

Schedule 1
CAPITAL

	31.03.2004	Rs. million 31.03.2003
AUTHORISED		
10,000,000,000 equity shares of Rs.10/- each (Previous year 10,000,000,000 equity shares of Rs.10/- each)	100,000	100,000
ISSUED, SUBSCRIBED AND PAID-UP		
7,812,549,400 equity shares of Rs.10/- each fully paid-up (Previous year 7,812,549,400 equity shares of Rs.10/- each fully paid-up)	78,125	78,125

Schedule 2
RESERVES AND SURPLUS

Capital Reserve		
As per last Balance Sheet	1,229	1,127
Add : Additions during the year	30	102
	1,259	1,229
Bonds Redemption Reserve		
As per last Balance Sheet	2,588	773
Add : Transfer from Profit and Loss Account	2,067	1,815
Less : Write back during the year	584	-
	4,071	2,588
General Reserve		
As per last Balance Sheet	232,500	205,000
Add : Transfer from Profit and Loss Account	39,000	27,500
Less : Adjustment of Intangible items as on 1.4.2003	24	-
Less : Deferred tax adjustment	-	*
* Rs.4,00,000/-	271,476	232,500
Foreign Project Reserve		
As per last Balance Sheet	4	4
Add : Transfer from Profit and Loss Account	-	#
# Rs.81,229/-	4	4
Surplus, balance in Profit & Loss Account	566	681
Total	277,376	237,002

Schedule 3
DEFERRED REVENUE - on account of
Advance Against Depreciation

As per last Balance Sheet	271	-
Add: Revenue deferred during the year	1,342	271
Less: Revenue recognised during the year	22	-
	1,591	271



Schedule 4 SECURED LOANS

	31.03.2004	Rs. million 31.03.2003
Bonds		
10.5% (Tax-Free) Secured Non-Cumulative Bonds of Rs.1,000/- each redeemed at par on 24th March, 2004 (Eleventh Issue - Private Placement) * ¹	-	1,000
10% 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 6th, 7th, 8th, 9th and 10th year respectively from 5th September, 2001 (Twelfth Issue - Private Placement) * ²	5,000	5,000
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 6th year and upto the end of 15th year from 18th April, 2002 (Thirteenth Issue -Part A - Private Placement) * ³	7,500	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 6th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, 14th and 15th year respectively from 30th April, 2002 - (Thirteenth Issue - Part B - Private Placement) * ³	7,500	7,500
8.05% Secured Non-Cumulative Non-Convertible Redeemable Taxable bonds of Rs.10,00,000/- each with two equal Separately Transferable Redeemable Principal Parts (STRPP) redeemable at par at the end of 4th and 5th year respectively from 1st August, 2002 (Fourteenth issue - Private Placement) * ⁴	5,000	5,000
13.6% Secured Non-cumulative Non-convertible Redeemable Taxable Bonds of Rs.1,00,000/- each redeemable at par in three annual instalments of 30%, 30% and 40% commencing from 28th September 2004 (Fifteenth Issue - Part C - Private Placement) * ⁵	110	-
8% Secured Non-cumulative Non-convertible Redeemable Taxable Bonds of Rs.10,00,000/- each redeemable at par on 10th April 2018 (Sixteenth Issue - Private Placement) * ⁶	1,000	-
8.48% Secured Non-cumulative Non-convertible Redeemable Taxable Bonds of Rs.10,00,000/- each redeemable at par on 1 st May, 2023 (Seventeenth Issue - Private Placement) * ⁶	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 6th, 7th, 8th, 9th and 10th year respectively from 15th September 2003 (Eighteenth Issue - Private Placement) * ⁷	5,000	-
7.5% Secured Non-cumulative Non-convertible Redeemable Taxable Bonds of Rs.10,00,000/- each redeemable at par on 12 th January, 2019 (Nineteenth Issue - Private Placement) * ⁸	500	-
Loans and Advances from Banks		
Foreign Currency Term Loans (Guaranteed by Government of India) (Due for repayment within one year Rs.1,562 million , Previous year Rs.1,575 million) * ⁹	13,730	15,223
Other Loans and Advances		
Assets taken on lease (Due for repayment within one year Rs.1 million , Previous Year Rs.1 million)	4	3
TOTAL	45,844	41,226

Schedule 4 SECURED LOANS

Note:

- 1 Secured by equitable mortgage / hypothecation of all the present and future fixed assets and movable assets of Korba Super Thermal Power Station as first charge, ranking pari-passu with charge already created, subject to, however, company's bankers first charge on certain movable assets hypothecated to them for working capital requirement.
- 2 Secured by (I) English mortgage of the office premises of the company at Mumbai, (II) Hypothecation of all the present and future movable assets of Singrauli Super Thermal Power Station as first charge, ranking pari-passu with charge already created, subject to, however, company's bankers' first charge on certain movable assets hypothecated to them for working capital requirement and (III) Equitable mortgage by deposit of title deeds of the immovable properties pertaining to Singrauli Super Thermal Power Station.
- 3 Secured by (I) English mortgage of the office premises of the company at Mumbai, (II) Hypothecation of all the present and future movable assets of Singrauli Super Thermal Power Station and National Capital Power Station as first charge, ranking pari-passu with charge already created, subject to, however, company's bankers' first charge on certain movable assets hypothecated to them for working capital requirement and (III) Equitable mortgage of the immovable properties pertaining to Singrauli Super Thermal Power Station by extension of charge already created.
- 4 Secured by (I) English mortgage of the office premises of the company at Mumbai, (II) Hypothecation of all the present and future movable assets of National Capital Power Station, Feroze Gandhi Unchahar Thermal Power Station and Dadri Gas Power Station as first charge, ranking pari-passu with charge already created, subject to, however, company's bankers' first charge on certain movable assets hypothecated to them for working capital requirement and (III) Equitable mortgage of the immovable properties pertaining to Singrauli Super Thermal Power Station by extension of charge already created.
- 5 Secured by (I) English mortgage of the office premises of the company at Mumbai, (II) Hypothecation of all the present and future movable assets of Dadri Gas Power Station as first charge, ranking pari-passu with charge already created, subject to, however, company's bankers' first charge on certain movable assets hypothecated to them for working capital requirement and (III) Equitable mortgage of the immovable properties pertaining to Singrauli Super Thermal Power Station by extension of charge already created.(secured during the year, shown as unsecured loan in previous year)
- 6 Secured by (I) English mortgage of the office premises of the company at Mumbai and (II) Equitable mortgage by deposit of title deeds of the immovable properties pertaining to National Capital Power Station.
- 7 Secured by (I) English mortgage of the office premises of the company at Mumbai and (II) Equitable mortgage of the immovable properties pertaining to National Capital Power Station by extension of charge already created.
- 8 Secured by (I) English mortgage of the office premises of the company at Mumbai and (II) Hypothecation of all the present and future movable assets of Dadri Gas Power Station as first charge, ranking pari-passu with charge already created, subject to, however, company's bankers' first charge on certain movable assets hypothecated to them for working capital requirement.
- 9 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 bankers' first charge on certain movable assets hypothecated to them for working capital requirement.



Schedule 5

UNSECURED LOANS

	<u>31.03.2004</u>	Rs. million <u>31.03.2003</u>
Fixed Deposits	5,113	5,067
(Due for repayment within one year Rs.1,154 million , Previous year Rs.390 million)		
Bonds		
15% Secured Non-Cumulative Non-Convertible Redeemable Taxable Bonds of Rs.1,00,000/- each redeemable at par in two equal instalments on 31st March 2005 and 31st March 2006 with put and call option on or after 31st March 2004 (Fifteenth Issue (Part B) - Private Placement) (since redeemed by exercising call option)	-	403
13.6% Secured Non-Cumulative Non-Convertible Redeemable Taxable Bonds of Rs.1,00,000/- each redeemable at par in three annual instalments of 30%, 30% and 40% commencing from 28th September 2004 (Fifteenth Issue (Part C) - Private Placement) (shown under 'secured loans' on creation of security)	-	110
5.5% Eurobonds due for repayment on 10th March 2011	8,862	-
Other Loans and Advances		
From Banks and Financial Institutions		
Foreign Currency Term Loans (Guaranteed by Government of India, Due for repayment within one year Rs.1,200 million , Previous year Rs.1,156 million)	26,675	24,531
Other Foreign Currency Term Loans (Due for repayment within one year Rs.1,690 million , Previous year Rs.7,314 million)	9,375	16,146
Rupee Term Loans (Due for repayment within one year Rs.6,236 million , Previous year Rs.2,171 million)	57,675	43,232
From Others		
Loan from Government of India (Due for repayment within one year Rs.434 million , Previous year Rs.458 million)	984	1,442
TOTAL	<u>108,684</u>	<u>90,931</u>

Schedule 6
FIXED ASSETS

Rs. million

	Gross Block				Depreciation				Net Block	
	As at 1.04.2003	Additions	Deductions/ Adjustments	As at 31.03.2004	As at 1.04.2003	For the Year	Deductions/ Adjustments	Upto 31.03.2004	As at 31.03.2004	As at 31.3.2003
Land :										
(including development)										
Freehold	8,046	1,404	123	9,327	-	-	-	-	9,327	8,046
Leasehold	1,335	31	(42)	1,408	221	28	19	230	1,178	1,114
Roads, bridges, culverts & helipads	2,860	385	(24)	3,269	475	65	(3)	543	2,726	2,385
Building :										
Main plant	14,622	931	(97)	15,650	6,975	505	22	7,458	8,192	7,647
Others	13,749	474	(102)	14,325	3,017	390	(1)	3,408	10,917	10,732
Temporary erection	145	32	1	176	92	62	-	154	22	53
Water supply drainage & sewerage	4,712	180	(37)	4,929	729	253	(1)	983	3,946	3,983
MGR track and signalling system	5,906	388	4	6,290	3,683	283	-	3,966	2,324	2,223
Railway siding	2,180	138	(19)	2,337	338	106	-	444	1,893	1,842
Earth dam reservoir	1,391	14	(128)	1,533	112	72	(15)	199	1,334	1,279
Plant and machinery	302,470	24,955	(4,217)	331,642	146,626	17,734	3	164,357	167,285	155,844
Furniture, fixtures & other office equipment	2,704	158	(35)	2,897	1,648	288	(9)	1,945	952	1,056
EDP, WP machines and SATCOM equipment	1,822	171	14	1,979	1,287	180	11	1,456	523	535
Vehicles including speedboats	106	3	5	104	83	7	4	86	18	23
Construction equipment	716	104	(3)	823	494	56	2	548	275	222
Electrical installations	1,566	146	(10)	1,722	749	82	6	825	897	817
Communication equipment	534	45	19	560	284	35	8	311	249	250
Hospital equipment	164	21	1	184	103	11	1	113	71	61
Laboratory and workshop equipment	107	1	(9)	117	84	6	(1)	91	26	23
Leased assets - Vehicles	3	1	-	4	-	1	-	1	3	3
Intangible Assets - Software	-	49	-	49	-	16	-	16	33	-
Capital expenditure on assets not owned by the Company	936	8	-	944	456	145	(1)	602	342	480
Unserviceable/Obsolete assets at net book value or net realisable value whichever is less	32	-	20	12	-	-	-	-	12	32
Assets of Government	26	-	-	26	-	-	-	-	26	26
Less: Grants from Government	26	-	-	26	-	-	-	-	26	26
Total	366,106	29,639	(4,536)	400,281	167,456	20,325	45	187,736	212,545	198,650
Previous year	328,912	34,710	(2,484)	366,106	152,131	15,356	31	167,456	198,650	176,781

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 IEDC	
Others	

	Current Year	Previous Year
	386	409
	(2,171)	(1,158)
	(873)	(603)
	16	2
	(1,894)	(1,134)



Deduction/Adjustments from Depreciation includes

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

Depreciation for the year is allocated as given below:-

Charged to Profit & Loss account	
Transferred to Incidental Expenditure during Construction (Schedule 27)	

	Current Year	Previous Year
	227	275
	(214)	(271)
	16	2
	16	25
	20,232	15,291
	93	65
	20,325	15,356

Schedule 7

CAPITAL WORK-IN-PROGRESS

	As at 1.04.2003	Additions	Deductions & Adjustments	Capitalised	As at 31.03.2004
Development of land	307	211	(22)	42	498
Roads, bridges, culverts & helipads	273	458	(12)	385	358
Piling and foundation	-	77	-	-	77
Buildings :					
Main plant	2,315	1,494	220	931	2,658
Others	451	600	(11)	474	588
Temporary erection	9	25	6	27	1
Water supply, drainage and sewerage system	106	109	4	180	31
Dams, spillways weirs, canals, reinforced concrete flumes and siphons	401	1,798	-	-	2,199
MGR track and signalling system	274	139	(3)	388	28
Railway siding	89	73	-	138	24
Earth dam reservoir	-	14	-	14	-
Plant and machinery :					
On own account	167	156	176	3	144
On supply-cum-erection contract	45,501	27,816	438	24,613	48,266
Furniture, fixtures and other office equipment	8	32	(19)	45	14
EDP/WP machines & SATCOM equipment	26	58	6	62	16
Construction equipment	-	4	-	4	-
Electrical installations	60	118	(5)	133	50
Communication equipment	19	37	8	23	25
Intangible assets - Software	-	2	-	1	1
Capital expenditure on assets not owned by the company	65	69	5	8	121
	<u>50,071</u>	<u>33,290</u>	<u>791</u>	<u>27,471</u>	<u>55,099</u>
Expenditure pending allocation					
Survey, investigation, consultancy and supervision charges	394	81	(6)	-	481
Difference in exchange on foreign Loans	9	1,716	1,861	-	(136)
Expenditure towards diversion of forest land	782	8	-	-	790
Pre-Commissioning expenses (net)	244	309	517	-	36
Incidental expenditure during construction	141	4,855	(11)	-	5,007
Less: Allocated to Capital Work-in-Progress	-	4,744	-	-	4,744
	<u>51,641</u>	<u>35,515</u>	<u>3,152</u>	<u>27,471</u>	<u>56,533</u>
Less: Provision for unserviceable CWIP	98	22	-	-	120
Total	<u>51,543</u>	<u>35,493</u>	<u>3,152</u>	<u>27,471</u>	<u>56,413</u>
Previous Year	52,038	36,473	5,232	31,736	51,543

Schedule 8

CONSTRUCTION STORES AND ADVANCES

CONSTRUCTION STORES *
(At cost)

Steel

1,519

921

Cement

70

55

Others

4,811

6,094

6,400

7,070

Less: Provision for shortages

18

17

6,382

7,053

ADVANCES FOR CAPITAL EXPENDITURE

Secured

35

88

Unsecured, considered good

- Covered by bank guarantees

9,352

3,783

- Others

2,771

1,396

Considered doubtful

56

58

12,214

5,325

Less: Provision for bad & doubtful advances

56

58

12,158

5,267

Total

18,540

12,320

* includes material in transit, under inspection and with contractors

4,774

5,644

Schedule 9
INVESTMENTS

	Number of shares/ bonds	Face value per share/bond	31.03.2004	Rs. million 31.03.2003
	Current Year/ (Previous Year)	(Rs)		
TRADE INVESTMENTS (fully paid up, at cost Unquoted unless otherwise stated)				
Government Securities (a)				
8.5% Tax-free State Government Special Bonds of the Government of				
Andhra Pradesh	12606500	1000	12,607	-
Assam	514640	1000	515	-
Bihar	14666600	1000	14,667	-
Chattisgarh	4832200	1000	4,832	-
Gujarat	8372400	1000	8,372	-
Haryana	10750000	1000	10,750	-
Himachal Pradesh	333880	1000	334	-
Jammu and Kashmir	3673600	1000	3,674	-
Karnataka	1966100	1000	1,966	-
Kerala	10024000	1000	10,024	-
Madhya Pradesh	8308400	1000	8,308	-
Maharashtra	3814000	1000	3,814	-
Orissa	11028740	1000	11,029	-
Punjab	3462300	1000	3,462	-
Rajasthan	2900000	1000	2,900	-
Sikkim	341960	1000	342	-
Tamil Nadu	4650660	1000	4,651	-
Uttar Pradesh	39899000	1000	39,899	-
Uttaranchal	3996500	1000	3,996	-
West Bengal	11742480	1000	11,742	-
Jharkhand *	6222716	1000	6,223	-
			164107	-
Equity Shares				
Utility Powertech Ltd.	1000000 (1000000)	10	10	10
NTPC Alstom Power Services Private Ltd.	3000000 (3000000)	10	30	30
Power Trading Corporation of India Ltd.	12000000 (6000000)	10	120	60
NTPC-SAIL Power Company Private Ltd.	58650050 (58650050)	10	587	587
Bhilai Electric Supply Company Private Ltd.	16600000 (16600000)	10	166	166
NTPC Tamil Nadu Energy Company Ltd.	500000 (0)	10	5	-
			918	853

* See note 5.b of Notes on Accounts (Schedule 28).

	Number of shares/ bonds	Face value per share/bond	31.03.2004	Rs. million 31.03.2003
	Current Year/ (Previous Year)	(Rs)		
Equity Shares of subsidiary companies				
Pipavav Power Development Company Limited	365000 (360000)	10	4	4
NTPC Electric Supply Company Limited * (current year Rs. 8,09,100/-, previous year Rs. 5,00,000/-)	80910 (50000)	10	*	*
NTPC Vidyut Vyapar Nigam Limited	2000000 (50000)	10	200	-
NTPC Hydro Limited	1654810 (50000)	10	17	1
Share application money pending allotment in NTPC Hydro Limited (since allotted)			1	1
			222	6
Bonds (Quoted)				
13.6% Non-Convertible Redeemable Transmission Corporation of Andhra Pradesh Ltd. (APTRANSCO) Bonds, Series - 1/99, 2006	- (28500)	100000	-	2,850
13% Redeemable Non-Convertible Transmission Corporation of Andhra Pradesh Ltd. (APTRANSCO) Bonds, Series - 1/2000, 2007	- (35000)	100000	-	3,500
12.3% Secured Non convertible Redeemable Andhra Pradesh Power Finance Corporation Limited (APPFCL) bonds, Series - II/2001, 2008	- (41000)	100000	-	4,100
5.00% Redeemable, Unsecured, Non-Convertible Tax-Free Bonds, 1.10.2008 National Bank for Agriculture and Rural Development (NABARD) Bonds IV G (b)	18500 (0)	10000	192	-
			192	10,450
Bonds				
15% Secured Redeemable Non-Convertible Non-Cumulative Grid Corporation of Orissa Limited (GRIDCO) Power Bonds, Series - III/98, 2008	- (20000)	100000	-	2,000
11.75% Secured Redeemable Non-Convertible Kerala State Electricity Board (KSEB) Bonds, 2007	- (17000)	100000	-	1,700
12.5% Secured Non convertible Redeemable Western Electricity Supply Company (WESCO) bonds, Series - I/2000, 2007	10300 (10300)	100000	1,030	1,030
12.5% Secured Non convertible Redeemable North Eastern Electricity Supply Company (NESCO) bonds, Series - I/2000, 2007	16700 (16700)	100000	1,670	1,670
12.5% Secured Non convertible Redeemable Southern Electricity Supply Company (SOUTHCO) bonds, Series - I/2000, 2007	13000 (13000)	100000	1,300	1,300
12.5% Secured Non convertible Redeemable Grid Corporation of Orissa (GRIDCO) bonds, Series - I/2000, 2007	- (11381)	100000	-	1,138
12.20% Redeemable, Non-convertible, Non-cumulative Punjab State Electricity Board (PSEB) Bonds, Series 4th (2000-2001), 2008	- (600)	500000	-	300
13% Unsecured Non-Convertible Non-cumulative Redeemable Haryana Vidyut Prasaran Nigam Limited (HVPNL) Bonds, 2007	- (2500)	1000000	-	2,500
11% Regular Interest Government of Uttar Pradesh Bonds, 2010	- (1)	500000000	-	500
11% Regular Interest Government of Uttar Pradesh Bonds, 2007	- (1)	5000000000	-	5,000



	Number of shares/ bonds	Face value per share/bond (Rs)	31.03.2004	Rs. million 31.03.2003
12.5% Non convertible & Redeemable Jammu and Kashmir Government Bonds, 2007	- (2,224)	1000000	-	2,224
11% Redeemable Non-convertible Non-cumulative Haryana Vidyut Prasaran Nigam Limited (HVPNL) Bonds, 2011	- (1)	3450000000	-	3,450
14% Secured Redeemable Non-convertible GEB Bonds, 2008	0 (13000)	100000	-	1,300
15.75% Secured Redeemable Non Convertible Non cumulative APSEB Bonds, Series 1/98, 2005	- (8500)	100000	-	850
15% Secured Redeemable Non Convertible Non cumulative Vidyut Bonds, APSEB Series 1/98, 2006	- (4031)	100000	-	403
10% Secured Redeemable Non-Convertible Non-Cumulative Grid Corporation of Orissa (GRIDCO) Power Bonds, Series-1/2003-02/02 to 11/02, 31.03.2005	34285 (0)	100000	3,428	-
7.90% Secured Non-Convertible Redeemable Tax-Free Bonds 2002-03 (VIII Issue) North Eastern Electric Power Corporation Limited (NEEPCO) Bonds, 2010 (b)	152 (0)	1000000	163	-
5.15% Unsecured Redeemable Tax-Free Non Priority Sector Housing and Urban Development Corporation Limited (HUDCO) Bonds Series XXXIV, 31.03.2014(b)	350 (0)	1000000	350	-
			7,941	25,365
Shares in Cooperative Societies			₹	₹
TOTAL			173,380	36,674
Quoted Investments				
Book Value			192	10,450
Market Value			192	7,845
Unquoted Investments				
Book Value			173,188	26,224
(a) These bonds can be transferred subject to prior approval of Reserve Bank of India				
(b) Development Surcharge Fund Investments				
₹ Shares in Co-operative societies			Rs.	Rs.
NTPC Employees Consumers and Thrift Co-operative Society Ltd. Korba	500 (500)	10	5,000	5,000
NTPC Employees Consumers and Thrift Cooperative Society Ltd. Ramagundam	250 (250)	10	2,500	2,500
NTPC Employees Consumers Cooperative Society Ltd. Farakka	500 (500)	10	5,000	5,000
NTPC Employees Consumers Cooperative Society Ltd. Vindhyachal	108 (108)	25	2,700	2,700
NTPC Employees Consumers Cooperative Society Ltd. Anta	500 (500)	10	5,000	5,000
NTPC Employees Consumers Cooperative Society Ltd. Kawas	500 (500)	10	5,000	5,000
NTPC Employees Consumers Cooperative Society Ltd. Kaniha	250 (250)	20	5,000	5,000
			30,200	30,200

Schedule 10
INVENTORIES

(Valuation as per Accounting Policy No. 7)

Components and spares

Loose tools

Coal

Fuel oil

Naphtha

Chemicals & consumables

Others

Steel scrap

Less: Provision for shortages

Provision for obsolete/ unserviceable items

Inventories include stores in transit

31.03.2004

11,742

55

3,337

578

492

686

619

44

17,553

26

147

17,380

681

Rs. million

31.03.2003

11,390

51

3,787

772

456

634

652

52

17,794

32

50

17,712

751

Schedule 11
SUNDRY DEBTORS

Debts outstanding over six months

- Unsecured, considered good

- Considered doubtful

Other debts

- Unsecured, considered good

Less: Provision for bad & doubtful debts

3,644

14,287

17,931

1,055

18,986

14,287

4,699

114,333

14,558

128,891

10,016

138,907

14,558

124,349

Schedule 12
CASH & BANK BALANCES

Cash on hand (includes cheques, drafts, stamps on hand of **Rs.3,653 million**, Previous year Rs.870 million)

Remittances in transit

Balance with Reserve Bank of India earmarked for fixed deposits from public

Balances with scheduled banks (a)

- Current Account

- Cash Credit Account

- Term Deposit Account (b)

Balance with other banks

- Call Deposit Account

West Merchant Bank Limited, London

(maximum amount outstanding at any time during

the year **Rs.56 million**, previous year Rs.52 million)

3,657

409

308

1,017

634

10

56

6,091

874

738

308

954

1,512

1,009

52

5,447

(a) Includes Rs.317 million in respect of Development Surcharge.

(b) **Rs.10 million** (Previous year Rs.9 million) deposited as security with Government authorities/as per court orders.



Schedule 13

OTHER CURRENT ASSETS

	31.03.2004	Rs. million 31.03.2003
Interest accrued on bonds	19,239	6,293
Public deposit account with Government of India	57,510	17,360
Interest accrued thereon	2,750	1,087
Others	524	409
	80,023	25,149

Schedule 14

LOANS AND ADVANCES

LOANS

Employees (including accrued interest)		
- Secured	4,616	4,044
- Unsecured, considered good	1,238	1,690
- Considered doubtful	1	1
Government of India (for transfer of transmission systems)		
- Unsecured, considered good	1,043	1,266
Loan to State Government in settlement of dues from customers		
- Unsecured, considered good	10,603	-
Others		
- Secured	300	-
- Unsecured, considered good	207	9
ADVANCES TO SUBSIDIARY COMPANIES		
- Unsecured, considered good	94	61
ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED		
Contractors & suppliers, including material issued on loan		
- Secured	1	-
- Unsecured, considered good	317	315
- Considered doubtful	2	2
Employees (including imprest)		
- Unsecured, considered good	64	59
- Considered doubtful	1	1
Claims recoverable		
- Unsecured, considered good	812	4,676
- Considered doubtful	37	47
Development Surcharge Recoverable		
- Unsecured, considered good	2,762	-
Others		
- Unsecured, considered good	920	946
- Considered doubtful	1	2
	23,019	13,119
Less: Provision for bad and doubtful loans, advances and claims	42	53
	22,977	13,066
Deposits with customs, port trust and others (@)	453	161
Advance tax deposit & tax deducted at source	5,393	16,902
Less: Provision	1,548	8,654
	3,845	8,248
	27,275	21,475
@ Sales Tax deposited under protest with sales tax authorities	118	76
Due from Directors & Officers of the company		
Directors (* Rs.467,792/-)	1	*
Officers	305	252
Maximum Amount		
Directors	1	1
Officers	346	297

Schedule 15
CURRENT LIABILITIES

	31.03.2004	Rs. million 31.03.2003
Sundry Creditors		
For capital expenditure		
- Small Scale Industrial Undertakings	1	1
- Others	10,854	12,071
For goods and services		
- Small Scale Industrial Undertakings	9	8
- Others	12,776	11,861
Deposits, retention money from contractors and others	8,445	7,954
Less: Investments held as security	91	94
	31,994	31,801
Advances from customers and others	30,676	337
Investor Education and Protection Fund shall be credited by *		
- Unpaid matured Bonds	1	-
- Interest accrued on unpaid matured deposits/bonds	1	-
Other liabilities	888	463
Interest Accrued but not due :		
Loans from Government of India	36	53
Foreign currency loans/bonds	360	388
Term loans in Indian currency	236	274
Bonds	957	799
Fixed deposits from public	95	87
	65,244	34,202

* since credited

Schedule 16
PROVISIONS

Proposed dividend	10,823	3,080
Tax on proposed dividend	1,387	395
Retirement benefits	3,193	2,419
Tariff adjustment	286	3,926
Interest/ Interest differential on bonds	-	1,702
Others	8	126
	15,697	11,648

Schedule 17
MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

Survey and investigation of new projects		
Balance as per last Balance Sheet	87	72
Additions	-	25
Less: Deductions / Adjustments	87	10
	-	87



Schedule 18
CONTINGENT LIABILITIES

	31.03.2004	Rs. million 31.03.2003
Claims against the Company not acknowledged as debts in respect of:		
Capital works	5,455	5,163
Land compensation cases	10,314	9,924
Others	2,438	3,828
Disputed sales tax demand	314	318
Letters of credit other than for capital expenditure	965	1,205
Others	22	45
	19,508	20,483

Schedule 19
SALES

	Current Year	Previous Year
Energy sales (including Electricity Duty)	190,930	191,636
Less: Electricity duty	1,432	1,346
Less : Advance against depreciation deferred	1,342	271
Add: Revenue recognised out of advance against depreciation	22	-
	188,178	190,019
Consultancy, project management and supervision fees (including turnkey construction projects)	341	269
	188,519	190,288

Schedule 20
PROVISIONS WRITTEN BACK

Doubtful debts	5,957	926
Doubtful claims and advances	21	10
Doubtful construction advances	5	16
Adjustment in tariff	3,640	2,524
Interest/ Interest difference on Bonds	-	490
Shortages in construction stores	2	4
Shortages in stores	17	15
Others	6	3
	9,648	3,988

Schedule 21
OTHER INCOME

	Current Year	Rs. million <u>Previous Year</u>
Dividend from Investments (Gross) (Tax deducted at source NIL , Previous year Rs.4 million)	95	36
Interest (Gross) (Tax deducted at source Rs.220 million , Previous year Rs.256 million)		
Government Securities (8.5% Tax-Free Bonds)	34,854	-
Other Bonds	1,076	3,460
Loan to State Government in settlement of dues from customers	2,253	-
Public Deposit Account with Government of India	2,751	1,087
Indian banks	59	157
Foreign banks	2	2
Employees' loans	316	306
Others	21	172
Interest on income tax refunds	28	387
Less: Refundable to customers	16	360
	12	27
Surcharge on late payment from customers	22,641	5
Hire charges for equipment	10	6
Profit on sale of fixed assets	47	147
Miscellaneous income	1,027	893
	65,164	6,298
Less: Adjustment for interest on bonds returned to issuers under Scheme for Settlement of SEB dues and on other bonds returned	3,817	-
Less: Adjustment for surcharge on late payment from customers	-	2,176
	61,347	4,122
Less: Income transferred to Incidental expenditure during construction-Schedule 27 (E)	65	86
	61,282	4,036

Schedule 22
EMPLOYEES' REMUNERATION AND BENEFITS

Employees' remuneration and benefits		
Salaries, wages, bonus, allowances & benefits	7,102	6,457
Contribution to provident and other funds	1,078	1,184
Welfare expenses	1,430	1,359
	9,610	9,000
Less: Transferred to incidental expenditure during construction - Schedule 27 (A)	775	732
	8,835	8,268



Schedule 23

GENERATION, ADMINISTRATION & OTHER EXPENSES

	<u>Current Year</u>	Rs. million <u>Previous Year</u>
Power charges	332	334
Less: Recovered from contractors/employees	<u>62</u>	<u>49</u>
	270	285
Water charges	422	747
Stores consumed	151	165
Rent	67	58
Repairs & maintenance		
Buildings	519	507
Plant & machinery		
Power station	5,409	5,358
Construction equipment	<u>14</u>	<u>23</u>
	5,423	5,381
Others	233	230
Insurance	835	677
Rates and taxes	139	92
Water cess & environment protection cess	240	62
Training & recruitment expenses	173	165
Less: Fees for training and application	<u>22</u>	<u>6</u>
	151	159
Communication expenses	155	143
Travelling expenses	722	638
Tender expenses	71	45
Less: Receipt from sale of tenders	<u>8</u>	<u>5</u>
	63	40
Remuneration to auditors		
Audit fee	3	3
Tax audit fee	1	1
In other capacity	5	2
Out of pocket expenses	<u>4</u>	<u>4</u>
	13	10
Advertisement and publicity	71	54
Security expenses	830	776
Entertainment expenses	11	11
Expenses for guest house	48	47
Less: Recoveries	<u>7</u>	<u>7</u>
	41	40
Education expenses	107	113
Brokerage & commission	4	2
Donations	-	1
Community development and welfare expenses	81	55
Ash utilisation & marketing expenses	52	33
Less: Sale of ash products	<u>9</u>	<u>1</u>
	43	32
Books and periodicals	29	31
Professional charges and consultancy fees	138	91
Legal expenses	26	31
EDP hire and other charges	62	86
Printing and stationery	73	74
Miscellaneous expenses	538	486
Stores written off	1	4
Claims/Advances written off	1	3
Survey & Investigation expenses written off	95	8
Loss on disposal/write-off of fixed assets	<u>111</u>	<u>77</u>
	11,665	11,169
Less: Adjustment on settlement of liability for water charges	1,408	-
Less: Expenses transferred to incidental expenditure during construction - Schedule 27 (B)	<u>444</u>	<u>355</u>
	<u>9,813</u>	<u>10,814</u>
Stores consumption included in repairs and maintenance	<u>3,514</u>	<u>3,515</u>

Schedule 24
PROVISIONS

	Current Year	Previous Year
Doubtful debts	5,686	4,140
Doubtful advances and claims	10	3
Doubtful advances for construction	3	34
Interest/Interest difference on Bonds	-	1,143
Shortage in stores	11	25
Obsolescence in stores	99	33
Shortage in construction stores	3	6
Unserviceable CWIP	22	52
Others	1	119
	5,835	5,555

Schedule 25
INTEREST AND FINANCE CHARGES
Interest on :

Bonds	2,800	2,265
Loans from Government of India	147	602
Foreign currency term loans	1,838	2,070
Rupee term loans	4,644	3,580
Public deposits	444	398
Eurobonds	36	-
Others	198	88
	10,107	9,003

Finance Charges :

Bonds servicing & public deposit expenses	16	47
Guarantee commission	432	400
Rebate under Scheme for Settlement of SEB dues	21,311	-
Rebate to customers	4,941	3,557
Reimbursement of L.C.charges on sales realisation	169	37
Bank charges	7	8
Bond issue expenses	6	6
Exchange differences	32	13
Eurobonds issue expenses	97	-
Others	195	6
	27,206	4,074
	37,313	13,077

Less: Interest and Finance charges capitalised by transfer to incidental expenditure during construction - Schedule 27 (D)

3,616	3,161
33,697	9,916



Schedule 26

PRIOR PERIOD INCOME/EXPENDITURE (NET)

INCOME

Sales
Others

EXPENDITURE

Salaries, wages, bonus, allowances & benefits
Repairs and maintenance
Depreciation
Interest
Rates & taxes
Power charges
Rent
Others

Less: Incidental expenditure during construction - Schedule 27 (F)

	<u>Current Year</u>	Rs. million <u>Previous Year</u>
Sales	(10)	69
Others	26	3
	<u>16</u>	<u>72</u>
Salaries, wages, bonus, allowances & benefits	(63)	7
Repairs and maintenance	(9)	(15)
Depreciation	214	271
Interest	44	418
Rates & taxes	3	7
Power charges	(7)	1
Rent	-	6
Others	9	201
	<u>191</u>	<u>896</u>
	175	824
Less: Incidental expenditure during construction - Schedule 27 (F)	(8)	21
	<u>183</u>	<u>803</u>

Schedule 27

INCIDENTAL EXPENDITURE DURING CONSTRUCTION

A. Employees remuneration and other benefits

Salaries, wages, allowances and benefits
Contribution to provident and other funds
Welfare expenses

Total (A)

B. Other Expenses

Power
Less: Recovered from contractors

Rent
Repairs & maintenance
Buildings
Construction equipment
Others

Insurance
Rates and taxes
Communication expenses
Travelling expenses
Tender expenses
Remuneration to auditors
Advertisement and publicity
Security expenses
Entertainment expenses
Guest house expenses
Education expenses
Books and periodicals
Community development expenses
Professional charges and consultancy fee
Legal expenses
EDP Hire and other charges
Printing and stationery
Miscellaneous expenses

Total (B)

	568	554
	106	91
	101	87
Total (A)	<u>775</u>	<u>732</u>
Power	45	49
Less: Recovered from contractors	<u>2</u>	<u>3</u>
	43	46
Rent	12	9
Repairs & maintenance		
Buildings	19	17
Construction equipment	6	5
Others	<u>20</u>	<u>17</u>
	45	39
Insurance	2	4
Rates and taxes	18	14
Communication expenses	21	18
Travelling expenses	84	72
Tender expenses	33	9
Remuneration to auditors	1	1
Advertisement and publicity	12	10
Security expenses	33	31
Entertainment expenses	1	2
Guest house expenses	2	3
Education expenses	1	1
Books and periodicals	3	3
Community development expenses	4	4
Professional charges and consultancy fee	21	10
Legal expenses	3	3
EDP Hire and other charges	6	8
Printing and stationery	7	7
Miscellaneous expenses	<u>92</u>	<u>61</u>
Total (B)	<u>444</u>	<u>355</u>

Schedule 27

INCIDENTAL EXPENDITURE DURING CONSTRUCTION

	<u>Current Year</u>	Rs. million <u>Previous Year</u>
Depreciation (C)	93	65
Total (A+B+C)	<u>1,312</u>	<u>1,152</u>
D. Interest and Finance Charges Capitalised		
Interest on		
Bonds	540	404
Foreign currency term loans	2	256
Rupee term loans	2,900	2,370
Euro bonds	29	-
Finance Charges		
Guarantee commission	-	123
Others	71	8
Euroissue issue expenses	74	-
Total (D)	<u>3,616</u>	<u>3,161</u>
E. Less Other Income		
Interest from		
Employees	20	22
Others	18	15
Hire charges	4	2
Miscellaneous income	23	47
TOTAL (E)	<u>65</u>	<u>86</u>
Prior Period Adjustments (F)	(8)	21
GRAND TOTAL (A+B+C+D-E+F)	<u>4,855</u>	<u>4,248</u>



SCHEDULE-28 NOTES ON ACCOUNTS

- 1 a) The conveyancing of the title to **10,310** acres of freehold land of value **Rs.4,145 Million** (Previous Year 9446 acres, value Rs.2,914 Million) and execution of lease agreements for **6,984** acres of value **Rs.696 Million** (Previous Year 6,375 acres, value Rs.771 Million) in favour of the Company are awaiting completion of legal formalities.
- b) Land shown in the books does not include cost of **1,327** acres (Previous year 1,372 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 amount of **Rs.2,334 Million** (Previous year Rs.374 Million) deposited with various authorities in respect of land in possession which is subject to adjustment on final determination of price.
- d) Claims for enhancement of compensation for land which are pending for decisions of the courts, are disclosed as contingent liabilities, except to the extent the possibility of a liability is considered remote.
- 2 a) Balances shown under debtors, advances, creditors and material lying with contractors/ fabricators and material issued on loan in so far as these have not been since 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.
- 3 a) The Central Electricity Regulatory Commission (CERC) have issued orders in December 2000 with respect to the tariff norms, principles and Availability Based Tariff (ABT). The company filed an appeal against the orders of CERC before the Delhi High Court. Pending disposal of the appeal, CERC have notified, by regulations, the terms and conditions for determination of tariff, effective from 1st April 2001.

CERC have directed by notifications that the billing of sales in case of the power stations where the tariff has not been determined shall continue to be done on the same basis as on 31st March, 2001, subject to adjustment on final determination of tariff by the CERC. In respect of some stations, CERC has issued provisional tariff orders for billing which are subject to adjustment on final determination of tariff. The amount billed for the year in respect of these stations is **Rs.90,744 Million** (Previous year Rs.86,967 Million).

Since the amount billed is subject to adjustment with effect from 1st April 2001, pending disposal of the appeal and the final determination of the tariff by CERC, sales amounting to **Rs.76,596 Million** (Previous year Rs.77,544 Million) have been provisionally recognized on the basis of principles enunciated by the CERC in the tariff regulations and in the final tariff orders issued for other stations of the Company during the year, after deduction of Rs.4,926 Million pertaining to earlier years.

- b) In case of stations for which tariff orders have been issued by the CERC, sales have been accounted for after deduction of Rs.9,034 Million pertaining to earlier years. Further, pending determination by the CERC, sales have been provisionally adjusted towards the escalation in the tariff on account of the element of operation and maintenance expenditure based on the principles enunciated in the tariff regulations.
- c) Supplementary bills for revision of tariff for additional capital expenditure are accounted for in the year the revision of tariff is notified by CERC.
- 4 In accordance with the Uttar Pradesh Electricity Reforms (Transfer of Tanda Generation Undertaking) Scheme 2000, the assets of Tanda Power Station (440 MW) of UP State Electricity Board (UPSEB) acquired for a total consideration of Rs.10,000 million, which was subsequently revised to Rs.6,070 Million, were handed over to the Company free from all encumbrances. However, the charge created by UPSEB in favour of Life Insurance Corporation of India (LIC) before the assets were taken over is still to be vacated by LIC.
- 5 a) Pursuant to the Government of India Scheme for Settlement of Dues of State Electricity Boards (Scheme), during the year the Company received, with effect from 1st October 2001, 8.5% tax-free bonds amounting to Rs.157,884 Million against outstanding principal dues, late payment surcharge, conversion of bonds issued by SEBs after 1st March, 1998 and outstanding as on 30th September, 2001 and other amounts recoverable.

The late payment surcharge of Rs.16,140 Million received pursuant to the Scheme and interest income on the bonds amounting to Rs.33,532 Million (including Rs.20,112 Million pertaining to the period upto 31st March, 2003) are included in 'Other Income' (Schedule 21). Further, a sum of Rs.5,444 Million is adjusted by reversal of interest on bonds returned to the issuers in terms of the Scheme.

The rebate due under the Scheme to the State Electricity Boards/Successor Entities for regular payment amounting to Rs.19,125 Million is accounted for as "Rebate under Scheme for Settlement of SEB dues" in "Interest and Finance Charges" (Schedule 25) including Rs.11,230 Million pertaining to earlier years.

- b) Under the aforesaid Scheme, Government of Jharkhand issued notification during December 2003 for issue of bonds with effect from 1st October 2001 for Rs.6,223 million towards outstanding dues and agreed late payment surcharge. In May 2004 the bonds have been issued with effect from 1st October 2001. Accordingly, the bonds of Rs.6,223 million, interest thereon of Rs.1,322 Million upto 31st March 2004, surcharge of Rs.1,629 million receivable and rebate of Rs.809 Million payable under the Scheme to the Jharkhand Electricity Board have been accounted for during the year.
- c) In terms of the bi-partite agreement dated 17th February 2004 entered between the Government of India and the Government of National Capital Territory of Delhi, having similar terms as the aforesaid Scheme, outstanding dues for the period March 1997 to September 2001 and agreed late payment surcharge of Delhi Vidyut Board amounting to Rs.10,603 Million were converted into interest bearing long term advance with effect from 1st October, 2001. The same has been shown as 'Loan to state government in settlement of dues from customers' under 'Loans and Advances' (Schedule 14). The late payment surcharge of Rs.2,972 Million received as part of the above agreement and interest on the long term advance amounting to Rs.2,253 million, including Rs.1,352 Million for the period upto 31st March 2003, have been accounted for and included in 'Other Income' (Schedule 21). The rebate due for regular payment in terms of the agreement amounting to Rs.1,378 Million is accounted for as "Rebate under scheme for Settlement of SEB dues" in "Interest and Finance Charges" (Schedule 25) including Rs.848 Million pertaining to earlier years.
- 6 During the year an agreement was entered into with Damodar Valley Corporation for settlement of outstanding dues and late payment surcharge. Out of the total late payment surcharge of Rs.1,357 million, Rs.900 million has been received during the year and balance Rs.457 million received in April 2004. The total late payment surcharge has been recognised as income during the year.
- 7 The Company has provided **Rs. 3,382 Million** (Previous year Rs.2,807 Million) for amounts reimbursable to Government of India (GOI) in terms of Public Notice No. 38 dated 5th November, 1999 and Public Notice No. 42 dated 10th October, 2002 towards cash equivalent of the relevant deemed export benefits paid by GOI to the contractors for Talcher Super Thermal Power Project Stage-II, based on the details provided by the contractors. The GOI is yet to certify the aforesaid amount to be reimbursed by the Company and to furnish the procedural details to deposit the amount. Pending receipt of such certification and details from the GOI, no interest has been provided on the amounts to be reimbursed since there is no stipulation for payment of interest in the Public Notices cited above.
- 8 The effect on the accounts for the year due to changes in accounting policies is as under:

	Rs. million
	Impact on Profit for the year
(i) The Company hitherto charged depreciation as per the Electricity (Supply) Act, 1948 following the rates notified by the Central Electricity Regulatory Commission. Consequent upon the repeal of the Electricity (Supply) Act, 1948 by the Electricity Act, 2003, depreciation has been charged during the period as per the Companies Act, 1956.	(4,653)
(ii) Due to Accounting Standard (AS) - 26 on 'Intangible Assets' becoming mandatory w.e.f. 1st April 2003, the Company recognized the expenditure of Rs.49 Million on software as 'Intangible Assets' to be amortised over a period of three years, as against earlier policy of charging such expenditure to revenue.	33

- 9 Pursuant to Accounting Standard (AS) -26 'Intangible Assets' effective from 1st April, 2003, an amount of Rs.24 Million, being the expenditure on survey and investigation of new projects under the head 'Miscellaneous Expenditure (to the extent not written off or adjusted)' as on 1st April 2003, has been adjusted against the General Reserve. Such expenditure incurred during the year has been charged off.



- 10 The effect of foreign exchange fluctuation during the year is as under :
- i) The amount of exchange difference (net) debited to the Profit & Loss Account is **Rs.25 Million** (Previous year Rs.36 Million).
 - ii) The amount of exchange difference adjusted to the carrying amount of fixed assets and Capital Work-in-Progress is **Rs.1,411 Million** (Previous year Rs.4,550 Million).

11 Borrowing costs capitalised during the year are **Rs.3,345 Million** (Previous Year Rs.3,159 Million)

12 Segment information

a) Business Segments :

The Company's principal business is generation and sale of bulk power to SEBs/State utilities. Other business includes providing consultancy, training and management development services.

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.

Rs.million

	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	188,178 *	190,019	341	269	188,519	190,288
Internal Consumption of Electricity	193	187	-	-	193	187
Total	188,371	190,206	341	269	188,712	190,475
Segment Result	29,179 #	42,123	90	42	29,269	42,165
Unallocated Corporate Interest and Other Income					39,211	5,497
Unallocated Corporate expenses, interest and finance charges					9,583	10,122
Income Tax (Net)					6,289	1,464
Profit after Tax					52,608	36,075
Other information						
Segment assets	239,549	344,825	551	546	240,100	345,371
Unallocated Corporate and other assets					356,246	148,035
Total assets	239,549	344,825	551	546	596,346	493,406
Segment liabilities	52,670	25,700	231	272	52,901	25,972
Unallocated Corporate and other liabilities					182,569	152,035
Total liabilities	52,670	25,700	231	272	235,470	178,007
Depreciation	20,042	15,121	3	3	20,045	15,124
Non-cash expenses other than Depreciation	5,834	4,295	-	-	5,834	4,295
Capital Expenditure	45,558	37,683	-	1	45,558	37,684

* After adjustment of Rs.13,960 Million being deduction in Sales related to earlier years.

Segment result would have been Rs.43,139 Million without the above reduction in Sales related to earlier years.

The Company has power stations located within the country and therefore, geographical segments are inapplicable.

13 Related Party disclosures

a) Related parties:

i) List of Joint Ventures:

Utility Powertech Ltd., NTPC-Alstom Power Services Private Ltd., Power Trading Corporation of India Ltd.

ii) Key Management Personnel:

Shri C.P. Jain	Chairman and Managing Director
Shri B.N. Ojha	Director (Operations) *
Shri K.K. Sinha	Director (Human Resources)
Shri P. Narasimhamulu	Director (Finance)
Shri T. Sankaralingam	Director (Projects)
Shri S.L. Kapur	Director (Technical)
Shri R.D. Gupta	Director (Commercial)
Shri Chandan Roy	Director (Operations)

*Superannuated on 31st December 2003

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

Rs.million

Particulars	Transactions		Outstanding Amount	
	Current Year	Previous Year	31.3.2004	31.3.2003
Contracts for Works/Services - Received by the Company	661	764	9* 109**	67* 122**
- Provided by the Company	5	6	1*	1*
Contribution towards equity	60	-	160	40
Deputation of employees	2	4	1*	1*

* Outstanding amount recoverable

** Outstanding amount payable

c) Remuneration to key management personnel is **Rs.8 Million** (previous year Rs.8 million) and amount of dues outstanding as on 31st March 2004 are **Rs.1 Million** (previous year Rs.467,792/-)

14 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

	As at 31 st March	
	2004	2003
a) Outstanding balance of minimum lease payments		
• Not later than one year	1	1
• Later than one year and not later than five years	3	3
Total	4	4
b) Present value of (a) above		
• Not later than one year	1	1
• Later than one year and not later than five years	2	2
Total	3	3
c) Finance Charges	1	1



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. Employees' remuneration and benefits include **Rs.150 Million** (Previous year Rs.136 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 23 – Generation, Administration and other expenses. Miscellaneous income in schedule 21 – Other Income, include **Rs.36 Million** (Previous year Rs.32 Million) towards sub-lease payments received/recoverable.

15 Earnings 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)	52,608	36,075
Weighted Average number of equity shares used as denominator	7,812,549,400	7,812,549,400
Earning Per Share (Rupees) - Basic and Diluted	6.73	4.62
Face value per share (Rupees)	10.00	10.00

16 The item-wise details of Deferred tax liability (net) are as under:

(Rs.million)

	31.03.2004	31.03.2003
Deferred Tax Liability		
i) Difference of Book depreciation and Tax depreciation	60,901	49,610
ii) Others	787	3,879
	61,688	53,489
Less: Deferred Tax Assets		
i) Provisions disallowed for tax purposes	8,582	8,581
ii) Disallowed u/s 43B of the Income Tax Act,1961	826	529
	9,408	9,110
Deferred Tax Liability (Net)	52,280	44,379

The net increase in the deferred tax liability of Rs.7,901 million has been charged to Profit and Loss Account. However, the same is recoverable from customers.

17 Provision for taxation includes **Rs.7,134 Million** (Previous year Rs.2,601 million) and Income Tax recoverable includes **Rs.2,393 Million** (Previous year Rs.2,763 million) on account of adjustments towards earlier years.

18 Research and Development expenditure charged to revenue during the year is **Rs.46 Million** (Previous year Rs.46 Million).

19 Interests in Joint Ventures:

Company	Proportion of ownership interest as on 31 st March	
	2004	2003
Utility Powertech Limited	50%	50%
NTPC-Alstom Power Services Private Ltd.	50%	50%
Power Trading Corporation of India Ltd.	8%	8.28 %
NTPC-SAIL Power Company Private Ltd.	50%	50%
Bhilai Electric Supply Company Private Ltd.	50%	50%
NTPC Tamilnadu Energy Ltd.	50%	-

The above joint venture companies are incorporated in India. The Company's share of the assets and liabilities as on 31st March and income and expenses for the year in respect of joint venture entities are given below:

Rs.million

		31.03.2004	31.03.2003
A	Assets		
	Long Term Assets	2,056	2,208
	Current Assets	1,591	1,015
	Total	3,647	3,223
B	Liabilities		
	Long Term Liabilities	1,749	1,804
	Current Liabilities and Provisions	848	484
	Total	2,597	2,288
C	Contingent Liabilities	25	2
D	Capital Commitments	130	16
		Current Year	Previous Year
E	Income	3,955	2,434
F	Expenses	3,708	2,225

The Company has given guarantee in favour of bankers of Utility Powertech Ltd. for an amount of **Rs.24 Million** (Previous year Rs.24 Million) for bank guarantee limits.

- 20 The pre-commissioning expenses during the year amounting to **Rs.745 Million** (Previous Year Rs.2,325 Million) have been included in Fixed Assets/Capital work-in-progress after adjustment of pre-commissioning sales of **Rs.436 Million** (Previous Year Rs 2,129 Million) during the corresponding period, resulting in a net pre-commissioning expenditure of **Rs.309 Million** (Previous Year Rs.197 Million).
- 21 List of Small Scale Industrial undertaking to whom payment is outstanding for more than 30 days as on 31st March, 2004, to the extent available to the Company, is as under: M/s Acme Engineers, Adarsh Engineering Works, Aditya Air Products Pvt Ltd., Agromore (P) Ltd., Aki Industrial Engineers, Aki Industries, Amio Engg Concern, Angel Eng. Co., Arf Engineers Ltd, Aryan Engineering, Ashutosh Castings Ltd., Balaji Alum Industries, Balaji Industrial Product, Bhavesh Corporation, Bihar Gases, Central India Engineers, Chemco Rubber Liners, Chemfarm Industries, Cir-Q-Tech Tako, Cyclo Electric Devices, Dahyaalal Karia & Co., Dassnagar Engg Concern, Dheeraj Engg Works, Dresser Valve India Pvt., Eldee Mechanical Works, Elastomeric Engineers, Flu Tef Insulation, Gangotri Turbo, Gaurav Techno Electric, Gopal Steam Printing Works, H.Guru Instruments, H.K.Co, Hyderabad Castings Ltd., India Oil Seals & Synthetic Products, Industrial Instrumentation, Insha Plastic Industries, Integral Pneumatic Co Pvt. Ltd., Invincible Eng Co, Jeco Industries, Just Machine Tools, Jyothi Industries, Kalpana Gears Pvt Ltd., Kay Bee Salts, Kunal Industries, Makers, Maruti Techno Rubber Pvt. Ltd., Metal & Engg Ent, Mihir Rubber Products, Niki Chemical Industries, New Age Industries, Northern Alloys Bhavnagar, Oap, Orieng Cement, Osic, Paitandi Fluorocarbon Seales, Poweraid (India) Pvt Ltd., Prabhu Industries, Quality Engrs, R.K.Engg., Radiant Cables Pvt. Ltd., Raju Gas Co. Pvt. Ltd., Rameswar Iron Foundry, Rasyantrik Udyog, Reliance Fire & Safety Eq, S.D.Fine Chemical Ltd., Sap Industries, Shree Hans Alloys Ltd, Smap Engineering Pvt Ltd, Sri Durga Sundara Govinda, Steam & Mining Industries, Switzer Instrument Limited, Technofab India, The Coimbatore Combustion, Vishaka Machine Spares, Vishal Structure Fabricators, Welfit Flexibles, Welfit Flexibles & Hydrau.



22 Estimated amount of contracts remaining to be executed on capital account and not provided for is **Rs.87,465 Million** (Previous year Rs.61,836 Million).

23 Managerial Remuneration paid/ payable to Directors

	<u>Current year</u>	(Rs.million) <u>Previous year</u>
Salaries & allowances	6	6
Contribution to provident fund & other funds including gratuity & group insurance	1	1
Other benefits	1	1
Directors' fees	*	*

* **Rs.1,50,000/-** (Previous year Rs.80,000/-)

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.

	<u>Current year</u>	<u>Previous year</u>
24 Licensed and Installed Capacities: (As certified by Management)		
Licensed Capacity - Not applicable		
Installed Capacity (MW Commercial units)	21,497	20,497

25 Quantitative information in respect of Generation and Sale of Electricity (in MUs):

a) Pre-commissioning period :

Generation	1,113	2,577
Sales	990	2,401

b) Commercial period :

Generation	148,048	138,276
Sales	138,012	129,288

c) Value of imports calculated on CIF basis (Rs.million):

i) Capital goods	372	529
ii) Spare parts	886	604

d) Expenditure in foreign currency (Rs.million):

i) Professional and Consultancy fee	27	44
ii) Interest	1,874	2,070
iii) Others	11,433	13,017

e) Value of Components, Stores and Spare parts consumed (Rs.million):

	<u>%age</u>	<u>Amount</u>	<u>%age</u>	<u>Amount</u>
i) Imported	0.37	466	0.52	598
ii) Indigenous (including fuel)	99.63	125,337	99.48	113,394

f) Earnings in foreign exchange (Rs.million):

i) Consultancy	-	1
ii) Interest	2	2
iii) Others	1	1

26 Previous year's figures have been regrouped/rearranged wherever necessary.

27 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
---	---

Balance-sheet date

3	1	0	3	0	4
---	---	---	---	---	---

II. Capital Raised during the year (Rs. in Thousands).

Public Issue

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

Rights Issue

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

Bonus Issue

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

Private Placement

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

Position of Mobilisation and Deployment of Funds (Amount in - Rs. Thousands)

Total Liabilities

5	9	6	3	4	6	5	2	1
---	---	---	---	---	---	---	---	---

Sources of Funds

Paid up Capital

7	8	1	2	5	4	9	4
---	---	---	---	---	---	---	---

Secured Loans

4	5	8	4	3	6	7	9
---	---	---	---	---	---	---	---

Deferred Tax Liability

5	2	2	8	0	1	0	0
---	---	---	---	---	---	---	---

Application of Funds

Net Fixed Assets

2	1	2	5	4	6	2	2	2
---	---	---	---	---	---	---	---	---

Net Current Assets

5	4	5	2	5	9	3	0
---	---	---	---	---	---	---	---

Accumulated Losses

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

Total Assets

5	9	6	3	4	6	5	2	1
---	---	---	---	---	---	---	---	---

Reserves & Surplus

2	7	7	3	7	5	7	8	0
---	---	---	---	---	---	---	---	---

Unsecured Loans

1	0	8	6	8	3	9	3	2
---	---	---	---	---	---	---	---	---

Investments

1	7	3	3	7	9	5	6	4
---	---	---	---	---	---	---	---	---

Misc. Expenditure

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

III. Performance of Company (Rs. in Thousands)

Turnover

1	8	8	5	1	9	2	4	6
---	---	---	---	---	---	---	---	---

Profit/Loss before tax

+	5	8	8	9	6	8	8	6
---	---	---	---	---	---	---	---	---

Earning per share in Rs

	6	.	7	3
--	---	---	---	---

Total Expenditure

2	0	0	5	6	1	9	8	2
---	---	---	---	---	---	---	---	---

Profit/Loss after tax

+	5	2	6	0	7	8	3	5
---	---	---	---	---	---	---	---	---

Dividend Rate %

1	3	.	8	5
---	---	---	---	---

IV. Generic Names of Three Principal Products/Services of Company (As per monetary terms)

Product Description:

G	E	N	E	R	A	T	I	O	N	O	F	E	L	E	C	T	R	I	C	I	T	Y
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

C	O	N	S	U	L	T	A	N	C	Y	S	E	R	V	I	C	E	S				
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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
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Item Code No.

N	A
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N	A
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N	A
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For and on behalf of the Board of Directors

A.K.Bajpaie
Company Secretary

P.Narasimhamulu
Director (Finance)

C. P. Jain
Chairman & Managing Director

As per our report of even date

For Kalani & Co.,
Chartered Accountants
(Sandeep Jhanwar)
Partner
M. No. 78146

For Amit Ray & Co.,
Chartered Accountants
(Pradeep Mukherjee)
Partner
M. No. 70693

For Umamaheswara Rao & Co.,
Chartered Accountants
(G. Sivarama Krishna Prasad)
Partner
M. No. 24860

For S.N.Nanda & Co.,
Chartered Accountants
(Bhavna Nanda)
Partner
M. No. 95275

For T.R. Chadha & Co.
Chartered Accountants
(Sanjay Gupta)
Partner
M. No. 87563

Place : New Delhi
Dated : 12th June 2004