



Thimphu TechPark
dhi Company

Annual Report 2015



Thimphu TechPark Limited, P.O. Box 633, Thimphu, Bhutan.
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Our Vision

To be a sustainable and socially conscious special economic zone that contributes to the socio-economic development and Gross National Happiness of the Country.

Our Mission

To attract respected IT/ITES companies from both within Bhutan and around the world to work in a stimulating environment which provides opportunities for technology based collaboration, learning and innovation.



Employees of Scan Café Pvt. Ltd., anchor tenant, pose for a group photo with their CEO and CTO on 19 October 2015

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People working in a company at the IT Park.

Company Profile

Background of the Company

Druk Holding and Investments (DHI), Bhutan, and Assetz Property Group (APG), Singapore, signed a joint venture agreement and submitted a Joint Venture bid to Design, Build, Finance, Own, Operate and Transfer (DBFOOT) the IT Park in Babesa, Thimphu under the Public-Private Partnership (PPP) model for the Department of IT and Telecom, MoIC. Subsequently, DHI and APG were awarded the contract vide letter No. DIT/35(12)/2009-10/07 dated 17 July 2009.

Thimphu TechPark Pvt. Ltd (TTPL) was duly incorporated under the Companies Act of the Kingdom of Bhutan 2000 on 24 August 2009 to undertake the IT Park Project as a developer, and the Shareholders Agreement was signed on 29th August 2009 with DHI holding 26% and APG holding 74% of TTPL. The authorized share capital of the company (Authorized Share Capital) is agreed to be Nu. 500 Million divided into 3 million equity shares of Nu. 100 each and 2 million preference shares of Nu. 100 each.

DHI assumed full ownership of TTPL and changed its name to Thimphu TechPark Limited retaining the same acronym 'TTPL' after APG decided to exit from the partnership and transferred its shares to DHI on 29 October 2014. As a company focused on creating employment opportunities for our youth, it has an overarching social mandate although it has to be financially sustainable too.

IT Park Project Background

The initial concept document on the World Bank-led Private Sector Development Project of which IT Park is one of the three components, date back to 2006. The other two components of the Project are: Development of a skills program for promoting the IT/ITES industry, and Strengthening the financial sector through deployment of technology. The Royal Government of Bhutan (RGoB) received a grant from the International Development Association (IDA) toward the cost of the Private Sector Development (PSD) Project in 2008.

Thereafter, the Ministry of Information & Communications, Royal Government of Bhutan initiated the development of a 50,000 sq ft world-class IT Park property – Thimphu TechPark – on a Public Private Partnership (PPP) model, at Babesa, on 5 acres of government land leased for 30 years renewable by two more 30-year terms based on mutual agreement.

The objectives of the project are to increase productive employment in Bhutan through promotion of enterprise development in the IT/ITES sector, enhanced IT skills, and improved access to finance.

Given the nascent stage of Bhutan's IT industry and the challenges and constraints in attracting IT firms to locate in Bhutan, the Royal Government of Bhutan shared some of the investment risks by (i) Investing in ancillary infrastructure for the Park e.g. roads, power, water, sewage, telecom etc., and (ii) Providing financial support for the private sector developer with government agreeing to pay a lease amount of US\$2 million for 10,000 sq ft of space in the Park, determined through an international competitive bidding. The leased shell space is being used for establishing a business incubation facility, a shared technology center and a data center.

The initial deadline for the completion of the IT Park infrastructure (building) was 5 September 2011, which was calculated as 2 years after the signing of the contract on 4 September 2009. However, due to force majeure events, the project was delayed and the deadline was first extended to 21 October 2011, and then to 30 April 2012.

Thimphu TechPark Pvt. Ltd., the private sector developer, finally handed over the completed IT Park project (physical infrastructure) along with the completed Bhutan Innovation and Technology Centre within the extended deadline of 30 April 2012. This was accepted by the DITT, MoIC and the World Bank. The operation phase of the IT Park began from 1 May 2012.

Activities of the IT Park

a) Facilitating Foreign Direct Investment in the IT/ITES Industry

TTPL Team facilitates Foreign Direct Investment in Bhutan for foreign companies/ investors coming to locate at the Thimphu TechPark, Bhutan's first IT Park. Thimphu TechPark is a Special Economic Zone with the following fiscal incentives offered by the Royal Government of Bhutan:

- A tax holiday of ten years for IT/ITES businesses operating within the IT Park and exporting 80% of their products/services.
- Import of capital goods forming direct inputs for the IT/ITES companies in the IT Park shall be exempted from customs duty and sales tax.
- 100% foreign equity participation shall be permitted for the IT/ITES companies in the IT Park.
- Government ensures that the cost of Internet at the IT Park is at par with that in India.

b) Leasing space to IT/ITES companies (both domestic and international)

The IT Park offers Grade A infrastructure, redundancy in mains and back-up power with power available at under 30% of the cost in other parts of the region. It also offers high-capacity dual feed internet connectivity through redundant optical fiber connectivity. We provide commercial space on lease to both domestic and international companies. We also have fully furnished plug and play office space inside the Incubation Centre which even commercial tenants are allowed to occupy initially while they get the commercial space ready with furnishing and fitouts.

c) Conducting Trainings and workshops

Thimphu TechPark Pvt. Ltd (TTPL) and BITC conduct regular trainings and workshops on leadership, management, entrepreneurship, business development, finance, customer service etc. with their network of experts from all around the globe. In addition to its regular workshops/trainings, TTPL and BITC also conduct custom-designed trainings and workshops based on the demand of its client companies/organisations.

d) Providing Conference rooms and training rooms for hire

We hire out of training rooms and conference rooms (including projectors, white boards etc.) at very competitive rates.

e) Operation and Management of Bhutan Innovation and Technology Centre

The Bhutan Innovation and Technology Centre (BITC) is the first of its kind in Bhutan. Comprising three pillars: a business incubator, a Shared Technology Centre and a data centre, the BITC contributes to the economic and social development of Bhutan by supporting and facilitating high potential individuals and SMEs to grow into successful businesses.

f) Data Centre Services

As one of the three components of Bhutan Innovation and Technology Centre, Thimphu TechPark also houses the a Tier-II Data Centre. The Operation and Management of the Data Centre is outsourced to Data Centre Services Pvt. Ltd. which has a team of highly skilled professionals to manage and operate the data centre.

g) Networking and business matching service

We also offer networking and business matching services between Bhutanese entrepreneurs and international companies using our international networks.

h) Visiting experts program for foreign experts

Thimphu TechPark runs a visiting experts program for foreign experts interested to work for 1-3 months in Bhutan. The objective of this programme is to facilitate training and teaching of the Bhutanese business community by visiting subject matter experts in subject areas relevant to business entrepreneurship, technology, management, sustainability and development areas.

i) Consulting Services

TTPL also has plans to provide consulting services in the fields of Entrepreneurship Development and IT/ITES Industry in the future.

Board of Directors



Passang Dorji

Chairman

Mr. Passang Dorji is currently working as Director, Department of Investments in Druk Holding and Investments (DHI). He heads business development, projects and private sector division. He has an Engineering Degree from Thammasat University, Thailand and a MBA Degree from Asian Institute of Management, Philippines. He has a PG diploma in Management Information System and Management Control from MSM, Netherlands.

He started his career in the private sector, then moved to Bhutan Power Corporation and was the Company Secretary prior to joining Druk Holding and Investments. Passang is on the Board of Bank of Bhutan and previously, he has served as a board director in Bhutan Telecom and State Trading Corporation of Bhutan.



Dorji Nima

Board Director

Mr. Dorji Nima is a Senior Analyst responsible for Corporate Performance at DHI. Before that, he worked as an Analyst for DHI's Consulting Services Unit for more than two years. He has a Masters degree in Business Administration (MBA) from Australian Graduate School of Entrepreneurship, Melbourne, Australia. He received RGoB scholarship to pursue Bachelor of Business Administration in Madras University, India in 2001.



Karma Sonam Dorji

Board Director

Karma Sonam Dorji served as a Senior Analyst in DHI, under Department of Investments before she resigned in 2014. Ms. Dorji worked in the government for 10 years, before joining DHI, as a Senior Trade Officer heading the Export Promotion and as Project Manager for EC-Bhutan Trade Capacity Development. She was a Task Force Member involved in formulation of the Economic Development Policy of Bhutan and Committee Member for Foreign Direct Investment Review Committee and Industrial Project Appraisal Committee. Also Looked after the Bilateral and Regional Trading Arrangements (India, Bangladesh, Nepal, SAPTA/SAFTA and BIMSTEC). Was also a key Member of the Negotiating Team for Bhutan's accession to the WTO when the process was in progress. She has an MBA in International Business and Management from Hanzehogeschool, University of Applied Sciences, Groningen, The Netherlands, and BA in International Business Administration from Reitaku University, Japan.



Mr. Tshering Norbu

Director

Mr. Tshering Norbu served as the head of the newly established division of Technology Strategy & Business Development in Bhutan Telecom. Prior to that, he was the General Manager of DrukNet, the division of BT that provided Internet and Enterprise Services since 2008 to early 2015. He started his career in DrukNet. He holds an MBA from the Asian Institute of Technology in Thailand and Bachelor of Engineering in Telecommunications from the University of New South Wales, Australia. He also serves as the IT Lead, IT (CXO) Group for DHI Group and Companies. He has also been serving as the Chairman of South Asian Network Operators Group (SANOG) since 2013.



Pushpa Mani Pradhan

Board Director

Mr. Pushpa Mani Pradhan is currently working as Director, Technical Department in Bhutan Telecom. He joined Department of Telecom under Ministry of Communications in 1988 as a fresh graduate. He has an Engineering degree in Electronics and Communications from Birla Institute of Technology, Mesra Ranchi, India. He has worked in various capacities and has vast experience in Telecom industry. He has been instrumental in developing telecommunication network in the Kingdom of Bhutan starting from open wire days to the modern digital communications systems.



Tshering Cigay Dorji

Chief Executive Officer/ Board Director

Dr Tshering Cigay Dorji holds a Masters of Management degeree from the University of Canberra, Australia, and Masters and Ph.D in computer engineering (informatics) from the University of Tokushima, Japan. He has about 15 years' combined experience in programming, teaching, information system design, database administration, research and senior level management in the corporate sector. His first degree was B.E. Electrical Engineering (First Class Honours) from the University of Wollongong, Australia, awarded in December 1999. He has previously worked with Bhutan Telecom for several years as system and database administrator, research engineer and head of Billing & International Affairs.

Directors' Report

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to report to the Druk Holding & Investments and Bhutan Telecom Limited the annual performance of Thimphu TechPark Ltd. for the period 1st January to 31st December 2015. The report contains the operational performance along with the achievements and financial results.

Operational Performance

Thimphu TechPark is managed by a small and compact team consisting of a CEO, an Office Manager cum Company Secretary and a Finance Officer. They are supported by two maintenance technicians, four security guards and five cleaners. The main focus of the company in 2015 had been to attract more tenants to fill up the vacant spaces and provide an overall facelift to the IT Park by developing the second floor and carrying out maintenance both inside the park and in the surrounding area. The following are some of the highlights of operational performance for the year 2015:

- The Company has been successful in leasing out one complete wing and one-third of another wing against the target of two-third of a wing in 2015 (One wing is approximately 10,000 sq ft of built up space).
- The Company has successfully carried out civil works for the development of the Second Floor of the IT Park and all the civil maintenance work planned for 2015.
- The Company also created additional spaces with a total carpet area of 1,330 sq ft by partitioning within the common areas and leased out a hall with 875 sq ft in carpet area to Secure Link Services Bhutan Pvt. Ltd.
- The Company has successfully managed the operation of Bhutan Innovation and Technology Centre which houses a business incubator and a Tier-2 Data Centre under the Design Build Operate Transfer (DBOT) contract with the Department of IT & Telecom.
- The Company has successfully managed the operation and maintenance of the Tech Park providing support to and retaining the full trust and confidence of the existing tenants like Scan Café which have been continuously scaling up their operations in Bhutan.
- The Company has successfully conducted entrepreneurship training programs with support from the Ministry of Labour and Human Resources.
- The Company has successfully managed the relationship with the Ministry of Information and Communications, Royal Government of Bhutan, as required under the Public Private Partnership model adopted for the IT Park project.

Financial Performance

The total paid up capital of the Company is Nu. 188,384,500 with DHI holding 51% of the shares and BTL holding the remaining 49%. The company has a long term borrowing of Nu. 26,189,907 as of 31st December 2015.

For the first time, the Company was able to make a 'Profit on Operations Before Tax' of Nu. 1,752,946. The Company had earned a total income of Nu. 16,257,054 in the year 2015 including interest income of Nu. 933,149 from fixed deposits and Nu. 2,351,579 in discounts received on pending payments from the past. The total operating cost of the Company was Nu. 14,504,108 including interest payments of Nu. 3,071,424 and depreciation and amortization of Nu. 2,152,847. Further, since there was a revaluation gain of Nu. 11,590,559 as per the Bhutanese Accounting Standards (BAS 16 and BAS 40), the Basic and Diluted Earnings per Share come out to be Nu. 7.08. However, since the profit has resulted mainly on account of notional incomes, no dividend is declared for the year 2015.

Corporate Governance

Guided by the Corporate Governance Code and Ownership Policy of DHI, the overall leadership and strategic direction of the Company is provided by the Board of Directors led by the Chairman. The Board meets regularly to discuss important issues affecting the Company, provide guidance to the management and make important decisions on behalf of the Company. Currently, the Board consists of four Directors including the CEO. In the year 2015, the Board has conducted six Board Meetings, two Audit Committee Meetings, two Nomination and Governance Committee (NGC) Meetings and one Extra-ordinary General Meeting. The total remuneration paid to the Board Directors as sitting fees in the year 2015 totalled Nu. 373,680.00. The contract term of the CEO has been extended by three years with effect from 1 January 2016.

Corporate Social Responsibility

The Company has a strong social mandate of creating employment for the youth of the country besides its commercial mandates. So far, the Company has been able to create employment opportunities for over 600 youths at the IT Park. In addition, the Company actively engages in supporting entrepreneurship development in the country as part of its activities for Bhutan Innovation and Technology Centre. The Company organizes the annual Business Idea Competition of Bhutan and various short-term trainings for Bhutanese entrepreneurs. The Company has also provided Nu. 130,000 in donations and contributions towards social causes in the year 2015.

Challenges

The biggest challenge that the Company faces is attracting IT/ITES companies to come and locate at the IT Park. Attracting foreign companies to Bhutan is challenging and takes a long time to get a company to make the decision to move part of their operations to Bhutan. Overall, this is part of the bigger challenge that Bhutan faces in promoting itself as an attractive investment destination for foreign investors. In addition, the IT Park also faces the challenge of being located at a distance from the centre of the city that is not very convenient for the tenants. However, under the guidance of our Board and our Shareholders, we have been able to make some significant progress in leasing out more space at the IT Park in 2015 and we are hopeful that the same level of progress can be achieved in the year 2016.

Acknowledgement

The Company would like to acknowledge with thanks the invaluable support and guidance received from Druk Holding and Investments, Bhutan Telecom Limited, the Board Directors, the Ministry of Information and Communications and the Royal Government of Bhutan.



(Passang Dorji)
Chairman

Chief Executive Officer's Report

The year 2015 was an important year for the company. It was the fourth year since the operations of the IT Park began on 7 May 2012 and it was the first year of operations under full ownership of DHI after the transfer of all the shares held by the foreign partner, Assetz Property Group, to DHI on 29th October 2014.

As a short term target for 2015, we focused mainly on two areas: 1) civil works for developing the second floor of the IT Park building and improving the entrance area and retaining wall outside, and 2) scaling up efforts to attract more tenants at the IT Park. In both these areas, we were able to do quite well.

The civil works were awarded to Construction Development Corporation Limited (CDCL) with the approval of the Board and CDCL completed the works as per schedule. This has provided the much needed facelift to the IT Park compound. On the tenancy front, our main area of business, we were able to achieve the following:

- a) Scan Café Pvt. Ltd., our anchor tenant, scaled up their operations and rented another 10,000 sq ft. on the second floor,
- b) We rented out a hall measuring 875 sq ft in carpet area created by reclaiming a part of the common area to Secure Link Services Bhutan Pvt. Ltd.
- c) We rented out 3,333 sq ft of built up area on the second floor to Southtech Bhutan Pvt. Ltd.



Scan Café employees attending a meditation session with Lama Shenphen Zangpo

For the long term, the company started drafting a Corporate Strategic Plan and a Five Year Investment Plan and this is going to be further finetuned in the year 2016.

One other important responsibility of the company is to manage and operate the Bhutan Innovation and Technology Centre which houses a business incubator and a Tier-2 Data Centre under the Design Build Operate Transfer (DBOT) contract with the Department of IT & Telecom, MoIC signed in September 2011. The company has successfully managed and operated the centre fulfilling the terms and conditions of the DBOT contract with the Government.

Some of the key achievements of the centre in 2015 are: the collaboration with the Ministry of Labour and Human Resources (MoLHR) in providing entrepreneurship trainings to youths, addition of five new incubatees, successful conduct of business idea competition of Bhutan 2015, collaboration with Loden Foundation and MoLHR to celebrate the Global Entrepreneurship Week 2015 and the establishment of relevant institutional linkages with both domestic and international organisations. BITC operations including rental and events like Business Idea Competition of Bhutan earned a total income of Nu. 2,756,181.66.

Overall, the company was able to meet almost all the financial and non-financial compact targets for 2015, thanks to the hard work and dedication of all the staff of TTPL and unwavering support received from our shareholders, the Government and other stakeholders.

Going forward, the company would like to focus on getting more investors in the IT/ITES sector in Bhutan and therefore tenants for the IT Park and play a crucial role in giving a firm foundation for the development of IT/ITES industry for creating more employment opportunities for our youth and earning foreign exchange for Bhutan.



Dr. Tshering Cigay Dorji

Chief Executive Officer

Auditors' Report

S. N. Mukherji & Co. CHARTERED ACCOUNTANTS

AUDITORS' REPORT

To

The Members of Thimphu TechPark Limited

Thimphu,

Bhutan

1. We have audited the attached Statement of Financial Position of **Thimphu TechPark Limited** ('the Company'), as at 31st December, 2015, the Statement of Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date which are in agreement with the books of account. The Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the Generally Accepted Accounting Principles, Bhutanese Accounting Standards and provisions of the Companies Act of the Kingdom of Bhutan, 2000 ('the Act'). Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with International Standards on Auditing as adopted by Accounting and Auditing Standards Board of Bhutan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the section 75 of the Companies Act of the Kingdom of Bhutan, 2000 read with Part II of Schedule XIV there to (Minimum Audit Examination and Reporting Requirements) we enclose in the Annexure a statement on the matters specified therein to the extent applicable.
4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
5. As required by section 74(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books ;



S.N.Mukherji & Co.
Chartered Accountants

- c) the Statement of Financial Position, Statement of Comprehensive Income , Statement of Cash Flows and the Statement of Changes in Equity dealt with in this report have been prepared in accordance with accounting principles generally accepted as well as Bhutanese Accounting Standards (BAS) and are in agreement with the books of account.
- d) in our opinion, the Statement of Financial Position, Statement of Comprehensive Income, Statement Cash Flows and the Statement of Changes in Equity comply with the Generally Accepted Accounting Principles, Bhutanese Accounting Standards and provisions of the Companies Act of the Kingdom of Bhutan 2000.

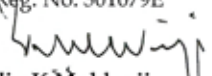
6. Emphasis of Matter

Basic and Diluted Earning has been calculated at Nu.7.08 Per Share (EPS) after considering the Revaluation Gain of Nu.11,590,559.00 which is not realized but only a notional gain. EPS indicates the maximum amount of dividend that can be declared per share which means that EPS should be calculated only on the basis of distributable profit and should not include Revaluation Gain.

- 7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required give a true and fair view in conformity with the Generally Accepted Accounting Principles, Bhutanese Accounting Standards and provisions of the Companies Act of the Kingdom of Bhutan, 2000 ('the Act') :
 - I) In the case of Statement of Financial Position, of the state of affairs of the Company as at 31st December 2015;
 - II) In case of Statement of Comprehensive Income, of the profit of the Company for the year ended on that date and;
 - III) In the case of Statement of Cash Flows of the movement of cash flows of the Company for the year ended on that date.
 - IV) In the case of Statement of Changes in Equity of the movement of the Shareholders' Equity of the Company for the year ended on that date.

Place : Thimphu
Date : 19.02.2016

For **S. N. Mukherji & Co.**
Chartered Accountants.
Firm Reg. No. 301079E


Sudip K Mukherji
Partner
M. No. 13321



THIMPHU TECHPARK LIMITED
THIMPHU: BHUTAN
2015

MINIMUM AUDIT EXAMINATION AND REPORTING REQUIREMENT (PART II OF SCHEDULE XIV TO THE COMPANIES ACT KINGDOM OF BHUTAN, 2000)

ANNEXURE REFERED TO IN OUR REPORT OF EVEN DATE

1. The Fixed Assets Register is being maintained and updated by the Company and it was explained to us by the Management that Physical Verification of Fixed Assets has been carried out by the Company during the year.
2. Fixed Assets held as Investment Properties have been revalued during the year under audit.
3. The procedure of physical verification of inventories at periodical interval is not applicable to the Company.
4. The Company has no inventory.
5. The Company has availed loan from Bank of Bhutan Ltd. The terms and conditions of the loan are *prima facie* not prejudicial to the interest of the Company. The Company has not taken any loan, secured or unsecured from companies, firms and other parties under the same management.
6. The company has not granted any loans secured or unsecured to other companies, firms or other parties, and/or to the companies under the same management.
7. No loans and advances other than advances to suppliers in the regular course of business had been given by the Company.
8. The advances granted to officers/staff are in keeping with the policy of the Company and no excessive and frequent advances are given.
9. The Company has introduced internal control system which will ensure completeness, accuracy and reliability of accounting records, and to carry out the business in an orderly and efficient manner, to safeguard the assets of the company as well as to ensure adherence to the rules/ regulations and system and procedures. The system should be strengthened and reviewed from time to time to make it more effective keeping in view the increased volume of activity of the company.
10. The Company is having an adequate system in force to ensure the purchase of goods and services at fair price. The Company is not engaged in manufacturing or trading activities. Hence competitive bidding for purchase of raw materials is not applicable.



11. As informed to us, there is no transaction for purchase and sale of goods and services made in pursuance to contracts or arrangements entered into with the directors or any other parties related to directors or with the company or firms in which the directors are directly or indirectly interested.
12. Since the Company is not holding any item of stores, raw materials or finished goods, verification of unserviceable or damaged stores at periodical interval is not applicable to the Company.
13. Since the Company is not involved in the manufacturing activity the question of ascertaining and identifying point of occurrence of breakage/damages of raw materials, finished products, etc. is not applicable to the Company.
14. The company has no finished products since it is in the service sector.
15. The company has no realizable by products and scraps since it is in the service sector.
16. The Company has been regular in depositing TDS, PF and other Statutory Dues.
17. No undisputed amount is payable in respect of rates, taxes, duties, provident funds and other statutory deductions at the last day of the financial year i.e. 31.12.2015.
18. According to the information and explanations given to us, no personal expenses have been debited to the Statement of Comprehensive Income expecting those payable under contractual obligations/ service rules.
19. The company is in service sector and hence there is no regular consumption of materials and stores.
20. Quantitative reconciliation is not applicable in view of the fact that the Company is falling under service sector and not under manufacturing sector.
21. The Company is not holding any item of raw materials, finished goods, stores and spares, etc. and hence writing off amounts of such items is not applicable.
22. Allocation of man-hours to respective jobs is not applicable for this company.
23. The Company is in the service sector and hence there is no system for issue of stores and allocation of materials and labour to jobs.
24. The Company is not involved in production activity and accordingly price fixation on the basis of cost of production and market condition is not applicable.



25. No sale has been made by the Company.
26. The system of follow up with debtors and other parties for recovery of outstanding dues is reasonable.
27. In our opinion the management of cash and bank balance is reasonable.
28. According to the information and explanations given to us and on the basis of examination of books and records on test check basis, the activities carried out by the Company are in our opinion lawful and intra-vires to the Articles of Incorporation of the Company.
29. In our opinion, and according to the information and explanations given to us, the company has a system of approval of the Board for all capital expenditure.
30. The company has established an effective budgetary control system.
31. Since the company is operating in service sector, establishment of input-output relationship and standard costing system is not applicable.
32. The company has paid salary to the Chief Executive Officer (CEO) and disclosed in Para No. g of Note No. 12.
33. According to the information and explanation given to us the directives of the Board have been generally complied with.
34. This is a closely held company and the issue of transmitting price sensitive information does not arise.
35. The company has not acquired/given any machinery/equipment on lease.

Computerized Accounting Environment

1. The company maintains the account in computerized accounting system.
2. As regards back up facilities and disaster recovery measures, the backup files are not kept in different and remote location. However, it is advisable to keep the regular back up in a different place.
3. The operational controls are found reasonable to ensure the correctness and validity of input data and output information.
4. As explained to us, the measures taken by the company to prevent unauthorized access over the computer installation and files are generally reasonable.



General

(1) Going Concern Problem

Based on the company's financial statements audited by us for the year ended 31st December 2015, we have reason to believe that the company is a going concern.

(2) Compliance of Companies Act of Kingdom of Bhutan:

According to the information and explanations given to us and based on the records produced to us for verification, we are of the opinion that the Company has complied with all the provisions of The Companies Act of the Kingdom of Bhutan, 2000 excepting some minor issues as detailed in the Compliance Check List. The Company has assured that full compliance will be ensured in 2016.

(3) Adherence of Laws Rules & Regulations:

Audit of the Company is governed by The Companies Act of the Kingdom of Bhutan, 2000 and the scope of audit is limited to examination and reviews of the financial statement as produced to us by the management. In the course of audit, we have considered the compliance of provision of the said Companies Act and the Articles of Incorporation of the Company. The Company has maintained register under section 97 of The Companies Act of the Kingdom of Bhutan, 2000.

The Company does not have a comprehensive Compliance Reporting and Recording System as regards adherence to all laws, rules and regulations, systems, procedures and practices. Under the circumstances we are unable to comment on the compliance of the same by the Company during the year 2015.

Place: Thimphu

Date: 19.02.2016

For **S. N. Mukherji & Co.**
Chartered Accountants.
Firm Reg. No. 301079E


Sudip K Mukherji
Partner
(M. No. 13321)



(All figures in Bhutanese Ngultrums unless otherwise stated)

Thimphu TechPark Limited
Statement of Financial Position As at 31 December 2015

Ngultrum	Note	31-Dec-15	31-Dec-14
ASSETS			
NON CURRENT ASSETS			
Investment Property (Building)		269,090,381	249,637,346
Property, Plants & Equipment	5	11,106,613	12,099,759
Intangible	6	16,174	977,033
	A	280,213,167	262,714,137
CURRENT ASSETS			
Trade Receivables	12b	3,115,733	485,861
Other Receivables and Advances		246,170	49,860
Cash and bank		23,363,513	39,433,762
	B	26,725,415	39,969,483
Total Assets (A+B)		306,938,582	302,683,620
EQUITY AND LIABILITIES			
SHAREHOLDER EQUITY			
Paid up Share capital	7	188,384,500	188,384,500
Revaluation Reserve		6,030,923	(5,559,635)
Retained Earnings(Profit for the year 2015)		(25,474,786)	(27,227,732)
	C	168,940,637	155,597,133
NON CURRENT LIABILITIES			
Long Term Borrowings	8	26,189,907	29,224,730
Deferred Government Grants		-	-
Other Non- Current Liabilities	9	101,569,128	101,777,818
	D	127,759,035	131,002,548
CURRENT LIABILITIES			
Current Portion of Long Term Borrowings		3,034,823	2,747,735
Trade and Other Payables	12c	6,776,201	11,928,683
Provision for Employees' Benefits		236,908	-
Other Current Liabilities		190,977	1,407,520
	E	10,238,910	16,083,938
Total Equity and Liabilities (C+D+E)		306,938,582	302,683,619

This is the statement of Financial Position referred to in our report of even date.

As per our report attached
for S.N. Mukherji & Co.
Chartered Accountants
Firm Reg No. 301079E

Sudip K Mukherji
Partner
Membership No. 13321
Place: Kolkata
Date: 19.02.2016



for Thimphu TechPark Limited

Passang Dorji
Chairman

Tshering Cigay Dorji
Chief Executive Officer



(All figures in Bhutanese Ngultrums unless otherwise stated)

Thimphu TechPark Limited
Statement of Comprehensive Income for the year ended 31 December 2015

Ngultrum	Note	31-Dec-15	31-Dec-14
Rental Income			
Commercial space		8,088,108	5,338,263
BITC space		1,268,737	1,020,232
Finance Income	11	933,149	-
Other Income			
BITC Advance Rental received from DIT		1,155,555	1,155,555
Others	12a	4,811,506	5,490,346
Total Income		16,257,054	13,004,396
Less: Expenses			
Personnel Costs	2	3,565,710	2,796,466
General Administrative Expenses	3	5,714,127	4,681,750
Depreciation	5	1,191,988	
Amortization	6	960,859	2,607,186
Finance Cost		3,071,424	9,662,622
Total Expenses		14,504,108	19,748,024
Profit on Operations before Tax		1,752,946	(6,743,629)
Revaluation Gain/Loss on Investment Property		11,590,559	18,001,110
Profit/(Loss) for the year 2015		13,343,505	11,257,481
Basic and Diluted Earnings per Share	4	7.08	16.96

This is the statement of Comprehensive Income referred to in our report of even date.

As per our report attached
for S.N. Mukherji & Co.
Chartered Accountants
Firm Reg No. 301079E

for Thimphu TechPark Limited


Sudip K Mukherji
Partner
Membership No. 13321
Place: Kolkata
Date: 14.02.2016




Passang Dorji
Chairman


Tshering Cigay Dorji
Chief Executive Officer



(All figures in Bhutanese Ngultrums unless otherwise stated)

Thimphu TechPark Limited
Statement of Change in Equity for the year ended 31 December 2015

Ngultrum	Note	Share Capital	Retained earnings	Revaluation Reserve	Total Shareholder Equity
Opening Balance 1 January 2015		188,384,500.00	(27,227,732.32)	(5,559,635.07)	155,597,132.61
Additional Equity		-	-	-	-
Comprehensive Income for the year ended 2015			1,752,946.31	11,590,558.50	13,343,504.81
Closing Balance 31 December 2015		188,384,500.00	(25,474,786.01)	6,030,923.43	168,940,637.42

Ngultrum	Note	Share Capital	Retained earnings	Revaluation Reserve	Total Shareholder Equity
Opening Balance 1 January 2014		63,193,400.00	(20,484,102.42)	(23,560,745.07)	19,148,552.51
Additional Equity		125,191,100.00	-	-	125,191,100.00
Comprehensive Income for the half year			(6,743,629.85)	18,001,110.00	11,257,480.15
Closing Balance 31 December 2014		188,384,500.00	(27,227,732.27)	(5,559,635.07)	155,597,132.66



(All figures in Bhutanese Ngultrums unless otherwise stated)

Thimphu TechPark Limited
Statement of Cash Flow for the year ended 31 December 2015

Ngultrum	31-Dec-15	31-Dec-14
Cash Flows from Operating Activities		
Income	13,627,182	7,538,503
Expenses	(15,816,954)	(7,111,010)
Interest Paid	(3,071,424)	(9,662,622)
Net Cash Used in Operating Activities	(5,261,196)	(9,235,129)
Cash Flows from Investing Activities		
Reduction in Loans and Advances		
Fixed Assets additions	(8,061,318)	(654,448)
Net Cash generated/ (Used) in Investing Activities	(8,061,318)	(654,448)
Cash Flows from Funding Activities		
Increase in Paid Up Capital	-	127,938,835
Government Grant Received	-	
Increase/ (Repayment) of Bank Loan	(2,747,735)	(79,967,746)
Net Cash Generated by Funding Activities	(2,747,735)	47,971,089
Net Increase in Cash and Bank Balances	(16,070,249)	38,081,512
Cash and Bank balances at the start of the year	39,433,762	1,352,250
Cash and Bank balances at the end of year	23,363,513	39,433,762

As per our report attached
for S.N. Mukherji & Co.
Chartered Accountants
Firm Reg No. 301079E

for Thimphu TechPark Limited


Sudip K Mukherji
Partner

Membership No. 13321

Place: Kolkata

Date: 19.02.2016




Passang Dorji
Chairman


Tshering Cigay Dorji
Chief Executive Officer



(All figures in Bhutanese Ngultrums unless otherwise stated)

A. Significant accounting policies of Thimphu TechPark Limited

1. Reporting Entity

Thimphu TechPark Limited (the "Company") was incorporated on 24th August 2009 to Design, Build, Finance, Own, Operate and Transfer (DBFOOT) an IT Park at Wangchutaba, Babesa, Thimphu. It is first IT Park in the country promoted by the Ministry of Information & Communication, supported by the World Bank and developed jointly by Assetz Property Group of Singapore and Druk Holdings & Investments, Bhutan.

Currently, its principal activity is to attract both foreign and domestic IT/ITES companies to rent space at the IT Park. The Company also operates Bhutan Innovation and Technology Centre on behalf of the Department of IT & Telecom, Ministry of Information and Communications.

All significant operations take place within Bhutan. The company was incorporated under the companies Act of Kingdom of Bhutan a listed, limited company. Druk Holding & Investments Limited purchased the shares of Assetz Property Group on 29 October 2014 and became the 100% owner of the Company. New shares were subsequently issued to Bhutan Telecom Limited. The current shareholding is DHI 51% and BTL 49%.

The Company is a limited liability company incorporated and domiciled in Bhutan. The address of its principal place of business is Wangchutaba, Babesa, Thimphu, Bhutan.

These financial statements relate to the year ended 31 December 2015.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with Bhutanese Accounting Standards. The statements have been prepared under the accrual, historical cost and going concern conventions.

The preparation of financial statements in conformity with BAS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are:

- **Income:** Revenue is determined on the basis of the percentage of completion of contracts and the likely outcome of the contract. The rental charges for the tenants, escalated with the terms of the TTPL as per its contract.
- **Fixed assets:** The rental property is valued at depreciated replacement value. Other fixed assets are depreciated over the estimated useful life.
- The functional currency of preparation is the Bhutanese Ngultrum.



(All figures in Bhutanese Ngultrums unless otherwise stated)

3. Application of Bhutanese Accounting Standards

The Financial Statements have been prepared in line with Bhutanese Accounting Standards for the year. The summarized impact of the introduction of BAS is to, company has presented Statements of Comprehensive Income as per BAS.

4. Investment Property

The major business of the company is to provide premises on rent. The holding of land and buildings is anticipated to give rise to capital appreciation, which is an integral part of the expected gain on the investment. Accordingly, land were lease with Thimphu Thromde and buildings have been valued under the terms of BAS 40 Investment Properties.

There is a lack of readily available information as a basis for calculating market prices and capitalization rates of rents received. The building is specifically designed as an IT Park, so there is no comparable building Bhutan. Accordingly the Depreciated Replacement Method has been applied in valuing the building.

The valuation of Building of IT Park as of 31st Dec. 2014 was prepared by DHI Infra Ltd, a subsidiary of TTPL's parent company. And the same is applied for 2015 as BAS 40.

5. Property, Plant and Equipment

All property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Cost includes purchase price, taxes and duties, labour cost, direct financing costs, direct overheads for self-constructed assets, borrowing costs, other direct costs incurred up to the date the asset is ready for its intended use including initial estimate of dismantling and site restoration cost.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation on plant and other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Plant and machinery and other equipment	10-15 years
Furniture and fixtures and office equipment	10 years
Computers and accessories	4 years

The residual value of plant and machinery has been assessed as 5%. Other assets are assessed to have no residual value.



(All figures in Bhutanese Ngultrums unless otherwise stated)

6. Financial assets

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The company's loans and receivables comprise 'trade and other receivables' and 'cash and Bank' in the balance sheet.

7. Trade and other receivables

Trade and other receivables are initially recognized at the fair value of the amounts to be received. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Receivables are reviewed regularly for impairment.

8. Cash and Bank

In the Statement of Cash Flows, cash and bank includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

9. Trade and other payables

Trade and other payables are initially recognized at the fair value of the amounts to be paid. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

10. Current and deferred income tax

The company has been granted a tax holiday by the Department of Revenue and Customs for a period of 15 years from 20 June 2013 to 20 June 2028 vide letter No. **DRC/TAX-A&L/HOL(A) 2013/1511 dated 25.10.2013**. Accordingly, no provision is necessary for current or deferred tax.

11. Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of a major capital project, 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.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.



(All figures in Bhutanese Ngultrums unless otherwise stated)

12. Employee Benefits

a. Retirement Benefits

Under Defined Contribution Scheme.

Employees belong to a Defined Contribution Benefit Plan managed by a separate entity. The company has no legal or constructive obligations to pay further contributions if the separate entity does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

b. Other benefits

Other benefits such as leave encashment, Leave Travel Concession and Performance Based Variable Allowances are accrued at year end without actuarial valuation

13. Provisions and Contingent Liabilities

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated.

A contingent liability is only disclosed in the notes to the account if an outflow of resources embodying economic benefits is possible.

14. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts, returns and taxes. The company recognizes revenue when the amount of revenue can be reliably measured and when it is probable that future economic benefits will flow to the company.

15. Comparative information

Comparative information for prior years has been updated to comply with the introduction of Bhutanese Accounting Standards.



*(All figures in Bhutanese Ngultrums unless otherwise stated)***B. Notes to the Financial Statements****1. Advance Lease Rental for BITC space**

The Royal Government of Bhutan through Department of Information and Technology (DIT), Ministry of Information and Communication have awarded a contract to company to design, Build, Finance, Own and Transfer (DBFOOT), an Information Technology Park consisting of 50,000 SFT on acres of land at Babesa, Thimphu. The 5 acres of Land is provided by DIT is on lease for an initial period of 30 years and shall be renewed automatically for two consecutive times for a period of 30 years each.

In terms of the contract awarded by DIT, out of 50,000 SFT of IT Park, 10,000 SFT of the IT Park will be leased by the company to DIT for an initial period of 30 years with an automatic renewal for the same tenure up to a maximum of 90 years including initial lease period. The said premises are leased to the Department of Information and Technology for the purpose of establishing an incubation facility, a shared technology center and a data center. Accordingly, the company handed over the aforesaid premises of 10,000 Sft, to the Department of Information and Technology (DIT) in October 2011. The aggregate fixed lease amount of USD 2 million (Equivalent to Nu 104,000,000) toward lease of the 10,000 SFT of space has been received from Department of Information and Technology (DIT) for the above mentioned total lease period of 90 years and the same has been disclosed as advance lease rental under Current Liabilities. During the year the company has recognized an amount of 11.55 lakhs as rental income on the basis of straight line apportionment of advance lease rental.

2. Personnel Costs

Particulars	2015	2014
Personnel Cost_ Communication Allowances	49,055	76,222
Personnel Cost_ Internship Fees	40,128	-
Personnel Cost_ SALARY	2,828,790	2,564,544
Personnel Cost_ Provident Fund_ Employer's Cont.	75,856	
Personnel Cost_ Employees' Benefits (Performance Allowance)	236,908	
Personnel Cost_ Training & Development	268,022	
Personnel Cost_ Wages	66,950	155,700
Total	3,565,710	2,796,466



(All figures in Bhutanese Ngultrums unless otherwise stated)

3. General Administration Expenses

Particulars	2015	2014
A. Administration Expenses	5,019,946	5,735,576
Audit Fees	50,000	
Audit Expenses	84,529	145,504
Bank Charges	3,543	4,467
Board Committee Sitting Fees	133,680	
Board Committee Meeting Expenses	7,133	
Board Meeting Expenses	17,422	
Board Sitting Fees	240,000	168,000
Books & Periodicals	9,602	
Building Insurance	135,520	156,122
Car Fuel Expense	100,000	90,000
Car Hiring Charges	288,000	316,951
Car Maintenance	23,998	-
Corporate Social Responsibility	130,000	-
Consultancy Expenses	57,463	-
DG Fuel Expenses	75,728	
Electricity Charges to BPC	1,612,759	1,028,855
Email Hosting & Microsoft online 365	41,664	-
Fees & Subscription	19,410	-
Gifts & Present	13,453	-
Hospitality & Entertainment Expenses	149,877	219,755
House Keeping Expenses	109,135	7,570
Internet Leased Line Expenses	661,500	
Internet, Telephone & Fax Charges	176,215	263,358
Land and Garden Improvement	43,250	-
Loss on Cancellation Charges	8,331	-
Miscellaneous/Office Expenses	134,755	243,995
Postage Expenses	5,745	1,165
Prior Period Adjustment (Expenses)	481	-
Printing & Stationery	91,254	113,162
Security Services	150,000	627,000
Travel Expenses_ Foreign	-	175,485
Travel Expenses_ Local	17,740	-
Amortization of Pre-Operative Expenses	-	1,432,469
Courier Bill	-	69,615
Labor Charges	-	8,000
Land Lease	54,450	217,800



(All figures in Bhutanese Ngultrums unless otherwise stated)

Other Services Expenses	-	22,918
Sundry Balance write off	-	388,196
Wages for Minor Works	4,100	
BITC Adhoc Training Expenses	369,208	35,188
Registration, renewals, rate and taxes	-	-
B. Repair & Maintenance	199,494	339,661
Building Maintenance	81,507	-
DG Maintenance	1,050	-
Electrical System Maintenance	35,079	-
Garden Maintenance	7,190	-
Plumbing System Maintenance	29,668	-
HVAC and Heating System Maintenance	16,500	-
Repair & Maintenance	-	339,661
Sewage Treatment Plant Maintenance	28,500	-
C. Marketing & Promotion	494,687	38,982
Advertisement (Domestic)	14,738	
Advertisement Targeting for International Investor	100,000	38,982
International Marketing	379,949	
Total (A+B+C)	5,714,127	6,114,219

4. Earnings Per Share

Particulars	31-Dec-15	31-Dec-14
Profit/ (Loss) for the year ended 2015 Nu.	13,343,505	11,257,480
Weighted average number of shares in issue	1,883,845	663,763
Basic and Diluted Earnings Per Share	7.08	16.96



(All figures in Bhutanese Ngultrums unless otherwise stated)

5. Property, Plant & Equipment

Particulars	Gross Block		Depreciation		Net Block	
	Opening	Additions	Deletions	Closing	31/12/2015	31/12/2014
Diesel Generator	5,280,121.00	-	-	5,280,121.00	1,672,038.32	3,608,082.68
Fire Protection	9,110,933.00	-	-	9,110,933.00	1,923,419.19	7,187,513.81
Plant & Machinery	14,391,054.00	-	-	14,391,054.00	3,595,457.51	10,795,596.49
Furniture & Fixtures	47,830.00	8,855.00	-	56,685.00	16,835.95	39,849.05
Office Equipment	142,838.00	49,498.00	-	192,336.00	47,440.94	144,895.06
Computer & Accessories	302,192.00	140,489.00	-	442,681.00	316,409.00	126,272.00
Total Property & Plants	14,883,914.00	198,842.00	-	15,082,756.00	3,976,143.40	11,106,612.60
						72,099,758.63

6. Intangible

Particulars	Gross Block		Amortization		Net Block	
	Opening	Additions	Deletions	Closing	31/12/2015	31/12/2014
Software	166,753.00	-	-	166,753.00	150,579.26	16,173.74
Pre-Operative Expenses	4,297,406.67	-	-	4,297,406.67	4,297,406.67	0.00
Total Intangibles	4,464,159.67	-	-	4,464,159.67	4,447,985.93	16,173.74
						977,032.74



(All figures in Bhutanese Ngultrums unless otherwise stated)

7. Paid up Capital

Particulars	31-Dec-15		31-Dec-14	
	No. of Shares	Paid up capital	No. of Shares	Paid up capital
Authorized Capital	5,000,000	-	5,000,000	-
Share Value	100	-	100	-
Opening Balance	1,883,845	188,384,500	631,934	63,193,400
New shares issued during the period	-	-	1,251,911	125,191,100
Closing	1,883,845	188,384,500	1,883,845	188,384,500

Note;

The shareholding patterns as of 31 December 2015 is as follows:

SI No.	Name of the Shareholders	No. of Shares held	% of Shareholding
1	Druk Holding & Investments Limited	960,761	51%
2	Bhutan Telecom Limited.	923,084	49%
Total		1,883,845	100%

8. Long Term Borrowings

Particulars	2015	2014
Long term Borrowings	26,189,907	29,224,730
Total	26,189,907	29,224,730

9. Other Non-Current Liabilities

Particulars	2015	2014
Lease Security Deposit	99,377,781	99,572,282
Security Deposit	719,500	
Retention Monies	1,471,847	2,205,536
Total	101,569,128	101,777,818

10. Trade and Other Payables

Particulars	2015	2014
Sundry Creditors	6,776,201	11,928,683
Total	6,776,201	11,928,683



(All figures in Bhutanese Ngultrums unless otherwise stated)

11. Finance Income

The interest generated from the fixed deposit account is accounted as *finance income* in statement of comprehensive income.

Particulars	2015
Interest Income from Fixed Deposit with BDBL	933,149.24
Total	933,149.24

12. Other Information**a. Other Income**

Particulars	2015
Adhoc Income from BITC Events	783,060.00
Refunded Income and old rental collected	313,868.00
Internet Leased Line Income	1,354,400.00
Prior Period Adjustment (Income)	8,598.61
Discount Received	217,925.94
Sundry Creditor Write Off	2,133,653.00
Total	4,811,505.55

Sundry Creditors written back after acceptance of respective contractors and due approval of competent authorities have been recognized as 'Other Income.'

b. Trade Receivables or Sundry Debtors

Sundry Debtors	Amount (Nu.)
Athang Training Academic_ Receivables	90,000
Bhutan IT	2,583
Bhutan M&C Institute	7,000
Bhutan Professional Services	1,000
Bhutan Telecom Ltd_Recieveable	136,763
Cafeteria	10,560
CDCL_Receiveable	190,100
CIMAS Bhutan	3,250



(All figures in Bhutanese Ngultrums unless otherwise stated)

Data Centre Services Lt_Receiveable	103,330
DITT, MOIC _ Receiveable	323,000
Ezzee Billers	7,000
Green City Services	10,500
Green Manufacturing & Repairing _Receiveable	2,000
ISOFT Pvt. Ltd _ Receiveable	730,996
Mr. SEJ _ Receiveable	4,000
MultiRational Bhutan Pvt. Ltd _Receiveable	24,000
Portrait Bhutan Tours & Travel _ Receiveable	2,000
Scan Cafe Pvt. Ltd _ Receiveable	924,716
Secure Linked Services (SELISE)_ Receiveable	40,000
SouthTech (Bhutan) Pvt. Ltd. _ Receiveable	57,700
SUD'BA _ Receiveable	2,000
Thuksey Research & Consultancy	3,500
Sundry Amount Total Amount (Nu.)	2,675,998
Interest Accrued on Fixed Deposits	439,735
Grand Total Amount (Nu.)	3,115,733

c. Trade Payable or Sundry Creditors

Sundry Creditors	Amount (Nu.)
Construction Development Corporation Ltd	2,723,172
Mr. Swapan Barma	15,000
M/s. Chimmi Wangmo Tshongkhang	20,000
M/s. Gracy Arts	7,000
M/s. Passang Enterprise	58,713
Scan Cafe Pvt. Ltd	66,000
Sequent Electrical	254,286
S.N Marketing	508,943
S.N Mukherji & Co.	50,000
Suvidha Engineers India Pvt. Ltd.	3,073,087
Total	6,776,201



(All figures in Bhutanese Ngultrums unless otherwise stated)

d. Retention Monies

Retention Monies	Amount (Nu.)
CDCL_ Retention	474,300
Lorig Gadrup _ Retention	20,329
S.N Marketing - Retention	247,850
Suvidha Engineers - Retention	729,368
Total	1,471,847

e. Security Deposits

Security Deposit	Amount (Nu.)
Bhutan Education City_ Security Deposit	19,500
Bhutan Telecom _ Security Deposit	100,000
Cafeteria_ Security Deposit	20,000
ISOFT Pvt. Ltd _ Security Deposit	70,000
MultiRational Bhutan Pvt. Ltd_ Security Deposit	360,000
Secure Linked Services (SELISE)_ Security Deposit.	40,000
SouthTech (Bhutan) Pvt. Ltd_ Security Deposit	90,000
SUD'BA _ Security Deposit	20,000
Total	719,500

f. Other Liability

In order to support the creation of employment opportunities for Bhutanese youths, TTPL allows interested foreign companies and individuals to engage Bhutanese youths as freelancers to get their works done from Bhutan. Such companies deposit some money in our account in advance and we make payments on their behalf. Such monies are reflected as liabilities which gets deducted as and when we make the payments. The balance of the same is as follows:

Sl No.	Name of the Office	Amount (Nu.)
2	M/s. RespectPoint Pvt. Ltd	112,926.71
3	Mr. Swen Erik Johnson	78,050.45
	Total	190,977.16



(All figures in Bhutanese Ngultrums unless otherwise stated)

13. Related Party Disclosure

*Transaction with Group Company***a. Bank of Bhutan (BOB)**

Particulars	Amount (Nu.)
Borrowings - noncurrent	29,224,729.94
Bank Charges and fees for other financial services	783.00
Balances	7,953,423.05
Staff training and development expenses	8,000.00
Interest on loan	3,071,423.76

b. Bhutan Telecom Limited (BTL)

Particulars	Amount (Nu.)
Communication; internet and telephone	176,214.64
Internet Leased Line charges	661,500.00
Deposit Received – noncurrent (Security Deposit)	100,000.00

c. Bhutan Power Corporation Ltd. (BPCL)

Particulars	Amount (Nu.)
Electricity Charges	1,612,759.00

d. DHI Infra Ltd.

Particulars	Amount (Nu.)
Building valuation fees	58,636.00

e. Bhutan Board Product Limited (BBPL)

Particulars	Amount (Nu.)
Purchased of cupboard	8,855.00



(All figures in Bhutanese Ngultrums unless otherwise stated)

f. Managerial Remuneration

Particulars	Amount (Nu.)
a. Remuneration paid to the CEO of the Company	
Salary & Allowance	1,003,373.40
Other Benefits	24,000.00
Provident Fund Contribution	41,748.00
Sitting Fees	52,000.00
b. Directors' Sitting Fees	321,680.00
Total	1,442,801.40

14. Auditors' Remuneration

Particulars	Amount (Nu.)
Remuneration to the Auditors of the Company	
Statutory audit fees	50,000.00
Other audit expense	84,529.00
Total	134,529.00

15. Key Management Personnel

Particulars
Mr. Passang Dorji, Chairman
Dr. Tshering Cigay Dorji, Director and CEO
Mr. Dorji Nima, Director (Resigned) w.e.f 23.10.2015
Mr. Tshering Norbu, Director (Resigned) w.e.f 21.07.2015
Mr. Pushpa Mani Pradhan, Director (Newly appointed) w.e.f 23.10.2015
Mrs. Karma Sonam Dorji, Independent Director



S.N.Mukherji & Co.
Chartered Accountants

THIMPHU TECHPARK LIMITED

2015

STATEMENT OF RATIO ANALYSIS

Financial and operational ratio in respect of the Company is given in the statement of Ratio Analysis.

Ratio	Basis	2015	2014
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	2.61	2.49
Quick Ratio	$\frac{\text{Quick Assets}}{\text{Quick Liabilities}}$	2.61	2.49
Debtors Turnover Ratio	$\frac{\text{Sales}}{\text{Sundry Debtors}}$	3.00	13.09
Total Expense to Total Income Ratio	$\frac{\text{Total Expense} * 100}{\text{Total Income}}$	52.08%	151.86%
Net Profit/(Loss) to Total Income	$\frac{\text{Net Profit/(Loss)} * 100}{\text{Total Income}}$	47.92%	86.57%

