

MOU : 2019-20

Memorandum of Understanding

between

Ministry of Power

and


NTPC Limited


MoU Targets for 2019-20

S.N.	Performance Criteria	Unit	Marks	MoU targets				
				Excellent	V Good	Good	Fair	Poor
1	Revenue from Operations (Net)	(Rs Cr)	10	12% increase over previous year	5% increase over previous year	4% increase over previous year	3% increase over previous year	2% increase over previous year
2	Operating Profit as percentage of Revenue from Operations (Net)	(%)	20	13.50	13.00	12.50	12.00	11.50
3	PAT as percentage of Average Net Worth	(%)	20	10	9.8	8.5	8.0	7.75
4	Capacity Utilization							
(a)	Power Generation ¹	(BU)	8	310	300	295	290	285
5	Production efficiency parameters							
(a)	Reduction in forced outage over previous year	(%)	3	10	5	3	2	1
6	CAPEX ² (Including CAPEX of Subsidiaries)	(Rs Cr)	8	20,000	18,000	16,000	14,000	12,000
7	Percentage of value of CAPEX contracts/ projects running/completed during the year without time/cost overrun to total value of CAPEX contracts running/completed during the year.	(%)	3	100	95	90	85	80
8	Trade Receivables (Net) as number of days of Revenue from Operations (Gross)	(No. of Days)	4	45	58	65	70	80
9	Reduction in Claims against the Company not acknowledged as debt on overall basis	(%)	4	15	12	10	8	6
10	Return (Share of profit/ loss) on Investment in Joint Ventures	(%)	4	4.5	4.0	3.5	3.0	2.5
11	Parameter with respect to Subsidiary CPSEs not signing MoU separately							
(a)	PAT/ Average Net Worth of all operating subsidiaries at the year end.	(%)	4	4.5	4.0	3.5	3.0	2.5

S.N.	Performance Criteria	Unit	Marks	MoU targets				
				Excellent	V Good	Good	Fair	Poor
12	Human Resource Management							
(a)	Achievement of HR Parameter of continuous nature as per list given at Appendix-I	(No. of Parameters)	2	6	5	4	3	2
(b)	Initiatives for women employees for work life balance as well as leadership development	(No. of Initiatives)	2	15	12	10	8	6
(c)	Capability development programs for employees to build their technical and managerial competencies for higher positions including introduction of Web learning programs	(No. of Programs)	2	6	5	4	3	2
13.	Other sector specific parameter							
(a)	Coal Production from NTPC Mines	(MMT)	3	10.4	10	9	8	7
(b)	Completion of milestone with respect to CPSE Conclave - 2018 as per Action Taken Report submitted to DPE (as per Appendix-II)	(Nos.)	3	5	4	3	2	1
	TOTAL		100					

1. Including Power Surrender, for which CPSE is paid & certified by Regional Load Dispatch Centre (RLDC)/ State Load Dispatch Centre (SLDC)
2. Instead of investment / equity infusion in subsidiaries, the actual CAPEX accounted in their books of account will be considered.


(Gurdeep Singh)
Chairman & Managing Director
NTPC Limited


(Ajay Kumar Bhalla)
Secretary to the Government of India
Ministry of Power

List of HR Parameters

(i)	Continuation of online submission of ACR/APAR in respect of all executives (E0 and above) along with compliance of prescribed timelines w.r.t writing of ACR/APAR
(ii)	Continuation of online Quarterly vigilance clearance updation for Senior executives (E5 and above)
(iii)	Regular updation of succession plan and its approval by Board of Directors
(iv)	Continues of holding of DPC without delay for executive (E0 and above level)
(v)	Implementation of recommendation of HR Audit, if any.
(vi)	Review and its implementation of employee performance on the lines of FR (56)j and submitting a compliance report to Board of Directors at the end of the year

Appendix - II

Completion of milestone with respect to CPSE Conclave - 2018

Sl.No.	Action Plan	Course of Action	Target Date
(i)	Reducing import content in Flue-Gas Desulphurization (FGD) packages of Thermal Power Plants up to 20%	Engage with vendors / manufacturers of FGD to indigenize content further and reduce imports content to 20%	31-03-2020
(ii)	Developing Advanced Ultra Super Critical (AUSC) technology indigenously (with BHEL and IGCAR)	End of phase-I of the AUSC program	30-09-2019
(iii)		Issue of NIT for 800 MW TDP at Sipat	30-09-2019
(iv)	Use of waste heat from coastal power plants to convert sea water into drinking water	Completion of project	31-10-2019
(v)	Using fly ash based 'Geopolymer Concrete' to construct Geo polymer roads (Ramagundam and Farakka)	Date of Completion	31-07-2019