

Butwal Power Company Ltd

Buddha Nagar, Kathmandu, Nepal

I FINANCIAL DETAILS



UNAUDITED FINANCIAL RESULTS FOR THE FOURTH QUARTER, F/Y 2066/67, ENDED 32nd ASHADH 2067

(Rs./ Thousands unless specified)

S. N.	Particulars	Up to the period of 4th Qtr.		For the period of 4th Qtr.	
		12 months period	12 months period	3 months period	3 months period
		Ended 32nd Ashadh 2067	Ended 31st Ashadh 2066	Ended 32nd Ashadh 2067	Ended 31st Ashadh 2066
1	Total Income				
	a) Income from Operations	462,569	466,949	68,232	75,984
	b) Management Support Income	17,173	-	17,173	-
	c) Other Operating Income	12,207	13,110	(604)	1,890
	Total	491,949	480,059	84,801	77,874
2	Total Expenditure				
	a) Generation Expenses	132,216	88,491	38,407	32,095
	b) Distribution Expenses	55,982	48,700	15,076	17,489
	c) Engineering & Consultancy Services	-	18,957	-	5,375
	d) Management Support Expenses	12,370	-	12,370	-
	e) Administrative Expenses	83,278	66,060	29,106	14,263
	f) Depreciation	59,540	61,873	14,885	20,546
	Total	343,386	284,081	109,844	89,768
3	Profit from Operations Before Provision (1-2)	148,563	195,978	(25,043)	(11,894)
4	Provision of Loss in Investment	-	21,491	-	21,491
5	Profit from Operations Before Other Income, Interest & Tax (3-4)	148,563	174,487	(25,043)	(33,385)
6	Other Income				
	b) Dividend Income	137,803	104,843	70,571	80,668
	c) Forex Gain (Loss)	(3,581)	30,809	13,573	(12,184)
	Total	134,222	135,652	84,144	68,484
7	Profit Before Interest, Bonus & Tax (5+6)	282,785	310,139	59,101	35,099
8	Interest (Net)	(3,310)	3,359	7,747	(19)
9	Profit Before Bonus & Tax (7+8)	279,475	313,498	66,848	35,080
10	Provision for Employees' Bonus	5,837	9,659	1,253	2,415
11	Provision for Corporate Tax	25,830	12,247	(320)	3,062
12	Profit After Bonus & Tax (9-10-11)	247,808	291,592	65,915	29,603
13	Paid-up Equity Share Capital (Face Value per Shares, Rs. 100/-)	922,968	839,058	-	-
14	Reserve & Surplus	741,976	578,202	-	-
15	Earning per share (in Rs.)	27	35		
16	Market value per share (in Rs.)	1,090	1,270		
17	Price Earning Ratio	40	36		
18	Current Ratio	1.47	1.12		
19	Net worth per share (in Rs.)	198	184		

(Note: Rounded off to nearest thousand)

RELATED PARTY TRANSACTION

- There is none.

2 MANAGEMENT ANALYSIS

- There are no major changes in stock, income and liquidity in this quarter compared with corresponding previous quarter.
- The power plants have generated electricity as per target.
- The Jhimruk Power Plan has completed 15 years of operation. Hence, the royalty and tax rates have increased as per the prevailing law.
- The engineering consultancy business has been operated through a subsidiary company w.e.f. 1st Shrawan, 2066. Therefore, the income and expenses of engineering consultancy business have not been included in the report.
- The increase in royalty and tax, separation of engineering business and the forex loss have resulted decrease in net profit of the company in F/Y 2066/67 in comparison with the net profit of F/Y 2065/66.
- Issuance of right shares to the shareholders as per the decision of the 17th Annual General Meeting of the Company is under process.

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. 1,090; Low Price- Rs. 706; Closing Price- Rs. 1,090; No. of Transaction Days- 39; Total Transactions- 105; Volume - 34,759 and Turnover - Rs. 27.07mn.

5 RISKS AND CHALLENGES

- Retention of high skilled human resources has been a major challenge 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.

6 CORPORATE GOVERNANCE

- Good corporate governance has been practiced in all business transaction.
- Two meetings of the Board of Directors were held during the fourth quarter.
- One Audit Committee and one Budget Committee meeting was held during the fourth quarter.
- Company received 'Best Presented Accounts Award 2009' from ICAN fifth time in row in the manufacturing sector for excellence in presentation of financial statements and annual report.
- The tenure of Chief Executive Officer has been extended for three years with effect from June 18, 2010.
- The tenure of Company Secretary has been extended for three years with effect from July 17, 2010.

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 fourth 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.