

NHPC LIMITED.
(A Government of India Enterprise)
SECTOR-33, FARIDABAD, HARYANA - 121 003
UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2014

(₹ in lacs)

	PARTICULARS	Quarter ended 30.06.2014 (unaudited)	Quarter ended 31.03.2014 (unaudited)	Quarter ended 30.06.2013 (audited)	Year ended 31.03.2014 (audited)
PART I					
1	Income from operations				
	(a) Net Sales/ Income from operations *	203,388	99,601	160,051	533,511
	(b) Other operating income	2,097	12,678	1,909	20,193
	Total Income from operations (net)	205,485	112,279	161,960	553,704
2	Expenses				
	(a) Employee benefit expense	28,655	36,487	23,244	105,867
	(b) Depreciation & amortization expense	35,517	33,665	27,601	121,076
	(c) Other expenses	45,110	113,241	31,708	211,910
	Total expenses	109,282	183,393	82,553	438,853
3	Profit from operations before other income, finance costs and exceptional items (1-2)	96,203	(71,114)	79,407	114,851
4	Other Income	16,277	65,581	24,855	145,695
5	Profit from operations before finance cost and exceptional items (3+4)	112,480	(5,533)	104,262	260,546
6	Finance cost	32,210	63,488	11,606	102,240
7	Profit from operations after finance costs but before exceptional items (5-6)	80,270	(69,021)	92,656	158,306
8	Exceptional items	-	-	-	-
9	Profit from ordinary activities before tax (7-8)	80,270	(69,021)	92,656	158,306
10	Tax expense				
	a) Current Tax	17,006	(21,079)	18,541	25,162
	b) Adjustments relating to earlier years	64	4,665	-	4,668
	c) Deferred Tax	1,597	18,133	2,189	30,597
	Total Tax expense (a+b+c)	18,667	1,719	20,730	60,427
11	Net Profit from ordinary activities after tax (9-10)	61,603	(70,740)	71,926	97,879
12	Extraordinary items (net of tax expense)	-	-	-	-
13	Net Profit (11-12)	61,603	(70,740)	71,926	97,879
14	Paid-up equity share capital (of Face Value ₹ 10/- per share)	1,107,067	1,107,067	1,230,074	1,107,067
15	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	1,499,698
16	Earning per share (before extraordinary items) (of ₹ 10/- each) (not annualised):				
	(a) Basic & Diluted EPS (before Extraordinary items)	0.56	(0.59)	0.58	0.82
	(b) Basic & Diluted EPS (after Extraordinary items)	0.56	(0.59)	0.58	0.82

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

PART II-SELECT INFORMATION

A	PARTICULARS OF SHAREHOLDING				
	1. Public shareholding				
	- Number of shares	1554458774	1554458774	1677374015	1554458774
	- Percentage of shareholding	14.04	14.04	13.64	14.04
	2. 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	9516209722	9516209722	10623368758	9516209722
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	100	100	100
	- Percentage of shares (as a % of the total share capital of the company)	85.96	85.96	86.36	85.96

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

B INVESTOR COMPLAINTS

Particulars	Equity Shares	Debt Securities
Pending at the beginning of the quarter	4	Nil
Received during the quarter	686	114
Disposed off during the quarter	688	114
Remaining unresolved at the end of the quarter	2	Nil



Notes:

- 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. 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 of the current quarter may not be comparable with forthcoming quarters of the current financial year.
- 3 During the quarter ended 30.06.2014, balance one unit of 130 MW of Parbati - III HE Project (520 MW), has been put on commercial operation w.e.f 06.06.2014.
- 4 Due to cloud burst and unprecedented high flood in Uttarakhand in the early hours of June 17, 2013, water entered into Dhauliganga Power Station (280 MW) and submerged all the system resulting into stoppage of generation from the plant and damage to Generating Plant and Machinery and various ancillary structures of the power station. The Assets of the power station and Loss of Generation are covered under Mega Insurance Policy. However, loss beyond excess clause, if any, to be borne by the Company shall be determined after receipt of the Final Survey Report and impact thereof shall be accounted for accordingly. Further, all the 4 units of the power station have been re-commissioned and synchronised to grid during May/June'2014 and scheduled generation has commenced from Unit#4, Unit#3, Unit#2 & Unit#1 on 03.05.2014, 05.05.2014, 19.06.2014 and 27.06.2014 respectively. Pending final settlement, on-account payments of Rs.3,500 Lacs and Rs.9,999 Lacs have been received from the Insurance Company till date against claim for material damage and business interruption respectively.
- 5 Construction activities at site of Subansiri Lower Project have been interrupted w.e.f. 16.12.2011 due to protest of anti dam activists, however technical and administrative work is continuing. Although construction activities at site are expected to be resumed shortly since the matter is being pursued at the level of Government of India, yet in line with the opinion of Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI), the borrowing cost of Rs.₹ 10,188 Lacs and administration and other cost of ₹ 3,591 Lacs for the current quarter have been charged to the Statement of Profit & Loss.
- 6 Active construction work at Teesta Low Dam-IV project has been interrupted due to stoppage of work by one of the contractors w.e.f. 20.03.2013. As such, borrowing costs of ₹ 2,315 Lacs and administration and other cost of ₹ 1,361 Lacs for the current quarter have been charged to the Statement of Profit & Loss.
- 7 a) Pending approval of tariff by Central Electricity Regulatory Commission (CERC) for the tariff period 2014-19, sales have been recognized as per final tariff notified for the tariff period 2009-14, except in respect of Chamera III, Chutak, TLDP-III, Nimoo-Bazgo, Uri-II & Parbati-III Power Stations. In respect of Chamera-III, Chutak, Uri-II, Nimoo-Bazgo & Parbati-III Power Stations, sales have been recognised based on provisional tariff as notified by CERC for the tariff period 2009-14 and in respect of TLDP-III Power Station, sales have been recognised provisionally based on 85% of capital cost filed with CERC for the tariff period 2009-14.
b) For the purpose of recognizing sales for the current quarter, Return on Equity (ROE) (a component of tariff) has been grossed up using Minimum Alternate Tax (MAT) rate of FY 2014-15, pending review of applicable rate of tax (MAT or Normal) at year end.
c) Sales includes ₹ 35,667 Lacs for the current quarter (corresponding previous quarter ₹ 25,825 Lacs) which is yet to be billed.
- 8 Out of the Initial Public Offering (IPO) proceeds of ₹6,03,855 lacs made during financial year 2009-10, ₹ 2,01,285 lacs was paid to Ministry of Power, Govt. of India and ₹4,02,570 lacs was retained by company. Out of ₹ 4,02,570 lacs, a sum of ₹3,59,590 lacs has been utilised up to 30.06.2014 for re-coupmnt of capital expenditure already incurred from internal accruals on the projects specified for utilisation. The unutilised amount of ₹ 39,109 lacs has been invested in bank deposits as per extant investment policy of the company and ₹ 3,871 lacs recouped for meeting IPO expenditure.
- 9 Statutory Auditors have included the following matters in Audit Reports on the accounts for the year ended 31.03.2014 under "Emphasis of Matter Paragraph", without any qualified opinion in respect of these matters:
(i) reversal of excess pay drawn from the month of February and March 2014 to be recovered from 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;
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. In the meanwhile, NHPC Officers Association has got a 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 to the employees 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) Company is required to disclose the uncertainty relating to any outflow in respect of Contingent Liability in terms of Para 68 of the Accounting Standard 29, as such the same has been disclosed;
- 10 The above results have been reviewed by Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 05.08.2014. The same have been reviewed by the Joint Statutory Auditors of the company as required under Clause 41 of the Listing Agreement.
- 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)
DIRECTOR(FINANCE)
DIN - 01601682

Place : New Delhi

Date : 05.08.2014

