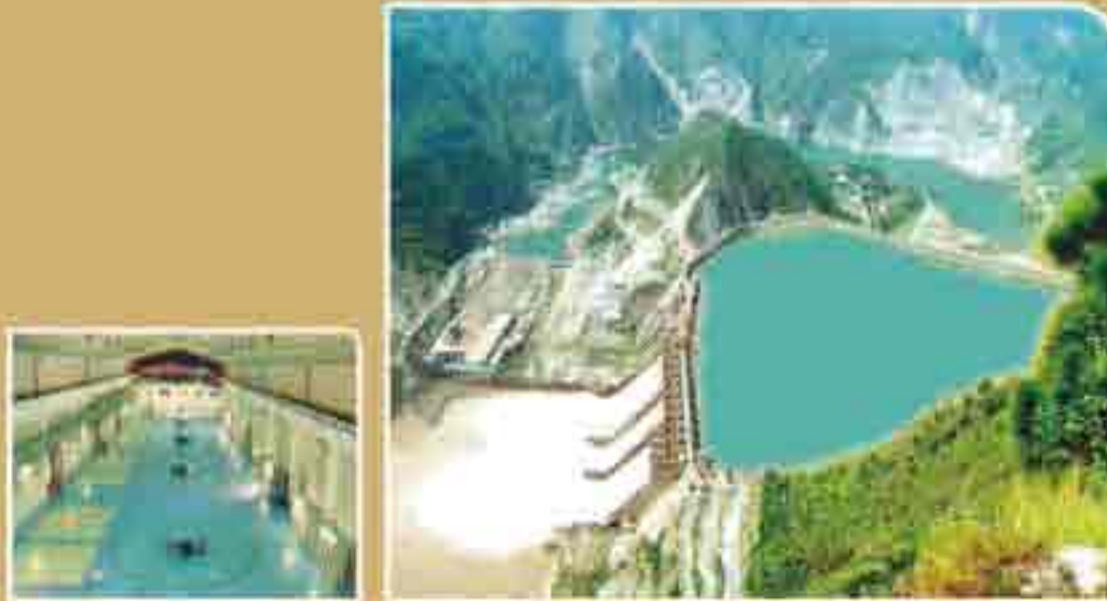


Annual Report 2008-09



Report



NHPC Limited
(A Government of India Enterprise)

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NHDC

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CORPORATE VISION

A world class, diversified & transnational organization for sustainable development of hydro power and water resources with strong environment conscience.

CORPORATE MISSION

- To achieve international standards of excellence in all aspects of hydro power and diversified business.
- To execute and operate projects in a cost effective, environment friendly and socio economically responsive manner.
- To foster competent, trained and multi-disciplinary human capital.
- To continually develop state-of-the-art technologies through innovative R&D and adopt best practices.
- To adopt the best practices of corporate governance and institutionalize value based management for a strong corporate identity.
- To maximize creation of wealth through generation of internal funds and effective management of resources.

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 Cover



510 MW Teesta-V Power Station (Sikkim) - Dam



Shri S.K. Garg
Chairman & Managing Director

BOARD OF DIRECTORS

As on 31.07.2009



Shri A.B.L. Srivastava
Director (Finance)



Shri D.P. Bhargava
Director (Technical)



Shri J.K. Sharma
Director (Projects)



Shri R.S. Mina
Director (Personnel)



Shri Jayant Kawale
Jr. Secretary (MOP)



Smt. Komal Anand
Independent Director



Shri A.K. Mago
Independent Director



Shri Raman Sidhu
Independent Director



Shri R. Jeyaseelan
Independent Director



Dr. Kuriakose Mamkoottam
Independent Director



Shri K. Dharmarajan
Independent Director

Company Secretary
Shri Vijay Gupta

Statutory Auditors
M/s. GSA & Associates,
Chartered Accountants,
16, DDA Flats,
Shivalik, Panchshil,
Near Malviya Nagar,
New Delhi - 110017

M/s. O.P. Garg & Co.,
Chartered Accountants,
40 A/D, Gandhi Nagar,
Jammu - 180004

M/s. K.K.Ghei & Co.,
Chartered Accountants,
806, Hemkunt House,
6, Rajendra Place,
New Delhi - 110008

M/s. K.C. Bhattacharjee & Paul,
Chartered Accountants,
2, Church Lane, 3rd Floor,
Room No. 304-B,
Kolkata - 700001

M/s. N. Sarkar & Co.,
Chartered Accountants,
21, Prafulla Sarkar Street,
Kolkata - 700072

Bankers

State Bank of India
State Bank of Bikaner & Jaipur
State Bank of Patiala
Indian Overseas Bank
Bank of India
Jammu & Kashmir Bank Ltd.
ICICI Bank Limited
Deutsche Bank
Axis Bank
Bank of Bhutan
Standard Chartered Bank
IDBI Limited
HDFC Bank Ltd.



Shri Vijay Gupta
Company Secretary

CORPORATE PROFILE

FINANCIAL		2008-09	2007-08	2006-07	2005-06
Sales	**	2671.85	2243.73	1754.12	1614.11
Miscellaneous income	@	589.64	911.77	433.38	359.55
Profit before interest, depreciation & tax	\$	2201.76	2201.93	1610.04	1454.71
Profit after interest & depreciation		1178.34	1146.65	1087.74	812.16
Profit after interest, depreciation & tax		1075.22	1004.09	924.80	742.75
Dividend		325.00	300.00	278.00	223.00
Reserves & surplus (cumulative)		6798.13	6093.34	5367.05	4709.89
WHAT CORPORATION OWNS					
Gross Fixed Assets		21460.08	20639.51	12943.64	12755.52
Depreciation		3816.27	3262.66	2850.92	2527.83
Net Fixed Assets		17643.81	17376.85	10092.72	10227.69
Capital Work in progress		9401.77	6318.64	11399.92	8844.19
Construction Stores and Advances		1096.85	1077.34	856.43	778.95
Investments		2793.60	3049.22	3322.75	3832.81
Net Current Assets		605.76	713.03	-345.60	-225.34
Miscellaneous Expenditure not w/o.		2.33	0.34	25.80	24.55
		31544.12	28535.42	25352.02	23482.85
WHAT CORPORATION OWES					
Net Worth					
- Share Capital		11182.49	11182.49	11207.04	10576.09
- Reserves		6798.13	6093.34	5367.05	4709.89
Income Received in advance on account of Advance		1329.47	1303.26	1245.98	1030.18
Against Depreciation					
Borrowings		12234.03	9956.33	7531.95	7166.69
		31544.12	28535.42	25352.02	23482.85
OPERATING PERFORMANCE					
		2008-2009	2007-2008	2006-2007	2005-2006
Generation (M.U.)		16583	14663	13049	12567
Machine availability (%)		93.61	96.13	94.11	98.16
Sales (Rs.in crore)		2671.85	2243.73	1754.12	1614.11
Man power (Nos.)		12028	12341	12768	13118

** Sales are net after tariff adjustment and Advance
Against Depreciation

@ Includes receipts against contracts

\$ After prior period adjustments

(Rupees in crore)

2004-05	2003-04	2002-03	2001-02	2000-01	1999-2000
1449.98	1276.09	1172.23	1221.00	1179.90	1075.70
393.80	551.69	302.96	330.40	575.70	202.60
1438.86	1477.37	1153.39	1183.50	1209.70	1070.70
777.53	643.48	555.00	513.10	484.20	401.20
684.58	621.38	510.50	470.90	443.40	401.20
140.00	120.00	75.00	50.00	30.00	15.00
4168.49	3594.27	3065.70	2598.50	2139.10	1690.60
10876.28	10342.71	8280.95	8113.50	7892.70	7752.70
2148.20	1882.95	1672.19	1526.70	1280.10	1029.00
8728.08	8459.76	6608.76	6586.80	6612.60	6723.70
8787.19	6975.83	7078.00	5218.30	3710.80	2768.60
770.14	805.55	621.74	525.50	613.00	511.50
3769.43	3660.87	2415.66	1965.00	679.90	0.00
138.69	107.76	1889.77	1512.20	1864.20	2100.90
1.18	0.71	1.20	2.00	9.80	1.90
22194.71	20010.48	18615.13	15809.80	13490.30	12106.60
9933.27	8629.03	7240.61	6345.70	5188.20	4446.20
4168.49	3594.27	3065.70	2598.50	2139.10	1690.06
1071.15	939.40	801.06	648.40	519.90	386.10
7021.80	6847.78	7507.76	6217.20	5643.10	5583.70
22194.71	20010.48	18615.13	15809.80	13490.30	12106.60
2004-2005	2003-2004	2002-2003	2001-2002	2000-2001	1999-2000
11286	11046	9863	8912	8774	8691
95.30	96.82	96.62	96.86	92.09	91.05
1449.98	1276.09	1172.23	1221.00	1179.90	1075.70
13470	13648	13017	13054	11850	12150

DIGEST OF IMPORTANT FINANCIAL DATA (TEN YEARS)

FINANCIAL		2008-09	2007-08	2006-07	2005-06
A SALE OF ENERGY	\$	2698.06	2301.00	1969.93	1661.99
B ADVANCE AGAINST DEPRECIATION		26.21	57.27	215.81	47.88
C OTHER INCOME (INCLUDES CONST. & CONSULTANCY RECEIPT)	#	589.64	911.77	433.38	359.55
D TOTAL INCOME (A)-(B)+(C)		3261.49	3155.50	2187.50	1973.66
E GENERATION & OTHER EXPENSES (INCLUDES CONTRACT & CONSULTANCY)		1059.73	953.57	577.46	518.95
F GROSS MARGIN (D) - (E)		2201.76	2201.93	1610.04	1454.71
G DEPRECIATION		518.24	443.74	290.55	269.57
H GROSS PROFIT (F) - (G)		1683.52	1758.19	1319.49	1185.14
I INTEREST AND FINANCE CHARGES		505.18	611.54	231.75	372.98
J NET PROFIT (H) - (I)		1178.34	1146.65	1087.74	812.16
K TAX		103.12	142.56	162.94	69.41
L NET PROFIT AFTER TAX (J) - (K)		1075.22	1004.09	924.80	742.75
M INTERNAL RESOURCE GENERATED (G)+(L)+(B)		1619.67	1505.10	1431.16	1060.20
N AUTHORISED CAPITAL		15000.00	15000.00	15000.00	15000.00
O EQUITY PAID UP CAPITAL	**	11182.49	11182.49	11207.04	10576.09
P RESERVE AND SURPLUS		6798.13	6093.34	5367.05	4709.89
Q LOAN FUND		12234.03	9956.33	7531.95	7166.69
R INCOME RECEIVED IN ADVANCE AGAINST DEP (AAD)		1329.47	1303.26	1245.98	1030.18
S GROSS FIXED ASSETS		21460.08	20639.51	12943.64	12755.52
T DEPRECIATION		3816.27	3262.66	2850.92	2527.83
U NET FIXED ASSETS (S) - (T)		17643.81	17376.85	10092.72	10227.69
V CAPITAL WORK-IN-PROGRESS		9401.77	6318.64	11399.92	8844.19
W CONSTRUCTION STORES AND ADVANCES		1096.85	1077.34	856.43	778.95
X INVESTMENTS		2793.60	3049.22	3322.75	3832.81
Y WORKING CAPITAL		605.76	713.03	-345.60	-225.34
Z MISC. EXPENDITURE TO THE EXTENT NOT WRITTEN OFF		2.33	0.34	25.80	24.55
A A GROSS CAPITAL EMPLOYED (U)+(V)+(W)+(X)+(Y)		31541.79	28535.08	25326.22	23458.30
A B NET WORTH (O)+(P)-(Z)		17978.29	17275.49	16548.29	15261.43
A C INVENTORY CONSUMPTION IN POWER STATION		8.92	6.15	6.56	12.02
A D VALUE ADDED (A)-(B)-(AC)		2662.93	2237.58	1747.56	1602.09
\$ INCLUDING TARIFF ADJUSTMENT, WHEELING CHARGES AND PROVISION FOR DOUBTFUL DEBTS					
** INCLUDING SHARE DEPOSIT & GOI FUND ADJUSTABLE TO EQUITY					
# INCLUDES RECEIPTS AGAINST CONTRACTS					
RATIOS		2008-09	2007-08	2006-07	2005-06
1 RETURN ON GROSS CAPITAL EMPLOYED (H) / (AA)		5.34%	6.16%	5.21%	5.05%
2 RETURN ON NET WORTH (L) / (AB)		5.98%	5.81%	5.59%	4.87%
3 NET SALES TO GROSS CAPITAL EMPLOYED ((A)-(B)) / (AA)		8.47%	7.86%	6.93%	6.88%
4 VALUE ADDED TO NET SALES (AD) / ((A)-(B))		99.67%	99.73%	99.63%	99.26%
5 DEBT TO EQUITY RATIO (Q) / ((O)+(P)+(R))		0.63	0.54	0.42	0.44
6 NET PROFIT TO NET SALES (L) / ((A)-(B))		40.24%	44.75%	52.72%	46.02%

(Rupees in crore)

2004-05	2003-04	2002-03	2001-02	2000-01	1999-2000
1581.73	1414.43	1324.86	1349.60	1313.70	1216.30
131.75	138.34	152.63	128.60	133.80	140.60
393.80	551.69	302.96	330.40	575.70	202.60
1843.78	1827.78	1475.19	1551.40	1755.60	1278.30
404.92	350.41	321.80	367.90	545.90	207.60
1438.86	1477.37	1153.39	1183.50	1209.70	1070.70
248.97	208.14	140.36	231.60	238.70	219.80
1189.89	1269.23	1013.03	951.90	971.00	850.90
412.36	625.75	458.03	438.80	486.80	449.70
777.53	643.48	555.00	513.10	484.20	401.20
92.95	22.10	44.50	42.20	40.80	0.00
684.58	621.38	510.50	470.90	443.40	401.20
1065.30	967.86	803.49	831.10	815.90	761.60
15000.00	15000.00	10000.00	7000.00	7000.00	5000.00
9933.27	8629.03	7240.61	6345.70	5188.20	4446.20
4168.49	3594.27	3065.70	2598.50	2139.10	1690.60
7021.80	6847.78	7507.76	6217.20	5643.10	5583.70
1071.15	939.40	801.06	648.40	519.90	386.10
10876.28	10342.71	8280.95	8113.50	7892.70	7752.70
2148.20	1882.95	1672.19	1526.70	1280.10	1029.00
8728.08	8459.76	6608.76	6586.80	6612.60	6723.70
8787.19	6975.83	7078.00	5218.30	3710.80	2768.60
770.14	805.55	621.74	525.50	613.00	511.50
3769.43	3660.87	2415.66	1965.00	679.90	0.00
138.69	107.76	1889.77	1512.20	1864.20	2100.90
1.18	0.71	1.20	2.00	9.80	1.90
22193.53	20009.77	18613.93	15807.80	13480.50	12104.70
14100.58	12222.59	10305.11	8942.20	7317.50	6134.90
7.73	2.67	2.65	6.90	7.10	6.00
1442.25	1273.42	1169.58	1214.10	1172.80	1069.70

2004-05	2003-04	2002-03	2001-02	2000-01	1999-2000
5.36%	6.34%	5.44%	6.02%	7.20%	7.03%
4.85%	5.08%	4.95%	5.27%	6.06%	6.54%
6.53%	6.38%	6.30%	7.72%	8.75%	8.89%
99.47%	99.79%	99.77%	99.43%	99.40%	99.44%
0.46	0.52	0.68	0.65	0.72	0.86
47.21%	48.69%	43.55%	38.57%	37.58%	37.30%



240 MW Uri-II Project (Jammu & Kashmir) - Dam Site