on strong policies and a skilled team that proactively identifies and mitigates AML/CFT/PF risks. We employ rigorous KYC with advanced fraud-prevention technologies, multi-layer onboarding checks, continuous user screening, and an in-house transaction monitoring system with hundreds of expert-designed rules. Alerts are thoroughly reviewed by AML analysts to ensure full legal and regulatory compliance, while ongoing employee training on AML/CFT laws, emerging risks, and real case insights keeps our teams vigilant and strengthens the integrity of our ecosystem.

## Fraud and Dispute Management

Digital fraud is rising globally, and we combat it with strong, layered defenses powered by behavioral analytics that detect and stop suspicious activity before it affects users. When issues arise, our Fraud Response and Dispute Resolution teams act swiftly and transparently, supported by accessible customer support channels and a fair, integrity-driven dispute management process.

## Financial Risk Management

We ensure stability in every transaction through robust financial risk management, maintaining strong liquidity and daily reconciliation of customer and merchant accounts. Unreconciled items are promptly reviewed, with root cause analyses conducted and solutions implemented, while automation via reconciliation software enhances efficiency and accuracy.



## Operational Risk Management

Operational excellence is driven by strict process controls, automation, continuous improvement, and a strong culture of accountability, supported by regularly tested Business Continuity and Disaster Recovery systems. Employee well-being, health, and safety are prioritized through dedicated committees and data-driven oversight, extending the same standards to third-party partners to ensure a safe and resilient operational environment.

## Legal Risk Management

Our Legal and Compliance teams work hand in hand with regulators and industry bodies to ensure that every product, policy, and partnership aligns with current laws and guidelines. By taking a proactive approach; anticipating changes rather than simply reacting to them, we reduce legal exposure and help shape a safer digital payments ecosystem for the entire country.

## Internal Audit

Our independent internal audit function reports to the Audit Committee and is further reinforced by an external firm of chartered accountants with terms of reference covering end-to-end process. Audit reports are reviewed and discussed by the Audit Committee to ensure thorough oversight.



## Risk Management at the Core of eSewa's Ecosystem

Risk management is embedded in the core of eSewa's operations, supporting three key pillars: customers, merchants, and authorized representatives. Customers benefit from secure logins, encrypted transactions, and data privacy, while merchants and agents are supported through compliance checks, reliable processes, and continuous risk-awareness training. This integrated approach ensures every interaction within the eSewa ecosystem is safeguarded, transparent, and secure.

## Managing Risks Across Interconnected Partner's Systems

Our services are closely interconnected with BFIs, payment system operators, and telecom partners, which brings both efficiency and shared responsibility. To manage external risks, we implement secure API integrations, continuous transaction reconciliation, third-party risk assessments, and coordinated incident response plans. These measures ensure a stable, resilient, and secure ecosystem for our users and the wider financial network.

# Looking Ahead

At eSewa, we see risk management as an enabler of responsible growth. It empowers us to innovate boldly, operate securely, and continue earning the trust of all our stakeholders. As we move forward, we will keep strengthening our frameworks, investing in advanced technologies, and working closely with regulators and partners to help make Nepal's digital economy safer, more trusted, and more inclusive.

On behalf of the Risk Management team, I express sincere gratitude to our customers, merchants, authorized representatives, partners, and regulators for their unwavering trust and support. Together, we are building not only a stronger eSewa but a more resilient and digitally empowered Nepal.



# Corporate Governance & Directors' Report

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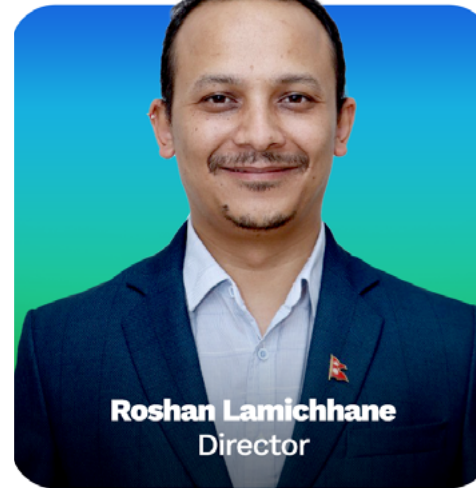
# Meet the board



**Parshuram Kunwar Chhetri**  
Chairperson



**Subash Sharma**  
Director



**Roshan Lamichhane**  
Director



**Saugat KC**  
Director

**Appointment Date:** 2079/01/13

**Committee membership:**  
None

**Experience:**  
CEO - Global IME Bank Ltd.  
CEO - Janata Bank Ltd.  
CEO - Bank of Asia Ltd.  
Director - CIT

**Current External Appointments:**  
Director- Vianet Communication Ltd.  
Director- Alfa Capital Ltd.

**Appointment date:** 2077/12/10

**Committee membership:**  
Audit Committee (Coordinator)

**Experience:**  
CEO - F1soft International Pvt. Ltd.  
11 years of experience in Fintech

**Current External Appointments:**  
Director - F1soft International Pvt. Ltd.  
Director - Foneinsure Pvt. Ltd.  
Director - eSewa Travels and Tours Pvt. Ltd.  
Director - Nepal Mobility Solution Pvt. Ltd.  
Director - Fonepoints Pvt. Ltd.  
Director - Foneloan Pvt. Ltd.  
Director - Spices Pvt. Ltd.

**Appointment date:** 2079/07/15

**Committee membership:**  
Risk Committee (Coordinator)

**Experience:**  
CSO, COO - eSewa Ltd.

**Current External Appointments:**  
Director - Four Symmetrons Innovation Pvt. Ltd.

**Appointment date:** 2080/08/10

**Committee membership:**  
Audit Committee

**Experience:**  
CIO - F1soft International Pvt. Ltd.  
Private Equity - Dolma Impact  
M&A Advisory & Private Equity -  
Grant Thornton Bharat LLP  
Sr. Associate (Investment Banking &  
Valuation) - RBSA Advisors

**Current External Appointments:**  
Director - Foneinsure Pvt. Ltd.  
Director - Extenso Data Pvt. Ltd.  
Director - Swastik College

# The Board Committees

The Board ensures effective oversight of eSewa through specialized committees, created to support the Board in fulfilling its responsibilities. These committees operate under delegated authority from the Board, as defined in their respective terms of reference. Currently, the Board has constituted two main committees:

## Audit Committee

The Audit Committee has been formed pursuant to Section 164 of the Companies Act, 2063, and functions as per Section 165 of the Companies Act, 2063. The Committee reports directly to the Board on matters concerning financial reporting, internal control, risk management, appointment of auditors, and other related matters.

The Audit Committee was composed of the following members:

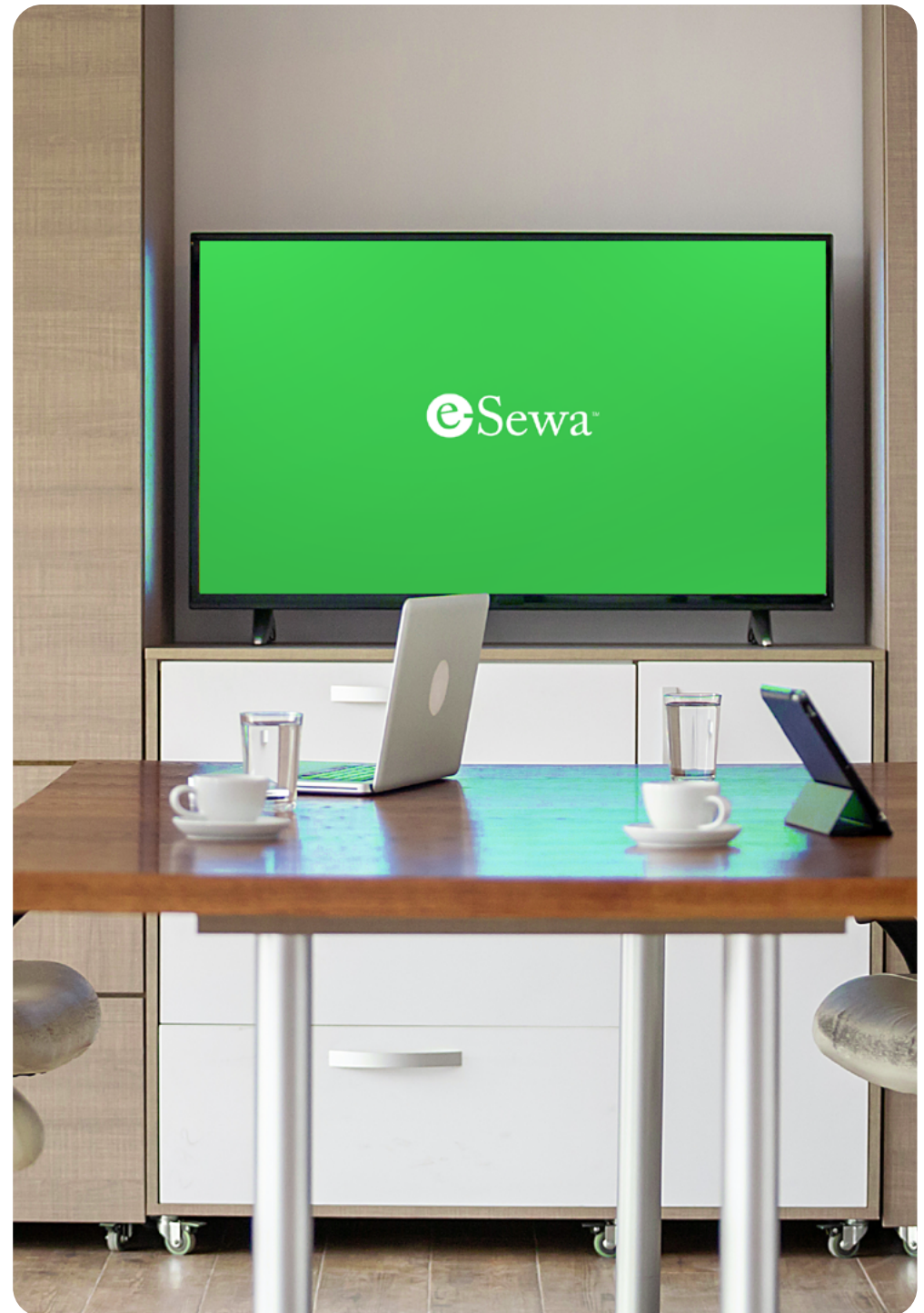
**Mr. Subas Sharma – Director Coordinator**

**Mr. Saugat K.C - Director Member**

**Mr. Prem Resmi - Member Secretary**

During FY 2081-82, the Audit Committee of eSewa held six meetings, with full attendance by all members. The Committee's activities were focused on:

- Overseeing the internal and external audit processes, reviewing findings and recommendations, and ensuring appropriate management responses and corrective actions.
- Ensuring adherence to corporate governance standards, regulatory requirements, and internal policies, including directives from Nepal Rastra Bank.
- Advising management on strategic and operational matters related to risk, compliance, and financial reporting, while coordinating with auditors and regulatory authorities for effective oversight.
- The Audit Committee remains committed to promoting robust governance practices, enhancing transparency, and strengthening internal control mechanisms at eSewa, thereby supporting sustainable growth and the long-term stability of the organization.



## Risk Committee

The Risk Committee oversees eSewa's risk management framework, ensuring that potential risks are identified, assessed, and mitigated effectively. Operating under delegated authority from the Board, the Committee guides management in implementing robust risk controls across operational, financial, technological, cybersecurity, reputational, strategic, and compliance areas. Through its oversight, the Committee helps maintain resilience, security, and alignment with regulatory requirements and long-term strategic goals.

### Committee Members:

**Roshan Lamichhane – Director Coordinator**

**Jagdish Khadka – Member**

**Rabi Shakya – Member**

**Raman Gautam – Member Secretary**



# DISCLOSURE OF INFORMATION

## UNDER SECTION 109(4) OF THE COMPANY ACT 2006

### A brief outline of the company's economic progress in the year 2081/82

[This has been disclosed in Financial Report Section]

### Impact of National and International Situations on a Company's Business:

National and international developments significantly influenced eSewa's operating environment during the year. Nepal Rastra Bank's regulatory framework promoting payment system interoperability and access continued to streamline digital transactions and strengthen collaboration across the payment industry, while broader government and private-sector initiatives further accelerated the adoption of digital payment solutions. However, challenges emerged due to operational issues in cooperative financial institutions, which temporarily affected public confidence and digital transaction flows. Additionally, Nepal's placement on the FATF "Grey List" increased compliance obligations and operational scrutiny for all financial institutions, adding to regulatory and administrative pressures. At the international level, rising cybersecurity expectations, global shifts in digital-payment standards, and evolving fintech innovations required continuous technological upgrades, influencing eSewa's strategic and operational priorities throughout the year.

### Progress till reported date and Strategic visions of Board of Directors:

By the end of Asoj 2082, eSewa achieved notable growth in its user base, agent network, and banking partnerships, strengthening its national footprint and enhancing service accessibility for everyday digital transactions. The company continued to promote digital literacy through targeted training programs and public-awareness initiatives that encouraged safe and convenient use of digital payment tools. During the reporting period, the country faced significant political unrest, including the "Gen Z protest," which resulted in disruptions to government operations and economic activities, temporarily affecting transactions linked to public services and the hospitality sector. In response to these evolving circumstances, the Board of Directors remains committed to reinforcing system resilience, expanding secure and inclusive digital financial services, enhancing compliance and risk-management practices, and investing in technological innovation to support sustainable long-term growth.

### Growth strategy of company

[Refer Our Business Model & Strategy Section]

### Industrial and commercial relations of the company

The company's growth strategy focuses on fostering strong, transparent, and mutually beneficial relationships. This is being accomplished through the expansion of industrial and commercial partnerships, supported by collaborative customer service agreements. Such initiatives are central to creating a sustainable and secure foundation that will underpin the company's long-term development and success.

### Transactions with subsidiary company and significant changes:

During the reporting period, the Company made an investment of NPR 2,500,000 (Twenty-Five Lakh) in its subsidiary, eSewa Travels & Tours Pvt. Ltd. Additionally, an outstanding receivable amount of NPR 2,031,657 (Twenty Lakh Thirty-One Thousand Six Hundred Fifty-Seven) remains due from the subsidiary.

## Changes in the Board of Directors and underlying reasons:

Particulars	Designation	Date of Appointed	Remarks
Mr. Parshuram Kunwar Chettri	Chairman	2079/01/13	As per company regulation
Mr. Subash Sharma	Director	2077/12/10	As per company regulation
Mr. Roshan Lamichhane	Director	2079/07/15	As per company regulation
Mr. Saugat K.C	Director	2080/08/10	Appointed by the Board of Directors

## Key challenges impacting Business Performance:

The company faces several challenges that impact business performance. Limited public familiarity with digital payment systems, coupled with concerns around cybersecurity and data privacy, has affected adoption in some segments. Additionally, awareness and understanding of digital technologies and payment methods remain relatively low among certain groups of citizens. Occasional technical issues with payment service providers, banks, and other stakeholders have also highlighted areas for improvement in service reliability and user experience, underscoring the need for continued efforts to enhance trust and confidence in electronic transactions.

## Findings in the audit report and recommendations by the Board of directors:

The Board of Directors has examined the discrepancies identified in the audit report, considered the responses and recommendations, and issued instructions to management to ensure timely improvements

## Details of dividend:

Bonus share of amount NRS 120,000,000 (twelve crores only) (about 31.58% of paid-up capital) and cash dividend of amount NRS 306,000,000 (thirty crores and sixty lakhs only) (about 80.53% of paid-up capital) including dividend tax, has been proposed in annual general meeting from the reserve & surplus and profit earned from the FY 2081/82.

## Number of shares forfeiture, if any:

No share forfeitures occurred in the reporting period.

**Details of ownership of shares held by directors and officers in the previous fiscal year:**

Name	Number of shares	Percentage
Biswas Dhakal	1,064,000	28.00%
Asgar Ali	775,200	20.40%
Roshan Lamichhane	15,200	0.40%
Subash Sharma	291,840	7.68%
Subhas Sapkota	145,920	3.84%
Sambhav Sirohiya	608,000	16.00%
Kailash Shrestha	54,720	1.44%
Yogesh Bhattarai	54,720	1.44%
Adwait Tuladhar	12,160	0.32%
Akbar Khan	18,240	0.48%
F1soft International	760,000	20.00%
<b>Total</b>	<b>3,800,000</b>	<b>100.00%</b>

**After the sales/purchase of share on 2082/05/10, new shareholding structure:**

Name	Number of shares	Percentage
Biswas Dhakal	905,470	23.83%
Asgar Ali	1,062,173	27.95%
Roshan Lamichhane	20,827	0.55%
Subash Sharma	248,358	6.54%
Subhas Sapkota	145,920	3.84%
Sambhav Sirohiya	517,412	13.62%
Kailash Shrestha	54,720	1.44%
Yogesh Bhattarai	54,720	1.44%
Adwait Tuladhar	12,160	0.32%
Akbar Khan	18,240	0.48%
F1soft International	760,000	20.00%
<b>Total</b>	<b>3,800,000</b>	<b>100.00%</b>

## **Disclosure of personal interests of directors and their relatives in company-related agreements:**

No directors or their relatives have any personal interest in company-related agreements.

## **Information provided by principal shareholders in the previous fiscal year:**

All required disclosures by principal shareholders have been adequately reflected in the company's financial statements; no additional information was provided beyond these statements.

## **Details of buyback shares:**

No shares were bought back during the reporting period.

## **Internal Control and Risk Management:**

The company has established a dedicated Risk Management and Compliance Department and Security Operation Center Department to ensure regulatory compliance and strengthen internal control mechanisms. In line with this, comprehensive governance and operational frameworks have been developed, including the People and Culture Bylaws, Finance and Administration Policy, Risk Management Policy, AML/CFT Policy, IT Policy, Code of Conduct, Business Continuity Plan, and various Standard Operating Procedures (SOPs) to guide and reinforce internal control processes.

## **Management expenses during the fiscal year:**

[This has been disclosed in Financial Report Section]

**Details of audit committee members, including remuneration, allowances, and facilities received, details of the work carried out by the committee, and recommendations made by committee:**

Particulars	Designation	Allowance and Facilities (NPR)	Remuneration (NPR)
Mr. Subash Sharma	Coordinator	0.00	0.00
Mr. Saugat K.C	Member	0.00	0.00
Mr. Prem Resmi	Member-Secretary	0.00	1,472,985

**Remaining dues to the company from any director, executive officer, shareholder of the company or their relatives or associated:**

Particulars	Amount (NPR)
F1soft International Pvt. Ltd.	214,593,562
Fonepay Payment Service Ltd.	14,807,755
eSewa Money Transfer Pvt. Ltd.	5,982,616
eSewa Travels and Tours Pvt. Ltd.	2,031,655
Foneinsure Pvt. Ltd.	74,867,684
Fonenxt Pvt. Ltd.	244,528

## Remuneration and allowances provided to directors, CEO, and key officers:

Designation	Total Remuneration	Meeting Allowance (Rs.)
Directors:		Rs. 216,000
Mr. Parshuram Kuwar Chettri		Rs. 180,000
Mr. Subash Sharma		Rs. 180,000
Mr. Roshan Lamichhane		Rs. 170,000
Mr. Saugat K.C		
<b>Total</b>	<b>0.00</b>	<b>Rs. 746,000</b>
CEO	11,616,425	0.00
Other Officials	77,210,168.84	0.00

## Remaining payable dividends to shareholders:

No outstanding dividends are payable to shareholders

## Details of related party transaction as per the section 175 (transaction between associated companies):

Name	Amount be to received
Foneinsure Pvt. Ltd.	Rs. 74,867,684

## Any other disclosures as per the Company Act and Prevailing Laws:

There are no further disclosures to report in accordance with the Company Act and relevant regulations

# Financial Report





# नेपाल राष्ट्र बैंक

भुक्तानी प्रणाली विभाग

केन्द्रीय कार्यालय  
बालुवाटार, काठमाडौं  
फोन: ०१ ५७१९६४१, ५७१९६४२  
E-mail : psdept@nrb.org.np,  
psdos@nrb.org.np  
Web : www.nrb.org.np  
Ext . 1346

पत्रसंख्या : भु.प्र.वि./अफसाईट/०८२/८३  
चलानी नं.: ३१८

मिति : २०८२/०७/२४



श्री ई-सेवा लिमिटेड,  
पुलचोक, ललितपुर।


विषय: लाभांस वितरण तथा वार्षिक वित्तीय विवरण प्रकाशन गर्न स्वीकृति प्रदान गरिएको सम्बन्धमा।

भुक्तानी तथा फस्यौट ऐन, २०७५ को दफा २५ को उपदफा ३ बमोजिम बाह्य लेखापरीक्षक श्री PKF T.R. Upadhya & Co., Chartered Accountants बाट लेखापरीक्षण सम्पन्न गराई तयार गरिएको त्यस संस्थाको आर्थिक वर्ष २०८१/८२ को वित्तीय विवरणहरु प्रस्तुत/सार्वजनिक गर्ने तथा बोनस शेयर र नगद लाभांस वितरण गर्ने अनुमतिका लागि अनुरोध भई आएको सम्बन्धमा देहाय बमोजिमका निर्देशनहरु पालना गर्नेगरी वित्तीय विवरणहरु प्रकाशन गर्न र चुक्ता पुँजीको ३१.५७ प्रतिशत (रु.१२,००,००,०००/-) बोनस शेयर र चुक्ता पुँजीको ८०.५२ प्रतिशत (रु.३०,६०,००,०००/-) नगद लाभांश (कर प्रयोजन समेत) को रूपमा वितरण गर्न स्वीकृति प्रदान गरिएको व्यहोरा निर्णयानुसार अनुरोध छ।

## निर्देशनहरु:

- संस्थाको सञ्चालक समितिबाट प्रत्येक आर्थिक वर्षको लेखापरीक्षण गर्न लेखापरीक्षक नियुक्त गरी सोको विवरण यस बैंकको Supervisory Information System (SIS) मा अद्यावधिक गर्नुहुन।
- स्थलगत निरीक्षणको प्रतिवेदन-२०८२ मा दिइएका निर्देशनहरु कार्यान्वयन गर्नुहुन।
- बाह्य लेखापरीक्षण प्रतिवेदनमा उल्लेख गरिएका कैफियतहरु सुधार गर्नुहुन।
- उपरोक्तानुसारका निर्देशनहरु शेयरधनीहरुको जानकारीका लागि वार्षिक प्रतिवेदनको छुट्टै पानामा समावेश गर्नुहुन।

भवदीय,

  
(सुधा श्रेष्ठ)  
उप निर्देशक



PKF T R Upadhyaya & Co.  
124 Lal Colony Marg, Lal Durbar  
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# INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF eSEWA LIMITED

## Report on the Audit of the Financial Statements

### Opinion

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 32 Ashadh 2082 (16 July 2025), and its financial performance and its cash flows for the year then ended in accordance with Nepal Financial Reporting Standards (NFRSS)

### Basis for opinion

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics for professional accountant issued by Institute of Chartered Accountants of Nepal (ICAN) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2063 and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAN's Code of Ethics for professional accountants. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements

### 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 financial year ended on 32 Ashadh 2082 (16 July 2025). These matters were addressed in the context of our audit of the 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 matters described below to be the key audit matters to be communicated in our report

Key audit matters	How our audit addressed the key audit matter
<i>Revenue recognition Revenue recognition (Refer Note 3.1 "Revenue" and Note 20 Of the financial statements)</i>	
<p>The company recognizes revenue when it transfers control of a product or service to a customer and revenue can be reliably measured, and excludes any amount collected on behalf of third parties. It mainly recognizes revenue from the following sources:</p> <ul style="list-style-type: none"> <li>• Revenue from sales of services, i.e., top up sales.</li> <li>• Revenue from merchant integration and transaction based fees.</li> <li>• Revenue from outsourced activities, i.e., commission income.</li> </ul> <p>The company also provides reward points to its users, which can be redeemed by exchanging for services or goods offered and cannot be redeemed for cash. The Company has a performance obligation to provide or arrange for the delivery of goods or services. The transaction price is allocated to performance obligations on a relative stand-alone price basis, in accordance with NFRS 15 “Revenue from Contracts with Customer”. The standalone price of the reward is estimated based on the discount value and the likelihood of redemption of the reward point.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Tested the design implementation and operating effectiveness of key controls over Revenue Recognition.</li> <li>• Perform test of control for all revenue streams to ensure the revenue can be relied upon through understanding, walkthrough, recalculation and alternative procedure wherever necessary.</li> <li>• Tested samples of contracts and transactions to assess timing and measurement of revenue recognition as per NFRS 15.</li> <li>• Assessed the estimation process and verified the data used to calculate reward liabilities.</li> <li>• Verified redemption rate, transaction price through contract with third party.</li> <li>• Assessed the reliability of the redemption rate expected further in the future.</li> </ul> <p>The controls over recognition of revenue and estimation used are found to be adequate and reasonable, and no material exceptions were noted.</p>
<b>Information Technology</b>	
<p>The Company operates in a technology driven environment, relying heavily on complex and integrated IT systems to process high volumes of financial transactions and customer data. The reliability of the financial reporting depends on the integrity and accuracy of data processed by these systems.</p> <p>It is considered as Key Audit Matter as any failure in access controls, incorrect input of data, or segregation of duties could lead to material misstatements or undetected error.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Conducted walkthrough and reviewed the process of data flow into system and extraction of the information from the IT system.</li> <li>• Tested the design and operating effectiveness of IT controls.</li> <li>• Verified transaction report generated from the IT system on sample basis.</li> <li>• The IT controls are found be operating effectively and no exceptions were noted.</li> </ul> <p>The controls over recognition of revenue and estimation used are found to be adequate and reasonable, and no material exceptions were noted.</p>

## Information other than the financial statements and auditors' report thereon

The management of the Company is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of 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 therein, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of management and those charged with governance for the financial statements

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

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

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

## Auditors' responsibilities for the audit of the financial statements

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

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

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

We 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 ethical requirements in accordance with the Code of Ethics for professional accountants 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.


From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on other legal and regulatory requirements

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. In our opinion, the statement of financial position as at 32 Ashadh 2082 (16 July 2025), the statement of profit or loss, statement of changes in equity and the statement of cash flows for the year then ended including a summary of significant accounting policies have been prepared in accordance with guidelines issued by Nepal Rastra Bank and in accordance with the requirements of the Companies Act, 2063 and are in agreement with the books of account of the Company and proper books of account as required by law have been kept by the Company.

To the best of our information and according to explanations given to us and so far appeared from our examination of the books of account of the Company necessary for the purpose of our audit:

- The Company has set aside the specified amount for statutory reserves, such as CSR, general reserve, and risk-bearing reserve, as required by Nepal Rastra Bank.
- We have not come across cases where the Board of Directors or any employees of the Company have acted contrary to the provisions of law relating to the accounts or committed any misappropriation or caused loss or damage to the Company relating to the accounts.



**Shashi Satyal**  
**Partner**

**PKF T R Upadhyaya & Co.**  
**Chartered Accountants**

**Date: 17 October 2025**

**Place: Kathmandu**

**UDIN:251017CA00008FQpqr**

# eSewa Limited

Pulchowk, Lalitpur

Statement of Financial Position as on 32nd Asadh, 2082

Amount in NPR.

Assets	Notes	Asadh End' 2082	Asadh End' 2081 (Restated)
<b>Non-Current Assets</b>			
Property, Plant and Equipment	4.1	212,046,170	183,718,483
Intangible Assets	4.2	20,422,851	12,737,116
Capital WIP	4.3	25,548,814	14,955,475
Right of Use Asset	4.4	114,629,332	131,764,938
Deferred Tax Asset	5	16,927,748	12,511,208
<b>Financial Assets</b>			
Investment in Subsidiaries and Associates	6	2,500,000	2,500,000
<b>Total Non-Current Assets (A)</b>		<b>392,074,915</b>	<b>358,187,221</b>
<b>Current Assets</b>			
Inventory	7	64,813,912	51,037,158
<b>Financial Asset</b>			
Trade and Other Receivables	8	369,474,213	324,988,725
Cash and Cash Equivalents	9	347,371,790	429,878,888
Customer Wallet Balances	9.1	7,760,212,335	4,305,465,499
Advance and Prepaids	10	63,621,026	43,216,544
Financial Asset measured at Amortized Cost	11	220,022,000	106,320,000
<b>Total Current Assets (B)</b>		<b>8,825,515,276</b>	<b>5,260,906,814</b>
<b>Total Assets (A+B)</b>		<b>9,217,590,191</b>	<b>5,619,094,035</b>
<b>Reserves and Liabilities</b>			
<b>Equity</b>			
Share Capital	12	380,000,000	380,000,000
Reserve & Surplus	13	562,020,584	374,621,650
<b>Total Equity Attributable to Shareholders</b>		<b>942,020,584</b>	<b>754,621,650</b>
<b>Non-Current Liability</b>			
Deferred Tax Liabilities		-	-
<b>Financial Liabilities</b>			
Lease Liability (NCL)	4.4	129,591,114	142,538,224
Non Current Financial Liabilities	14	30,714,743	25,869,665
<b>Total Non-Current Liability (D)</b>		<b>160,305,857</b>	<b>168,407,890</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Trade and Other Payables	15	203,153,929	252,547,631
Customer Wallet Balances	16	7,760,212,335	4,305,465,499
Lease Liability (CL)	4.4	12,947,111	10,409,017
Accrued Payroll and Related Benefits	17	84,146,336	67,883,479
<b>Other Current Liabilities</b>			
Statutory Liabilities	18	37,498,339	51,481,100
Provisions	19	17,305,700	8,277,768
<b>Total Current Liability (C)</b>		<b>8,115,263,750</b>	<b>4,696,064,495</b>
<b>Total Liability (C+D)</b>		<b>8,275,569,607</b>	<b>4,864,472,384</b>
<b>Net Equity and Liabilities (A+B-C-D)</b>		<b>9,217,590,191</b>	<b>5,619,094,035</b>

The accompanying notes form an integral part of the financial statements

1. Corporate Information
2. Basis of preparation
3. Significant accounting policies and Other financial information

## eSewa Limited

Pulchowk, Lalitpur

Statement of Profit or Loss for the year Shrawan 1, 2081 to Ashadh 32, 2082

Amount in NPR.

	Notes	For the year ended Ashadh 2082	For the year ended Ashadh 2081 (Restated)
<b>Income</b>			
Revenue from Operations	20	21,246,346,114	16,864,628,552
Cost of Services	23	20,072,355,766	15,834,382,142
<b>Gross Profit</b>		<b>1,173,990,348</b>	<b>1,030,246,410</b>
Non-Operating Revenues	21	146,788,578	109,854,303
<b>Operating expenditure</b>			
Employee Benefit Expenses	24	417,791,160	342,021,646
Administrative Expenses	25	212,106,295	180,766,135
Marketing and Branding Expenses	26	112,368,134	154,966,928
<b>Profit from Operation</b>		<b>578,513,337</b>	<b>462,346,004</b>
Finance Expense	27	12,845,703	13,692,308
Finance Income	22	7,860,594	4,858,167
<b>Earning Before Tax</b>		<b>573,528,228</b>	<b>453,511,864</b>
<b>Tax Expense</b>			
Current Tax	28	124,545,833	99,577,402
Deferred Tax	29	(4,416,539)	(4,389,715)
<b>Profit/ (Loss) for the year</b>		<b>453,398,934</b>	<b>358,324,176</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss:		-	-
Items that will or may be reclassified to profit or loss:		-	-
<b>Other Comprehensive Income for the year, net of tax</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income</b>		<b>453,398,934</b>	<b>358,324,176</b>
<b>Earning per share</b>		<b>119.32</b>	<b>94.30</b>

The accompanying notes form an integral part of the financial statements

1. Corporate Information
2. Basis of preparation
3. Significant accounting policies and Other financial information

# eSewa Limited

Pulchowk, Lalitpur

## Statement of Cash flow for the year ended 32 Ashadh, 2082

	Amount in NPR.	
	For the year ended	For the year ended
	Ashadh 2082	Ashadh 2081
<b>Operating Activities</b>		
Net Profit/(Loss) before tax	573,528,228	453,511,864
<b>Adjustments</b>		
Depreciation & Amortisation	64,866,614	52,648,422
Non- Cash Adjustments:		-
Provision	9,027,932	51,023,149
Profit/Loss on sale of assets	(75,221)	(2,703,514)
Finance Income	(104,234,448)	(88,872,808)
Finance Expenses	12,845,703	13,692,308
<b>Cash flows from Operation before Working Capital Changes</b>	<b>555,958,806</b>	<b>479,299,421</b>
(Increase)/Decrease in Inventory	(13,776,754)	(16,757,868)
(Increase)/Decrease in Receivables	(44,485,488)	(105,044,836)
Increase/(Decrease) in Payables	(49,393,702)	(94,640,838)
(Increase)/Decrease in Other Current Assets	(113,702,000)	(87,950,000)
Increase/(Decrease) in Other Current Liabilities	4,818,190	(2,523,817)
(Increase)/Decrease in Prepayments	(20,404,482)	(48,251,866)
<b>Cash Generated from Operations</b>	<b>319,014,571</b>	<b>124,130,197</b>
Taxes Paid	(124,545,833)	(99,577,403)
<b>Operating Cash flow (A)</b>	<b>194,468,738</b>	<b>24,552,794</b>
<b>Investing Activities</b>		
Investment	-	-
Purchase of PPE/WIP	(82,863,535)	(85,144,213)
Acquisition of PPE - ROUA	-	-
Proceeds from Sale/Disposal of PPE	75,221	3,342,766
Purchase of Intangibles	(11,474,235)	(11,358,370)
Interest Received	104,234,448	88,872,808
<b>Investing Cash flow (B)</b>	<b>9,971,900</b>	<b>(4,287,010)</b>
<b>Financing Activities</b>		
Share Capital	-	280,000,000
Borrowings/Settlement of Borrowings	4,845,078	11,001,413
Lease Liabilities	(12,947,110)	(10,409,017)
Interest Paid	(12,845,703)	(13,692,308)
Dividend payment	(266,000,000)	(294,000,000)
<b>Financing Cash Flow (C)</b>	<b>(286,947,736)</b>	<b>(27,099,912)</b>
<b>Net Cash Flow From All Activities (A+B+C)</b>	<b>(82,507,098)</b>	<b>(6,834,127)</b>
<b>Opening Cash and Cash Equivalents</b>	<b>429,878,888</b>	<b>436,713,015</b>
<b>Closing Cash and Cash Equivalents</b>	<b>347,371,790</b>	<b>429,878,888</b>

The accompanying notes form an integral part of the financial statements

1. Corporate Information
2. Basis of preparation
3. Significant accounting policies and Other financial information

## eSewa Limited

Pulchowk, Lalitpur

### Statement of Changes in Equity as on 32 Ashadh, 2082

	Share Capital	Retained Earnings	Actuarial Reserves	CSR Reserve	Risk Bearing Reserve	General Reserve	Total
<b>Balance as at Shrawan 1, 2080</b>	<b>100,000,000</b>	<b>303,905,300</b>	<b>-</b>	<b>3,678,524</b>	<b>-</b>	<b>-</b>	<b>407,583,824</b>
<b>Opening reserves adjustment</b>							
Prior period adjustment*							-
Deferred Tax on Contract Liability		2,713,650	-	-	-	-	2,713,650
<b>Restated Balance as on Shrawan 1, 2080</b>	<b>100,000,000</b>	<b>306,618,950</b>	<b>-</b>	<b>3,678,524</b>	<b>-</b>	<b>-</b>	<b>410,297,474</b>
Issued Share Capital	280,000,000	-	-	-	-	-	280,000,000
Profit/(Loss) For the Year	-	358,324,176	-	-	-	-	358,324,176
Actuarial Gain/Loss	-	-	-	-	-	-	-
Deferred Tax Reserves	-	-	-	-	-	-	-
Transfer from CSR Reserve	-	1,681,989	-	(1,681,989)	-	-	-
Transfer to CSR Reserve	-	(3,557,305)	-	3,557,305	-	-	-
Dividend	-	(294,000,000)	-	-	-	-	(294,000,000)
<b>Balance as at Shrawan 1, 2081</b>	<b>380,000,000</b>	<b>369,067,810</b>	<b>-</b>	<b>5,553,840</b>	<b>-</b>	<b>-</b>	<b>754,621,650</b>
Issued Share Capital	-	-	-	-	-	-	-
Profit/(Loss) For the Year	-	453,398,934	-	-	-	-	453,398,934
Actuarial Gain/Loss	-	-	-	-	-	-	-
Deferred Tax Reserves	-	-	-	-	-	-	-
Transfer from CSR Reserve	-	1,337,708	-	(1,337,708)	-	-	-
Transfer to CSR Reserve	-	(4,533,989)	-	4,533,989	-	-	-
Dividend	-	(266,000,000)	-	-	-	-	(266,000,000)
Risk Bearing Reserve	-	(9,067,979)	-	-	9,067,979	-	-
General Reserve	-	(31,737,925)	-	-	-	31,737,925	-
<b>Balance as On Asadh 31' 2082</b>	<b>380,000,000</b>	<b>512,464,558</b>	<b>-</b>	<b>8,750,121</b>	<b>9,067,979</b>	<b>31,737,925</b>	<b>942,020,584</b>

The accompanying notes form an integral part of the financial statements

1. Corporate Information
2. Basis of preparation
3. Significant accounting policies and Other financial information

For and on behalf of:

As per our attached report of even date

.....  
Saroj Kumar Ghimire  
Finance Manager

.....  
Jagdish Khadka  
Chief Executive Officer

.....  
Parshuram Kunwar Chhetri  
Chairman

.....  
Subash Sharma  
Director

.....  
Roshan Lamichhane  
Director

.....  
Saugat K.C.  
Director

.....  
Shashi Satyal  
Partner  
PKF T.R. Upadhy & Co.  
Chartered Accountants

Date: 17 Oct 2025  
Place: Kathmandu, Nepal

# Notes to the Financial Statements

## 1. REPORTING ENTITY

### 1.1 General

eSewa Limited (eSewa) is a limited company incorporated under the Companies Act 2063 on 28th November 2012. The registered office of the company is Pulchowk, Lalitpur. The company is Payment Service Provider (PSP) licensed by Nepal Rastra Bank (License No: 2/2073/74) on 19th June 2017 and renewed on 3rd July 2022. eSewa operates its app and web-based wallet, particularly known as mobile wallet, commonly used for merchant payments, financial transactions and domestic remittance.

### 1.2 Financial Statements

The Financial Statements for the year ended 16th July 2025( 32nd Ashadh 2082) comprises Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, Notes to the Financial Statements, Significant Accounting Policies and explanatory notes. The financial statements are separate financial statements.

### 1.3 Principal Activities and Operations

eSewa Ltd is pioneer payment service provider in Nepal and has been providing the service since its inception. It has a wide range of services that vary from utility bills payment to financial transactions. Over the years, it has been trusted by over 10.9 Million users above 560.654K merchants and has been providing services through agent network of over 287.89K agents across the nation. Major services provided by the company include:

- Online / Offline Merchant Payment
- QR Based Payments
- Domestic Money Transfer
- Financial Services
- Utility Bills Payment

### 1.4 Subsidiary Company and Principal Activities

eSewa Travels and Tours is a private limited company incorporated on 20th August 2018 with registered address at Pulchowk, Lalitpur. The primary business of the company is to provide various services related to travels and tours including ticketing, tour packages etc. eSewa Travels and Tours Pvt. Ltd. is 100% subsidiary of eSewa Ltd.

## 2. Basis of Preparation

### 2.1 Statement of Compliance

This Separate Financial Statement (hereafter referred as the financial statement) has been prepared in accordance with Nepal Financial Reporting Standards 2018 (NFRS) developed by the Accounting Standard Board (ASB) and pronounced by the Institute of Chartered Accountants of Nepal. These financial statements comply with the regulatory requirements and disclosures required by the Companies Act.

### 2.2 Reporting Period of Financial Statements

The accompanying financial statement covers annual reporting period from 16th July 2024(1st Shrawan 2081) to 16th July 2025 (32nd Ashadh 2082) and the status is reported as the year end date of 16th July 2025(32nd Ashadh 2082).

### 2.3 Functional and Presentation Currency

The financial statements are prepared in Nepalese Rupees, which is the company's functional currency. All the financial information are presented in Nepalese Rupees except otherwise indicated.

### 2.4 Basis of Measurement

The financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:

- Financial assets and liabilities have been measured at fair value or at amortized cost.
- Financial assets available for sale are measured at fair value.
- Investment property is measured at fair value.
- Liabilities for cash settled share-based payment arrangements are measured at fair value.
- The defined benefit asset is recognized as the net total of the plan assets, plus unrecognized past service cost and unrecognized actuarial losses, less unrecognized actuarial gains, and the present value of the defined benefit obligation.

## 2.5 Use of estimates and judgments

The preparation of the financial statements in conformity with NFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, and expenses. The actual result may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The most significant areas of assumptions and estimation applied in the application of accounting policies that have the most significant effect on the amounts recognized in the financial statements are listed hereinafter and their description follows:

- Fair value of financial instruments
- Classification of financial assets and liabilities
- Impairment losses of financial and non-financial assets.
- Useful economic life of property, plant, and equipment
- Deferred Tax
- Provisions for liabilities, commitments, and contingencies

## 2.6 Going Concern

The management has assessed its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the company's ability to continue as a going concern, such as restrictions or plans to curtail operations. Therefore, the financial statements of the company continue to be prepared on a going concern basis.

## 2.7 Comparative Information

Accounting policies are consistently applied across all periods reported. The presentation and classification of financial figures relating to previous periods are regrouped or reclassified where relevant to facilitate consistent presentation and better comparability.

# 3. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless otherwise indicated.

## 3.1 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to Company and the revenue can be reliably measured and excludes any amount collected on behalf of third parties.

The company recognizes revenue when it transfers control of a product or service to a customer and only recognizes revenue from the following sources:

- Revenue from sales of services
- Revenue from merchant integration and transaction fee
- Revenue from outsourced activities

At contract inception the company assesses the goods or services promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer either:

- Goods or services
- A series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

A series of distinct goods or services has the same pattern of transfer to the customer if both of the following conditions are met:

- Each distinct good or service in the series that the company promises to transfer to the customer would meet the criteria as set out in NFRS 15 to be a performance obligation satisfied over time,
- In accordance with NFRS 15, the same method would be used to measure the company's progress towards satisfaction of the performance obligation to transfer each distinct good or service in the series to the customer.

The company considers the effects of nature, timing and amount of consideration promised by the customer for estimation of the transaction price. When determining the transaction price, the company shall consider the effects of all the following:

- Variable consideration
- Constraining estimates of variable consideration
- The existence of a significant financing component in the contract
- Non-cash consideration
- Consideration payable to a customer

For the purpose of determining the transaction price, the company assumes that the goods and services will be transferred to the customer as promised in accordance with the existing contract and the contract will not be cancelled, renewed or modified.

If the consideration promised in a contract includes a variable amount, the company estimates the amount of consideration to which the company will be entitled in exchange for transferring the promised goods or services to a customer.

The company estimates the amount of variable consideration by using the most likely amount method. The most likely amount is the single most likely amount in the range of possible consideration amounts.

At the end of each reporting period, the company updates the estimated transaction price to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period.

Reward system: Under the reward system, the user of eSewa earn points based on the use of eSewa app for payment to various merchants. The users can redeem the points by exchanging such points with service or goods offered by us or through our merchants through eSewa App and Fonepoints Platform. The reward points cannot be redeemed for cash.

Under this system we have a performance obligation to provide or arrange for the provisions of goods or services for free or at a discount to our users in exchange for the redemption of points earned from past activities. The reward points are accumulated unless the points are redeemed by the users. The transaction price is allocated to performance obligations on a relative stand-alone price basis. The stand-alone price of the reward is estimated based on the discount value and likelihood of redemption of the reward point. The estimated discount value is assumed to be constant whereas the likelihood of redemption of the reward points can change from one year to another based on user's interaction with their reward points.

## 3.2 Foreign Currencies

In preparing the financial statements of the company, transactions in currencies other than the company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing on the dates of the transactions.

At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognized in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.
- exchange differences on transactions entered into to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

## 3.3 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.

To the extent that variable rate borrowings are used to finance a qualifying asset and are hedged in an effective cash flow hedge of interest rate risk, the effective portion of the derivative is recognized in other comprehensive income and reclassified to profit or loss when the qualifying asset impacts profit or loss. To the extent that fixed rate borrowings are used to finance a qualifying asset and are hedged in an effective fair value hedge of interest rate risk, the capitalized borrowing costs reflect the hedged interest rate.

Investment income earned from 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 or loss in the period in which they are incurred.

## 3.4 Government Grants

Government grants are not recognized until there is a reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct, or otherwise acquire non-current assets are recognized as deferred income in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognized in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

Government grants towards staff re-training costs are recognized as income over the periods necessary to match them with the related costs and are deducted in reporting the related expense.

Government grants relating to the acquisition of property, plant and equipment are treated as deferred income and released to profit or loss over the expected useful lives of the assets concerned.

## 3.5 Retirement and termination benefit costs

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions. Payments made to state-managed retirement benefit plans are accounted for as payments to defined contribution plans where the Company's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

### Short-term and other long-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

## 3.6 Taxation

As per Nepal Accounting Standard- NAS 12 (Income Taxes) tax expense is the aggregate amount included in determination of profit or loss for the period in respect of current and deferred taxation. Income Tax expense is recognized in the statement of Profit or Loss, except to the extent it relates to items recognized directly in equity or other comprehensive income in which case it is recognized in equity or in other comprehensive income. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate based on amounts expected to be paid to tax authorities.

## Current tax

The Income tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognized for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

## Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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 assets to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realized based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The directors reviewed the Company's investment property portfolios and concluded that none of the Company's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, the directors have determined that the 'sale' presumption set out in the amendments to NAS 12 is not rebutted. As a result, the Company has not recognized any deferred taxes on changes in fair value of the investment properties as the Company is not subject to any income taxes on the fair value changes of the investment properties on disposal.

## 3.7 Property, Plant and Equipment

### Recognition

Property, plant, and equipment are tangible items that are held for use in the production or supply of services, for rental to others or for administrative purposes and are expected to be used during more than one period. eSewa applies the requirements of Nepal Accounting Standard – NAS 16 (Property, Plant and Equipment) in accounting for these assets.

The cost of an item of property, plant and equipment shall be recognized as an asset if, and only if:

- it is probable that future economic benefits associated with the item will flow to the company,
- the cost of the item can be measured reliably.

### Measurement

An item of property, plant and equipment that qualifies for recognition as an asset is initially measured at its cost. Cost includes expenditure that is directly attributable to the acquisition of the asset and cost incurred subsequently to add to replace part of an item of property, plant & equipment.

Cost of Self constructed Intangible Assets includes cost of Labor directly involved in the product development phase and any other cost directly attributable to bringing the Intangible Asset to a working condition for its intended use. Purchased software that is integral to the functionality of the related equipment is capitalized as part of Intangible Assets.

When parts of an assets of Property, Plant Equipment have different useful lives, they are accounted for as separate Fixed Assets. Group of Assets combined to make a final Assets are categorized as Main and Component.

### Cost Model

Property and Equipment is stated at cost of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of replacing part of the equipment when that cost is incurred if the recognition criteria are met.

### Revaluation Model

Any revaluation increases arising on the revaluation of such land and buildings is credited to the property's revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognized as an expense, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such land and buildings is charged as an expense to the extent that it exceeds the balance, if any, held in the property's revaluation reserve relating to a previous revaluation of that asset.

The company follows Cost Model for subsequent measurement of Property Plant & Equipment

## Depreciation

Depreciation is calculated by using the straight-line method on cost or valuation of the Property & Equipment other than freehold land and leasehold properties. Depreciation on leasehold properties is calculated by using the straight-line method on cost or valuation of the property.

The useful life of PPE is given below.

Particulars	FY81/82	FY80/81
<b>Land &amp; Building</b>		
Land	-	-
Building	20 Yrs.	20 Yrs.
<b>Furniture's &amp; Office Equipment's</b>		
Furniture & Office Equipment's	5 Yrs.	5 Yrs.
PC for Non-Tech	4 Yrs.	4 Yrs.
PC or Tech	3 Yrs.	3 Yrs.
<b>Vehicles</b>	<b>5 Yrs.</b>	<b>5 Yrs.</b>
<b>Plant &amp; Machinery</b>		
Servers and networks	6 Yrs.	6 Yrs.
Plant & Machinery.	10 Yrs.	10 Yrs.
<b>Leasehold Asset</b>	<b>Contract Life</b>	<b>Contract Life</b>

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising from the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

## 3.8 Investment Property

Investment property, which is property held to earn rentals and/or for capital appreciation (including property under construction for such purposes), is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value. All of the Company's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties and are measured using the fair value model. Gains or losses arising from changes in the fair value of investment property are included in profit or loss in the period in which they arise.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

## 3.9 Intangible Assets

### Recognition

An intangible asset is an identifiable non-monetary asset without physical substance.

An intangible asset shall be recognized if, and only if:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the company; and
- The cost of the asset can be measured reliably.

### Intangible assets acquired separately.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The cost of a separately acquired intangible asset comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and
- Any directly attributable cost of preparing the asset for its intended use.

## **Internally-generated intangible assets – research and development expenditure**

Expenditure on research activities is recognized as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all of the following conditions have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it.
- the ability to use or sell the intangible asset.
- how the intangible asset will generate probable future economic benefits.
- the availability of adequate technical, financial, and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred. Subsequently to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

## **Intangible assets acquired in a business combination.**

Intangible assets acquired in a business combination and recognized separately from goodwill are recognized initially at their fair value at the acquisition date (which is regarded as their cost). Subsequently, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

## **De-recognition**

An intangible asset is de-recognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is de-recognized.

## **Patents and trademarks**

Patents and trademarks are measured initially at purchase cost and are amortized on a straight-line basis over their estimated useful lives.

## **Impairment of tangible and intangible assets excluding goodwill**

At each reporting date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise.

They are allocated to the smallest company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

## 3.10 Inventories

Inventories are assets:

- held for sale in the ordinary course of business.
- in the process of production for such sale; or
- in the form of materials or supplies to be consumed in the production process or in the rendering of services.

Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials and, where applicable, direct labor costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average cost method. Net realizable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

## 3.11 Financial instruments

Financial assets and financial liabilities are recognized in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

## 3.12 Financial Assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

## Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortized cost:

- the financial asset is held within a business model whose objective is to hold financial assets 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.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL). Despite the foregoing, the Company may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are; and
- the Company may irrevocably designate a debt investment that meets the amortized cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

### Initial Recognition and 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.

### Subsequent Measurement

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.

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.

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.

### 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.

## 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 asset 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 that correlate with defaults.

## 3.13 Financial Liabilities

### 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 cost that are attributable to the issue of the Financial Liability.

### 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.

### 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 or 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.

## 3.14 Customer Wallet Balances

eSewa operates its app and web-based wallet, particularly known as mobile wallet, commonly used for merchant payments, utility payments, financial transactions and domestic remittance. Upon registration, each user (customer/AR/merchant) is provided with a separate individual eSewa account. Users can load funds into their wallets via bank transfer/cash balances against which e-money/digital money is provided to the users in their mobile wallet which can be used for merchant payments, utility payments, financial transactions, and domestic remittance within the platform of eSewa. The balance maintained by users, AR and merchants in their mobile wallet in the form of e-money/digital money is recognized as Customer Wallet Balances. The transactions pending settlement to be transferred to/from settlement bank accounts to/from wallets as on the reporting date are recognized as deposits in transit pending settlement. The deposit of real money raised from customers against issuance of e-money is held in the settlement bank which acts as a custodian for the wallet balances.

The fund balances in the settlement bank account are recognized as Financial Assets with restricted use for settlement of transactions done via the mobile wallet platform. The balances held in the mobile wallet are reported on regular daily basis to the company's regulator (i.e., Nepal Rastra Bank) where Nepal Rastra Bank has specified that the mobile wallet balances at no times exceed the fund balance held in settlement bank account.

## 3.15 Lease

### Recognition

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

A company shall determine the lease term as the non-cancellable period of a lease, together with both:

- periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and
- periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

In assessing whether a lessee is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, a company shall consider all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

### Initial Measurement

At the commencement date, a lessee shall measure and recognize the right-of-use asset and a lease liability.

The cost of the right-of-use asset shall comprise:

- the amount of the initial measurement of the lease liability, as described in paragraph 26 of Nepal Financial Reporting Standards (NFRS)-16.
- any lease payments made at or before the commencement date, less any lease incentives received.
- any initial direct costs incurred by the lessee; and
- an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- Fixed payments (including in-substance fixed payments as described in paragraph B42 of Nepal Financial Reporting Standards (NFRS)-16), less any lease incentives receivable.
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date (as described in paragraph 28 of Nepal Financial Reporting Standards (NFRS)-16).
- Amounts expected to be payable by the lessee under residual value guarantees.
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option (assessed considering the factors described in paragraphs B37–B40 of Nepal Financial Reporting Standards (NFRS)-16); and Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Variable lease payments that depend on an index or a rate include, for example, payments linked to a consumer price index, payments linked to a benchmark interest rate or payments that vary to reflect changes in market rental rates.

After the commencement date, a lessee shall measure the right-of-use asset applying a cost model  
To apply a cost model, a lessee shall measure the right-of-use asset at cost:

- less any accumulated depreciation and any accumulated impairment losses; and
- adjusted for any remeasurement of the lease liability specified in paragraph 36(c) of Nepal Financial Reporting Standards (NFRS)-16.
- A lessee shall apply the depreciation requirements in NAS 16 Property, Plant and Equipment in depreciating the right-of-use asset.

If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the lessee shall depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the lessee shall depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. eSewa applies the requirements of Nepal Financial Reporting Standards (NFRS)-16 in accounting for these assets

## Interest Rate Implicit in Lease

The interest rate implicit in the lease is not readily determinable and the company does not have any borrowing to determine its incremental borrowing rate hence, the average borrowing rate disclosed by the Nepal Rastra Bank at time of initial recognition of individual lease is used to measure the present value of lease liability.

## Subsequent Treatment

Interest on the lease liability in each period during the lease term shall be the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. After the commencement date, a lessee shall recognize Finance Cost in profit or loss, unless the costs are included in the carrying amount of another asset applying other applicable Standards, both:

- interest on the lease liability; and
- variable lease payments not included in the measurement of the lease liability in the period in which the event or condition that triggers those payments occurs.

The detail of lease liability and right to use assets to be disclosed in the Statement of Financial Position as on Ashadh end 2082 is as given below:

Particular	Ashadh End '2082	Ashadh End '2081
<b>Assets</b>		
Right to use asset	114,629,332	131,764,938
<b>Non- Current Liabilities</b>		
Lease liability	129,591,114	142,538,224
<b>Current liabilities</b>		
Lease Liability	12,947,111	10,409,017

The comparative amount in the Statement of Profit and Loss is as given below:

Particular	Ashadh End '2082	Ashadh End '2081
Finance Cost Under Lease	12,845,703	13,692,308
Amortization	17,135,606	17,135,606
<b>Total</b>	<b>29,981,309</b>	<b>30,827,913</b>

The Company has determined the incremental borrowing rates of 10.18% p.a. and 8.43% for HO Building and CSD Building respectively

## Impairment

A lessee shall apply NAS 36 Impairment of Assets to determine whether the right of-use asset is impaired and to account for any impairment loss identified.

After the commencement date, a lessee shall measure the lease liability by:

- increasing the carrying amount to reflect interest on the lease liability.
- reducing the carrying amount to reflect the lease payments made; and
- remeasuring the carrying amount to reflect any reassessment or lease modifications specified in paragraphs 39–46, or to reflect revised in-substance fixed lease payments.

## 3.16 Accounting policies, changes in accounting estimates and errors

Accounting policies are the specific principles, bases, conventions, rules and practices applied by an company in preparing and presenting financial statements.

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

Prior period errors are omission or misstatements in company's financial misstatements for one or more prior periods arising from a failure to use, or misuse of, reliable information that:

Was available when financial statements for those periods were authorized for issue; and Could reasonably be expected to have been obtained and considered in the preparation and presentation of those financial statements.

As per NAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", prior period errors are to be rectified retrospectively. In case the error is related to previous year, we need to restate Previous Year's Statement of Profit and loss, opening balance of Statement of Changes in Equity and prepare Balance sheet of earliest comparative period and in case the error is related to earlier than previous year, we need to restate opening balance of Statement of Changes in Equity and prepare Balance sheet of earliest comparative period.

During the preparation of the current year financial statements, it was identified that the deferred tax effect of provisions for contract liability recognized in the prior year was not accounted for.

Consequently, prior year retained earnings have been restated to reflect the previously unrecognized deferred tax income.

The impact of this adjustment is summarized below:

Retained Earning

Particulars	Amount
Retained Earnings (Opening PY)	303,905,300
Deferred Tax Adjustments	2,713,650
Retained Earnings (Restated)	306,618,950

This adjustment has been made retrospectively in accordance with NFRS to ensure comparability of the financial statements.

## 3.17 Provisions and contingent liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, considering the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, it carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

A contingent liability is possible obligation that arises from the past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that the outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

All the contingent liabilities and the guarantees given by the Company to third parties are disclosed as follows:

### Contingent liabilities

#### Bank guarantee issued on behalf of the Company

The Company has taken following bank guarantees:

Issued to	Purpose	Amount in NPR	Beginning on	Valid Till
Nepal Doorsanchar Company Ltd.(Nepal Telecom)	SIM Card Purchase	4,000,000	04/07/2024	16/08/2025
Ncell Axiata Limited	Credit Limit for Ncell Topups	100,000,000	03/04/2025	03/04/2026
Kathmandu Upatyaka Khanepani Limited (KUKL)	Online Payment Collection	10,000,000	30/12/2024	31/12/2025
Nepal Electricity Authority	Online Payment Collection	100,000,000	17/08/2025	16/08/2026

These obligations may not be recognized on reporting date, Accordingly, they are disclosed unless remote.

Under the self-assessment process, the Company files its income tax returns, which are subsequently reviewed by the Large Taxpayer Office (LTO) within four years from the end of the respective financial year. Upon completion of assessments up to FY 2077/78. The Large Taxpayer Office (LTO) has raised assessment orders relating to a dispute over applicable tax rate, resulting in a disputed tax liability of NPR 5,109,819.08. The Company has filed an appeal against the assessment before the higher authorities, and the case is currently under administrative review.

#### 4 Property, Plant and Equipment and Intangible Assets

##### 4.1 Property, Plant and Equipment

The details of property plant and equipment as on Ashadh end 2082 is as given below:

Particulars	Pool - A		Pool B	Pool C	Pool D	Pool E	Total
	Land	Buildings	Furniture & Fixtures	Vehicles	Plant & Machinery	Leasehold Improvements	
<b>Cost</b>							
<b>As on Shrawan 1, 2081</b>	-	-	<b>52,477,469</b>	<b>13,329,791</b>	<b>164,937,444</b>	<b>75,771,601</b>	<b>306,516,305</b>
Acquisition/Additions	-	-	14,656,548	-	37,550,631	20,063,017	<b>72,270,195</b>
Capitalisation	-	-	-	-	-	-	-
Disposals	-	-	-	-	3,019,058	-	<b>3,019,058</b>
Write-offs	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-
Transfer/ adjustments due to change in Accoun	-	-	-	-	-	-	-
<b>Balance as on 32 Ashadh, 2082</b>	-	-	<b>67,134,017</b>	<b>13,329,791</b>	<b>199,469,017</b>	<b>95,834,618</b>	<b>375,767,443</b>
<b>Accumulated depreciation and impairment</b>							
<b>As on Shrawan 1, 2081</b>	-	-	<b>25,274,733</b>	<b>6,329,107</b>	<b>69,948,426</b>	<b>21,245,557</b>	<b>122,797,822</b>
Depreciation/Amortisation	-	-	13,033,673	1,524,464	20,673,102	8,711,269	<b>43,942,508</b>
Disposals	-	-	-	-	3,019,058	-	<b>3,019,058</b>
Write-offs	-	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-	-
Impairment reversal	-	-	-	-	-	-	-
Transfer/ adjustments due to change in Accoun	-	-	-	-	-	-	-
<b>Balance as on 32 Ashadh, 2082</b>	-	-	<b>38,308,407</b>	<b>7,853,570</b>	<b>87,602,470</b>	<b>29,956,826</b>	<b>163,721,273</b>
<b>Net Carrying Amount</b>							
As on 31 Ashadh, 2081	-	-	27,202,736	7,000,685	94,989,018	54,526,044	<b>183,718,483</b>
As on 32 Ashadh, 2082	-	-	<b>28,825,611</b>	<b>5,476,221</b>	<b>111,866,546</b>	<b>65,877,792</b>	<b>212,046,170</b>

#### 4.2 Intangible Assets

The details of intangible asset as on Ashadh end 2082 is as given below:

Particulars	Software	Total
<b>Cost</b>		
<b>As on Shrawan 1, 2081</b>	<b>16,714,940</b>	<b>16,714,940</b>
Acquisition/Additions	11,474,235	11,474,235
Capitalisation	-	-
Disposals	-	-
Write-offs	-	-
Revaluation	-	-
Transfer/ adjustments due to change in Accounting Estimate	-	-
<b>Balance as on 32 Ashadh, 2082</b>	<b>28,189,175</b>	<b>28,189,175</b>
<b>Accumulated depreciation and impairment</b>		
<b>As on Shrawan 1, 2081</b>	<b>3,977,824</b>	<b>3,977,824</b>
Depreciation/Amortisation	-	-
Disposals	-	-
Write-offs	-	-
Impairment losses	-	-
Impairment reversal	-	-
Transfer/ adjustments due to change in Accounting Estimate	-	-
<b>Balance as on 32 Ashadh, 2082</b>	<b>3,977,824</b>	<b>3,977,824</b>
<b>Net Carrying Amount</b>		
As on 31 Ashadh, 2081	12,737,116	12,737,116
As on 32 Ashadh, 2082	24,211,351	24,211,351

#### 4.3 Capital Work in Progress

Particulars	Software	Total
<b>As on Shrawan 1, 2081</b>	<b>14,955,475</b>	<b>14,955,475</b>
Additions	10,593,339	10,593,339
Capitalisation	-	-
Disposals	-	-
Impairment losses	-	-
Impairment reversal	-	-
<b>Balance as on 32 Ashadh, 2082</b>	<b>25,548,814</b>	<b>25,548,814</b>

#### 4.4 Right-of-Use Assets

Particulars	Leasehold Asset- A	Leasehold Asset- B	Total
<b>Cost</b>			
<b>As on Shrawan 1, 2081</b>	<b>140,183,647</b>	<b>31,172,411</b>	<b>171,356,058</b>
Acquisition/Additions	-	-	-
Capitalisation	-	-	-
Disposals	-	-	-
Transfer/ adjustments	-	-	-
<b>Balance as on 32 Ashadh, 2082</b>	<b>140,183,647</b>	<b>31,172,411</b>	<b>171,356,058</b>
<b>Accumulated Depreciation</b>			
<b>As on Shrawan 1, 2081</b>	<b>36,214,109</b>	<b>3,377,011</b>	<b>39,591,120</b>
Depreciation/Amortisation	14,018,365	3,117,241	17,135,606
Disposals	-	-	-
Write-offs	-	-	-
Impairment losses	-	-	-
Impairment reversal	-	-	-
Transfer/ adjustments	-	-	-
<b>Balance as on 32 Ashadh, 2082</b>	<b>50,232,473</b>	<b>6,494,252</b>	<b>56,726,726</b>
<b>Carrying Amount</b>			
<b>As on 31 Ashadh, 2081</b>	<b>103,969,538</b>	<b>27,795,400</b>	<b>131,764,938</b>
<b>As on 32 Ashadh, 2082</b>	<b>89,951,173</b>	<b>24,678,159</b>	<b>114,629,332</b>

#### 4.4 Lease Liabilities

Particulars	Current Year	Previous Year
<b>Current Lease Liability</b>		
Pulchowk Building - Office Premises	11,135,693	9,186,701
NIC Asia Building- Office Premises	1,811,417	1,222,315
	<b>12,947,111</b>	<b>10,409,017</b>
<b>Non-Current Lease Liability</b>		
Pulchowk Building - Office Premises	102,613,271	113,748,964
NIC Asia Building- Office Premises	26,977,843	28,789,260
	<b>129,591,114</b>	<b>142,538,224</b>
<b>Balance as on 32 Ashadh, 2082</b>	<b>142,538,224</b>	<b>152,947,241</b>
<b>Depreciation and Amortization</b>		
<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
Depreciation Expense on Right-of-use Assets	17,135,606	17,135,606
Interest Expense on Lease Liabilities	12,842,973	13,692,308
Expense Relating To Leases Of Short-Term & Low Value Assets	-	-
<b>Total</b>	<b>29,978,578</b>	<b>30,827,914</b>

## 5 Deferred Tax

Particulars	Accounting Base	Tax Base	Difference	Deferred Tax (Income) Expenses of Current Year
Property, Plant and Equipment	236,257,521	241,236,749	4,979,228	164,074
Right of Use Asset	114,629,332	-	(114,629,332)	(4,106,648)
Bank Account	347,371,790	347,313,466	(58,324)	11,665
Lease Liability	(142,538,224)	-	142,538,224	2,870,569
Provision for Leave Encashment	(14,281,010)	-	14,281,010	(1,250,792)
Provisions for Expenses	(3,024,690)	-	3,024,690	(512,104)
Contract Liability	(30,714,743)	-	30,714,743	(835,603)
Deferred Grant	-	-	-	-
Unused Tax Credit	-	-	-	-
<b>Total</b>	<b>507,699,976</b>	<b>588,550,215</b>	<b>80,850,239</b>	<b>(3,658,839)</b>

Comparatives of Deferred Tax as at Ashadh end 2082 is as below:

Particulars	Ashadh End 2082	Ashadh End 2081
Right of Use Asset	995,846	1,159,919
Lease Liability	(22,925,866)	(27,032,514)
Provision for Leave Encashment	(11,665)	-
Provisions for Expenses	28,507,645	31,378,214
Bank Account	2,856,202	1,605,410
Contract Liability	604,938	92,834
Deferred Grant	6,142,949	5,307,346
Unused Tax Credit	-	-
<b>Total</b>	<b>16,170,048</b>	<b>12,511,208</b>

Different tax rates are applied to different levels of taxable income, deferred tax assets and liabilities are measured using the average rates that are expected to apply to the taxable profit (tax loss) of the periods in which the temporary differences are expected to reverse

## 6 Investment in Subsidiary

Investment in subsidiary includes the investment made in wholly owned subsidiary recognized at cost. The detail of the same is as below:

Particulars	Current Year	Previous Year
eSewa Travels & Tours Pvt. Ltd.	2,500,000	2,500,000
<b>Balance as on 32 Ashadh, 2082</b>	<b>2,500,000</b>	<b>2,500,000</b>

## 7 Inventory

Particulars	Current Year	Previous Year
Consumables Inventory	302,120	-
Sim Card Inventory	-	-
Topup Inventory	63,719,606	51,014,592
<b>Balance as on 32 Ashadh, 2082</b>	<b>64,813,912</b>	<b>51,037,158</b>

\*Cost of inventory is equal to the Net Realisable Value (Fair value Less Cost to Sales)

## 8 Trade And Other Receivables

Trade Receivables is the total of sundry debtors. The detail is as below:

Particulars	Current Year	Previous Year
Trade Receivables	369,474,213	324,988,725
Less: Allowance for Receivable	-	-
Less: Bad Debt	-	-
<b>Balance as on 32 Ashadh, 2082</b>	<b>369,474,213</b>	<b>324,988,725</b>
a) Expected receivable within 12 months:		
Particulars	Current Year	Previous Year
Trade Receivables	369,474,213	334,488,724
<b>Balance as on 32 Ashadh, 2082</b>	<b>369,474,213</b>	<b>334,488,724</b>

## 9 Cash and Cash Equivalents

Cash and cash equivalent is total of cash balance and bank balances readily available for use. The detail is

Particulars	Current Year	Previous Year
<b>9(a). Cash Balance</b>		
Petty Cash GSD	-	-
<b>9(b). Bank Balance</b>		
Less: Impairment Losses		
<b>9(c). Wallet Balance</b>		
Less: Impairment Losses	-	-
<b>Balance as on 32 Ashadh, 2082</b>	<b>347,371,790</b>	<b>429,878,888</b>
<b>9.1 Customer Wallet Balances</b>		
NABIL Bank Limited (CTP Account)	7,760,212,335	4,305,465,499
<b>Balance as on 32 Ashadh, 2082</b>	<b>7,760,212,335</b>	<b>4,305,465,499</b>
<b>9.2 Bank Balance at Settlement Accounts</b>		
Fonepay Settlement Account	141,402,697	692,739,923
Less: Accounts Payable - Fonepay Settlement	141,402,697	692,739,923
<b>Balance as on 32 Ashadh, 2082</b>	<b>-</b>	<b>-</b>
Top up Settlement Accounts	4,694,512	7,930,874
Less: Top up Settlements Payable	4,694,512	7,930,874
<b>Balance as on 32 Ashadh, 2082</b>	<b>-</b>	<b>-</b>
<b>Settlement Balance as on 32 Ashadh, 2082</b>	<b>146,097,208</b>	<b>700,670,797</b>
<b>Settlement Balance Payable as on 32 Ashadh,</b>	<b>146,097,208</b>	<b>700,670,797</b>
<b>Net Balance as on 32 Ashadh, 2082</b>	<b>-</b>	<b>-</b>
The Bank Balance at Settlement Accounts as on Ashadh end 2082 has been netted off with the corresponding settlement balance payable, and the net amount has been presented in the financial statements.		

## 10 Advance and Prepaids

### 10.1 Net Income Tax

Particulars	Current Year	Previous Year
Advance Income Tax	90,704,098	56,991,644
TDS Receivables	52,059,396	55,228,449
Provision for Income Tax	(118,950,407)	(97,477,341)
<b>Balance as on 32 Ashadh, 2082</b>	<b>23,813,087</b>	<b>14,742,753</b>
<b>10.2 Other Advances</b>		
Deposits	1,630,495	348,000
Trade Advances	11,060,524	9,500,000
Prepaid Rent	540,000	42,436
Prepaid Expenses	12,180,474	1,729,663
Staff Advance	14,396,445	16,853,692
<b>Balance as on 32 Ashadh, 2082</b>	<b>39,807,939</b>	<b>28,473,791</b>
<b>Total</b>	<b>63,621,026</b>	<b>43,216,544</b>

## 11 Financial Asset measured at Amortized Cost

The investment made by the company in fixed deposit at Bank is classified as financial asset measured at amortized cost.

Particulars	Current Year	Previous Year
Fixed Deposit - Current	220,022,000	106,320,000
<b>Balance as on 32 Ashadh, 2082</b>	<b>220,022,000</b>	<b>106,320,000</b>
a) Expected maturities within 12 months:		
Particulars	Current Year	Previous Year
Fixed Deposit - Current	220,022,000	106,320,000
<b>Balance as on 32 Ashadh, 2082</b>	<b>220,022,000</b>	<b>106,320,000</b>

## 12 Share Capital

Particulars	Current Year	Previous Year
<b>Authorized Share Capital</b>		
5,000,000 Shares @ 100	500,000,000	500,000,000
<b>Issues Share Capital</b>		
4,750,000 Shares @ 100	475,000,000	475,000,000
<b>Subscribed Share Capital</b>		
3,800,000 Shares @ 100 (Includes 2,800,000 Bonus Shares)	380,000,000	380,000,000
<b>As on 32 Ashadh, 2082 (Par value)</b>	<b>380,000,000</b>	<b>380,000,000</b>

### 13 Retained Earnings

Particulars	Current Year	Previous Year
As on Shrawan 1, 2081	369,067,810	306,618,950
Net Profit or Loss	452,641,234	358,324,176
Transfer to Reserves	(43,926,415)	(1,875,316)
Dividend Paid	(266,000,000)	(294,000,000)
<b>Balance as on 32 Ashadh, 2082</b>	<b>511,782,628</b>	<b>369,067,810</b>

#### Reserves

Company has appropriated profits into the following reserves, in the percentage indicated below:

- Risk Bearing Reserve** - 2% of annual net profit to absorb potential losses arising from unforeseen circumstances, operational risks, or adverse financial events.
- General Reserve**- 7% of annual net profit to strengthen the company's overall financial position, ensure long-term stability, and support expansion activities until the reserve is equal to the paid-up capital
- Corporate Social Responsibility (CSR) Reserve**- 1% of annual net profit for CSR-related initiatives in compliance with Section 54 of the Industrial Enterprises Act, 2076

Particulars	Current Year	Previous Year
Risk Bearing Reserve	9,052,825	-
General Reserve	31,684,886	-
CSR Reserve	8,742,544	5,553,840
<b>Balance as on 32 Ashadh, 2082</b>	<b>49,480,255</b>	<b>5,553,840</b>

### 14 Other Non Current Financial Liabilities

Contract liability related to reward points is recognized based on performance obligation the company is yet to fulfill toward the reward points earned by the user of eSewa app.

Particulars	Current Year	Previous Year
Contract Liability related to Reward Point	30,714,743	25,869,665
<b>Balance as on 32 Ashadh, 2082</b>	<b>30,714,743</b>	<b>25,869,665</b>

## 15 Trade and Other Payables

Trade and other payables consist of sundry creditors along with other payables. The detail is as given below:

Particulars	Current Year	Previous Year
Trade Payables	202,556,842	251,682,646
Agent Commission Payable	-	4,080
Bank Commission Payable	212,223	-
Audit Fee Payable	344,750	221,625
Refundable Deposit	40,115	639,280
<b>Balance as on 32 Ashadh, 2082</b>	<b>203,153,929</b>	<b>252,547,631</b>

## 16 Customer Wallet Balances

Customer Wallet Balances consists of Total Wallet Balance as on the Ashadh End 2081

Particulars	Current Year	Previous Year
Customer Wallet Balances	7,760,212,335	4,305,465,499
<b>Balance as on 32 Ashadh, 2082</b>	<b>7,760,212,335</b>	<b>4,305,465,499</b>

## 17 Accrued Payroll and Related Benefits

Particulars	Current Year	Previous Year
Staff Salary Payable	17,717,304	15,582,560
Staff Bonus Payable	63,725,359	50,390,207
Food Allowance Payable	192,938	186,000
Intern/AR Stipend Payable	2,355,767	1,356,597
Staff Reimbursement Payable	154,968	368,115
<b>Balance as on 32 Ashadh, 2082</b>	<b>84,146,336</b>	<b>67,883,479</b>

## 18 Statutory Liabilities

Statutory liabilities include TDS payable, VAT payable, CIT payable, PF payable, TDS receivable and SSF payable. The detail of the same is given below:

Particulars	Current Year	Previous Year
TDS Payable	10,937,789	11,830,829
VAT Payable	22,201,928	35,655,653
CIT Payable	1,859,701	1,638,632
SSF Payable	2,498,921	2,355,986
<b>Balance as on 32 Ashadh, 2082</b>	<b>37,498,339</b>	<b>51,481,100</b>

## 19 Provisions

The detail of the same is given below:

Particulars	Current Year	Previous Year
<b>Provisions</b>		
Provision for Leave Encashment	14,281,010	7,825,269
Provisions for Expenses	3,024,690	452,500
<b>Balance as on 32 Ashadh, 2082</b>	<b>17,305,700</b>	<b>8,277,768</b>

## 20 Revenue

Particulars	Current Year	Previous Year
<b>Operating Revenues</b>		
Commission Income	1,033,986,702	979,533,883
Service Sales Income	598,320,107	323,630,767
Topup & SIM Sales	19,639,660,928	15,573,765,315
Less: Contract Liability related to reward p	(25,621,623)	(12,301,413)
<b>Total</b>	<b>21,246,346,114</b>	<b>16,864,628,552</b>

The company provides reward points (customer loyalty points) on certain eSewa services transacted by the wallet user. The reward points are accumulated unless the points are redeemed by the customers. The company has followed the provision of NFRS 15 for recognition of contract liability related to reward points.

For the year, the following estimation has been considered based on the future business scenario:

-Reward Point Conversion rate: 40%

-Likelihood of redemption of Reward Point: 23.07 % on accumulated reward points

During FY80.81, the company had recognized contract liabilities related to customer loyalty points earned but not yet redeemed of Rs 12,301,412. Rs. 421,607 was recognized as revenue for the reward points redeemed by the customers for the FY80.81. Net contract liabilities represented the obligation to provide goods or services in the future in exchange for points earned by customers as of the end of the previous reporting period.

In the current Fiscal Year, the additional contractual obligation of Rs. 25,621,623 have been recognized based on an estimated future redemption trend of 23.07% on accumulated reward point. Revenue amounting to Rs. 249,713 equivalent to the value of redeemed points, has been recognized in accordance with our contractual obligation fulfillment. Revenue recognition from these contract liabilities was done proportionately based on

## 21 Non Operating Revenues

Particulars	Current Year	Previous Year
Cost Sharing Revenue	2,641,773	3,937,951
Interest Income from CTP Balance	96,373,854	84,014,641
Grant Income	6,631,950	8,147,165
Other Income	39,807,456	9,820,890
Gain/Loss on Disposal	75,221	2,703,514
Rent Income	1,200,000	1,200,000
Forex Gain (Unrealized)	58,324	30,141
<b>Total</b>	<b>146,788,578</b>	<b>109,854,303</b>

## 22 Finance Income

Finance income represents the interest income earned during the year from various financial instruments excluding interest income arising from CTP balances. The details of such Finance income of the company is

Particulars	Current Year	Previous Year
Finance Income	7,860,594	4,858,167
<b>Total</b>	<b>7,860,594</b>	<b>4,858,167</b>

## 23 Cost of Services

Particulars	Current Year	Previous Year
Cost of Sim Card	3,066,372	-
Cost of Topup	19,537,514,227	15,467,503,808
Direct Expenses	531,775,168	366,878,333
Bank Commission Sharing	403,417,125	233,812,997
Agent Commission Sharing	128,363,723	133,065,336
<b>Total</b>	<b>20,072,355,766</b>	<b>15,834,382,142</b>

## 24 Cost of Services

Employee benefit expenses contain expenses made on behalf of employee from the company:

Particulars	Current Year	Previous Year
<b>Payroll Expenses</b>		
Salary Expenses	261,451,592	229,821,906
Dashain Allowance	21,394,823	10,998,118
Incentive Expenses	1,284,183	1,246,259
Overtime Expenses	2,848,960	2,186,419
SSF Contribution Exp (including provident fund and gratuity)	18,385,031	17,896,793
Leave Encashment Expenses	8,889,305	4,175,786
Intern/AR Stipend Expenses	21,123,590	11,861,649
Food Allowance Expenses	2,196,779	2,152,000
Staff Training, Learning & Development Expenses	16,491,539	10,761,822
Wages Expenses	-	579,552
<b>Subtotal</b>	<b>354,065,802</b>	<b>291,680,304</b>
Employee Bonus	63,725,359	50,341,342
<b>Total</b>	<b>417,791,160</b>	<b>342,021,646</b>

## 25 Administration Expenses

### 25.1 Administration Expenses

Particulars	Current Year	Previous Year
Rent Expenses	4,368,576	3,747,874
Bank Charges	2,709,547	1,855,821
Meeting and Other Expenses	975,667	718,821
Consumables (Items)	885,838	687,347
Printing & Stationary	644,801	712,575
Registration, Membership & Renewals	7,495,120	6,412,802
Outsourced Expenses	11,595,414	12,089,860
Cleaning & Sanitation Expenses	4,225,483	3,676,760
Lunch/ Pantry/ Refreshment expenses	14,388,066	12,555,848
Insurance Expenses	95,759	150,936
Courier & Cargo Expenses	2,319,553	1,008,330
Travelling Expenses	107,001	490,181
Office Expenses	2,113,336	1,606,245
CSR Expenses	1,337,708	1,681,990
Security Expenses	1,083,590	981,476
System Tools & Licenses	57,296,461	5,669,339
Fine & Penalty	85,179	18,139
Delayed Settlement Charge	-	39,476,745
Product Testing & Research	31,346	60,309
Board Meeting Allowances	746,000	504,000
<b>Sub-Total (A)</b>	<b>112,504,445</b>	<b>94,105,398</b>

## 25.2. Utility Expenses

Particulars	Current Year	Previous Year
Water Expenses	906,985	849,590
Electricity Expenses	2,761,036	2,774,782
Fuel Expenses	3,276,846	3,252,468
Internet Expenses	2,493,592	2,194,685
Telephone Expenses	9,248,375	8,368,933
<b>Sub-Total (B)</b>	<b>18,686,834</b>	<b>17,440,457</b>

## 25.3. Repair & Maintenance Expenses

Repairs & Maintenance - PPE	Current Year	Previous Year
Repair & Maintenance - Pool A (Building & Str.)	-	-
Repair & Maintenance - Pool B (F&F & Office Eqp.	685,198	823,823
Repair & Maintenance - Pool C (Vehicle)	242,225	341,968
Repair & Maintenance - Pool D (P&M)	143,441	151,350
Repair & Maintenance - Pool E (Leasehold Assets)	643,494	301,178
<b>AMC &amp; Other Repairs</b>		
Data Centre Expense	6,544,996	8,001,929
AMC Charges	272,657	612,927
<b>Sub-Total (C)</b>	<b>8,532,010</b>	<b>10,233,175</b>

## 25.4. Legal & Professional Expenses

Particulars	Current Year	Previous Year
Consultancy Charges	6,626,392	5,183,474
Audit Fees	350,000	355,208
Legal Expenses	540,000	800,000
Previous Year Tax Expenses	-	-
<b>Sub-Total (D)</b>	<b>7,516,392</b>	<b>6,338,682</b>

## 25.5 Depreciation and Amortization Expenses

Particulars	Current Year	Previous Year
Depreciation - Pool A (Land, Building & Structure)	-	-
Depreciation - Pool B (Fur & Fix & Office Equip)	13,033,673	10,314,459
Depreciation - Pool C (Vehicle)	1,524,464	1,656,573
Depreciation - Pool D (P&M)	20,673,102	14,738,315
Depreciation - Pool E (Leasehold Assets)	8,711,269	7,556,641
Amortization - Intangible Assets	3,788,499	1,246,828
Amortization - ROUA	17,135,606	17,135,606
<b>Sub-Total (E)</b>	<b>64,866,614</b>	<b>52,648,422</b>
<b>Total Administrative Expenses</b>	<b>212,106,295</b>	<b>180,766,135</b>

## 26 Marketing & Branding Expenses

Particulars	Current Year	Previous Year
Branding and Acquisition	29,340,915	57,510,678
Viber and SMS	19,136,186	11,836,241
News Paper Advertisement	530,219	7,363,500
Online Portal Advertisement	4,459,130	10,261,400
Digital Marketing	2,082,159	5,189,860
Television Advertisement	6,637	1,550,000
Radio Advertisement	2,089,768	1,655,921
Video Creation	2,641,077	1,175,075
Prizes and Merchandise	6,013,388	3,418,532
Cash back and offers	320,605	13,192,523
Sponsorship	10,975,128	1,159,769
Reward Point Redemption	0	169,896
Business Promotion Expenses	26,099,918	33,010,498
Market Visit Expenses	2,372,909	2,041,703
Event Expenses	5,644,944	4,063,676
Business Development & Campaign Expenses	655,150	1,367,656
<b>Total</b>	<b>112,368,134</b>	<b>154,966,928</b>

## 27 Finance Expenses

Finance Expense contains unwinding of Lease Liabilities and unrealized losses.

Particulars	Current Year	Previous Year
Forex Loss (Realized)	2,731	-
ROUA_Interest	12,842,973	13,692,308
<b>Total</b>	<b>12,845,703</b>	<b>13,692,308</b>

## 28 Income Tax Expenses

Current Tax expenses contain Income Tax and Prior Year tax adjustments.

Particulars	Current Year	Previous Year
Current Year Tax	118,950,407	97,477,341
Adjustments in respect of prior years	5,595,426	2,100,061
<b>Total</b>	<b>124,545,833</b>	<b>99,577,402</b>

## 29 Income Tax Expenses

Deferred Tax Expenses/(Income) contain movement of Deferred tax in SOFP

Particulars	Current Year	Previous Year
Origination & Reversal of Temporary Differences	(3,658,839)	(4,389,715)
<b>Total</b>	<b>(3,658,839)</b>	<b>(4,389,715)</b>

Different tax rates are applied to different levels of taxable income, deferred tax assets and liabilities are measured using the average rates that are expected to apply to the taxable profit (tax loss) of the periods in which the temporary differences are expected to reverse.

## 30. Events after Reporting Date

Events after the balance sheet date are those events, favorable and unfavorable, that occur between the balance sheet date and the date when the financial statements are authorized for issue. These events will result in the financial statements being adjusted, or where such events merely require disclosure within the financial statements.

### Adjusting Events after Reporting Period

An company should adjust the amounts recognized in its financial statements to reflect adjusting events after the balance sheet date as per NAS 10 Events After the Balance Sheet Date and the company has its accounts adjusted accordingly.

eSewa follows NAS-10 “Events after the Reporting Period” to account for and report the events that have occurred after the reporting period.

### Non-Adjusting Events after Reporting Period

If non-adjusting events after the balance sheet date are material, non-disclosure could influence the economic decisions of users taken based on the financial statements and hence should be disclosed.

## 31. Additional Information on Risk Management

### 31.1 Financial Risk Management

The Company’s activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on a system-based approach to business risk management. The Company’s financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management Framework rests on policies and procedures issued by appropriate authorities; process of regular internal reviews/audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

#### a. Market Risk

The Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, foreign currency risk and price risk. The Company has in place appropriate risk management practice to limit the impact of these risks on its financial performance. The Company ensures optimization of cash through fund planning and robust cash management practices.

#### Interest Rate Risk

However, the Company is exposed to interest rate risk on customer wallet balances and fixed deposits maintained with banks. Any decrease in market interest rates may result in lower interest income, thereby increasing the Company’s exposure to interest rate risk.

#### Price Risk

The Company invests its funds in fixed deposits. There is no exposure of price risk on such instruments

#### Foreign Currency Risk

The Nepalese Rupee is the Company’s most significant currency. Therefore, the Company’s performance is presented in Nepalese Rupee and exposures are managed against Nepalese Rupee accordingly. Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company’s exposure to the risk of changes in foreign exchange rates relates primarily to the Company’s operating activities and investing activities (when revenue, expense and Property, Plant and Equipment is denominated in a foreign currency). There is no significant exposure of foreign currency risk.

## b. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or contract, leading to a financial loss. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

All the company's investments and loans at amortized cost are considered to have low credit risk, and the loss allowance recognized during the period was therefore limited to 12 months expected losses (if any). Management considers instruments to be low credit risk when they have a low risk of default, and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

## c. Liquidity Risk

Company monitors their risk of shortage of funds using cash flow forecasting models. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner. A balance between continuity of funding and flexibility is maintained using internal funds from operations. The regulatory requirement to maintain amount at CTP account equal to the Customer Wallet Balances liability has significantly decreased our liquidity risk.

## 32. Related Party Disclosure

### a. The company has identified following as the related parties under the requirement of NAS 24.

Name of Related Party	Ownership/Interest (%)	Relationship
F1Soft International Pvt. Ltd.	20%	Investor having Significant Influence
eSewa Travels and Tours Pvt. Ltd.	100%	Wholly-owned Subsidiary Company

### b. Key Management Personnel

Name of Related Party	Relationship
Mr. Parshuram Kunwar Chhetri	Chairman
Mr. Roshan Lamichhane	Director
Mr. Subash Sharma	Director
Mr. Saugat K.C.	Director
Mr. Jagdish Khadka	Chief Executive Officer
Mr. Rabi Shakya	Chief Strategy Officer

**c. Details of transaction and outstanding balance:  
Transactions**

Particulars	F1soft International Pvt Ltd	Esewa Travels and Tours Pvt. Ltd.	Key Management Personnel	Other Related Entities	Total
<b>Service</b>					
<b>Sales</b>					
For the Year Ended Ashadh 32, 2082	6,155,402,172	13,308,123			<b>6,168,710,295</b>
For the Year Ended Ashadh 31,2081	4,468,058,068	15,137,243			<b>4,483,195,311</b>
<b>Purchase</b>					
For the Year Ended Ashadh 32, 2082	50,465,066	5,195,140			<b>55,660,206</b>
For the Year Ended Ashadh 31,2081	127,965,671	1,105,623			<b>129,071,294</b>

Particulars	F1soft International Pvt Ltd	Esewa Travels and Tours Pvt. Ltd.	Key Management Personnel	Other Related Entities	Total
<b>Trade Receivables</b>					
As on Ashadh End 2082	214,593,562	2,031,657			<b>216,625,219</b>
As on Ashadh End 2081	172,386,408	17,706,329			<b>190,092,737</b>
<b>Trade Payables</b>					
As on Ashadh End 2082					
As on Ashadh End 2081					
<b>Advance</b>					
For the Year Ended Ashadh 32, 2082					
For the Year Ended Ashadh 31,2081			560,000		<b>560,000</b>

#### d. Board Member Allowances and Facilities

The Board of Directors have been paid meeting fees of NPR 746,000 during the fiscal year. The Chairperson and other members of the Board are paid NPR 12,000 and NPR 10,000 per meeting respectively. Meeting fees paid to the directors are as follows:

Name of the Director	Position	Meeting Allowance
Mr. Parshuram Kunwar Chhetri	Chairperson, Board of Directors	216,000
Mr. Subash Sharma	Member, Board of Directors	180,000
Mr. Roshan Lamichhane	Member, Board of Directors	180,000
Mr. Saugat KC	Member, Board of Directors	170,000
<b>Total</b>		<b>746,000</b>

#### e. Amount Paid to Key Management Personnel

##### Compensation Details for Chief Executive Officer

The Board of Directors have appointed Mr. Jagdish Khadka as Chief Executive Officer of the Company with effect from 2079/06/12 for a period of 4 years. CEO has been paid salary and allowance of NPR.11,616,425 during the FY 2081/82. CEO has been reimbursed with the communication expense and has been provided vehicle facility for official purpose.

Particulars	Current Year	Previous Year
Short Term Employee Benefit	11,616,425	10,505,936
<b>Total</b>	<b>11,616,425</b>	<b>10,505,936</b>

##### Compensation Details for Other Key Management Personnel

Particulars	Current Year	Previous Year
Short Term Employee Benefit	7,339,355	10,170,138
<b>Total</b>	<b>7,339,355</b>	<b>10,170,138</b>

Key Management Personnel are also provided with vehicle facility, communication and other allowances as per the People & Culture Bylaws

Note: - The amounts disclosed in the table are the amounts recognized as an expense during the reporting period related to key management personnel. Also, the liabilities for leave encashment are provided on cash basis for the Company, so the amounts pertaining to the leave encashment of key management personnel are not included above.

### 33. Earnings per share

The company measures earning per share on the basis of the earnings attributable to the equity shareholders for the period. The number of shares is taken as the weighted average number of shares for the relevant period as required by NAS 33 Earnings per Share:

Particulars	Units	Current Year	Previous Year
Profit Attributable to Shareholders(a)	NPR	453,398,934	358,324,177
Weighted average of number of equity shares used in computing Basic Earnings Per share(b)	Nos.	3,800,000	3,800,000
<b>Basic Earnings Per share (BEPS)(a/b)</b>	<b>Rs.</b>	<b>119.32</b>	<b>94.30</b>
Weighted average of number of equity shares used in computing Diluted Earnings per Share (c)	Nos.	3,800,000	3,800,000
<b>Diluted Earnings Per share (DEPS)(a/c)</b>	<b>Rs.</b>	<b>119.32</b>	<b>94.30</b>

### 34. Regrouping of figures

The figures of the previous year have been regrouped/ rearranged wherever necessary. The financial statements are exhibited to the nearest Rupee.

### 35. Audit Period

The audit period covers for the Period 1st Shrawan 2081 to 32nd Ashadh 2082.

# Awards & Recognition



**Highest Income Taxpayer in ICT**



**Excellence in Fintech Partnership**



**Best Managed IT Company of the year**



# Company Information

**Company Name**  
eSewa Ltd.

**Company Number**  
Registered in Lalitpur, Nepal  
Company no.: 336102/80/081

**Independent Auditor**  
PKF T R Upadhya & Co.  
124 Lal Colony Marg, Lal Durbar  
Kathmandu, Nepal

**Company Secretary**  
Dinesh Pyatha

**Shareholders Information**  
Please refer to page no. (74) for information  
on the company shareholders

**Directors**  
Mr. Parshuram Kunwar Chhetri  
Chairperson

Mr. Subash Sharma  
Director

Mr. Roshan Lamichhane  
Director

Mr. Saugat K.C  
Director











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