

Chairman's Message on 17th AGM of NTECL

I welcome you all on the occasion of the 17th Annual General Meeting of NTPC Tamil Nadu Energy Company Ltd.

Your company has achieved commendable all round performance; operational, Financial and Environmental in past financial year 2019-20 and some of the major highlights are:

- Registering a profit before tax of Rs. 519 Crores against Rs. 149 Crores in previous year and profit after tax of Rs. 375 Crores against last year's Rs. 119 Crores, and in turn wiping out all accumulated losses.
- Generated total revenues of Rs. 4124.13 Crore against Rs. 4104.70 Crore previous year.
- VTPS achieved Highest DC of 87.85%, more than CERC Norm of 85% for full AFC recovery for first time since commercial operation with the previous best of 79.07% in FY 16-17.
- Highest ash utilisation of 121.02% against the previous best of 67.53% in FY 18-19 with utilisation of 21.11 LMT against previous best of 15.24 LMT (in FY 18-19).
- VTPS in association with NETRA has commissioned a Solar Powered Desalination Plant of 120 Tons per Day capacity.
- As an environmentally friendly measure, HFO firing in boiler has been converted to LDO fuel firing in all boilers in VTPS.

Challenges ahead:

- With receivables reaching very high, equivalent about 10 Months billing, cash flow position remains strained. However with the announcement of Atma Nirbhar Bharat Scheme, we are confident that our receivables from DISCOMs will reduce considerably in the near future.
- With regulatory authorities taking various initiatives in electricity market to make affordable power to customers, company also needs to gear up to meet the challenges. With introduction of SCED in electricity scheduling, even with highest DC, station PLF was lesser than previous year 43.07% against 58.65%.
- With further challenges as the introduction of Real Time market and Automatic Generation Control (AGC), we need to more stress for commercial operation.
- Compliance to environmental regulations is another challenging area. Company has started work in NOx control measures, and implementation of FGD system for control of Sox. All efforts are being made to comply these regulations within the stringent timelines set by regulatory authorities.

As a responsible corporate citizen, we are doing our best to ensure inclusive growth and sustainable development with special focus on the communities in our neighborhood. Company has spent 1.34 Crores in FY 2019-20, in the area of education, infrastructure development and environmental protection measures for neighboring communities.

Along with all challenges now we are also fighting a pandemic, Covid, which has created a new normal way of work and life. Company is taking all efforts to control the effect of with adoption

of new ways of working. Employees of the company need special appreciation for the efforts, because of which the company had so far no adverse effect on operations.

I take this opportunity to place on record my sincere thanks and gratitude to NTPC, TANGEDCO, our valued Customers, Auditors, Vendors, other authorities and agencies for providing unstinted support.

I convey my appreciation to my colleagues on the Board for their invaluable contribution in strengthening the Company and look forward for continued support, to take NTECL to greater heights.