



REPORT ON CORPORATE GOVERNANCE

Corporate Governance is a process that aims to meet shareholders aspirations and societal expectations. It is a commitment that is backed by the fundamental belief of maximising shareholders value, transparency in functioning, values and mutual trust amongst all the constituents of organisation. It's not a discipline imposed by a Regulator, rather a culture that guides the Board, management and employees to function towards best interest of stakeholders. It involves essentially a creative, generative and positive thinking activity that adds value to the various stakeholders that are served as end customers of the corporate entity.

In our Company, Corporate Governance philosophy stems from our belief that corporate governance is a key element in improving efficiency and growth as well as enhancing investor confidence and accordingly the Corporate Governance philosophy has been scripted as under:

"As a good corporate citizen, the Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long term success."

We are making continuous efforts to adopt the best practices in corporate governance and we believe that the practices we are putting into place for the company shall go beyond adherence to regulatory framework. Our corporate structure, business and disclosure practices have been aligned to our Corporate Governance Philosophy.

2. BOARD OF DIRECTORS

2.1 Size of the Board

We are a Government Company within the meaning of section 617 of the Companies Act, 1956 as the President of India presently holds 89.5% of the total paid-up share capital. As per Articles of Association, the powers to appoint Directors rest with the President of India.

In terms of the Articles of Association of the Company strength of our Board shall not be less than four Directors or more than twenty Directors. These Directors may be either whole-time functional Directors or part-time Directors.

2.2 Composition of the Board

As on 31st March 2007, the Board comprised thirteen Directors out of which seven were whole-time functional Directors including the Chairman & Managing Director. Two Directors are nominees of the Government of India. The Board also has four independent Directors who have been appointed by the Government of India through a search committee constituted for the purpose. The Directors bring to the Board wide range of experience and skills. Brief profile of the Directors is set out elsewhere in the Annual Report.

The listing agreements with stock exchanges stipulate half of the Board members to be independent directors. The company has requested Government of India to initiate necessary steps for appointment of adequate number of independent Directors so that Board composition be in compliance with the Listing Agreement.

Details regarding Independent Directors on the Board of the Company during the year is as under:

Period	Requirement	Actual
April 1, 2006 to January 11, 2007	6	4
January 12, 2007 to March 31, 2007	7	4

2.3 Age limit and tenure of Directors

The age limit of the Chairman & Managing Director and other whole-time functional Directors is 60 Years.

The Chairman & Managing Director and other whole-time Functional Directors are appointed for a period of five years from the date of taking over of charge or till the date of superannuation of the incumbent, or till further instructions from the Government of India, whichever event occurs earlier.

Government Nominee Directors representing Ministry of Power, Government of India retire from the Board on ceasing to be officials of the Ministry of Power.

Independent Directors are appointed by the Government of India usually for tenure of three years.

2.4 Board Meetings

The meetings of the Board of Directors are normally held at the Company's registered office in New Delhi. The Company has defined procedures for meetings of the Board of Directors and Committees thereof so as to facilitate decision-making in an informed and efficient manner.

Fourteen Board Meetings were held during the financial year 2006-07 on April 19, May 31, June 26, July 31, September 15, October 30, November 16, December 18, 2006, January 19, January 31, February 13, March 5, March 23, March 28, 2007. The maximum interval between any two meetings during this period was 45 days. Details of number of Board meetings attended by Directors, attendance at last AGM, number of other directorship/ committee membership (viz., Audit Committee and Shareholders Grievance Committee as per SEBI's Corporate Governance Code) held by them during the year 2006-07 are tabulated below:

S. No.	Directors	Meeting held during respective tenure of Directors	No. of Board Meetings attended	Attendance at the last AGM (held on 19.09.2006)	Number of other Directorships held on 31.03.07	Number of Committee memberships in companies on 31.03.07	
						As Chairman	As Member
	Functional Directors						
1	Shri T. Sankaralingam Chairman & Managing Director	14	14	Yes	6	-	-
2	Shri Chandan Roy Director (Operations)	14	14	Yes	5	-	-
3	Shri R.S. Sharma Director (Commercial)	14	12	Yes	4	-	-
4	Shri R.K. Jain Director (Technical)	14	14	Yes	3	-	-
5	Shri A.K. Singhal Director (Finance)	14	14	Yes	8	-	3
6	Shri R.C. Shrivastav Director (HR) (From 24.05.2006)	13	12	Yes	3	-	1
7	Shri K.B. Dubey Director (Projects) (From 12.01.2007)	6	6	NA*	1	-	-
	Non-executive Directors (Government Nominees)						
8	Shri M.Sahoo JS&FA, Ministry of Power	14	12	No	12	4	2
9	Shri Harish Chandra Sr. Advisor, Ministry of Power	14	8	Yes	1	-	-
	Independent Directors						
10	Dr. R.K. Pachauri Director-General, TERI	14	4	No	1	-	1
11	Prof. Ashok Misra Director IIT, Mumbai	14	7	No	2	-	-
12	Shri G.P. Gupta Ex-CMD, IDBI	14	12	Yes	13	5	5
13	Shri M.I. Beg Ex-Chairman, CEA	14	13	Yes	-	-	1

*NA indicates that concerned person was not a Director on NTPC's Board on the relevant date.

2.5 Information placed before the Board of Directors, inter alia, include:

The Board has complete access to any information within the Company. The information regularly supplied to the Board includes:

- Annual operating plans and budgets and any updates.
- Capital Budgets and any updates.
- Annual Accounts, Directors' Report, etc.
- Quarterly results for the company.
- Minutes of meetings of Audit Committee and other Committees of the Board.
- The information on recruitment and promotion of senior officers to the level of Executive Director which is just below the Board level and Company Secretary.
- Fatal or serious accidents, dangerous occurrences, etc.



- Operational highlights and substantial non-payment for goods sold by the Company.
- Major investments, formation of subsidiaries and Joint Ventures, Strategic Alliances, etc.
- Award of large contracts.
- Disclosure of Interest by Directors about directorship and committee positions occupied by them in other companies.
- Quarterly Report on foreign exchange exposures.
- Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme, etc.
- Non-Compliance of any regulatory, statutory or listing requirements and shareholders services such as non-payment of dividend, delay in share transfer, etc.
- Short-term investment of surplus funds.
- Information relating to major legal disputes.
- Other materially important information.

3. COMMITTEES OF THE BOARD OF DIRECTORS

The Board has established the following Committees:-

- i) Audit Committee.
- ii) Shareholders / Investors Grievance Committee.
- iii) Committee on Management Controls.
- iv) Contracts Sub-Committee.
- v) Project Sub-Committee.
- vi) Investment/Contribution Sub-Committee.
- vii) Committee of the Board for allotment and post-allotment activities of NTPC's Securities.

3.1 Audit Committee

The constitution, quorum, scope, etc. of the Audit Committee is in line with the Navratna Guidelines, the Companies Act, 1956 and provisions of Listing Agreement.

Scope of Audit Committee

1. Discussion with Auditors periodically about internal control systems and the scope of audit including observations of the auditors.
2. Reviewing, with the management, the quarterly and half-yearly financial statements before submission to the Board for approval.
3. Ensure Compliance of Internal Control Systems.
4. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
5. Noting appointment and removal of external auditors. Recommending the fixation of audit fee of external auditors and also approval for payment for any other services.
6. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report.
7. Reviewing, with the management, performance of statutory and internal auditors, the adequacy of internal control systems and suggestion for improvement of the same.
8. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
9. Discussion with internal auditors any significant findings and follow up there on. Review of internal audit observations outstanding for more than two years.
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.

12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
13. Review of Observations of C&AG including status of Government Audit paras.
14. To review the functioning of the Whistle Blower mechanism.
15. Investigation into any matter in relation to the items specified above or referred to it by the Board.

Constitution

The Audit Committee has been constituted with the membership of:

- i) Joint Secretary & Financial Advisor (JS & FA), Ministry of Power (MOP), Government of India nominated on the Board of NTPC and
- ii) Three independent Directors to be nominated by the Board from time to time.

Composition

During the year 2006-07, Audit Committee of the Company comprised four Non-Executive Directors, three of which were Independent Directors and one Director nominated by the Government of India.

As on 31st March 2007, the Audit Committee comprised the following members:-

Shri G.P. Gupta	Independent Director
Shri M. Sahoo	Government Nominee
Dr. R.K. Pachauri	Independent Director
Shri M.I. Beg	Independent Director

Senior most independent Director on the Audit Committee shall be the Chairman of the Audit Committee. Shri G.P.Gupta, part time non-official Director chaired all the five meetings of Audit Committee during the year 2006-07.

Director (Finance), Head of Internal Audit and the Statutory Auditors are invited in the Audit Committee Meetings for interacting with the members of the committee. Senior executives from various functions are also invited as and when required to provide necessary inputs to the committee.

The Company Secretary acts as the Secretary to the Committee.

Meetings and Attendance

Five meetings of the Audit Committee were held during the financial year 2006-07 on May 31, July 26, July 31, October 30, 2006 and January 30, 2007.

The details of the meetings of Audit-Committee attended by the members are as under:-

Members of Audit Committee	Meetings held during his tenure	Meetings attended
Shri G.P. Gupta, Chairman of the Committee	5	5
Shri M. Sahoo	5	4
Dr. R.K. Pachauri	5	1
Shri M.I. Beg	5	5

Director (Finance), Head of Internal Audit were present in all Audit Committee Meetings held during the year under review as invitees as per requirement of Listing Agreement.

3.2 Shareholders/Investors Grievance Committee

The Company has constituted 'Shareholders/Investors Grievance Committee'.

Scope of the Committee

This Committee looks into redressal of Shareholders' and Investors' complaints like delay in transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividend etc. as well as complaints/grievances of the Bondholders and also of the Depositors under the Public Deposit Scheme.

Constitution

The Committee has been constituted with the membership of:

- i) One Nominee Director of Ministry of Power represented on the Board of NTPC
- ii) Director (Finance), NTPC and
- iii) Director (HR) or Director (Technical), NTPC.

Composition

As on 31st March 2007, this committee comprised the following Directors :

Shri M. Sahoo	Government Nominee
Shri A.K. Singhal	Director (Finance)
Shri R.C. Srivastav	Director (HR)

Shri M. Sahoo is the Chairman of the Committee.

Meeting and Attendance

Two meetings of the Shareholders / Investors Grievance Committee were held during the financial year 2006-07 on July 26, 2006 and February 13, 2007.



Members of Shareholders / Investors Grievance Committee	Meetings held	Meetings attended
Shri M. Sahoo	2	2
Shri A.K. Singhal	2	2
Shri R.C. Shrivastav	2	2

Name and designation of Compliance Officer

Shri A.K. Rastogi, Company Secretary is the compliance officer in terms of Clause 47 of the Listing Agreement.

Investor Grievances

During the financial year ending 31st March 2007, Company has attended its investor grievances expeditiously except for the cases constrained by disputes or legal impediments. The details of the complaints received during the year are as under:

Particulars	Opening Balance	Received	Resolved	Pending
SEBI / Stock Exchange complaints	NIL	50	50	NIL
Other IPO related complaints	2	276	278	NIL
Other Dividend related complaints	7	3805	3805	07
Total	9	4131	4133	07

Investor complaints shown pending as on March 31, 2007 have been attended subsequently.

Number of pending share transfers

As on March 31, 2007, no share transfer request was pending. Share Transfers have been effected during the year well within the time prescribed by the Stock Exchanges and a certificate to this effect duly signed by a Practicing Company Secretary has been furnished to Stock Exchanges.

3.3 Committee on Management Controls

On being conferred enhanced autonomy by the Government of India under 'Navratna Guidelines', this committee was constituted for establishing transparent and effective system of internal monitoring. This Committee, inter alia, reviews the Management Control Systems, significant deviations in project implementation and construction, operation and maintenance budgets, etc.

As on March 31, 2007, the committee comprised the following Directors:

Shri M. Sahoo	Government nominee
Shri Chandan Roy	Director (Operations)
Shri A.K. Singhal	Director (Finance)
Prof. Ashok Misra	Independent Director

3.4 Committee for Contracts

This Committee has been constituted for approval of award of contracts of value exceeding Rs. 25 crore but not exceeding Rs.100 crore and consultancy assignments exceeding Rs. 2 crore each. As on March 31, 2007, the Committee for Contracts comprised the following members:

Shri T. Sankaralingam	Chairman & Managing Director
Shri M.Sahoo	Government Nominee
Shri R.K. Jain	Director (Technical)
Shri Harish Chandra	Government Nominee
Shri A.K. Singhal	Director (Finance)
Shri K.B. Dubey	Director (Projects)

3.5 Project Committee

The Project Committee examines and makes recommendations to the Board on proposals for Investment in New/Expansion Projects and Feasibility Reports of new projects. As on 31st March 2007, the Committee comprised the following members:

Shri T. Sankaralingam	Chairman & Managing Director
Shri Chandan Roy	Director (Operations)
Shri R.S. Sharma	Director (Commercial)
Shri R.K. Jain	Director (Technical)
Shri A.K. Singhal	Director (Finance)
Shri K.B. Dubey	Director (Projects)
Shri M. Sahoo	Government Nominee
Shri Harish Chandra	Government Nominee
Shri M.I. Beg	Independent Director

3.6 Investment/Contribution Committee

The terms of reference of Investment/Contribution Committee of the Board is for deployment of surplus funds as per Govt. Guidelines issued from time to time, and acceptance of Bonds/Debt Instruments in lieu of settled dues with State Electricity Boards or State Transmission Companies and deciding terms and conditions thereof. This committee also approves contribution/donation for national, public, benevolent or charitable cause, purpose or object or other funds not directly related to the business of the company or welfare of its employees between Rs. 5 lakh to Rs. 20 lakh subject to maximum limit of Rs. 1 crore in a year.

As on 31st March 2007, the Committee comprised the following Members:

Shri T. Sankaralingam	Chairman & Managing Director
Shri Chandan Roy	Director (Operations)
Shri A.K. Singhal	Director (Finance)

In case of investment of funds and contribution matters Director (HR) and in case of Commercial matters Director (Commercial) are co-opted in the meeting.

3.7 Committee for Allotment and Post-Allotment Activities of NTPC's Securities

The Committee has been constituted for Allotment and Post-allotment activities of Company's Securities. The scope of work of this committee is allotment, issue of Certificate/Letter of allotment, transfer, transmission, re-materialisation, issue of duplicate certificates, consolidation/split of NTPC's domestic and foreign Securities. As on 31st March 2007, the Committee comprised the following Members:

Shri A.K. Singhal	Director (Finance)
Shri Chandan Roy	Director (Operations)
Shri R.C. Srivastav	Director (HR)

3.8 Remuneration Committee / Remuneration of Directors

Our Company, being a Central Public Sector Undertaking, the appointment, tenure and remuneration of Directors are decided by the President of India. Hence, the Board does not decide remuneration of the Directors. Independent Directors are paid only sitting fees at rate fixed by the Board within the ceiling fixed under the Companies Act, 1956 and approved by the Government for attending the Board Meetings as well as Committee Meetings.

Details of remuneration of functional Directors of the company:

(in Rupees)

Sl No.	Name of the Director	Salary	Benefits	Bonus/Commission	Performance Linked Incentives	Total
1	Sh. T. Sankaralingam	643563	151900	-	141668	937131
2	Sh. Chandan Roy	619440	205573	-	136091	961104
3	Sh. R.S. Sharma	914203	142462	-	137317	1193982
4	Sh. R.K. Jain	939898	196737	-	127062	1263697
5	Sh. A.K. Singhal	860174	132607	-	130052	1122833
6	Sh. R.C. Srivastav (From 24.05.2006)	774050	113426	-	82196	969672
7	Sh.K.B. Dubey (From 12.01.2007)	187350	34573	-	9946	231869

Performance linked incentives paid is based on the incentive scheme applicable to all employees of the company.

Details of payments towards sitting fee to Independent Directors during the year 2006-07 are given below:

(in Rupees)

Name of Part-time non-official Directors	Sitting Fees		Total
	Board Meeting	Committee Meeting	
Dr. R.K. Pachauri	40,000	10,000	50,000
Prof. Ashok Misra	70,000	30,000	1,00,000
Shri G.P. Gupta	1,20,000	50,000	1,70,000
Shri M.I. Beg	1,30,000	1,50,000	2,80,000

4. GENERAL BODY MEETINGS

Annual General Meeting

Date, time and location where the last three Annual General Meetings were held are as under:

Date & Time	July 29, 2004	September 23, 2005	September 19, 2006
Time	2.00 P.M.	10.00 A.M.	11.30 A.M.
Venue	NTPC Bhawan, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi -110 003	Siri Fort Auditorium Complex, August Kranti Marg, New Delhi - 110 049	NDMC Indoor Stadium, Talkatora Garden, New Delhi - 110 001
Special Resolution	NIL	Change of name of the Company from National Thermal Power Corporation Limited to NTPC Limited	NIL



Special Resolution passed through Postal Ballot

Company has passed a Special Resolution to amend the existing Clause 1 and 4(a) of the Main Objects under the Object Clause of the Memorandum of Association of the Company to undertake, plan and organize an integrated and efficient development of nuclear power and to carry on business activities related to nuclear power. Notice dated 14th March 2007, was served to all shareholders for voting through postal ballot as per provisions of section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 and said special resolution was approved by the Shareholders on 15th May 2007.

Ms. Madhurima Mukherjee, Partner, M/s. Luthra & Luthra, Law Offices, New Delhi, was appointed as scrutinizer to conduct Postal Ballot. Out of total 20798 Ballot Papers received 7,679,384,036 (representing 99.993% of total valid votes cast) voted in favour of the resolution.

No special resolution is proposed to be passed through Postal Ballot at the Annual General Meeting.

5. DISCLOSURES

The transactions with related parties contain (i) payment to companies under Joint Venture Agreement and on account of contracts for works/ services, (ii) remuneration to key management personnel and (iii) equity contribution to subsidiaries, which are not in nature of potential conflicts with interest of the company at large. Details of related party transactions are included in the Notes to the Accounts as per Accounting Standard – 18 issued by the Institute of Chartered Accountants of India.

The company has complied with all the requirements of the Listing Agreement with Stock Exchange as well as Regulations and Guide lines prescribed by SEBI. There were no penalties or strictures imposed on the company by any statutory authorities for non-compliance on any matter related to capital markets, during the last three years.

The Company has adopted all suggested items to be included in the Report on Corporate Governance. Information on adoption (and compliance)/ non-adoption of the non-mandatory requirements is at Annex-1.

6. MEANS OF COMMUNICATION

The Company communicates with its shareholders through its Annual Report, General Meetings and disclosures through web site.

The Company also communicates with its institutional shareholders through a combination of analysts briefing and

individual discussions as also participation at investor conferences from time to time.

Information and latest updates and announcement regarding the company can be accessed at company's website: www.ntpc.co.in including the following:-

- Quarterly / Half-yearly / Annual Financial Results
- Shareholding Pattern
- Transcripts of conferences with analysts
- Corporate disclosures made from time to time to Stock Exchanges

Quarterly Results

Newspapers	Date of publication of results for the quarter ended		
	30.06.2006	30.09.2006	31.12.2006
Financial Express	1.08.2006	31.10.2006	1.02.2007
Jansatta	1.08.2006	31.10.2006	1.02.2007

These results are also displayed at Company's website www.ntpc.co.in

Official Releases and Presentations

The Company's official news releases, other press coverage, presentations made to institutional investors or to the analysts are also made on the website.

In order to make the general public aware of the achievements of the company, a press conference is held after the close of the financial year where the highlights of the company during the year are briefed to the Press for information of the stakeholders with prior intimation to the Stock Exchanges.

7. CODE OF CONDUCT

The Board of Directors has laid down two separate Code of Conduct - one for Board Members and another for Senior Management Personnel in alignment with Company's Vision and Values to achieve the Mission & Objectives and aims at enhancing ethical and transparent process in managing the affairs of the Company. A copy of the Codes of Conduct is available at the website of the Company.

Declaration as required under clause 49 of the listing Agreement

All the members of the Board and Senior Management Personnel have affirmed compliance of the Code of Conduct for the financial year ended on March 31, 2007

New Delhi
May 28, 2007

(T.Sankaralingam)
Chairman & Managing Director

8. CODE OF INSIDER TRADING

In pursuance of the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, the Board has laid down "Code of Conduct for Prevention of Insider Trading" with the objective of preventing purchase and/or sale of shares of the Company by an Insider on the basis of unpublished price sensitive information. Under this Code, Insiders (Officers and Designated Employees) are prevented to deal in the Company's shares during the closure of Trading Window. To deal in Securities, beyond limits specified permission of Compliance Officer is required. All Directors/Officers/Designated Employees are also required to disclose related information periodically as defined in the Code, which in turn is being forwarded to Stock Exchanges, wherever necessary. Company Secretary has been designated as Compliance Officer for this Code.

9. SHAREHOLDERS' INFORMATION

i) Annual General Meeting

Date : September 12, 2007
 Time : 11.30 a.m.
 Venue : Air Force Auditorium, Subroto Park, New Delhi – 110 010

ii) Financial Calendar for FY 2007-08

Particulars	Date
Accounting Period	April 1, 2007 to March 31, 2008
Unaudited financial results for the first three quarters	Announcement within a month from the end of each quarter
Fourth Quarter Results	Announcement of Audited Accounts on or before June 30, 2008
AGM (Next year)	September 2008 (Tentative)

iii) Book Closure

The Register of Members and Share Transfer Books of the Company will remain closed from September 1, 2007 to September 12, 2007 (both days inclusive).

iv) Payment of Dividend

The Board of Directors of the Company has recommended payment of a final Dividend of 8% (Rs. 0.8 per share) for the financial year ended March 31, 2007 in addition to the Interim Dividend of 24% (Rs. 2.4 per share) paid on February 14, 2007 (Dividend paid in Previous Year is Rs. 23,087 million).

The record date for the payment of Dividend is August 31, 2007.

v) Dividend History

Year	Total paid-up capital (Rs. in crore)	Total amount of dividend paid (Rs. in crore)	Date of AGM in which dividend was declared	Date of payment
2001-02	7812.55	707.93	23.09.2002	25.09.2002
2002-03	7812.55	708.00	24.09.2003	24.09.2003
2003-04	7812.55	1082.30	29.07.2004	30.07.2004
2004-05	8245.46	1978.90	23.09.2005	27.09.2005
			12.02.2005	10.03.2005
2005-06	8245.46	2308.73	30.01.2006*	27.02.2006
			19.09.2006	20.09.2006
2006-07	8245.46	1978.91	31.01.2007*	14.02.2007

* Date of Board Meeting



vi) Listing on Stock Exchanges

NTPC equity shares are listed on the following Stock Exchanges:

National Stock Exchange of India Limited	Bombay Stock Exchange Limited
Scrip Code: NTPC EQ	Scrip Code: 532555

Stock Code : ISIN – INE733E01010

vii) Market Price Data – NSE

Month	High (Rs.)	Low (Rs.)	Closing(Rs.)
April' 06	144.90	121.10	136.05
May' 06	139.00	85.10	112.40
June' 06	117.40	96.00	110.90
July' 06	118.95	104.40	115.25
August' 06	128.25	114.65	124.25
Sept' 06	131.50	116.00	130.10
October' 06	134.50	125.10	129.60
Nov' 06	157.90	127.05	146.95
Dec' 06	154.50	131.55	136.50
January' 07	145.75	131.55	142.05
February' 07	147.30	135.70	139.90
March' 07	151.50	129.00	150.25

viii) Market Price Data – BSE

Month	High (Rs.)	Low (Rs.)	Closing(Rs.)
April' 06	144.90	125.00	136.05
May' 06	138.50	90.90	112.25
June' 06	117.50	95.50	111.05
July' 06	118.90	104.55	115.25
Aug' 06	128.10	114.80	124.20
Sept' 06	131.80	117.90	130.20
Oct' 06	135.00	125.00	129.55
Nov' 06	157.80	127.40	147.15
Dec' 06	154.45	131.50	136.40
Jan' 07	146.00	130.00	141.95
Feb' 07	147.25	135.00	139.95
March' 07	151.00	129.00	149.75

ix) Performance in comparison to indices BSE Sensex and NTPC



NIFTY and NTPC Price



x) Registrar and Transfer Agent

Karvy Computershare Pvt. Ltd
 Plot No.17 - 24, Vittal Rao Nagar
 Madhapur
 Hyderabad-500081
 Tel No.: 91 40 23420815-28
 Fax No.: 91 40 23420814
 E-mail: mailmanager@karvy.com

xi) Share Transfer System

Entire share transfer activities under physical segment are being carried out by Karvy Computershare Private Limited. The share transfer system consists of activities like receipt of shares along with transfer deed from transferees, its verification, preparation of Memorandum of transfers, etc. Shares transfers are approved by Sub-Committee of the Board for Allotment and Post-Allotment activities of NTPC's Securities.

Pursuant to clause 47-C of the Listing Agreement with Stock Exchanges, certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary have been submitted to Stock Exchange within stipulated time.

xii) Distribution of Shareholding

Shares held by different categories of shareholders and according to the size of holdings as on 31st March 2007 are given below:

According to Size

- a. Distribution of shareholding according to size, % of holding as on March 31 2007:

Number of shares	Number of share holders	% of share holders	Total No. of shares	% of shares
1-5000	547717	93.33%	8781702	1.06
5001-10000	22658	3.86%	1722883	0.21
10001-20000	9389	1.60%	1348537	0.16
20001-30000	3018	0.51%	746663	0.09
30001-40000	1103	0.19%	388906	0.05
40001-50000	864	0.15%	400771	0.05
50001-100000	1050	0.18%	748012	0.09
100001 and above	1064	0.18%	810408966	98.29
Total	586863	100%	8245464400	100%

- b. Shareholding pattern as on March 31, 2007

Category	Total No. of shares	% to Equity
GCI	7379634400	89.50
FIs	581304573	7.05
Indian Public	147784871	1.79
Banks & FI	6443352	0.08
Private Corp. Bodies	26986675	0.33
Mutual Funds	45789389	0.55
NRI / OCBs	2785072	0.03
Others	54736068	0.67
Total	8245464400	100.00

c. Major Shareholders

Details of Shareholders holding more than 1% of the paid-up capital of the Company as on March 31, 2007 are given below:

Name of Shareholder	No. of Shares	% to Paid-up Capital	Category
Government of India	7379634400	89.50	Government
Capital Research MNGT.Co. A/C Capt. World Growth & Income Fund	115168548	1.40	Foreign Institutional Investor

xiii) Dematerialisation of Shares

The shares of the Company are in compulsory dematerialised segment and are available for trading system of both National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL).

Secretarial Audit Report for reconciliation of the share capital of the Company obtained from Practicing Company Secretary have been submitted to Stock Exchange within stipulated time.

No. of shares held in dematerialized and physical mode

	No. of shares	% of total capital issued
Held in dematerialized form in CDSL	1,88,53,901	0.23
Held in dematerialized form in NSDL	8,22,65,09,515	99.77
Physical	1,00,984	0.00
Total	8,24,54,64,400	100.00

The names and addresses of the Depositories are as under:

- National Securities Depository Ltd.
Trade World, 4th Floor
Kamala Mills Compound
Senapathi Bapat Marg,
Lower Parel, Mumbai-400 013
- Central Depository Services (India) Limited
Phiroze Jeejeebhoy Towers
28th Floor, Dalal Street, Mumbai-400 023

xiv) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity



No GDRs/ADRS/Warrants or any Convertible instruments has been issued by the Company

xv) Locations of NTPC plants

National Capital Region (NCR-HQ)

Thermal Power Stations

- i) Badarpur Thermal Power Station- Badarpur, New Delhi
- ii) National Capital Power Station- Distt. Gautum Budh Nagar, Uttar Pradesh

Gas Power Stations

- i) Anta Gas Power Project – Distt. Baran, Rajasthan
- ii) Auraiya Gas Power Project – Distt. Auraiya, Uttar Pradesh
- iii) Faridabad Gas Power Project – Distt. Faridabad, Haryana
- iv) National Capital Power Station – Distt. Gautum Budh Nagar, Uttar Pradesh

Eastern Region (ER-HQ)

Thermal Power Stations

- i) Barh Super Thermal Power Project- Distt. Patna, Bihar
- ii) Farakka Super Thermal Power Station – Distt. Murshidabad, West Bengal
- iii) Kahalgaon Super Thermal Power Project – Distt. Bhagalpur, Bihar
- iv) Talcher Super Thermal Power Project- Distt. Angul, Orissa
- v) Talcher Thermal Power Station- Distt. Angul, Orissa

Northern Region (NR-HQ)

Thermal Power Stations

- i) Feroze Gandhi Unchahar Thermal Power Project – Distt. Raebareli, Uttar Pradesh
- ii) Rihand Super Thermal Power Project – Distt. Sonbhadra, Uttar Pradesh
- iii) Singrauli Super Thermal Power Station – Distt. Sonbhadra, Uttar Pradesh
- iv) Tanda Thermal Power Station- Distt. Ambedkar Nagar, Uttar Pradesh

Southern Region (SR-HQ)

Thermal Power Stations

- i) Ramagundam Super Thermal Power Station – Distt. Karimnagar, Andhra Pradesh
- ii) Simhadri Thermal Power Project – Vishakapatnam, Andhra Pradesh

Gas Power Stations

- i) Rajiv Gandhi Combined Cycle Power Project – Distt. Alappuzha, Kerala

Western Region (WR-HQ)

Thermal Power Stations

- i) Korba Super Thermal Power Station – Distt. Korba, Chattisgarh
- ii) Sipat Super Thermal Power Project – Distt. Bilaspur, Chattisgarh
- iii) Vindhyaachal Super Thermal Power Station – Distt. Sidhi,

Madhya Pradesh

Gas Power Stations

- i) Jhanor Gandhar Gas Power Project- Distt. Bharuch, Gujarat
- ii) Kawas Gas Power Project- Aditya Nagar, Surat, Gujarat

HYDRO PROJECTS

- i) Koldam Hydro Power Project – Distt. Bilaspur, Himachal Pradesh
- ii) Tapovan – Vishnugad Hydro Power Project – Distt. Chamoli, Uttaranchal
- iii) Loharinag- Pala Hydro Power Project- Distt. Uttarkashi, Uttaranchal

JOINT VENTURE POWER PROJECTS

- i) Rourkela CPP-II - Distt. Sundargarh, Orissa
- ii) Durgapur CPP-II - Distt. Burdwan, West Bengal
- iii) Bhilai CPP - Bhilai (East), Chattisgarh
- iv) Ratnagiri Power Project - Distt. Ratnagiri, Maharashtra
- v) NTECL Power Project – Chennai, Tamil Nadu
- vi) Aravali Super Thermal Power Project - Distt. Jhajjar, Haryana

POWER PROJECTS UNDER SUBSIDIARY COMPANIES

- i) Muzaffarpur Thermal Power Station Kanti, Muzzaffarpur, Bihar

xvi) Address for correspondence:

NTPC Bhawan, SCOPE Complex
7, Institutional Area, Lodi Road, New Delhi – 110003

The phone numbers and e-mail reference for communication are given below:

	Telephone No.	Fax No.
Registered Office	2436 0100	2436 1018
Investor Services Department	2436 7072	2436 1724
E- mail id	isd@ntpc.co.in	
Public Spokesperson Mr. A.K. Kundu, Executive Director (Finance)	2436 9335	24365742
E-mail id	akkundu@ntpc.co.in	
Company Secretary Mr. Anil Kumar Rastogi	2436 0071	2436 0241
E-mail id	akrastogi@ntpc.co.in	

As per Circular of Securities & Exchange Board of India dated 22.01.2007, exclusive e-mail id for redressal of investor complaints is isd@ntpc.co.in.

For and on behalf of Board of Directors

(T. Sankaralingam)
Chairman & Managing Director

Place: New Delhi
Date: July 3, 2007

Annex-1

Non-Mandatory requirements

1. **The Board:** The Company is headed by an executive Chairman. No Independent Director has been appointed for the period exceeding, in the aggregate, a period of nine years, on the Board of the Company.
2. **Remuneration Committee:** Please refer to para 3.8 of this Report.
3. **Shareholder Rights:** The financial results for the half-year ended September 30, 2006 were published in Financial Express and Jansatta dated October 31, 2006 and also put up on website. Separate half-yearly report has, however, not been sent to each household of shareholders. Significant events have been disclosed on the company website: www.ntpc.co.in under "Announcement" in the "Company Performance" section.
4. **Audit Qualification:** The financial statement for the year 2006-07 has no audit qualifications.
5. **Training to Board Members:** The Board of directors have the responsibility of strategic supervision of the Company and undertake periodic review of various matters including performance of various stations, construction of power projects, capacity expansion programme in line with targets set-up by Ministry of Power, resource mobilisation, etc. In order to fulfil this role, the Board of Directors undergo training from time to time. The Board of Directors are fully briefed on all business related matters, risk assessment and minimising procedures and new initiatives proposed by the Company. Directors are also briefed on changes/developments in Indian as well as international corporate and industry scenario including those pertaining to the statutes/legislation and economic environment.
6. **Whistle Blower Policy:** The Company has adopted a "Fraud Prevention Policy" which provides for a Whistle Blower mechanism by reporting of fraud or suspected fraud involving employees of the Company as well as representatives of vendors, suppliers, contractors, consultants, service provider or any other party doing any type of business with NTPC. All reports of fraud or suspected fraud are investigated with utmost speed. The mechanism for prevention of fraud is also included in the policy.

The Members
NTPC Limited

We have examined the compliance of conditions of corporate governance by NTPC Limited, for the year ended on March 31, 2007 as stipulated in the clause 49 of the Listing Agreement in respect of Equity Shares of the said company with Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that except the composition of the Board of Directors as reported in para 2.2 of Report on Corporate Governance, the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For Kalani & Co.
Chartered Accountants

(Sandeep Jhanwar)
Partner
M. No. 78146

For Umamaheswara Rao & Co.
Chartered Accountants

(G. Sivaramakrishna Prasad)
Partner
M. No. 24860

For T.R. Chadha & Co.
Chartered Accountants

(Neena Goel)
Partner
M. No. 057986

Place: New Delhi
Date: 3rd July, 2007

For Amit Ray & Co.
Chartered Accountants

(Pradeep Mukherjee)
Partner
M. No. 70693

For S.N. Nanda & Co.
Chartered Accountants

(S.N. Nanda)
Partner
M.No. 05909