



NHPC LIMITED

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

CIN: L40101HR1975GOI032564

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2015

(₹ in lacs)

	PARTICULARS	Quarter ended 30.09.2015 (unaudited)	Quarter ended 30.06.2015 (unaudited)	Quarter ended 30.09.2014 (unaudited)	Half year ended 30.09.2015 (unaudited)	Half year ended 30.09.2014 (unaudited)	Year ended 31.03.2015 (audited)
<b>PART I</b>							
1	Income from operations						
	(a) Net Sales/ Income from operations *	233,424	198,605	208,601	432,029	411,989	673,664
	(b) Other operating income	1,175	2,134	1,278	3,309	3,375	6,561
	Total Income from operations (net)	234,599	200,739	209,879	435,338	415,364	680,225
2	Expenses						
	(a) Employee benefits expense	27,182	27,724	30,105	54,906	58,760	114,923
	(b) Depreciation & amortization expense	35,899	35,800	35,751	71,699	71,268	142,587
	(c) Water usage charges	25,731	24,055	26,614	49,786	53,212	74,851
	(d) Other expenses	22,071	23,676	24,349	45,747	42,861	85,598
	Total expenses	110,883	111,255	116,819	222,138	226,101	417,959
3	Profit from operations before other income, finance costs, exceptional items and rate regulated Income (1-2)	123,716	89,484	93,060	213,200	189,263	262,266
4	Other Income	33,345	21,141	22,622	54,486	38,899	86,133
5	Profit from ordinary activities before finance costs, exceptional items and rate regulated income (3+4)	157,061	110,625	115,682	267,686	228,162	348,399
6	Finance costs	27,038	27,180	28,836	54,218	61,046	117,977
7	Profit from ordinary activities after finance costs but before exceptional items and rate regulated income (5-6)	130,023	83,445	86,846	213,468	167,116	230,422
8	Exceptional items	-	-	-	-	-	-
9	Profit from ordinary activities before rate regulated income and tax (7-8)	130,023	83,445	86,846	213,468	167,116	230,422
10	Rate Regulated Income/ (Expenditure)	13,427	13,500	-	26,927	-	52,195
11	Profit from ordinary activities before tax (9+10)	143,450	96,945	86,846	240,395	167,116	282,617
12	Tax expense						
	a) Current Tax	28,193	20,957	17,315	49,150	34,321	58,342
	b) Adjustments relating to earlier years	(2,375)	-	-	(2,375)	64	7,451
	c) Deferred Tax (Net)	(455)	(729)	1,121	(1,184)	2,718	4,377
	Total Tax expense (a+b+c)	25,363	20,228	18,436	45,591	37,103	70,170
13	Net Profit from ordinary activities after tax (11-12)	118,087	76,717	68,410	194,804	130,013	212,447
14	Extraordinary items (net of tax expense)	-	-	-	-	-	-
15	Net Profit (13-14)	118,087	76,717	68,410	194,804	130,013	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	Paid-up debt capital				2,082,179	1,963,687	1,983,634
18	Reserves excluding Revaluation Reserves as per balance sheet				1,918,784	1,630,707	1,721,572
19	Debenture Redemption Reserve				124,789	88,475	124,789
20	Earning per share (of ₹ 10/- each) (not annualized):						
	(a) Basic & Diluted EPS (before Extraordinary items)	1.07	0.69	0.62	1.76	1.17	1.92
	(b) Basic & Diluted EPS (after Extraordinary items)	1.07	0.69	0.62	1.76	1.17	1.92
21	Debt equity ratio				0.63	0.67	0.64
22	Debt service coverage ratio(DSCR)				3.98	2.90	2.69
23	Interest service coverage ratio(ISCR)				6.87	4.90	4.70
* Net Sales includes proportionate amount of Advance against Depreciation written back.							
<b>PART II-SELECT INFORMATION</b>							
A	PARTICULARS OF SHAREHOLDING						
	1. Public shareholding						
	- Number of shares	1554458774	1554458774	1554458774	1554458774	1554458774	1554458774
	- Percentage of shareholding	14.04	14.04	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	9516209722	9516209722
	- 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)	85.96	85.96	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	267	13
Disposed off during the quarter	265	16
Remaining unresolved at the end of the quarter	4	-

STATEMENT OF ASSETS AND LIABILITIES

(₹ in lacs)

PARTICULARS	As at 30th September, 2015 (Unaudited)	As at 31st March, 2015 (Audited)
<b>EQUITY AND LIABILITIES</b>		
<b>SHAREHOLDERS' FUNDS</b>		
Share Capital	1,107,067	1,107,067
Reserves and Surplus	1,918,784	1,721,572
<b>Shareholder's funds Sub-total</b>	<b>3,025,851</b>	<b>2,828,639</b>
<b>NON-CURRENT LIABILITIES</b>		
Long Term Borrowings	1,910,772	1,817,103
Deferred Tax Liabilities (net)	79,860	81,044
Other Long Term Liabilities	130,901	133,717
Long Term Provisions	42,303	88,695
<b>Non-Current Liabilities - Sub Total</b>	<b>2,163,836</b>	<b>2,120,559</b>
<b>CURRENT LIABILITIES</b>		
Trade Payables	18,602	15,301
Other Current Liabilities	418,607	301,315
Short Term Provisions	282,037	278,098
<b>Sub Total - Current Liabilities</b>	<b>719,246</b>	<b>594,714</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>5,908,933</b>	<b>5,543,912</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Fixed Assets (includes Capital Work In Progress)	3,921,133	3,874,988
Non Current Investments	159,636	197,775
Long Term Loans and Advances	111,681	110,847
Other Non-Current Assets	88,001	79,581
Other Non-Current Assets - Regulatory Assets	189,966	163,039
<b>Sub Total - Non-Current Assets</b>	<b>4,470,417</b>	<b>4,426,230</b>
<b>CURRENT ASSETS</b>		
Current Investments	34,757	25,757
Inventories	8,808	8,273
Trade Receivables	336,571	249,710
Cash & Bank Balances	703,151	542,211
Short Term Loans and Advances	180,298	140,719
Other Current Assets	174,931	151,012
<b>Sub Total - Current Assets</b>	<b>1,438,516</b>	<b>1,117,682</b>
<b>TOTAL - ASSETS</b>	<b>5,908,933</b>	<b>5,543,912</b>


Notes

- 1 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 09.11.2015. The same have been reviewed by the Joint Statutory Auditors of the company as required under Clause 41 of the Equity Listing Agreement.
- 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 previous quarter of current year.
- 4 All four units of Uri-II Power Station (240 MW) have been restored during the current half year ended on 30.09.2015 after the accidental fire occurred on 20th November 2014.
- 5 In accordance with the Guidance Note on Rate Regulated Activities issued by the Institute of Chartered Accountants of India, Regulatory Income amounting to ₹ 13427 Lacs and ₹ 26927 Lacs for the quarter and half year ended on 30.09.2015 respectively (cumulative ₹ 189966 Lacs upto 30.09.2015) 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.
- 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, Salal, Loktak and Chamara-I Power Stations 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 and ₹ 7197 Lacs on estimated basis during the quarter and half year ended on 30.09.2015 respectively (corresponding previous quarter ₹ Nil Lacs and previous half year ₹ 10067 Lacs) as an abundant precaution.
- 6(b) For the purpose of recognising sales for the current quarter/half year ended on 30.09.2015, 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 applicable rate of tax (MAT or Normal) at year end.



- 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 liability created for quarter and half year ended on 30.09.2015 on generating income amounting to ₹ 7745 lacs and ₹ 7626 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.
- 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 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 ₹ 17452 Lacs (up to Previous year ₹ 17361 Lacs) has been capitalised till 30.09.2015.
- 10 Consequent upon formation of Retired Employees Health Scheme Trust during the quarter/half year ended 30.09.2015, long term investments having book value of ₹ 38139 lacs have been transferred to Trust at Market value of ₹ 39043 lacs against the Retired Employee Health Scheme Fund in the books of the company.
- 11 Formula used for computation of 'Debt Service Coverage Ratio' (DSCR) = [(Profit before Interest, Depreciation and Tax) *divided by* (Principal repayment, excluding payment under put option + Interest)] and for 'Interest Service Coverage Ratio' (ISCR) = [(Profit before Interest, Depreciation and Tax) *divided by* Interest]. Interest has been considered as per Statement of profit and loss. The principal repayment pertains to loan taken for operational projects.
- 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 : 09.11.2015

