

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988:

A. CONSERVATION OF ENERGY:

a) Energy conservation measures taken:

Some of the important energy conservation measures taken during the year 2009-2010 in different areas are as under:

ENERGY AUDITS

During 2009-10, 107 energy audits in the areas of auxiliary power consumption, water balance, cooling water system, thermal insulation, compressed air, coal handling plant, MGR, milling system, air conditioning, ash handling system, GT compressors, GT open cycle efficiency, WHRB performance, lighting etc. were carried out at different stations of the company.

Till now 255 executives of NTPC have passed Energy Auditors Examination of Bureau of Energy Efficiency to become Certified Energy Auditors / Managers.

AUXILIARY POWER CONSUMPTION

Replacement of inefficient BFP cartridges and attending BFP recirculation valves at Dadri, Rihand, Singrauli, Unchahar, Kahalgaon, Korba, Vindhyachal, Badarpur etc., Application of efficiency improvement coating on cooling water pump internals at Talcher Thermal & Kawas, Vapour Absorption System for control room airconditioning at Unchahar, Attending passing of LPBFP recirculation valve at Dadri gas, Installation of FRP blades in HVAC cooling towers and fin fan Coolers at Kawas, Optimization of operation of CW pumps, ARCW and clarified water pumps & Cooling Tower Fans at Anta, Auraiya, Unchahar, Farakka, Korba, Vindhyachal, Maintaining optimum DP across Feed Regulating Station at Kahalgaon, Korba, Singrauli and Vindhyachal, Optimization of HP/LP water pumps at Dadri coal, Singrauli and Rihand, External cleaning of Fin Fan coolers by steam jetting at Kawas, Optimization of AC compressors and airwasher units at Kahalgaon, Talcher Thermal, Simhadri and Anta, Optimization of air compressors at Tanda, Vindhyachal and Simhadri.

LIGHTING

Installation of timer switches in plant and township lighting at Anta and Kahalgaon, Replacement of conventional GLS lamps and conventional FTLs with CFLs at Singrauli, Unchahar, Vindhyachal, Ramagundam, Kayamkulam, Kawas and Gandhar.

HEAT ENERGY

New installation of Online condenser tube cleaning system at Rihand, New installation of Online water washing system for GT compressors at Kayamkulam, Repair of Thermal Insulation and cladding at Unchahar and Kayamkulam, Optimization of ejector steam pressure at Vindhyachal.

Arresting passing in HP heaters at Ramagundam, Improving condenser vacuum by tube cleaning, arresting air leakages etc at Anta, Talcher Thermal and Gandhar, Cleaning of Boiler with ammonia at Auraiya.

DM WATER

Reuse of uncontaminated SWAS drains at various stations.

MISCELLANEOUS WATER

Reuse of water from ash pond at various stations, Reuse of clarified return water and raw water from coal settling pond at various stations

b) Additional investments and proposals for reduction in consumption of energy:

Provision of Rs.1068 lacs has been kept in BE 2010-11 for different energy conservation schemes like:

- On-Line Energy Management System
- Vapor absorption system for Air Conditioning
- Up gradation of Boiler Feed Pumps
- Energy efficient devices in lighting

c) Impact of measures taken for energy conservation:

Savings achieved during 2009-2010 on account of specific efforts for energy conservation:-

S.No.	Area/Activities	Energy Unit	Savings Qty. of units	Rs. (Lacs)
1	Electrical	MU	93.78	1542.45
2.a	Heat Energy (equivalent MT of coal)	MT	72747	894.68
2.b	Heat Energy (equivalent MCM of Gas)	MCM	2.55	177.67
2.c	Heat Energy (equivalent MT of Naptha)	KL	414	146.66
3.a	D.M. Water	MT	22920	9.15
3.b	Miscellaneous Water	M.Cu M	16.38	159.83
4	LDO	KL	86	29.53
	Grand Total			2959.97

Savings achieved during 2008-09: Rs: 498.02 Million

B. Technology Absorption:

Efforts made towards technology as per Form –B (Form-B enclosed)

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Activities relating to export initiative taken to increase export, development of new export markets for products and services and export plan:

Total Foreign Exchange Used/Earned		Rs.(Million)
1.	Foreign Exchange Outgo	
	a) Value of Imports calculated on CIF basis:	
	Capital Goods	8970
	Spare Parts	1393
	b) Expenditure:	
	Professional and Consultancy Charges	53
	Interest	3588
	Others	188
2.	Foreign Exchange Earned	
	Consultancy	8
	Interest	-
	Others	1

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION OF TECHNOLOGY
1.0 Specific areas in which NETRA activities have been carried out during 2009 - 10:

1. **MOU Projects with MoP for 2009 – 10 Completed :** Technical Specification of Centralized Ammonia based Flue Gas Conditioning System (with Heavy Water Board, Mumbai); Setup Advance Computing Centre : Phase-I; Design of integrated biodiesel pilot unit for using 80% energy from biofruit instead of existing 15%; Optimization of process parameter for bench scale PSA system for CO₂ separation from flue gas (with IIT Mumbai, IIP Dehradun, NEERI Nagpur, CSMRI Bhavnagar); Lab scale design & dev of automated LTSH/eco tube surface inspection system; Feasibility study of producing methane from raw water, as a supplemental fuel to boiler (with IIT Delhi); ECBC 2007 compliance of new building; Lab scale development of technique for online monitoring of colloidal silica in steam water cycle
2. **Developmental Projects undertaken by NETRA:**
 - A. **Climate Change:** Study of CO₂ capture technology (With IIT Guwahati); Study of CO₂ storage technology (With IIT Kharagpur); PSA based CO₂ capture technology (With IIT Mumbai, IIP Dehradun, NEERI Nagpur, CSMRI Bhavnagar)
 - B. **New & Renewable Energy:** Preparation of Technical Specifications for a demonstration plant for Solar air Conditioning; Preparation of DPR for setting up of '1 MW Solar Thermal Demonstration Plant; Designing of Integrated self sustaining biodiesel plant
 - C. **Efficiency Improvement and Cost reduction:** Lab Testing of 5 KW MALAE Cycle pilot plant (With UICT, Mumbai); Studies on Flue Gas Heat Recovery from power plant; CFD Modeling of 210 MW Boiler (With NCL Pune); Field trials of Robotic crawler for boiler tube thickness; Technical Feasibility Report for Plasma coal burners for Oil Gun Replacement; Technical Feasibility Report for Heat Pipe based Air Pre-Heater; Motor winding modification specifications suitable for VFD retrofitting; Development of nano coating material for HV insulators (with IIT Roorkee); etc.
3. **Scientific Support to NTPC Stations:**
NETRA continued to provide scientific support to NTPC stations and other utilities such as: Studies on Corrosion Induced damages to RCC structures of cooling towers of Simhadri (Stage 1); Change of specifications of PA fan blades of coastal power stations; 11 boilers were chemically cleaned to improve the heat transfer; Environmental Appraisal of 20 stations have been carried out and corrective actions are being taken by the stations based on the appraisal; Health assessment of plant components like Platen super heater tubes of Ramagundam, generator rotor, main steam pipeline, hot gas path components of gas stations, etc; failure investigations such as LP turbine blade of Tanda, condenser tubes of Badarpur, Condenser tubes of Tarapore Atomic Power station, etc; repair of critical electronic card; improvement in heat transfer of HRSGs of gas stations; Development of guidelines for CW system operation & monitoring and cleaning of sulphuric acid tanks; development of chemical treatment programs for Tanda, Jhajjar, Talcher Kaniha, Talcher Thermal, etc; Design of cathodic protection system for condenser water boxes at Badarpur; Condition monitoring of 500 HV transformers by DGA, 1300 rotating equipment by wear debris analysis, ion exchange resins of 18 stations; etc
4. **Scientific Support to Other Utilities:**
Scientific services provided to more than 60 other utilities such as Panipat, Kota Thermal, Lehra Mohabat, Faridabad, JPL (Raigarh), Neyvelli, IPGCL, DVC, PGCIL, NHPC, etc
5. **Works under Patent:**
Three (3) Patents namely: 1 - Integrated approach for biodiesel preparation utilizing biofruit (Pongamia fruit) utilizing 83% energy instead of existing 15%; 2 - Sensor for tube inspection and 3 - Method and Apparatus for efficient heat integration; have been filed by NETRA in 2009 – 10

2.0 Benefits derived as a result of above Research & Technology Development:

NETRA activities as carried out have helped in increasing the availability, reliability and efficiency of the stations. Chemical treatment and corrosion control measures suggested is helping the stations in improving the efficiency, availability and life of various heat exchangers/cooling towers. Techniques developed by NETRA are implemented at stations, which are enhancing the life of boiler & turbine components.

The timely and scientific failure analysis of various components helped in identifying the cause of failure and thus providing necessary input for taking corrective action in preventing re-occurrence of similar failures thereby increasing the availability of power plant equipment.

Studies on CO₂ fixation/utilization; solar thermal; biofuels will result into development of technologies for reduction in the impact on climate change and technologies for affordable renewable energy sources. Development of technologies for efficiency improvement will help in reducing cost of generation

3.0 FUTURE PLANS

Developmental Projects planned to be taken up:

- A. Climate Change:** Feasibility study of CO₂ fixation for development of Product/EOR; Feasibility report for setting up of 100 Kg/day pilot plant of microalgae based CO₂ capture technology; NIT for setting up of pressure swing adsorption (PSA) based CO₂ capture pilot plant 100 Kg/hr. flue gas capacity; Feasibility studies on 1.2 T/day CO₂ fixation by aqueous carbonation of fly ash at Ramagundam
- B. New & Renewable Energy:** Award for solar heating ventilation and air-conditioning (HVAC) system; TS for 1 MW solar thermal pilot plant; Commissioning of integrated biodiesel pilot plant to produce energy for existing biodiesel plant at Dadri; Set-up & commissioning of solar radiation station at suitable locations; Lab scale demo of methane production from raw water of Badarpur (with IIT Delhi); Experimental set up of Thermoelectric Generation
- C. Efficiency Improvement & Cost reduction:** Installation of a demonstration pilot plant at Dadri Thermal for the proof of concept of the theoretical model developed for extraction of moisture from flue gas (With IIT Delhi); Completion of integrated Polarization Depolarization Current – Recovery Voltage (PDC-RV) measurement apparatus for Insulation condition monitoring of Transformers; Preparation of TS for 100 TR Flue gas heat recovery – AC plant; Field trials of Robotic based inspection system at one station; PR for heat pipe based air-preheater pilot plant; Finalization of Technical Specifications for 2nd Phase Advanced computing Center

4.0 Expenditure on R&D:

S. No.	Description	Expenditure in (Rs./Millions)	
		2009 - 2010	2008 - 2009
a)	Capital	14	12
b)	Recurring	206	81
c)	Total	220	93
d)	Total R&D expenditure as a percentage of total turnover	0.0475%	0.0222%

5.0 Technology Absorption, Adaptation and Innovation

Particulars of some of the important technology imported during last five (5) years are as follows:

S.No.	Technology	Year	Stations
1.	Super critical Technology with 256 Kg/cm ² Steam Pressure and 568/595 C MS/RH steam temperature is being adopted for improvement in thermal efficiency and reduced emission of green house gasses.	2008	Being Implemented in Barh-II and further Being implemented in 11 units (in Mauda, Sholapur, Meja, Nabinagar and Raghunathpur plant) through bulk tendering mechanism.
2	Feasibility of IGCC (Integrated Gasification Combined Cycle) established for high ash Indian coal. Further efforts are on to take ahead the work already done to implement IGCC technology demonstration plant of about 100 MW capacity.	2010	-
3	Communicable Numerical Relay Technology (on IEC 618500) along with Networking Systems introduced in 33 KV/11KV /6.6 KV/3.3 KV and LV System	2009	Implemented at Dadri-II, Korba-III & IGSTPP, Simhadri-II. Being Implemented in all ongoing projects.
4	765 KV Switchyard & associated equipments including 24KV/ 765KV Generator Step up (GSU) Trans-former.	2005	Implemented at Sipat
5	Switchyard Control & Data Acquisition (SCADA) System based on universal protocol IEC 61850.	2005	- do -
6	Boiler Flame Viewing Camera	2009	Implemented in Kahagaon and Sipat-II

For and on behalf of the Board of Directors



(R.S. Sharma)

Chairman & Managing Director

Place : New Delhi
Dated : August 04, 2010

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

	NAME OF THE SUBSIDIARY	PIPAVAV POWER DEVELOPMENT COMPANY LTD.	NTPC ELECTRIC SUPPLY COMPANY LTD.	NTPC VIDYUT VYAPAR NIGAM LTD.	NTPC HYDRO LTD.	KANTI BIJLEE UTPADAN NIGAM LIMITED	BHARTIYA RAIL BIJLEE COMPANY LIMITED
1.	Financial year of the Subsidiary ended on	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010
2.	Date from which they became Subsidiary	December 20, 2001	August 21, 2002	November 1, 2002	December 12, 2002	September 6, 2006	November 22, 2007
3.	Share of the subsidiary held by the company as on March 31, 2010						
	a) Number & face value	3,75,000 equity shares of Rs. 10/- each	80,910 equity shares of Rs. 10/- each	2,00,00,000 equity shares of Rs. 10/- each	10,07,99,040 equity shares of Rs. 10/- each	5,71,51,000 equity shares of Rs 10/- each	29,60,00,000 equity shares of Rs 10/- each
	b) Extent of holding	100%	100%	100%	100%	64.57%	74%
4.	The net aggregate amount of the subsidiary companies Profit/(loss) so far as it concerns the member of the holding company						
	a) Not dealt with in the holding company's accounts						
	i) For the financial year ended March 31, 2010	13,470	26,59,00,884	28,39,24,389	NIL	(7,50,950)	(1,68,354)
	ii) Upto the previous financial years of the subsidiary company	(37,63,470)	23,98,31,152	106,46,268	(813,26,692)	(27,866)	(47,19,250)
	b) Dealt with in the holding company's accounts						
	(i) For the financial year ended March 31, 2010	Nil	Nil	Nil	Nil	Nil	Nil
	(ii) For the previous financial year of the subsidiary company since they become the holding company's subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board of Directors



(R.S. Sharma)

Chairman & Managing Director

Place : New Delhi

Dated : August 04, 2010

STATISTICAL DATA OF GRIEVANCE CASES

2009-10

S. No.	Particulars	Public Grievance Cases	Staff Grievances Cases
1.	Grievance cases outstanding at the beginning of the year	-	3
2.	Grievance cases received during the year	-	27
3.	Grievance cases disposed off during the year	-	24
4.	Grievance Cases outstanding at the end of the year	-	6

For and on behalf of the Board of Directors



(R.S. Sharma)

Chairman & Managing Director

Place : New Delhi
Dated : August 04, 2010

STATICAL INFORMATION ON RESERVATION OF SCs/STs FOR THE YEAR 2009
Representation of SCs/STs as on 01.01.2010:

Group	Employees on Roll	SCs	%age	STs	%age
A	13274	1565	11.78	552	4.15
B	4826	723	14.98	321	6.65
C	5998	1055	17.58	437	7.28
D	1734	396	22.83	173	9.97
Total	25832	3739	14.47	1483	5.74

Recruitment of SCs/STs during the year 2009:

Group	Total Recruitment	SCs	%age	STs	%age
A	1051	131	12.46	82	7.80
B	-	-	-	-	-
C	9	2	22.22	-	-
D	-	-	-	-	-
Total	1060	133	12.54	82	7.73

Promotions of SCs/STs during the year 2009:

Group	Total	SCs	%age	STs	%age
A	3083	422	13.68	152	4.93
B	1792	230	12.83	180	10.04
C	2346	453	19.30	136	5.79
D	213	30	14.08	12	5.63
Total	7434	1135	15.26	480	6.45

The following backlog vacancies reserved for SCs/ STs/ OBCs have been filled through special recruitment drive/ advertisement of backlog vacancies along with current vacancies:

SCs : 6
 STs : 19
 OBCs : 54

For and on behalf of the Board of Directors



(R.S. Sharma)

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PHYSICALLY CHALLENGED PERSONS

With a view to focus on its role as a socially responsible and socially conscious organization, NTPC has endeavored to take responsibility for adequate representation of physically challenged persons in its workforce. With this in view, NTPC launched a massive recruitment drive to make up the shortfall of physically challenged persons. Presently, 458 physically challenged persons are on rolls of NTPC. Reservation has been provided for PH as per rules/ policy. Some of the other initiatives taken for the welfare of physically challenged persons by NTPC over the years are as under:

- For individual needs of the VH employees, screen reading software and Braille shorthand machines made available by the Projects of NTPC.
- "Sign language" training for the employees in general.
- Changes in the existing building have been/are being made to provide barrier free access to physically challenged.
- Ramps have also been provided for unhampered movement of wheelchair.
- At most of the NTPC Projects, wherever house are located in multi-storied structure, allotment to physically challenged has been made on the ground floor.
- Special parking enclosure near the ramp at the office entrance as well as PH friendly toilets and lift at CC and projects.
- Wheel chairs have been provided to employees with orthopaedics disabilities. If required, the assistance of an attendant has also been sanctioned.
- Wherever required, gates/door of the quarter has been widened.
- At CC procurement of stationery items like files, envelopes are mainly being done from NGOs/agencies like ADI, MUSKAN, Blind relief Association who are working for physically challenged thereby creating indirect employment.
- Paintings made by disabled persons have also been procured and placed at different locations in the Company offices.
- Medical camps have been organized in various projects of NTPC for treatment and distribution of aids like artificial limbs, tricycles, wheelchairs, calipers etc.
- Shops have been allotted in NTPC Township to physically challenged persons so that they may earn their livelihood. Similarly, PCOs within/outside plant premises are also allotted to physically challenged persons.
- Regular interactive meetings are being organized with physically challenged employees.
- Training needs are being fulfilled as per the individual requirement.
- 5 number of scholarship @ Rs.1500/- per month/per student are given to PH students pursuing MBA/PGDBM course.
- Petty contracts like book binding, scribbling pad preparation from waste paper, file binding, furniture repair, screen printing spiral binding, painting contract are also being given to disabled persons.
- Physically challenged (Orthopedically handicapped) employees have been allowed to purchase a three wheeler vehicle with a hand fitted engine against their normal entitlement (advance for scooter/motorcycle/moped) under NTPC Conveyance Advance Rules.
- At all projects/offices, Nodal Officers (physically challenged) have been nominated.
- Reimbursement towards low vision aids, dark glasses etc. subject to maximum of Rs.1000/- every year has been introduced. Similarly, hearing aid; behind the ear model for each ear restricted to Rs.10,000/- or actual cost whichever is lower have been introduced. It may be replaced every 4 years subject to certificate of condemnation by ENT Specialist.
- Relaxation in qualifying marks for open recruitment: pass marks only and also 10% relaxation in written test and interview from the year 2002 onwards.
- The minimum performance level marks for promotions within the cluster is relaxed by 3 marks in case of employees belonging to SC/ST/Physically Challenged category.
- NTPC has launched special recruitment drive for fulfilling up 18 backlog vacancies for Physically Challenged Persons in Group A posts and the recruitment process has been completed in July-2010.

For and on behalf of the Board of Directors



(R.S. Sharma)

Chairman & Managing Director

Place : New Delhi
Dated : August 04, 2010

UNGC – Communication on Progress (2009-10)

NTPC expresses its continued support for the Global Compact and its commitment to take action in this regard, as was communicated by the Chairman & Managing Director, NTPC in his letter dated May 29, 2001 addressed to Secretary General, United Nations.

NTPC has posted the brief of Global Compact and its commitment to the principles of GC on its website at www.ntpc.co.in. The principles of GC were communicated to all employees through in-house magazines, internal training programmes and posters. NTPC, a core member of Global Compact Network (GCN), India, (formerly known as Global Compact Society) actively participated in the Annual Convention of the Global Compact Network at Mumbai and Asia Pacific Regional Conclave at New Delhi. NTPC representative contributed as faculty for various training programmes organized by GCN for Global Compact Member Organizations in Chennai and Delhi.

NTPC is in the process of preparing its “Corporate Sustainability Report” covering Economic, Environmental and Social aspects with the “triple bottom line” approach based on widely accepted and updated Global Reporting Initiative (GRI) Guidelines.

Human Rights: Principle 1-2

Most of NTPC’s operating power stations are located in remote rural areas which are socio-economically backward and deficient in the basic civic amenities. NTPC, as responsible corporate citizen, has been addressing the issue of community development in the neighbourhood areas of its stations, which had been impacted due to establishment of the project.

While, this has been initially administered as part of Resettlement and Rehabilitation (R&R) effort, NTPC recognized its social responsibility to continue community and peripheral development works where the same has been closed under R&R policy. Towards this, NTPC adopted “Corporate Social Responsibility–Community Development (CSR-CD) Policy” in July’04. Keeping in view the new Organizational Strategies towards Community Development in line with the emerging trends and multifarious community needs, the CSR-CD policy of NTPC is being re-visited

Under this policy, during 2009-10, NTPC allocated a fund of Rs.86 million to 20 operating stations for carrying out comprehensive Community Development work in the area of health, education, drinking water and peripheral development. In addition, Quality Circles (QCs) are functioning in neighborhood villages of its stations. The NTPC employees participate in various CD activities through Employee Voluntary Organization for Initiative in Community Empowerment (EVOICE). 50 Solar Lanterns were provided for Girls’ Hostel attached to one of the Kasturba Gandhi Balika Vidyalay in the vicinity of NTPC Korba Station through TERI under their LaBL campaign.

NTPC representatives associated with Confederation of Indian Industry (CII) as Certified Assessors for the assessment of CII-ITC Sustainability Award constituted by the CII and actively participated and contributed for establishing CSR Hub at TISS, Mumbai.

NTPC Foundation, registered in December’2004, is engaged in serving and empowering the physically challenged and economically weaker sections of the society. The Information and Communication Technology (ICT) Centre, set up jointly by NTPC Foundation and University of Delhi, and similar ICT facilities to the existing blind schools in Lucknow, Ajmer, Thiruvananthapuram and Mysore are helping a large number of physically challenged students to learn IT Skills and move along with the mainstream society. More than 800 physically challenged students have got benefited in these centres till now.

NTPC Foundation is providing grants for setting up of Distributed Generation Projects for preparation of feasibility report, DPR, Insurance and for meeting funding gap.

Major activities taken up by NTPC in this area are highlighted under the head “Inclusive Growth” and “NTPC Foundation” under Directors’ Report for the Annual Report 2009-10.

Labour Standard: Principle 3-6

For addressing the issue of labour standard in comprehensive manner, NTPC has decided to adopt international standards like SA-8000 and OHSAS-18001.

During the year 2009-10, accreditation SA-8000 got revalidated for Auraiya, Badarpur, Jhanor-Gandhar and Dadri stations of NTPC. Revalidation is in process at Faridabad, Kayamkulam, Unchahar and Vindhyachal. The process for accreditation has been initiated at Kawas station.

Environment: Principle 7-9

As a result of pursuing sound environment management systems and practices, NTPC's all 20 operating stations have obtained accreditation for ISO – 14001 Certification. Surveillance audit was done through agencies at various stations to ensure adherence to the ISO requirements. During the year 2009-10, 6 stations viz. Korba, Singrauli, Unchahar, Ramagundam, Kayamkulam and NCPP-Dadri Stations have been recertified under ISO – 14001

Steps have been taken up by dedicated groups for training of NTPC Employees for strengthening Environment Management at Stations, Regional Headquarters and Corporate Centre. Following training programmes were organized in the area of environment during the year:

“Strengthening Environment Management” for Executives working in Environment Management Group/ Function, “Insight into the Environmental Issues” exclusively for Senior Officials at the level of DGM & Above, and “Environmental Concerns” for Non-EMG Executives.

Major activities taken up by NTPC in the area of Environment are highlighted under the head “Environment Management” under Directors’ Report for the Annual Report 2009-10.

Anti-corruption: Principle 10

The Company has a Vigilance Department headed by Chief Vigilance Officer who is a nominee of the Central Vigilance Commission. The Vigilance Department Consisting of Four Units, namely Corporate Vigilance Cell, Departmental Proceeding Cell (DPC), MIS Cell, Technical Cell (TC). These units deal with various facets of Vigilance Mechanism Exclusive and independent functioning of these Units ensure transparency, objectivity and quality in vigilance functioning. The Vigilance Department submits its reports to Competent Authority including the Board of Directors. The CVO also reports to the Central Vigilance Commission as per their norms.

Major activities taken up by NTPC in the area regarding Implementation of Integrity Pact, Implementation of Fraud Prevention Policy, Preventive Vigilance Workshops and Vigilance Awareness Week etc. are highlighted under the head “Vigilance” under Directors’ Report for the Annual Report 2009-10.

For and on behalf of the Board of Directors



(R.S. Sharma)

Chairman & Managing Director

Place : New Delhi

Dated : August 04, 2010

CONTENTS OF PRESIDENTIAL DIRECTIVES

1. Induction of supercritical technology through bulk ordering of 660MW generating units for Central Public Sector Undertakings (CPSUs) under the Administrative control of Ministry of Power

Vide Presidential Directive No.8/3/2002-Th-II (Vol.-IV) dated 4th September, 2009 read with letter of even No. dated 7th October, 2009, the Government of India has directed NTPC for induction of supercritical technology through bulk ordering of 660MW generating units by NTPC Limited for itself and on behalf of its JV Companies, and on behalf of DVC as per details given in the Appendix-I enclosed with the letter. Government of India has also approved that the liquidated damages be made applicable to all the vendors and the same may be followed strictly. A detailed road map for implementation of the same in this regard was to be provided to the Ministry so that action is completed within 45 days from the date of issue of the letter. Government of India has further directed that the whole procedure has to be completed in accordance with the approval of Government of India as per detail given in Annexure to the letter and NTPC has to evolve a monitoring mechanism for reviewing the progress in this regard and also depute a dedicated team for implementation of the same.

Approval/ guidelines for bulk tendering of 11 units of 660 MW units of SG (Steam Generator) and STG (Steam Turbine Generator) packages were received from MOP through their letter no. 8/3/2002-Th.II (Vol.IV) dated 04.09.2009 as Presidential Directive.

As per directive, Invitation of Bids (IFB) had to be completed within 45 days of its issuance. In compliance of the aforesaid directive, the IFB was published on 16.11.2009 (within 45 days) for both SG and STG packages. Further, the provisions specified in Presidential Directive were adequately taken care while framing Qualification Requirements and finalizing the bidding documents. The bidding documents were on sale from 21.10.2009 to 23.12.2009. Subsequently, Stage-I (Techno-Commercial) bids have been opened on 12.02.2010 for both SG and STG packages. As for SG Package only one valid bid was received, the NIT was annulled and fresh bids have been invited. For STG Package, the bids are under evaluation.

2. Winding up of Pipavav Power Development Company Limited (PPDCL) through striking off the name of PPDCL under Section 560 of the Companies Act, 1956 subject to final settlement of claims pending with Gujarat Power Corporation Limited/Government of Gujarat

Vide Presidential Directive No.5/5/2004-Th.II dated 3.7.2009, Government of India has conveyed the approval of Government to permit NTPC Limited for winding up of Pipavav Power Development Company Limited pending final settlement of claims with Gujarat Power Corporation Limited/Government of Gujarat.

Vide Presidential Directive No.5/5/2004-Th.II dated 15th April, 2010, the Government of India has conveyed the approval of Government to permit NTPC Limited for winding up of the Pipavav Power Development Company Limited through striking off the name of PPDCL under Section 560 of the Companies Act, 1956 subject to final settlement of all claims pending with Gujarat Power Corporation Limited/Government of Gujarat and the completing all formalities under the statutes.

After decision of disassociation of NTPC from Pipavav Project, Rs.131 million was received towards reimbursement of cost of land and other expenditure incurred by NTPC Limited for Pipavav Project including interest thereon. On taking up the matter further payment of Rs.20 million has been made by GPCL as full and final settlement of claims of NTPC.

After receipt of approval of Government of India a necessary applications/declarations have been filed with the Registrar of Companies, Delhi & Haryana on 29.4.2010 for striking off the name of the company from the Register of the Companies maintained by the Registrar of Companies.

3. Contract relating to Main Plant Package for Barh Super Thermal Power Project Stage-I (3x660MW) awarded on M/s. Technopromexport, Russia by NTPC Ltd.

NTPC had sought permission from Ministry of Power for termination of Main Plant Package Part-A (Steam Generator & Auxiliaries) Contract for Barh Super Thermal Power Project Stage-I (3x660MW) awarded on M/s. Technopromexport,

Russia (TPE). However, Ministry of Power vide letter No.5/9/2010-th.II dated 28th May, 2010 has directed NTPC to invite reference to the record of discussions between MOP/NTPC and TPE on 12.03.2010 held in the Ministry of Power and to NTPC's letter dated 17.04.2010 containing the anticipated cost implications of continuing/discontinuing with the above contract. Ministry of Power has further directed that the matter was taken to the Cabinet Committee on Infrastructure (CCI). CCI in its meeting dated 19.5.2010 has decided that "NTPC may carry on with the contract with TPE in Barh Stage-I notwithstanding CBI's advisory to NTPC for civil action against TPE as per tender conditions and the contract. However, CBI is to continue with the investigation of corruption/criminal part of the case." Accordingly, NTPC has been asked to take all necessary actions for early completion of the project in view of the CCI's decision as above.

In view of the above directive of the Ministry of Power, it has been decided to go ahead with the contract with TPE and discussions are being held with them for execution of work and settlement of claims.

The exact financial implication of the above directive can not worked out at this stage. However, anticipated extra financial implication works out to approx. Rs.1190 crores.

For and on behalf of the Board of Directors

A handwritten signature in black ink, appearing to read 'R. Sharma', is placed above the name of the Chairman & Managing Director.

(R.S. Sharma)

Chairman & Managing Director

Place : New Delhi
Dated : August 04, 2010

Annex-XI to Directors' Report

The quantity of ash produced, ash utilized and percentage of such utilization during 2009-10 from NTPC Stations is as under:

Sl. No.	Stations	Ash Produced Lakh MTs	Ash Utilization Lakh MTs	% Utilization %
1	Badarpur	12.53	10.66	85.11
2	Dadri	17.39	15.55	89.41
3	Singrauli	35.84	26.16	73.00
4	Rihand	28.56	21.00	73.52
5	Unchahar	22.09	20.48	92.73
6	Tanda	9.70	7.08	73.01
7	Korba	52.31	38.79	74.14
8	Vindhyachal	50.17	37.31	74.36
9	Sipat	21.43	0.21	0.96
10	Ramagundam	42.80	31.34	73.22
11	Simhadri	22.18	10.00	45.09
12	Farakka	28.47	23.62	82.99
13	Kahalgaoon	30.31	6.99	23.05
14	Talcher-Thermal	11.43	11.43	100.00
15	Talcher-Kaniha	77.00	15.46	20.08
	Total	462.19	276.08	59.73

For and on behalf of the Board of Directors



(R.S. Sharma)

Chairman & Managing Director

Place : New Delhi

Dated : August 04, 2010