



**Schedule 1  
CAPITAL**

	<u>31.03.2009</u>	Rs. million <u>31.03.2008</u>
<b>AUTHORISED</b>		
10,000,000,000 equity shares of Rs.10/- each (Previous year 10,000,000,000 equity shares of Rs.10/- each)	<u>100,000</u>	<u>100,000</u>
8,245,464,400 equity shares of Rs.10/- each fully paid-up ( Previous year 8,245,464,400 equity shares of Rs.10/- each fully paid-up)	<u>82,455</u>	<u>82,455</u>

**Schedule 2  
RESERVES AND SURPLUS**

Capital Reserve		
As per last Balance Sheet	<u>1,312</u>	1,312
Add : Transfer from Profit & Loss Account	<u>86</u>	*
*Rs.12,723/-		
	<u>1,398</u>	<u>1,312</u>
Security Premium Account	<u>22,281</u>	<u>22,281</u>
Bonds Redemption Reserve		
As per last Balance Sheet	<u>13,602</u>	11,530
Add : Transfer from Profit & Loss Account	<u>4,537</u>	3,822
Less : Write back during the year	<u>1,250</u>	1,750
	<u>16,889</u>	<u>13,602</u>
Foreign Project Reserve		
As per last Balance Sheet	*	*
Less : Write back during the year	*	-
*Rs.81,229/-	<u>-</u>	<u>*</u>
General Reserve		
As per last Balance Sheet	<u>406,525</u>	367,491
Add : Transfer from Profit & Loss Account	<u>44,000</u>	39,000
Less: Adjustments during the year	<u>(2)</u>	(34)
	<u>450,527</u>	<u>406,525</u>
Surplus in Profit & Loss Account	<u>151</u>	<u>211</u>
<b>Total</b>	<u>491,246</u>	<u>443,931</u>

**Schedule 3  
DEFERRED REVENUE - ON ACCOUNT OF ADVANCE AGAINST DEPRECIATION**

As per last Balance Sheet	<u>13,734</u>	6,567
Add : Revenue deferred during the year	<u>5,626</u>	7,167
	<u>19,360</u>	<u>13,734</u>

#### Schedule 4 SECURED LOANS

	31.03.2009	Rs. million 31.03.2008
<b>Bonds</b>		
10.00% Secured Non-Convertible Taxable Bonds of Rs. 10,00,000/- each with five equal Separately Transferable Redeemable Principal Parts (STRPP) redeemable at par at the end of the 6 <sup>th</sup> year and in annual instalments thereafter upto the end of 10 <sup>th</sup> year respectively from 5 <sup>th</sup> September 2001 (Twelfth Issue - Private Placement) <sup>1</sup>	3,000	4,000
9.55% Secured Non-Cumulative Non-Convertible Taxable Redeemable Bonds of Rs. 10,00,000/- each redeemable at par in ten equal annual instalments commencing from the end of 6 <sup>th</sup> year and upto the end of 15 <sup>th</sup> year respectively from 18 <sup>th</sup> April 2002 (Thirteenth Issue -Part A - Private Placement) <sup>2</sup>	6,750	7,500
9.55% Secured Non-Cumulative Non-Convertible Taxable Redeemable Bonds of Rs. 10,00,000/- each with ten equal Separately Transferable Redeemable Principal Parts (STRPP) redeemable at par at the end of the 6 <sup>th</sup> year and in annual instalments thereafter upto the end of 15 <sup>th</sup> year respectively from 30 <sup>th</sup> April 2002 (Thirteenth Issue - Part B - Private Placement) <sup>2</sup>	6,750	7,500
8.00% Secured Non-Cumulative Non-Convertible Redeemable Taxable Bonds of Rs. 10,00,000/- each redeemable at par on 10 <sup>th</sup> April 2018 (Sixteenth Issue -Private Placement) <sup>3</sup>	1,000	1,000
8.48% Secured Non-Cumulative Non-Convertible Redeemable Taxable Bonds of Rs. 10,00,000/- each redeemable at par on 1 <sup>st</sup> May 2023 (Seventeenth Issue - Private Placement) <sup>3</sup>	500	500
5.95% Secured Non-Cumulative Non-Convertible Redeemable Taxable Bonds of Rs. 10,00,000/- each with five equal Separately Transferable Redeemable Principal Parts (STRPP) redeemable at par at the end of 6 <sup>th</sup> year and in annual instalments upto the end of 10 <sup>th</sup> year respectively from 15 <sup>th</sup> September 2003 (Eighteenth Issue - Private Placement) <sup>4</sup>	5,000	5,000
7.50% Secured Non-Cumulative Non-Convertible Redeemable Taxable Bonds of Rs. 10,00,000/- each redeemable at par on 12 <sup>th</sup> January 2019 (Nineteenth Issue - Private Placement) <sup>5</sup>	500	500
7.552% Secured Non Cumulative Non-Convertible Redeemable Taxable Bonds of Rs. 20,00,000/- each with twenty equal Separately Transferable Redeemable Principal Parts (STRPP) redeemable at par semi-annually commencing from 23 <sup>rd</sup> September 2009 and ending on 23 <sup>rd</sup> March 2019 (Twentieth Issue - Private Placement) <sup>6</sup>	5,000	5,000
7.7125% Secured Non-Cumulative Non-Convertible Redeemable Taxable Bonds of Rs. 20,00,000/- each with twenty equal Separately Transferable Redeemable Principal Parts (STRPP) redeemable at par semi-annually commencing from 2 <sup>nd</sup> August 2010 and ending on 2 <sup>nd</sup> February 2020 (Twenty first issue - Private Placement) <sup>7</sup>	10,000	10,000
8.1771% Secured Non-Cumulative Non-Convertible Redeemable Taxable Bonds of Rs. 20,00,000/- each with twenty equal Separately Transferable Redeemable Principal Parts (STRPP) redeemable at par semi-annually commencing from 2 <sup>nd</sup> July 2011 and ending on 2 <sup>nd</sup> January 2021 (Twenty second issue - Private Placement) <sup>8</sup>	5,000	5,000
8.3796% Secured Non-Cumulative Non-Convertible Redeemable Taxable Bonds of Rs. 20,00,000/- each with twenty equal Separately Transferable Redeemable Principal Parts (STRPP) redeemable at par semi-annually commencing from 5 <sup>th</sup> August 2011 and ending on 5 <sup>th</sup> February 2021 (Twenty third issue - Private Placement) <sup>8</sup>	5,000	5,000
8.6077% Secured Non-Cumulative Non-Convertible Redeemable Taxable Bonds of Rs. 20,00,000/- each with twenty equal Separately Transferable Redeemable Principal Parts (STRPP) redeemable at par semi-annually commencing from 9 <sup>th</sup> September 2011 and ending on 9 <sup>th</sup> March 2021 (Twenty fourth issue - Private Placement) <sup>8</sup>	5,000	5,000
9.37% Secured Non-Cumulative Non-Convertible Redeemable Taxable Bonds of Rs.70,00,000/- each with fourteen Separately Transferable Redeemable Principal Parts (STRPP) redeemable at par semi-annually commencing from 4 <sup>th</sup> June 2012 and ending on 4 <sup>th</sup> December 2018 (Twenty fifth issue - Private Placement) <sup>9</sup>	5,000	5,000
9.06% Secured Non-Cumulative Non-Convertible Redeemable Taxable Bonds of Rs.70,00,000/- each with fourteen Separately Transferable Redeemable Principal Parts (STRPP) redeemable at par semi-annually commencing from 4 <sup>th</sup> June 2012 and ending on 4 <sup>th</sup> December 2018 (Twenty sixth issue - Private Placement) <sup>9</sup>	5,000	5,000
11.25% Secured Non-Cumulative Non-Convertible Redeemable Taxable Bonds of Rs.10,00,000/- each redeemable at par in five equal annual instalments commencing from 6 <sup>th</sup> Nov 2019 and ending on 6 <sup>th</sup> Nov 2023 (Twenty seventh issue - Private Placement) <sup>9</sup>	3,500	-
11% Secured Non-Cumulative Non-Convertible Redeemable Taxable Bonds of Rs.10,00,000/- each redeemable at par on 21 <sup>st</sup> November 2018 (Twenty Eighth issue - Private Placement) <sup>9</sup>	10,000	-
8.65% Secured Non-Cumulative Non-Convertible Redeemable Taxable Bonds of Rs.10,00,000/- each redeemable at par on 4 <sup>th</sup> February 2019 (Twenty ninth issue - Private Placement) <sup>9</sup>	5,500	-
<b>Loans and Advances from Banks</b>		
Foreign Currency Term Loans (Guaranteed by Government of India) (Due for repayment within one year <b>Rs.1,398 million</b> , Previous year Rs.1,105 million) <sup>10</sup>	7,180	7,140
<b>Other Loans and Advances</b>		
Obligations under finance lease (Due for repayment within one year <b>Rs.4 million</b> , Previous year Rs.3 million) <sup>11</sup>	16	7
<b>TOTAL</b>	<b>89,696</b>	<b>73,147</b>



## Schedule 4 SECURED LOANS

### Note:

- 1 Secured by (I) English mortgage, on first charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station, Loharinag Pala Hydro Power Project and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement and (III) Equitable Mortgage, by way of first charge, by deposit of title deeds of the immovable properties pertaining to Singrauli Super Thermal Power Station.
- 2 Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station, Loharinag Pala Hydro Power Project and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Singrauli Super Thermal Power Station by extension of charge already created.
- 3 Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of title deeds of the immovable properties pertaining to National Capital Power Station.
- 4 Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station, Loharinag Pala Hydro Power Project and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to National Capital Power Station by extension of charge already created.
- 5 Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station, Loharinag Pala Hydro Power Project and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement.
- 6 Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of title deeds of the immovable properties pertaining to Ramagundam Super Thermal Power Station.
- 7 Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Barh Super Thermal Power Project on first pari-passu charge basis, ranking pari-passu with charge already created in favour of Trustee for other Series of Bonds and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Ramagundam Super Thermal Power Station by extension of charge already created.
- 8 Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of the title deeds of the immovable properties pertaining to Sipat Super Thermal Power Project.
- 9 Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Sipat Super Thermal Power Project by extension of charge already created.
- 10 Secured by English mortgage/hypothecation of all the present and future fixed and movable assets of Rihand Super Thermal Power Station as first charge, ranking pari-passu with charge already created, subject to however, Company's Banker's first charge on certain movable assets hypothecated to them for working capital requirement.
- 11 Secured against fixed assets obtained under finance lease.

Schedule 5  
UNSECURED LOANS

	<u>31.03.2009</u>	Rs. million <u>31.03.2008</u>
<b>Fixed Deposits</b>	<b>14</b>	130
(Due for repayment within one year <b>Rs.7 million</b> , Previous year Rs.121 million)		
<b>Foreign Currency Bonds / Notes</b>		
5.50 % Eurobonds due for repayment on 10 <sup>th</sup> March 2011	<b>10,310</b>	8,038
5.875 % Fixed Rate Notes due for repayment on 2 <sup>nd</sup> March 2016	<b>15,465</b>	12,057
<b>Loans and Advances</b>		
<b>From Banks and Financial Institutions</b>		
Foreign Currency Term Loans (Guaranteed by Government of India) (Due for repayment within one year <b>Rs.498 million</b> , Previous year Rs.381 million)	<b>28,842</b>	22,455
Other Foreign Currency Term Loans (Due for repayment within one year <b>Rs.2,296 million</b> , Previous year Rs.1,589 million)	<b>49,439</b>	29,184
Rupee Term Loans (Due for repayment within one year <b>Rs.19,301 million</b> , Previous year Rs.16,305 million)	<b>151,911</b>	126,859
<b>From Others</b>		
Loans from Government of India (Due for repayment within one year <b>Rs. 1 million</b> , Previous year Rs.36 million)	<b>1</b>	36
<b>TOTAL</b>	<b><u>255,982</u></b>	<u>198,759</u>

**Schedule 6**  
**FIXED ASSETS**

Rs. million

	Gross Block			As at 31.03.2009	Depreciation			Net Block		
	As at 1.04.2008	Additions	Deductions/ Adjustments		As at 1.04.2008	For the year	Deductions/ Adjustments	Upto 31.03.2009	As at 31.03.2009	As at 31.03.2008
<b>TANGIBLE ASSETS</b>										
Land :										
(including development expenses)										
Freehold	13,347	838	(2,039)	<b>16,224</b>	-	-	-	-	<b>16,224</b>	13,347
Leasehold	2,811	1,573	(335)	<b>4,719</b>	432	122	-	<b>554</b>	<b>4,165</b>	2,379
Roads, bridges, culverts & helipads	4,131	95	(27)	<b>4,253</b>	805	70	-	<b>875</b>	<b>3,378</b>	3,326
Building :										
Freehold										
Main plant	19,661	4,781	(53)	<b>24,495</b>	9,656	638	76	<b>10,218</b>	<b>14,277</b>	10,005
Others	17,674	1,382	(85)	<b>19,141</b>	4,846	448	(25)	<b>5,319</b>	<b>13,822</b>	12,828
Leasehold	498	-	-	<b>498</b>	185	17	29	<b>173</b>	<b>325</b>	313
Temporary erection	236	23	(1)	<b>260</b>	233	24	(3)	<b>260</b>	-	3
Water Supply, drainage & sewerage system	5,283	415	(44)	<b>5,742</b>	2,003	283	-	<b>2,286</b>	<b>3,456</b>	3,280
MGR track and signalling system	6,443	2,230	14	<b>8,659</b>	5,009	242	11	<b>5,240</b>	<b>3,419</b>	1,434
Railway Siding	2,860	-	(35)	<b>2,895</b>	910	138	1	<b>1,047</b>	<b>1,848</b>	1,950
Earth Dam Reservoir	1,470	287	-	<b>1,757</b>	477	81	-	<b>558</b>	<b>1,199</b>	993
Plant and machinery	446,387	64,580	(10,004)	<b>520,971</b>	240,165	22,314	3,607	<b>258,872</b>	<b>262,099</b>	206,222
Furniture, fixtures & other office equipment	3,796	333	24	<b>4,105</b>	2,455	163	25	<b>2,593</b>	<b>1,512</b>	1,341
EDP, WP machines and SATCOM equipment	2,775	259	48	<b>2,986</b>	1,858	248	51	<b>2,055</b>	<b>931</b>	917
Vehicles including speedboats	86	9	3	<b>92</b>	69	3	4	<b>68</b>	<b>24</b>	17
Construction equipments	1,128	43	14	<b>1,157</b>	691	63	16	<b>738</b>	<b>419</b>	437
Electrical Installations	2,071	110	(2)	<b>2,183</b>	1,133	81	1	<b>1,213</b>	<b>970</b>	938
Communication Equipments	743	50	5	<b>788</b>	375	26	7	<b>394</b>	<b>394</b>	368
Hospital Equipments	227	10	5	<b>232</b>	139	9	6	<b>142</b>	<b>90</b>	88
Laboratory and workshop equipments	144	12	-	<b>156</b>	100	3	-	<b>103</b>	<b>53</b>	44
Leased assets - Vehicles	17	12	9	<b>20</b>	10	5	9	<b>6</b>	<b>14</b>	7
Capital expenditure on assets not owned by the Company	1,350	75	38	<b>1,387</b>	973	59	-	<b>1,032</b>	<b>355</b>	377
Assets of Government	28	-	-	<b>28</b>	-	-	-	-	<b>28</b>	28
Less: Grants from Government	28	-	-	<b>28</b>	-	-	-	-	<b>28</b>	28
Assets held for disposal valued at net book value or net realisable value whichever is less	20	-	-	<b>20</b>	-	-	-	-	<b>20</b>	20
<b>INTANGIBLE ASSETS</b>										
Land - Right of Use	13	-	-	<b>13</b>	-	-	-	-	<b>13</b>	13
Software	509	88	(180)	<b>777</b>	219	187	(1)	<b>407</b>	<b>370</b>	290
<b>Total</b>	<b>533,680</b>	<b>77,205</b>	<b>(12,645)</b>	<b>623,530</b>	<b>272,743</b>	<b>25,224</b>	<b>3,814</b>	<b>294,153</b>	<b>329,377</b>	<b>260,937</b>
Previous year	507,273	22,760	(3,647)	533,680	250,792	22,651	700	272,743	260,937	256,481

**Deduction/Adjustments from Gross Block includes:**

Disposal/Retirement of assets	
Cost adjustments	
Assets capitalised with retrospective effect / Write back of excess capitalisation	
Depreciation on construction equipment capitalised as EDC	
Others	

Current Year	Previous Year
<b>1,852</b>	864
<b>(18,243)</b>	(3,576)
<b>4,281</b>	(73)
-	(44)
<b>(535)</b>	(818)
<b>(12,645)</b>	(3,647)

**Deduction/Adjustments from Depreciation includes:**

	Current Year	Previous Year
Disposal/Retirement of assets	1,328	660
Assets capitalised with retrospective effect / Write back of excess capitalisation	2,391	54
Depreciation on construction equipment capitalised as EDC	-	5
Others	95	(19)
	<b>3,814</b>	<b>700</b>

**Depreciation for the the year is allocated as given below:**

	Current Year	Previous Year
Charged to Profit & Loss account	23,645	21,385
Allocated to the fuel cost	1,043	1,093
Transferred to Expenditure during construction period (net) -(Schedule 25)	141	172
Transferred to development of coal mines	2	1
Adjustment with Deferred Income/Expense from Deferred Foreign Currency Fluctuation	393	-
	<b>25,224</b>	<b>22,651</b>

**Schedule 7**
**CAPITAL WORK-IN-PROGRESS**

	As at 1.04.2008	Additions	Deductions & Adjustments	Capitalised	As at 31.03.2009
Development of land	2,434	891	396	-	2,929
Roads, bridges, culverts & helpads	771	217	310	95	583
Piling and foundation	7,566	1,764	1,381	-	7,949
Buildings :					
Main plant	7,404	5,155	(2,257)	4,781	10,035
Others	4,267	2,609	2,883	1,382	2,611
Temporary erection	22	44	5	19	42
Water supply, drainage and sewerage system	716	189	122	413	370
Hydraulic works, Barrages, Dams, Tunnels, and Power Channel	13,605	5,085	-	-	18,690
MGR track and signalling system	3,983	908	(68)	2,230	2,729
Railway siding	518	153	34	-	637
Earth dam reservoir	1,032	145	-	287	890
Plant and machinery	136,695	81,439	(326)	63,198	155,262
Furniture, fixtures and other office equipment	90	101	30	93	68
EDP/WP Machines & SATCOM equipment	23	74	3	63	31
Construction Equipments	2	-	-	2	-
Electrical installations	518	408	136	88	702
Communication equipment	22	28	11	17	22
Intangible assets - software	188	5	179	13	1
Capital expenditure on assets not owned by the company	546	193	(74)	75	738
Exploratory Wells-in-Progress	11	21	-	-	32
Development of Coal Mines	722	245	-	-	967
	<u>181,135</u>	<u>99,674</u>	<u>2,765</u>	<u>72,756</u>	<u>205,288</u>
<b>Expenditure pending allocation</b>					
Survey, investigation, consultancy and supervision charges	618	93	20	-	691
Difference in exchange on foreign currency loans	(220)	20,149	17,866	-	2,063
Expenditure towards diversion of forest land	1,114	563	-	-	1,677
Pre-commissioning expenses (net)	799	79	645	-	233
Expenditure during construction period (net)	1,075	16,391*	6	-	17,460
Less: Allocated to related works	-	15,053	-	-	15,053
	<u>184,521</u>	<u>121,896</u>	<u>21,302</u>	<u>72,756</u>	<u>212,359</u>
Less: Provision for unserviceable works	132	16	-	-	148
<b>Total</b>	<u>184,389</u>	<u>121,880</u>	<u>21,302</u>	<u>72,756</u>	<u>212,211</u>
Previous Year	128,567	78,234	3,266	19,146	184,389

\* Brought from Expenditure during construction period (net) - Schedule 25



**Schedule 8**

**CONSTRUCTION STORES AND ADVANCES**

	<b>31.03.2009</b>	Rs. million <u>31.03.2008</u>
CONSTRUCTION STORES *		
(At cost)		
Steel	<b>10,844</b>	5,997
Cement	<b>169</b>	155
Others	<b>6,365</b>	10,949
	<b>17,378</b>	17,101
Less: Provision for shortages	<b>11</b>	7
	<b>17,367</b>	17,094
ADVANCES FOR CAPITAL EXPENDITURE		
Secured	<b>1,273</b>	342
Unsecured, considered good		
Covered by bank guarantees	<b>28,757</b>	20,011
Others	<b>4,441</b>	2,947
Considered doubtful	<b>67</b>	67
	<b>34,538</b>	23,367
Less: Provision for bad & doubtful advances	<b>67</b>	67
	<b>34,471</b>	23,300
<b>Total</b>	<b>51,838</b>	40,394
	<b>9,433</b>	12,185

\* Includes material in transit, under inspection and with contractors

**Schedule 9**
**INVESTMENTS**

(Valuation as per Accounting Policy No.10)

	Number of shares/bonds/ securities	Face value per share/bond/ security	<b>31.03.2009</b>	Rs. million 31.03.2008
	Current Year/ (Previous Year)	Current Year/ (Previous Year) (Rs.)		
<b>LONG TERM (Trade - unless otherwise specified)</b>				
<b>A) Quoted</b>				
a) Government of India Dated Securities (Non-Trade)	19139000 (19139000)	100 (100)	<b>1,875</b>	1,896
Less: Amortisation of Premium			<b>10</b>	21
			<b>1,865</b>	1875
b) Equity Shares (fully paid-up)				
PTC India Ltd.	12000000 (12000000)	10 (10)	<b>120</b>	120
<b>Sub Total (A)</b>			<b>1,985</b>	1995
<b>B) Unquoted (fully paid-up)</b>				
<b>a) Bonds</b>				
<b>i) 8.50 % Tax-Free State Government Special Bonds of the Government of<sup>(#)</sup></b>				
Andhra Pradesh	8824550 (10085200)	1000 (1000)	<b>8,824</b>	10,085
Assam	360248 (411712)	1000 (1000)	<b>360</b>	412
Bihar	13260800 (15155200)	1000 (1000)	<b>13,261</b>	15,155
Chattisgarh	3382540 (3865760)	1000 (1000)	<b>3,382</b>	3,866
Gujarat	5860680 (6697920)	1000 (1000)	<b>5,861</b>	6,698
Haryana	7525000 (8600000)	1000 (1000)	<b>7,525</b>	8,600
Himachal Pradesh	233716 (267104)	1000 (1000)	<b>234</b>	267
Jammu and Kashmir	2571520 (2938880)	1000 (1000)	<b>2,571</b>	2,939
Jharkhand	6720856 (7680976)	1000 (1000)	<b>6,721</b>	7,681
Kerala	7016800 (8019200)	1000 (1000)	<b>7,017</b>	8,019
Madhya Pradesh	5815880 (6646720)	1000 (1000)	<b>5,816</b>	6,647
Maharashtra	2669800 (3051200)	1000 (1000)	<b>2,670</b>	3,051
Orissa	7720118 (8822992)	1000 (1000)	<b>7,720</b>	8,823
Punjab	2423610 (2769840)	1000 (1000)	<b>2,424</b>	2,770
Rajasthan	1160000 (1450000)	1000 (1000)	<b>1,160</b>	1,450
Sikkim	239372 (273568)	1000 (1000)	<b>239</b>	274
Uttar Pradesh	27929300 (31919200)	1000 (1000)	<b>27,929</b>	31,919



## Schedule 9

### INVESTMENTS

(Valuation as per Accounting Policy No.10)

	Number of shares/bonds/ securities	Face value per share/bond/ security	31.03.2009	Rs. million 31.03.2008
	Current Year/ (Previous Year)	Current Year/ (Previous Year)		
		(Rs.)		
Uttaranchal	2797550 (3197200)	1000 (1000)	<b>2,798</b>	3,197
West Bengal	8219736 (9393984)	1000 (1000)	<b>8,220</b>	9,394
<b>ii) Other Bonds</b>				
10.00 % Secured Non-Cumulative Non-Convertible Redeemable Grid Corporation of Orissa (GRIDCO) Power Bonds, Series-1/2003, 03/2002, 03/2009	0 (2660)	- (25000)	-	67
10.00 % Secured Non-Cumulative Non-Convertible Redeemable Grid Corporation of Orissa (GRIDCO) Power Bonds, Series-1/2003, 06/2002, 06/2009	3744 (3744)	12500 (37500)	<b>47</b>	140
10.00 % Secured Non-Cumulative Non-Convertible Redeemable Grid Corporation of Orissa (GRIDCO) Power Bonds, Series-1/2003, 09/2002, 09/2009	3780 (3780)	12500 (37500)	<b>47</b>	142
10.00 % Secured Non-Cumulative Non-Convertible Redeemable Grid Corporation of Orissa (GRIDCO) Power Bonds, Series-1/2003 - 10/2002, 10/2009	5970 (5970)	25000 (50000)	<b>149</b>	299
<b>b) Equity Shares in Joint Venture Companies (fully paid-up)</b>				
Utility Powertech Ltd. (Current year 1,000,000 bonus shares issued)	2000000 (1000000)	10 (10)	<b>10</b>	10
NTPC-Alstom Power Services Private Ltd.	3000000 (3000000)	10 (10)	<b>30</b>	30
NTPC-SAIL Power Company Private Ltd.	475250050 (390250050)	10 (10)	<b>4,752</b>	3,902
NTPC-Tamil Nadu Energy Company Ltd.	190000000 (190000000)	10 (10)	<b>1,900</b>	1,900
Ratnagiri Gas & Power Private Ltd.	500000000 (500000000)	10 (10)	<b>5,000</b>	5,000
Aravali Power Company Private Ltd.	458524200 (428524200)	10 (10)	<b>4,585</b>	4,285
NTPC-SCCL Global Ventures Private Ltd. (*Current/previous year Rs.5,00,000/-)	50000 (50000)	10 (10)	*	*
NTPC BHEL Power Projects Private Ltd. (*Current year Rs.5,00,000/-)	50000 (-)	10 (-)	<b>1*</b>	-
Meja Urja Nigam Private Limited	100000 (-)	10 (-)	<b>1</b>	-
BF-NTPC Energy Systems Ltd. (*Current year Rs.4,90,000/-)	49000 (-)	10 (-)	<b>1*</b>	-
National Power Exchange Ltd.	833500 (-)	10 (-)	<b>8</b>	-
Nabinagar Power Generating Company Pvt. Ltd. (*Current year Rs.5,00,000/-)	50000 (-)	10 (-)	<b>1*</b>	-
<b>c) Equity Shares in Subsidiary Companies</b>				
Pipavav Power Development Company Ltd.	375000 (375000)	10 (10)	<b>4</b>	4
NTPC Electric Supply Company Ltd. (*Current/previous year Rs.8,09,100/-)	80910 (80910)	10 (10)	*	*
NTPC Vidyut Vyapar Nigam Ltd.	20000000 (20000000)	10 (10)	<b>200</b>	200
NTPC Hydro Ltd.	92426200 (56280000)	10 (10)	<b>924</b>	563

**Schedule 9**
**INVESTMENTS**

(Valuation as per Accounting Policy No.10)

	Number of shares/bonds/securities	Face value per share/bond/security	31.03.2009	Rs. million 31.03.2008
	Current Year/ (Previous Year)	Current Year/ (Previous Year)		
		(Rs.)		
Kanti Bijlee Utpadan Nigam Ltd. (Formerly Vaishali Power Generating Company Ltd.) (*Current/previous year <b>Rs.5,10,000/-</b> )	51000 (51000)	10 (10)	*	*
Bhartiya Rail Bijlee Company Ltd.	185000000 (74000)	10 (10)	<b>1,850</b>	1
<b>d) Shares in Cooperative Societies</b>			<b>₹</b>	<b>₹</b>
<b>Sub Total (B)</b>			<b>134,242</b>	147,790
<b>C) Share application money pending allotment in :</b>				
NTPC Hydro Ltd.			<b>3</b>	60
Kanti Bijlee Utpadan Nigam Ltd. (Formerly Vaishali Power Generating Company Ltd.)			<b>594</b>	571
Bhartiya Rail Bijlee Company Ltd.			<b>571</b>	1,956
Aravali Power Company Private Ltd.			-	300
NTPC-Tamilnadu Energy Company Ltd.,			<b>160</b>	-
Ratnagiri Gas & Power Private Ltd.			<b>1,929</b>	-
Meja Urja Nigam Private Limited			<b>301</b>	-
NTPC BHEL Power Projects Private Ltd.			<b>50</b>	-
<b>Sub Total (C)</b>			<b>3,608</b>	2,887
<b>Total</b>			<b>139,835</b>	<b>152,672</b>
<b>Quoted Investments</b>				
Book Value			<b>1,985</b>	1,995
Market Value			<b>2,755</b>	3,043
<b>Unquoted Investments</b>				
Book Value			<b>137,850</b>	150,677
Current investments were purchased and realised on maturity (at cost)				
Government of India				
Treasury bills			-	3,854
(#) Includes bonds of <b>Rs. 65,623 million</b> (previous year Rs.65,913 million) permitted for transfer/trading by Reserve Bank of India. Balance can be transferred/ traded subject to prior approval of Reserve Bank of India.				
<b>₹ Shares in Co-operative societies (unquoted)</b>			Rs.	Rs.
NTPC Employees Consumers and Thrift Co-operative Society Ltd. Korba	500 (500)	10 (10)	<b>5,000</b>	5,000
NTPC Employees Consumers and Thrift Cooperative Society Ltd. Ramagundam	250 (250)	10 (10)	<b>2,500</b>	2,500
NTPC Employees Consumers Cooperative Society Ltd. Farakka	500 (500)	10 (10)	<b>5,000</b>	5,000
NTPC Employees Consumers Cooperative Society Ltd. Vindhyachal	108 (108)	25 (25)	<b>2,700</b>	2,700
NTPC Employees Consumers Cooperative Society Ltd. Anta	500 (500)	10 (10)	<b>5,000</b>	5,000
NTPC Employees Consumers Cooperative Society Ltd. Kawas	500 (500)	10 (10)	<b>5,000</b>	5,000
NTPC Employees Consumers Cooperative Society Ltd. Kaniha	250 (250)	20 (20)	<b>5,000</b>	5,000
			<b>30,200</b>	30,200



#### Schedule 10

### INVENTORIES

(Valuation as per Accounting Policy No.11)

	31.03.2009	Rs. million 31.03.2008
Components and spares	17,429	15,609
Loose tools	46	44
Coal	11,133	6,694
Fuel oil	1,797	1,470
Naphtha	860	1,599
Chemicals & consumables	281	731
Steel Scrap	116	93
Others	1,262	815
	<b>32,924</b>	<b>27,055</b>
Less: Provision for shortages	51	23
Provision for obsolete/ unserviceable items/ diminution in value of surplus inventory	439	275
<b>Total</b>	<b>32,434</b>	<b>26,757</b>
Inventories include material in transit, under inspection and with contractors	<b>1,527</b>	<b>1,772</b>

#### Schedule 11

### SUNDRY DEBTORS

(Considered good, unless otherwise stated)

Debts outstanding over six months		
Unsecured	-	676
Considered doubtful	8,361	8,362
	<b>8,361</b>	<b>9,038</b>
Other debts		
Unsecured	35,842	29,151
	<b>44,203</b>	<b>38,189</b>
Less: Provision for bad & doubtful debts	8,361	8,362
<b>Total</b>	<b>35,842</b>	<b>29,827</b>

#### Schedule 12

### CASH & BANK BALANCES

Cash on hand	15	96
(includes cheques, drafts, stamps on hand <b>Rs.15 million</b> , previous year Rs.94 million)		
Balance with Reserve Bank of India earmarked for fixed deposits from public	308	308
Balances with scheduled banks		
Current Accounts (a)	2,395	4,326
Term Deposit Accounts (b)	159,998	144,536
Balance with other banks		
Call Deposit Account		
West LB AG, London (c)	-	66
<b>Total</b>	<b>162,716</b>	<b>149,332</b>

- (a) Includes **Rs.58 million** of Unclaimed Dividend (Previous year Rs.55 million)
- (b) **Rs.103 million** (Previous year Rs.22 million) deposited as security with Government Authorities/Others as per court orders.
- (c) Maximum amount outstanding at any time during the year **Rs.73 million** (Previous year Rs.67 million)

**Schedule 13**
**OTHER CURRENT ASSETS**

Interest accrued :

Government of India dated securities	
Bonds	
Term deposits	
Others	

Other recoverables

Others

**Total**
**31.03.2009**

47
5,236
4,242
138
118
11
<b>9,792</b>

Rs. million

**31.03.2008**

47
5,950
2,895
221
97
8
<b>9,218</b>

**Schedule 14**
**LOANS AND ADVANCES**

(Considered good, unless otherwise stated)

**LOANS**

Employees (including accrued interest)

Secured

Unsecured

Considered doubtful

Loan to State Government in settlement of dues from customers

Unsecured

Loan to a Subsidiary Company (including accrued interest)

Secured

Unsecured

Others

Secured

Unsecured

**ADVANCES**

(Recoverable in cash or in kind or for value to be received)

Subsidiary Companies

Unsecured

Contractors &amp; suppliers, including material issued on loan

Secured

Unsecured

Considered doubtful

Employees (including imprest)

Unsecured

Considered doubtful

Advance tax &amp; tax deducted at source

Less: Provision for taxation

Others

Unsecured

Considered doubtful

Claims recoverable

Unsecured

Considered doubtful

 Less: Provision for bad and doubtful loans, advances  
and claims

**DEPOSITS**

 Deposits with customs, port trust and others <sup>(#)</sup>
**Total**

(#) Sales Tax deposited under protest with sales tax authorities

Due from Directors &amp; Officers of the Company

Directors

Officers

Maximum amount outstanding during the year

Directors

Officers

3,927
1,044
2
7,179
308
-
2,200
1

69,697
34,734

34,963
726
152
63,954
3,325
34
190
67,123

1,346
68,469

271
-----

3
1,145
3
1,443

4,420
788
2
8,137
-
202
2,200
1
228
48
1,467
1
1,587
1
67,862
49,790
18,072
532
294
37,980
1,555
33
331
39,237
1,117
40,354
194
1
654
1
790



## Schedule 15 CURRENT LIABILITIES

	31.03.2009	Rs. million 31.03.2008
Sundry Creditors		
For capital expenditure		
Micro & Small Enterprises (*Rs.2,03,017/-)	*	2
Others	23,673	16,106
For goods and services		
Micro & Small Enterprises	10	10
Others	28,392	16,328
Book overdraft	115	122
Deposits, retention money from contractors and others	12,411	15,840
Less: Bank deposits/Investments held as security	132	145
	<b>64,469</b>	<b>48,263</b>
Advances from customers and others	4,520	2,958
Other liabilities	1,951	1,437
Unclaimed dividend (#)	58	55
Interest accrued but not due :		
Loans from Government of India (*Rs.60,080/-)	*	1
Foreign currency loans/bonds	443	372
Rupee term loans	921	854
Bonds	2,025	1,537
Fixed deposits from public	4	6
<b>Total</b>	<b>74,391</b>	<b>55,483</b>

(#) No amount is due for payment to Investor Education and Protection Fund

## Schedule 16 PROVISIONS

Income/Fringe Benefit Tax		
As per last balance sheet	-	20
Additions during the year	11,594	28,486
Amount adjusted during the year	(23,140)	(21,284)
Less: Set off against taxes paid	34,734	49,790
	<b>-</b>	<b>-</b>
Proposed dividend		
As per last balance sheet	6,596	6,596
Additions during the year	6,596	6,596
Amounts used during the year	6,596	6,596
	<b>6,596</b>	<b>6,596</b>
Tax on proposed dividend		
As per last balance sheet	1,121	1,121
Additions during the year	1,103	1,121
Amounts paid during the year	1,121	1,121
	<b>1,103</b>	<b>1,121</b>
Employee benefits		
As per last balance sheet	15,293	9,007
Additions during the year	8,541	7,191
Amounts paid during the year	1,907	905
	<b>21,927</b>	<b>15,293</b>
Obligations incidental to Land Acquisition	2,842	-
Others		
As per last balance sheet	806	284
Additions during the year	5	524
Amounts adjusted during the year	783	1
Amounts reversed during the year	1	1
	<b>27</b>	<b>806</b>
<b>Total</b>	<b>32,495</b>	<b>23,816</b>

**Schedule 17**
**SALES**

	<b>Current Year</b>	Rs. million Previous Year
Energy Sales (including Electricity Duty) *	<b>423,861</b>	378,493
Less : Advance against depreciation deferred	<b>5,626</b>	7,167
Add : Exchange fluctuation receivable from customers	<b>1,894</b>	950
	<b>420,129</b>	371,576
Consultancy, project management and supervision fees(including turnkey construction projects)	<b>1,325</b>	1,039
<b>Total</b>	<b>421,454</b>	372,615

\* Includes **Rs.7,583 million** (previous year Rs.92,761 million) on account of income tax recoverable from beneficiaries as per CERC Regulations.

**Schedule 18**
**PROVISIONS WRITTEN BACK**

Doubtful Debts	<b>1</b>	-
Doubtful loans, advances and claims	<b>145</b>	8
Doubtful construction advances	-	1
Shortage in construction stores	<b>4</b>	1
Shortage in stores	<b>11</b>	15
Obsolescence/Dimunition in value of surplus stores	<b>8</b>	36
Unserviceable Capital work-in-progress	-	2
Others	<b>1</b>	1
	<b>170</b>	64



## Schedule 19

### OTHER INCOME

#### Income from Long Term Investments

##### Trade

Dividend from Subsidiaries	78	23
Dividend from Joint Ventures	60	73
Interest		
Government Securities (8.5% tax free bonds issued by the State Governments)	10,805	12,209
Other Bonds (Gross) (Tax deducted at source <b>Rs.12 million</b> , Previous year Rs.21 million)	43	83

##### Non -Trade

Interest from Government of India Securities (Gross)	131	156
Less: Amortisation of premium	10	21

#### Income from Current Investments (Non-Trade)

Income on redemption of Government of India Treasury Bills	-	146
Dividend from Mutual Fund Investments	361	-

#### Income from Others

Interest (Gross) (Tax deducted at source **Rs.3,672 million**, previous year Rs.3,237 million)

Loan to State Government in settlement of dues from customers	671	752
Indian banks	15,803	13,850
Foreign banks	(15)	5
Employees' loans	175	194
Customers	967	166
Others	530	384
Subsidiary Company	42	14
Interest on Income Tax refunds	3,306	-
Less: Refundable to customers	1,107	-

Surcharge received from customers	2,199	-
Hire charges for equipment	67	1
Profit on disposal of fixed assets	13	26
Exchange differences	127	21
Miscellaneous income	633	122
	1,150	1,394

Less: Transferred to Expenditure during construction period (net) - Schedule 25	33,830	29,598
Transferred to Deferred Foreign Currency Fluctuation Liability	413	394
Transferred to Development of coal mines	610	-
	1	1

#### Total

**32,806**

**29,203**

## Schedule 20

### EMPLOYEES' REMUNERATION AND BENEFITS

Salaries, wages, bonus, allowances & benefits	19,061	16,941
Contribution to provident and other funds	6,746	2,152
Welfare expenses	3,169	3,200

Less: Allocated to fuel cost	28,976	22,293
Transferred to development of coal mines	1,228	975
Transferred to expenditure during construction period (net) - Schedule 25	158	90
	2,959	2,268

#### Total

**24,631**

**18,960**

**Schedule 21**  
**GENERATION, ADMINISTRATION & OTHER EXPENSES**

	Current Year	Previous Year
Power charges	1,010	771
Less: Recovered from contractors & employees	126	120
	884	651
Water charges	932	754
Stores consumed	310	268
Rent	158	162
Less: Recoveries	56	76
	102	86
Repairs & Maintenance		
Buildings	940	760
Plant & Machinery		
Power stations	9,391	9,190
Construction equipment	9	10
	9,400	9,200
Others	792	402
Insurance	461	442
Rates and taxes	198	184
Water Cess & Environment Protection Cess	255	228
Training & Recruitment expenses	417	346
Less: Fees for application and training	36	17
	381	329
Communication expenses	275	272
Travelling expenses	1,274	1,125
Tender expenses	217	136
Less: Receipt from sale of tenders	20	14
	197	122
Payment to Auditors	25	21
Advertisement and publicity	109	87
Security expenses	1,663	1,688
Entertainment expenses	137	114
Expenses for guest house	94	77
Less: Recoveries	12	11
	82	66
Education expenses	183	181
Brokerage & commission	14	13
Donations	1	6
Community development and welfare expenses	138	155
Less: Grants-in-aid	9	22
	129	133
Ash utilisation & marketing expenses	47	66
Less: Sale of ash products (*Rs.251,280/-)	-	*
	47	66
Directors sitting fee (*Rs.420,000/-)	2	*
Books and periodicals	17	28
Professional charges and consultancy fees	292	292
Legal Expenses	46	50
EDP hire and other charges	122	103
Printing and stationery	102	85
Oil & gas exploration expenses	87	107
Claims/Advances written off	2	-
Hiring of vehicles	316	283
Miscellaneous expenses	1,027	477
Stores written off	2	2
Survey & Investigation expenses written off	36	31
Loss on disposal/write-off of fixed assets	403	136
	21,245	18,792
Less: Allocated to fuel cost	1,450	1,134
Transferred to development of coal mines	84	173
Transferred to Expenditure during construction period (net) - Schedule 25	1,519	1,201
<b>Total</b>	<b>18,192</b>	<b>16,284</b>
Spares consumption included in repairs and maintenance	5,922	5,851





**Schedule 22**  
**PROVISIONS**

	Current Year	Rs. million Previous Year
Doubtful debts	-	1
Doubtful advances and claims	4	13
Doubtful advances for construction	-	1
Shortage in stores	41	13
Obsolete/Diminution in the value of surplus stores	172	31
Shortage in construction stores	8	5
Unserviceable capital work-in-progress	16	2
Others	5	5
<b>Total</b>	<b>246</b>	<b>71</b>

**Schedule 23**  
**INTEREST AND FINANCE CHARGES**

**Interest on :**

Bonds	6,052	5,002
Loans from Government of India	5	11
Foreign Currency Term Loans	2,301	1,728
Rupee Term loans	11,361	9,449
Public deposits	3	13
Foreign currency Bonds/Notes	1,738	1,461
Amounts payable to customers	72	15
Others	701	174
Exchange differences regarded as adjustment to interest costs	2,688	(1,255)
	<b>24,921</b>	<b>16,598</b>

**Finance Charges :**

Bonds servicing & public deposit expenses	18	10
Guarantee Fee	339	334
Management Fee	1	26
Commitment charges/exposure premium	9	15
Rebate to customers	6,700	7,203
Reimbursement of L.C.charges on Sales Realisation	133	85
Bank Charges	21	15
Bond Issue Expenses	45	1
Legal expenses on foreign currency loans	-	1
Exchange differences	609	483
Foreign currency Bonds/ Notes expenses	1	1
Others	26	24
	<b>7,902</b>	<b>8,198</b>

**Sub-Total**

Less: Transferred to Expenditure during construction period (net) - Schedule 25  
Transferred to Deferred Foreign Currency Fluctuation Asset

	<b>32,823</b>	<b>24,796</b>
	<b>12,252</b>	<b>6,815</b>
	<b>342</b>	<b>-</b>
<b>Total</b>	<b>20,229</b>	<b>17,981</b>

**Schedule 24**
**PRIOR PERIOD INCOME/EXPENDITURE (NET)**

	Current Year	Rs. million Previous Year
<b>INCOME</b>		
Sales	4,640	(5,561)
Others	26	1
	<b>4,666</b>	<b>(5,560)</b>
<b>EXPENDITURE</b>		
Salary, wages, bonus, allowances & benefits	(5)	17
Repairs and Maintenance	3	6
Depreciation	(2,391)	54
Interest including exchange differences regarded as adjustment to interest cost	7,539	7
Insurance	(1)	-
Rebate to customers	-	(399)
Advertisement and publicity	1	(1)
Professional consultancy charges	2	5
Rates & Taxes	(14)	6
Fuel	-	(2,502)
Rent	1	-
Power charges	-	12
Depreciation adjustment out of Deferred Expenses/Income from Foreign Currency Fluctuation	736	-
Exchange differences	(469)	-
Others	19	2
	<b>5,421</b>	<b>(2,793)</b>
<b>Net Expenditure/(Income)</b>	<b>755</b>	<b>2,767</b>
Less: Transferred to Expenditure during construction period (net) - Schedule 25	(78)	22
Transferred to Deferred Foreign Currency Fluctuation Asset/Liability	(250)	-
<b>Total</b>	<b>1,083</b>	<b>2,745</b>

Schedule 25

**EXPENDITURE DURING CONSTRUCTION PERIOD (NET)**

	<u>Current Year</u>	Rs. million <u>Previous Year</u>
<b>A. Employees remuneration and other benefits</b>		
Salaries, wages, allowances and benefits	1,949	1,687
Contribution to provident and other funds	678	251
Welfare expenses	332	330
<b>Total (A)</b>	<u>2,959</u>	<u>2,268</u>
<b>B. Other Expenses</b>		
Power charges	502	350
Less: Recovered from contractors & employees	<u>8</u>	<u>7</u>
	494	343
Water charges	-	3
Rent	18	25
Repairs & maintenance		
Buildings	44	37
Construction equipment	4	2
Others	<u>92</u>	<u>68</u>
	140	107
Insurance	11	8
Rates and taxes	23	19
Communication expenses	36	41
Travelling expenses	241	170
Tender expenses	62	22
Less: Income from sale of tenders	<u>1</u>	<u>2</u>
	61	20
Payment to Auditors	-	2
Advertisement and publicity	13	20
Security expenses	173	153
Entertainment expenses	22	18
Guest house expenses	8	9
Education expenses	1	2
Books and periodicals	6	3
Community development expenses	7	18
Professional charges and consultancy fee	47	23
Legal expenses	3	5
EDP Hire and other charges	7	14
Printing and stationery	8	11
Miscellaneous expenses	<u>200</u>	<u>187</u>
<b>Total (B)</b>	<u>1,519</u>	<u>1,201</u>
<b>C. Depreciation</b>	141	172
<b>Total (A+B+C)</b>	<u>4,619</u>	<u>3,641</u>



**D. Interest and Finance Charges**

	<u>Current Year</u>	<u>Previous Year</u>
Interest on		
Bonds	3,225	2,100
Foreign Currency Term Loans	1,179	899
Rupee Term loans	6,305	4,849
Foreign currency Bonds/Notes	651	816
Exchange Differences regarded as adjustment to Interest Cost	811	(2,378)
Finance Charges		
Commitment charges	6	15
Management fee / arrangers fees	-	25
Legal expenses on Foreign Currency Loans	-	1
Exchange differences	-	459
Foreign currency Bonds/Notes expenses	2	2
Others	73	27
<b>Total (D)</b>	<b>12,252</b>	<b>6,815</b>
<b>E. Less : Other Income</b>		
Interest from		
Indian Banks	6	-
Foreign Banks	7	2
Employees	-	16
Others	242	117
Hire Charges	12	21
Sale of scrap	4	23
Miscellaneous income	142	215
<b>TOTAL (E)</b>	<b>413</b>	<b>394</b>
<b>F. Prior Period Adjustments</b>	<b>(78)</b>	<b>22</b>
<b>G. Income/Fringe Benefit Tax</b>	<b>11</b>	<b>84</b>
<b>GRAND TOTAL (A+B+C+D-E+F+G)</b>	<b>16,391*</b>	<b>10,168</b>

\* Balance carried to Capital Work-in-progress - (Schedule 7)



## SCHEDULE 26

### NOTES ON ACCOUNTS

1. a) The conveyancing of the title to **10,844 acres** of freehold land of value **Rs. 4,950 million** (previous year 10,288 acres of value Rs.3,563 million) and buildings & structures valued at **Rs.1,137 million** (previous year Rs.782 million), as also execution of lease agreements for **8,820 acres** of land of value **Rs.2,720 million** (previous year 7,403 acres, value Rs.820 million) in favour of the Company are awaiting completion of legal formalities.  
b) Land does not include cost of **1,181 acres** (previous year 1,181 acres) of land in possession of the Company. This will be accounted for on settlement of the price thereof by the State Government Authorities.  
c) Land includes **1,223 acres** of value **Rs.110 million** (previous year 1,334 acres of value Rs.113 million) not in possession of the Company. The Company is taking appropriate steps for repossession of the same.  
d) Land includes an amount of **Rs.1,243 million** (previous year Rs.1,590 million) deposited with various authorities in respect of land in possession which is subject to adjustment on final determination of price.  
e) The cost of right of use of land for laying pipelines amounting to **Rs. 13 million** (previous year Rs.13 million) is included under intangible assets. The right of use is perpetual in nature and accordingly not amortised.
2. a) The Central Electricity Regulatory Commission (CERC) has notified by Regulations in March 2004, the terms and conditions for determination of tariff applicable with effect from 1<sup>st</sup> April 2004 for a period of five years. The CERC has issued final tariff orders for all the stations/units except for two stations (four units), where sales of **Rs.13,172 million**, for the current year (previous year Rs.15,028 million) have been recognised based on provisional tariff orders issued by CERC.  
b) In respect of stations/units where the CERC had issued final tariff orders applicable from 1<sup>st</sup> April 2004, the Company aggrieved over many of the issues as considered by the CERC in the tariff orders, filed an appeal with the Appellate Tribunal for Electricity (ATE). The ATE has disposed off the appeal favourably directing the CERC to revise the tariff orders as per the directions and methodology given. The CERC has filed an appeal with the Hon'ble Supreme Court of India on some of the issues decided by the ATE which is pending and is yet to issue the revised tariff orders for the balance issues in respect of some of the stations as per the directions of the ATE. Sales for the year in respect of these stations amounting to **Rs.370,661 million** (previous year Rs.307,013 million) have been accounted for based on provisional tariff worked out by the Company as per the methodology and directions as decided by the ATE.  
c) Sales in respect of one of the stations has been provisionally recognised at **Rs.14,402 million** (previous year Rs.13,074 million) on the basis of principles enunciated under CERC Regulations, 2004, as against the billing of **Rs.14,569 million** (previous year Rs.13,258 million) as per tariff order issued by CERC, prior to the takeover of the station by the company.  
d) Sales of **Rs.10,201 million** (previous year Rs.11,336 million) pertaining to previous years has been recognised based on the orders issued by CERC/ATE.
3. Depreciation has been charged at the rates specified in Schedule XIV of the Companies Act, 1956 except as stated in accounting policy no.12.2.1. Government of India in January 2006 notified the Tariff Policy under the provisions of the Electricity Act, 2003 which provides that the rates of depreciation notified by the CERC would be applicable for the purpose of tariff as well as accounting. Subsequent to the notification of the Tariff Policy, the CERC has not revised the rates of depreciation for the tariff period 1<sup>st</sup> April 2004 to 31<sup>st</sup> March 2009. The Company has been advised that the Tariff Policy cannot override the provisions of the Companies Act, 1956 and it is required to follow Schedule XIV of the Companies Act, 1956 in the absence of any specific deviation contained in the Electricity Act, 2003 which could be said to have been saved by Section 616 of the Companies Act, 1956. The Company has also been advised that there is no such provision in the Electricity Act, 2003 either prescribing the rates of depreciation for the generating Company or otherwise empowering any authority for providing depreciation rates for accounting purposes in supercession of the provisions of the Companies Act, 1956.
4. Due to uncertainty of realisation in the absence of sanction by the Government of India (GOI), the Company's share of net annual profits of one of the stations taken over by the Company in June 2006 for the period 1<sup>st</sup> April 1986 to 31<sup>st</sup> May 2006 amounting to **Rs. 1,155 million** (previous year Rs.1,155 million) being balance receivable in terms of the management contract with the GOI has not been recognised.
5. The pay revision of the employees of the Company is due w.e.f 1<sup>st</sup> January 2007. Pending implementation of pay revision, provision for the year **Rs. 5,342 million** (previous year Rs.4,094 million) and up to the year **Rs.10,415 million** (upto previous year 31<sup>st</sup> March 2008 Rs.5,073 million) has been made towards wage revision on an estimated basis having regard to the guidelines issued by Department of Public Enterprises, GOI. A sum of **Rs.3,142 million** (previous year Rs. 1,444 million) paid as adhoc advance towards pay revision is included in 'Loans and Advances' (Schedule 14).
6. In accordance with the Uttar Pradesh Electricity Reforms (Transfer of Tanda Generation Undertaking) Scheme 2000, the assets for **Rs. 6,070 million** (previous year Rs.6,070 million) of Tanda Power Station of UP State Electricity Board (UPSEB) were handed over to the Company free from all encumbrances. However, the mortgage created by UPSEB on fixed assets in favour of Life Insurance Corporation of India (LIC) before the assets were taken over was not vacated. Uttar Pradesh Rajkiya Vidyut Utpadan Nigam Ltd (erstwhile UPSEB) has confirmed the repayment of loan to LIC and the process of de-mortgage of fixed assets of Tanda Power Station is in progress.
7. The amount reimbursable to GOI in terms of Public Notice No.38 dated 5<sup>th</sup> November, 1999 and Public Notice No.42 dated 10<sup>th</sup> October, 2002 towards cash equivalent of the relevant deemed export benefits paid by GOI to the contractors for one of the stations amounted to **Rs.2,768 million** (previous year Rs.2,768 million) out of which **Rs.2,696 million** (previous year Rs.2,696 million) has been deposited with the GOI and liability for the balance amount of **Rs.72 million** (previous year Rs.72 million) has been provided for. No interest has been provided on the reimbursable amounts as there is no stipulation for payment of interest in the public notices cited above.

8. As per the direction of the Ministry of Power (MOP), a memorandum of understanding was signed between the Company, Gujarat Power Corporation Ltd. (GPCL) and Gujarat Electricity Board (GEB) on 20<sup>th</sup> February 2004 to set up Pipavav Power Project. The Company disassociated from the Pipavav Power Project on 24<sup>th</sup> May 2007 after obtaining approval from the MOP. The Board of Directors of NTPC Ltd., have given consent for winding up of the Pipavav Power Development Company Ltd. (PPDCL), a wholly owned subsidiary of the Company after due settlement of claims towards expenses incurred by the Company on PPDCL with GPCL/GOG. During the year, a sum of Rs.22 million has been received from M/s GPCL out of which Rs.4 million has been adjusted against claims recoverable, Rs.4 million received towards equity contribution has been shown as other liability pending liquidation of PPDCL and the balance amount of Rs.14 million has been accounted as Miscellaneous Income and Interest – Others. As full amount has been received towards equity invested, no provision is considered necessary for diminution in the value in investment.
9. Based on the opinions of the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI) received during the year, in respect of land in possession of the company, provision of **Rs.2,842 million** has been made towards expenditure on resettlement & rehabilitation activities including the amount payable to the project affected persons (PAPs) towards land for land option, resettlement grant or other grants, providing community facilities and compensatory afforestation, greenbelt development & loss of environmental value etc. based on the Rehabilitation Action Plan (RAP) of the Company or as per the agreement with/demand letters/directions of the local authorities and the same is included in the cost of land.
10. Consequent to the issuance of the new Coal Distribution Policy by Ministry of Coal in October 2007, the Company and Coal India Ltd. (holding Company of the coal suppliers), revisited the Model Coal Supply Agreement (CSA) initialled in March 2007. The new CSA, which is in advance stage of finalisation, would be valid for 20 years with a provision for review after every 5 years. On finalisation, separate CSAs would be signed by each station with the respective subsidiaries of Coal India Ltd.
11. The Company challenged the levy of transit fee/entry tax on supplies of coal to some of its power stations and has paid under protest such transit fee/entry tax to Coal Companies/Sales Tax Authorities. Further, in line with the agreement with GAIL, the Company has also paid entry tax and sales tax on transmission charges in respect of supplies made to various stations in the state of Uttar Pradesh. GAIL has paid such taxes to the appropriate authorities under protest and filed a petition before the Hon'ble High Court of Allahabad challenging the applicability of relevant Act. In case the Company gets refund from Coal Companies/Sales Tax Authorities/GAIL on settlement of these cases, the same will be passed on to respective beneficiaries.
12. a) Balances shown under advances, creditors and material lying with contractors and material issued on loan in so far as these have since not been realised/discharged or adjusted are subject to confirmation/reconciliation and consequential adjustment, if any.  
b) In the opinion of the management, the value of current assets, loans and advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.
13. Effect of changes in Accounting Policies:
  - a) I) Based on the opinions of the EAC of the ICAI, pronounced during the year, with regard to accounting of exchange differences arising from restatement/settlement of foreign currency monetary items, the following adjustments have been carried out:
    - (i) Exchange differences (gain) of **Rs.7,536 million** in respect of foreign currency loans contracted before 1<sup>st</sup> April 2004, which were hitherto treated as borrowing cost and recognised in the Profit and Loss Account have been adjusted in the cost of related assets by debit to 'Prior Period Interest' (Schedule - 24). Due to the above adjustment, depreciation of **Rs.2,478 million** pertaining to previous years has been written back through 'Prior Period Depreciation' (Schedule - 24) and depreciation for the year is lower by **Rs.408 million**.
    - (ii) Exchange differences (gain) of **Rs. 99 million** for the financial years 2004-05 to 2006-07 arising from restatement/settlement of foreign currency monetary items in respect of transactions entered into on or after 1<sup>st</sup> April 2004, which were hitherto treated as Incidental Expenditure During Construction (IEDC) at units under construction have been recognized in the Profit & Loss Account through 'Prior Period Interest/Exchange differences' (Schedule - 24). Due to the above adjustment, depreciation amounting to **Rs. 2 million** pertaining to previous years has been charged to 'Prior Period Depreciation' (Schedule - 24) and depreciation for the year is higher by **Rs. 5 million**.
  - II) In line with the Central Government Gazette Notification No.193 dated 31<sup>st</sup> March 2009 amending Accounting Standard (AS) – 11 on 'The Effects of Changes in Foreign Exchange Rates', the Company has exercised the option to adjust with effect from the financial year 2007-08, the exchange differences arising from restatement/settlement of long term foreign currency monetary items relating to acquisition of depreciable capital assets in the cost of related assets and depreciate the same over the balance life of the asset. Accordingly, the Company adjusted exchange differences arising for the financial year 2007-08 and 2008-09 amounting to **Rs.152 million** included in the cost of related assets, of this a sum of **Rs.2 million** relating to the year 2007-08 has been credited to the General Reserve as per the transitional provisions in the aforesaid Notification. Consequently, depreciation for the year is higher by **Rs. 30 million**.
  - III) Consequent to the change in the accounting policies as detailed in (I) and (II) above, the balance of **Rs.2,554 million** as on 31<sup>st</sup> March 2008 in the 'Deferred Foreign Currency Fluctuation Liability' has been written back through 'Prior Period Sales' – (Schedule 24). In respect of operating stations, an amount of **Rs.2,080 million** recoverable from the beneficiaries in future years as per CERC Regulations corresponding to exchange differences recognised in the Profit & Loss Account for the periods up to 31<sup>st</sup> March 2008 has been recognised as 'Deferred Foreign Currency Fluctuation Asset' through 'Prior Period Sales' (Schedule - 24). Similarly, **Rs.4,144 million** to be passed on to the beneficiaries in future years corresponding to exchange differences adjusted in the cost of related assets up to 31<sup>st</sup> March 2008 has been recognised as 'Deferred Foreign Currency Fluctuation Liability' by debit to 'Deferred Expenditure from Foreign Currency Fluctuation'. Due to accounting of such exchange differences, corresponding decrease in depreciation amounting to **Rs.736 million** has been credited to 'Deferred Expenditure from Foreign Currency Fluctuation' by debit to 'Prior Period Depreciation out of Deferred Expenses/Income from Foreign Currency Fluctuation' (Schedule - 24).  
In case of projects under construction, 'Deferred Foreign Currency Fluctuation Asset/Liability' has been created corresponding to exchange differences recognised in the statement of Profit & Loss Account which are admissible for inclusion in capital cost for tariff determination as per CERC Regulations, relating to prior years (Schedule -24) **Rs.250 million** and current year **Rs.268 million**.

As a result, net profit for the year is lower by **Rs.639 million**.



- b) Expenses common to operation and construction activities were hitherto allocated to Profit & Loss Account and Incidental Expenditure during Construction in proportion of sales to annual capital outlay in the case of Corporate Office and sales to accretion to capital work-in-progress in the case of projects. Consequent upon the withdrawal of Guidance Note on 'Treatment of Expenditure during Construction Period' by the ICAI, the Company has identified and allocated on a systematic basis the administration and general overhead expenses attributable to construction of fixed assets at the corporate office and construction projects and included the same in capital work-in-progress/fixed assets. Due to this, profit for the year and fixed assets/capital work-in-progress are lower by **Rs. 733 million**.
14. The Company has progressively implemented SAP-ERP System at different units w.e.f. 1<sup>st</sup> June 2007. As a result, the valuation of inventory items has undergone a change from monthly weighted average to moving weighted average at the units where ERP system has been implemented during the year. Due to the above change, impact on profit for the year if any, is not ascertainable.
15. Revenue Grants recognised during the year is **Rs. 9 million** (previous year Rs. 22 million).
16. **Disclosure as per Accounting Standard (AS) 15:**

General description of various defined employee benefit schemes are as under:

**A. Provident Fund**

Company pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the funds in permitted securities. The contribution to the fund for the year is recognised as expense and is charged to the Profit & Loss Account. The obligation of the Company is to make such fixed contribution and to ensure a minimum rate of return to the members as specified by GOI. As per report of the actuary, overall interest earnings and cumulative surplus is more than the statutory interest payment requirement. Hence no further provision is considered necessary.

**B. Gratuity & Pension**

The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of **Rs.1 million** (previous year Rs.0.35 million), on superannuation, resignation, termination, disablement or on death. The Company has a scheme of pension at one of the stations in respect of taken over employees from erstwhile State Government Power Utility. These schemes are funded by the Company and are managed by separate trusts. The liability for the same is recognised on the basis of actuarial valuation.

**C. Post-Retirement Medical Facility (PRMF)**

The Company has Post-Retirement Medical Facility (PRMF), under which retired employee and the spouse are provided medical facilities in the Company hospitals / empanelled hospitals. They can also avail treatment as Out-Patient subject to a ceiling fixed by the Company.

**D. Terminal Benefits**

Terminal benefits include settlement at home town for employees & dependents and farewell gift to the superannuating employees. Further, the Company also provides for pension in respect of taken over employees from erstwhile State Government Power Utility at another station.

**E. Leave**

The Company provides for earned leave benefit (including compensated absences) and half-pay leave to the employees of the Company which accrue annually at 30 days and 20 days respectively. 75% of the earned leave is en-cashable while in service and a maximum of 300 days on superannuation. Half-pay leave is en-cashable only on superannuation up to the maximum of 240 days as per the rules of the Company. The liability for the same is recognised on the basis of actuarial valuation. The above mentioned schemes (C, D and E) are unfunded and are recognised on the basis of actuarial valuation. The summarised position of various defined benefits recognised in the profit and loss account, balance sheet are as under: (Figures given in { } represents previous year)

i) **Expenses recognised in Profit & Loss Account**

Rs. million

	Gratuity/ Pension	PRMF	Leave	Terminal Benefits
Current Service Cost	496 {407}	77 {68}	391 {313}	54 {423}
Past Service Cost	4,144 {-}	- {-}	- {-}	- {-}
Interest cost on benefit obligation	376 {368}	123 {116}	361 {313}	71 {72}
Expected return on plan assets	(371) {(353)}	- {-}	- {-}	- {-}
Net actuarial (gain)/ loss recognised in the year	192 {150}	212 {143}	1,111 {1,071}	165 {(372)}
Expenses recognised in the Profit & Loss Account	4,837 {572}	412 {327}	1,863 {1,697}	290 {123}

**ii) The amount recognised in the Balance Sheet**

Rs. million

	Gratuity/ Pension	PRMF	Leave	Terminal Benefits
Present value of obligation as at 31.3.2009 (i)	10,409 {5,361}	2,133 {1,750}	6,479 {5,160}	1,255 {1,017}
Fair value of plan assets as at 31.3.2009 (ii)	5,364 {4,623}	- {-}	- {-}	- {-}
Difference (ii) – (i)	(5,045) {(738)}	(2,133) {(1,750)}	(6,479) {(5,160)}	(1,255) {(1,017)}
Net asset /(liability) recognised in the Balance Sheet	(5,045) {(738)}	(2,133) {(1,750)}	(6,479) {(5,160)}	(1,255) {(1,017)}

**iii) Changes in the present value of the defined benefit obligations:**

Rs. million

	Gratuity/ Pension	PRMF	Leave	Terminal Benefits
Present value of obligation as at 1.4.2008	5,361 {4,599}	1,750 {1,452}	5,160 {3,916}	1,017 {896}
Interest cost	376 {368}	123 {116}	361 {313}	71 {72}
Current Service Cost	496 {407}	77 {68}	391 {314}	54 {423}
Past Service Cost	4144 {-}	- {-}	- {-}	- {-}
Benefits paid	(211) {(167)}	(29) {(29)}	(544) {(454)}	(52) {(2)}
Net actuarial (gain)/loss on obligation	243 {154}	212 {143}	1,111 {1,071}	165 {(372)}
Present value of the defined benefit obligation as at 31.3.2009	10,409 {5,361}	2,133 {1,750}	6,479 {5,160}	1,255 {1,017}

**iv) Changes in the fair value of plan assets:**

Rs. million

	Gratuity/ Pension	PRMF	Leave	Terminal Benefits
Fair value of plan assets as at 1.4.2008	4,623 {4,415}	- {-}	- {-}	- {-}
Expected return on plan assets	371 {353}	- {-}	- {-}	- {-}
Contributions by employer	512 {6}	- {-}	- {-}	- {-}
Benefit paid	(193) {(155)}	- {-}	- {-}	- {-}
Actuarial gain / (loss)	51 {4}	- {-}	- {-}	- {-}
Fair value of plan assets as at 31.3.2009	5,364 {4,623}	- {-}	- {-}	- {-}





v) The effect of one percentage point increase/decrease in the medical cost of PRMF will be as under: (Rs. million)

Particulars	Increase by	Decrease by
Service and Interest cost	32	26
Present value of obligation	398	319

#### F. Other Employee Benefits

Provision for Long Service Award and Family Economic Rehabilitation Scheme amounting to **Rs.16 million** (previous year Rs.34 million) for the year have been made on the basis of actuarial valuation at the year end and charged to the profit & loss account.

#### G. Details of the Plan Asset

The details of the plan assets at cost as on 31<sup>st</sup> March are as follows: (Rs. in million)

	2009	2008
i) State Government securities	938	903
ii) Central Government securities	1,824	1,643
iii) Corporate Bonds/ debentures	2,236	1,825
iv) RBI Special Deposit	240	240
Total	5,238	4,611

#### H. Actuarial Assumptions

Principal assumptions used for actuarial valuation are:

i) Method used	Projected Unit Credit Method
ii) Discount rate	7.00 %
iii) Expected rate of return on assets - Gratuity	8.00 %
- Pension	9.00 %
iv) Future salary increase	4.50 %

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

I. Actual return on Plan Assets **Rs.423 million** (previous year Rs.357 million)

17. The effect of foreign exchange fluctuation during the year is as under:

- The amount of exchange differences (net) debited to the Profit & Loss Account is **Rs. 244 million** {previous year Rs.98 million (credit)}.
- The amount of exchange differences debited to the carrying amount of fixed assets and Capital work-in-progress is **Rs11,649 million** {previous year Rs.194 million (credit)}.

18. Borrowing costs capitalised during the year is **Rs. 12,221 million** (previous year Rs.6,383 million).

#### 19. Segment information:

a) Business Segments:

The Company's principal business is generation and sale of bulk power to State Power Utilities. Other business includes providing consultancy, project management and supervision, oil and gas exploration and coal mining.

b) Segment Revenue and Expense

Revenue directly attributable to the segments is considered as Segment Revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as Segment Expenses.

c) Segment Assets and Liabilities

Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances. Construction work-in-progress, construction stores and advances are included in unallocated corporate and other assets. Segment liabilities include operating liabilities and provisions.

	Business Segments				Total	
	Generation		Others			
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue :						
Sale of Energy/Consultancy, Project Management and Supervision fees *	417,913	369,462	1,325	1,039	419,238	370,501
Internal consumption of electricity	514	409	-	-	514	409
Total	418,427	369,871	1,325	1,039	419,752	370,910
Segment Result #	90,531	90,808	418	288	90,949	91,096
Unallocated Corporate Interest and Other Income					30,615	27,696
Unallocated Corporate expenses, interest and finance charges					27,969	16,243
Income Taxes (Net)					11,582	28,401
Profit after Tax					82,013	74,148
Other information						
Segment assets	424,333	323,109	1,045	922	425,378	324,031
Unallocated Corporate and other assets					626,870	569,849
Total assets	424,333	323,109	1,045	922	1,052,248	893,880
Segment liabilities	85,967	63,148	722	546	86,689	63,694
Unallocated Corporate and other liabilities					391,858	303,800
Total liabilities	85,967	63,148	722	546	478,547	367,494
Depreciation	23,376	21,214	2	2	23,378	21,216
Non-cash expenses other than Depreciation	245	63	-	1	245	64
Capital Expenditure	130,843	80,568	277	140	131,121	80,708

\* Includes **Rs.10,201 million** (previous year Rs.11,336 million) for sales related to earlier years

# Generation segment result would have been **Rs.80,330 million** (previous year Rs.79,472 million) without including the sales related to earlier years.

d) The operations of the Company are mainly carried out within the country and therefore, geographical segments are inapplicable.

## 20. Related Party Disclosures:

### a) Related parties:

#### i) Joint ventures:

Utility Powertech Ltd., NTPC-Alstom Power Services Private Ltd., BF-NTPC Energy Systems Ltd.

During the year, the company reviewed the applicability of the provisions of Accounting Standard (AS) 18 'Related Party Disclosures' and AS 27 to 'Financial Reporting of Interests in Joint Ventures' to the investment made in PTC India Ltd. The company is of the view that provisions of these Standards are not applicable to investment in PTC India Ltd. and the same has been excluded from the disclosures during the year.

#### ii) Key Management Personnel:

Shri R.S. Sharma

Shri T. Sankaralingam

Shri Chandan Roy

Shri R.K. Jain

Shri A.K. Singhal

Shri R.C. Shrivastav

Shri K.B. Dubey

Shri I.J. Kapoor

Chairman and Managing Director 1

Chairman and Managing Director 2

Director (Operations)

Director (Technical)

Director (Finance)

Director (Human Resources)

Director (Projects)

Director (Commercial) 3



1. Director (Commercial) from 1st April 2008 to 30th April 2008 and assumed charge as Chairman and Managing Director w.e.f 1st May 2008.
2. Superannuated on 30th April 2008
3. W.e.f 26th December 2008

b) Transactions with the related parties at a (i) above are as follows:

(Rs. million)

Particulars	Current Year	Previous Year
<b>Contracts for Works/ Services for services received by the Company</b>		
• Transactions during the year	<b>2,208</b>	4,095
• Amount recoverable from related parties	<b>21</b>	29
• Amount payable to related parties	<b>424</b>	536
<b>Contracts for Works/ Services for services provided by the Company</b>		
• Transactions during the year	-	4
• Amount recoverable from related parties	-	*
(Rs.11,634/-)		
<b>Dividend Received</b>	<b>18</b>	28
<b>Deputation of Employees</b>		
• Transactions during the year	<b>36</b>	20
• Amount recoverable from the related parties	<b>42</b>	11

The Company has received guarantees from Utility Powertech Ltd. for an amount of **Rs. 1 million** (previous year Rs.3 million).

c) Remuneration to key management personnel is **Rs.14 million** (previous year Rs.12 million) and amount of dues outstanding to the Company as on 31st March 2009 are **Rs.3 million** (previous year Rs.1 million).

## 21. Disclosure regarding leases:

### a) Finance leases

The Company has taken on lease certain vehicles and has the option to purchase the vehicles as per terms of the lease agreements, details of which are as under:

Rs. Million

		31.03.2009	31.03.2008
a)	Outstanding balance of minimum lease payments		
	" Not later than one year	<b>6</b>	4
	" Later than one year and not later than five years	<b>14</b>	5
	Total	<b>20</b>	9
b)	Present value of (a) above		
	" Not later than one year	<b>4</b>	3
	" Later than one year and not later than five years	<b>12</b>	4
	Total	<b>16</b>	7
c)	Finance Charges	<b>4</b>	2

### b) Operating leases

The Company's significant leasing arrangements are in respect of operating leases of premises for residential use of employees, offices and guest houses/transit camps. These leasing arrangements are usually renewable on mutually agreed terms but are not non-cancellable. Schedule 20 - Employees' remuneration and benefits include **Rs.307 million** (previous year Rs.229 million) towards lease payments, net of recoveries, in respect of premises for residential use of employees. Lease payments in respect of premises for offices and guest house/transit camps are shown as Rent in Schedule 21 - Generation, Administration and Other expenses.

## 22. Earning per share:

The elements considered for calculation of Earning Per Share (Basic and Diluted) are as under:

	Current Year	Previous Year
Net Profit after Tax used as numerator (Rs.million)	<b>82,013</b>	74,148
Weighted average number of equity shares used as denominator	<b>8245,464,400</b>	8245,464,400
Earning per share (Basic and Diluted) Rupees	<b>9.95</b>	8.99
Face value per share (Rupees)	<b>10/-</b>	10/-

23. The item-wise details of deferred tax liability (net) are as under:

(Rs. Million)

	31.03.2009	31.03.2008
Deferred tax liability		
i) Difference of book depreciation and tax depreciation	70,045	70,860
Less: Deferred tax assets		
i) Provisions & Other disallowances for tax purposes	15,310	12,237
ii) Disallowed u/s 43B of the Income Tax Act,1961	3,385	2,785
	18,695	15,022
Deferred tax liability (net)	51,350	55,838

The net decrease in the deferred tax liability is **Rs.4,488 million** (previous year increase Rs.1,411 million) and the same is payable/recoverable from the customers, on becoming part of the current tax .

24. Research and Development expenditure charged to revenue during the year is **Rs.81 million** (previous year Rs.62 million).

25. **Interest in Joint Ventures:**

a) **Joint Venture Entities:**

Company	Proportion of ownership interest as on	
	31.03.2009	31.03.2008
	% age	% age
Utility Powertech Ltd.	50	50
NTPC - Alstom Power Services Private Ltd.	50	50
NTPC - SAIL Power Company Private Ltd.	50	50
NTPC - Tamilnadu Energy Company Ltd.	50	50
Ratnagiri Gas and Power Private Ltd.	28.33	28.33
Aravali Power Company Private Ltd.	50	50
NTPC - SCCL Global Ventures Private Ltd.	50	50
Meja Urja Nigam Private Ltd.	50	-
NTPC - BHEL Power Projects Private Ltd.	50	-
BF - NTPC Energy Systems Ltd.	49	-
Nabinagar Power Generating Company Private Ltd.	50	-
National Power Exchange Ltd.	16.67	-

The above joint venture entities are incorporated in India. The Company's share of the assets, liabilities, contingent liabilities and capital commitment as on 31st March 2009 and income and expenses for the year in respect of joint venture entities based on audited accounts, except for Ratnagiri Gas & Power Private Ltd. which are un-audited, are given below:

(Rs. million)

	31.03.2009	31.03.2008
A. Assets		
• Long Term Assets	59,208	47,007
• Current Assets	6,509	4,248
Total	65,717	51,255
B. Liabilities		
• Long Term Liabilities	42,537	31,240
• Current Liabilities and Provisions	6,242	3,816
Total	48,779	35,056
C. Contingent Liabilities	148	712
D. Capital Commitments	36,936	31,243
	<b>Current Year</b>	Previous Year
E. Income	6,412	8,026
F. Expenses	7,879	7,517



#### b) Joint Venture Operations:

The Company along-with M/s Geopetrol International Inc. and M/s Canoro Resources Ltd., (the consortium) has been allotted with an oil and gas block in the State of Arunachal Pradesh. The consortium has entered into a Production Sharing Contract (PSC) with GOI for exploration and production of oil and gas. The Company is a non-operator and has 40% share in expenses, income, assets and liabilities with a minimum work programme commitment of **Rs. 636 million** (previous year Rs.563 million) as per the PSC.

The other two consortium partners viz. M/s Geopetrol International Inc. and M/s Canoro Resources Ltd. each initially had 30% participating interest in the Block. M/s Canoro Resources Ltd. had off-loaded 50% of their participating interest to M/s Brownstone Ventures Inc. which was approved by GOI in December 2007 and the consequent amendment to the PSC has been executed on 2nd December 2008.

Based on the audited statement of accounts of the block, the Company's share of assets and liabilities as at 31st March 2009 and expenditure for the year ended on that date in respect of above joint venture operation has been accounted for as under:

(Rs. million)

Item	2008-09 (Audited)	2007-08 (Audited)
Expenses	87	107
Fixed Assets including Capital work-in-progress	35	14
Other Assets	54	58
Current Liabilities	3	13

26. As required by Accounting Standard (AS) 28 'Impairment of Assets' notified by the Institute of Chartered Accountants of India, the Company has carried out the assessment of impairment of assets. There has been no impairment loss during the year.

27. Foreign currency exposure not hedged by a derivative instrument or otherwise:

Rs. million

Sl.No.	Particulars	Currencies	Amount	
			31.03.2009	31.03.2008
a)	Borrowings, including interest accrued but not due thereon.	USD	74,612	53,076
		JPY	32,339	25,519
		Others	4,727	649
b)	Sundry creditors/deposits and retention monies	USD	6,902	6,425
		EURO	1,218	1,698
		Others	997	914
c)	Sundry debtor and Bank balances	GBP	-	101
		USD	119	51
		EURO	310	305
d)	Unexecuted amount of contracts remaining to be executed	USD	43,818	31,842
		EURO	40,270	15,994
		Others	587	2,147

28. The pre-commissioning expenses during the year amounting to **Rs.1,689 million** (previous year Rs. 1,699 million) have been included in Fixed Assets/Capital work-in-progress after adjustment of pre-commissioning sales of **Rs.1,610 million** (previous year Rs.721 million) resulting in a net pre-commissioning expenditure of **Rs.79 million** (previous year Rs.978 million).

29. Payment to the Statutory Auditors (Schedule - 21):

Rs. million

	Current Year	Previous Year
Audit Fees	8	6
Tax audit Fees	3	2
Certification Fees	7	6
Reimbursements		
- Travelling Expenses	5	5
- Service Tax	2	2
Total	25	21

30. a) Information in respect of Micro, Small and Medium Enterprises as at 31st March, 2009:

Rs. million

Sl.	Particulars	Amount
a)	Amount remaining unpaid to any supplier: 1 Principal amount 1 Interest due thereon (*Rs.5,12,890/-)	9 *
b)	Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along-with the amount paid to the suppliers beyond the appointed day.	6
c)	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006. (*Rs.1,72,106/-)	*
d)	Amount of interest accrued and remaining unpaid (*Rs.4,11,350/-)	*
e)	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006 (*Rs.99,528/-)	*

31. Loans and Advances due from subsidiaries:

(Rs. million)

Name of Subsidiary	Outstanding balance		Maximum amount	
	31.03.2009	31.03.2008	31.03.2009	31.03.2008
NTPC Electric Supply Company Ltd.	129	120	524	178
NTPC Vidyut Vyapar Nigam Ltd	20	15	78	49
Pipavav Power Development Company Ltd. (*Rs.11,096/-)	*	*	*	61
NTPC Hydro Ltd.	3	25	68	37
Kanti Bijlee Utpadan Nigam Ltd.	394	269	492	269
Bharatiya Rail Bijlee Company Ltd.	9	1	82	1
Total	555	430	1,244	595

32. Disclosure as required by Clause 32 of Listing Agreements:

A. Loans and Advances in the nature of Loans:

1. To Subsidiary Companies

Rs. million

Name of the Company	Outstanding Balance As on		Maximum Amount Outstanding during the year ended	
	31.03.2009	31.03.2008	31.03.2009	31.03.2008
Kanti Bijlee Utpadan Nigam Ltd.	308	202	400	202

2. To Firms/Companies in which Directors are interested : Nil

3. Where there is no repayment schedule or repayment : Rs. 308 million beyond seven year or no interest or interest below Section 372A of the Companies Act, 1956

B. Investment by the loanee (as detailed above) in the shares of NTPC : Nil

33. Estimated amount of contracts remaining to be executed on capital account and not provided for is **Rs.588,185 million** (previous year Rs.243,310 million).

34 **Contingent Liabilities:**

1. Claims against the Company not acknowledged as debts in respect of:

(i) Capital Works

Some of the contractors for supply and installation of equipments and execution of works at our projects have lodged claims on the Company for **Rs. 46,623 million** (previous year Rs.11,255 million) seeking enhancement of the contract price, revision of work schedule with price escalation, compensation for the extended period of work, idle charges etc. These claims are being contested by the Company as being not admissible in terms of the provisions of the respective contracts.

The company is pursuing various options under the dispute resolution mechanism available in the contract for settlement of these claims. It is not practicable to make a realistic estimate of the outflow of resources if any, for settlement of such claims pending resolution.

(ii) Land compensation cases

In respect of land acquired for the projects, the land losers have claimed higher compensation before various authorities/courts which are yet to be settled. In such cases, contingent liability of **Rs. 15,515 million** (previous year Rs.10,465 million) has been estimated.



(iii) Others

In respect of claims made by various State/Central Government departments/Authorities towards building permission fees, penalty on diversion of agricultural land to non- agricultural use, Nala tax, Water royalty etc. and by others, contingent liability of **Rs.12,585 million** (previous year Rs.12,878 million) has been estimated. This includes amount of **Rs 2,558 million** (previous year Rs.2,558 million) billed by the Coal supplier on account of MPGATSV tax up to 31st July 2007 which is subject matter of dispute before Supreme Court.

In respect of (i) and (ii) above, payments, if any, by the company on settlement of the claims would be eligible for inclusion in the capital cost for the purpose of determination of tariff as per CERC Regulations subject to prudence check by the CERC. In case of (iii), the estimated possible reimbursement is **Rs. 2,750 million** (previous year Rs.3,443 million).

2. Disputed Income Tax/Sales Tax/Excise demands

Demand made against the company by Central/State Tax Authorities amounting to **Rs.682 million** (previous year Rs.15,541 million) are disputed by the Company and contested before various Appellate Authorities. In such cases, the company estimated possible reimbursement of **Rs.8 million** (previous year Rs.10,063 million).

3. Others

Unexpired Letters of credit other than for capital expenditure amount to **Rs.1,200 million** (previous year Rs.2,159 million) and other contingent liabilities amount to **Rs.1,698 million** (previous year Rs.169 million). In such cases, the company estimated possible reimbursement of **Rs. Nil** (previous year Rs.17 million).

Some of the beneficiaries have filed appeals against the tariff orders of the CERC. The amount of contingent liability in this regard is not ascertainable.

35. Managerial remuneration paid/payable to Directors

Rs. million

	Current Year	Previous Year
Salaries and allowances	11	9
Contribution to provident fund & other funds including gratuity & group insurance	1	1
Other benefits	2	2
Directors' fees	2	*

\*(Rs.4,20,000/-)

In addition to the above remuneration the whole time Directors have been allowed the use of staff car including for private journeys, on payment of Rs.780/- per month, as contained in the Ministry of Finance (BPE) Circular No.2 (18)/pc/64 dt.29.11.64, as amended.

The provisions for/contribution to gratuity, leave encashment and post-retirement medical facilities are ascertained on actuarial valuation done on overall Company basis and hence not ascertainable separately.

Licensed and Installed Capacities as at 31st March: (As certified by Management)	Current Year	Previous Year		
Licensed Capacity - Not applicable				
Installed Capacity (MW Commercial units)	27,912	25,912		
Quantitative information in respect of Generation and Sale of Electricity (in MUs) :				
a) Pre-commissioning period :				
Generation	785	583		
Sales	724	557		
b) Commercial period :				
Generation	206,156	200,280		
Sales	193,688	187,988		
c) Value of imports calculated on CIF basis (Rs. million):				
Capital goods	10,386	11,802		
Spare parts	919	493		
d) Expenditure in foreign currency (Rs. million):				
Professional and Consultancy fee	24	44		
Interest	4,067	3,189		
Others	601	795		
e) Value of Components, Stores and Spare parts consumed (including fuel) (Rs. million):	%age	Amount	%age	Amount
Imported	10.40	28,855	3.66	8,282
Indigenous	89.60	248,484	96.34	218,039
f) Earnings in foreign exchange (Rs. million):				
Professional & Consultancy fee	21	30		
Interest	14	4		
Others	1	1		

37. Figures have been rounded off to nearest rupees in millions.

38. Previous year figures have been regrouped /rearranged wherever necessary.

39. Information pursuant to Part IV of Schedule VI of the Companies Act, 1956

## BALANCE SHEET ABSTRACT AND A COMPANY'S GENERAL BUSINESS PROFILE

### I. Registration Details

Registration No. 

7	9	6	6	1	9	7	5	-	7	6
---	---	---	---	---	---	---	---	---	---	---

 State Code: 

5	5
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 Balance-sheet date 

3	1	0	3	0	9
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### II. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue 

N	I	L
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 Rights Issue 

N	I	L
---	---	---

  
 Bonus Issue 

N	I	L
---	---	---

 Private Placement 

N	I	L
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### III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities	Total Assets
1 1 0 3 5 9 6 4 4 7	1 1 0 3 5 9 6 4 4 7

#### Sources of Funds

Paid-up Capital
8 2 4 5 4 6 4 4
Secured Loans
8 9 6 9 5 6 0 0
Deferred Tax Liability (Net)
1 3 0 0

Reserves & Surplus
4 9 1 2 4 6 1 0 3
Unsecured Loans
2 5 5 9 8 1 8 7 7
Deferred Revenue/Income/Liability
2 5 9 8 2 3 3 3

#### Application of Funds

Net Fixed Assets
5 9 3 4 2 6 3 4 7
Net Current Assets
2 0 2 3 6 6 3 4 2
Accumulated Losses
N I L

Investments
1 3 9 8 3 4 7 9 0
Misc. Expenditure
N I L
Deferred Assets/Expenditure
9 7 3 4 3 7 8

### IV. Performance of Company (Amount in Rs. Thousands)

Turnover incl. Other Income	Total Expenditure
4 5 2 7 2 7 6 2 2	3 5 9 1 3 2 8 4 9
Profit/Loss before tax	Profit/Loss after tax
+ 9 3 5 9 4 7 7 3	+ 8 2 0 1 3 0 4 7
Earning per share in Rs	Dividend Rate %
9 . 9 5	3 6 . 0 0

### V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)

Product Description:	Item Code No.
G E N E R A T I O N O F E L E C T R I C I T Y	N A
C O N S U L T A N C Y S E R V I C E S	N A
M A N A G E M E N T O F P O W E R S T A T I O N S	N A

For and on behalf of the Board of Directors

( A.K.RASTOGI )  
Company Secretary

( A.K.SINGHAL )  
Director (Finance)

( R.S. SHARMA )  
Chairman & Managing Director

As per our report of even date

For Varma and Varma  
Chartered Accountants  
(Cherian K. Baby)  
Partner  
M No.16043

For B.C.Jain & Co.  
Chartered Accountants  
(Ranjeet Singh)  
Partner  
M No.73488

For Parakh & Co.  
Chartered Accountants  
(Aditya Rawat)  
Partner  
M No.71767

For S.K. Mittal & Co.  
Chartered Accountants  
(S.K. Mittal)  
Partner  
M No.8506

For Dass Gupta & Associates.  
Chartered Accountants  
(Ashok Kumar Jain)  
Partner  
M No.90563

For S.K. Mehta & Co.  
Chartered Accountants  
(Rohit Mehta)  
Partner  
M.No.91382

Place : New Delhi  
Dated : 22<sup>nd</sup> May 2009