

Appendix-A
Income Statement for Five Years
Since Fy 2062/63 to Fy 2066/67 End of Each Year

Particulars	2062/63	2063/64	2064/65	2065/66	2066/67
Revenue:					
Net operating revenue (I) (D)	245109623.75	188012494.63	195925258.7	199460534.62	230500484.96
Expenditure					
Programme expenses (E)	52574296.15	37843806.18	35041535.17	22614630	22953004.43
Repairs and maintenance exp. (F)	51697709.91	30409508.74	24997600.69	28655780.32	35817554.06
Administration expenses (G)	126844080.80	159105526.66	162224613.51	159199701.13	198503418.32
Total operating expenditure (II)	231116086.86	227358841.58	22224613.37	210470111.45	257273976.81
Operating profit (Loss) (III = I-II)	13993536.89	(39346346.99)	(26338490.67)	(11009576.83)	(26773491.85)
Non-operating income (expenditure)					
Depreciation	(97698752.75)	(84209293.03)	(77935894.32)	(80530819.09)	(70149887.85)
Written off expenses	-	-	-	-	-
Subsidy from foreign country equipment	320860.87	341136.71	340467.73	315611.60	468676.18
Subsidy W/O from foreign country equipment	(320860.87)	(341136.71)	(340467.78)	(315611.60)	(468676.18)
Miscellaneous subsidy	337792.04	270233.63	216186.90	172949.52	138359.62
Profit (Loss) on sales of fixed assets	-	(4478976.73)	-	124357.54	-
Others income	-	-	-	-	10148564.23
Non-operating income (H)	5457128.0	2714396.42	34522093.67	10925996.57	12749035.83
Gross non-operating income (expenditure) (IV)	(91903832.71)	(85703639.71)	(43197613.95)	(69307515.46)	(56243928.17)
income before tax (V = III – IV)	(77910295.82)	(125049986.66)	(69563104.62)	(80317092.29)	(83017420.02)
Less: Provision for tax	Nil	Nil	Nil	Nil	Nil
Net profit (Loss) after tax	(77910295.71)	(125049986.66)	(69563104.62)	(80317092.29)	(83017420.02)
Add: Previous years profit (Loss) accumulated	(327422699.06)	(405332994.88)	(527598576.11)	(597134680.73)	(677451773.02)
Profit and loss transfer to the balance sheets	(405332994.88)	(527598576.11)	(597134680.73)	(677451773.02)	(760467444.04)

Appendix B
Balance Sheet of Five Years

Particulars	2062/63	2063/64	2064/65	2065/66	2066/67
Capital and liabilities:					
Share capital of Nepal Government (I)	1361199623.60	1406199623.60	1430199623.60	1450199623.60	1495199623.60
Reserve and retained profit (Loss) (II)	(405332994.88)	(527598576)	(597134680.73)	(677451773.02)	(760467444.04)
Capitalized foreign subsidy (III)	5710059.38	4542034.36	4542034.36	4053473.23	2428143.20
Total (I+II+III+IV)	961576688.10	883699736.53	837606977.23	776801323.82	737160322.76
Assets:					
Fixed assets:					
Gross fixed assets	1378214205.48	1408421658.34	1431177159.86	1499360721.66	1505459352.81
Less: Depreciation:	(671278180.03)	(747946774.48)	(826223136.78)	(907659937.59)	(978164544.53)
Net fixed assets	706936025.45	660474883.86	604954023.08	591700784.07	527294808.28
Total net fixed assets (V)	706936025.43	660474883.86	604954023.08	591700784.07	527294808.28
Investment (VI)	Nil	Nil	Nil	Nil	Nil
Current assets: (VII)	402362292.21	395694721.03	451033352.43	397213955.58	456855869.93
Inventories	13809353.75	12245006.24	29952423.90	24665814.23	24526301.00
Trade debtors	221386473.62	226676379.02	162412163.68	166272674.16	187086067.75
Cash and bank	117227266.09	130142115.30	232090471.65	174252048.09	202244359.65
Prepaid expenses	49939198.75	26631220.47	26578293.20	32023419.10	42999141.53
Total current assets (VII)					
Current liabilities: (VIII)	147721629.56	17246968.36	218380398.28	212113415.83	246990355.45
Outstanding expenses	99036435.56	88254977.36	99128757.28	99805599.38	104732821.45
Provisions	48685194.00	84214891	119251641	112307816.45	142257534.00
Working capital IX = VII-VIII)	254640662.65	223224852.67	232652954.15	185100539.75	20865514.48
Total assets (V+VI+IX+X)	961576688.10	883699736.53	837606977.23	776801323.82	737160322.76

Appendix-C

Cashflow Statement

Since Fy 2062/63 to Fy 2066/67 End of Each Year

Particulars	2062/63	2063/64	2064/65	2065/66	2066/67
Cashflow from operating activities :					
Profit (Loss) before income tax (I)	(77910295.82)	(125049986.66)	(69536104.62)	(80317092.29)	(83017420.02)
Adjustment (II)	108354432.71	1212333336.71	78234363.95	62468889.65	86193645.72
Depreciation	97698752.75	84209293.03	77935894.52	(80530819.09)	70149887.85)
Written off expenses	-	-	-	-	-
Provisions	16450600.00	35529697.00	35036750	(6943824.55)	29949717.55
Profit (Loss) on sales of assets	-	4478976.73	-	(19158.80)	-
Capitalized subsidy	(337792.04)	(270233.63)	(216186.90)	(172949.52)	(138359.62)
Interest income	(5457128.00)	(2714396.42)	(34522093.67)	(10925996.57)	(12749035.83)
Preliminary expenses W/O (Metro)	-	-	-	-	-
Others income	-	-	-	-	(1018564.23)
Cash before adjustment of WC (III = I+II)	30444136.89	6012920.51	57483504.87	(3342184.61)	(26720631.72)
Adjustment of CA and CL:					
Increase/decrease in CA (IV)	(60129733.15)	16392732.92	46609724.95	(4019026.71)	(31647853.79)
Inventories	6277064.81	1564347.51	(17707417.66)	5286609.67	139513.23
Trade debtors	(45831053.60)	(5289905.4)	64264215.34	(3860510.48)	(10813393.59)
Prepaid expenses	(20575744.36)	20118290.81	52927.27	(5445125.90)	(10973973.43)
Increase/decrease in CL (V)	24297582.92	(10379812.41)	10873779.92	676842.1	4927222.07
Outstanding expenses	24297582.92	(10379812.41)	10873779.92	676842.2	4927222.07
Cash from operating activities (III+IV+V) =VI	(5388013.34)	2196270.56	66181764.20	(21190387.25)	(23544406.02)
Cashflows of investing activities:					
Interest income	5457128	2714396.42	34522093.67	10925996.57	12749035.83
Sales of fixed assets	-	-	-	124357.54	202590.40
Purchase of fixed assets	(34897606.42)	(36988144.88)	(22755501.52)	(67449675.34)	(6415178.65)
Cash from investing activities (VII)	(29440478.42)	(34273748.46)	11766592.15	(56648036.31)	6536447.58
Cashflow of financing activities :					

Receipts share capital from Nepal government	27500000	45000000	24000000	20000000	45000000
Cash from financing activities (VIII)	27500000	45000000	24000000	20000000	45000000
Net changes in cash (VI+VII+VIII)	(7328491.76)	12922522.1	101998356.35	(157838423.56)	27992311.56
Add: Opening cash balance	124555757.85	11722766.09	130142115.3	232090471.65	174252048.09
Ending cash at bank	117227266.09	130142115.3	232090471.65	174252048.09	202244359.65

Appendix-D
Operating Revenue

Particulars	2062/63	2063/64	2064/65	2065/66	2066/67
Time rent	2879375.00	-	103104327.00	106188793.61	125307904.17
Technological fees	86850.00	6534000	4304198.5	543214.58	14298257.39
Advertisement and program sponsors	213224635.63	138756978.07	36391244.86	36889047.74	19787589.90
Feed income	1021404.00	653832.5	1846870.00	1110210.00	5434175.00
Programme transmission	42413308.69	61275421.05	79403998.79	70654643.05	92645512.23
Lve transmission income	3468509.83	3568695.58	2408372.79	6476162.00	-
Metro income	2825357.23	2138850.03	4110708.78	10403925.86	17484831.97
Production fees	11194805.14	1638162.24	2185164.38	5649522.12	-
Gross income	277896045.52	214565939.47	233754884.85	237915518.96	274958270.66
Less: Agency discount	(32786421.77)	(26553444.84)	(37829626.15)	(38454984.34)	(44457785.7)
Net revenue	245109623.75	188012494.63	195925258.7	19460534.12	230500484.96

Appendix-E
Programme and News Expenses

Particulars	2062/63	2063/64	2064/65	2065/66	2066/67
Programme construction, purchase and operation exp.	39376943.05	28374098.67	22897842.9	13960358.94	14647675.41
News expenses	12149075.86	8759738.97	11629751.76	8425752.36	7587147.49
Cassette tape purchase	829660.24	397835.54	141240.51	50273.06	163289.53
Training expenses	218619.00	312133.00	372700.00	178245.64	554892.00
Total program expenditure	52574296.15	37843806.18	35041535.17	22614630.00	22953004.43

Appendix-F
Repairs and Maintenance Expenditure

Particulars	2062/63	2063/64	2064/65	2065/66	2066/67
Vehicles	1270641.04	1527738.40	1411708.21	1098450.18	1230753.30
Others	357427.99	301314.78	250385.58	254885.97	353252.15
Building	902063.19	734469.28	247640.00	339444.92	423814.36
Machinery	1804024.87	995252.80	858241.03	449124.99	220513.00
Purchase of spare parts	189510.76	6094644.67	3631153.04	4481328.34	12808043.29
Satellite rent	7823496.67	20289676.45	18521575.18	21900149.92	20546112.96
Spare parts (metro)	-	-	-	-	-
Building (metro)	8001.76	62235.00	-	-	-
Machinery (metro)	505806	395491.10	74665.65	16125.00	-
Others (Metro)	75172	8686.26	2232.00	921.00	-
Generators	-	-	-	115350.00	210060.00
Aid conditioners	-	-	-	-	25005.00
Total	51697709.91	30409508.74	24997600.69	28655780.32	35817554.06

Appendix-G
Administration Expenses

Particulars	2062/63	2063/64	2064/65	2065/66	2066/67
Staffs expenditure	83696076.83	111824745.04	127772081.73	124346865.90	160986080.95
Stationery and printing	876147.54	922963.16	998641.40	1100903.78	1085462.01
Security expenses	986602.24	356089.00	271635.20	354625	456890
Board of directors	172742.00	363544.00	391240.00	4755327	568287.00
Membership fees	22615.00	896625.00	483725.00	754135	8025.50
Other committee, sub-committee	650981.86	923389.00	807619.20	422991	547000.03
Scholarship	64000.00	100000.00	104000.00	100000	10000
Bank commission	250329.70	252642.50	191355.71	185886.80	43093.84
Anniversary expenses	139554.32	29169.20	328741.14	726190.07	1828869.28
Insurance vehicles	206222.33	303326.28	194089.29	159457.57	168417.01
Insurance building and equipment	262872.79	96743.92	73555.92	111247.27	94836.99
Trade promotion	4481423.39	6717214.08	2908343.33	77773.64	2693161.00
Telecommunication mail	2223947.80	2227449.01	2685287.24	2429261.75	2128205.16
Survey and research service	1161946.90	56500.00	207690.00	193500.00	-
Final audit fees	137988.00	258550.37	215584.20	165000.20	35100
Office cleanliness	351584.00	299348.44	353627.64	564717.72	662051.41
Office goods non-dustable	261139.33	180315.00	360724.96	276109.21	296668.26
Non-capitalized expenditure	157958.76	218747.71	2118586.59	618940.78	368504.73
Office expenses	573811.76	536859.00	577103.34	609865.90	687442.69
Guests expenses	12845.25	89137.75	21514.00	27001.36	37028.00
Mahasul dustur	428101.93	824842.30	483384.95	481001.67	509167.00
Rent	815596.91	586668.84	243467.93	240054.00	231686.29
Books and newspapers	132219.00	117625.00	157541.00	150172.33	178728.00
Incentive rewards	2781248.43	5567283.82	52000.00	573134.00	-
Placement committee	236418.25	1043325.00	710365.00	146257.00	397404.23
Electricity and water	7185532.48	5820488.44	5858052.90	5271854.56	9418978.70
Advertisement expenses	52000.00	115456.00	21000.00	40000.00	50700.00

Miscellaneous expenses	858668.07	336681.87	260593.77	314343.41	325451.70
Fuel	5599647.92	5852589.00	6205089.46	7760210.09	6802309.38
Donation	78000.00	24000.00	-	6000.00	-
Transaction assimilation commission	19680.00	27370.00	121817.00	54186.00	25200.00
Promotion incentive rewards	7743177.07	7524988.44	4720453.22	6163315.07	6626947.40
Media fund and stationery	193961.16	-	-	-	-
Consultancy fees	-	-	-	-	73000.00
Rewards	-	64000.00	-	-	-
Telecommunication mail (metro)	77157.50	23648.48	-	-	-
Office goods durable (metro)	8000	77137.30	2955.00	9550.00	-
Office expenses (Metro)	20125.00	19910.00	19040.00	15000.00	-
Books and newspapers (metro)	6030.00	7675.00	1830.00	-	-
Sports development expenses	-	-	-	-	79633.61
Office goods non-durable (metro)	6929.00	1980.00	2414.00	2264.00	-
Stationery and printing	2567.00	4000.00	6625.00	5140.00	-
Tele film sansar committee	-	-	-	-	145441.00
Other committee/sub-committee	19217.00	19160	7715.00	-	-
Electricity and water (Metro)	3821022.28	4255303.71	4127362.59	3680140.81	-
Miscellaneous exp. (metro)	75192.00	3000.00			
Tax audit fees	-	172510.00	53500	57554.00	880000.00
NTV A operation expenses	-	-	53500.00	12000.00	50000.00
Scholarship for staffs children	-	-	11260.80	11260.80	11260.80
Tender evaluation committee	-	-	-	215289.00	183139.00
TOR committee expenses	-	-	-	131174.44	331247.35
Total administration expenses	126844080.80	159105526.66	162224613.51	159199701.13	198503418.32

**Appendix-H
Non-Operating Revenue**

Particulars	2062/63	2063/64	2064/65	2065/66	2066/67
Interest income	3361726.06	3037665.23	3595341.05	5437457.46	4705450.54
Gain (loss) on foreign exchange	702466.74	(2147076.37)	741116.09	2950912.11	(1089009.86)
Royalty income	535600.00	117150.00	-	-	-
Miscellaneous income	857335.20	1706657.56	12949636.53	2537627.00	4132595.15
Programme subsidy	-	-	-	-	5000000
N.H.K. subsidy (Japan)	-	-	17236800.00	-	-
Total income	5457128	2714396.42	34522093.67	10925996.57	12749035.83

**Appendix-I
Staff Expenditure Statement**

Particulars	2062/63	2063/64	2064/65	2065/66	2066/67
Salaries	56914223.09	65421722.75	79701718.51	88798520.24	103535344.79
Insurance premium (staffs)	3896802.85	3945324.53	4675866.62	3481990.22	49838532.39
Transportation	2385478.07	2088585.96	2093975.49	2115186.74	2533480.33
Gratuity expenses	17058084.82	36104492.98	35367380.88	23775158.00	42962037.68
Overtime payment	1847731.60	2527757.86	2913873.88	2892828.31	2672988.71
Clothing expenses	1562921.4	1638069.42	2805091.7	3372652.33	3128785.75
Medicine expenses	30535.00	83451.54	207349.65	58018.06	1169591.30
Wages	-	15340.00	6825.00	52512.00	-
Total	8369076.83	111824745.04	127772081.73	124546865.9	160986080.95

Appendix-J
Statement of Fixed Cost

Particulars	2062/63	2063/64	2064/65	2065/66	2066/67
Purchase of cassette tape	829660.24	397835.54	141240.51	50273.06	163289.53
Training expenses	218619	312133	372700	178245.64	554892
Repairs of vehicles	1270641.04	1527738.4	1411708.21	1098450.18	1230753.3
Repairs of building	902063.19	734469.28	247640	339444.92	423814.36
Repairs of building (Metro)	8001.76	62235	-	-	-
Administration expenses	115837526.04	149029734.51	152239198.02	150247705.76	189084439.62
Total	119066511.27	152064145.73	154412486.74	151914119.56	191457188.81

Note: Administration expenses is taken from statement of administration expenses except electricity and water expenses with metro channel.
(See Appendix E, F and G.

Appendix-K
Statement of Variable Cost

Particulars	2062/63	2063/64	2064/65	2065/66	2066/67
Program construction, purchase and operation expenses	39376943	28374098.67	22897842.90	13960358.94	14647675.41
News expenses	12149073.86	8759738.97	11629751.76	8425752.36	7587147.49
Repairs of machinery	1804024.87	995252.80	858241.03	449124.99	220513.29
Spares parts repairs	18951076.39	6094644.67	3631153.04	4481328.34	12808043.29
Satellite rent	27823496.67	20289676.45	18521575.18	21900149.92	20546112.29
Repairs of spares parts (metro)	-	-	-	-	-
Repairs machinery (metro)	505806.00	395491.10	74665.65	16125.00	-
Electricity and water	7185532.48	5820488.44	5858052.90	5271854.56	9418978.70
Electricity and water (metro)	3821022.38	4255303.71	4127362.59	3680140.81	-
Repairs of generator	-	-	-	115350.00	210060.00
Repairs of air condition	-	-	-	-	25005.00
Total	111616975.55	74984694.81	67598645.05	58300184.92	65463535.18

Appendix-L
Calculation of Break Even Point (BEP)

Particulars	2062/63	2063/64	2064/65	2065/66	2066/67
Total net revenue (NR)	245109623.75	188012494.63	195925258.7	199460534.62	230500484.96
Less: Variable cost (VC)	111616975.55	74984694.81	67598645.05	58300184.92	65463535.18
Contribution margin (CM)	133492648.2	113027799.82	128326613.65	141160349.7	165036949.78
Less: Fixed cost (FC)	119066511.27	152064145.73	154412486.74	151914119.56	191457188.81
Profit before adjustment of non-operating income and expenses	14426136.93	(39036345.91)	(26085873.09)	(10753769.86)	(26420239.03)
Add: Non-operating income or (expenses)	(91903832.71)	(85703639.71)	(43197613.95)	(69307515.46)	(56243928.17)
Add: Other income (expenses)	(432599.99)	(310001.04)	(252617.58)	(255806.97)	(353252.15)
Net profit (loss)	(77910295.77)	(125049986.66)	(69536104.62)	(80317092.29)	(760467444.04)
CM ratio CM/NR	0.545	0.601	0.655	0.708	0.716
BEP (Rs.)	387895310.04	396136083.99	302080485.91	312821245.75	346444649.62
Total hours in the year					
Launches the programme from:					
Metro	4550.5	4562.5	4562.5	4562.5	6240
NTV	6570	8760	8760	8760	8760
Total hours	11120.5	13322.5	13322.5	13322.5	15000
60 minutes	60	60	60	60	60
Total minutes	667230	799350	799350	799350	900000
BEP (minutes)	1056644.89	1683718.43	1232482.36	1254190.17	1352753.28
Contribution margin per minute	200. 07	141.40	160.54	176.59	183.37
FC + Non operating loss + other expenses (Rs.)	211402943.97	238077786.48	197862718.27	221477441.99	248054369.13
Revenue (net) per minute	3673.35	235.21	245.11	249.53	256.11
Variable cost per minutes	167.28	93.81	84.57	72.94	72.74

Appendix-M
Calculation of BEP Probability

Year	X (0000000)	X (00000000)	$(X - \bar{X})^2$	BEP revenue
2062/63	2.4510962375	2.1180167933	0.11094191614	387895310.04
2063/64	1.8801249463	2.1180167933	0.5659253086	396136083.99
2064/65	1.9592525870	2.1180167933	0.0252060732	302080485.91
2065/66	1.9946053462	2.1180167933	0.01523038527	312821245.75
2066/67	2.3050048496	2.1180167933	0.03496453319	346444649.62
	$\Sigma x = 10.5900839666$		$\Sigma (X - \bar{X})^2 = 0.24293543866$	

$$\bar{X} = \frac{\sum x}{n} = \frac{10.5900839666}{5} = 2.11801679332 \times 100000000 = \text{Rs. } 211801679.33$$

$$\sigma_x = \sqrt{\frac{\sum (x - \bar{x})^2}{n}} = \sqrt{\frac{0.24293543866}{5}} = 0.22042476566 \times \text{Rs. } 100000000$$

= Rs. 22042476.57

Where, x = Net revenue of NTV

\bar{X} = Average revenue of NTV of five years study period

σ_x = Standard deviation of net revenue

Now, we have the universal formulae for normal distribution of probability,

$$Z = \frac{x - \bar{x}}{\dagger_x} \dots\dots\dots (i)$$

Where, z = Standard normal variate

x = BEP revenues

\bar{X} = Average revenues

σ_x = Standard deviation of net revenue

$$Z_{2062/63} = \frac{387895310.04 - 211801679.33}{22042476.57} = 7.9888$$

We cannot find out the probability of z value 7.9888 in the z-table. Therefore we have probability 0.4999997133 with z=-value 5.0. Hence the probability of revenue greater than the BEP revenue is 0.0000002367 lie (0.5 – 0.4999997133)

$$Z_{2063/64} = \frac{396136083.99 - 211801679.33}{22042476.57} = 8.363$$

Which is also case of Fy 2062/63. Hence the probability of the revenue greater than the BEP (Rs.) is 0.0000002867.

$$Z_{2064/65} = \frac{302080485.95 - 211801679.33}{22042476.57} = 4.096$$

Which is to lies nearest on 0.4999683. Hence the probability is 0.0000317 on the use of greater than BEP (Rs.)

$$Z_{2065/66} = \frac{312821245.75 - 211801679.33}{22042476.57} = 4.58$$

Which is to lie the nearest probability 0.4999966. The probability is 0.0000034 on the case of greater than BEP (Rs.)

$$Z_{2066/67} = \frac{346444649.62 - 211801679.33}{22042476.57} = 6.11$$

Which is the greater than 5 cannot find out z-table, hence the probability is 0.0000002867 at the case of greater than BEP Rs.

Appendix-N

Calculation of Degree of Various Expenses and Net Revenue

Particulars	2062/63	2063/64	2064/65	2065/66	2066/67
Net revenue	245109623.75	188012494.63	195925258.70	199460534.62	230500484.96
Program expenses	52574296.15	37843806.18	35041535.17	22614630.00	22953004.43
Repairs and maintenance expenses	51697709.91	30409508.74	24997600.69	28655780.32	35817554.06
Administration with out staffs expenses	43148003.97	47280781.62	34452531.78	34652835.23	37517337.37
Staffs expenses	83696076.83	111824745.04	127772081.75	124546865.9	160986080.95
Depreciation	97698752.75	84209293.03	77935894.52	80530819.09	70149887.85
Other expenses	320860.87	4820112.73	340467.78	315611.60	468676.18
Total expenses	329135700.48	316388251.05	300540111.67	291316542.14	327892540.84

Source: Income statement and related statement (see Appendix A, D, E, F, G and I).

Note: The circle (Pie-chart) always be the 360° in total. Therefore total expenditure are equal to 360° and segmented expenses is give the degree (0°) on the basis of 360° of total expenditure, for example, total expenditure is Rs. 329135700.48 in the Fy 2062/63 which is equal to 360°. here segmented expenditure i.e. program expenses is Rs. 52574296.15 in the Fy 2062/63. Now, the program expenses is given the degree (0°) with the following ways:

$$\frac{360^\circ}{329135700.48} \times 52574296.15 = 57.50^\circ$$
 which is the degree of Rs. 52574296.15 of program expenses. Similarly, other segmented expenses are

given the degree (0°) by using the above mention idea. So other fiscal year's expenditure are given the degree (0°) in the same way of above.

In the case of net revenue, net revenue of each fiscal year is summed i.e. Rs. 10590087396.66 is equal to 360° and separately net revenue of each year are given the degree (0°) in the same way of above mentions.

Again If 360° = 100%

Then 3.6° = 1% which is follows the % with all the pie-chart degrees.

Appendix-O

Credit Terms

Credit terms: 2/60 net 250

It is expected that the following paying will be obtained in 2067/68.

Discount taking = 55%

Late paying debtors = 15%

Payment in net period debtors = 30%

Total debtors = 100%

Again, it is assumed that the late paying customer pay their bill upto 300 days so the maximum collection period will be 310 days in coming Fy 2067/67. If the proposed collection policy is adopted in coming fiscal year, the NTV should bear the incremental cost as follows:

Incremental cost = DT x IP x Receivables

Where,

DT = Discount taking debtor

DP = Discount percent

Receivable, let assume it will be Rs. 200000000 in the Fy 2067/68.

Therefore the NTV should incur to bear excess cost of Rs. 1100000 in the Fy 2067/68. Now it is computed what benefits can be obtained from this policy. The NTV's existing ACP would 290 days. If the new policy adopted the new level ACP will be as follows:

New ACP = DT = Discount period + Payment in net period debtors = Net period + Late payment debtors x Late period

= 0.55 x 60 + 0.3 x 250 + 0.15 x 310 = 154.5 days

Δ ACP = 280 – 154.5 = 125.5 days

It is also assumed that the NTV's opportunities gain (k) of fund is 10% per annum. Therefore the company can earn the incremental benefits as:

Incremental gain = Δ ACP x Receivables x $\frac{k}{365}$

= 125.5 x Rs/ 200000000 x $\frac{0.1}{365}$ = 6876712.33

Net saving = Rs. 6876712.33 – Rs. 1100000 = Rs. 4676712.33

Appendix-P

	Rs. in crore	
FY	Current assets (Rs.)	Current liabilities (Rs.)
2062/63	40.24	14.77
2063/64	39.57	17.25
2064/65	45.10	21.84
2065/66	39.72	21.21
2066/67	45.69	24.70

$$\text{Current ratio} = \frac{\text{Current assets}}{\text{Current liabilities}}$$

$$\text{For 2062/63} = \frac{40.24}{14.77}$$

= 2.72 and so on.

	Rs. in crore	
FY	Quick assets (Rs.)	Current liabilities. (Rs.)
2062/63	33.86	14.77
2063/64	35.68	17.25
2064/65	39.45	21.84
2065/66	34.05	21.21
2066/67	38.93	24.70

$$\text{Quick ratio} = \frac{\text{Quick assets}}{\text{Quick liabilities}}$$

$$\text{For 2062/63} = \frac{33.86}{14.77} = 2.29 \text{ and so on}$$

	Rs. in crore	
Fy	Net revenue (Rs.)	Inventory (Rs.)
2062/63	24.51	13.81
2063/64	18.80	12.25
2064/65	19.59	29.95
2065/66	19.95	24.67
2066/67	23.05	24.53

$$\text{ITR} = \frac{\text{Sales}}{\text{Inventory}}$$

$$\text{For 2062/63} = \frac{24.51}{13.81}$$

= 17.75 and so on.

Rs. in crore

Fy	NR (Rs.)	Trade debtors (Rs.)
2062/63	24.51	22.14
2063/64	18.80	22.67
2064/65	19.59	16.24
2065/66	19.95	16.63
2066/67	13.05	18.71

$$DTR = \frac{Sales}{Debtors}$$

$$\text{For 2062/63} = \frac{24.51}{22.14}$$

= 1.12 and so on.

DSO = DTR x 365 = 1.12 x 365 = 329.67 days and so on.

Rs. in crore

Fy	NR (Rs.)	TA (Rs.)
2062/63	24.51	11.09
2063/64	18.80	10.56
2064/65	19.59	10.56
2065/66	19.95	98.89
2066/67	23.05	98.42

$$TATR = \frac{Sales}{Total\ assets}$$

$$\text{For 2062/63} = \frac{24.51}{11.09}$$

= 0.12 and so on.

Rs. in crore

Fy	NR (Rs.)	FA (Rs.)
2062/63	24.51	70.69
2063/64	18.80	66.05
2064/65	19.59	60.50
2065/66	19.95	59.17
2066/67	23.05	52.73

$$FATR = \frac{Sales}{Fixed\ assets}$$

$$\text{For 2062/63} = \frac{24.51}{70.69}$$

= 0.35 and so on.

Rs. in crore

Fy	NR (Rs.)	CE (Rs.)
2062/63	24.51	96.16
2063/64	18.80	88.37
2064/65	19.59	83.76
2065/66	19.95	77.68
2066/67	23.05	73.72

$$\text{Capital employed turnover ratio} = \frac{\text{Sales}}{\text{Capital employed}}$$

$$\text{For 2062/63} = \frac{24.51}{96.16}$$

= 0.255 and so on.

Rs. in crore

FY	NR (Rs.)	CA (Rs.)	CATR	WC (Rs.)
2062/63	24.51	40.24	0.61	25.46
2063/64	18.80	39.57	0.48	22.32
2064/65	19.59	45.10	0.43	23.27
2065/66	19.95	39.72	0.50	18.51
2066/67	23.05	45.69	0.50	20.99

$$\text{CATR} = \frac{\text{Sales}}{\text{Current assets}}$$

$$\text{For 2062/63} = \frac{24.51}{40.24}$$

= 0.61 and so on.

$$\text{WCTR} = \frac{\text{Sales}}{\text{Net current assets}}$$

$$\text{For 2062/63} = \frac{24.51}{25.46}$$

= 0.96 and so on.

Rs. in crore

FY	EBITD (Rs.)	NR (Rs.)
2062/63	1.40	24.51
2063/64	(3.93)	18.80
2064/65	(2.63)	19.59
2065/66	(1.10)	19.95
2066/67	(2.68)	23.05

$$\text{GOPM} = \frac{\text{EBITD}}{\text{Sales}} \times 100\%$$

$$\text{For 2062/63} = \frac{1.40}{24.51} \times 100$$

= 5.71% and so on.

Rs. in crore		
FY	Net losses (Rs.)	NR (Rs.)
2062/63	(7.79)	24.51
2063/64	(12.50)	18.80
2064/65	(6.95)	19.59
2065/66	(8.03)	19.95
2066/67	(8.30)	23.05

$$\text{Net profit (Loss) Margin} = \frac{\text{Net loss}}{\text{Sales revenue}} \times 100$$

$$\text{For 2062/63} = \frac{(7.79)}{24.51} \times 100$$

= (31.79%)

Rs. in crore			
Fy	NL (Rs.)	TA (Rs.)	Share capital (Rs.)
2062/63	(7.79)	11.09	96.16
2063/64	(12.50)	10.56	88.37
2064/65	(6.95)	10.56	83.76
2065/66	(8.03)	98.89	77.68
2066/67	(8.30)	98.42	73.72

$$\text{Loss on Assets ratio} = \frac{\text{Net loss}}{\text{Total assets}} \times 100\%$$

$$\text{For 2062/63} = \frac{(7.79)}{11.09} \times 100\%$$

= (7.02%) and so on.

$$\text{Loss on equity ratio} = \frac{\text{Net loss}}{\text{Equity}} \times 100\%$$

$$\text{For 2062/63} = \frac{(7.79)}{96.16} \times 100\%$$

= (8.10%) and so on.

Rs. in crore		
FY	Debt (Rs.)	Total Assets (Rs.)
2062/63	14.77	11.09
2063/64	17.25	10.56
2064/65	21.84	10.56
2065/66	21.21	9.89
2066/67	24.70	9.84

$$\text{Debt ratio} = \frac{\text{Debt}}{\text{Total asset}} \times 100\%$$

$$\text{For 2062/63} = \frac{14.77}{11.09} \times 100\%$$

= 13.32% and so on.

Rs. in crore		
F.Y.	Debt (Rs)	Shareholder fund (E) Rs
2062/63	14.77	96.16
2063/64	17.25	88.37
2064/65	21.84	83.76
2065/66	21.21	77.68
2066/67	24.70	73.72

$$\text{Debt to shareholder fund} = \frac{\text{Debt}}{\text{Shareholder fund}} \times 100\%$$

$$\text{For 2062/63} = \frac{14.77}{96.16} \times 100\%$$

= 15.36% and so on.

Rs. in crore		
F.Y.	TA (Rs.)	Shareholder fund (E) Rs
2062/63	11.09	96.16
2063/64	10.56	88.37
2064/65	10.56	83.76
2065/66	9.89	77.68
2066/67	9.84	73.72

$$\text{Shareholder capital multiplier} = \frac{\text{Total assets}}{\text{Shareholder fund}}$$

$$\text{For 2062/63} = \frac{11.09}{96.16}$$

= 1.15x and so on.

Rs. in crore		
F.Y.	Staff expenditure (Rs.)	Total expenditure (Rs.)
2062/63	8.37	32.91
2063/64	11.18	31.64
2064/65	12.78	30.05
2065/66	12.45	29.13
2066/67	16.10	32.79

$$\text{Staff expenditure to total expenditure ratio} = \frac{\text{Staff expenditure}}{\text{Total expenditure}} \times 100\%$$

$$\text{For 2062/63} = \frac{8.37}{32.91} \times 100\%$$

= 25.43% and so on.

Rs. in crore		
F.Y.	Depreciation (Rs.)	Total expenditure (Rs.)
2062/63	9.77	32.91
2063/64	8.42	31.64
2064/65	7.79	30.05
2065/66	8.05	29.13
2066/67	7.01	32.79

$$\text{Depreciation to total expenditure ratio} = \frac{\text{Depreciation}}{\text{Total expenditure}} \times 100\%$$

$$\text{For 2062/63} = \frac{9.77}{32.91} \times 100\%$$

= 29.68% and so on.

Rs. in crore		
F.Y.	AE (Rs.)	NR (Rs.)
2062/63	12.68	24.51
2063/64	15.91	18.80
2064/65	16.22	19.59
2065/66	15.92	19.95
2066/67	19.85	23.05

$$\text{Administration expenses ratio} = \frac{\text{Administration expenses}}{\text{Sales}} \times 100\%$$

$$\text{For 2062/63} = \frac{12.68}{24.51} \times 100\%$$

= 51.75% and so on.

Rs. in crore		
F.Y.	Non-operating income (Rs.)	NR (Rs.)
2062/63	0.61	24.51
2063/64	0.33	18.80
2064/65	3.50	19.59
2065/66	1.15	19.95
2066/67	1.43	23.05

$$\text{Non-operating income to net revenue} = \frac{\text{Non-operating income}}{\text{Net revenue}}$$

$$\text{For 2062/63} = \frac{0.61}{24.51}$$

= 0.025 and so on.

Rs. in crore

F.Y.	Current year's revenue	Previous year's revenue (Rs.)
2062/63	24.51	22.37
2063/64	18.80	24.51
2064/65	19.59	18.80
2065/66	19.95	19.59
2066/67	23.05	19.95

$$\text{Revenue (net) growth rate} = \frac{\text{Current year's revenue} - \text{Previous year's revenue}}{\text{Previous year's revenue}} \times 100\%$$

$$\text{For 2062/63} = \frac{24.51 - 22.37}{22.37} \times 100\%$$

= 9.58% and so on.

Rs. in crore

F.Y.	Current year's operating expenses	Previous year's operating expenses
2062/63	23.11	18.98
2063/64	22.74	23.11
2064/65	22.23	22.74
2065/66	21.05	22.23
2066/67	25.73	21.05

Operating expenditure growth rate

$$= \frac{\text{Current year's operating exp.} - \text{Previous year's exp.}}{\text{Previous year's expenditure}} \times 100\%$$

$$\text{For 2062/63} = \frac{23.11 - 18.98}{18.98} \times 100\%$$

= 21.79% and so on.

Rs. in crore

F.Y.	Current year's net loss (Rs.)	Previous year's net loss (Rs.)
2062/63	7.79	6.52
2063/64	12.50	7.79
2064/65	6.95	12.50
2065/66	8.03	6.95
2066/67	8.30	8.03

$$\text{Net loss growth rate} = \frac{\text{Current year's net loss} - \text{Previous year's net loss}}{\text{Previous year's net loss}} \times 100\%$$

$$\text{For 2062/63} = \frac{7.79 - 6.52}{6.52} \times 100\%$$

= 19.44% and so on.

Rs. in crore

F.Y.	NR (Rs.)	No. of staffs
2062/63	24.51	415
2063/64	18.80	370
2064/65	19.59	383
2065/66	19.95	385
2066/67	23.05	389

$$\text{Net revenue per staff} = \frac{\text{Net revenue}}{\text{No. of staffs}}$$

$$\begin{aligned}\text{For 2062/63} &= \frac{24.51}{415} \\ &= 0.059 \text{ crore.}\end{aligned}$$

Rs. in crore

F.Y.	Staff expenses (Rs.)	No. of staffs
2062/63	8.37	415
2063/64	11.18	370
2064/65	12.78	383
2065/66	12.45	385
2066/67	16.10	389

$$\text{Staff expenses per staff} = \frac{\text{Staff expenses}}{\text{No. of staffs}}$$

$$\begin{aligned}\text{For 2062/63} &= \frac{8.37}{415} \\ &= 0.020 \text{ and so on.}\end{aligned}$$

Rs. in crore

F.Y.	Total expenses (Rs.)	No. of staffs
2062/63	32.91	415
2063/64	31.64	370
2064/65	30.05	383
2065/66	29.13	385
2066/67	32.79	389

$$\text{Total expenses per staff} = \frac{\text{Total expenses}}{\text{No. of staffs}}$$

$$\begin{aligned}\text{For 2062/63} &= \frac{32.91}{415} \\ &= 0.079 \text{ and so on.}\end{aligned}$$