

JAIPRAKASH

HYDRO - POWER LIMITED

Regd. Office : C-16, Sector-1, SDA Housing Colony, New Shimla - 171 009
Head Office: 'JA Annexe', 54, Basant Lok, Vasant Vihar, New Delhi - 110 057

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2006

(Rs in Crores)

S.no	Particulars	9 Months ended		Quarter Ended		Year Ended		Year Ended	
		31.12.2005 (Reviewed)		31.3.2006		31.03.2006		31.03.2005	
						(Audited)		(Audited)	
1	Net Sales / Income from Operation		242.29		29.53		271.82		299.52
2	Other Income		1.36		1.05		2.41		1.83
3	Total Sales / Income from Operation		243.65		30.58		274.23		301.35
4	Total Expenditure								
a	Operation & Maintenance Expenses	6.29		0.82		7.11		6.64	
b	Staff Cost	3.44		1.58		5.02		4.16	
c	Other Expenditure	7.56		0.29		7.85		7.89	
d	Misc Exp. Written Off	15.24	32.53	7.15	9.84	22.39	42.37	16.31	35.00
5	Interest		81.78		19.66		101.44		127.30
6	Profit before depreciation (3-4-5)		129.34		1.08		130.42		139.05
7	Depreciation (see note 2)		63.04		10.99		43.95	#	83.56
8	Profit before Tax & Extra Ordinary		66.30		(9.91)		86.47		55.49
9	Add: Extra Ordinary Items:								
a	Reversal of Depreciation for the period 1.4.05 to 31.12.05		-	30.08			-		
b	Reversal of Depreciation for years 2003-04 and 2004-05		-	73.35	103.43		73.35		
10	Profit before Tax		66.30		93.52		159.82		
11	Provision for Taxation								
a	Minimum Alternate Tax	5.69		8.34		14.03		4.39	
b	Fringe Benefit Tax	0.07	5.76	0.04	8.38	0.11	14.14	-	4.39
12	Profit After Tax (10-11)		60.54		85.14		145.68		51.10
13	Paid-up Equity Share Capital (Face Value of Rs 10/- each)		491.00		491.00		491.00		491.00
14	Reserves						212.70		67.02
15	Basic and diluted EPS (Rs)		1.23		1.73		2.97		1.04
			Not Annualised						
	Aggregate Non Promoter Shareholdings								
	- Number of Shares		180,000,000		180,000,000		180,000,000		-
	- % of Shareholding		36.66%		36.66%		36.66%		-

Notes:-

- The Equity Shares of the Company were listed on the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited w.e.f. April 18, 2005. Accordingly, these are the first year financial results post listing.
- The Ministry of Company Affairs, Government of India, vide its letter dated 26.6.2006, in exercise of the powers conferred under section 205 (2) (c) of the Companies Act, 1956 has approved Company's proposal to provide depreciation @ 2.71% based on useful life of Hydro Electric Plant of 35 years w.e.f. the date of commercial operation of 1st unit i.e. 24.5.2003. Accordingly depreciation for the current year @2.71% works out to Rs. 43.95 # crores after write back of Rs. 30.08 crores for the first 3 quarters. The write back of depreciation of earlier years aggregate to Rs. 73.35 crores, which has been written back during the quarter.
- The profit before tax and after tax for the year includes write back of depreciation of Rs. 73.35 crore for FY 2003-04 and FY 2004-05 (net of tax Rs. 67.18 crore). Had the depreciation been charged as earlier, the EPS for FY 2005-06 would have been Rs. 0.87 per share of Rs. 10/- each.
- The profit of the Company is exempt U/S 80-IA of the Income Tax Act, 1961 for the initial period of 10 years. Provisions for deferred tax for the year (as per Accounting Standard 22 issued by ICAI) is also not required to be made in view of this tax exemption. However, in terms of Section 115 JB read with other applicable provisions of the income Tax Act 1961, the company is liable to pay Minimum Alternate Tax (MAT) on its book profits. On account of write back of depreciation as aforesaid, MAT liability for FY 2003-04 and FY 2004-05 has been provided and is being paid.
- The Company has presently one segment i.e. Generation of Hydro-Power. Hence, separate segment reporting is not applicable.
- Due to heavy rains and snow fall in District Kinnaur of Himachal Pradesh, where the Company's Baspa-II HE Power Station is situated, there had been rock fall on the installations damaging the Pothead Yard of the Power House leading to suspension of generation from 19th January, 2006. The generation restarted w.e.f. 2nd May 2006. The plant is operating satisfactorily. The Company has billed capacity charges (Deemed Plant Availability) to HPSEB for the aforesaid period (72 days) as per the provisions of PPA and has lodged claim for loss of generation with the Insurer which is under process.
- A total of 5799 references from investors were received from 18th April, 2005 to 31st March, 2006 by Karvy Computershare Private Limited, the Company's Registrar, out of which 5797 have been resolved by 31st March 2006 and the balance 2 have also been resolved in the first week of April 2006.
- The above results have been reviewed by the Audit Committee and approved and taken on record by the Board of Directors at their meetings held on the 30.06.2006.

30th June, 2006

SUNIL KUMAR SHARM
VICE CHAIRMAN