



**e) NTPC Tamil Nadu Energy Company Ltd.**

NTPC Tamil Nadu Energy Company Ltd, was formed as a joint venture between NTPC and Tamil Nadu Electricity Board (TNEB) on 23.05.2003 to set up a coal-based power station of 1000MW capacity, at Vallur Thermal Power Project, using Ennore port infrastructure facilities. The project was accorded Mega Status. Long term coal linkage has been accorded to the project in December 2006 and MOEF clearance for the project has been received in April 2007. The Main Plant award was issued in August 2007. The construction work at site is under progress.

**f) Ratnagiri Gas and Power Pvt. Limited**

Ratnagiri Gas and Power Supply Private Ltd has been formed as joint venture between NTPC, GAIL, Maharashtra State Electricity Board and Indian Financial institutions with NTPC having a stake of 28.33% for taking over and operating gas based Dabhol Power Project alongwith LNG terminal. NTPC's shareholding is to be revised to 32.88%. The total generation from Power Block II (740 MW) and Power Block III (740 MW) during 2007-08 is 4862 MUs which includes infirm power. The commercial generation is 3665 MUs.

**g) Aravali Power Company Private Limited**

Aravali Power Company Private Limited (A Joint Venture Company with Indraprastha Power Generation Co. Ltd. [IPGCL] of Delhi Govt. and Haryana Power Generation Corp. Ltd. [HPGCL] of Haryana Govt.), is setting up Aravali Super Thermal Power Project of 1500 MW (3x500 MW), a coal fired power plant, in Jhajjar District of Haryana. The project is being set up by NTPC on concept-to-commissioning basis. NTPC would also operate and maintain the station on Management Contract basis for atleast 25 years. The project is being set up for meeting the power requirement of Haryana and NCT of Delhi and the Commonwealth games to be held in Delhi in the year 2010. The power will be shared on 50:50 basis between Haryana and NCT of Delhi.

Construction activities at the site have since taken off and the Unit-I is expected to be ready during 2010-2011.

**(h) NTPC-SCCL Global Venture Pvt. Ltd**

NTPC has formed a JV Company, 'NTPC-SCCL Global Venture Pvt. Ltd.', with Singareni Collieries Company Ltd.

(SCCL), to jointly undertake the development and operation & maintenance of coal Blocks and integrated coal based power projects in India and abroad. The Company was incorporated on 31.07.2007.

Consolidated Financial Statements of NTPC Ltd, its Subsidiaries and Joint Venture Companies

The consolidated Financial statements have been prepared in accordance with Accounting Standards (AS)-21 - " Consolidated Financial Statements" and Accounting Standards(AS) 27 -"Financial reporting of Interests in Joint Ventures" and are included in this Annual report. A brief summary of the results on a consolidated basis is given below:

Rs million

	Fiscal 2008	Fiscal 2007
Gross Income	416,370	366,518
Profit before Tax	103,510	89,614
Profit after Tax	74,699	68,983
Net Cash from operating activities	104,083	83,063

**CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis and in the Directors' Report, describing the Company's objectives, projections and estimates, contain words or phrases such as "will", "aim", "believe", "expect", "intend", "estimate", "plan", "objective", "contemplate", "project" and similar expressions or variations of such expressions, are "forward-looking" and progressive within the meaning of applicable laws and regulations. Actual results may vary materially from those expressed or implied by the forward looking statements due to risks or uncertainties associated therewith depending upon economic conditions, government policies and other incidental factors. Readers are cautioned not to place undue reliance on these forward-looking statements.

For and on behalf of Board of Directors

(R.S. Sharma)

Chairman & Managing Director

Place: New Delhi  
Date: 9<sup>th</sup> July, 2008

## REPORT ON CORPORATE GOVERNANCE

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

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

We are, therefore, making continuous efforts to adopt the best practices in corporate governance and we believe that the practices we are putting into place for the company shall go beyond adherence to regulatory framework. Our corporate structure, business and disclosure practices have been aligned to our Corporate Governance Philosophy. Besides adhering to provisions of Listing Agreement we are also following guidelines on Corporate Governance issued by Department of Public Enterprises, Government of India.

### 2. BOARD OF DIRECTORS

#### 2.1 Size of the Board

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

#### 2.2 Composition of the Board

As on 31<sup>st</sup> March 2008, the Board comprised thirteen Directors out of which seven were whole-time functional Directors including the Chairman & Managing Director. Two Directors are nominees of the Government of India. The Board also has four independent Directors who have been appointed by the Government of India through a search committee constituted for the purpose. The Directors bring to the Board wide range of experience and skills. Brief profile of the Directors is set out elsewhere in the Annual Report.

The listing agreements with stock exchanges stipulate

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

During the year against the requirement of nine Independent Directors, there were only four Independent Directors on the Board of the Company.

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

Fourteen Board Meetings were held during the financial year 2007-08 on April 23, May 30, July 3, July 30, August 14, September 25, October 15, October 27, November 26, December 14, 2007, January 9, January 30, February 29, March 26, 2008. The maximum interval between any two meetings during this period was 41 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 2007-08 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 12.09.2007)	Number of other Directorships held on 31.03.08	Number of Committee memberships in companies on 31.03.08	
						As Chairman	As Member
	<b>Functional Directors</b>						
1	Sh. T. Sankaralingam Chairman & Managing Director	14	14	Yes	7	1	-
2	Sh. Chandan Roy Director (Operations)	14	14	Yes	5	-	-
3	Shri R.S. Sharma Director (Commercial)	14	14	Yes	4	-	-
4	Shri R.K. Jain Director (Technical)	14	13	Yes	3	-	-
5	Shri A.K. Singhal Director (Finance)	14	14	Yes	9	-	5
6	Sh. R.C. Shrivastav Director (HR)	14	12	Yes	3	-	1
7	Sh. K.B. Dubey Director (Projects)	14	11	Yes	3	-	-
	<b>Non-executive Directors (Government Nominees)</b>						
8	Sh. M.Sahoo JS&FA, Ministry of Power (upto 29.06.2007)	2	1	NA*	NA*	NA*	NA*
9	Shri Harish Chandra Sr. Advisor, Ministry of Power (upto 31.07.2007)	4	2	NA*	NA*	NA*	NA*
10	Shri Rajesh Verma JS&FA, Ministry of Power (from 23.07.2007)	11	9	Yes	3	1	3
11	Shri V.P. Joy JS (Th.), Ministry of Power (from 30.08.2007)	9	8	Yes	-	-	-
	<b>Independent Directors</b>						
12	Dr. R.K. Pachauri Director-General, TERI	14	0	No	1	-	1
13	Prof. Ashok Misra Director IIT, Mumbai	14	5	No	2	1	-
14	Shri G.P. Gupta Ex-CMD, IDBI	14	5	Yes	15	5	5
15	Shri M.I. Beg Ex-Chairman, CEA	14	13	Yes	-	-	1

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

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

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

- Annual operating plans and budgets and any updates.
- Capital Budgets and any updates.
- Annual Accounts, Directors' Report, etc.
- Quarterly results for the company.
- Minutes of meetings of Audit Committee and other Committees of the Board.
- The information on recruitment and promotion of senior officers to the level of Executive Director which is just below the Board level and Company Secretary.
- Fatal or serious accidents, dangerous occurrences, etc.
- Operational highlights and substantial non-payment for goods sold by the Company.
- Major investments, formation of subsidiaries and Joint Ventures, Strategic Alliances, etc.
- Award of large contracts.
- Disclosure of Interest by Directors about directorship and committee positions occupied by them in other companies.
- Quarterly Report on foreign exchange exposures.
- Any significant development in Human Resources/ Industrial Relations like signing of wage agreement, implementation of Voluntary Retirement Scheme, etc.
- Non-Compliance of any regulatory, statutory or listing requirements and shareholders services such as non-payment of dividend, delay in share transfer, etc.
- Short term investment of surplus funds.
- Information relating to major legal disputes.
- Other materially important information.

## 3. COMMITTEES OF THE BOARD OF DIRECTORS

The Board has established the following Committees:-

- i) Audit Committee.
- ii) Shareholders / Investors Grievance Committee.
- iii) Committee on Management Controls.
- iv) Contracts Sub- Committee.

- v) Project Sub-Committee.
- vi) Investment/Contribution Sub-Committee.
- vii) Committee of the Board for allotment and post-allotment activities of NTPC's Securities.

## 3.1 AUDIT COMMITTEE

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

### 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 the fixation of audit fee of external auditors and also approval for payment for any other services.
6. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;
  - g. Qualifications in the draft audit report.
7. Reviewing, with the management, performance of statutory and internal auditors, the adequacy of internal control systems and suggestion for improvement of the same.



8. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
9. Discussion with internal auditors any significant findings and follow up there on. Review of internal audit observations outstanding for more than two years.
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
13. Review of Observations of C&AG including status of Government Audit paras.
14. To review the functioning of the Whistle Blower mechanism.
15. Investigation into any matter in relation to the items specified above or referred to it by the Board.
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.

#### Constitution

The Audit Committee has been constituted with the membership of:

- i) Three 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

During the year 2007-08, Audit Committee of the Company comprised four Non-Executive Directors, three of which were Independent Directors and one Director nominated by the Government of India.

As on 31st March 2008, the Audit Committee comprised the following members:-

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

Senior most independent Director on the Audit Committee shall be the Chairman of the Audit Committee. Shri G.P.Gupta, part time non-official Director chaired all the five meetings of Audit Committee during the year 2007-08.

Director (Finance) and Head of Internal Audit and the Statutory Auditors are invited in the Audit Committee Meeting for interacting with the members of the committee. 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

Five meetings of the Audit Committee were held during the financial year 2007-08 on April 26, May 29, July 29, October 27, 2007 and January 29, 2008.

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

Members of Audit Committee	Meetings held during his tenure	Meetings attended
Shri G.P. Gupta, Chairman of the Committee	5	5
Shri M. Sahoo (upto 29.06.2007)	2	2
Dr. R.K. Pachauri	5	-
Shri M.I. Beg	5	5
Shri Rajesh Verma (from 23.07.2007)	3	2

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 and also of the Depositors under the Public Deposit Scheme.

#### Constitution

The Committee has been constituted with the membership of:

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

#### Composition

As on 31<sup>st</sup> March 2008, this committee comprised the following Directors :

Shri Rajesh Verma	Government Nominee
Shri A.K. Singhal	Director (Finance)
Shri R.C. Shrivastav	Director (HR)

Shri Rajesh Verma is the Chairman of the Committee.

#### Meeting and Attendance

Two meetings of the Shareholders / Investors Grievance Committee were held during the financial year 2007-08 on October 27, 2007 and March 26, 2008.

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

#### Name and designation of Compliance Officer

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

#### Investor Grievances

During the financial year ending 31<sup>st</sup> March 2008, 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	NL	40	40	NL
Other IPO related complaints	NL	111	111	NL
Other Dividend related complaints	7	4801	4803	05
Total	7	4952	4954	05

Investor complaints shown pending as on March 31, 2008 have been attended subsequently.

#### Number of pending share transfers

As on March 31, 2008, no share transfer request was pending. Share Transfers have been effected during the year well within the time prescribed by the Stock Exchanges and a certificate to this effect duly signed by a Practicing Company Secretary has been furnished to Stock Exchanges.

### 3.3 COMMITTEE ON MANAGEMENT CONTROLS

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

As on March 31, 2008, the committee comprised the following Directors:

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

### 3.4 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, 2008, the



Committee for Contracts comprised the following members:

Shri T. Sankaralingam	Chairman & Managing Director
Shri Rajesh Verma	Government Nominee
Shri R.K. Jain	Director (Technical)
Shri V.P. Joy	Government Nominee
Shri A.K. Singhal	Director (Finance)
Shri K.B. Dubey	Director (Projects)

### 3.5 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 2008, the Committee comprised the following members:

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

### 3.6 INVESTMENT/CONTRIBUTION COMMITTEE

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

lakh to Rs. 20 lakh subject to maximum limit of Rs. 1 crore in a year.

As on 31st March 2008, the Committee comprised the following Members:

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

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

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

The Committee has been constituted for Allotment and Post-allotment activities of Company's Securities. The scope of work of this committee is allotment, issue of Certificate/Letter of allotment, transfer, transmission, re-materialisation, issue of duplicate certificates, consolidation/split of NTPC's domestic and foreign Securities. As on 31st March 2008, the Committee comprised the following Members:

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

### 3.8 REMUNERATION COMMITTEE/ REMUNERATION OF DIRECTORS

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

Details of remuneration of functional Directors of the company:

(in Rupees)

Sl. No.	Name of the Director	Salary	Benefits	Bonus/ Commission	Performance Linked Incentives	Total
1	Shri T. Sankaralingam	683883	210288	0	498256	1392427
2	Shri Chandan Roy	649553	332597	0	481697	1463847
3	Shri R.S. Sharma	959593	489772	0	496384	1945749
4	Shri R.K. Jain	958582	303918	0	482542	1745042
5	Shri A.K. Singhal	910586	450010	0	485444	1846040
6	Shri R.C. Shrivastav	993559	212166	0	492794	1698519
7	Shri K.B. Dubey	983890	339332	0	413754	1736976

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 2007-08 are given below:

(in Rupees)

Name of Part-time non-official Directors	Sitting Fees		Total
	Board Meeting	Committee Meeting	
Dr. R.K. Pachauri	0	0	0
Prof. Ashok Misra	50,000	20,000	70,000
Shri G.P. Gupta	50,000	50,000	1,00,000
Shri M.I. Beg	1,30,000	1,00,000	2,30,000

#### 4. GENERAL BODY MEETINGS

##### Annual General Meeting

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

Date & Time	September 23, 2005	September 19, 2006	September 12, 2007
Time	10.00 A.M.	11.30 A.M.	11.30 A.M.
Venue	Siri Fort Auditorium Complex, August Kranti Marg, New Delhi – 110 049	NDMC Indoor Stadium, Talkatora Garden, New Delhi – 110 001	Air Force Auditorium, Subroto Park, New Delhi – 110 010
Special Resolution	Change of name of the Company from National Thermal Power Corporation Limited to NTPC Limited	NL	NL

##### 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.

#### 5. DISCLOSURES

The transactions with related parties contain (i) payment to companies under Joint Venture Agreement and on account of contracts for works/ services, (ii) remuneration to key management personnel and (iii) equity contribution to subsidiaries, which are not in nature of potential conflicts with interest of the company at large. Details of related party transactions are included in the Notes to the Accounts (Schedule 27) 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.

#### 6. MEANS OF COMMUNICATION

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

The Company also communicates with its institutional shareholders through a combination of analysts briefing and individual discussions as also participation at investor conferences from time to time.

Information and latest updates and announcement regarding the company can be accessed at company's website: [www.ntpc.co.in](http://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
- Corporate Filing & Dissemination System (CFDS)







## Quarterly Results

Newspapers	Date of publication of results for the quarter ended		
	30.06.2007	30.09.2007	31.12.2007
Financial Express	31.07.2007	28.10.2007	31.01.2008
Jansatta	31.07.2007	28.10.2007	31.01.2008
Hindustan Times	31.07.2007	28.10.2007	31.01.2008

These results are also displayed at Company's website [www.ntpc.co.in](http://www.ntpc.co.in)

## Official Releases and Presentations

The Company's official news releases, other press coverage, presentations made to institutional investors or to the analysts are also 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 prior intimation to the Stock Exchanges.

## 7. 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, 2008

New Delhi (R.S. Sharma)  
May 21, 2008 Chairman & Managing Director

## 8. Code of Insider Trading

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

## 9. SHAREHOLDERS' INFORMATION

### i) Annual General Meeting

Date : September 17, 2008  
Time : 11.30 a.m.  
Venue : Air Force Auditorium,  
Subroto Park, New Delhi – 110 010

### ii) Financial Calendar for FY 2008-09

Particulars	Date
Accounting Period	April 1, 2008 to March 31, 2009
Unaudited Financial Results for the first three quarters	Announcement within a month from the end of each quarter
Fourth Quarter Results	Announcement of Audited Accounts on or before June 30, 2009
AGM (Next year)	September 2009 (Tentative)

### iii) Book Closure

The Register of Members and Share Transfer Books of the Company will remain closed from August 30, 2008 to September 17, 2008 (both days inclusive).

iv) **Payment of Dividend**

The Board of Directors of the Company has recommended payment of a final Dividend of 8% (Rs. 0.8 per share) for the financial year ended March 31, 2008 in addition to the Interim Dividend of 27% (Rs. 2.7 per share) paid on February 13, 2008 (Dividend paid in Previous Year is Rs. 26385.5 million).

The record date for the payment of Dividend is August 30, 2008.

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
2002-03	7812.55	708.00	24.09.2003	24.09.2003
2003-04	7812.55	1082.30	29.07.2004	30.07.2004
2004-05	8245.46	1978.90	12.02.2005*	10.03.2005
			23.09.2005	27.09.2005
2005-06	8245.46	2308.73	30.01.2006*	27.02.2006
			19.09.2006	20.09.2006
2006-07	8245.46	2638.55	31.01.2007*	14.02.2007
			12.09.2007	17.09.2007
2007-08	8245.46	2226.28	30.01.2008*	13.02.2008

\* Date of Board Meeting

vi) **Listing on Stock Exchanges**

NTPC equity shares are listed on the following Stock Exchanges:

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

Stock Code : ISIN – INE733E01010

vii) **Market Price Data – NSE**

Month	High (Rs.)	Low (Rs.)	Closing(Rs.)
April' 07	163.75	142.10	159.80
May' 07	166.45	148.35	158.50
June' 07	165.00	149.25	152.80
July' 07	170.50	151.45	165.80
August' 07	176.60	156.10	173.35
Sept' 07	200.00	172.50	193.95
October' 07	243.00	192.15	238.90
Nov' 07	283.30	219.55	236.65
Dec' 07	253.85	225.00	250.90
January' 08	290.75	166.05	196.05
February' 08	227.40	182.10	202.00
March' 08	206.10	161.30	196.60

viii) **Market Price Data – BSE**

Month	High (Rs.)	Low (Rs.)	Closing(Rs.)
April' 07	163.55	146.00	159.20
May' 07	166.50	148.50	158.40
June' 07	165.00	149.00	152.35
July' 07	170.50	151.70	165.65
Aug' 07	176.80	156.50	173.30
Sept' 07	201.00	173.00	193.45
Oct' 07	243.00	193.00	239.40
Nov' 07	284.90	199.00	236.65
Dec' 07	253.85	225.25	250.05
Jan' 08	291.00	168.50	197.90
Feb' 08	227.20	183.00	201.75
March' 08	206.00	177.00	197.00



ix) Performance in comparison to indices  
BSE Sensex and NTPC Price



NIFTY and NTPC Price



x) Registrar and Share Transfer Agent

Kavy 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@kavy.com

xi) Share Transfer System

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

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

xii) Distribution of Shareholding

Shares held by different categories of shareholders and according to the size of holdings as on 31<sup>st</sup> March 2008 are given below:

According to Size

a. Distribution of shareholding according to size, % of holding as on March 31, 2008:

Number of shares	Number of share holders	% of share holders	Total No. of shares	% of shares
1-5000	953036	99.68	184624666	2.24
5001-10000	1504	0.16	10882274	0.13
10001-20000	628	0.07	9048755	0.11
20001-30000	219	0.02	5408073	0.07
30001-40000	122	0.01	4290972	0.05
40001-50000	82	0.01	3746326	0.05
50001-100000	162	0.02	11612100	0.14
100001 and above	377	0.03	8015851234	97.22
Total	956130	100%	8245464400	100%

b. Shareholding pattern as on March 31, 2008

Category	Total no. of shares	% to Equity
GOI	7379634400	89.50
FIs	422534048	5.12
Indian Public	199460227	2.43
Banks & FI	6903570	0.08
Private Corp. Bodies	80961750	0.98
Mutual Funds	60767560	0.73
NRI / OCBs	4645413	0.06
Others	90557432	1.1
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, 2008 are given below:

Name of Shareholder	No. of Shares	% to Paid-up Capital	Category
Government of India	7379634400	89.50	Government

#### xiii) Dematerialisation of Shares

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

Secretarial Audit Report for reconciliation of the share capital of the Company obtained from Practicing Company Secretary 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	43,842,443	0.53
Held in dematerialized form in NSDL	8,201,519,604	99.47
Physical	102,353	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, 4<sup>th</sup> Floor  
Kamala Mills Compound  
Senapathi Bapat Marg,  
Lower Parel, Mumbai-400 013
- Central Depository Services (India) Limited  
Phiroze Jeejeebhoy Towers  
28<sup>th</sup> Floor, Dalal Street, Mumbai-400 023

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

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

#### xv) Locations of NTPC plants

##### National Capital Region (NCR-HQ)

###### Thermal Power Stations

- 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)

###### Thermal Power Stations

- Barh Super Thermal Power Project- Distt. Patna, Bihar
- Farakka Super Thermal Power Station – Distt. Murshidabad, West Bengal
- Kahalgau Super Thermal Power Project- Distt. Bhagalpur, Bihar
- Talcher Super Thermal Power Station- Distt. Angul, Orissa
- Talcher Thermal Power Station- Distt. Angul, Orissa
- Bongaigaon Thermal Power Project, Distt. Kokrajhar, Assam.

##### Northern Region (NR-HQ)

###### Thermal Power Stations

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

##### Southern Region (SR-HQ)

###### Thermal Power Stations

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



### Gas Power Stations

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

### Western Region (WR-HQ)

#### Thermal Power Stations

- i) Korba Super Thermal Power Station- Distt. Korba, Chhattisgarh
- ii) Sipat Super Thermal Power Project-Distt. Bilaspur, Chattisgarh
- iii) Vindhyachal Super Thermal Power Station- Distt. Sidhi, Madhya Pradesh

### Gas Power Stations

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

### HYDRO PROJECTS

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

### 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

### 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

#### xvi) Address for correspondence:

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

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

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

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

For and on behalf of Board of Directors

(R.S. Sharma)

Chairman & Managing Director

Place: New Delhi  
Date: May 29, 2008

### 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 3.8 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](http://www.ntpc.co.in) under "Announcement" in the "Company Performance" section.



4. **Audit Qualification:** It is always Company's endeavour to present unqualified financial statements. The financial statement for the year 2007-08 has no audit qualifications.
5. **Training to Board Members:** No specific training programmes were arranged for Board members. However, the Board of Directors are fully briefed on all business related matters, risk assessment and minimising procedures and new initiatives proposed by the Company through presentations made by senior executives/ professionals and consultants. 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.

The Members  
NTPC Limited

We have examined the compliance of conditions of corporate governance by NTPC Limited, for the year ended on March 31, 2008 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, except with regard to the composition of the Board of Directors as reported in para 2.2 of Report on Corporate Governance, 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 Varma & Varma  
Chartered Accountants  
(Cherian K. Baby)  
Partner  
M. No. 16043

For Parakh & Co.  
Chartered Accountants  
(V.D. Mantri)  
Partner  
M. No. 74678

For Dass Gupta & Associates  
Chartered Accountants  
(Naresh Kumar)  
Partner  
M. No. 82069

Place: New Delhi  
Date: 29<sup>th</sup> May, 2008

For B.C. Jain & Co.  
Chartered Accountants  
(B.C. Jain)  
Partner  
M. No. 5690

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

For S.K. Mehta & Co.  
Chartered Accountants  
(S.K. Mehta)  
Partner  
M. No. 10870