

REPORT ON CORPORATE GOVERNANCE

Corporate Governance Philosophy

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

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

Our company believes in integrity as a necessary condition for enduring success. Transparency, fairness, accountability and responsibility are the pillars of the Company's business activities.

Besides adhering to provisions of Listing Agreement we are also following guidelines on Corporate Governance issued by Department of Public Enterprises, Government of India.

1.2 Corporate Governance Recognitions

In recognition of excellence in Corporate Governance, during the year the Company was adjudged as one of the best governed company of India by a jury headed by Former Chief Justice of India and was conferred '**ICSI National Award for Excellence in Corporate Governance – 2009**' by the Institute of Company Secretaries of India.

The Company has also bagged '**Golden Peacock Global Award for Excellence in Corporate Governance for the year 2009**' by the Golden Peacock Global Awards Jury, under the Chairmanship of former Prime Minister of Sweden.

2. BOARD OF DIRECTORS

2.1 Size of the Board

We are a Government Company within the meaning of section 617 of the Companies Act, 1956 as the President of India presently holds 84.5% of the total paid-up share capital. As per Articles of Association, the power to appoint Directors vests in the President of India.

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

as under:

- (i) Seven functional Directors including the Chairman & Managing Director,
- (ii) Two government nominees and
- (iii) Nine independent directors as per the requirement of the Listing Agreement.

2.2 Composition

The Board of Directors have an optimum combination of executive and non-executive Directors. As on 31st March 2010, the Board comprised seventeen Directors out of which six were whole-time functional Directors including the Chairman & Managing Director. One whole-time Director ceased to be Director on the Board of the Company with effect from 31st December 2009. Another incumbent in his place has been appointed by the Government of India w.e.f. 13th May, 2010. Two Directors are nominees of the Government of India. The Board also has nine independent Directors who have been appointed by the Government of India through a search committee constituted for the purpose. The Directors bring to the Board wide range of experience and skills. Brief profile of the Directors is set out elsewhere in the Annual Report.

The listing agreements with stock exchanges stipulate half of the Board members to be independent directors.

We are compliant with Clause 49 (IA) of the Listing Agreement regarding composition of the Board of Directors.

2.3 Age limit and tenure of Directors

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

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

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

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

2.4 Board Meetings

The meetings are convened by giving appropriate advance notice after obtaining approval of the Chairman of the Board/ Committee. To address specific urgent need, meetings are also being called at a shorter notice. In case of exigencies or urgency, resolutions are passed by circulation.

Detailed agenda, management reports and other explanatory statements are circulated in advance in the defined agenda format amongst the members for facilitating meaningful, informed and focused decisions at the meetings. Where it is not practicable to circulate any document or the agenda is of confidential nature, the same is tabled with the approval of CMD. Sensitive matters are discussed at the meeting without written material being circulated.

The meetings of the Board of Directors are normally held at the Company's registered office in New Delhi.

Nineteen Board Meetings were held during the financial year 2009-10 on April 16, April 28, May 22, June 22, June 29, July 22, July 27, August 13, August 31, September 11, October 13, October 23, November 11, December 10, December 29, 2009, January 9, January 29, February 24 and March 13, 2010. The maximum interval between any two meetings during this period was 31 days. Details of number of Board meetings attended by Directors, attendance at last AGM, number of other directorship/ committee membership (viz. Audit Committee and Shareholders Grievance Committee as per SEBI's Corporate Governance Code) held by them during the year 2009-10 are tabulated below:

S. No.	Directors	Meeting held during respective tenures of Directors	No. of Board Meetings Attended	Attendance at the last AGM (held on 17.09.09)	Number of other Directorships held on 31.03.10	Number of Committee memberships in companies on 31.03.10 ⁵	
						As Chairman	As Member
	Functional Directors						
1	Shri R.S. Sharma Chairman & Managing Director	19	19	Yes	9	-	-
2	Sh. Chandan Roy Director (Operations)	19	18	Yes	6	2	-
3	Shri R.K. Jain Director (Technical) (upto 31.12.2009)	15	15	Yes	*NA	*NA	*NA
4	Shri A.K. Singhal Director (Finance)	19	19	Yes	12	2	4
5	Sh. R.C Shrivastav Director (HR)	19	18	Yes	6	-	3
6	Sh. K.B. Dubey Director (Projects) (upto 31.07.2009)	7	6	*NA	*NA	*NA	*NA
7	Shri I.J. Kapoor Director (Commercial)	19	19	No	5	-	-
8	Shri B.P. Singh Director (Projects) (From 01.08.2009)	12	12	Yes	3	-	1
	Non-executive Directors (Government Nominees)						
9	Shri V.P. Joy JS (Th.), Ministry of Power (upto 04.05.2009)	2	2	*NA	*NA	*NA	*NA
10	Shri I.C.P. Keshari JS (Th.), Ministry of Power (from 04.05.2009)	17	16	No	-	-	-
11	Shri Rakesh Jain JS&FA, Ministry of Power (from 09.06.2009)	16	15	Yes	4	1	3

S. No.	Directors	Meeting held during respective tenures of Directors	No. of Board Meetings Attended	Attendance at the last AGM (held on 17.09.09)	Number of other Directorships held on 31.03.10	Number of Committee memberships in companies on 31.03.10 [§]	
Independent Directors							
12	Shri M.N. Buch Former Secretary, GOI	19	17	Yes	1	1	-
13	Shri Shanti Narain Former Member, Railway Board	19	11	Yes	2	-	3
14	Shri P.K. Sengupta Former CMD, Coal India Ltd.	19	18	Yes	-	-	1
15	Shri K. Dharmarajan Former DG, IIFT	19	14	No	2	1	-
16	Dr. M. Govinda Rao Director, NIPFP	19	16	Yes	1	1	-
17	Shri Kanwal Nath Ex Deputy, C&AG	19	16	Yes	-	-	1
18	Shri Adesh Jain President, Project Management Associates, Centre for Excellence in Project Management	19	16	No	1	-	-
19	Shri A.K. Sanwalka Ex-General Manager, Northeast Frontier Railway	19	19	Yes	1	1	1
20	Shri Santosh Nautiyal Ex-Chairman, National Highway Authority of India	19	19	Yes	2	-	2

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

§ In line with clause 49 of Listing Agreement, only the Audit Committee and Shareholders/ Investors Grievance Committee have been taken into consideration in reckoning the number of committee memberships of Directors or Chairman and as Member.

2.5 Information placed before the Board of Directors:

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

- Annual operating plans and budgets and any updates.
- Capital Budgets and any updates.
- Review of progress of ongoing projects including critical issues and areas needing management attention
- Annual Accounts, Directors' Report, etc.
- Quarterly financial results for the company.
- Minutes of meetings of Audit Committee and other Committees of the Board.
- Minutes of meetings of Board of Directors of subsidiary companies
- The information on recruitment and promotion of senior officers to the level of Executive Director which is just below the Board level and Company Secretary.
- Fatal or serious accidents, dangerous occurrences, etc.
- Operational highlights and substantial non-payment for goods sold by the Company.
- Major investments, formation of subsidiaries and Joint Ventures, Strategic Alliances, etc.
- Award of large contracts.
- Disclosure of Interest by Directors about directorship and committee positions occupied by them in other companies.
- Quarterly Report on foreign exchange exposures.
- Any significant development in Human Resources/

Industrial Relations like signing of wage agreement, implementation of Voluntary Retirement Scheme, etc.

- Non-Compliance of any regulatory, statutory or listing requirements and shareholders services such as non-payment of dividend, delay in share transfer, etc.
- Short term investment of surplus funds.
- Information relating to major legal disputes.
- Highlights of important events from last meeting to the current meeting.

3. COMMITTEES OF THE BOARD OF DIRECTORS

The Board has established the following Committees:-

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

3.1 AUDIT COMMITTEE

The constitution, quorum, scope, etc. of the Audit Committee is in line with the Companies Act, 1956, provisions of Listing Agreement and Guidelines on Corporate Governance as issued by Department of Public Enterprises, Govt. of India.

Scope of Audit Committee

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

13. Review of Observations of C&AG including status of Government Audit paras.
14. To review the functioning of the Whistle Blower mechanism.
15. Investigation into any matter in relation to the items specified above or referred to it by the Board.
16. To review the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the Parliament.
17. Provide an open avenue of communication between the independent auditors, internal auditors and the Board of Directors.
18. Review with the independent auditor the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources.
19. Consider and review the following with the independent auditor and the management:
 - a) The adequacy of internal controls including computerized information system controls and security, and
 - b) Related findings and recommendations of the independent auditor and internal auditor, together with the management responses.
20. Consider and review the following with the management, internal auditor and the independent auditor:
 - a) Significant findings during the year, including the status of previous audit recommendations.
 - b) Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.
21. Reviewing with the management, statement of uses/ application of funds raised through an issue (public issue, right issue, preferential issue etc.), statement of funds utilised for purposes other than stated in the offer documents/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter.

Constitution

The Audit Committee has been constituted with the membership of:

- i) Four independent Directors to be nominated by the Board from time to time.

- ii) Joint Secretary & Financial Advisor (JS & FA), Ministry of Power (MOP), Government of India nominated on the Board of NTPC

Composition

As on 31st March 2010, the Audit Committee comprised the following members:-

Shri K. Dharmarajan	Independent Director
Shri P.K. Sengupta	Independent Director
Shri Shanti Narain	Independent Director
Shri Kanwal Nath	Independent Director
Shri Rakesh Jain	Government Nominee
w.e.f. 09.06.2009	

Director (Finance) and Head of Internal Audit and the Statutory Auditors are invited to the Audit Committee Meetings for interacting with the members of the committee. Besides, Cost Auditors of the Company are also invited to the meetings of the Audit Committee as and when required. Senior functional executives are also invited as and when required to provide necessary inputs to the committee.

The Company Secretary acts as the Secretary to the Committee.

Meetings and Attendance

Six meetings of the Audit Committee were held during the financial year 2009-10 on May 21, July 27, October 5, October 23, November 11, 2009 and January 29, 2010.

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

Members of Audit Committee	Meetings held during his tenure	Meetings attended
Shri K. Dharmarajan	6	6
Shri P. K. Sengupta	6	5
Shri Shanti Narain	6	4
Shri Kanwal Nath	6	5
Shri Rakesh Jain	5	5

Shri K. Dharmarajan, Independent Director chaired all the meetings of Audit Committee held during the year 2009-10. However, in the absence of Shri K. Dharmarajan, Shri P.K. Sengupta, Independent Director attended the Annual General Meeting of the Company as the Chairman of the Audit Committee to answer the queries of the shareholders.

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

3.2 SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

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

Scope of the Committee

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

Constitution

The Committee has been constituted with the membership of:

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

Composition

As on 31st March 2010, this committee comprised the following Directors:

Shri Rakesh Jain	Government Nominee
Shri A.K. Singhal	Director (Finance)
Shri R.C. Shrivastav	Director (HR)
Shri A.K. Sanwalka	Independent Director

Meeting and Attendance

Two meetings of the Shareholders / Investors Grievance Committee were held during the financial year 2009-10 on October 13, 2009 and March 29, 2010:

Members of Shareholders / Investors Grievance Committee	Meetings held	Meetings attended
Shri Rakesh Jain	2	2
Shri A.K. Singhal	2	2
Shri R.C. Shrivastav	2	2
Shri A.K. Sanwalka	2	2

Name and designation of Compliance Officer

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

Investor Grievances

During the financial year ending 31st March 2010, Company has attended its investor grievances expeditiously except for the cases constrained by disputes or legal impediments.

The details of the complaints received during the year are as under:

Particulars	Opening Balance	Received	Resolved	Pending
SEBI / Stock Exchange complaints	1	27	28	0
Other IPO related complaints	0	949	949	0
Other Dividend related complaints	5	7738	7738	5
Total	6	8714	8715	5

Investor complaints shown pending as on March 31, 2010 have been attended subsequently.

Number of pending share transfers

As on March 31, 2010, no share transfer request was pending. Share Transfers have been affected during the year well within the time prescribed by the Stock Exchanges and a certificate to this effect duly signed by a Practicing Company Secretary has been furnished to Stock Exchanges.

3.3 REMUNERATION COMMITTEE

Our Company, being a Central Public Sector Undertaking, the appointment, tenure and remuneration of Directors are decided by the President of India. However, as per the provisions of the DPE Guidelines, a remuneration committee was constituted to decide the annual bonus/variable pay pool and its policy for its distribution within the prescribed limits. As on 31st March 2010, the Committee comprised the following Members:

Shri M.N. Buch	Independent Director
Shri P.K. Sengupta	Independent Director
Shri Kanwal Nath	Independent Director
Shri I.C.P. Keshari	Government Nominee

Meeting and Attendance

Only one meeting was held during the year on 11.09.2009 in which all the members except Shri I.C.P. Keshari, Government Nominee were present.

3.4 COMMITTEE ON MANAGEMENT CONTROLS

On being conferred enhanced autonomy by the Government of India under 'Navratna Guidelines', this committee was constituted for establishing transparent and effective system of internal monitoring. This Committee, inter alia, reviews the Management Control

Systems, significant deviations in project implementation and construction, operation and maintenance budgets, etc.

As on March 31, 2010, the committee comprised the following Directors:

Shri Rakesh Jain	Government nominee
Shri Chandan Roy	Director (Operations)
Shri A.K. Singhal	Director (Finance)
Dr. M. Govinda Rao	Independent Director

3.5 CONTRACTS SUB-COMMITTEE

This Committee has been constituted for approval of award of contracts of value exceeding Rs. 25 crore but not exceeding Rs.100 crore and consultancy assignments exceeding Rs. 2 crore each. As on March 31, 2010, the Committee for Contracts comprised the following members:

Shri R.S. Sharma	Chairman & Managing Director
Shri Rakesh Jain	Government Nominee
Shri I.C. P. Keshari	Government Nominee
Shri A.K. Singhal	Director (Finance)
Shri B.P. Singh	Director (Projects)
Position Vacant	Director (Technical)

3.6 PROJECT SUB-COMMITTEE

The Project Committee examines and makes recommendations to the Board on proposals for Investment in New/Expansion Projects and Feasibility Reports of new projects. As on 31st March 2010, the Committee comprised the following members:

Shri R.S. Sharma	Chairman & Managing Director
Shri Chandan Roy	Director(Operations)
Position Vacant	Director (Technical)
Shri A.K. Singhal	Director (Finance)
Shri B.P. Singh	Director (Projects)
Shri Rakesh Jain	Government Nominee
Shri I.C.P. Keshari	Government Nominee
Shri M.N. Buch	Independent Director
Shri I.J. Kapoor	Director (Commercial)

3.7 INVESTMENT/CONTRIBUTION COMMITTEE

The terms of reference of Investment/Contribution Committee of the Board is for deployment of surplus funds as per Govt. Guidelines issued from time to time, and acceptance of Bonds/Debt Instruments in

lieu of settled dues with State Electricity Boards or State Transmission Companies and deciding terms and conditions thereof. This committee also approves contribution/donation for national, public, benevolent or charitable cause, purpose or object or other funds not directly related to the business of the company or welfare of its employees between Rs. 5 lakh to Rs. 20 lakh subject to maximum limit of Rs. 1 crore in a year.

As on 31st March 2010, the Committee comprised the following Members:

Shri R.S. Sharma	Chairman & Managing Director
Shri Chandan Roy	Director (Operations)
Shri A.K. Singhal	Director (Finance)

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

3.8 COMMITTEE FOR ALLOTMENT AND POST-ALLOTMENT ACTIVITIES OF NTPC'S SECURITIES

The Committee has been constituted for Allotment and Post-allotment activities of Company's Securities. The scope of work of this committee is allotment, issue of Certificate/Letter of allotment, transfer, transmission, re-materialisation, issue of duplicate certificates, consolidation/split of NTPC's domestic and foreign Securities. As on 31st March 2010, the Committee comprised the following Members:

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

3.9 COMMITTEE FOR FURTHER PUBLIC OFFERING OF NTPC'S SECURITIES

The Committee for Further Public Offering of NTPC's Securities was constituted by the Board of Directors, in its meeting held on 11.11.2009.

The scope of work of this committee was to oversee, finalize, settle, approve and adopt the Red Herring Prospectus and the Prospectus for the FPO by way of offer for sale by the President of India, recommend appointment, conditions to the agreements, fee payable to various agencies, Intermediaries, Auditors for the FPO, to make applications to various Government/ Statutory Authorities, to open bank accounts as required under Section 73 of the Companies Act, 1956, to issue receipts/ allotment/ transfer letters/ confirmations of allocation notes to successful bidders and applicants and other actions for facilitating process of FPO.

The Committee was constituted with the membership of Shri Chandan Roy, Director (Operations), Shri A.K. Singhal, Director (Finance), Shri R.C. Shrivastav, Director (HR) and Shri I.J. Kapoor, Director (Commercial). Shri A.K. Singhal, Director (Finance) was the Chairman of the Committee.

During the process of FPO, five meetings of the Committee were held on 15th December 2009, 1st January 2010, 9th January 2010, 8th February 2010 and 17th February 2010. The details of attendance of the members in the Committee Meetings is as under:

Members of Committee for Further Public Offering of Equity Shares	Meetings held	Meetings attended
Shri Chandan Roy	5	4
Shri A.K. Singhal	5	5
Shri R.C. Shrivastav	5	5
Shri I.J. Kapoor	5	4

With the completion of allotment of shares under FPO on 18.02.2010, the committee ceased to exist w.e.f.19.02.2010 as decided by the Board of Directors in its meeting held on 11.11.2009.

4. GROUP OF DIRECTORS

Apart from Committees as explained above, the Board has constituted a number of Group of Directors for specific purposes. The scope of work of various Group of Directors and its Constitution as existed on 31.03.2010 is as under:

- (i) **Group of Directors for Corporate Social Responsibility:** This Group of Directors has been constituted to have a closer look into various related issues and prepare a roadmap for operating the scheme for Corporate Social Responsibility of NTPC. This Group of Directors comprises the following members:

Shri R.S. Sharma	Chairman & Managing Director
Shri A.K. Singhal	Director (Finance)
Shri R.C. Shrivastav	Director (HR)
Shri Santosh Nautiyal	Independent Director

- (ii) **Group of Directors for Vigilance Matters and Non-Vigilance Matters:** Two Group of Directors has been constituted to examine all the petitions which are submitted before the Board as appellate/ reviewing authority in terms of CDA rules. The Chief Vigilance Officer of NTPC is being associated with the Group of

Directors for Vigilance Matters. The Group of Directors for Vigilance Matters comprised the following members:

Shri R.S. Sharma	Chairman & Managing Director
Shri R.C. Shrivastav	Director (HR)
Shri I.C.P. Keshari	Government Nominee
Shri Kanwal Nath	Independent Director

The Group of Directors for non-vigilance matters comprised the following members:

Shri R.S. Sharma	Chairman & Managing Director
Shri Chandan Roy	Director (Operations)
Shri R.C. Shrivastav	Director (HR)
Shri I.C.P. Keshari	Government Nominee
Shri Adesh Jain	Independent Director

- (iii) **Group of Directors for implementation of DPE Guidelines pertaining to Revision of Pay Scales:**

This Group of Directors has been constituted to work out the details with regard to implementation of various provisions as per DPE guidelines pertaining to revision of pay scales. This Group of Directors comprised the following members:

Shri R.S. Sharma	Chairman & Managing Director
Shri Chandan Roy	Director (Operations)
Shri A.K. Singhal	Director (Finance)
Shri R.C. Shrivastav	Director (HR)
Shri I.C.P. Keshari	Government Nominee
Shri Kanwal Nath	Independent Director
Shri M.N. Buch	Independent Director

- (iv) **Group of Directors for Import of Coal:** This Group of Directors has been constituted to approve the recommendations of Executive Directors level Committee authorized to hold discussions with the prospective PSU bidders viz. STC, MMTC and CIL in a pre-bid conference to explore (a) various options/ bidding strategies to be adopted by them by which they can ensure maximization of competition amongst the coal suppliers and (b) pricing methodology. This Group of Directors comprised the following members:

Shri R.S. Sharma	Chairman & Managing Director
Shri Chandan Roy	Director (Operations)
Shri A.K. Singhal	Director (Finance)
Shri Kanwal Nath	Independent Director
Shri A.K. Sanwalka	Independent Director

- (v) **Group of Directors for Gas Supply Agreement to be entered into between NTPC & PLL's Off Takers:** This Group of Directors has been constituted for approving the terms and conditions of the Gas Supply Agreements to be entered into between NTPC & PLL's Off-Takers namely GAIL, IOCL and BPCL. This Group of Directors comprises the following members:

Shri R.S. Sharma	Chairman & Managing Director
Shri A.K. Singhal	Director (Finance)
Shri K. Dharmarajan	Independent Director

- (vi) **Group of Directors for appointment of Financial Consultant for carrying out due diligence of Coal Mines/ Blocks:** This Group of Directors has been constituted to approve appointment of financial consultant for carrying out due diligence of coal mines/ blocks abroad on offer for acquisition of stake. This Group of Directors comprise the following members:

Shri R.S. Sharma	Chairman & Managing Director
Shri Chandan Roy	Director (Operations)
Shri A.K. Singhal	Director (Finance)
Position Vacant	Director (Technical)

- (vii) **Group of Directors for procurement of Coal through E-Auction:** This Group of Directors has been

constituted to explore procurement of shortfall coal quantity for Farakka & Kahalgaon through E-Auction mode i.e. Forward & Spot. This Group of Directors comprises the following members:

Shri Chandan Roy	Director (Operations)
Shri A.K. Singhal	Director (Finance)
Shri P.K. Sengupta	Independent Director
Shri K. Dharmarajan	Independent Director

5. REMUNERATION OF DIRECTORS

As already stated under the heading Remuneration Committee above, the remuneration of the Functional Directors and sitting fee payable to the Independent Directors is decided by the Government of India. The Ministry of Power, Government of India has authorized the Board of Directors of the Company to determine the sitting fee payable to Independent Directors within the ceiling prescribed under the Companies Act, 1956. Accordingly, the Board decides the sitting fee payable to the Independent Directors. Presently, sitting fee of Rs. 15,000/- for each meeting of the Board, Committees of the Board and Group of Directors constituted by the Board from time to time, is being paid to each Independent Director.

Details of remuneration of functional Directors of the company paid for the financial year 2009-10:

(in Rupees)

SI	Name of the Director	Salary	Benefis	Bonus/ Commission	Performance Linked Incentives	Total
1	Shri R.S. Sharma	16,24,151.00	7,67,031.00	-	11,03,096.00	34,94,278.00
2	Sh.Chandan Roy	11,12,443.00	7,47,079.00	-	7,92,586.00	26,52,108.00
3	Shri A.K. Singhal	17,13,114.00	9,30,666.00	-	7,97,503.00	34,41,283.00
4	Shri R.C. Shrivastav	15,52,694.00	8,01,419.00	-	7,97,287.00	31,51,400.00
5	Shri I.J. Kapoor	16,37,481.00	6,78,875.00	-	4,72,283.00	27,88,639.00
6	Sh. B.P. Singh (from 01.08.2009)	13,96,540.00	7,60,938.00	-	3,49,832.00	25,07,310.00
7	Shri K.B. Dubey (upto 31.07.2009)	20,11,876.00	14,17,676.00	-	7,91,325.00	42,20,877.00
8	Shri R.K. Jain (upto 31.12.2009)	25,62,618.00	6,11,499.00	-	7,81,809.00	39,55,926.00

Performance linked incentives paid is based on the incentive scheme of the company.

Details of payments towards sitting fee to Independent Directors during the year 2009-10 are given below:

(in Rupees)

Name of Part-time non-official Directors	Sitting Fees		Total
	Board Meeting	Committee /Group of Directors Meeting	
Shri M.N. Buch	2,55,000	1,35,000	3,90,000
Shri Shanti Narain	1,65,000	60,000	2,25,000
Shri P.K. Sengupta	3,60,000	15,000	3,75,000
Shri K. Dharmarajan	2,10,000	1,20,000	3,30,000
Dr. M. Govinda Rao	2,40,000	30,000	2,70,000
Shri Kanwal Nath	2,40,000	1,80,000	4,20,000
Shri Adesh Jain	2,40,000	-	2,40,000
Shri A.K. Sanwalka	2,85,000	60,000	3,45,000
Shri Santosh Nautiyal	2,85,000	60,000	3,45,000

7. GENERAL BODY MEETINGS

Annual General Meeting

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

Date & Time	September 12, 2007	September 17, 2008	September 17, 2009
Time	11.30 A.M.	11.30 A.M.	11.00 A.M.
Venue	Air Force Auditorium, Subroto Park, New Delhi – 110 010	Air Force Auditorium, Subroto Park, New Delhi – 110 010	Air Force Auditorium, Subroto Park, New Delhi – 110 010
Special Resolution	NIL	Increase in Borrowing Powers of the Board upto Rs.1,00,000 crore and authority to the Board for mortgaging the assets of the company.	Amendments in Articles of Association regarding audit of accounts and appointment of auditors.

Special Resolution passed through Postal Ballot

No Resolution has been passed through Postal Ballot during the year.

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

8. DISCLOSURES

The transactions with related parties contain (i)

6. ACCOUNTABILITY OF DIRECTORS

An annual Memorandum of Understanding (MoU) is entered into by the Company with Govt. of India (Gol) in the beginning of the year setting the targets in financial and non financial areas with weightages decided in consultation with Gol. The performance of the Company is measured at the end of the year vis-à-vis these targets.

The performance with regard to MOU is reviewed regularly within the Company on monthly basis and by Ministry of Power on quarterly basis through Quarterly Performance review (QPR). Slippages, if any, are identified and necessary remedial actions are suggested in these forums.

At the end of each financial year the MoU achievements report is furnished to Ministry of Power and performance of the company is evaluated by Ministry of Power and Department of Public Enterprises Task Force on the basis of actual achievement as per signed MoU.

To ensure targets as set in MoU are achieved well within schedule, the Company has a strong "Internal MoU" system specifying tighter targets drilled down at regional and station level with suitable stretch and expansion of activities. The entire process ensures transparency as well as accountability towards stakeholders.

payment to companies under Joint Venture Agreement and on account of contracts for works/ services, (ii) remuneration to key management personnel and (iii) equity contribution, which are not in nature of potential conflicts with interest of the company at large. Details of related party transactions are included in the Notes to the Accounts (Schedule 26) as per Accounting Standard (AS)-18 in Companies (Accounting Standards) Rules, 2006.

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

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

CEO/CFO Certification

As required by Clause 49 of the Listing Agreement(s), the certificate duly signed by Shri R.S. Sharma, Chairman & Managing Director and Shri A.K. Singhal, Director (Finance) was placed before the Board of Directors at the meeting held on 17.05.2010 and is annexed to the Corporate Governance Report.

9. MEANS OF COMMUNICATION

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

The Company also communicates with its institutional shareholders through a combination of analysts briefing and individual discussions as also participation at investor conferences from time to time. Annual analysts and investors meets are held during the month of August where Board of the Company interacts with the investing community. Financial results are discussed by way of conference calls regularly after the close of each quarter.

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

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

Disclosures made to stock exchanges are also made through Corporate Filing & Dissemination System (CFDS).

Quarterly Results

Newspapers	Date of publication of results for the quarter ended		
	30.06.2009	30.09.2009	31.12.2009
Financial Express	28.07.2009	24.10.2009	30.01.2010
Jansatta (Hindi)	28.07.2009	24.10.2009	-
Hindustan (Hindi)	-	24.10.2009	30.01.2010
Buiness Line	28.07.2009	24.10.2009	30.01.2010
Business Standard (Hindi)	28.07.2009	24.10.2009	30.01.2010
Business Standard	28.07.2009	24.10.2009	30.01.2010
Hindustan Times	28.07.2009	24.10.2009	30.01.2010
Economic Times	28.07.2009	-	-

Official Releases and Presentations

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

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

10. CODE OF CONDUCT

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

Declaration as required under clause 49 of the listing Agreement

All the members of the Board and Senior Management Personnel have affirmed compliance of the Code of Conduct for the financial year ended on March 31, 2010.

New Delhi
May 12, 2010

(R.S. Sharma)
Chairman & Managing Director

11. Code of Internal Procedures and Conduct for Prevention of Insider Trading

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

12. SHAREHOLDERS' INFORMATION

i) Annual General Meeting

Date : September 23, 2010

Time : 10.30 a.m.

Venue : Air Force Auditorium, Subroto Park,
New Delhi - 110 010

ii) Financial Calendar for FY 2010-11

Particulars	Date
Accounting Period	April 1, 2010 to March 31, 2011
Unaudited Financial Results for the first three quarters	Announcement within a month from the end of each quarter
Fourth Quarter Results	Announcement of Audited Accounts on or before May 31, 2011
AGM (Next year)	September 2011 (Tentative)

iii) Book Closure

The Register of Members and Share Transfer Books of the Company will remain closed from September 11, 2010 to September 23, 2010 (both days inclusive).

iv) Payment of Dividend

The Board of Directors of the Company has recommended payment of a final Dividend of Rs. 0.8 per share (8% on the paid-up share capital) for the financial year ended March 31, 2010 in addition to the Interim Dividend of Rs. 3.0 per share (30% on the paid-up share capital) paid on March 23, 2010 (Dividend paid in Previous Year is Rs. 29683.7 million).

The record date for the payment of Dividend is September 10, 2010.

v) Dividend History

Year	Total paid-up capital (Rs. in crore)	Total amount of dividend paid (Rs. in crore)	Date of AGM in which dividend was declared	Date of payment
2004-05	8245.46	1978.93	12.02.2005* 23.09.2005	10.03.2005 27.09.2005
2005-06	8245.46	2308.73	30.01.2006* 19.09.2006	27.02.2006 23.09.2006
2006-07	8245.46	2638.55	31.01.2007* 12.09.2007	14.02.2007 25.09.2007
2007-08	8245.46	2885.91	30.01.2008* 17.09.2008	13.02.2008 03.10.2008
2008-09	8245.46	2968.37	24.01.2009* 17.09.2009	13.02.2009 29.09.2009
2009-10	8245.46	2473.64#	13.03.2010*	23.03.2010

* Date of Board Meeting

amount represents the interim dividend paid for the year 2009-10

vi) Listing on Stock Exchanges

NTPC equity shares are listed on the following Stock Exchanges:

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

Stock Code : ISIN – INE733E01010

vii) Market Price Data – NSE

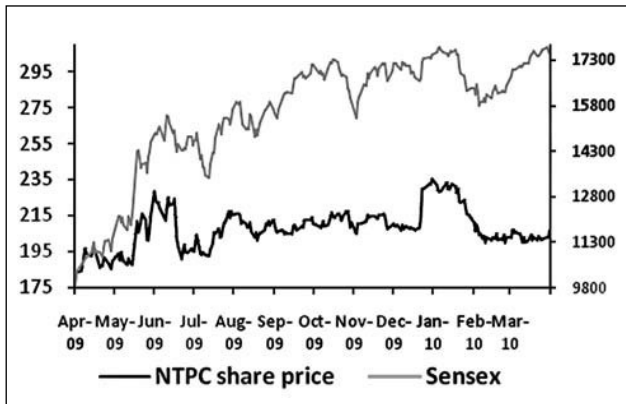
Month	High (Rs.)	Low (Rs.)	Closing (Rs.)
April' 09	205.80	176.05	190.00
May' 09	225.00	185.65	215.40
June' 09	233.00	182.00	195.05
July' 09	225.00	188.50	215.60
August' 09	220.45	201.05	212.35
Sept' 09	215.30	203.25	213.75
October' 09	222.00	205.10	212.40
Nov' 09	220.10	201.70	209.80
Dec' 09	241.35	205.25	235.65
January' 10	238.90	210.35	214.30
February' 10	217.00	197.00	203.05
March' 10	208.35	198.05	207.25

viii) Market Price Data – BSE

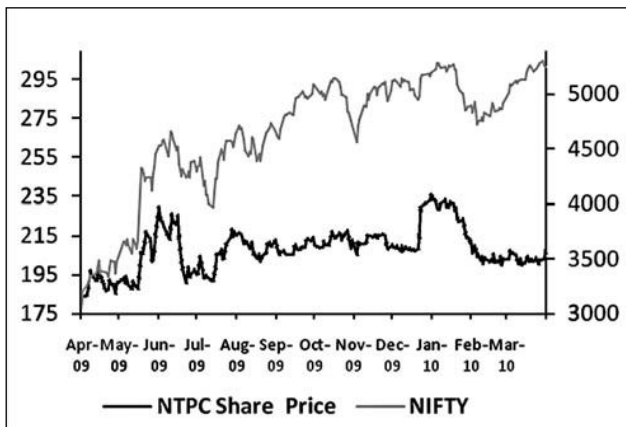
Month	High (Rs.)	Low (Rs.)	Closing (Rs.)
April' 09	205.50	176.10	190.15
May' 09	222.75	185.15	215.45
June' 09	233.00	186.55	195.05
July' 09	220.10	188.00	215.60
August' 09	220.40	200.85	212.65
Sept' 09	215.30	203.55	213.70
October' 09	223.00	205.25	211.40
Nov' 09	218.85	201.65	209.75
Dec' 09	241.70	205.10	235.70
January' 10	239.00	210.50	214.25
February' 10	216.90	196.10	203.00
March' 10	208.40	199.50	207.00

ix) Performance in comparison to indices

BSE Sensex and NTPC Share Price



NIFTY and NTPC Share Price



x) Registrar and Share Transfer Agent

Karvy Computershare Pvt. Ltd
Plot No.17 to 24,
Vitthalrao Nagar, Madhapur
Hyderabad-500081
Tel No.: 91 40 23420818
Fax No.: 91 40 23420814
E-mail: mailmanager@karvy.com

xi) Share Transfer System

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

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

xii) Further Public Offer of NTPC's Shares

In February 2010, 412,273,220 equity shares of NTPC were issued to public by way of Offer for Sale by the President of India acting through Ministry of Power, Government of India. The Further Public Offer was made for cash at price determined through the Alternate Book Building Method under Part D of

Schedule XI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. After the allotment procedure, the shares held in the Government of India's account were transferred to the successful bidders and applicants. Thus, the shareholding of the Government of India reduced to 84.5% from 89.5% in the paid-up capital of the Company.

xiii) Distribution of Shareholding

Shares held by different categories of shareholders and according to the size of holdings as on 31st March 2010 are given below:

According to Size

a. Distribution of shareholding according to size, % of holding as on March 31, 2010:

Number of shares	Number of shareholders	% of shareholders	Total No. of shares	% of shares
1-5000	845278	93.82	111722980	1.35
5001-10000	34504	3.83	25657288	0.31
10001-20000	12598	1.40	18008890	0.22
20001-30000	3652	0.41	9054286	0.11
30001-40000	1332	0.15	4693077	0.06
40001-50000	946	0.10	4418316	0.05
50001-100000	1253	0.13	8978437	0.11
100001 and above	1407	0.16	8062931126	97.79
Total	900970	100.00	8245464400	100.00

b. Shareholding pattern as on March 31, 2010

Category	Total no. of shares	% to Equity
GOI	6967361180	84.50
FIs	210122856	2.55
Indian Public	189352358	2.29
Banks & FI	605730814	7.35
Private Corp. Bodies	124725053	1.51
Mutual Funds	140099161	1.70
NRI / OCBs	4983237	0.06
Others	3089741	0.04
Total	8245464400	100.00

c. Major Shareholders

Details of Shareholders holding more than 1% of the paid-up capital of the Company as on March 31, 2010 are given below:

Name of Shareholder	No. of Shares	% to Paid-up Capital	Category
Government of India	6967361180	84.50	Government
Life Insurance Corporation of India	289800841	3.51	IFI

xiv) Dematerialisation of Shares and Liquidity

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

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

No. of shares held in dematerialized and physical mode

	No. of shares	% of total capital issued
Held in dematerialized form in CDSL	4,57,35,699	0.56
Held in dematerialized form in NSDL	8,19,96,33,985	99.44
Physical	94,716	0.00
Total	8,24,54,64,400	100.00

The names and addresses of the Depositories are as under:

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

(i) **Demat Suspense Account:**

Details (in aggregate) of shares in the suspense account opened and maintained after Initial Public Offering and Further Public Offering of Equity Shares of NTPC as on 31.03.2010 is furnished below:

Details of “KCL Escrow Account NTPC – IPO Offer” (account opened and maintained after IPO):

Opening Bal (as on 01.04.2009)		Disposed off during 2009-2010		Closing Bal (as on 31.03.2010)	
Cases	Shares	Cases	Shares	Cases	Shares
202	35677	13	2109	189	33568

Details of “NTPC LIMITED – FPO Unclaimed Shares Demat Suspense Account” (account opened and maintained after FPO):

Opening Bal (after FPO)		Disposed off till 31.03.2010		Closing Bal (as on 31.03.2010)	
Cases	Shares	Cases	Shares	Cases	Shares
773	169344	479	116228	294	53116

The voting rights on the shares mentioned in the closing balance of above two accounts shall remain frozen till the rightful owner of such shares claims the shares.

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

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

xvi) Number of Shares held by the Directors as on March 31, 2010

Directors	No. of shares
Shri R.S. Sharma	2304
Shri Chandan Roy	14516
Shri A.K. Singhal	10329
Shri R.C. Shrivastav	2304
Shri I.J. Kapoor	4608
Shri B.P. Singh	2765
Shri I.C.P. Keshari	NIL
Shri Rakesh Jain	NIL
Shri M.N. Buch	NIL

Directors	No. of shares
Shri Shanti Narain	NIL
Shri P.K. Sengupta	NIL
Shri K. Dharmarajan	NIL
Dr. M. Govinda Rao	NIL
Shri Adesh Jain	700
Shri Kanwal Nath	NIL
Shri A.K. Sanwalka	NIL
Shri Santosh Nautiyal	NIL

xvii) Locations of NTPC plants

National Capital Region (NCR-HQ)

Thermal Power Stations

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

Gas Power Stations

- Anta Gas Power Project – Distt. Baran, Rajasthan
- Auraiya Gas Power Project – Distt. Auraiya, Uttar Pradesh
- Faridabad Gas Power Project – Distt. Faridabad, Haryana
- National Capital Power Project- Distt. Gautum Budh Nagar, Uttar Pradesh

Eastern Region (ER-HQ)- I

Thermal Power Stations

- Barh Super Thermal Power Project- Distt. Patna, Bihar
- Farakka Super Thermal Power Station – Distt. Murshidabad, West Bengal
- Kahalgaoon Super Thermal Power Project- Distt. Bhagalpur, Bihar
- North Karanpura Super Thermal Power Project – Hazaribagh, Jharkhand

Eastern Region (ER-HQ)- II

Thermal Power Stations

- Talcher Super Thermal Power Station- Distt. Angul, Orissa
- Talcher Thermal Power Station- Distt. Angul, Orissa
- Bongaigaon Thermal Power Project, Distt. Kokrajhar, Assam.

- iv) Gajamara Super Thermal Power Project, Distt. Dhenkanal, Orissa
- v) Darlipalli Super Thermal Power Project, Distt. Sundergarh, Jharsuguda, Orissa

Northern Region (NR-HQ)

Thermal Power Stations

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

Southern Region (SR-HQ)

Thermal Power Stations

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

Gas Power Stations

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

Wind Energy Project, Belgaum, Karnataka

Western Region (WR-HQ)

Thermal Power Stations

- i) Korba Super Thermal Power Station- Distt. Korba, Chhattisgarh
- ii) Sipat Super Thermal Power Project-Distt. Bilaspur, Chattisgarh
- iii) Vindhyachal Super Thermal Power Station- Distt. Sidhi, Madhya Pradesh
- iv) Solapur Super Thermal Power Project – Solapur, Maharashtra
- v) Mouda Super Thermal Power Project – Nagpur, Maharashtra
- vi) Gadawara Super Thermal Power Project, District Narsinghpur, Madhya Pradesh

Gas Power Stations

- i) Jhanor Gandhar Gas Power Project- Distt. Bharuch, Gujarat

- ii) Kawas Gas Power Project- Aditya Nagar, Surat, Gujarat

HYDRO PROJECTS

- i) Koldam Hydro Power Project – Distt. Bilaspur, Himachal Pradesh
- ii) Tapovan – Vishnugad Hydro Power Project – Distt. Chamoli, Uttarakhand
- iii) Loharinag- Pala Hydro Power Project- Distt. Uttarkashi, Uttarakhand
- iv) Rupsiyabagar Khasiabara Hydro Power Project – Distt. Pithoragarh, Uttarakhand
- v) Kolodyne –II Hydro Power Project, Mizoram

JOINT VENTURE POWER PROJECTS

- i) Rourkela CPP-II - Distt. Sundargarh, Orissa
- ii) Durgapur CPP-II - Distt. Burdwan, West Bengal
- iii) Bhilai CPP - Bhilai (East), Chattisgarh
- iv) Ratnagiri Power Project - Distt. Ratnagiri, Maharashtra
- v) Vallur Thermal Power Project – Chennai, Tamil Nadu
- vi) Indira Gandhi Super Thermal Power Project - Distt. Jhajjar, Haryana
- vii) Meja Super Thermal Power Project – Tehsil Meja, Allahabad
- viii) New Nabinagar Super Thermal Power Project – Nabinagar, Bihar
- ix) TELK-Factory, Ernakulam, Kerala

POWER PROJECTS UNDER SUBSIDIARY COMPANIES

Thermal Power Projects

- i) Muzaffarpur Thermal Power Station, Muzaffarpur, Bihar
- ii) Nabinagar Thermal Power Project, Nabinagar, Bihar (in JV with Railways)

Hydro Power Projects

- i) Lata Tapovan Hydro Power Projects – Distt. Chamoli, Uttarakhand
- ii) Rammam Hydro Project – III- Distt. Darjeeling, West Bengal

xviii) Address for correspondence:

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

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

	Telephone No.	Fax No.
Registered Office	2436 0100	2436 1018
Investor Services Department	2436 7072	2436 1724
E- mail id	isd@ntpc.co.in	
Public Spokesperson Mr. K. Sivakumar Executive Director (Finance)	2436 9335	24365742
E-mail id	ksivakumar@ntpc.co.in	

	Telephone No.	Fax No.
Company Secretary Mr. Anil Kumar Rastogi	2436 0071	2436 0241
E-mail id	akrastogi@ntpc.co.in	

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

For and on behalf of Board of Directors



Place: New Delhi
Date: 17.05.2010

(R.S. Sharma)
Chairman & Managing Director

ANNEX-1

Non – Mandatory Requirements

Besides the mandatory requirements as mentioned in preceding pages, the status of compliance with non-mandatory requirements of Clause 49 of the Listing Agreement is provided below:

- 1. The Board:** The Company is headed by an Executive Chairman. No Independent Director has been appointed for the period exceeding, in the aggregate, a period of nine years, on the Board of the Company.
- 2. Remuneration Committee:** Please refer to para 3.3 of this Report.
- 3. Shareholder Rights:** The quarterly financial results of the Company are published in leading newspapers as mentioned under heading 'Means of Communication' and also hosted on the website of the Company. These results are not separately circulated. Significant events have been disclosed on the company website: www.ntpc.co.in under "Announcements" in the "Company Performance" section.
- 4. Audit Qualification:** It is always Company's endeavour to present unqualified financial statements.
- 5. Training to Board Members:** The Board of Directors have the responsibility of strategic supervision of the Company and undertake periodic review of various matters including performance of various stations, construction of power projects, capacity expansion programme in line with targets set-up by Ministry of Power, resource mobilisation, etc. In order to fulfil this role, the Board of Directors undergo training from time to time. The Board of Directors are fully briefed on all business related matters, risk assessment and mitigating procedures and new initiatives proposed by the Company. Directors are also briefed on changes/developments in Indian as well as international corporate and industry scenario including those pertaining to the statutes/legislation and economic environment.
- 6. Whistle Blower Policy:** The Company has not adopted any separate "Whistle Blower" policy. However, under the provisions of "Fraud Prevention Policy" adopted by the Company, a Whistle Blower mechanism is in place for reporting of fraud or suspected fraud involving employees of the Company as well as representatives of vendors, suppliers, contractors, consultants, service provider or any other party doing any type of business with NTPC. All reports of fraud or suspected fraud are investigated with utmost speed. The mechanism for prevention of fraud is also included in the policy.

CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We, R.S. Sharma, Chairman & Managing Director and A.K. Singhal, Director (Finance) of NTPC Limited to the best of our knowledge and belief, certify that :

- (a) We have reviewed the balance sheet and profit and loss account (stand alone & consolidated) and all its schedules and notes on accounts and the Cash flow Statement for the year ended March 31, 2010 and to the best of our knowledge and belief :
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the company's various code(s) of conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the company's auditors and the Audit Committee of NTPC's Board of Directors :
- (i) significant changes, if any, in internal control over financial reporting during the year;
 - (ii) significant changes, if any, in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place : New Delhi
Date : 15.05.2010

(A.K. Singhal)
Director (Finance)

(R.S. Sharma)
Chairman & Managing Director

AUDITORS CERTIFICATE

The Members

NTPC Limited

We have examined the compliance of conditions of corporate governance by **NTPC Limited**, for the year ended on March 31, 2010 as stipulated in the clause 49 of the Listing Agreements in respect of Equity Shares of the said company with Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that, the Company has complied with the mandatory conditions of Corporate Governance as stipulated in the Listing Agreements.

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

For Dass Gupta & Associates
Chartered Accountants
Firm Reg. No. 000112N

(Naresh Kumar)
Partner
M. No. 082069

For S.K. Mittal & Co.
Chartered Accountants
Firm Reg. No. 001135N

(Krishan Sarup)
Partner
M.No. 010633

For Varma & Varma
Chartered Accountants
Firm Reg. No. 004532S

(Cherian K. Baby)
Partner
M. No. 016043

For Parakh & Co.
Chartered Accountants
Firm Reg. No. 001475C

(V.D. Mantri)
Partner
M. No. 074678

For B. C. Jain & Co.
Chartered Accountants
Firm Reg. No. 001099C

(Ranjeet Singh)
Partner
M. No. 073488

For S.K. Mehta & Co.
Chartered Accountants
Firm Reg. No. 000478N

(Rohit Mehta)
Partner
M. No. 091382

Place: New Delhi

Date : May 17, 2010