

Butwal Power Company Ltd

Buddha Nagar, Kathmandu, Nepal

I FINANCIAL DETAILS



UNAUDITED FINANCIAL RESULTS FOR THE FOURTH QUARTER, F/Y 2065/66, ENDED 31st ASHADH 2066

(Rs./ Thousands unless specified)

S. N.	Particulars	Upto the period of 4th Qtr.		For the period of 4th Qtr.	
		12 Months period ended 31st Ashadh 2066	12 Months period ended 31st Ashadh 2065	3 Months period ended 31st Ashadh 2066	3 Months period ended 31st Ashadh 2065
1	Total Income				
	a) Income from Operations	466,719	446,732	75,754	87,115
	b) Other Operating Income	20,246	7,401	9,026	(1,187)
	Total	486,965	454,132	84,780	85,928
2	Total Expenditure				
	a) Power Plant Expenses	80,942	82,514	24,546	32,369
	b) Distribution Expenses	55,222	48,428	24,011	18,626
	c) Engineering & Consultancy Services	17,256	16,743	3,674	11,780
	d) Administrative Expenses	75,046	56,052	23,249	17,465
	e) Depreciation	55,103	55,103	13,776	16,160
	Total	283,569	258,841	89,256	96,400
3	Profit from Operations Before Provision (1-2)	203,396	195,292	(4,476)	(10,472)
4	Provision of Loss in Investment	6,869	6,869	6,869	6,869
5	Profit from Operations Before Other Income, Interest & Tax (3-4)	196,527	188,423	(11,345)	(17,341)
6	Other Income				
	b) Dividend Income	104,843	156,894	80,668	72,636
	c) Forex Income	29,744	18,217	(13,249)	20,338
	Total	134,586	175,111	67,418	92,974
7	Profit Before Interest, Bonus & Tax (5+6)	331,113	363,534	56,073	75,633
8	Interest (Net)	(393)	9,249	(3,771)	1,997
9	Profit Before Bonus & Tax (7+8)	330,721	372,784	52,303	77,630
10	Provision for Employees' Bonus	9,192	9,504	-	-
11	Provision for Corporate Tax	9,471	9,401	-	-
12	Profit After Bonus & Tax (9-10-11)	312,057	353,879	-	-
13	Paid-up Equity Share Capital (Face Value per Shares, Rs. 100/-)	839,058	839,058	-	-
14	Reserve & Surplus	833,043	455,097	-	-
15	Earning per share (in Rs.)	37	42	-	-
16	Market value per share (in Rs.)	1,270	1,559	-	-
17	Price Earning Ratio	34	37	-	-
18	Current Ratio	1.56	1.30	-	-
19	Return on Assets	14%	18%	-	-
20	Net worth per share (in Rs.)	212	166	-	-

(Note: Rounded off to nearest thousand)

RELATED PARTY TRANSACTIONS

- Purchase of ACSR Conductor from Trishakti Cable Industries Pvt. Ltd. amounting to Rs. 3.45mn.

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 Company has purchased additional 348,168 shares of Himal Power Limited which has increased the share ownership stake of BPC in HPL to 16.88%.
- The acquisition of majority shares of Hydro Consult Pvt. Ltd., an engineering consulting company is expected to strengthen the engineering and consultancy business and to contribute to the hydropower and water resources sector in Nepal.
- The PPA negotiation for Andhikhola Updrading Hydropower Project has started with NEA.
- Survey License of 93MW Lower Manang Marshyangdi Hydropower Project has been received.
- Poor rainfall during fourth quarter has affected the generation of electricity severely.

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.1,295; Low Price- Rs.882; Closing Price- Rs.1,270; No. of Transaction Days- 27; Total Transactions- 76; Volume - 13,147 and Turnover - Rs.12.63mn.

5 RISKS AND CHALLENGES

- Retention of high skilled human resources has been major challenges because of entry of many international
- The law and order situation at the project sites are not conducive to conduct the project activities. The

6 CORPORATE GOVERNANCE

- A well documented Corporate Governance Policy is in place and is practiced in all business transaction.
- Three meetings of the Board of Directors were held during the fourth quarter of F/Y 2066/67.
- Audit Committee and Budget Committee meetings were held during the last quarter of F/Y 2065/66.
- Company received 'Best Presented Accounts Award 2008' from ICAN fourth time in row in the manufacturing