



NHPC LIMITED.

(A Government of India Enterprise)
SECTOR-33, FARIDABAD, HARYANA - 121 003

CIN: L40101HR1975GOI032564

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2015

(₹ in lacs)

PARTICULARS	Quarter ended 30.06.2015 (Unaudited)	Quarter ended 31.03.2015 (Unaudited)	Quarter ended 30.06.2014 (Unaudited)	Year ended 31.03.2015 (Audited)
PART I				
1 Income from operations				
(a) Net Sales/ Income from operations *	1,98,605	1,44,984	2,03,388	6,73,664
(b) Other operating income	2,134	2,173	2,097	6,561
Total Income from operations	2,00,739	1,47,157	2,05,485	6,80,225
2 Expenses				
(a) Employee benefits expense	27,724	27,766	28,655	1,14,923
(b) Depreciation & amortization expense	35,800	35,946	35,517	1,42,587
(c) Water usage charges	24,055	9,659	26,598	74,851
(d) Other expenses	23,676	22,524	18,512	85,598
Total expenses	1,11,255	95,895	1,09,282	4,17,959
3 Profit from operations before other income, finance costs, rate regulated activities and exceptional items (1-2)	89,484	51,262	96,203	2,62,266
4 Other income	21,141	18,182	16,277	86,133
5 Profit from operations before finance costs, rate regulated activities and exceptional items (3+4)	1,10,625	69,444	1,12,480	3,48,399
6 Finance costs	27,180	27,829	32,210	1,17,977
7 Profit from operations after finance costs but before rate regulated activities and exceptional items (5-6)	83,445	41,615	80,270	2,30,422
8 Exceptional items	-	-	-	-
9 Profit from ordinary activities before rate regulated activities and tax (7-8)	83,445	41,615	80,270	2,30,422
10 Rate Regulated Income/ (Expenditure)	13,500	52,195	-	52,195
11 Profit from ordinary activities before tax (9+10)	96,945	93,810	80,270	2,82,617
12 Tax expense				
a) Current Tax	20,957	19,244	17,006	58,342
b) Adjustments relating to earlier years	-	8,910	64	7,451
c) Deferred Tax	(729)	1,205	1,597	4,377
Total Tax expense (a+b+c)	20,228	29,359	18,667	70,170
13 Net Profit from ordinary activities after tax (11-12)	76,717	64,451	61,603	2,12,447
14 Extraordinary items (net of tax expense)	-	-	-	-
15 Net Profit (13-14)	76,717	64,451	61,603	2,12,447
16 Paid-up equity share capital (of Face Value ₹ 10/- per share)	11,07,067	11,07,067	11,07,067	11,07,067
17 Reserves excluding Revaluation Reserves as per balance sheet				17,21,572
18 Earning per share (of ₹ 10/- each) (not annualized):				
(a) Basic & Diluted EPS (before Extraordinary items)	0.69	0.58	0.56	1.92
(b) Basic & Diluted EPS (after Extraordinary items)	0.69	0.58	0.56	1.92

* 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	1554458774	1554458774
- Percentage of shareholding	14.04	14.04	14.04	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	9516209722	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	85.96	85.96
B INVESTOR COMPLAINTS				
	Equity Shares	Debt Securities		
Pending at the beginning of the quarter	2	3		
Received during the quarter	1386	66		
Disposed off during the quarter	1386	66		
Remaining unresolved at the end of the quarter	2	3		

Notes:-

1 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 29.07.2015. The same have been reviewed by the Joint Statutory Auditors of the Company as required under Clause 41 of Equity Listing Agreement.

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- 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 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.
- 3 In view of the seasonal nature of business, the financial results of the current quarter may not be comparable with other quarters.
- 4 On 20th November 2014, accidental fire broke out in the transformer cavern of Uri-II Power Station (240 MW) causing major damages to Electro & Mechanical Equipments and Civil Structures in power house area, resulting in stoppage of generation. Assets of the power station and business interruption loss are covered under mega insurance policy. However, losses upto excess clause as well as beyond the provisions of the insurance policy has been updated during the current quarter by ₹ 200 Lacs on estimated basis which is in addition to ₹ 2826 Lacs provided for during FY 2014-15. Further losses, 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. Restoration work for resumption of generation by the Power Station is under Progress and out of 04 units of Power Station 03 units i.e. unit#1, 4 & 3 of the power station have been synchronised with the grid on 15.06.2015, 17.06.2015 & 12.07.2015 respectively.
- 5 Pursuant to issuance of Guidance Note on Rate Regulated Activities issued by the Institute of Chartered Accountants of India, Regulatory Income amounting to ₹ 13500 Lacs for the current quarter (cumulative upto 30.06.2015 ₹ 176539 Lacs) have 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.
- 6 (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 and Salal Power Station for which tariff orders for the period 2014-19 have been issued. However, pending 'truing up' of the capital cost for the tariff period 2009-14, sales have been reduced by ₹ 3580 Lacs during the current quarter (corresponding previous quarter ₹ Nil) as an abundant precaution.
- b) For the purpose of recognising 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 2015-16, pending review of applicable rate of tax (MAT or Normal) at year end.
- c) Sales includes ₹ 32189 Lacs for the current quarter (corresponding previous quarter ₹ 35667 Lacs) which is yet to be billed.
- 7 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 asset created for the quarter on generating income amounting to ₹ 118.51 Lacs is accordingly accounted for as deferred tax adjustment against deferred tax as the same would get adjusted in effective tax rate in future period.
- 8 Statutory Auditors have included the following matters in Audit Reports on the accounts for the year ended 31.03.2015 under "Emphasis of Matter Paragraph", without any qualified 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 Comments of Comptroller and Auditor General of India on the Annual accounts for FY 2014-15 under section 143(6) & (7) of Companies Act, 2013 are awaited.
- 10 Figures for the previous periods have been re-grouped/re-arranged/re-casted wherever necessary.

Place : New Delhi
Date : 29.07.2015

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



(JAYANT KUMAR)
DIRECTOR (FINANCE)
DIN -03010235

