

**Bottlers Nepal (Terai) Ltd.  
Bharatpur, Chitwan, Nepal**

**UNAUDITED FINANCIAL RESULTS FOR THE 2ND QUARTER, F/Y 2073/74, ENDED  
13TH JANUARY 2017**

(Pursuant to Rule 26(1) of Securities Registration and Issue Regulation, 2016)

A	Statement of Financial Position	Current Quarter	Previous Year
		Ending	Corresponding Quarter Ending
		(Amount in NPR)	(Amount in NPR)
		As on 13th Jan 2017	As on 14th Jan 2016
	<b>ASSETS</b>		
	<b>Non-Current Assets</b>		
	Intangibles	1,539,369	2,157,230
	Property, Plant and Equipment	2,594,070,289	2,488,905,780
	<b>Current Assets</b>		
	Inventories	677,282,139	542,796,271
	<b>Non Financial Current Assets</b>		
	Prepayments	11,242,062	2,120,945
	<b>Financial Assets</b>		
	Advances	7,806,673	16,458,956
	Other Current Assets	140,196,183	201,157,632
	Trade receivables	111,395,135	(42,869,703)
	Cash and cash equivalents	18,652,982	44,140,039
	<b>Total Assets</b>	<b>3,562,184,832</b>	<b>3,254,867,151</b>
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>	121,000,000	121,000,000
	Equity Share Capital	843,622,337	346,018,579
	Reserve and Surplus	-	-
	<b>Non-current liabilities</b>		
	Retirement Benefit Obligation	247,728,157	226,213,155
	Deferred Tax Liability	32,433,217	50,274,556
	<b>Financial Liabilities</b>		
	Borrowings	194,000,000	693,000,000
	<b>Current Liabilities</b>		
	<b>Financial Liabilities</b>		
	Borrowings	849,087,746	742,151,188
	Trade payables	864,775,191	724,968,591
	Other Financial Liabilities	409,538,183	351,241,082
	<b>Total Equity and Liabilities</b>	<b>3,562,184,832</b>	<b>3,254,867,151</b>
<b>B</b>	<b>Statement of Profit or Loss</b>	<b>As on 13th Jan, 2017</b>	<b>As on 14th Jan, 2016</b>
	Revenue from operations	554,628,335	249,632,820
	Cost of sales	(480,519,531)	(240,160,335)
	<b>Gross Profit</b>	<b>74,108,805</b>	<b>9,472,485</b>
	Other operating income(Including Provision)	(2,494,802)	(11,790,037)
	Selling and distribution expenses	(125,623,872)	(86,726,725)
	Administrative and operating expenses	(43,327,905)	(49,151,226)
	<b>Profit from Operations</b>	<b>(97,337,774)</b>	<b>(138,195,503)</b>
	Finance Costs	(13,731,012)	(30,674,558)
	Finance Income	113,216	88,610
	<b>Profit Before Tax</b>	<b>(110,955,570)</b>	<b>(168,781,450)</b>
	<b>Income Tax Expense</b>		
	Current Tax	1,400,299	-
	Deffered Tax	1,901,228	-
	<b>Net Profit for the year</b>	<b>(107,654,044)</b>	<b>(168,781,450)</b>
<b>C</b>	<b>Major Financial Ratios</b>		
1	Earning per share (in Rs.)	(355.88)	(557.96)
2	Market value per share (in Rs.) (based on last transaction)	4,144	2,353
3	Price Earning Ratio	-12	-4
4	Current Ratio	0.46	0.42
5	Return on Assets	-2.73%	-4.25%
6	Net worth per share (in Rs.)	797	386

**D RELATED PARTY TRANSACTIONS**

During the period, the following related party transactions occurred:

Sale of material/asset to Bottlers Nepal Limited, its parent Company	Rs. 43,821
Purchase of material/asset from BNL	-
Transfer fee payable to BNL	5,210,661
Transfer fee receivable from BNL	9,823,483

**E MANAGEMENT ANALYSIS**

- a) This Quarter earning has improved by 61 MM compared to previous year corresponding quarter lead by robust growth in volume in deseasonal business as result of management effort.
- b) Improved market execution and distribution in this quarter.

**F LEGAL PROCEEDING**

No legal case was filed in this Quarter by or against the Company.

**G SHARE TRANSACTIONS****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.

**ii) High, Low and Closing Price of the stocks of the company during the quarter along with total volume of trading of shares and number of days traded**

Maximum Price	NPR 5,280
Minimum Price	NPR 4,000
Closing Price	NPR 4,144
Number of Trades	1,118
Days of trading	15

**H RISKS AND CHALLENGES****Internal Problem & Challenges**

Rural distribution at effective cost

**External Problem & Challenges**

Increase in international fuel prices impacting packaging material prices and local transportation cost.

Dynamic socio-political environment

**Strategy**

Proactively monitor the internal and external environmental changes

Develop cost effective distribution models for rural areas

**I CORPORATE GOVERNANCE**

The Company follows prudent Corporate Governance Practices in all business transactions. During the Quarter under review, the Company had convened two Board Meeting i.e. on 23rd November, 2016 and 25th December, 2016 and one Audit Committee Meeting of the Company was held on 22nd November, 2016. The 30th Annual General Meeting of the Company was held on 26th December, 2016.

**J DECLARATION BY CHIEF EXECUTIVE OFFICER 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.

**Puneet Varshney**  
Chief Executive Officer