



NHPC LIMITED

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

CIN: L40101HR1975GO1032564

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2017

(₹ in Lacs)

| PARTICULARS | Quarter Ended | | | Year Ended |
|--|-----------------|----------------------------|-----------------|-----------------|
| | 30.06.2017 | 31.03.2017 | 30.06.2016 | 31.03.2017 |
| | Unaudited | Audited (Refer Note 10) | Unaudited | Audited |
| 1 Revenue from operations | | | | |
| (a) Sales/ Revenue from operations * | 2,32,578 | 1,33,759 | 2,18,362 | 7,19,153 |
| (b) Other operating income | 173 | 2,485 | 1,317 | 7,964 |
| Total Revenue from operations (a+b) | 2,32,751 | 1,36,244 | 2,19,679 | 7,27,117 |
| 2 Other Income | 10,526 | 24,255 | 16,327 | 1,45,867 |
| 3 Total Income (1+2) | 2,43,277 | 1,60,499 | 2,36,006 | 8,72,984 |
| 4 Expenses | | | | |
| (a) Employee benefits | 40,507 | 61,446 | 32,075 | 1,57,492 |
| (b) Depreciation & amortization | 35,359 | 35,271 | 33,840 | 1,38,840 |
| (c) Water usage charges | 27,401 | 13,330 | 25,798 | 74,840 |
| (d) Finance Costs | 24,094 | 24,991 | 27,507 | 1,07,322 |
| (e) Other expenses | 26,211 | 39,162 | 26,154 | 1,18,429 |
| Total expenses (a+b+c+d+e) | 1,53,572 | 1,74,200 | 1,45,374 | 5,96,923 |
| 5 Profit/(loss) before Exceptional items, Rate Regulated Activities & Tax (3-4) | 89,705 | (13,701) | 90,632 | 2,76,061 |
| 6 Exceptional items | - | - | - | - |
| 7 Profit/(loss) before tax & Rate Regulated Activities (5+6) | 89,705 | (13,701) | 90,632 | 2,76,061 |
| 8 Tax expense | | | | |
| a) Current Tax | 24,192 | 177 | 25,860 | 70,656 |
| b) Adjustments for Income Tax | - | (3,819) | (7,216) | (11,699) |
| c) Deferred Tax | (657) | 6,457 | - | 8,944 |
| Total Tax expense (a+b+c) | 23,535 | 2,815 | 18,644 | 67,901 |
| 9 Movement in Regulatory Deferral Account Balances (Net of Tax) | 20,096 | 33,358 | 13,794 | 71,399 |
| 10 Profit for the period from continuing operations (7-8+9) | 86,266 | 16,842 | 85,782 | 2,79,559 |
| 11 Other Comprehensive Income (Net of Tax) | | | | |
| (i) Items that will not be reclassified to profit or loss | (142) | (715) | 464 | (629) |
| (ii) Items that will be reclassified to profit or loss | 578 | (439) | 378 | 1,396 |
| 12 Total Comprehensive Income for the period (10+11) | 86,702 | 15,688 | 86,624 | 2,80,326 |
| 13 Paid-up equity share capital (of Face Value ₹ 10/- per share) | 10,25,932 | 10,25,932 | 11,07,067 | 10,25,932 |
| 14 Reserves excluding Revaluation Reserves | | | | 16,68,281 |
| 15 Earnings per share before movement in Regulatory Deferral Account Balances | | | | |
| Basic & Diluted EPS (in ₹) | 0.64 | (0.15) | 0.65 | 1.88 |
| Earnings per share after movement in Regulatory Deferral Account Balances | | | | |
| Basic & Diluted EPS (in ₹) | 0.84 | 0.16 | 0.77 | 2.53 |

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



Notes:

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in the respective meetings held on 09th August, 2017. The same have been reviewed by the Joint Statutory Auditors of the Company as required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2 In view of seasonal nature of business, the financial results of the current quarter may not be comparable with quarter ended 31st March 2017.
- 3 Electricity generation is the principal business activity of the Company. Other operations viz., Contracts, Project Management and Consultancy works do not form a reportable segment as per the Ind AS – 108 on 'Operating Segment'. The company is having a single geographical segment as all its power stations are located within the country.
- 4 (i) Pending approval of tariff for the period 2014-19 by the 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 period 2009-14 in respect of Sewa-II, Chamera III, TLDP-III and Parbati-III Power stations. However, pending 'truing up' of the capital cost for the tariff period 2014-19, sales have been reduced by Rs. 2064 Lacs on estimated basis during the quarter ended 30.06.2017 (corresponding previous quarter Rs.7093 Lacs) as an abundant precaution.
- 4 (ii) CERC Regulations for the tariff period 2014-19 provide 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. Accordingly, out of deferred tax asset created for the quarter ended 30.06.2017 on generating income, an amount of Rs 3702 Lacs (Corresponding previous quarter Rs. 7007 Lacs deferred tax liability) is accounted for as deferred tax adjustment against deferred tax asset as the same would get adjusted in effective tax rate in future period.
- 5 CERC (Terms & Conditions of Tariff) Regulations provide for levy of late payment surcharge by generating company in case of delay in payment by customers beyond 60 days from the date of presentation of bill. Amount due but not recognised on account of surcharge during the quarter ended 30.06.2017 is Rs. 3297 lacs (cumulative amount till 30.06.2017 is Rs. 46818 Lacs) due to significant uncertainty in ultimate collection from the customers.
- 6 Employee benefits expense for the quarter ended 30.06.2017 includes Rs. 8210 Lacs (Corresponding previous quarter Rs. NIL Lacs) which is provided for in the books of account towards expected hike in Pay & Allowances and Gratuity based on 3rd Pay Revision Committee recommendations.
- 7 Regulatory Income amounting to Rs. 20096 Lacs for the quarter ended 30.06.2017 (Corresponding previous quarter Rs. 13794 Lacs) have been recognized in terms of Ind AS 114-Regulatory Deferral Accounts in respect of following:-
 - (i) Subansiri Lower Project, where construction activities have been interrupted w.e.f. 16.12.2011 due to protest of anti-dam activists and pendency of case before National Green Tribunal (NGT) amounting to Rs. 12276 Lacs (Corresponding previous quarter Rs. 13794 Lacs).
 - (ii) Expenditure recognised due to recommendations of 3rd PRC for Pay Revision of CPSUs amounting to Rs. 7777 Lacs which is recoverable through tariff (Corresponding previous quarter Rs. NIL Lacs).
 - (iii) Exchange differences on Foreign Currency Monetary items charged to Statement of Profit & Loss as per Ind AS but recoverable through tariff as a part of capital cost of the project, amounting to Rs. 43 Lacs (Corresponding previous quarter Rs. NIL Lacs).
- 8 All non-convertible bonds of the Company are secured by way of first pari passu charge over certain immovable assets and movable assets of the Company. The available asset cover exceeds the required cover under terms of various issue offer documents.
- 9 Statutory Auditors have included the following matters in Audit Report on the accounts for the year ended 31.03.2017 under "Emphasis of Matter" paragraph, without modifying their opinion in respect of these matters:
 - (i) Provisions against the expenditure incurred for conducting survey & investigation of projects or being carried forward pending clearances with various authorities,
 - (ii) Stay from Hon'ble high court of Delhi against implementation of stoppage of Personal Pay Adjustment(fitment benefits) recovery from below Board level Executives,
 - (iii) Uncertainty related to the outcome of the claims/ arbitration proceedings and lawsuit filed by/ against the Company on/ by contractors and others,
 - (iv) Various 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,Matters referred under para (i) to (v) were included by the Statutory Auditors under " Emphasis of Matter" paragraph in the Audit Report for the year ended 31.03.2016 as well.

The above points on which attention has been drawn by the auditors have been addressed as under:-

 - (i) 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,
 - (ii) In view of the directions of the Hon'ble High Court, Personal Pay Adjustments to the employees is continued to be paid along with the Salary,
 - (iii) Management has assessed and provided for the probable outflow wherever required as per provisions of Ind AS.
 - (iv) In the opinion of the management, unconfirmed balances will not have any material impact,
 - (v) is statement of fact.
- 10 Figures of the quarter ended 31.03.2017 are the balancing figures between audited figures in respect of the full financial year ended 31.03.2017 and year to date figures upto the third quarter of that financial year.
- 11 Figures for the previous periods have been re-grouped/re-arranged wherever necessary.

For and on behalf of the Board of Directors of
NHPC Ltd.


(MAHESH KUMAR MITTAL)
DIRECTOR (FINANCE)
DIN - 02889021

Place : New Delhi
Date : 09.08.2017

