

Butwal Power Company Ltd

Buddha Nagar, Kathmandu, Nepal

I FINANCIAL DETAILS



UNAUDITED FINANCIAL RESULTS FOR THE THIRD QUARTER, F/Y 2066/67, ENDED 31st CHAITRA 2066

(Rs./ Thousands unless specified)

S. N.	Particulars	Upto the period of 3rd Qtr.		For the period of 3rd Qtr.	
		9 months period	9 months period	3 months period	3 months period
		Ended 31st Chaitra 2066	Ended 31st Chaitra 2065	Ended 31st Chaitra 2066	Ended 31st Chaitra 2065
1	Total Income				
	a) Income from Operations	394,337	390,965	108,568	97,721
	b) Other Operating Income	12,811	11,220	6,746	3,458
	Total	407,148	402,185	115,314	101,179
2	Total Expenditure				
	a) Generation Expenses	93,809	56,396	46,425	20,869
	b) Distribution Expenses	40,906	31,211	15,911	11,708
	c) Engineering & Consultancy Services	-	13,582	-	7,243
	d) Administrative Expenses	54,172	51,797	21,632	18,691
	e) Depreciation	44,655	41,327	14,885	13,776
	Total	233,542	194,313	98,853	72,287
3	Profit from Operations Before Other Income, Interest & Tax (1-2)	173,606	207,872	16,461	28,892
4	Other Income				
	b) Dividend Income	67,232	24,175	-	-
	c) Forex Gain (Loss)	(17,154)	42,993	(1,833)	16,873
	Total	50,078	67,168	(1,833)	16,873
5	Profit Before Interest, Bonus & Tax (3+4)	223,684	275,040	14,628	45,765
6	Interest (Net)	(11,057)	3,378	(5,793)	1,736
7	Profit Before Bonus & Tax (5+6)	212,627	278,418	8,835	47,501
8	Provision for Employees' Bonus	4,584	7,244	-	-
9	Provision for Corporate Tax	26,150	9,185	-	-
10	Profit After Bonus & Tax (7-8-9)	181,893	261,989	8,835	47,501
11	Paid-up Equity Share Capital (Face Value per Shares, Rs. 100/-)	922,968	839,058	-	-
12	Reserve & Surplus	676,062	733,826	-	-
13	Earning per share (in Rs.)	20	31	-	-
14	Market value per share (in Rs.)	850	980	-	-
15	Price Earning Ratio	43	31	-	-
16	Current Ratio	1.54	1.56	-	-
17	Return on Assets	8%	12%	-	-
18	Net worth per share (in Rs.)	190	200	-	-

(Note: Rounded off to nearest thousand)

RELATED PARTY TRANSACTION

- There was no related party transaction during the third quarter of FY 2066/67.

2 MANAGEMENT ANALYSIS

- There are no major changes in stock, income and liquidity in this quarter compared with corresponding previous quarter.
- New consumers will be added with the extension of distribution network under the REEP project.
- The power plants are generating the electricity as per target.
- The engineering business has been through a subsidiary company, which has impacted in the profitability as stated in the financial details.
- The paid up capital of the company has increased to Rs. 922,967,500 from existing paid up capital Rs. 839,057,700 after distribution of bonus shares to the shareholders.

3 LEGAL PROCEEDING

- There are no legal cases filed by or against the Company in the competent court of Nepal.

4 SHARE TRANSACTIONS

The major highlights of share transactions during fourth quarter are as follows:

- High Price- Rs.919; Low Price- Rs.770; Closing Price- Rs.850; No. of Transaction Days- 13; Total Transactions- 21; Volume - 1,542 and Turnover - Rs.1.29mn.

5 RISKS AND CHALLENGES

- Retention of high skilled human resources has been major challenges because of entry of many international hydropower developers in the Country.
- The law and order situation at the project sites are not conducive to conduct the project activities. The frequent strike and bandhs have posed threat to expedite business programs and process.

6 CORPORATE GOVERNANCE

- Four meetings of the Board of Directors were held during the third quarter of F/Y 2066/67.
- Two meetings of the Audit Committee were held during the third quarter of F/Y 2066/67.
- NMB Bank Limited has been appointed as Share Registrar w.e.f. 19th Baisakh 2067.
- NMB Bank Limited has been appointed as Issue Manager for issue of right share at the ratio of 100:67 and the application has been submitted to SEBON for approval of right issue.
- Distribution of bonus share certificate has started from April 13, 2010. The shareholders have been notified to receive their bonus share certificate from the Share Registrar.

7 DECLARATION

I, the Chief Executive Officer of this Company, take the responsibility of accuracy of the information and details mentioned in this Report for the period up to third quarter of F/Y 2066/67, hereby declare that the information and details provided in this Report are true, based on facts, and complete to the best of my knowledge and that the information necessary for taking informed decision by the investors are not concealed.