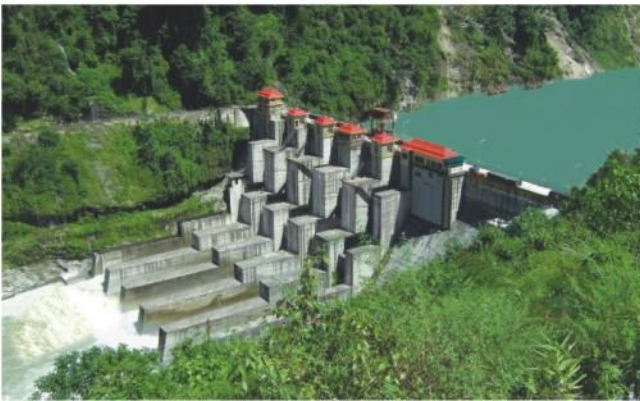




Investors' / Analysts' Conference



- ➔ NHPC Overview
- ➔ Established Track Record
- ➔ Significant Expansion Plan
- ➔ Financial Highlights



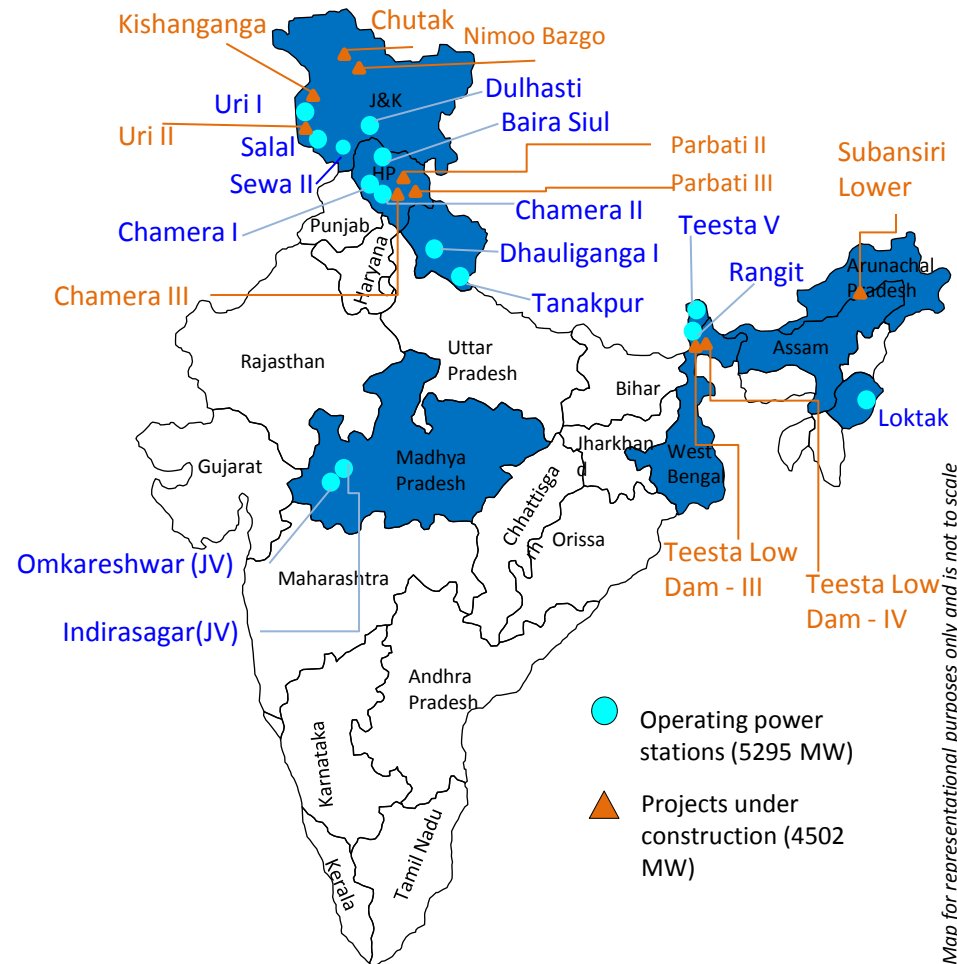
NHPC Overview



NHPC – Meeting India's Hydropower Needs



- Incorporated in 1975 with authorised capital of Rs.200 crore, the present authorised capital is Rs.15000 crore (Paid Up Capital Rs.12301 crore)
- Mini-Ratna Category-I PSU (since Apr'08)
- Established track record, strong operational performance and in-house engineering capabilities
 - Involved across the entire chain of hydro power project development – from concept to commissioning
 - Presence across 8 states – J&K, W.B, M.P, H.P, Arn.Prd., Manipur, Sikkim & Uttarakhand
 - 13.68% share of installed hydro-electric capacity in India (5295 MW out of 38706 MW)
 - Consultancy business
 - Exposure to international business opportunities



5295 MW¹ installed capacity through 14 power stations

¹ Including two projects of 1,520 MW from NHDC; Adjusted Installed Capacity after derating of Tanakpur projects – 5269.2 MW



Project	Location	Installed Capacity (MW)	Year of Commissioning	Type of the project
Baira Siul	HP	180	1981	ROR ² with small pondage
Loktak	Manipur	105	1983	Reservoir
Salal	J&K	690	1987/1996	ROR ²
Tanakpur	Uttarakhand	120 ¹	1992	ROR ²
Chamera I	HP	540	1994	Storage
Uri I	J&K	480	1997	ROR ²
Rangit	Sikkim	60	1999	ROR ² with small pondage
Chamera II	HP	300	2004	ROR ² with small pondage
Dhauliganga I	Uttarakhand	280	2005	ROR ² with small pondage
Dulhasti	J&K	390	2007	ROR ² with small pondage
Teesta V	Sikkim	510	2008	ROR ² with small pondage
Sewa II	J&K	120	2010	ROR ² with small pondage
Total		3,775		
Completed Projects with NHDC				
Indira Sagar	MP	1,000	2005	Storage
Omkareshwar	MP	520	2007	Storage
Total		1,520		
Grand Total		5,295		

1 Derated to 94.2 MW, 2-Run of the River

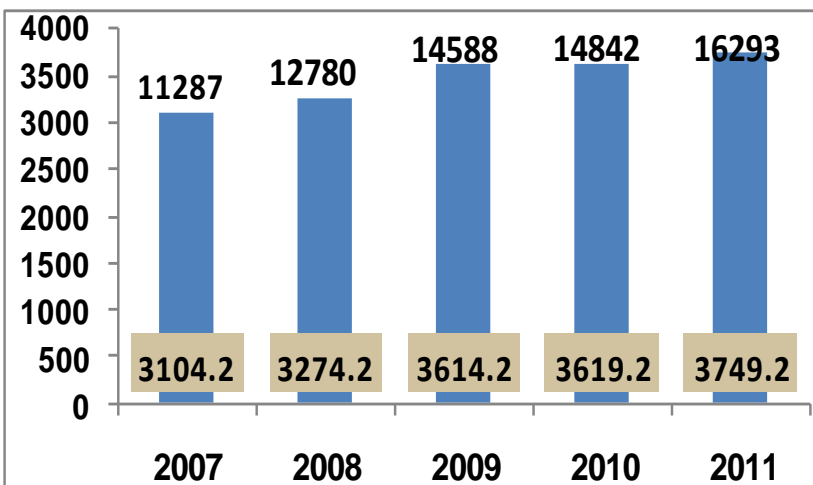


Established Track Record



- 14 hydropower stations with installed capacity of 5,295 MW; Including 2 projects of 1,520 MW from subsidiary NHDC Ltd.
- Hydroelectricity capacity build-up;
 - 4,502 MW under construction;
 - 14,246 MW in planning;

Adjusted Installed Capacity (MW) and Energy sold (MU)



- Hydroelectric projects located predominantly in the North and North East of India
- Completed Chamera-II, Dhauliganga-I, Indira Sagar and Omkareshwar projects ahead of schedule.
- Higher capacity indices than required under CERC regulations entitling to incentives
- Generated 18500 MUs in FY11;(Previous year : 16857 MUs)
- 82% revenues from sales of energy-FY'11

NHPC's project management reputation – A key advantage for securing projects



Projects Under Construction

Project under construction	Location	Installed Capacity (MW)	Anticipated Project Cost (in Rs. Crore)	Type of the project	Plan wise Capacity Addition
Chamera III	HP, 77*3	231	515 MW 913	ROR with small pondage	XI th Plan
Chutak	J&K, 11*4	44		ROR	XI th Plan
Uri II	J&K, 60*4	240		ROR	XI th Plan
TLD III	WB, 33*4	132	1,628	ROR	XII th Plan
Parbati III	HP, 130*4	520	2,659.93	ROR	XII th Plan
Nimoo Bazgo	J&K, 15*3	45	936.10	ROR with small pondage	XII th Plan
TLD IV	WB, 40*4	160	1,502	ROR with small pondage	XII th Plan
Subansiri Lower	Assam / Ar.P, 250*8	2,000	10,779	Reservoir	XII th Plan
Parbati II	HP, 200*4	800	5,353.21	ROR with small pondage	XII th Plan
Kishanganga	J&K, 110*3	330	3,652	ROR	XII th Plan
Total		4,502	31,301		



Plan wise Capacity Addition

Plan	Capacity Addition*
Up to Seventh Plan (upto March'1992)	750 MW
Eighth Plan -1992-1997	1365 MW
Ninth Plan -1997-2002	60 MW
Tenth Plan -2002-2007	1970 MW
Eleventh Plan -2007-2012 -Already Commissioned	1150 MW
Likely capacity Addition	515 MW
Twelfth Plan -2012-2017	3987 MW
Total	9797 MW

* Excluding Projects awaiting clearances.



Significant Expansion Plans



Subsidiary/Joint Ventures

NHDC

Subsidiary pursuant to MoU with GoMP (NHPC : GoMP = 51:49)

Operates 1,520 MW through Indira Sagar and Omkareshwar projects

Reva thermal power project of 1,320 MW (660 X 2) assigned and DPR is under process

Shahpura thermal power project of 1,320 MW (660 X 2).

NHPTL

NHPC:NTPC:
PGCIL: Damodar
Valley Corporation
= 25:25:25:25

Plans for on-line high power test laboratory facility in India and/or abroad for testing and certification of short circuit

Authorized Capital
Rs.70 Crs

NPEX

NHPC:NTPC:
PFC:TCS =
16.67:16.67:
16.66:50.00

Plans to carry on the business of a power exchange

Authorized
Capital Rs.50
Crs

LDHCL

NHPC:Govt. Of
Manipur-
74:26

JV to set up Loktak downstream (66 MW) hydroelectric project has been formed and Certificate of Incorporation was effected on 23.10.2009. Estimated cost-Rs.627.21 cr. (P/L –Oct'06)

NHPTL - National High Power Test Laboratory Private Limited

NPEX - National Power Exchange Limited

SJVNL –Satluj Jal Vidyut Nigam Limited, LDHCL-Loktak D/S Hydro-electric Corporation Ltd.



Projects in Jammu & Kashmir (2100 MW)

JV of 49:49:02 between NHPC, JKSPDC and PTC

Joint Venture Company '**Chenab Valley Power Projects (P) Limited**' has been formed for execution of Pakal Dul and other hydroelectric projects having an aggregate capacity of about 2100 MW in Chenab River basin of Jammu Kashmir.

Projects : Pakal Dul – 1000 MW (Rs. 8232 cr. P/L Dec.2010), Kiru – 600 MW (Rs. 3481 cr. P/L June 2010), Kwar – 520 MW (Rs. 4636 P/L June 2010)

Tipaimukh (1500 MW)

JV of 69:26:05 between NHPC, SJVNL and Govt. of Manipur

MoU signed on 28.4.2010 amongst NHPC, SJVNL and Govt. of Manipur. Estimated Cost-Rs.6702 cr.(P/L-2004)

NHPC signed promoter's agreement with SJVNL and Government of Manipur for implementation of the project.

Projects in Orissa

JV of 51:49 between NHPC, OHPC and Govt. of Orissa

MoU signed on 21.7.2011 amongst NHPC, OHPC and Govt. of Orissa for execution of Sindol I,II and III Hydroelectric projects of 320 MW

JKSPDC - Jammu and Kashmir State Power Development Corporation Limited
PTC – Power Trading Corporation
SJVNL –Satluj Jal Vidyut Nigam Limited.



Additional 14,246 MW in the Pipeline

Project Awaiting Sanctions	5,115 MW
Projects under Survey & Investigation	2,485 MW
Joint Venture Projects	6,646 MW
Total	14,246, MW

Projects awaiting Sanctions

Project	Location	Proposed Installed Capacity (MW)
Kotli Bhel Stage IA	Uttarakhand	195 (ROR)
Dibang ⁽¹⁾	Arunachal Pradesh	3,000 (Storage)
Teesta IV ⁽¹⁾	Sikkim	520 (ROR)
Tawang I ⁽²⁾	Arunachal Pradesh	600 (ROR)
Tawang II ⁽²⁾	Arunachal Pradesh	800 (ROR)
Total		5,115

Projects under Survey & Investigation

Project	Location	Proposed Installed Capacity (MW)
Karmoli Lumti Tulli	Uttarakhand	55
Garba Tawaghat	Uttarakhand	630
Chungar Chal	Uttarakhand	240
Lachen	Sikkim	210
Dhauliganga Int. Project	Uttarakhand	210
Gauriganga-III A	Uttarakhand	120
Bursar	J&K	1,020
Total		2,485

1. Environment & Forest Clearance awaited
2. CEA concurrence is awaited



Joint Venture Projects

Project	Location	Proposed Installed Capacity (MW)
Tapaimukh Hydroelectric Project	Manipur	1500
Loktak Downstream	Manipur	66
Pakal Dul and other projects in the Chenab River Basin ⁽¹⁾	J&K	2,120
Projects in Orissa	Orissa	320
Reva thermal power project *	MP	1320
Shahpura thermal power project @	MP	1320
Sub-Total		6646
Grand Total		14,246

- Reva thermal power project (1,320MW) assigned to NHDC and DPR is under preparation.
- @ MP Government has decided to handover the project to NHDC on as is where basis.

¹⁾ Require approval from the Supreme Court as they are located in the Kishtwar High Altitude National Park. JV formation under process (Pakal Dul – 1000 MW, Kiru – 600 MW, Kwar – 520 MW).



Financial Highlights



HALF YEARLY RESULTS as on 30th September 2011



Particulars	Half Year ended 30.09.2011	Half Year ended 30.09.2010	Quarter ended 30.09.2011	Quarter ended 30.09.2010
INCOME	(Rupees in crores)			
Revenue from Operations				
- Sale of energy	3262.06	2260.07	1830.65	1240.36
- Revenue on contract, project management and consultancy works (net)	66.99	76.26	27.75	40.90
- Other operating income	213.02	3.26	123.13	1.38
Other Income	419.06	345.80	181.21	169.73
EXPENDITURE				
Employee Benefits Expenses	410.41	252.98	204.61	132.10
Finance Cost	174.79	190.86	88.30	97.30
Depreciation & Amortisation Expense	449.20	522.41	223.42	267.68
Generation, Administration and Other Expenses	607.56	149.24	329.54	77.05
Expenditure on contract, project management and consultancy works	61.73	46.82	31.26	24.58
PROFIT BEFORE TAX	2257.44	1523.08	1285.61	853.66
Provision for Income Tax	499.92	295.48	319.14	163.48
PROFIT AFTER TAX	1757.52	1227.60	966.47	690.18



Reasons for Change in Income

(Rupees in crores)



Particulars	Half Year ended 30.09.11	Half Year ended 30.09.10	Increase/ (Decrease)	Remarks
Commissioning of Sewa-II	119.18	68.44	50.74	Commissioned on 29.06.2010
Sale of Energy (ex. Sewa-II)	2241.38	2048.40	192.98	Increase in the net impact of : 1. increase in AFC by ` 155.42 crore 2. increase in secondary energy by ` 37.56 crore
UI charges (ex. Sewa II)	68.44	70.09	(1.65)	
Earlier year sales	345.74	(0.16)	345.90	Finalization of tariff
Water Cess	463.74	-	463.74	Consequent upon CERC order dt. 21.10.11
Gross Sales	3238.48	2186.77	1051.71	
Less: AAD	23.58	73.30	(49.72)	
Net Sales	3262.06	2260.07	1001.99	



(Rupees in crores)

Particulars	Half Year ended 30.09.11	Half Year ended 30.09.10
Incentives	148.27	122.25
Secondary Energy	120.38	77.58
UI Charges	68.44	70.09
Total	337.09	269.92

Particulars	Quarter ended 30.09.11	Quarter ended 30.09.10
Incentives	77.29	64.63
Secondary Energy	45.57	40.29
UI Charges	35.31	34.89
Total	158.17	139.81



Major Factors for Increase in Profits

(Rupees in crores)



Particulars	Half Year ended 30.09.11	Quarter ended 30.09.11
<u>Factors for increase in PAT (A)</u>		
Increase in sales	1001.99	590.29
Increase in interest from beneficiary states	212.19	123.06
Increase in other income	73.26	11.48
Decrease in Depreciation charge	73.21	44.26
Subtotal (A)	1360.65	769.09
<u>Factors for decrease in PAT (B)</u>		
Increase in Employee remuneration & benefits	157.43	72.51
Increase in Generation, Administration and other expenses excl. water cess	30.15	17.70
Increase in Water Cess	407.72	205.53
Decrease in profit on Contract/ consultancy & project management work	24.18	19.83
Other reasons	6.81	21.57
Increase in tax liabilities	204.44	155.66
Subtotal (B)	830.73	492.80
Net increase in Profit after tax (A-B)	529.92	276.29



- As per unaudited financial results for the half year ended 30th September 2011, NHPC Limited has earned Net Profit of Rs 1,757.52 as against Rs 1,227.6 crore earned during corresponding period of the previous financial year, thereby registering an increase of 43.17%.
- Registered Sales Turnover of Rs 3,329.05 crore which is 42.49% higher than the Sales Turnover of 2,336.33 crore registered during the corresponding period of the previous year.
- NHPC's Operating Power Stations generated 13372 Million Units (MUs) during the half year ended 30th September 2011 surpassing the 'Excellent' MoU target of 12977 MUs by 395 MUs. The generation of 13372 MUs achieved during the half year ended 30th September 2011 was 3% higher than the generation of 12874 MUs achieved during the corresponding period of the previous year. During the current financial year till 27th October 2011, NHPC's Power Stations have generated 14655 MUs against the Excellent MOU target of 14214 MUs.
- The States of Sikkim and West Bengal were severely affected in the aftermath of the devastating earthquake that struck in the evening of 18.9.2011. Major structures at NHPC Power Stations and Projects in these States are safe, although damages occurred to some buildings and roads. NHPC was able to restore generation from Teesta-V and Rangit Power Stations in Sikkim within 6-8 hours of the quake.



- Promoter's Agreement signed on 22.10.2011 with SJVN Limited and Government of Manipur for setting up a Joint Venture Company for implementation of 1500 MW Tipaimukh Hydroelectric (Multipurpose) Project in Manipur. NHPC, SJVN and Govt. of Manipur will have an equity participation of 69%, 26% and 5% respectively in the JVC.
- Memorandum of Understanding (MOU) signed on 21.07.2011 with Orissa Hydro Power Corporation Limited (OHPC) and Government of Orissa for formation of a Joint Venture Company with OHPC to develop three Hydroelectric Projects, Sindol Stage I, II & III in the Mahanadi river basin of Orissa with an aggregate capacity of 320 MW.
- Memorandum of Understanding (MoU) signed with Russia's largest power generating company JSC RusHydro on 23.05.2011 for cooperation in the field of hydropower development, renewable energy sources and other areas of power generation.
- CEA has accorded concurrence to Tawang-II HE Project (800 MW) on 22.09.2011 and Tawang-I (600 MW) on 10.10.2011.



- Tunnel Boring Machine has been commissioned and boring of HRT has been commenced w.e.f. 13.05.2011 at Kishanganga H.E. Project (330 MW), Jammu & Kashmir.
- M/s Chenab Valley Power Projects (Private) Limited” has been incorporated on 13.06.2011 for development of Pakal Dul, Kiru & Kwar projects in J&K with an aggregate installed capacity of 2120 MW.
- Public Hearing of Loktak Downstream HEP has been conducted on 07.06.2011.
- The initial reservoir filling at Uri-II HE Project was accomplished on 18.08.2011. An important milestone for the project has been achieved considering the time limit was upto 20.08.2011 as per guidelines of Indus Water Treaty.
- Mechanical spinning of Unit-1 of Chutak HE Project, Kargil, J&K has been successfully done on 12.09.2011.
- FAC has recommended for approval the forest clearance proposal of Kotlibhel Stage-IA HE Project for diversion of 258.737 ha forest land.
- In Chamera-III HE Project, reservoir filling has been commenced from 29.09.2011.



(Rs. In Crores)

Particulars	March 31, 2011	Sep 30, 2011
Secured loans:		
Domestic Borrowings- From FI/Banks/LIC	10,884	11,081
Unsecured loans:		
Foreign Currency Loan	2,685	3003
Loans from Govt. of India	1,000	1156
Total Unsecured Loan	3,685	4,159
Total Borrowings	14,569	15,240
Debt Equity Ratio	0.57	0.58
Debt Service Coverage Ratio	3.01	7.43
Interest Service Coverage Ratio	12.37	18.41



Plan Expenditure

XIth Plan

Year	Amount (Rs. In Crore)
2007-08	2568
2008-09	3678
2009-10	3708
2010-11	3769
2011-12(Planned)	5090
TOTAL (XIth plan)	18813
XIIth Plan (Planned)	25000



Particulars	NHPC Figure (stand alone)
Current Book Value	20.68
Book Value at the time of IPO	15.98
EPS (2010-11)	1.76
EPS at the time of IPO	0.98
Current Market Price	23.40
P/B ratio-NHPC	1.13
P/E ratio-NHPC	13.29
P/B-ratio at the time of IPO	2.25
P/E-ratio at the time of IPO	36.73
P/B-Power Index	3.02
P/E-Power Index	21.80
P/B Sensex	3.45
P/E Sensex	19.60

Source (Market data): BSE on Sep 29, 2011

- Established track record of more than 35 years in implementing hydroelectric projects, Strong operational performance and In house Design & Engineering Team.
- Largest Hydro CPSU with expertise in execution of Hydro Projects from concept to commissioning, with 14.17% share of installed hydro-electric capacity in India and presence across 8 states with installed capacity of 5295 MW.
- Assured income business model due to long term power purchase agreement.
- Ability to meet peaking power demand & improves grid stability and reliability
- High Credit rating by reputed credit rating agencies.



Sr.No	Category	Holding at the time of IPO	Holding (30.09.11)	Change
1	PRESIDENT OF INDIA	86.36%	86.36%	0.00%
2	RESIDENT INDIVIDUALS	4.53%	6.47%	1.94%
3	BODIES CORPORATES	1.25%	1.84%	0.59%
4	FOREIGN INSTITUTIONAL INVESTORS	4.46%	1.65%	-2.81%
5	MUTUAL FUNDS	0.96%	1.01%	0.05%
6	BANKS	1.27%	0.99%	-0.28%
7	INDIAN FINANCIAL INSTITUTIONS	0.85%	1.18%	0.33%
8	H U F	0.29%	0.33%	0.04%
9	NON RESIDENT INDIANS	0.02%	0.13%	0.11%
10	OTHERS	0.01%	0.04%	0.03%



Thank You

