



NHPC LIMITED.

(A Government of India Enterprise)

CIN: L40101HR1975GOI032564

SECTOR-33, FARIDABAD, HARYANA - 121 003

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2014

(₹ in lacs)

| | PARTICULARS | Quarter ended 30.09.2014 (unaudited) | Quarter ended 30.06.2014 (unaudited) | Quarter ended 30.09.2013 (audited) | Half year ended 30.09.2014 (unaudited) | Half year ended 30.09.2013 (audited) | Year ended 31.03.2014 (audited) |
|---------------|--|--|--|--|--|--|---------------------------------------|
| PART I | | | | | | | |
| 1 | Income from operations | | | | | | |
| | (a) Net Sales/ Income from operations * | 2,08,601 | 2,03,388 | 1,61,521 | 4,11,989 | 3,21,572 | 5,33,511 |
| | (b) Other operating income | 1,278 | 2,097 | 3,481 | 3,375 | 5,390 | 20,193 |
| | Total Income from operations (net) | 2,09,879 | 2,05,485 | 1,65,002 | 4,15,364 | 3,26,962 | 5,53,704 |
| 2 | Expenses | | | | | | |
| | (a) Employee benefits expense | 30,105 | 28,655 | 21,422 | 58,760 | 44,666 | 1,05,867 |
| | (b) Depreciation & amortization expense | 35,751 | 35,517 | 28,254 | 71,268 | 55,855 | 1,21,076 |
| | (c) Water Usage Charges | 26,614 | 26,598 | 21,368 | 53,212 | 41,049 | 62,051 |
| | (d) Other expenses | 24,349 | 18,512 | 20,343 | 42,861 | 32,370 | 1,49,859 |
| | Total expenses | 1,16,819 | 1,09,282 | 91,387 | 2,26,101 | 1,73,940 | 4,38,853 |
| 3 | Profit from operations before other income, finance costs and exceptional items (1-2) | 93,060 | 96,203 | 73,615 | 1,89,263 | 1,53,022 | 1,14,851 |
| 4 | Other Income | 22,622 | 16,277 | 30,021 | 38,899 | 54,876 | 1,45,695 |
| 5 | Profit from operations before finance costs and exceptional items (3+4) | 1,15,682 | 1,12,480 | 1,03,636 | 2,28,162 | 2,07,898 | 2,60,546 |
| 6 | Finance costs | 28,836 | 32,210 | 12,031 | 61,046 | 23,637 | 1,02,240 |
| 7 | Profit from operations after finance costs but before exceptional items (5-6) | 86,846 | 80,270 | 91,605 | 1,67,116 | 1,84,261 | 1,58,306 |
| 8 | Exceptional items | - | - | - | - | - | - |
| 9 | Profit from ordinary activities before tax (7-8) | 86,846 | 80,270 | 91,605 | 1,67,116 | 1,84,261 | 1,58,306 |
| 10 | Tax expense | | | | | | |
| | a) Current Tax | 17,315 | 17,006 | 18,978 | 34,321 | 37,519 | 25,162 |
| | b) Adjustments relating to earlier years | - | 64 | - | 64 | - | 4,668 |
| | c) Deferred Tax | 1,121 | 1,597 | 1,869 | 2,718 | 4,058 | 30,597 |
| | Total Tax expense (a+b+c) | 18,436 | 18,667 | 20,847 | 37,103 | 41,577 | 60,427 |
| 11 | Net Profit from ordinary activities after tax (9-10) | 68,410 | 61,603 | 70,758 | 1,30,013 | 1,42,684 | 97,879 |
| 12 | Extraordinary items (net of tax expense) | - | - | - | - | - | - |
| 13 | Net Profit (11-12) | 68,410 | 61,603 | 70,758 | 1,30,013 | 1,42,684 | 97,879 |
| 14 | Paid-up equity share capital (of Face Value ₹ 10/- per share) | 11,07,067 | 11,07,067 | 12,30,074 | 11,07,067 | 12,30,074 | 11,07,067 |
| 15 | Paid-up debt capital | | | | 18,36,763 | 19,64,511 | 18,58,052 |
| 16 | Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year | | | | | | 14,99,698 |
| 17 | Debenture Redemption Reserve | | | | 88,475 | 64,955 | 88,475 |
| 18 | Earning per share (of ₹ 10/- each) (not annualized): | | | | | | |
| | (a) Basic & Diluted EPS (before Extraordinary items) | 0.62 | 0.56 | 0.58 | 1.17 | 1.16 | 0.82 |
| | (b) Basic & Diluted EPS (after Extraordinary items) | 0.62 | 0.56 | 0.58 | 1.17 | 1.16 | 0.82 |
| 19 | Debt equity ratio | | | | 0.67 | 0.66 | 0.71 |
| 20 | Debt service coverage ratio(DSCR) | | | | 2.90 | 5.10 | 2.07 |
| 21 | Interest service coverage ratio(ISCR) | | | | 4.90 | 11.91 | 3.82 |

* 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 | 1677374015 | 1554458774 |
| | - Percentage of shareholding | 14.04 | 14.04 | 13.64 | 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 | 10623368758 | 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 | 86.36 | 85.96 | 86.36 | 85.96 |



| B INVESTOR COMPLAINTS | | | |
|--|---------------|-----------------|--|
| Particulars | Equity Shares | Debt Securities | |
| Pending at the beginning of the quarter | 2 | - | |
| Received during the quarter | 320 | 45 | |
| Disposed off during the quarter | 320 | 45 | |
| Remaining unresolved at the end of the quarter | 2 | - | |

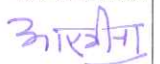
| STATEMENT OF ASSETS AND LIABILITIES | | |
|--|----------------------------|------------------------|
| | (₹ in lacs) | |
| PARTICULARS | As at 30th September, 2014 | As at 31st March, 2014 |
| EQUITY AND LIABILITIES | | |
| SHAREHOLDERS' FUNDS | | |
| Share Capital | 11,07,067 | 11,07,067 |
| Reserves and Surplus | 16,30,707 | 14,99,698 |
| Sub Total - Shareholder's funds | 27,37,774 | 26,06,765 |
| NON-CURRENT LIABILITIES | | |
| Long Term Borrowings | 18,36,763 | 18,58,052 |
| Deferred Tax Liabilities (net) | 79,385 | 76,667 |
| Other Long Term Liabilities | 1,55,375 | 1,60,581 |
| Long Term Provisions | 87,158 | 81,470 |
| Sub Total - Non-Current Liabilities | 21,58,681 | 21,76,770 |
| CURRENT LIABILITIES | | |
| Short Term Borrowings | - | - |
| Trade Payables | 19,338 | 20,071 |
| Other Current Liabilities | 3,32,745 | 2,93,821 |
| Short Term Provisions | 3,46,402 | 3,00,200 |
| Sub Total - Current Liabilities | 6,98,485 | 6,14,092 |
| TOTAL - EQUITY AND LIABILITIES | 55,94,940 | 53,97,627 |
| ASSETS | | |
| NON-CURRENT ASSETS | | |
| Fixed Assets (includes Capital Work In Progress) | 38,81,488 | 38,73,667 |
| Non Current Investments | 2,22,417 | 2,22,702 |
| Long Term Loans and Advances | 1,12,204 | 1,08,969 |
| Other Non-Current Assets | 89,722 | 89,637 |
| Sub Total - Non-Current Assets | 43,05,831 | 42,94,975 |
| CURRENT ASSETS | | |
| Current Investments | 25,472 | 25,187 |
| Inventories | 8,712 | 7,229 |
| Trade Receivables | 3,09,155 | 1,86,377 |
| Cash & Bank Balances | 5,55,010 | 5,30,383 |
| Short Term Loans and Advances | 2,35,125 | 2,09,355 |
| Other Current Assets | 1,55,635 | 1,44,121 |
| Sub Total - Current Assets | 12,89,109 | 11,02,652 |
| TOTAL - ASSETS | 55,94,940 | 53,97,627 |

- 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 30.10.2014. The same have been reviewed by the Joint Statutory Auditors of the company as required under Clause 41 of the Listing Agreement.
- 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.
- In view of the seasonal nature of business, the financial results of the current quarter may not be comparable with other quarters of the current financial year.
- During the half year ended 30.09.2014, remaining one unit of Parbati-III Power Station (520 MW) has been put on commercial operation w.e.f. 06.06.2014.
- The company, under mega insurance policy, has lodged insurance claim, as on date amounting to ₹ 21,105 Lacs and ₹ 24,851 Lacs towards loss of assets and Business Interruption Loss respectively, in respect of Dhauliganga Power Station, where generation was shut down due to flash floods during June, 2013. Interim payment of ₹ 7,010 Lacs has been received against claim towards loss of assets. Further, interim payment of ₹ 9,999 Lacs received against Business Interruption Loss has been accounted for as 'other income' on realization basis during FY 2013-14. 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.
- Construction activities at site of Subansiri Lower Project have been interrupted w.e.f. 16.12.2011 due to protest of anti dam activists. Technical and administrative work is however continuing. Management is making all out efforts to restart the work at site. In line with the opinion of Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI), for the current half year the borrowing cost of ₹ 20,453 Lacs (previous half year ₹ Nil & previous financial year ₹ 76,690 Lacs) and administration and other cost of ₹ 7,508 Lacs (previous half year ₹ Nil & previous financial year ₹ 34,154 Lacs) have, however, been charged to the Statement of Profit & Loss.



- 7 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, for the current half year borrowing costs of ₹ 4,603 Lacs (previous half year ₹ Nil & previous financial year ₹ 9,135 Lacs) and administration and other cost of ₹ 2,405 Lacs (previous half year ₹ Nil & previous financial year ₹ 6,791 Lacs) have been charged to the Statement of Profit & Loss.
- 8a) Pending approval of tariff for the period 2014-19 by Central Electricity Regulatory Commission (CERC), sales have been recognized provisionally as per tariff notified by CERC for the period 2009-14 except in respect of TLDP-III Power Station, where sales have been recognized based on 85% of capital cost filed with CERC and also taking into account provision towards truing up of capital cost of the power stations in line with the CERC Tariff regulation 2014. Further, for the purpose of recognizing sales, Return on Equity (a component of tariff) has been grossed up using Minimum Alternate Tax (MAT) rate for FY 2014-15 as effective tax rate, till review at year end.
- b) Sales includes ₹ 70,958 Lacs for the half year ended 30.09.2014 (corresponding previous period ₹ 49,959 Lacs) which is yet to be billed.
- 9 Out of the Initial Public Offering (IPO) proceeds of ₹ 4,02,570 lacs, a sum of ₹ 3,75,699 lacs has been utilized up to 30.09.2014 for recoupment of capital expenditure already incurred from internal accruals on the projects specified for utilization and ₹ 3,871 lacs recouped for meeting initial IPO expenditure. The unutilized amount of ₹ 23,000 lacs has been invested in bank deposits as per extant investment policy of the company.
- 10 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;
- 11 Formula used for computation of 'Debt Service Coverage Ratio' (DSCR) = [Profit before Interest, Depreciation and Tax / (Principal repayment, excluding payment under put option + Interest)] and for 'Interest Service Coverage Ratio' (ISCR) = [Profit before Interest, Depreciation and Tax / Interest]. Interest has been considered net off transferred to expenditure during construction and the principal repayment pertains to loan taken for operational projects.
- 12 Figures for the quarter ended 30.09.2014 are the balancing figures between un-audited figures for the half year ended 30.09.2014 and for the quarter ended 30.06.2014.
- 13 Figures for the previous periods have been re-grouped/re-arranged/re-casted wherever necessary.

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



(R.S. MINA)
DIRECTOR (FINANCE)
DIN - 00149956

Place : New Delhi
Date : 30.10.2014



M/s S. N. Nanda & Co.
Chartered Accountants
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Greater Kailash – 1
New Delhi – 110 048

M/s Gupta Gupta & Associates
Chartered Accountants
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Jammu – 180012
Jammu & Kashmir

M/s Ray and Ray
Chartered Accountants
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M/s S. N. Dhawan & Co.
Chartered Accountants
C-37, Connaught Place
New Delhi -110001

LIMITED REVIEW REPORT

Board of Directors

NHPC Limited

NHPC Complex Office

Sector-33, Faridabad – 121 003

We have reviewed the accompanying Statement of Un-audited Financial Results of NHPC Limited for the quarter and six months ended 30th September, 2014, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and has not been reviewed by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these Financial Results based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to enquiries from company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.


Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of Unaudited Financial Results read along with notes thereon, prepared in accordance with applicable accounting standards specified under the Companies Act, 1956, which are deemed to be applicable as per section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S. N. Nanda & Co.
Chartered Accountants
(FR No: 000685N)


(CA S.N.Nanda)
Partner
M. No. 005909

Place: New Delhi
Date: 30th October 2014

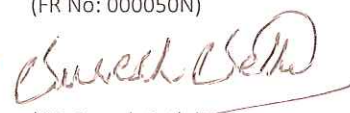
For Gupta Gupta & Associates
Chartered Accountants
(FR No: 001728N)


(CA Ram Kumar Gupta)
Partner
M. No. 097382


For Ray and Ray
Chartered Accountants
(FR No: 301072E)


(CA Barun Kumar Ghosh)
Partner
M. No. 051028


For S. N. Dhawan & Co.
Chartered Accountants
(FR No: 000050N)


(CA Suresh Sethi)
Partner
M. No. 010577
