

NTPC Vidyut Vyapar Nigam Limited
(A wholly owned subsidiary of NTPC Limited)

Directors' Report

To
Dear Members,

Your Directors have immense pleasure in presenting the Nineteenth Annual Report on the working of the Company for the financial year ended on 31 March 2021 together with Audited Financial Statements, Auditors' Report, Review by the Comptroller & Auditor General of India and Secretarial Audit Report for the reporting period.

FINANCIAL RESULTS

(₹in Lakh)

Description	2020-21	2019-20
Total Revenue	4,05,834.80	4,42,441.98
Total Expenses	3,93,397.74	4,40,030.87
Profit/(Loss) before Tax	12,437.06	2,411.11
Tax expenses	3,234.78	657.95
Profit/(Loss) for the year	9,202.28	1,753.16

DIVIDEND

During the financial year 2020-21, the Board of Directors have declared an interim dividend of ₹2000 Lakh. Your Directors have recommended the final dividend of ₹900 Lakh. The final dividend shall be paid after your approval at the Annual General Meeting.

ENERGY TRADING AND OTHER BUSINESS

In accordance with the Central Electricity Regulatory Commission (CERC) notification, your Company has a trading licensee under Category I (highest category).

In the financial year 2020-21, your Company power trading volume is 18586 million units (MUs) apart from Renewable Energy Certificates (RECs) equivalent to 290 MUs.

During the current financial year, your Company has earned revenue of ₹4,03,701.97 Lakh from trade of 18586 MUs of energy including 4990 MUs traded under solar & thermal bundled power, 2142 MUs traded under SWAP arrangement, 6202 MUs traded through Cross boarder trading, 2694 MUs traded through exchange and 2558 MUs traded through bilateral power as compared to

₹4,40,316.51 Lakh from trade of 14532 MUs of energy including 5262 MUs traded under solar & thermal bundled power, 572 MUs traded under SWAP arrangement, 6371 MUs traded through Cross boarder trading, 1531 MUs traded through exchange and 796 MUs traded through bilateral power during the previous financial year.

The overall volume of energy traded by the Company during the financial year 2020-21 has increased by 28%. During the current financial year, your Company has operating margin (revenue less purchase) of ₹14,357.96 Lakh as compared to ₹12,049.42 Lakh during the previous financial year registering increase of 19.16%.

BUSINESS INITIATIVES

National Solar Mission Phase-I

The Government of India (GOI) designated your Company as the Nodal Agency for Phase I of National Solar Mission (NSM) with a mandate for purchase of power from solar power projects connected to grid at 33 KV and above and for sale of such power, bundled with the power sourced from NTPC coal power stations to Distribution Utilities under Phase I of NSM which envisages setting up of 1,000 MW solar capacity. As on 31 March 2021 the total commissioned capacity under the scheme of batch I of Phase I of NSM is 733 MW.

During the financial year 2020-21, total of 4,990 MUs of bundled solar power (including 1,043 MUs of Solar Power) have been supplied to Discoms/ Utilities of the states of Rajasthan, Punjab, Maharashtra, Andhra Pradesh, Uttar Pradesh, Tamil Nadu, Karnataka, Assam, West Bengal, Odisha, Telangana, Chhattisgarh and to Damodar Valley Corporation.

Cross Border Trade of Electricity

GoI has designated your Company with the role of Nodal Agency for cross border trading of power with Bangladesh, Bhutan and Nepal.

As per the Power Purchase Agreement (PPA) for supply of 250 MW power for 25 years from NTPC stations, signed with Bangladesh Power Development Board

(BPDB), your Company has supplied 1,825 MUs during the financial year 2020-21. Further, your Company has signed PPA on 15 March 2016, with BPDB, for supply of 100 MW power. A supplementary agreement has been signed on 10 April 2017, for supply of additional 60MW power to BPDB. Your Company has signed back-to-back Power Sale Agreement (PSA) with Tripura State Electricity Corporation Limited (TSECL) for supply of 160 MW power under radial mode. During the financial year 2020-21, 1002 MUs of energy has been supplied to Bangladesh from TSECL.

In addition to above, your Company has signed PPA in September 2018 with BPDB for supplying 300 MW Round the Clock (RTC) power from Damodar Valley Corporation to Bangladesh. During the financial year 2020-21, 2320 MUs of energy has been supplied to Bangladesh under this arrangement. Total 710 MW power is being supplied by the Company to Bangladesh which is around 61.21% of total export of power to Bangladesh.

Your Company has signed PPA with Nepal Electricity Authority (NEA) on 15 July 2020, for supply of upto 350 MW power from July 2020 to June 2021 through 400/200 kV Muzaffarpur - Dhalkebar A/C line under radial mode from Indian market. During the financial year 2020-21, 1054 MUs of energy has been supplied to Nepal.

Your Company has commenced the Cross Border Electricity Trade in power exchange platform by supplying power to NEA through day ahead market platform of Indian Energy Exchange. This is a first of its kind initiative that would help your Company to further expand its cross-border portfolio.

Ministry of Power (MoP), GOI vide OM dated 26 November 2019, has nominated your Company as Settlement Nodal Agency (SNA) for settlement of Grid operation related charges with neighbouring countries, namely, Bangladesh, Bhutan, Nepal and Myanmar. Accordingly, your Company has signed SNA agreement with NEA and SNA agreement with BPDB shall be signed shortly.

Your Company has received LOI from BPDB on 31 January 2020 for supply of 500 MW power from GMR Upper Karnali Hydro Power Project, Nepal to Bangladesh. PPA for the same is being finalized. The project is likely to be commissioned by 2025.

Domestic Power Trading

Your Company has excelled in many fields including expanding customer base, selling captive power, selling power of Independent Power Producers (IPPs), entering into power banking arrangement, trading of power and REC on the platform of power Exchange(s) etc. The customer base of the Company has increased to more than 100 customers including state government utilities, private power utilities, IPPs and captive power generators in all five regions of India.

In addition to the above, your Company has started trading in Real Time Market (RTM) from 1 June 2020. Automated Program interface has been developed in house by your Company and 1050 MUs of energy has been traded in RTM platform of Power Exchange during this Financial Year.

In line with the CERC regulation, your Company has sold more than 908 MUs of un-requisitioned surplus (URS) power of NTPC in the Power Exchange, based on the consent received from the beneficiaries.

Projects in Andaman and Nicobar Islands.

Your Company has played key role in meeting the power demand of Andaman and Nicobar Islands. 5 MW and 10 MW DG Power Plants have already been commissioned on 29 April 2018 and 17 October 2018, respectively, in Andaman Nicobar Islands. Your Company is going to implement 50 MW LNG based Power Project at Hope Town in South Andaman District. The tender for the main plant has already been floated and price bid for the tender shall be opened shortly. To set up gas supply and its infrastructure, proposal has been submitted by GAIL for recommendation of MoP, GOI. Further, MoP is evaluating the proposal to fund Gas infra project.

Renewable Projects:

Your Company has ventured into renewable energy business and has signed Memorandum of Understanding (MoU) with Airport authority of India for implementing Ground/ Rooftop Solar PV Projects at identified airports/ buildings. Accordingly, the tender for 2 MW solar project at Agartala airport has been floated by your Company and price for the same has been discovered by reverse auction. The project is likely to be commissioned by March 2022. Further, feasibility study and survey of various other airports to identify possible solar capacity installation is under process.

In addition to the above your Company has also signed MoUs with South Delhi Municipal Corporation (SDMC) and IIT Jodhpur for development of solar projects. Notice Inviting Tender (NIT) for IIT Jodhpur has been issued and bids received are under evaluation. For SDMC site survey is under process to identify the feasible capacity.

Your Company is aggressively looking for opportunities to increase its solar portfolio and is already in advanced phase of discussion with IIM Udaipur, Ratnagiri Gas and Power Private Limited and Tirumala Tirupati Devasthanams to sign MoU for implementing the solar projects. Further, your Company is also participating in open tenders of states to develop solar projects.

Your Company is also in advance stage of finalizing feasible capacity of small solar projects (ground mounted, rooftop and floating) on surplus land available at various NTPC Stations.

E-Mobility

Your Company has forayed into the e-mobility segment including providing vehicles and related services as a part of turnkey solution in various vehicle segments. Based on this, the L1 Bidder for 450 E Buses has been selected through tendering process. These E buses are planned to be provided to State / City Transport Authorities / Corporates / Govt. bodies etc. on commercial arrangements.

Your Company has signed agreement on 4 March 2020 and 29 September 2020 with Department of Transport, Andaman and Nicobar Islands for supply of total 40 E buses. Trial operation of these buses have been completed.

Your Company has won Bengaluru Metropolitan Transport Corporation (BMTTC) tender to supply 90 E buses. LOI has been received from BMTTC. Commercial operation of these buses is likely to happen in the financial year 2021-22.

Your Company also has plans to provide E Buses to various projects of NTPC this will help in reducing GHG emission, air and noise pollution, and dependence on fossil fuels. Further these electric buses can also deliver significant societal benefits, including avoided healthcare expenses resulting from cleaner air.

Your Company is adopting the integrated business strategy to increase its respective business portfolio. Therefore, the signed MoUs with AAI and SDMC includes development of charging infrastructure as one of the major components of the scope of work.

In addition to above, your Company plans to set-up 1000 Nos of chargers at various locations across the country under FAME-II.

Fuel Cell Electric Vehicle

Besides Battery based E-mobility, your Company has also planned to enter Hydrogen Mobility business. Pilot projects based on green Hydrogen are planned to be carried out in Leh and Delhi with 5 nos. of Fuel cell electric buses at each location. NIT for the Hydrogen buses (Fuel cell electric vehicle) has been issued.

Waste to Energy and disposing municipal solid waste (MSW)

Keeping commitment towards clean & green environment and Swachh Bharat Mission (SBM), your Company has taken several initiatives to support & leverage Government of India's effort towards realising SBM thereby ensuring pollution free environment to people's health and welfare.

Your Company has completed the trial run for the pilot plant to convert carbonaceous component of Municipal Solid Waste to charcoal at NTPC Dadri.

In addition to this, your Company has also signed an MoU with Municipal Corporations of Varanasi, Indore, Bhopal and Hubli Dharwad for setting up state of the art Waste to Energy plant/ Municipal solid waste to Charcoal plant.

To fast-track the technology development, your Company, has organized technology challenge aptly named as Green Charcoal Hackathon. The purpose of the event is to leverage the innovative Indian mind to bridge the technology gap, with the prime objective to clean the air by eliminating farm fire, producing renewable energy out of the agro residue, to promote local entrepreneurship, and to increase the income of the farmers. The final evaluation has been completed.

FIXED DEPOSITS

The Company has not accepted any fixed deposit during the financial year ended on 31 March 2021. The provisions of Sections 73 to 76 of Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules 2014 and details of deposit required under Rule 8 of the Companies (Account) Rules, 2014 are not applicable.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis is enclosed at Annexure-I.

AUDITORS' REPORT

The Comptroller and Auditor General of India (C&AG) is yet to appoint statutory auditors of the Company for the financial year 2021-22.

The statutory auditors M/s Uberoi Sood and Kapoor, Chartered Accountants have given unqualified report on financial statements of the Company for the financial year 2020-21.

REVIEW OF ACCOUNTS BY THE COMPTROLLER & AUDITOR GENERAL OF INDIA

The Comptroller and Auditor General (C&AG) of India, through letter dated 24.06.2021 have communicated that based on the financial reporting by the Management and the independent audit carried out by Statutory Auditors, C&AG has decided not to conduct the Supplementary Audit of the Financial Statements of the Company for the year ended 31st March 2021 under Section 143(6)(a) of the Act. A copy of the letter issued by C&AG in this regard is placed after report of Statutory Auditors of your Company.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Sunpreet Singh & Associates, a firm of company secretaries in practice to undertake the secretarial audit of the Company for the financial year 2020-21. The report of the secretarial auditors is enclosed at Annexure-II.

Secretarial auditors have given unqualified report for the financial year 2020-21.

REPORTING OF FRAUD

The statutory auditors, secretarial auditors and C&AG have not reported any instances of fraud committed against the Company by its officers or employees as specified under Section 143(12) of the Companies Act, 2013.

MAINTENANCE OF COST RECORDS AND COST AUDIT

Your Company is not required to maintain cost accounts and records as prescribed under the provisions of section 148 of the Companies Act, 2013.

PARTICULARS OF EMPLOYEES

As per notification dated 5 June 2015 issued by the Ministry of Corporate Affairs, the government companies are exempted to comply with the provisions of Section 197 of the Companies Act, 2013 and corresponding rules of Chapter XIII.

Your Company being a government company is not required to include aforesaid information as a part of the Directors' Report.

COMPLIANCE OF SECRETARIAL STANDARDS

Your Company has complied with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 (3) (c) and Section 134(5) of the Companies Act, 2013, your Directors confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 2020-21 and of the profit of the company for that period;
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors had prepared the annual accounts on a going concern basis.
- (v) the Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system was adequate and operating effectively.

BOARD OF DIRECTORS

At present, the Board of Directors of the Company comprises of the following:

S. No.	Name	Designation
1.	Shri Anil Kumar Gautam (DIN: 08293632)	Chairman
2.	Shri Chandan Kumar Mondol (DIN: 08535016)	Director
3.	Shri Anil Nautiyal (DIN: 08612798)	Director
4.	Ms. Nandini Sarkar (DIN: 08081386)	Director

NTPC Limited (NTPC), the holding company, by virtue of powers conferred by Articles of Association of the Company, has time-to-time nominated or withdrawn Directors from the Board of Directors of the Company.

The changes in Directors during the current financial year are as follows:

Name	Date of appointment (2020-21)	Date of cessation (2020-21)
Shri Anand Kumar Gupta (DIN: 07269906) ¹	-	July 31, 2020
Shri Rajnish Bhagat (DIN: 08584958) ¹	-	November 30, 2020
Shri Chandan Kumar Mondol ² (DIN: 08535016)	August 18, 2020	-
Shri Anil Nautiyal (DIN: 08612798) ²	January 6, 2021	-

¹ Consequent upon superannuation from the services of NTPC, the holding company, ceased to be a Director of the Company.

² NTPC, the holding company, nominated as an Additional Director.

The Board wishes to place on record its deep appreciation for the valuable services rendered by Shri Anand Kumar Gupta and Shri Rajnish Bhagat during their association with the Company.

Shri Anil Nautiyal holds office up to the date of this Annual General Meeting but is eligible for appointment. The Company has received a requisite notice in writing from NTPC, proposing his candidature for the office of a Director liable to retire by rotation.

In accordance with the provisions of Companies Act, 2013, Ms. Nandini Sarkar (DIN: 08081386) shall retire by rotation at this Annual General Meeting of your Company and, being eligible, offers herself for reappointment.

Number of meetings of the Board

During the current financial year, 9 meetings of the Board of Directors were held on the following dates:

Date of Board Meeting	Total strength of the Directors	No. of Directors present
08.06.2020	4	4
09.07.2020	4	4
28.08.2020	4	4
27.10.2020	4	4
25.11.2020	4	4
06.01.2021	4	4
06.01.2021	4	4
17.02.2021	4	4
18.03.2021	4	4

The details of the number of meetings attended, during the current financial year, by each Director are at Annexure - III.

KEY MANAGERIAL PERSONNEL (KMP)

At present, the KMP of the Company comprises of the following:

S. No.	Name	Designation
1.	Shri Mohit Bhargava	Chief Executive Officer
2.	Shri Kumar Sanjay	Chief Financial Officer
3.	Shri Nitin Mehra	Company Secretary

Declaration of Independent Director.

The Ministry of Corporate Affairs vide its notification dated 5 July 2017, has exempted wholly owned unlisted public subsidiary companies from appointing Independent Directors. In view of the aforesaid notification, your Company being the wholly owned subsidiary of NTPC is not required to appoint Independent Directors. Hence, requirement of the statement on declaration by Independent Directors under section 149(6) of the Companies Act, 2013, is not applicable.

ANNUAL PERFORMANCE EVALUATION OF THE BOARD

As per provisions of the Articles of Association of your Company, all part-time Board level appointments are made by NTPC, the holding Company. At present Chairman and one of the Board members of your Company are

functional Directors of NTPC and all other Board members are senior executives of NTPC. All Directors of your Company are governed by the evaluation criteria and specifications at NTPC, the holding Company.

AUDIT COMMITTEE

As per the Ministry of Corporate Affairs vide notification dated 13 July 2017 substituting Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with Rule 4, amended vide notification dated 5 July 2017, of the Companies (Appointment and Qualification of Directors) Rules, 2014, now your Company is not required to constitute an Audit Committee under the Companies Act, 2013. Your Company has continued with the constitution of the Audit Committee, as required under the Guidelines for Corporate Governance by Central Public Sector Enterprises issued by the Department of Public Enterprises, GoI.

At present, Audit Committee of the Board of Directors comprises of Shri Chandan Kumar Mondol, Chairman, Shri Anil Nautiyal, Director and Ms. Nandini Sarkar, Director.

During the current financial year 5 meetings of the Audit Committee were held on the following dates:

Date of Audit Meeting Committee	Total strength of the Directors	No. of Directors present
08.06.2020	3	3
28.08.2020	3	3
27.10.2020	3	3
06.01.2021	3	3
17.02.2021	3	3

The details of the number of Audit committee meetings attended by each Director, during the current financial year are at Annexure - III.

CORPORATE SOCIAL RESPONSIBILITY

In compliance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has constituted the Corporate Social Responsibility (CSR) Committee.

At present, CSR Committee consist of Shri Anil Kumar Gautam, Chairman,

Shri Chandan Kumar Mondol, Director and Shri Anil Nautiyal, Director.

During the current financial year 1 meeting of the CSR committee was held on the following date:

Date of CSR Committee Meeting	Total strength of the Directors	No. of Directors present
08.06.2020	3	3

The details of the number of CSR committee meetings attended by each Director, during the current financial year are at Annexure – III.

As per the requirement of Section 135 of the Companies Act, 2013 and Rule 8 (1) of the Companies (Corporate Responsibility Policy) Rules, 2014, the annual report on CSR activities is at Annexure-IV.

Nomination and Remuneration Committee.

As per the Ministry of Corporate Affairs vide notification dated 13 July 2017 substituting Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with Rule 4, amended vide notification dated 5 July 2017, of the Companies (Appointment and Qualification of Directors) Rules, 2014, now your Company is not required to constitute Nomination and Remuneration Committee (NRC) under the Companies Act, 2013. Your Company has continued with the constitution of the NRC, as required under the Guidelines for Corporate Governance by Central Public Sector Enterprises issued by the Department of Public Enterprises, GoI.

At present, NRC comprises of Shri Chandan Kumar Mondol, Chairman, Shri Anil Nautiyal, Director and Ms. Nandini Sarkar, Director.

During the current financial year 1 meeting of the NRC was held on the following date:

Date of the NRC	Total strength of the Directors	No. of Directors present
28.08.2020	3	3

The detail of number of the NRC meeting attended by each Director,

during the current financial year are at Annexure – III.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Your Company has not given any loans or guarantees or made any investment covered under the provisions of Section 186 of the Companies Act, 2013.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments have taken place between financial year ended 31 March 2021, to which the financial statements relate and the date of this Directors' Report, which affects the financial position of your Company.

SIGNIFICANT AND MATERIAL ORDERS

During the financial year 2020-21, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

INSOLVENCY AND BANKRUPTCY CODE, 2016

During the financial year 2020-21, no application was made, or any proceeding were pending under the Insolvency and Bankruptcy Code, 2016.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

Your Company does not have any Subsidiaries, joint ventures or associate companies.

ONE-TIME SETTLEMENT AND VALUATION.

During the financial year 2020-21, no event has taken place that give rise to reporting of details w.r.t. difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions.

EXTRACT OF ANNUAL RETURN

As per requirement of Section 92 (3), Section 134 (3) of the Companies Act,

2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return in form MGT-9 is given under Annexure-V.

PARTICULAR OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

As per requirement of Section 188 (2) of the Companies Act, 2013 and Rule 8 of the Companies (Accounts) Rules, 2014, particulars of contracts or arrangements, during the financial year 2020-21, with related parties referred to in Section 188 (1) of the Companies Act, 2013 in form AOC-2 is given under Annexure-VI.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

Being a trading company, your Company has no significant particulars, relating to conservation of energy and technology absorption under Rule 8 of the Companies (Accounts) Rules, 2014.

During the current financial year your Company has earned ₹112,469.26 Lakh from trade of power in foreign currency as compared to ₹90,080.35 Lakh foreign currency earned during the financial year 2019-20. An expenditure of ₹1.34 Lakh, in foreign currency has been incurred mainly towards travelling of employees and other payments/reimbursements, during the current financial year as compared to ₹7.03 Lakh expenses incurred towards travelling of employees during the financial year 2019-20.

ACKNOWLEDGMENT

The Board of Directors of your Company wishes to place on record their appreciation for the support and co-operation extended by NTPC, the Ministry of Power and the Ministry of New and Renewable Energy of Government of India, the Central Electricity Regulatory Commission, the valued customers of the Company, various State Power Utilities, Statutory Auditors, Office of the Comptroller and Auditor General of India, Bankers of the Company and untiring efforts made by all employees to ensure that the

company continues to perform and excel.

For and on behalf of the Board of Directors



**(ANIL KUMAR GAUTAM)
CHAIRMAN
DIN: 08293632**

Place: New Delhi

Date: August 24, 2021

Annexure-I

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

POWER TRADING

Trading is an essential tool, which plays an important role in optimization of resources by utilizing the surpluses of seasons or time of day of a state / utility to meet the unmet demand / deficits of the same or another state / utility/ consumer by way of sale/purchase or swap arrangements. Power traders play a key role for identification of such sources of surplus (supply) and deficits (consumers), tie up open access, and arrange scheduling for matching supply and demand at optimum cost, Sale and purchase of energy, RECs (Solar and Non solar), ESCerts in power exchanges and charge a reasonable margin of their own.

In India, power is transacted largely through long term Power Purchase Agreements (PPA) entered into between Generating companies and the Distribution utilities. A small portion is transacted through various short-term mechanisms wherein the contract is of less than one year period like electricity transacted (inter-State) through inter-State Trading Licensees and directly by the Distribution Licensees, Power Exchanges viz. Indian Energy Exchange Ltd (IEX) and Power Exchange India Ltd (PXIL), and Deviation Settlement Mechanism (DSM).

The guidelines issued by Ministry of Power (MoP), Central Electricity Regulatory Commission (CERC) regulations and Procedure for Approval from the Designated Authority for cross border trading of power has opened up opportunities to export power to neighbouring countries. Presently, India exports electricity to Nepal, Bangladesh and Myanmar. India imports power from Bhutan, but exports power during lean hydro season.

Real Time Market (RTM): Government has introduced Real Time Market from 1 June 2020. This real time market acts as a tool to mitigate and address

challenges of grid management due to the intermittent and variable nature of renewable energy generation and help integrate higher quantum of renewable energy resources into the grid.

During the financial year 2020-21, out of electricity generation of approximately 1,233 Billion units (BUs), approximately 146 BUs were traded, representing 11.84% of trading to total generation.

The short-term power market volume has increased to 146 BUs in financial year 2020-21 as compared to 114 BUs during financial year 2019-20, registering a surge of 28%. During the financial year 2020-21, there is a decrease in Electricity Transacted through Traders by 2.70% w.r.t previous year. Also, electricity transacted directly amongst distribution companies (DISCOMs) have decreased by 39.29%.

DISCOMs and other industrial customers have preferred power exchange for meeting their short-term power requirement, thereby, power exchange transactions have increased by 42.86% during financial year 2020-21 w.r.t previous year.

Structure of power market in India* (Power Traded- BUs)

(i)	Long -Term (88.16%)	1087
(ii)	Power Trading (9.97%)	123
(iii)	Balancing Market (DSM) (1.87 %)	23
	Total	1233

The trading of Power in India* (Power Traded- BUs)

(i)	Bilateral Trading	36
(ii)	Bilateral Direct	17
(iii)	Through Power Exchange	70
	Total	123

*Source: CERC (2020-21).

STRENGTH AND WEAKNESS

Your Company's strength lies in its association with a strong promoter viz. NTPC having formidable network, established rapport, credibility with potential buyers & sellers and backed with professional manpower from NTPC and trading capabilities built over the years.

Your Company is exposed to credit risk due to buyers' inability to make timely payments without strong payment

security mechanism in place. In addition to this there is trading margin war amongst the power traders which is continuously posing a threat of hitting the bottom-line.

OPPORTUNITIES AND THREATS

Power Trading

With the passage of time short term power market has shifted from a sellers' market to a buyers' market due to large availability of merchant power and low demand from distribution utilities. Also, with the introduction of DEEP e-bidding portal, the market has become very competitive. The gap between energy requirement and availability has been reduced. The low demand scenario in power market is due to various reasons including COVID-19 and low paying capacity of DISCOMs.

With introduction of Real Time Market (RTM) from 01 June 2020, an organized platform of energy trade closer to real time is available to the market players. RTM allows changes in the production and consumption schedule, to accommodate difference between day-ahead forecast of system condition and actual conditions that are observed in real time. It has been observed that, with the passage of time the RTM volume has increased as volume from other segments of the exchange is shifted to real time market.

MOP, GOI has recently released the discussion paper on the Market Based Economic Dispatch (MBED) in which it is proposed that implementation of MBED shall start with the fleet of NTPC thermal stations (Phase -I) from 1 April 2022. This mechanism is expected to provide considerable opportunities for your Company for enhancement of trading volumes. Power whether long term/ short term shall be pooled in exchange and then will be scheduled as per the merit order.

Further, in the year 2020-21, CERC had issued Power Market Regulations, 2020 in which the concept of market coupling was introduced. With implementation of MBED and market coupling, the future of power trading looks promising as these concepts propose to increase the volume of power traded through exchanges.

In recent times with the increase in entry of number of private traders the trading market has seen increased competition leading to power being traded without proper back-to-back payment security mechanism, making transactions prone to higher payment risk. The financial position of many State DISCOMs / Utilities is also a cause for concern for your Company.

Cross Border Power Trading

MOP, GOI had issued the Guidelines for Import/ Export (Cross Border) of Electricity 2018. Subsequently, CERC had issued Regulations 2019 in line with the Guidelines issued by MOP. Member (Power System) CEA has been nominated as Designated Authority for carrying out the function prescribed in the MOP guidelines. Further, in February 2021, CEA has issued procedure for approval and facilitating of import/export (cross border) of electricity by the Designated Authority. The above policy framework will enhance the cross-border supply of power through bilateral, multilateral and power exchange mode with the neighboring countries.

As per guidelines issued by MOP, GOI, trading through power exchange is permitted. Your Company has commenced the Cross-Border Electricity Trade (CBET) in power exchange platform by supplying power to Nepal Electricity Authority through Day Ahead Market platform of Indian Energy Exchange. This is a first of its kind initiative that would help your Company to further expand its cross-border portfolio.

Renewable Energy

Your Company has signed an MOU with Airports Authority of India, SDMC, IIT Jodhpur IIM Udaipur etc. for setting up of solar projects. Your Company is also exploring opportunities for setting up of solar projects under KUSUM Scheme.

To fast track the implementation of the solar projects your Company is in process of Rate Contract for implementing Rooftop Solar Projects (up to 100 MW) and Empanelment of Agencies for implementing Ground mounted solar projects.

E-Mobility

Your Company has diversified in E-Mobility. GoI has approved FAME-II (Faster Adoption and Manufacturing of Hybrid and Electric Vehicles) scheme with total outlay of ₹10,000 crore over the period 2019-20 to 2021-22. This scheme is the expanded version of the earlier scheme titled 'FAME India', launched in 2015.

The scheme envisages supporting 10 Lakh e-2Wheelers, 5 Lakh e-3Wheelers, 55,000 e-4Wheelers and 7,000 e-Buses and establishment of charging infrastructure across the country, at least one charging station in a grid of 3 km x 3 km. charging stations are also proposed on major highways at an interval of about 25 km, on both sides of the road.

Your Company has already supplied 40 E buses to Department of Transport Andaman and Nicobar and has commitment to supply 90 Nos E buses to Bengaluru Metropolitan Transport Corporation (BMTCL). It is also playing an important role of e-Mobility 'enabler' by creating a favourable ecosystem.

Your Company plans to set-up 1000 Nos of chargers at various locations across the country under FAME-II.

Besides Battery based E-mobility, your Company is evaluating to enter Hydrogen Mobility business and has issued Notice Inviting Tender (NIT) for Hydrogen Cell Electric vehicle for Leh and Delhi as a pilot project.

Waste to Energy

Your Company is contributing in reduction of greenhouse emission and pollution by setting up of waste to energy and municipal solid waste to charcoal plant.

Your Company has signed MoUs with Municipal Corporations of Varanasi, Indore, Bhopal and Hubli Dharwad for setting up state of the art Waste to Energy plant/ Municipal solid waste to Charcoal plant.

NIT for EPC contract for Municipal solid waste to Charcoal plant at Varanasi has been issued. In addition to the above Feasibility Report for Bhopal and Hubli -

Dharwad Municipal solid waste to Charcoal plant have been prepared.

COVID-19

Due to COVID-19 pandemic in the country, there is slow down in the economic activities and there is a dip in the electricity demand and electricity generation has decreased by 1.31% with respect to previous year. COVID-19 has also affected the electricity demand of neighbouring countries which has affected the cross-border business of the Company.

OUTLOOK

Your Company is among the top power trading companies in India and playing a key role in the power market development of the country. As a wholly owned subsidiary of NTPC Limited, our priority is to effectively utilize installed capacity and thus enable reduction in cost of power.

Your Company intends to augment the core trading business including power exchange and cross border business and at the same time diversifying in many new business areas including E Mobility, setting up of LNG based power plant in Andaman and Nicobar Island, setting up of Waste to Energy Projects, setting up of Renewable assets etc.

Your Company is supplying total 710 MW power to Bangladesh which is 61.21% of total export of power to Bangladesh. Existing power supply to BPDB from DVC, NTPC and Tripura and power supply to Nepal from Indian market has increased the visibility of the Company in the international power market.

Guidelines for Import/ Export (Cross Border) of Electricity 2018 was issued by MoP. CERC had issued the Regulation 2019 in line with the guidelines and further Procedure for Approval from the Designated Authority /CEA is issued in financial year 2020-21, which has brought transparency in the market and shall also result in growth of cross border trade of electricity.

Your Company is diversifying in new avenues to build assets such as E-Mobility, Renewable Sector, Waste to Energy, Gas Trading etc. and expects to consolidate its business in these segments for achieving long term growth.

Availability of sufficient resources to fund the projects is a key challenge for your Company. The existing equity base is small and the holding company has been infusing equity into the company from time to time as needed. However, considering the growth trajectory, your Company would need to explore all options for raising additional equity including Initial Public Offer.

Your Company has awarded contract to KPMG for preparing Road map of the Company for next 5 years. This will help to illustrate your Company's major objective and strategies for achieving sustainable growth.

RISKS, CONCERNS AND THEIR MANAGEMENT

Your Company is trading power on back-to-back basis, with the approval of the Board. It means terms & conditions, both for purchase/sale are on back-to-back basis. Deviation, if any, is reported to the Board.

The trading margin capped by the CERC for electricity trading limits revenues of trading companies. The risk gets further enhanced due to large number of private players offering lower trading margin than CERC capped trading margin. Your Company continues to focus on increasing its revenue and market share in power trading with emphasis on back-to-back arrangements in order to mitigate risks while making endeavors to increase the business.

Your Company being the wholly owned subsidiary of NTPC is governed by the framework of Risk Management in NTPC. Key risks are regularly monitored through reporting of key performance indicators of identified risks.

INTERNAL CONTROL

Your Company has adequate internal control systems and procedures in place commensurate with the size and nature of its business. A well-defined internal control framework on financial reporting has been developed identifying key controls. The authorities vested in various levels are exercised within framework of appropriate checks and balances. Effectiveness of internal control framework on financial reporting

is tested periodically by internal audit department of NTPC. An independent internal audit is also carried out by experienced firm of Chartered Accountants in close co-ordination with departments of the Company and internal audit department of NTPC. The internal audit reports are regularly reviewed by the Audit Committee of the Board of Directors.

PERFORMANCE DURING THE YEAR

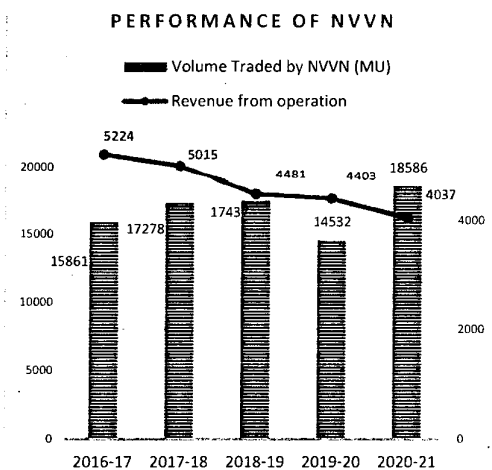
Operations

Your Company has been issued license under category "I" which allows trading of 1,000 MUs and above every year without any upper limit.

The details of the energy traded by the Company are as follows:

Description	2020-21	2019-20
Trading of Power	MUs	
Bilateral Trading	2558	796
Energy under SWAP Arrangements	2142	572
Solar Bundled Power	4990	5,262
Cross Border Trading	6202	6,371
Trading through exchange	2694	1,531
Total	18,586	14,532

During the financial year 2020-21, overall volume of power traded by your Company has increased 28% with respect to previous year.



In the past three years your Company has developed a good customer base and has served over 100 customers including State Government/Private Power Utilities, Captive Power Generators etc. in all five regions in the country.

Financial Performance

The revenue of your Company comprises of mainly sales from Energy traded.

₹ in Lakh

Description	2020-21	2019-20
Revenue from Operations		
Energy sale	4,06,100.27	4,42,096.12
Rebate on energy sale	(2,398.30)	(1,779.61)
Other income	2,132.83	2,125.47
Total	405,834.80	4,42,441.98

The total operating expenses of the Company are as follows: -

₹ in Lakh

Description	2020-21	2019-20
Purchase of energy	3,96,682.04	4,34,506.35
Rebate from sellers	(7,338.03)	(6,239.26)
Employee benefits expense	1806.65	1,644.18
Other expenses	1375.41	9,737.26
Total operating expenses	3,92,526.07	4,39,648.53

The total expenses including operating expenses of the Company are as follows:

₹ in Lakh

Description	2020-21	2019-20
Total operating expenses	3,92,526.07	4,39,648.53
Corporate Social Responsibility Expenses	382.42	179.08
Finance cost	416.14	193.58
Depreciation, amortization and impairment expense	73.11	9.68
Total expenses including operating expenses	3,93,397.74	4,40,030.87

During the current financial year finance cost has increased to ₹416.14 Lakh from ₹193.58 Lakh incurred during the financial year 2019-20, due to availing of short-term working capital loans from banks. Increase in depreciation cost from ₹9.68 lakh to

₹73.11 Lakh is due to capitalization of 40 Number of E-Buses supplied to Department of Transport, Andaman and Nicobar.

₹ in Lakh

Description	2020-21	2019-20
Profit before tax	12,437.06	2,411.11
Tax expenses	3,234.78	657.95
Profit for the year	9,202.28	1,753.16

During the year, the Company earned profit after tax of ₹9,202.28 Lakh as compared to ₹1,753.16 Lakh in previous financial year.

Dividend

During the financial year 2020-21, the Board of Directors have declared an interim dividend of ₹2000 Lakh. Your Directors have recommended the final dividend of ₹900 Lakh. The final dividend shall be paid after your approval at the Annual General Meeting.

Reserves & Surplus

During the financial year 2020-21, ₹8100 Lakh have been added to general reserves.

Current Assets

The current assets at the end of the financial year 2020-21 were ₹2,02,756.72 Lakh as compared to ₹1,72,339.13 Lakh in financial year 2019-20 registering an increase of 17.65%.

₹ in Lakh

Description	31.3.2021	31.3.2020
Trade receivables	89,510.17	97,942.90
Cash and cash equivalents	16,050.84	5,298.96
Other bank balances	44,993.98	25,490.39
Other financial assets	51,926.55	43,339.52
Current tax assets (Net)	58.75	58.75
Other current assets	216.43	208.61
Total Current Assets	2,02,756.72	1,72,339.13

The increase in total current assets was mainly due to increase in other bank balances from ₹25,490.39 Lakh to ₹44,993.98 Lakh and other financial assets from ₹43,339.52 Lakh to ₹51,926.55 Lakh on 31 March 2021. During the current financial year Trade receivables has decreased to ₹89,510.17 lakh equivalent to 80.93 days

of billing as compared to trade receivables ₹97,942.90 lakh equivalent to 81.41 days during previous financial year. This excludes unbilled debtors of ₹51,717.36 lakh as compared to ₹42,559.30 lakh during previous financial year.

The major portion of receivables has now been recovered from various buyers. The other financial assets on account of unbilled revenues have increased to ₹51,717.36 lakh on 31 March 2021 against ₹42,559.30 lakh on 31 March 2020.

Current Liabilities

During the financial year 2020-21, current liabilities have increased to ₹1,69,675.57 Lakh as compared to ₹1,41,450.51 Lakh in the financial year 2019-20, mainly on account of increase in trade payables.

₹ in Lakh		
Description	31.03.2021	31.03.2020
Borrowings	10,000.00	-
Trade payables	98,102.36	81,206.69
Other financial liabilities	57,769.50	57,223.79
Other current liabilities	582.31	379.51
Provisions	2,607.87	2,469.48
Current tax liabilities (net)	613.53	171.04
Total Current Liabilities	1,69,675.57	1,41,450.51

Cash Flow Statement

₹ in Lakh		
Description	2020-21	2019-20
Opening cash and cash equivalents	5,298.96	180.60
Net cash from operating activities	25,488.42	3,748.70
Net cash from investing activities	(22,320.40)	1,563.24
Net cash flow from financing activities	7,583.86	(193.58)
Net change in cash and cash equivalents	10,751.88	5118.36

Description	2020-21	2019-20
Closing cash and cash equivalents	16,050.84	5298.96

The closing cash and cash equivalent for the financial year ended March 31, 2021, has increased to ₹16,050.84 Lakh in the current year from ₹5298.96 Lakh in the previous year.

Financial Indicators

The various performance indicators for the financial year 2020-21 as compared to financial year 2019-20 are as under: -

₹ in Lakh			
	Description	2020-21	2019-20
A	i) Capital employed	44,230.84	37,028.56
	ii) Net worth	44,230.84	37,028.56
B	i) Return on Capital Employed (EBIT/CE) (in %)	29.06	7.03
	ii) Return on net worth (PAT/NW) (in %)	20.81	4.73
C	Dividend as % of paid-up Equity Capital	98	50
D	Earning per share in ₹ (EPS) before exceptional item	45.15	8.77

The capital employed as well as net worth has increased due to increase in retained earning/transfer to reserve out of profit.

Procurement from MSEs

Your Company during the financial year 2020-21 has procured goods and services amounting to ₹5,915 Lakh out of which procurement of goods and services from Micro and Small Enterprises (MSEs) was ₹441.67 Lakh. The percentage procurement from MSEs was 7.47%.

Sexual Harassment of women at workplace.

All the employees of the Company are on secondment basis from holding company viz. NTPC. In line with the requirement of Sexual Harassment of Women at the Workplace (Prevention, Prohibition &

Redressal) Act, 2013, all the employees are regulated under the NTPC's Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace.

VIGIL MECHANISM

All the employees of your Company are posted on secondment basis from holding company viz. NTPC Limited and are governed by the policies & procedures, rules & regulations relating to Vigil Mechanism of NTPC Limited.

HUMAN RESOURCES

As on 31 March 2021, there were 35 employees posted on secondment basis from holding company viz. NTPC Limited. To achieve the ambitious growth targets, the Company has drawn professional manpower from NTPC who have rich experience in dealing with various technical, financial, and commercial issues.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describes the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may vary materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the markets in which the Company operates, changes in Government regulations & policies, tax laws and other statutes and incidental factors.

For and on behalf of the Board of Directors



**(ANIL KUMAR GAUTAM)
CHAIRMAN
DIN: 08293632**

Place: New Delhi
Date: August 24, 2021

SUNPREET SINGH & ASSOCIATES
COMPANY SECRETARIES
WZ-283/241 VISHNU GARDEN, NEW DELHI-110018
M. NO: 9971443104, Email: sunpreet.manny@gmail.com

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED March 31, 2021
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

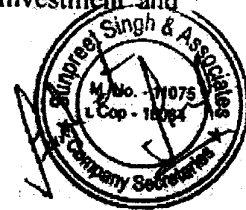
To,
The Members,
NTPC Vidyut Vyapar Nigam Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by NTPC Vidyut Vyapar Nigam Limited ("hereinafter called as the Company/ Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **Not Applicable**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not Applicable**



SUNPREET SINGH & ASSOCIATES

COMPANY SECRETARIES

WZ-283/241 VISHNU GARDEN, NEW DELHI-110018

M. NO: 9971443104, Email: sunpreet.manny@gmail.com

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') do not apply to the company and consequently the company does not have any records with respect to:

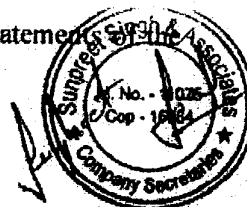
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

Compliances/processes/systems under other laws applicable to the Company are complied by the company as per the representation made by the management of the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards, as amended from time to time, issued by the Institute of Company Secretaries of India.

We report that:

- a) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.



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COMPANY SECRETARIES
WZ-283/241 VISHNU GARDEN, NEW DELHI-110018
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- d) Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- e) The compliance of the provisions of the Corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

We have checked the compliance management system of the Company, to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. We believe that the Audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

We further report that, the Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

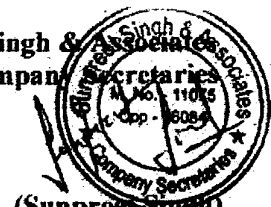
Adequate notice is given to all its directors to schedule the Board Meetings. Agenda and detailed notes on agenda are sent in advance of the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

Majority decision was carried through while the dissenting members' views were captured and recorded as part of the minutes, if any.

We further report that during the audit period, there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws.

Place: New Delhi
Date: 14-08-2021

for Sunpreet Singh & Associates
Company Secretaries



(Sunpreet Singh)
M.No. F11075
C.P. No. 16084

Firm Unique Code: S2016DE741838
UDIN: F011075C000785365

Annexure-III

BOARD OF DIRECTORS

The details of the number of meetings attended, during the current financial year, by each Director are as follows:

Name of the Director	Designation	Attendance during 2020-21
Shri Anand Kumar Gupta, (ceased w.e.f.31.07.2020)	Chairman	2 out of 2
Shri Anil Kumar Gautam	Chairman	9 out of 9
Shri Chandan Kumar Mondol (appointed w.e.f. 18.08.2020)	Director	7 out of 7
Shri Rajnish Bhagat (ceased w.e.f.30.11.2020)	Director	5 out of 5
Shri Anil Nautiyal (appointed w.e.f.06.01.2021)	Director	4 out of 4
Ms. Nandini Sarkar	Director	9 out of 9

AUDIT COMMITTEE

The details of the number of Audit committee meetings attended by each Director, during the current financial year are as follows:

Name of the Director	Designation	Attendance during 2020-21
Shri Anil Kumar Gautam	Chairman	1 out of 1
Shri Chandan Kumar Mondol (appointed w.e.f. 18.08.2020)	Chairman	4 out of 4
Shri Rajnish Bhagat (ceased w.e.f.30.11.2020)	Director	3 out of 3
Shri Anil Nautiyal (appointed w.e.f.06.01.2021)	Director	2 out of 2
Ms. Nandini Sarkar	Director	5 out of 5

CORPORATE SOCIAL RESPONSIBILITY

The details of the number of CSR committee meetings attended by each Director, during the current financial year are as follows:

Name of the Director	Designation	Attendance during 2020-21
Shri Anand Kumar Gupta, (ceased w.e.f. 31.07.2020)	Chairman	1 out of 1
Shri Anil Kumar	Director	1 out of 1

Name of the Director	Designation	Attendance during 2020-21
Gautam		
Shri Rajnish Bhagat (ceased w.e.f. 30.11.2020)	Director	1 out of 1

Note: During the financial year 2020-21, no CSR committee meeting was held after appointment of Shri Chandan Kumar Mondol, Director and Shri Anil Nautiyal, Director. Hence not included in the above details.

Nomination and Remuneration Committee.

The detail of number of the NRC meeting attended by each Director, during the current financial year is as follows:

Name of the Director	Designation	Attendance during 2020-21
Shri Chandan Kumar Mondol (appointed w.e.f.18.08.2020)	Chairman	1 out of 1
Shri Rajnish Bhagat (ceased w.e.f.30.11.2020)	Director	1 out of 1
Ms. Nandini Sarkar	Director	1 out of 1

Note: During the financial year 2020-21, no NRC meeting was held after appointment of Shri Anil Nautiyal, Director. Hence not included in the above details.

For and on behalf of the Board of Directors



(ANIL KUMAR GAUTAM)
CHAIRMAN
DIN: 08293632

Place: New Delhi
Date: August 24, 2021

- 1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

Keeping in view the size of the Company and manpower required for executing the CSR activities, your Company has adopted the CSR policy of its holding company viz. NTPC Limited and undertaking CSR activities through NTPC Limited.

NTPC Limited is executing the CSR activities for long and having a formidable set-up for executing CSR activities. The CSR Policy of NTPC Limited is formulated keeping in view the requirements of the Companies Act, 2013 and the Department of Public Enterprises. The CSR policy focused on health, sanitation, drinking water, education, capacity building, women empowerment, social infrastructure development, support to Physically Challenged Person (PCPs), and activities contributing towards environment sustainability and other subject matter described under schedule VII of the Companies Act, 2013. The CSR policy is also available on the website of the Company: www.nvvn.co.in.

- 2. The composition of the CSR Committee as on 31 March 2021.**

Sl. No.	Name of the Director	Designation	Number of meetings of CSR Committee held during the year.	Number of meetings of CSR Committee attended during the year
1	Shri Anil Kumar Gautam	Chairman	1	1
2	Shri Chandan Kumar Mondol*	Director		0
3	Shri Anil Nautiyal*	Director		0

*During the financial year 2020-21, no CSR committee meeting was held after appointment of Shri Chandan Kumar Mondol, Director and Shri Anil Nautiyal, Director.

- 3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

www.nvvn.co.in.

- 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014:**

As per sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, company having average CSR obligation of ten crore rupees or more in pursuance of sub-section (5) of section 135 of the Act, in the three immediately preceding financial years, is required to undertake impact assessment. During the financial year 2020-21, your Company is not having average CSR obligation of ten crore rupees or more, hence not applicable.

- 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
1		Nil	

6. Average net profit of the company as per section 135(5).

The average net profit of the Company as per section 135 (5) of the Companies Act, 2013, is ₹7,359.50 Lakh.

7(a). Two percent of average net profit of the Company as per section 135(5):

The Company as per the requirement of the Companies Act, 2013, is required to spend 2% of ₹ 7359.50 lakh i.e., ₹ 147.19 Lakh in the financial year 2020-21 plus spillover of ₹ 235.23 lakh from previous financial year 2019-20. Therefore, total amount to be spent is ₹ 382.42 Lakh.

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.

Nil

(c) Amount required to be set off for the financial year, if any

Nil

(d) Total CSR Obligation for the financial year (7a+7b-7c).

The total CSR Obligation for the financial year 2020-21 is ₹382.42 Lakh

8. (a) CSR amount spent or unspent for the financial year

Total Amount Spent for the Financial Year. (in Rs. Lakh)	Amount Unspent (in Rs. Lakh)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
85.44	229.00 67.98	30.04.2020 30.04.2021	Nil	Nil	Nil

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the Project.		Project Duration	Amount allocated for the project (In Lakh).	Amount spent in the current financial Year (in Rs. Lakh).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs. Lakh).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District						Name	CSR Registration number.
1	Construction of 50 bedded Senior Citizen Living Home at Nachupally Village, Kodimyal (M), Jagtial Dist. Telengana	Welfare of Society	No	Telengana	Jagtial	16 months	156.92	0.00	156.92	No	Nuway Foundation	TS/2018/0198871
2	Development of Swasthya Sahayak System to support health initiatives of GOI in one aspirational district	Healthcare	No	Madhya Pradesh	Singrauli	12 months	70.09	24.53	45.56	No	Public Health Foundation of India	CSR00001071
3	Development of Playground attached to Charilam HS School including gallery and grandstand located in Sephalijala District of Tripura.	Supports	No	Tripura.	Sephalijala	18 months	135	40.50	94.50	No	Tripura State Electricity Corporation	

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project		(6) Amount spent for the project (in Rs. Lakh).	(7) Mode of Implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing Agency.	
				State	District			Name.	CSR registration number.
1	Support to AIIMS Delhi for procurement of electrodes for Electro Chemotherapy equipment	Healthcare	Yes	Delhi	Delhi	17.92	Yes	AIIMS	
2	Distribution of ration to Migrant labourers and families	Disaster management	Yes	Delhi	Delhi	2.49	NO	Under Privileged Advancement by Youth (UPAY).	CSR00003481
TOTAL						20.41			

(d) Amount spent in Administrative Overheads

Nil

(e) Amount spent on Impact Assessment, if applicable:

Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)

₹85.44 Lakh

(g) Excess amount for set off, if any

Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in Rs. Lakh)	Amount spent in the reporting Financial Year (in Rs. Lakh).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs. Lakh)
				Name of the fund	Amount	Date of Transfer	
1	2019-20	229.00	179.08	-	-	-	235.23
2	2018-19	0.00	8.93	-	-	-	204.31
3	2017-18	0.00	170.20	-	-	-	17.64

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(Amount in Rs. Lakh)

Sl. No	Project ID	Name of the Project	Financial Year in which project was commenced	Project Duration	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year	Status of the project - Completed/Ongoing.
1	-	Construction of 50 bedded Senior Citizen Living Home at Nachupally Village, Kodimyal (M), Jagtial Dist. Telengana	2019-20	16 months	106.00	0	0	Ongoing
2	-	Development of Swasthya Sahayak System to support health initiatives of GOI in one aspirational district	2019-20	12 months	24.00	0	24.53	Ongoing
3	-	Development of Playground attached to Charilam HS School including gallery and grandstand located in Sephalijala District of Tripura.	2019-20	18 months	81.00	0	40.50	Ongoing
4	-	Support to AIIMS Delhi for procurement of electrodes for Electro Chemotherapy equipment	2019-20	18 months	17.92	0	17.92	Completed

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:

(asset-wise details)

- (a) Date of creation or acquisition of the capital asset(s). NIL
- (b) Amount of CSR spent for creation or acquisition of capital asset. NIL
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. NIL
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). NIL

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Two per cent of the average net profit is ₹ 147.19 lakh and Company has spent ₹85.44 lakh in various CSR activities. There is a spillover of ₹ 235.23 lakh from previous financial year 2019-20. Thus, total amount to be spent in 2020-21 comes to ₹382.42 lakh. The balance amount of ₹ 296.98 lakh could not be spent on CSR projects because there is delay in execution of the projects due to COVID-19 pandemic.

For and on behalf of the Board of Directors


(MOHIT BHARGAVA)
 Chief Executive Officer


(ANIL KUMAR GAUTAM)
 CHAIRMAN
 DIN: 08293632

Place: New Delhi
 Date: August 24, 2021

Category of Shareholders	No. of Shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1) + A(2)	1,99,99,300	700	2,00,00,000	100	2,99,99,300	700	3,00,00,000	100	50
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others(specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1):-	-	-	-	-	-	-	-	-	-
2. Non-institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others(specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B) (2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	1,99,99,300	700	2,00,00,000	100	2,99,99,300	700	3,00,00,000	100	50

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in the shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	NTPC Limited	1,99,99,300	100	-	2,99,99,300	100	-	50
2.	Nominee of NTPC	700	-	-	700	-	-	-

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SI No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2,00,00,000	100	2,00,00,000	100
	1,00,00,000 equity shares of ₹10 each allotted on March 18, 2021.	-	-	3,00,00,000	100
	At the End of the year	-	-	3,00,00,000	100

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, promoters, and Holders of GDRs and ADRs)

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For each of Top 10 shareholders				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment / transfer / bonus / sweat equity etc.):	-	-	-	-
	At the End of the year (or on the date of separation, if separated during the year)	-	-	-	-

(v) Shareholding of Directors and Key Managerial Personnel:

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For each of the Directors and KMP				
1.	Shri Anand Kumar Gupta, Chairman, (As Nominee of NTPC Limited) (ceased to be the Chairman and Director w.e.f. 31.07.2020)				
	At the beginning of the year	100	-	100	-
	Equity shares transferred on 28/08/2020	100	-	100	-
	At the End of the year	-	-	-	-
2.	Shri Anil Kumar Gautam, Director, (As Nominee of NTPC Limited)				
	At the beginning of the year	100	-	100	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	No change	No change	No change	No change
	At the End of the year	100	-	100	-
3.	Shri C.K. Mondol, Director, (As Nominee of NTPC Limited) (appointed as Director w.e.f. 18.08.2020)				
	At the beginning of the year	-	-	-	-
	Equity shares transferred on 28/08/2020	100	-	100	-
	At the End of the year	100	-	100	-
4.	Shri Rajnish Bhagat, Director, (As Nominee of NTPC Limited) (ceased to be Director w.e.f. 30.11.2020)				
	At the beginning of the year	100	-	100	-
	Equity shares transferred on 06.01.2021	100	-	100	-
	At the End of the year	-	-	-	-
5.	Shri Anil Nautiyal, Director, (As Nominee of NTPC Limited) (appointed as Director w.e.f. 06.01.2021)				
	At the beginning of the year	-	-	-	-
	Equity shares transferred on 06.01.2021	100	-	100	-
	At the End of the year	100	-	100	-
6.	Ms. Nandini Sarkar, Director, (As Nominee of NTPC Limited)				
	At the beginning of the year	100	-	100	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	No change	No change	No change	No change
	At the End of the year	100	-	100	-
7.	Shri Mohit Bhargava, Chief Executive Officer, (As Nominee of NTPC Limited)				
	At the beginning of the year	100	-	100	-

SI No.	Shareholding at the beginning of the year	Cumulative Shareholding / during the year	
		No. of shares	% of total shares of the company
For each of the Directors and KMP		No change	No change
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):		No change	No change
At the End of the year		100	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrue but not due for payment.

(₹ in Lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
• Addition	-	10,000	-	-
• Reduction	-	-	-	-
Net Change	-	10,000	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal amount	-	10,000	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	-	10,000	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SI No.	Particulars of Remuneration	Name of MD/WTD /Manager				Total Amount
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

B. Remuneration to other directors:

SI No.	Particulars of Remuneration	Name of Directors				Total Amount
	1. Independent Directors • Fee for attending board committee meetings • Commission • Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
	2. Other Non-Executive Directors • Fee for attending board committee meetings.	-	-	-	-	-

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
	• Commission • Others, please specify					
	Total (2)	-	-	-	-	-
	Total (B) = (1 + 2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO*	Company secretary*	CFO	Total
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	64,98,827	30,39,582	61,55,758	1,56,94,167
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	61,154	84,075	96,063	241,292
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961			-	
2.	Stock Option			-	
3.	Sweat Equity			-	
4.	Commission - as % of profit - others, specify			-	
5.	Others, please specify (Leave encashment)			-	
	Total	65,59,981	31,23,657	62,51,821	1,59,35,459

*Remuneration for the financial year 2020-21, booked to NTPC Limited, the holding company.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the companies act	Brief description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / COURT)	Appeal made, if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board of Directors


(ANIL KUMAR GAUTAM)
CHAIRMAN
DIN: 08293632

Place: New Delhi
Date: August 24, 2021

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis	
(a) Name(s) of the related party and nature of relationship	: Utility Powertech Limited (UPL), A Joint Venture Company of holding company viz. NTPC Limited
(b) Nature of contracts/arrangements/ transactions	: 1. The contract was for hiring of Executive on Full time contract basis; and 2. The contract was for hiring of skilled and non-skilled manpower for carrying out day-to-day activities of the Company
(c) Duration of the contracts/arrangements/ transactions	: 1. Contracts were for the durations of 3 years; and 2. Contracts were for the durations of 1 year
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	: 1. Total Contract value would be restricted to maximum ₹505.56 Lakh per annum; and 2. Total Contract value would be restricted to maximum ₹133.51 Lakh per annum
(e) Justification for entering into such contracts or arrangements or transactions	: Utility Powertech Limited (UPL), a Joint Venture Company of NTPC Limited, the holding Company, is providing manpower to joint ventures and subsidiaries of NTPC. Since incorporation of the Company, UPL is providing skilled and non-skilled manpower.
(f) Date(s) of approval by the Board	: January 6, 2021
(g) Amount paid as advances, if any:	: Nil
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	: Not Applicable
2. Details of material contracts or arrangement or transactions at arm's length basis	
(a) Name(s) of the related party and nature of relationship	: Not Applicable
(b) Nature of contracts/arrangements /transactions	: Not Applicable
(c) Duration of the contracts / arrangements /transactions	: Not Applicable
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	: Not Applicable
(e) Date(s) of approval by the Board, if any:	: Not Applicable
(f) Amount paid as advances, if any:	: Not Applicable

For and on behalf of the Board of Directors



(ANIL KUMAR GAUTAM)
CHAIRMAN
DIN: 08293632

Place: New Delhi
Date: August 24, 2021