

JAIPRAKASH HYDRO - POWER LIMITED

Regd. Office : JUIT Complex, Wagnaghat, P.O. Dumehar Bani, Kandaghat- 173215, Distt. Solan (H.P.)
Head Office: 'JA Annexe', 54, Basant Lok, Vasant Vihar, New Delhi - 110 057

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2007

(Rs in Crores)

S.no	Particulars	9 Months ended 31.12.2006 (Reviewed)	Quarter Ended 31.3.2007	Quarter Ended 31.3.2006	Year Ended 31.03.2007	Year Ended 31.03.2006
1	Net Sales / Income from Operation	250.66	78.42	29.53	329.08	271.82
2	Other Income	1.36	26.08	1.05	27.44	2.41
3	Total Sales / Income from Operation	252.02	104.50	30.58	356.52	274.23
4	Total Expenditure					
a	Operation & Maintenance Expenses	6.89	1.30	0.82	8.19	7.11
b	Staff Cost	3.98	1.60	1.58	5.58	5.02
c	Other Expenditure	7.88	3.51	0.29	11.39	7.85
d	Misc Exp. Written Off	11.11	29.86	6.41	9.84	22.39
5	Interest	78.12	25.67	19.66	110.11	101.44
6	Profit before depreciation (3-4-5)	144.04	72.42	1.08	221.25	130.42
7	Depreciation	34.36	11.26	10.99	45.62	43.95
8	Profit before Tax & Extra Ordinary Items (6-7)	109.68	61.16	(9.91)	175.63	86.47
9	Add: Extra Ordinary Items:					
a	Reversal of Depreciation for earlier years	-	-	103.43	-	
b	Prior period adjustments	-	54.00	-	49.21	73.35
10	Profit before Tax	109.68	115.16	93.52	224.84	159.82
11	Provision for Taxation					
a	Minimum Alternate Tax	12.31	7.40	8.34	19.71	14.03
b	On prior period adjustments		5.52	-	5.52	-
c	Fringe Benefit Tax	0.05	12.36	0.02	8.38	0.11
12	Profit After Tax (10-11)	97.32	102.22	85.14	199.54	145.68
13	Paid-up Equity Share Capital (Face Value of Rs 10/- each)	491.00	491.00	491.00	491.00	491.00
14	Reserves				412.34	212.70
15	Basic and diluted EPS (Rs)	1.98	2.08	1.73	4.06	2.97
		Not Annualised	Not Annualised	Not Annualised		
	Aggregate Non Promoter Shareholdings					
	- Number of Shares	180,000,000	180,000,000	180,000,000	180,000,000	180,000,000
	- % of Shareholding	36.66%	36.66%	36.66%	36.66%	36.66%

Contd....2

Notes:-

1. The Himachal Pradesh Electricity Regulatory Commission (HPERC) has passed the Tariff Order on 24.2.2007 determining (i) the Capital cost of the Project for the purpose of computation of Tariff at Rs.1533.96 crores (ii) the Tariff from COD of the project till 2007-08. The Commission has determined the arrears of Rs. 227.15 crores upto 31.3.2007 (the actuals for FY 07 to be reckoned) payable by HPSEB to JHPL . The payment of arrears along with interest at 8% per annum has been approved through a recovery mechanism.
The financial results for the current quarter and current year have been computed in line with the provisions of the Tariff Order. Increase in other income during the current quarter and current year is mainly on account of interest on arrears for the year as approved in the Tariff order.
2. A Joint Venture Company has been promoted with Power Grid Corporation of India Ltd. (POWERGRID) for developing a transmission system for evacuating the power to be generated by 1000 MW Karcham Wangtoo Hydro Electric Project in Himachal Pradesh to a suitable interconnecting point. Shareholders' agreement has been signed with POWERGRID on 22nd Feb 2007 with 74 % equity participation. Since the said new company is in pre-operational stage, the consolidation of the financial results are not required.
3. The Ministry of Company Affairs, Govt. of India in exercise of the powers conferred under Section 205 (2) (c) of the Companies Act 1956 has approved rate of depreciation @2.71% p.a. (in place of rates prescribed in Schedule XIV to the Companies Act, 1956) based on useful Life of Hydro Electric Plant from the date of commencement of generation. Accordingly depreciation during the current quarter / year has been provided @ 2.71% on hydro electric plant and has been revised for the previous years.
4. The profit of the Company is exempt U/S 80-IA of the Income Tax Act, 1961 for the initial period of 10 years. 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 which from current financial year is allowed to be carried forward for 7 years for adjustment against normal tax. Provision for deferred tax for the year (as per Accounting Standard 22 issued by ICAI) is also not required to be made in view of tax exemption for next 6 financial years.
5. The water availability in the first half of the financial year is higher as compared to the second half. As such, the revenues from the power generation by the Company in the first two quarters is higher than the second two quarters of the year.
6. The results of the current quarter are not comparable with that of the quarter of the previous year as the generation was suspended from 19th January 2006 to 2nd May 2006 due to damages to the Pothead Yard due to heavy rains and rock fall. Prior Period Adjustments are on account of Interest and reimbursement of other expenditure for the period upto 31.03.2006 as approved by the HPERC in Tariff Order dated 24.02.2007.
7. The Company has presently one segment i.e. Generation of Hydro-Power, hence, separate segment reporting is not applicable.
8. Status of Investors' References during the quarter ended 31st March 2007: Pending as on 1.1.2007- Nil, Received during the quarter - 79, Resolved during the quarter- 79, Pending as on 31.3.2007- Nil.
9. The above audited results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on the 21st April, 2007.

21st April 2007

**MANOJ GAUR
CHAIRMAN**