

NEVELI LIGNITE CORPORATION LIMITED, NEVELI

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31st DECEMBER, 2011

(Rs. in lakhs)

Sl. No.	DESCRIPTION	QUARTER ENDED			NINE MONTHS ENDED		YEAR ENDED
		31-12-2011	30-09-2011	31-12-2010	31-12-2011	31-12-2010	31.03.2011
		(Unaudited)			(Unaudited)		(Audited)
1	a) Net Sales/Income from operations	104599	115883	86921	336087	307784	394908
	b) Total	104599	115883	86921	336087	307784	394908
2	Expenditure :						
	a) (Inc.)/dec. in stock in trade & work in progress	2767	(1535)	1809	(1050)	537	(664)
	b) Consumption of stores, spares & fuel	15150	15468	14625	43712	41100	51093
	c) Employees Cost	43681	43324	40348	136412	112951	140079
	d) Depreciation	9099	9010	9557	27850	29488	41287
	e) Other expenditure	20269	21181	19036	61398	58324	75437
	f) Prior period items	0	(256)	(7)	(256)	457	348
	Total	90946	87192	85368	267864	242857	307581
3	Profit from Operations before Other Income.						
	Interest and Exceptional Items (1-2)	13653	20691	1553	68223	64927	87327
4	Other Income	13529	13767	13092	54207	40981	97035
5	Profit before Interest and Exceptional Items (3+4)	27182	42458	14645	122430	105908	184362
6	Interest	2834	2990	2612	10082	7891	15907
7	Profit after Interest but before Exceptional Items (5-6)	24348	39468	12033	112348	98017	168455
8	Exceptional Items	0	0	0	0	0	0
9	Profit (+)/Loss (-) before Tax (7+8)	24348	39468	12033	112348	98017	168455
10	Tax expense	5854	11633	2426	31736	26829	38622
11	Net Profit (+)/Loss (-) from Ordinary Activities after tax (9-10)	18494	27835	9607	80612	71188	129833
12	Extraordinary Items (Net of tax)	0	0	0	0	0	0
13	Net Profit (+)/Loss (-) for the period (11-12)	18494	27835	9607	80612	71188	129833
14	Paid-up equity share capital (Face Value Rs.10/-)	167771	167771	167771	167771	167771	167771
15	Reserves Excluding Revaluation Reserves as per balance sheet of previous accounting year.						949445
16	Earnings Per Share (EPS)						
	a) Basic and diluted EPS before Extraordinary items	1.10	1.66	0.57	4.80	4.24	7.74
	b) Basic and diluted EPS after Extraordinary items	1.10	1.66	0.57	4.80	4.24	7.74

A. N. S.



17	Public Shareholding						
	No. of shares	108069700	108069700	108069700	108069700	108069700	108069700
	Percentage of shareholding	6.44%	6.44%	6.44%	6.44%	6.44%	6.44%
18	Promoters and promoter group Shareholding						
	a) Pledged/Encumbered						
	No. of shares	NIL	NIL	NIL	NIL	NIL	NIL
	Percentage of shares (as a % of the total shareholding of promoter group)						
	Percentage of shares (as a % of the total share capital of the company)						
	b) Non-Encumbered						
	No. of shares	1569639900	1569639900	1569639900	1569639900	1569639900	1569639900
	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%
	Percentage of shares (as a % of the total share capital of the company)	93.56%	93.56%	93.56%	93.56%	93.56%	93.56%

NOTE:

- i) (a) Pending finalization of power tariff for Thermal Power Station - I by Central Electricity Regulatory Commission (CERC), sale of power has been accounted provisionally based on i) the guidelines issued by Ministry of Coal on lignite price for energy charges and ii) CERC's norms and parameters for capacity charges. (b) Revision of power tariff on account of actual instead of normative parameters will be reckoned on receipt of CERC approval at the end of the tariff period.
- ii) Effect of foreign exchange fluctuations as per AS-11 will be considered at the year end.
- iii) The Auditors have made observations in their report for the year ended 31-03-2011 that pending receipt of final tariff order from CERC, the consequential adjustment between accounted rate and CERC rate and also the adjustment at the end of the tariff period on account of actual instead of normative, the resultant impact on the profit being unascertainable. In addition to the above, the auditors further observed in their Limited Review Report for the quarters ended 30-06-2011 and 30-09-2011 that the effect of foreign exchange fluctuations as per AS-11 has not been considered.
The remarks of the Company for the observations of the Auditors are given in note No: I and II Above.
- iv) Unit -II of Barsingar Project commenced commercial production on 29-12-2011
- v) Disputed income tax demand in appeal is Rs. 21468 lakhs, which has not been provided, since the identical issue had been decided in favour of the Company in appeal in earlier years.
- vi) Status of investor complaints:

Complaints at the beginning of the quarter	Received during the quarter	Redressed during the quarter	Balance at the end of the quarter *
8	105	108	5

* Since resolved

vii) Figures for the corresponding previous periods have been regrouped wherever necessary.

viii) The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 10th February, 2012.

Chennai,
10th February, 2012.


A. R. ARSARI
 CHAIRMAN - CUM-MANAGING DIRECTOR



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NEYVELI LIGNITE CORPORATION LIMITED, NEYVELI

Segment wise Revenue, Results and Capital Employed, under clause 41 of the Listing Agreement.

(Rs. In lakhs)

	Quarter ended			Nine Month ended		Year ended
	31-12-2011	30-09-2011	31-12-2010	31-12-2011	31-12-2010	31-03-2011
	(UnAudited)			(UnAudited)		(Audited)
1. Segment Revenue						
a. Lignite Mining	83641	92116	68547	270279	236515	287484
b. Power Generation	98891	107798	85336	316148	296935	380009
Total	182532	199914	153883	586427	533450	667493
Less: Inter Segment Revenue	77933	84031	66962	250340	225666	272585
Net Sales/income from operations	104599	115883	86921	336087	307784	394908
2. Segment Results (Profit)+/Loss(-)before tax and Interest from each Segment)						
a. Lignite Mining	14006	22919	6288	65800	54462	94717
b. Power Generation	5140	10372	1053	19020	24925	48343
Total	19146	33291	7341	84820	79387	143060
Less:						
Interest	2834	2990	2612	10082	7891	15907
Add:						
Other un-allocable income net off un-allocable expenditure.	8036	9167	7304	37610	26521	41302
Total Profit Before Tax	24348	39468	12033	112348	98017	168455
3. Capital Employed (Segment assets-Segment Liabilities)						
a. Lignite Mining	374793	375685	289009	374793	289009	347051
b. Power Generation	491915	376870	312519	491915	312519	333047
c. Unallocated incl. work in progress	331357	427016	502127	331357	502127	437355
Total	1198065	1179571	1103655	1198065	1103655	1117453

A. K. Srinivasan



LIMITED REVIEW REPORT

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M/s. L.U. KRISHNAN & Co., Chartered Accountants, 3-1, West Club Road, Shenoy Nagar, Chennai - 600 030	M/s. SREEDHAR, SURESH & RAJAGOPALAN, Chartered Accountant, 3 B, Green Heaven, 26 Third main road, Gandhi Nagar, Adyar, Chennai-600 020
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Review Report to **M/s. NEYVELI LIGNITE CORPORATION LIMITED, NEYVELI.**

1. We have reviewed the accompanying statement of unaudited financial results of M/s. Neyveli Lignite Corporation Limited for the period ended **31.12.2011** except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

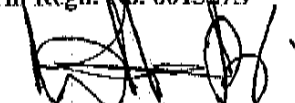
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Engagements to Review interim Financial Statements* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. *Attention is invited to*

- a. *Note (i)(a) of unaudited financial results on sale of power to SEBs, regarding provisional accounting of power tariff. Pending finalization of tariff by Central Electricity Regulatory Commission (CERC), the power tariff is provisionally accounted based on guidelines of Ministry of Coal on Lignite transfer price for energy charges and CERC norms for capacity charges in respect of power exported from Thermal Power Station-I, the effect of which is not ascertainable at this stage.*
- b. *Note (i)(b) of unaudited financial results on revision in transfer price of lignite for energy charges of power tariff on account of adjustment of the normative to the actual at the end of the tariff period is not ascertainable.*
- c. *Non-compliance of AS-11 on Effect of Changes in Foreign Exchange Rates prescribed under Companies (Accounting Standards) Rules, 2006 in the unaudited financial results (refer Note. (ii)).*

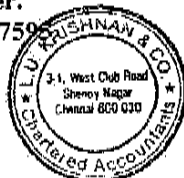
4. Based on our review conducted as indicated in para 2 and with the exception of the matter described in the preceding paragraph nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Accounting Standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M/s. L.U. KRISHNAN & Co.,
Chartered Accountants.
Firm Regn. No. 001527S

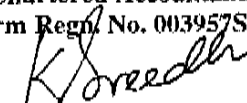

(R. AGHORAMURTHY)
Partner.

M. No. 00759

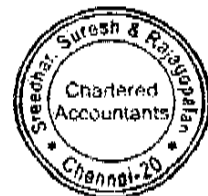
Place: Chennai.
Date : 10-02-2012.



For M/s. SREEDHAR, SURESH &
RAJAGOPALAN,
Chartered Accountants.
Firm Regn. No. 003957S


(K. SREEDHAR)
Partner.

M. No. 24314



ANNEXURE - II

EXPLANATORY STATEMENT FOR THE REMARKS OF AUDITORS MADE IN THE LIMITED REVIEW REPORT FOR THE QUARTER ENDED 31st DECEMBER, 2011.

AUDITOR'S REMARKS	REPLY
<p>a. Note (i)(a) of unaudited financial results on sale of power to SEBs, regarding provisional accounting of power tariff. Pending finalization of tariff by Central Electricity Regulatory Commission (CERC), the power tariff is provisionally accounted based on guidelines of Ministry of Coal on Lignite transfer price for energy charges and CERC norms for capacity charges in respect of power exported from Thermal Power Station-I, the effect of which is not ascertainable at this stage.</p>	<p>“ Pending finalization of tariff for Thermal Power Station-I by Central Electricity Regulatory Commission (CERC), sale of power has been provisionally accounted based on the guidelines issued by Ministry of Coal on Lignite transfer price for energy charges and other relevant CERC's norms and parameters for capacity charges”. This fact has been disclosed in the ' Note No:(i)(a)' of the results published. On finalization of tariff by CERC, impact if any, not ascertainable at this stage, will be considered.</p>
<p>b. Note (i)(b) of unaudited financial results on revision in transfer price of lignite for energy charges of power tariff on account of adjustment of the normative to the actual at the end of the tariff period is not ascertainable.</p>	<p>Revision of power tariff on account of actual instead of normative parameters will be reckoned on receipt of CERC approval at the end of the tariff period. This fact has been disclosed in the ' Note No:(i)(b)' of the results published.</p>

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<p><i>e. Non-compliance of AS-11 on Effect of Changes in Foreign Exchange Rates prescribed under Companies (Accounting Standards) Rules, 2006 in the unaudited financial results (refer Note. (ii)).</i></p>	<p>As stated in the 'Note No. ii' of the results, this will be done at the year-end.</p>
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