NHPC Limited

(Formerly known as National Hydroelectric Power Corporation Limited)

(A Government of India Enterprise)

SECTOR-33, FARIDABAD, HARYANA-121003

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2011

(₹ in Lacs)

Sl.	Particulars	Quarter ended 31.12.2011 (Un-audited)	Quarter ended 30.09.2011 (Un-audited)	Quarter ended 31.12.2010 (Un-audited)	Nine months ended 31.12.2011 (Un-audited)	Nine months ended 31.12.2010 (Un-audited)	Year ended 31.03.2011 (Audited)
1.	(a) Net Sales*	86,202	1,83,065	70,902	4,12,408	2,96,909	4,04,659
	(b) Other Operating Income	1,996	2,775	4,184	8,695	11,810	17,866
	Income from Operations (a+b)	**88,198**	**1,85,840**	**75,086**	**4,21,103**	**3,08,719**	**4,22,525**
2.	Expenditure:-						
	(a) Employees cost	22,793	20,461	18,189	63,834	43,487	69,962
	(b) Depreciation	22,366	22,342	12,474	67,286	64,715	91,674
	(c) Other expenditure	27,485	32,559	11,920	91,692	31,443	71,954
	(d) Prior Period Adjustments (Net)	36	3,521	(7,871)	2,758	(7,788)	(65,638)
	Total (a+b+c+d)	**72,680**	**78,883**	**34,712**	**2,25,570**	**1,31,857**	**1,67,952**
3.	**Profit from Operations before Other Income, Finance Cost and Exceptional Items (1-2)**	**15,518**	**1,06,957**	**40,374**	**1,95,533**	**1,76,862**	**2,54,573**
4.	Other Income	20,315	30,434	16,634	83,523	51,540	70,686
5.	**Profit before Finance Cost & Exceptional Items (3+4)**	**35,833**	**1,37,391**	**57,008**	**2,79,056**	**2,28,402**	**3,25,259**
6.	Finance Cost	8,760	8,830	9,458	26,239	28,544	37,416
7.	**Profit after Finance Cost but before Exceptional Items (5-6)**	**27,073**	**1,28,561**	**47,550**	**2,52,817**	**1,99,858**	**2,87,843**
8.	Exceptional items	-	-	-	-	-	-
9.	**Profit(+)/Loss(-) from Ordinary Activities before Tax (7+8)**	**27,073**	**1,28,561**	**47,550**	**2,52,817**	**1,99,858**	**2,87,843**
10.	Tax expense	5,855	31,914	17,483	55,847	47,031	71,176
11.	Net Profit(+)/Loss(-) from Ordinary Activities after Tax (9-10)	**21,218**	**96,647**	**30,067**	**1,96,970**	**1,52,827**	**2,16,667**
12.	Extraordinary items (net of tax expense)	-	-	-	-	-	-
13.	**Net Profit(+)/Loss(-) for the period (11-12)**	**21,218**	**96,647**	**30,067**	**1,96,970**	**1,52,827**	**2,16,667**
14.	Paid-up Equity Share Capital (Face Value ₹10/- each)	12,30,074	12,30,074	12,30,074	12,30,074	12,30,074	12,30,074
15.	Paid-up Debt Capital	-	-	-	15,35,971	14,44,417	14,56,926
16.	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year	-	-	-	14,25,609	12,50,252	12,28,315
17.	Debenture Redemption Reserve	-	-	-	29,975	21,400	29,975
18.	Earning Per Share (EPS in ₹):-						
	(a) Basic & Diluted EPS before Extraordinary items (not annualised)	**0.17**	**0.79**	**0.24**	**1.60**	**1.24**	**1.76**
	(b) Basic & Diluted EPS after Extraordinary items (not annualised)	**0.17**	**0.79**	**0.24**	**1.60**	**1.24**	**1.76**
19.	Debt-Equity Ratio	-	-	-	0.58	0.58	0.59
20.	Debt Service Coverage Ratio (DSCR)	-	-	-	5.03	2.17	3.01
21.	Interest Service Coverage Ratio (ISCR)	-	-	-	14.74	9.58	12.37
22.	Public shareholding						
	- Number of shares	1677374015	1677374015	1677374015	1677374015	1677374015	1677374015
	- Percentage of shareholding	13.64%	13.64%	13.64%	13.64%	13.64%	13.64%
23.	Promoters and Promoter Group Shareholding						
	a) Pledged / Encumbered						
	- Number of shares	-	-	-	-	-	-
	-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
	-Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
	b) Non-encumbered						
	- Number of shares	10623368758	10623368758	10623368758	10623368758	10623368758	10623368758
	-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%
	-Percentage of shares (as a % of the total share capital of the company)	86.36%	86.36%	86.36%	86.36%	86.36%	86.36%

** Net Sales includes proportionate amount of Advance against Depreciation written back.*

1 Electricity generation is the principal business activity of the Company. Other operations viz., Contract, Project Management and Consultancy Works do not form a reportable segment as per Accounting Standard - 17 on Segment Reporting as notified under "The Companies Accounting Standard Rules 2006". The operations of the Company are mainly carried out within the Country and therefore, Geographical Segments are not applicable.

2 In view of the seasonal nature of business, the financial results may not be comparable on quarter to quarter basis.

3 (a) Sales have been recognized as per tariff notified by Central Electricity Regulatory Commission (CERC), except for Chamera II, which has been recognised based on tariff claimed in the petitions and also taking into consideration the principle of conservatism as the petition filed with CERC is yet to be approved.
(b) For recognition of sales for the current nine months, Return on Equity (ROE) (a component of tariff) has however been grossed up using the applicable Minimum Alternate Tax (MAT) rate of 2011-12 pending review of applicable tax rate at the year end.
(c) In view of above, sales amounting to ₹1,395 lacs and ₹ 5,917 lacs for the quarter and nine months ended 31.12.2011 respectively has been recognized, which is yet to be billed.

4 CERC vide order dated 21.10.2011 has allowed reimbursement of Water Cess from Beneficiary States, which has been levied by the State of Jammu & Kashmir on the use of water by the power stations in the state of Jammu & Kashmir. Accordingly, Sales on account of Water Cess amounting to ₹ 7067 lacs and ₹ 53,441 lacs for the quarter and nine months ended 31.12.2011 respectively has been recognized, which is yet to be billed.

SINGHI & CO. New Delhi Chartered Accountants

CHATURVEDI & KAUL Chartered Accountants

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5 Other Income includes ₹ 3,075 lacs and ₹ 24,345 lacs respectively for the quarter and nine months ended 31.12.2011 towards Interest from Beneficiary States, which has arisen on finalization of tarrif.

6 Out of Proceeds from Initial Public Offering (IPO) of ₹6,03,855 lacs including premium, raised during 2009-10, the Company retained ₹4,02,570 lacs as its share proceeds including share premium of ₹2,90,745 lacs and sale proceeds of the equity of Government of India amounting to ₹2,01,285 lacs was paid to the Ministry of Power, Government of India. Out of the proceeds, a sum of ₹1,83,483 lacs has been utilised for recoupment of capital expenditure already incurred from internal accruals on the projects specified for utilisation, ₹2,15,000 lacs has been invested as per extant investment policy of the Company, ₹3,871 lacs recouped provisionally for meeting IPO expenditure and balance of ₹216 lacs is lying in bank account under Corporate Liquidity Term Deposit (CLTD).

7 There were no qualifications of Statutory Auditors on the Annual Accounts for the financial year 2010-11. However, attention was drawn by them on:
(a) accounting of sales on provisional basis pending determination of tariff by CERC,
(b) capitalization of Corporate Office, Regional Office, Survey & Investigation and other general overhead expenses of construction projects and
(c) referring the issue of capitalization of expenditure incurred for creation of assets (enabling assets) not within the control of the company, to Expert Advisory Committee of the Institute of Chartered Accountants of India (EAC of ICAI).

The above have been addressed as under:-
As regard to issue at (a), reference is invited to note no. 3 above.
As regard to issue at (b), the company has reviewed its methodology of allocation of Corporate Office, Regional Office, Survey & Investigation and other general overhead expenses of construction projects and changes have been carried out during the current quarter/ nine months, except few changes, impact whereof is not considered material, which shall be carried out in the subsequent quarter. This has resulted in additional charge of ₹ 10105 lacs on current quarter/ nine month profit.
As regard to issue at (c), the opinion of EAC is awaited, pending which the same accounting treatment as was followed during 2010-11 is continued.

8 Information on Investors Complaints pursuant to Clause 41 of Listing Agreements for the quarter ended 31st December , 2011:-

	Opening Balance	Additions	Disposals	Closing Balance
No. of Complaints	1	1546	1545	2

9 Formula used for computation of 'Debt Service Coverage Ratio' (DSCR) = [Profit before Interest, Depreciation and Tax/(Principal repayment, excluding payment under put option+Interest)] and for 'Interest Service Coverage Ratio' (ISCR) = [Profit before Interest, Depreciation and Tax/Interest]. Interest has been considered net off transferred to expenditure during construction and the principal repayment pertains to loan taken for operational projects.

10 The above results have been reviewed by Audit Committee of the Board of Directors and approved by the Board of Directors of the Company in their meeting held on 27.01.2012. The same have been reviewed by Statutory Auditors of the Company.

11 Figures for the previous periods have been re-grouped/re-arranged/re-cast wherever necessary.

For and on behalf of the Board of Directors of
NHPC Limited

(A. B. L. SRIVASTAVA)
CHAIRMAN & MANAGING DIRECTOR
DIN - 01601682

Place : NEW DELHI
Date : 27.01.2012

SINGHI & CO. New Delhi Chartered Accountants

BAWEJA & KAUL CHARTERED ACCOUNTANTS

S. N. NANDA & CO. Chartered Accountants NEW DELHI

TIWARI & ASSOCIATES NEW DELHI Chartered Accountants