

NTPC LIMITED
AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2011

(₹ lakh)

Sl.	Particulars	Stand Alone				Consolidated	
		Quarter ended 31.03.2011 (Unaudited)	Quarter ended 31.03.2010 (Unaudited)	Year ended 31.3.2011 (Audited)	Year ended 31.3.2010 (Audited)	Year ended 31.3.2011 (Audited)	Year ended 31.3.2010 (Audited)
1	2	3	4	5	6	7	8
1	(a) Net Sales (Net of Electricity Duty)	1551894	1235339	5487400	4632259	5741846	4825645
	(b) Other Operating Income	45867	37815	164524	189873	171566	193224
	(c) Depreciation Written Back (net) & Advance Against Depreciation recognised as Prior Period Sales	191	(1360)	184054	(1655)	189821	(2542)
	Total (a+b+c)	1597952	1271794	5835978	4820477	6103233	5016327
2	Expenditure						
	(a) Fuel Cost	972556	834598	3537378	2946274	3641435	3018766
	(b) Employees Cost	70819	74561	278971	241236	292226	252309
	(c) Depreciation	69814	73216	248569	265006	271969	289438
	(d) Other Expenditure	98247	57316	284783	199965	341212	243333
	(e) Provisions	28398	930	155215	1090	155277	1235
	Total (a+b+c+d+e)	1239834	1040621	4504916	3653571	4702119	3805081
3	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	358118	231173	1331062	1166906	1401114	1211246
4	Other Income	20556	24950	88806	102533	87406	101483
5	Profit before Interest & Exceptional Items (3+4)	378674	256123	1419868	1269439	1488520	1312729
6	Interest & Finance Charges	52995	48179	214908	180893	249287	207818
7	Profit after Interest but before Exceptional Items (5-6)	325679	207944	1204960	1088546	1239233	1104911
8	Exceptional items	-	-	-	-	-	-
9	Profit(+) / Loss (-) from Ordinary Activities before Tax (7+8)	325679	207944	1204960	1088546	1239233	1104911
10	Tax Expenses:						
	(a) Current Tax	61632	(9762)	255332	194544	260216	197908
	(b) Deferred Tax	(14137)	15941	39369	20913	44194	22963
	(c) Fringe Benefit Tax (FBT)	-	-	-	269	0	270
	Total (a+b+c)	47495	6179	294701	215726	304410	221141
	Less : FBT transferred to Expenditure during construction/Development of coal mine	-	-	-	-	-	(5)
	Tax Expenses (Net)	47495	6179	294701	215726	304410	221146
11	Net Profit (+)/ Loss (-) from ordinary activity after tax (9-10)	278184	201765	910259	872820	934823	883765
12	Extraordinary Items (Net of tax expenses)	-	-	-	-	-	-
13	Net Profit (+)/ Loss (-) for the year before Minority Interest (11-12)	278184	201765	910259	872820	934823	883765
14	Minority Interest in Consolidated Profit	-	-	-	-	(517)	(3)
15	Net Profit (+)/ Loss (-) for the year after Minority Interest (13-14)	278184	201765	910259	872820	935340	883768

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16	Paid-up Equity Share Capital (Face value of share ₹ 10/- each)	824546	824546	824546	824546	824546	824546
17	Paid-up Debt Capital			4318824	3779702		
18	Reserves excluding revaluation reserve as per Balance Sheet			5964679	5419196	6013910	5437182
19	Debiture Redemption Reserve			223166	198672		
20	Earning per share - (EPS in ₹)						
	(a) Basic and diluted EPS before Extraordinary items (not annualised)	3.37	2.45	11.04	10.59	11.34	10.72
	(b) Basic and diluted EPS after Extraordinary items (not annualised)	3.37	2.45	11.04	10.59	11.34	10.72
21	Debt Equity Ratio			0.64	0.61		
22	Debt Service Coverage Ratio (DSCR)			2.57	3.92		
23	Interest Service Coverage Ratio (ISCR)			11.42	13.64		
24	Public Shareholding						
	a) Number of shares	1278103220	1278103220	1278103220	1278103220	1278103220	1278103220
	b) %age of shareholding	15.50	15.50	15.50	15.50	15.50	15.50
25	Promoters and Promoter Group Shareholding						
	a) Pledged/Encumbered						
	- Number of Shares	-	-	-	-	-	-
	- Percentage of share (as % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
	- Percentage of share (as % of the total share capital of the company)	-	-	-	-	-	-
	b) Non-encumbered						
	- Number of Shares	6967361180	6967361180	6967361180	6967361180	6967361180	6967361180
	- Percentage of share (as % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
	- Percentage of share (as % of the total share capital of the company)	84.50	84.50	84.50	84.50	84.50	84.50

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AUDITED SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE YEAR ENDED 31ST MARCH 2011

(₹ lakh)

Sl.	Particulars	Stand Alone				Consolidated	
		Quarter ended 31.03.2011 (Unaudited)	Quarter ended 31.03.2010 (Unaudited)	Year ended 31.03.2011 (Audited)	Year ended 31.03.2010 (Audited)	Year ended 31.03.2011 (Audited)	Year ended 31.03.2010 (Audited)
1	2	3	4	5	6	7	8
1	Segment Revenue (Net Sales)						
	- Generation	1547114	1230529	5470455	4616867	5683996	4774991
	- Others	4780	4810	16945	15392	57850	50654
	- Total	1551894	1235339	5487400	4632259	5741846	4825645
2	Segment Results (Profit before Tax and Interest)						
	- Generation	327128	197550	1209483	1015253	1267669	1049376
	- Others	762	1664	5020	5816	13598	16085
	- Total	327890	199214	1214503	1021069	1281267	1065461
	Less						
	(i) Unallocated interest and Finance Charges	36450	28584	143284	111682	174059	138312
	(ii) Other Unallocated expenditure net of unallocable income	-34239	(37314)	(133741)	(179159)	(132025)	(177762)
	Total Profit before Tax	325679	207944	1204960	1088546	1239233	1104911
3	Capital Employed (Segment Assets - Segment Liabilities)						
	- Generation	4526023	3945020	4526023	3945020	5050764	4346095
	- Others	425	5445	425	5445	29635	33623
	- Un-allocated	2262777	2293277	2262777	2293277	1758057	1882010
	- Total	6789225	6243742	6789225	6243742	6838456	6261728

The operations of the company are mainly carried out within the country and therefore, geographical segments are not applicable.

For and on behalf of Board of Directors

Place: New Delhi
Date: 10th May 2011

(A.K.SINGHAL)
DIRECTOR (FINANCE)

SUMMARY OF ASSETS AND LIABILITIES AS AT 31st MARCH 2011

(₹ lakh)

PARTICULARS	Stand Alone		Consolidated	
	Year ended 31.03.2011 (Audited)	Year ended 31.03.2010 (Audited)	Year ended 31.03.2011 (Audited)	Year ended 31.03.2010 (Audited)
SOURCES OF FUNDS				
Shareholders' Funds:				
(a) Capital	824546	824546	824546	824546
(b) Reserves and Surplus	5964679	5419196	6013910	5437182
Deferred Revenue from Advance Against Depreciation	79205	161084	79205	161084
Deferred Income from Foreign Currency Fluctuation	6243	-	6243	-
Ash Utilisation Fund	-	-	5896	1062
Loan Funds				
(a) Secured Loans	991068	907992	1742640	1537643
(b) Unsecured Loans	3327756	2871710	3332843	2877210
Deferred Foreign Exchange Fluctuation Liability	9654	6105	9667	6105
Deferred Tax Liability (net) after Recoverable	60295	20925	67165	22971
Minority Interest	-	-	48505	27896
TOTAL	11263446	10211558	12130620	10895699
APPLICATION OF FUNDS				
Goodwill on Consolidation	-	-	62	62
Fixed Assets incl. CWIP and Construction Stores & Advances	7750659	6686560	8971821	7648619
Investments	1234484	1480709	835733	1177761
Deferred Foreign Currency Fluctuation Assets	45915	36517	45915	36525
Current Assets, Loans And Advances				
(a) Inventories	363912	334771	391083	353296
(b) Sundry Debtors	792431	665146	839987	708081
(c) Cash and Bank balances	1618526	1445948	1785983	1605301
(d) Other current assets	104697	84404	107158	86802
(e) Loans and Advances	660113	551311	680321	568069
Less: Current Liabilities and Provisions				
(a) Liabilities	1032048	768758	1243876	975792
(b) Provisions	275243	307058	283567	315033
Net Current Assets	2232388	2005764	2277089	2030724
Deferred Expenses from Foreign Currency Fluctuation	-	2008	-	2008
TOTAL	11263446	10211558	12130620	10895699

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Notes:

1 The Subsidiaries and Joint Venture Companies considered in the Consolidated Financial Results are as follows.

a) Subsidiary Companies	Ownership (%)
1 NTPC Electric Supply Company Ltd. (incl. its Joint Venture Kinesco Power and Utilities Private Ltd *. with 50% holding)	100
2 NTPC Vidyut Vyapar Nigam Ltd.	100
3 NTPC Hydro Ltd.	100
4 Kanti Bijlee Utpadan Nigam Ltd.	64.57
5 Bhartiya Rail Bijlee Company Ltd.	74
b) Joint Venture Companies	
1 Utility Powertech Ltd.	50
2 NTPC Alstom Power Services Private Ltd.	50
3 NTPC SAIL Power Company Private Ltd.*	50
4 NTPC - Tamilnadu Energy Company Ltd.*	50
5 Aravali Power Company Private Ltd.	50
6 Ratnagiri Gas and Power Private Ltd.	30.17
7 Meja Urja Nigam Private Ltd.	50
8 NTPC-BHEL Power Projects Private Ltd.	50
9 BF-NTPC Energy Systems Ltd.*	49
10 Nabinagar Power Generating Company Private Ltd.	50
11 National Power Exchange Ltd.	16.67
12 NTPC-SCCL Global Ventures Private Ltd.	50
13 International Coal Ventures Private Ltd.*	14.28
14 Transformer and Electrical Kerala Ltd.*	44.6
15 Energy Efficiency Services Ltd.*	25
16 National High Power Test Laboratory Private Ltd.*	25
17 CIL-NTPC Urja Pvt.Ltd.*	50

All the above companies are incorporated in India.

* The financial statements are un-audited.

- 2 a) The Central Electricity Regulatory Commission (CERC) notified the Regulations, 2009 in January 2009, containing inter-alia the terms and conditions for determination of tariff applicable for a period of five years with effect from 1st April 2009. Pending determination of station-wise tariff by the CERC, sales have been provisionally recognized at ₹ 48,93,531 lakh (previous year ₹ 44,47,393 lakh) for the year ended 31st March 2011 on the basis of principles enunciated in the said Regulations on the capital cost considering the orders of Appellate Tribunal for Electricity (APTEL) for the tariff period 2004-2009 including as referred to in para 2 (d).
- Regulations, 2009 provide that pending determination of tariff by the CERC, the Company has to provisionally bill the beneficiaries at the tariff applicable as on 31st March 2009 approved by the CERC. The amount provisionally billed for the year ended 31st March 2011 on this basis is ₹ 47,51,921 lakh (previous year ₹ 43,76,513 lakh).
- b) For the units commissioned subsequent to 1st April 2009, pending the determination of tariff by CERC, sales of ₹ 4,52,839 lakh (previous year ₹ 1,73,540 lakh) have been provisionally recognised on the basis of principles enunciated in the Regulations, 2009. The amount provisionally billed for such units is ₹ 4,41,612 lakh (previous year ₹ 1,53,650 lakh).
- c) Sales of ₹ 80,087 lakh (previous year ₹ 11,933 lakh) pertaining to previous years have been recognized based on the orders issued by the CERC/APTEL.
- d) In respect of stations/units where the CERC had issued tariff orders applicable from 1st April 2004 to 31st March 2009, the Company aggrieved over many of the issues as considered by the CERC in the tariff orders, filed appeals with the APTEL. The APTEL disposed off the appeals favourably directing the CERC to revise the tariff orders as per the directions and methodology given. The CERC filed appeals with the Hon'ble Supreme Court of India on some of the issues decided in favour of the Company by the APTEL. The decision of Hon'ble Supreme Court is awaited. The Company had submitted that it would not press for determination of the tariff by the CERC as per APTEL orders pending disposal of the appeals by the Hon'ble Supreme Court.
- Considering expert legal opinions obtained that it is reasonable to expect ultimate collection, the sales for the tariff period 2004-2009 were recognised in earlier years based on provisional tariff worked out by the Company as per the directions and methodology given by the APTEL. As accountal of sales is subject to the decision of the Hon'ble Supreme Court of India, pending decision of the Hon'ble Supreme Court of India, a sum of ₹ 1,26,286 lakh included in debtors has been fully provided for during the year. Effect, if any, will be given in the financial statements upon disposal of the appeals.
- e) Consequent to issue of additional capitalisation orders by the CERC, advance against depreciation required to meet the shortfall in the component of depreciation to be charged in future years has been reassessed and the excess determined amounting to ₹ 7,975 lakh has been recognised as sales.
- f) During the year, the CERC has issued tariff orders in respect of some of the stations in compliance with the judgement of APTEL mentioned at para d) above, and the beneficiaries were billed accordingly. Since the orders of CERC include those issues which have been challenged by them before Hon'ble Supreme Court, and are pending disposal, the impact thereof amounting to ₹ 25,222 lakh has been accounted as 'Advance from customers'.



- 3 Sales includes ₹ 33,851 lakh (previous year (-) ₹ 71,993 lakh) on account of income tax recoverable from customers as per CERC Tariff Regulations, 2004 and ₹ 2,172 lakh (previous year ₹ 24,847 lakh) on account of deferred tax recoverable from customers as per CERC Tariff Regulations, 2009.
- 4 CERC has issued a draft notification dated 3rd September 2010 which inter-alia provides for upfront truing up of un discharged liabilities with regard to capital cost admitted by CERC before 1st April 2009. In anticipation of final notification an estimated amount of ₹ 26,359 lakh has been provided for towards tariff adjustment.
- 5 Provision for current tax for the year includes tax related to earlier years amounting to ₹ 5,602 lakh (previous year (-) ₹ 52,540 lakh).
- 6 During the year 2010-11, one unit of 490 MW at Dadri and one unit of 500 MW at Korba of the Company have been declared commercial w.e.f 31st July 2010 and 21st March 2011 respectively.
- 7 Effect of changes in Accounting Policies:
- During the year, the Office of the Comptroller & Auditor General of India has expressed an opinion that power sector companies shall be governed by the rates of depreciation notified by the CERC for providing depreciation in respect of generating assets in the accounts instead of the rates as per the Companies Act, 1956. Accordingly, the Company revised its accounting policies relating to charging of depreciation w.e.f 1st April 2009 considering the rates and methodology notified by the CERC for determination of tariff through Regulations, 2009. In case of certain assets, the Company has continued to charge higher depreciation based on technical assessment of useful life of those assets. Consequent to this change, prior period depreciation written back is ₹ 1,11,650 lakh, depreciation for the year is lower by ₹ 27,962 lakh. As a result, fixed assets and profit before tax for the year is higher by ₹ 1,39,612 lakh.
 - Due to the above change, the amount of advance against depreciation (AAD) required to meet the shortfall in the component of depreciation in revenue over the depreciation to be charged off in future years has been reassessed by the Company station-wise as at 1st April 2009 and the excess determined, amounting to ₹ 72,749 lakh has been recognised as prior period sales.
 - Further, the amount recoverable from the beneficiaries on account of deferred tax materialised for the financial year 2009-10 has been reassessed and excess amount of ₹ 21,267 lakh is reversed as 'Prior Period Sales' with equivalent reduction in provision for tax of earlier years in the Profit and Loss Account.
 - Further, due to the above change, deferred tax liability (net) and deferred tax recoverable from the beneficiaries as at 31st March 2010 amounting to ₹ 3,04,941 lakh and ₹ 2,84,016 lakh respectively have been reviewed and restated to ₹ 4,41,519 lakh and ₹ 3,80,969 lakh respectively. As a result, deferred tax liability as at 31.03.2010 has increased by ₹ 1,36,578 lakh out of which ₹ 96,953 lakh is recoverable from the beneficiaries as per Regulation 39 of Regulations, 2009 and net increase is debited to provision for deferred tax.
- 8 Ministry of Power (MOP), Government of India (GOI) vide letter dated 24.12.2010 has communicated the discontinuation of one of the Hydro Power Projects of the Company in the State of Uttarakhand. Subsequently, the Company has issued Letter of Frustration to the suppliers/vendors of the project.
- MOP has sought details of expenditure incurred, committed costs, anticipated expenditure on safety and stabilization measures, other recurring site expenses and interest costs, as well as claims of various packages of contractors/vendors. Management expects that the total cost incurred, anticipated expenditure on safety and stabilization measures, other recurring site expenses and interest costs as well as claims of various packages of contractors/vendors for this project will be compensated in full. Hence, cost incurred on the project up to 31.03.2011 amounting to ₹ 74,882 lakh has been accounted as recoverable from GOI.
- 9 The Company is executing a thermal power project in respect of which possession certificates for 1,489 acres (previous year 1,489 acres) of land has been handed over to the Company and all statutory and environment clearances for the project have been received. Subsequently, a high power committee has been constituted as per the directions of GOI to explore alternate location of the project since present location is stated to be a coal bearing area. Aggregate cost incurred up to 31st March 2011 ₹ 19,019 lakh (previous year ₹ 18,310 lakh) is included in 'Fixed Assets'. Management is confident of recovery of cost incurred, hence no provision is considered necessary.
- 10 During the quarter, the Company has paid an interim dividend of ₹ 3.00 per share (face value ₹ 10/-each) for the year 2010-11. The Board of Directors has recommended final dividend of ₹ 0.80 per share (face value ₹ 10/-each). The total dividend (including interim dividend) for the financial year 2010-11 is ₹ 3.80 per share (face value ₹ 10/-each).
- 11 The audited accounts are subject to review by Comptroller and Auditor General of India under section 619(4) of the Companies Act, 1956.
- 12 Formula used for computation of coverage ratios DSCR = Earning before Interest, Depreciation and Tax/(Interest net off transferred to expenditure during construction + Principal repayment) and ISCR = Earning before Interest, Depreciation and Tax/(Interest net off transferred to expenditure during construction).
- 13 Information on investors complaints pursuant to clause 41 of Listing Agreements for the quarter ended 31st March 2011

	Opening Balance	Additions	Disposals	Closing Balance
No. of complaints	8	1813	1809	12

- 14 The above results have been reviewed by the Audit Committee of the Board of Directors in their meeting held on 10th May 2011 and approved by the Board of Directors in the meeting held on the same day.
- 15 Figures for the previous year have been regrouped/ rearranged wherever necessary.

