

NHPC LTD.

(A Government of India Enterprise)

SECTOR-33, FARIDABAD, HARYANA - 121 003

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2012

(₹ in lacs)

PART I	PARTICULARS	STANDALONE				CONSOLIDATED	
		Quarter ended 31.03.2012 (unaudited)	Quarter ended 31.12.2011 (unaudited)	Quarter ended 31.03.2011 (unaudited)	Year ended 31.03.2012 (Audited)	Year ended 31.03.2011 (Audited)	Year ended 31.03.2011 (Audited)
1	Income from operations	138,557	86,202	107,750	550,965	404,659	496,499
	(a) Net Sales/ Income from operations *	5,909	1,996	6,056	14,504	17,866	17,866
	(b) Other operating income	144,366	88,198	113,806	565,469	422,525	514,365
	Total income from operations (net)						
2	Expenses	19,070	22,793	26,475	82,904	69,962	76,965
	(a) Employee benefit expense	21,988	22,366	26,959	89,274	91,674	114,999
	(c) Depreciation & amortization expense	22,215	19,171	38,028	105,437	69,368	76,440
	(d) Other expenses	598	8,314	2,483	9,068	3,446	3,452
	(e) Provisions	3,058	36	(57,850)	5,816	(65,638)	(65,648)
	(f) Prior Period expense	66,929	72,680	36,095	292,499	168,810	207,863
	Total expenses	77,437	15,518	77,711	272,970	253,715	306,502
3	Profit from operations before other income, finance costs and exceptional items (1-2)	22,549	20,315	19,146	106,072	68,023	123,192
4	Other income	99,986	35,833	96,857	379,042	321,738	384,548
5	Profit from operations before finance costs and exceptional items (3-4)	7,985	8,760	8,872	34,224	36,660	61,594
6	Finance cost	92,001	27,073	87,985	344,818	285,078	428,240
7	Profit from operations after finance costs but before exceptional items (5-6)	(6,886)	-	-	(6,886)	(2,663)	(2,663)
8	Exceptional items	98,887	27,073	87,985	351,704	287,741	435,126
9	Profit from ordinary activities before tax (7-8)	18,680	5,855	24,145	74,527	71,074	94,767
10	Tax expense	80,207	21,218	63,840	277,177	216,667	340,359
11	Net Profit from ordinary activities after tax (9-10)	-	-	-	277,177	216,667	246,277
12	Extraordinary items (net of tax expense)	80,207	21,218	63,840	277,177	216,667	246,277
13	Net Profit for the year (11-12)	-	-	-	-	-	-
14	Share of profit/(loss) of associates	-	-	-	-	-	(31,801)
15	Minority interest	-	-	-	-	-	-
16	Net Profit after taxes, minority interest and share of profit/(loss) of associates (13+14+15)	80,207	21,218	63,840	277,177	216,667	246,277
17	Paid-up equity share capital (of Face Value ₹ 10/- per share)	1,230,074	1,230,074	1,230,074	1,230,074	1,230,074	1,230,074
18	Paid-up Debt Capital	-	-	-	-	-	-
19	Reserves excluding Revaluation Reserves as per balance sheet	-	-	-	1,746,114	1,456,926	1,938,222
20	Debtenture Redemption Reserve	-	-	-	-	-	-
21.i	Earning per share (before extraordinary items) (of ₹ 10/- each) (not annualised):	0.65	0.17	0.52	2.25	1.76	2.51
	(a) Basic	0.65	0.17	0.52	2.25	1.76	2.51
	(b) Diluted	-	-	-	-	-	-
21.ii	Earning per share (after extraordinary items) (of ₹ 10/- each) (not annualised):	-	-	-	5.11	3.01	3.81
	(a) Basic	-	-	-	5.11	3.01	3.81
	(b) Diluted	-	-	-	15.26	12.37	10.11
22	Debt Equity Ratio	-	-	-	-	-	0.63
23	Debt service coverage ratio (DSCR)	-	-	-	-	-	2.37
24	Interest service coverage ratio (ISCR)	-	-	-	-	-	7.64
PART II-SELECT INFORMATION							
PARTICULARS OF SHAREHOLDING							
Public shareholding		1677374015	1677374015	1677374015	1677374015	1677374015	1677374015
- Number of shares		13.64	13.64	13.64	13.64	13.64	13.64
- Percentage of shareholding		-	-	-	-	-	-
Promoters and Promoter Group Shareholding **		10623368758	10623368758	10623368758	10623368758	10623368758	10623368758
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		10623368758	10623368758	10623368758	10623368758	10623368758	10623368758
- Number of shares		100	100	100	100	100	100
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)		86.36	86.36	86.36	86.36	86.36	86.36
- 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.

STATEMENT OF ASSETS AND LIABILITIES

PARTICULARS	STANDALONE		CONSOLIDATED	
	Year ended 31.03.2012 (Audited)	Year ended 31.03.2011 (Audited)	Year ended 31.03.2012 (Audited)	Year ended 31.03.2011 (Audited)
A EQUITY AND LIABILITIES				
1 SHAREHOLDERS' FUNDS				
(a) Share Capital	1,230,074	1,230,074	1,230,074	1,230,074
(b) Reserves and Surplus	1,405,279	1,227,994	1,634,304	1,422,631
Sub-total - Shareholders's funds	2,635,353	2,458,068	2,864,378	2,652,705
2 Share application money pending allotment	-	-	-	-
3 Minority Interest	-	-	203,486	173,574
4 NON-CURRENT LIABILITIES				
(a) Long Term Borrowings	1,627,280	1,370,253	1,791,262	1,562,362
(b) Deferred Tax Liabilities (Net)	20,404	16,133	35,036	27,736
(c) Other Long Term Liabilities	195,180	193,655	207,298	203,846
(d) Long Term Provisions	118,745	105,390	120,050	106,613
Sub-total - Non-Current Liabilities	1,961,609	1,685,431	2,153,646	1,900,557
5 CURRENT LIABILITIES				
(a) Short Term Borrowings	18,000	-	18,000	-
(b) Trade Payables	21,895	24,189	22,752	25,053
(c) Other Current Liabilities	280,126	244,448	314,105	278,172
(d) Short Term Provisions	358,993	345,883	452,499	387,259
Sub-total - Non-Current Liabilities	679,014	614,520	807,356	690,484
TOTAL - EQUITY & LIABILITIES	5,275,976	4,758,019	6,028,866	5,417,320
B ASSETS				
1 NON-CURRENT ASSETS				
(a) Fixed Assets	3,571,806	3,306,366	4,158,129	3,873,901
(b) Goodwill on Consolidation	-	-	-	-
(c) Non Current Investments	249,914	265,996	140,511	157,986
(d) Deferred tax assets (net)	-	-	-	-
(e) Long-term loans and advances	142,862	162,111	146,168	163,753
(f) Other non-current assets	118,193	87,082	138,107	87,977
Sub-total - Non-Current Assets	4,082,775	3,821,555	4,582,915	4,283,617
2 CURRENT ASSETS				
(a) Current investments	25,074	25,359	25,074	25,359
(b) Inventories	4,381	3,371	4,960	3,921
(c) Trade Receivables	205,218	30,479	224,709	57,017
(d) Cash & Bank equivalents	600,397	535,008	779,532	675,129
(e) Short-term Loans and Advances	190,026	130,334	215,735	151,105
(f) Other Current Assets	168,105	211,913	195,941	221,172
Sub-total - Current Assets	1,193,201	936,464	1,445,951	1,133,703
TOTAL - ASSETS	5,275,976	4,758,019	6,028,866	5,417,320

1. The Subsidiaries and Joint Venture Companies considered in the Consolidated Financial Results are as follows:-

	Ownership (%)
a) Subsidiary Companies:-	
(i) NHDC Limited	51
(ii) Loktak Downstream Hydroelectric Corporation Limited	74
b) Joint Venture Companies:-	
(i) National Power Exchange Limited	16.67
(ii) National High Power Test Laboratory Private Limited	25
(iii) Chenab Valley Power Projects Pvt. Limited	49

2 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.

3 Sales have been recognized as per tariff notified by Central Electricity Regulatory Commission (CERC). Tariff for the tariff period 2009-14 has since been fixed in respect of all the 12 Power Stations. However tariff of Teesta V Power Station is provisional pending approval of revised cost of the Project.

4 Sales includes ₹ 46728 lacs (Previous year ₹ (-) 2401 lacs on account of earlier year sales arising out of finalisation of tariff in current year.

5 Sales includes ₹41162 lacs (previous year ₹ 39177 lacs) towards difference between Return on Equity (ROE) (a component of tariff) grossed up at normal rate of tax for 2011-12 with that as claimed in tariff, ₹ 8626 lacs (previous year ₹ 5251 lacs) towards reimbursement of Foreign Exchange Rate Variation (FERV), and ₹ 2470 lacs (previous year ₹(-)11639 lacs) mainly towards tax adjustments, the billing of which is yet to be done.

6 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 (J&K) on use of water by the power stations in the state of J&K. Accordingly sales on account of reimbursement of water cess amounting to ₹ 69173 lacs including ₹13902 lacs for previous year, has been recognized, which is yet to be billed for want of amendment to the CERC Regulations, 2009.

7 CERC vide order dated 06.02.2012 has allowed recovery of Regional Load Dispatch Centre (RLDC) Fees & Charges from beneficiary states, which are to be paid by power generating companies in terms of CERC (Fees and Charges of RLDC and related matters) Regulation 2009 dated 18.09.2009. Accordingly sales on account of recovery of RLDC fees & charges amounting to ₹ 3305 lacs including ₹ 2454 lacs for previous years has been recognized, which is yet to be billed for want of amendments to the CERC Regulations, 2009.

8 Tariff regulation notified by CERC vide notification dated 19.01.2009 inter-alia provides that capital cost considered for fixation of tariff for current tariff period shall be subject to truing up at the end of the tariff period, which may result in increase or decrease in tariff. Accordingly, an amount of ₹ 3460 lacs (Previous Year ₹ NIL) has been provided in the books by adjusting the sales for the year as an abundant precaution.

9 Other Income includes ₹ 26479 lacs for the year ended 31.03.2012 towards Interest from Beneficiary States, which has arisen on finalization of tariff.

10 Out of the Initial Public Offering (IPO) proceeds of ₹603855 lacs made during financial year 2009-10, sale proceeds of ₹ 201285 lacs was paid to Ministry of Power, Govt. of India and ₹402570 lacs was retained by company. Out of ₹ 402570 lacs a sum of ₹ 221499 lacs has been utilised up to 31.03.2012 for re-coupmnt of capital expenditure already incurred from internal accruals on the projects specified for utilisation, ₹ 177200 lacs has been invested in bank deposits as per extant investment policy of the company and ₹ 3871 lacs recouped for meeting IPO expenditure.

11 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 and administration & general overhead expenses of construction projects and changes have been carried out during the current year. This has resulted in additional charge of ₹ 2997 lacs in the current year. Further, in respect of Survey & Investigation Projects, a sum of ₹ 8153 lacs (Previous year ₹ NIL) has been provided as an abundant precaution in respect of projects, where uncertainties are attached.

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.

12 Information on Investors Complaints pursuant to Clause 41 of Listing Agreements for the year ended 31st March 2012:-

INVESTOR COMPLAINTS

Pending at the beginning of the year	2
Received during the year	733
Disposed during the year	731
Remaining unresolved at the end of the year	4

13 The Board of Directors has recommended dividend of ₹ 0.70 per share (face value ₹10/-each) in their 347th meeting held on 25.05.2012.

14 The audited accounts are subject to review by Comptroller and Auditor General of India under section 619(4) of the Companies Act, 1956.

15 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.

16 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 25.05.2012.

17 Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended 31st March 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. Further, figures for the previous year have been re-grouped/re-arranged/re-cast wherever necessary.

18 Figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.

Place : New Delhi
Date : 25.05.2012

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


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