एन टी पी सी लिमिटेड
(भारत सरकार का उद्यम)
NTPC Limited
(A Govt. of India Enterprise)

केन्द्रीय कार्यालय/Corporate Centre

Ref. No.: 01/FA/ISD/ Compliances 13-14 **Dated:** 25.02.2014

Manager
National Stock Exchange of India Limited
Exchange Plaza
Bandra-Kurla Complex
Bandra(E)
Mumbai-400 051

Fax No. 022-26598237/2598238/ 66418125/ 66418126

Sub.: Corporate Disclosure

Dear Sir,

In line with the Corporate Disclosure requirements, we wish to inform you that:

1. A Memorandum of Understanding has been signed amongst Bihar State Power Generation Company Limited (BSPGCL), NTPC Limited and Lakhisarai Bijlee Company Private Limited (LBCPL), a wholly-owned subsidiary of BSPGCL, on 22.02.2014 to take over LBCPL by NTPC after contributing 74% of share of investment divested by BSPGCL for setting up Lakhisarai Thermal Power Project (2X660 MW) near village Kajra, District Lakhisarai, Bihar under joint venture route.

2. Central Electricity Regulatory Commission (CERC) in exercise of powers conferred under section 178 of the Electricity Act, 2003 has issued CERC (Terms and conditions of tariff) Regulations, 2014 which shall come into force w.e.f 01.04.2014 and shall remain in force for a period of 5 years from the date of commencement. Some of the important provisions of the regulations computation are as follows:

    - Rate of return has been retained at 15.5% which will be grossed up with effective tax rate as per Regulation 25 of the said Regulations
    - Additional RoE of 0.5% subject to certain conditions
    - Rate of Depreciation as per Companies Act for the first 12 years
    - O&M charges have been increased based on past actual expenditure

- Any generation beyond 85% PLF level will qualify for incentive @ Rs0.50 per kWh

A copy of the regulations is available on the website of CERC i.e. at www.cercind.gov.in

Thanking you,

Yours faithfully,

(A.K. Rastogi)
Company Secretary &
Compliance Officer