

5 Other Income includes ₹ 3,075 lacs and ₹ 24,345 lacs respectively for the quarter and nine months ended 31.12.2011 towards Interest from Beneficiary States, which has arisen on finalization of tariff.

6 Out of Proceeds from Initial Public Offering (IPO) of ₹6,03,855 lacs including premium, raised during 2009-10, the Company retained ₹4,02,570 lacs as its share proceeds including share premium of ₹2,90,745 lacs and sale proceeds of the equity of Government of India amounting to ₹2,01,285 lacs was paid to the Ministry of Power, Government of India. Out of the proceeds, a sum of ₹1,83,483 lacs has been utilised for recoupment of capital expenditure already incurred from internal accruals on the projects specified for utilisation, ₹2,15,000 lacs has been invested as per extant investment policy of the Company, ₹3,871 lacs recouped provisionally for meeting IPO expenditure and balance of ₹216 lacs is lying in bank account under Corporate Liquidity Term Deposit (CLTD).

7 There were no qualifications of Statutory Auditors on the Annual Accounts for the financial year 2010-11. However, attention was drawn by them on:

- (a) accounting of sales on provisional basis pending determination of tariff by CERC,
- (b) capitalization of Corporate Office, Regional Office, Survey & Investigation and other general overhead expenses of construction projects and
- (c) referring the issue of capitalization of expenditure incurred for creation of assets (enabling assets) not within the control of the company, to Expert Advisory Committee of the Institute of Chartered Accountants of India (EAC of ICAI).

The above have been addressed as under:-

As regard to issue at (a), reference is invited to note no. 3 above.

As regard to issue at (b), the company has reviewed its methodology of allocation of Corporate Office, Regional Office, Survey & Investigation and other general overhead expenses of construction projects and changes have been carried out during the current quarter/ nine months, except few changes, impact whereof is not considered material, which shall be carried out in the subsequent quarter. This has resulted in additional charge of ₹ 10105 lacs on current quarter/ nine month profit.

As regard to issue at (c), the opinion of EAC is awaited, pending which the same accounting treatment as was followed during 2010-11 is continued.

8 Information on Investors Complaints pursuant to Clause 41 of Listing Agreements for the quarter ended 31st December, 2011:-

No. of Complaints	Opening Balance	Additions	Disposals	Closing Balance
1	1	1546	1545	2

9 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.

10 The above results have been reviewed by Audit Committee of the Board of Directors and approved by the Board of Directors of the Company in their meeting held on 27.01.2012. The same have been reviewed by Statutory Auditors of the Company.

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)
CHAIRMAN & MANAGING DIRECTOR
DIN - 01601682

Place : NEW DELHI
Date : 27.01.2012

