

SL. NO.	PARTICULARS	Quarter Ended			Nine Months ended		Year Ended
		31.12.2015	30.09.2015	31.12.2014	31.12.2015	31.12.2014	31.03.2015
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from operations						
	(a) Net Sales/ Income from operations *	144,090	233,424	116,691	576,119	528,680	673,664
	(b) Other operating income	2,339	1,175	1,013	5,648	4,388	6,561
	Total Income from operations (net)	146,429	234,599	117,704	581,767	533,068	680,225
2	Expenses						
	(a) Employee benefits expense	27,226	27,182	28,397	82,132	87,157	114,923
	(b) Depreciation & amortization expense	36,864	35,899	35,373	108,563	106,641	142,587
	(c) Water usage charges	14,809	25,731	11,980	64,595	65,192	74,851
	(d) Other expenses	22,770	22,071	20,213	68,517	63,074	85,598
	Total expenses	101,669	110,883	95,963	323,807	322,064	417,959
3	Profit from operations before other income, finance costs, exceptional items and rate regulated Income (1-2)	44,760	123,716	21,741	257,960	211,004	262,266
4	Other Income	17,874	33,345	29,052	72,360	67,951	86,133
5	Profit from ordinary activities before finance costs, exceptional items and rate regulated income (3+4)	62,634	157,061	50,793	330,320	278,955	348,399
6	Finance costs	26,342	27,038	29,102	80,560	90,148	117,977
7	Profit from ordinary activities after finance costs but before exceptional items and rate regulated income (5-6)	36,292	130,023	21,691	249,760	188,807	230,422
8	Exceptional items	-	-	-	-	-	-
9	Profit from ordinary activities before rate regulated income and tax (7-8)	36,292	130,023	21,691	249,760	188,807	230,422
10	Rate Regulated Income/ (Expenditure)	13,144	13,427	-	40,071	-	52,195
11	Profit from ordinary activities before tax (9+10)	49,436	143,450	21,691	289,831	188,807	282,617
12	Tax expense						
	a) Current Tax	11,021	28,193	4,777	60,171	39,098	58,342
	b) Adjustments relating to earlier years	(1)	(2,375)	(1,523)	(2,376)	(1,459)	7,451
	c) Deferred Tax (Net)	(386)	(455)	454	(1,570)	3,172	4,377
	Total Tax expense (a+b+c)	10,634	25,363	3,708	56,225	40,811	70,170
13	Net Profit from ordinary activities after tax (11-12)	38,802	118,087	17,983	233,606	147,996	212,447
14	Extraordinary items (net of tax expense)	-	-	-	-	-	-
15	Net Profit after Tax and Extraordinary items (13-14)	38,802	118,087	17,983	233,606	147,996	212,447
16	Paid-up equity share capital (of Face Value ₹ 10/- per share)	1,107,067	1,107,067	1,107,067	1,107,067	1,107,067	1,107,067
17	Reserves excluding Revaluation Reserves as per Balance Sheet						1,721,572
18	Earning per share (EPS) (of ₹ 10/- each) (not annualized):						
	(a) Basic & Diluted EPS (before Extraordinary items)	0.35	1.07	0.16	2.11	1.34	1.92
	(b) Basic & Diluted EPS (after Extraordinary items)	0.35	1.07	0.16	2.11	1.34	1.92

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

**Notes**

- The above results have been reviewed by Audit Committee and approved by the Board of Directors of the Company in the respective meetings held on 10.02.2016. The same have been reviewed by the Joint Statutory Auditors of the company as required under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.
- 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 specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The operations of the company are mainly carried out within the country and therefore Geographical Segments are not applicable.
- In view of the seasonal nature of business, the financial results of the current quarter may not be comparable with previous quarter of current year.
- In accordance with the Guidance Note on Rate Regulated Activities issued by the Institute of Chartered Accountants of India, Regulatory Income amounting to ₹ 13144 Lacs and ₹ 40071 Lacs for the quarter and nine months ended on 31.12.2015 (cumulative ₹ 203110 Lacs upto 31.12.2015) has been recognised in respect of Subansiri Lower Project, where construction activities have been interrupted w.e.f. 16.12.2011 due to protest of anti dam activists.
- (a) Pending approval of tariff for the period 2014-19 by Central Electricity Regulatory Commission (CERC) as per notification No.L-1/144/2013/CERC dt 21st February 2014, sales have been recognized provisionally as per tariff notified by CERC for the year 2013-14 except for Bairasuil, Salal, Loktak, Rangit and Chamera-I Power Stations for which tariff orders for the period 2014-19 have been issued. However, pending triuing up of the capital cost for the tariff period 2009-14, sales have been reduced by ₹ 2213 Lacs and ₹ 9410 Lacs on estimated basis during the quarter and Nine months ended on 31.12.2015 respectively (corresponding previous quarter ₹ 2563 Lacs and previous nine months ₹ 12630 Lacs) as an abundant precaution.



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- 5(b) For the purpose of recognising sales for the current period ended on 31.12.2015, Return on Equity (ROE) ( a component of Tariff) has been grossed up using Minimum Alternate Tax (MAT) rate of FY 2015-16, pending review of effective rate of tax at year end.
- 6 CERC Regulations for the tariff period 2014-19 provides for recovery of income tax from the beneficiaries by way of grossing up of the Return on Equity with effective tax rate of the respective financial year i.e. actual tax paid during the year on the generating income. Deferred tax liability/(assets) created for the quarter and nine months ended on 31.12.2015 on generating income amounting to ₹ (-)320 lacs and ₹ 7306 lacs respectively is accordingly accounted for as deferred tax adjustment against deferred tax liability as the same would get adjusted in effective tax rate in future period.
- 7 CERC (Terms & Conditions of Tariff) Regulations provide for levy of late payment surcharge by generating company in case of delay in payment by beneficiaries beyond 60 days. Amount of ₹ 69352 lacs is due on account of surcharge till 31.12.2015, out of which ₹ (-) 482 lacs and ₹ 3547 lacs has been recognised during current quarter and nine months ended 31.12.2015 respectively based on management assessment. The balance amount of ₹ 65805 lacs has not been recognised due to significant uncertainties towards ultimate collection and is in accordance with Significant Accounting Policy of the company.
- 8 Statutory Auditors have included the following matters in Audit Report on the accounts for the year ended 31.03.2015 under "Emphasis of Matter Paragraph", without any modified opinion in respect of these matters:
- (i) implementation of stoppage of Personal Pay Adjustment(fitment benefits) in respect of below Board level Executives giving effect to the approval of Competent Authority that the pay scales shall be fitted w.e.f. 01.01.2007 after correcting the aberrations in pay scales fixed w.e.f. 01.01.1997. Confirmation of the action of recovery w.e.f 01.02.2014 being pending with Ministry of Power;
- (ii) carry forward of expenditure incurred on survey & investigation of projects;
- (iii) uncertainty related to the outcome of the claims/ arbitration proceedings and lawsuit filed by/ against the Company on/ by contractors and others;
- (iv) balances which are subject to reconciliation/confirmation and respective consequential adjustments;
- (v) Kotlibhel-IA project, the fate of which is pending adjudication before the Hon'ble Supreme Court of India ;
- (vi) earlier adoption (duly permitted) of Guidance Note on Accounting for Rate Regulated Activities issued by the Institute of Chartered Accountants of India(ICAI),
- The above points on which attention has been drawn by the auditors have been addressed as under:-
- (i) The confirmation of action of having implemented the directions of Competent Authority effecting recoveries w.e.f. 01.02.2014 has been sought from Ministry of power (MoP), Govt. of India and issue is being pursued from time to time. In the meanwhile, NHPC Officers Association has got stay from Hon'ble High Court of Delhi against the implementation of stoppage of Personal Pay Adjustment (PA) recovery. In view of the directions of the Hon'ble High Court, PA to the employees is continued to be paid along with the salary;
- (ii) In the opinion of the management, the projects on which survey & investigation expenditure is incurred are still active and accordingly, the expenditure incurred is being carried forward. However, provision wherever considered necessary, has been made in the books;
- (iii) This disclosure in the ibid para has been made in compliance of provisions of Accounting Standard-29 (Provisions, Contingent Liabilities and Contingent Assets);
- (iv) Disclosure through note is a statement of fact;
- (v) & (vi) are statements of fact.
- 9 Capital expenditure incurred for creation of facilities, over which the company does not have control but the creation of which is essential principally for construction of the project, is considered as a part of Capital Work in Progress . The Comptroller and Auditor General of India has commented on the above accounting treatment. The issue has already been referred to the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India. Pending receipt of the opinion, the same accounting treatment has been continued and an amount of ₹ 17598 Lacs (up to Previous year ₹ 17361 Lacs) has been capitalised till 31.12.2015.
- 10 For all secured bonds issued by the company, 100% security cover is maintained for outstanding bonds. The security has been created on Fixed Assets through Equitable mortgage as well as hypothecation of movable and immovable assets of the company.
- 11 The Board of Directors in its meeting held today i.e. on 10.02.2016, has declared interim dividend @ ₹ 0.92 per equity share (face value of ₹ 10/- each) for the Financial Year 2015-16.
- 12 Figures for the previous periods have been re-grouped/re-arranged wherever necessary.

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

  
(JAYANT KUMAR)  
DIRECTOR (FINANCE)  
DIN -03010235

Place : New Delhi  
Date : 10.02.2016

