

Balaju Industrial District, Balaju, Kathmandu
Unaudited Financial Results (Quarterly)

As at the end of Second Quarter (13/01/2021) of the Fiscal Year 2077/78 (FY 2020-2021)

NPR in Thousand

S.N	Particulars	As on date 13.01.2021 (Unaudited)		As on date 14.01.2020 (Unaudited)	
		(Group)		(Group)	
A	ASSETS				
	Non-current assets				
	Intangible Assets		86,368		121,154
	Property, Plant and Equipment		7,403,773		7,989,187
	Prepayments		27,706		28,529
	Financial Assets				
	Advances		11,825		11,148
	Current Assets				
	Non Financial				
	Inventories		1,213,042		1,535,525
	Prepayments		103,303		79,228
	Advances		613,536		750,605
	Other Current Assets		24,565		59,757
	Income Tax Receivable		38,562		28,134
	Financial Assets				
	Other Current Assets		18,033		16,369
	Trade receivables		122,394		155,545
	Cash and Cash Equivalents		432,054		506,431
	Total Assets		10,095,161		11,281,612
B	EQUITY AND LIABILITIES				
	Equity				
	Equity Share capital		194,889		194,889
	Reserve and Surplus		3,406,354		3,854,888
	Non Controlling Interest		123,429		121,393
	Non-current liabilities				
	Deferred Tax Liability		88,663		57,975
	Financial Liabilities				
	Retirement Benefit Obligation		1,147,360		1,047,075
	Borrowing		1,700,407		2,131,240
	Current liabilities				
	Financial Liabilities				
	Borrowings		1,251,223		1,167,029
	Trade payables		665,423		1,322,365
	Other Financial liabilities		1,437,977		1,276,100
	Non Financial Liabilities		79,436		108,658
	Total Equity and Liabilities		10,095,161		11,281,612
C	Profit and Loss Account	Current Period (Group)		Previous Period (Group)	
		17.10.2020 to 13.01.2021 (3 Month)	16.07.2020 to 13.01.2021 (6 Month)	18.10.2019 to 14.01.2020 (3 Month)	17.07.2019 to 14.01.2020 (6 Month)
	Revenue from operations	993,559	3,609,569	967,458	4,076,110
	Cost of sales	(899,950)	(2,559,587)	(872,851)	(2,880,931)
	Gross Profit	93,610	1,049,982	94,607	1,195,179
	Other operating income	9,976	14,269	86,725	112,767
	Selling and distribution expenses	(254,434)	(618,453)	(203,745)	(667,156)
	Administrative and operating expenses	(173,809)	(298,416)	(121,925)	(277,253)
	Profit from Operations	(324,656.6)	147,382.5	(144,337.9)	363,536.5
	Finance Costs	(61,530)	(126,619)	(9,710)	(48,836)
	Finance Income	3,040	9,141	13,775	17,365
	Profit Before Tax	(383,147)	29,905	(140,273)	332,065
	Income Tax Expense				
	Current Tax	-	(11,437)	(5,965)	(49,636)
	Prior period tax adjustments	-	-	(1,735)	(12,911)
	Deferred Tax	(39,419)	(30,687)	41,232	(36,801)
	Net Profit	(422,566)	(12,220)	(106,741)	232,718
	Owners of the Company (Net Profit)	(394,080)	(14,257)	(101,481)	210,300
	Non Controlling Interest (Net profit)	(28,486)	2,037	(5,260)	22,418
D	Major Indicators	Current Period (Group)		Previous Period (Group)	
		16.07.2020 to 13.01.2021 (6 Month)	Annualized	17.07.2019 to 14.01.2020 (6 Month)	Annualized
	1. Earnings per Share (NPR)	(7)	(15)	108	216
	2. Market Value Per Share (NPR)	1,830	1,830	1,760	1,760
	3. Price Earnings Ratio	(250)	(125)	16	8
	4. Current Ratio	0.75		0.81	
	5 Return on Equity	-0.3%	-1%	6%	11%
	6. Return on Total Assets	-0.1%	0%	2%	4%
	7. Net Worth Per Share (NPR)	1,911		2,140	
Note:	<p>1 Figures are regrouped wherever necessary for consistent presentation and comparison.</p> <p>2 Above presented figures may vary with the audited figures if amended by the external auditors and/or regulator</p> <p>3 Quarterly earnings per share, Price earning ratio, return on equity, return on total assets and net worth per share are calculated based on quarterly unaudited profits and number of equity shares outstanding at the reporting date and Annualized earnings per share, Price earning ratio, return on equity, return on total assets and net worth per share are calculated based on annualized unaudited profits and number of equity shares outstanding at the reporting date. Annualized ratios are calculated on the basis of accumulated Second Quarter profit (Q2 YTD).</p>				
E	Related Party Disclosure	During the period, the following related party transactions occurred:			
	Particulars	NPR in Thousand			
	Purchase of Concentrate from Pacific Refreshments Pte. Ltd.	555,312			
	Transfer fee payable to BNTL	22,291			
	Transfer fee receivable from BNTL	33,283			
F	Management Analysis	<p>a) BNL Plant remain closed from 20th August 2020 to 09 September 2020 for 21 days and BNTL plant remain close from 16 August 2020 to 16 September 2020 for 1 month in compliance with order from local authorities for second lockdown to curb COVID-19 pandemic impact . This resulted in volume drop of 13%. Similarly interest cost has increased with term loan utilization for new line. Consequently the Profit after tax has reduced by NPR 245 MM at the end of Second quarter over previous year same period.</p> <p>b) The company is continuously working on upgrading IT infrastructure, enhancing transactions security, automating work processes, enhancing productivity.</p>			
G	Details Related to Legal Proceedings	No legal case was filed in this Quarter by or against the Company.			
H	Analysis of Share Transactions	<p>i) Management's view on the performance of the stocks of the body corporate Price and transactions of the Company's shares are being determined by the open share market operations through a duly established Stock Exchange. Management's view on this is neutral.</p> <p>ii) High, Low and Closing Price of the stocks of the company during each quarter of the preceding year along with total volume of trading of shares and number of days traded Not traded in the given Quarter</p>			
I	Risks and Challenges	<p>Internal Problem & Challenges Rise in cost of operations and reduced efficiency in business due to the Pandemic. Rural distribution at effective cost.</p> <p>External Problem & Challenges Market and economic recovery in progress from COVID 19. Fluctuation in Foreign Exchange impacting material cost.</p> <p>Strategy Proactively monitor the internal and external environmental changes Develop cost effective distribution models for upcountry areas.</p>			
J	Corporate Governance	The Company follows prudent Corporate Governance Practices in all business transactions. During the Quarter under review, the Company had convened Board Meeting on 11th November 2020 and 7th January 2021, Audit Committee Meeting on 10th November 2020, Risk Management Committee Meeting on 7th January 2021 and Annual General Meeting on 7th January 2021			
K	Declaration by Managing Director on the Truthfulness and accuracy of Information	I, as at the date, hereby individually accept responsibility for the accuracy of the information and details contained in this report. I hereby declare that to the best of my knowledge and belief, the information contained in this report is true, accurate and complete and there are no other matters concealed the omission of which shall adversely affect the informed investment decision by the investors.			
	Pradip Pandey				
	Managing Director				
	Date: 8th February, 2021 (26th Magh, 2077)				