

96TH ANNUAL REPORT 2014-15

Lighting up Lives!



TATA

TATA POWER

100 YEARS OF INVISIBLE GOODNESS



TATA POWER
CELEBRATING 100 YEARS OF
INVISIBLE
GOODNESS

THIS IS JUST THE BEGINNING



Construction at Khopoli Power House



Khopoli Power House now called as Old Power House



Pipelines to carry water to Power House



Old Power House under construction



Jobbera Thermal Power Station



Supa Wind Farm



Haldia Power Station

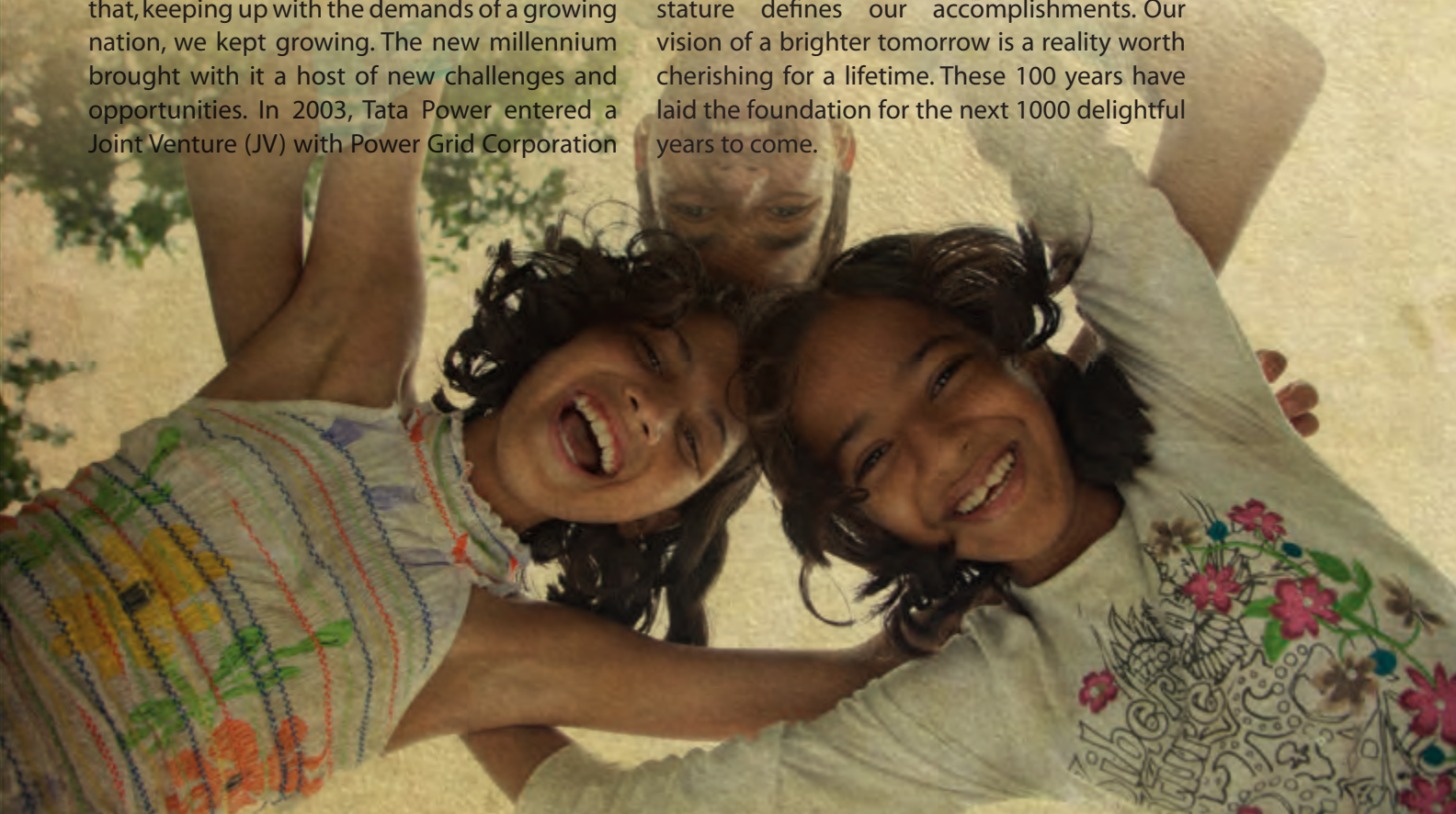
100 YEARS AGO,
OUR VISIONARIES
NURTURED A DREAM.
TODAY, WE CHERISH
A BRIGHTER REALITY.

Goodness is most powerful when it is invisible. Like a gesture of kindness from a stranger, or an act of benevolence by someone from who you least expect it. From the beginning, Tata Power has silently pursued this Invisible Goodness with an unflinching steadfastness. We have seen India rise, striding forward with it at every moment, partnering it as it grows into an emerging superpower. Quietly, humbly, as the country has grown, we have made sure that electricity, the invisible force that powers the nation, a power that can do so much good, has always been ready and available to fuel the next great endeavour that it sets its collective sights on.

This journey began in 1915, when we commissioned our first hydro-electric power stations at Khopoli and later, Bhivpuri. And post that, keeping up with the demands of a growing nation, we kept growing. The new millennium brought with it a host of new challenges and opportunities. In 2003, Tata Power entered a Joint Venture (JV) with Power Grid Corporation

of India Limited, to develop a 1200 kms long transmission line, bringing electricity from faraway Bhutan, all the way to Delhi. In 2013, Tata Power implemented the country's first 4000 MW Ultra Mega Power Project at Mundra, Gujarat, based on super critical technology. In 2014, we further reiterated our commitment towards spreading Invisible Goodness by generating energy through renewable sources when we acquired a 39.2 MW wind farm in Gujarat and commissioned a 30 MW Solar Power project in Maharashtra.

And now, we want to give the nation something more than just power and reach as many destinations and touch as many lives as possible to make a difference. Today, a century later, we stand tall across major sectors of power and energy in India and across the globe. Our stature defines our accomplishments. Our vision of a brighter tomorrow is a reality worth cherishing for a lifetime. These 100 years have laid the foundation for the next 1000 delightful years to come.



2014-15 HIGHLIGHTS

- ◆ Tata Power Group's Consolidated Revenue stood at ₹ 34,367 crore.
- ◆ The Company achieved 8,726 MW capacity mark and crossed 2 million customers (14 lakh in Delhi and 6 lakh in Mumbai) across the country, reinforcing its position as India's largest integrated player and private power producer.
- ◆ The Company generated 47,200 MUs of power from all its power plants. Generation sales stood at 44,001 MUs.
- ◆ Tata Power successfully commissioned its 2nd 28.8 MW solar farm in Palaswadi, Maharashtra.
- ◆ The Company reiterated its commitment to renewable energy generation. It completed commissioning of 32 MW Wind Project in Maharashtra.
- ◆ The Company signed Share Purchase Agreement for acquisition of 270 MW Coal based Thermal Power Project in Maharashtra.
- ◆ Tata Power's 100% subsidiary redeemed USD 450 million Fixed to Floating Rate Subordinated Notes.
- ◆ The Company issued Non-Convertible Debentures worth ₹ 1,500 crore.
- ◆ The Company entered into a Share Purchase Agreement in relation to the 120 MW Itezhi Tezhi Hydropower Project in Zambia.
- ◆ Hon'ble Ex-Prime Minister of Georgia Mr. Irakli Garibashvili blessed the event to mark Financial Closure of Tata Power's Georgia Hydro Project.
- ◆ The Company announced full commissioning of 2 units of 63 MW each of Dagachhu Hydro Power Project in Bhutan to provide clean power to India.

THE GROWTH STORY

The Company is committed to responsible growth, especially as it opens the doors to new developments, nation building and better standards of living.

INDIA

Projects under Execution

Tata Power Renewable Energy Limited (TPREL): Two wind projects of 154 MW are under construction in Gujarat and Rajasthan, of which 18 MW is already commissioned.

Industrial Energy Limited (IEL): The 202.5 MW Kalinganagar project is being executed through IEL, a JV of the Company (74%) with Tata Steel Limited (26%) for its steel plant in Kalinganagar, Odisha. The project is in advanced stages of execution.

INTERNATIONAL

Cennergi, South Africa: The Company's JV in South Africa, Cennergi Limited, achieved financial closure of 134.4 MW Amakhala Emoyeni Wind Farm and 95.17 MW Tsitsikamma Community Wind Farm in May 2013 and

June 2013 respectively. The construction of both projects is progressing on schedule.

Adjaristsqali Hydro Project, Georgia: The construction of 187 MW Shuakhevi Hydro Project in Georgia has commenced with all major contracts having been awarded. The Company achieved the financial closure for Shuakhevi Hydro Project on 19th March, 2015.

Itezhi Tezhi Hydro Power Project: The Company has acquired 50% shares held by Tata Africa Holdings (SA) (Pty) Limited (Tata Africa) in Itezhi Tezhi Power Corporation Limited during the year, which is implementing the 120 MW Itezhi Tezhi Hydro Project in Zambia. The balance 50% is held by Zambia Electricity Supply Company Limited, the national power utility of Zambia.

Potential Future Growth Areas

INDIA

1600 MW Coastal Maharashtra, Dehrand: During the year, the Company has successfully completed acquisition and possession of private land for the project. All statutory approvals required to start the project are in place. Clearance by Government of Maharashtra for transfer of Government land to Maharashtra Industrial Development Corporation for Tata Power is in final stages.

380 MW Dugar Hydroelectric JV Project: The site investigations and development of the Detailed Project

Report are under progress through its SPV, Dugar Hydro Power Limited.

1980 MW Tiruldih Power Project: The Company has acquired around 40% of the required land. Water allocation for the project has been obtained. Environment Clearance (EC) is being discussed at the level of EAC (Expert Appraisal Committee) in the MoEF. Post deallocation of Tubed coal block, further action on EC is contingent on obtaining a firm coal linkage for the project.

Odisha Project: Naraj Marthapur was originally envisaged as an end-use plant for Mandakini coal block. Due to the proximity to the wild life sanctuary, the Company is exploring all options including an alternate site for location of the thermal power project and associated coal linkage.

Tata Power Renewable Energy Limited: The Company is developing over 200 MW of wind power projects in India. It has acquired land in the state of Gujarat and in Rajasthan for future solar based projects.

Ideal Energy Projects Limited (IEPL): The Company signed a Share Purchase Agreement with IEPL, promoted by IRB group, for acquisition of 100% of shares in the 270 MW power project located near Nagpur, Maharashtra. Currently, both sides are working towards completing the conditions precedent to the transaction.



Cennerji, South Africa Project



Itezhi Tezhi Hydro Power Project



Adjaristsqali Hydro Project, Georgia
Financial Closure



Trombay Thermal Power Station



Mithapur Solar Project



Samana Wind Farm

100 YEARS OF LEADERSHIP WITH CARE

Tata Power's Sustainability model encompassing *Care for Environment, Care for Community, Care for Customers, and Care for People*, (i.e. employees, shareholders, suppliers and partners) aims at strengthening structures and processes for environmental performance, stronger engagement with community, customers and employees, by using enablers like new technology, benchmarking and going beyond compliance in key operational parameters.

In its Centenary year, Tata Power has reinforced its commitment towards this strategic pillar through various initiatives.

Care for Environment

Care for the Environment addresses various aspects of resource conservation, energy efficiency, carbon footprint, renewable power generation, bio-diversity and green buildings.

In its Centenary year, Tata Power committed to develop 450 MW of clean power through hydel (same as its current existing capacity of 450 MW of Hydros at Maharashtra), as its contribution to facilitate clean power for India. The Company also plans to exponentially expand its unique programme on energy, resource, civic and moral values conservation, **Club Enerji**. It is spearheaded by school children and focuses on a larger objective of nation building by creating responsible citizens. This will be facilitated through mass awareness drives/rallies and unique initiatives conducted by these school children.



The Company also launched '**Act for Mahseer**', a sustainable programme focused at conservation of the Mahseer, an endangered species of fish. It is a call to action public campaign aimed at spreading awareness about the mighty Mahseer to help preserve this valuable fish species in a big way, at the national level.

Care for Customers

One of the Company's missions is to earn the affection of consumers by delivering superior experience and value, thereby making them our ambassadors. It believes that customers come first and it ensures service excellence with uninterrupted, reliable and quality power with cutting edge technology. Tata Power focuses on building relationships with all its customers. All the efforts are aligned towards:

- ◆ Customers and the culture of exceeding their expectations
- ◆ Understanding and managing people who impact the culture of our organisation
- ◆ Customers being recognised and treated as family
- ◆ Increasing value perception on relationship building
- ◆ Service being seen as a value-adding activity
- ◆ Reward and recognition being based on customer focus and sustainability i.e., 'going the extra mile'
- ◆ Improving technological support for services
- ◆ Ensuring safety through Technological Interventions
- ◆ Listening and learning by being adopters of various communication channels

This Centenary year, a bouquet of innovative and unique initiatives have been lined up to delight Tata Power customers, such as launch of the first ever free mobile application for customer convenience in electricity distribution and a special reward scheme to honour loyalty.





The Company has also launched its 'Be Green' initiative under the aegis of **Greenolution** to unify consumers in the green movement. The initiative will also motivate them to associate with and contribute to ensuring a greener and sustainable planet in a more integrated fashion. The key programs that will run under Be Green are Demand Side Management (DSM) programs, carbon footprint mapping, e-billing and other e-initiatives, electronic payment modes like ECS, sapling distribution, energy conservation awards, energy conservation and efficiency initiatives and all future initiatives planned with respect to sustainability.

Care for Communities

Tata Power firmly believes in making a positive impact on the community in whose vicinity its power plants operate. The Company has identified five thrust areas that can help it focus its community relations efforts, that have also been aligned to the national and global frameworks on Community Development. They are, augmenting Rural Primary Education System with focus on girl child, building and strengthening Health & Sanitation facilities, enhancing programmes on Livelihood & Employability, building Social Capital & Infrastructure and nurturing Sustainability for Inclusive Growth.

In FY15, Tata Power Group companies reached out to more than 250 villages/urban pockets across 7 states and its Licensed Area of Delhi. The year saw Tata Power ramp-up CSR capabilities and operations across all locations by bringing robustness to systems and processes to ensure effective programs which deliver long-term impact and change to the community. **Key highlights of programs in FY15 are as follows:**

- ◆ Reached out to **half a million beneficiaries** through initiatives in Education, Health, Livelihood, Social Capital & Nurturing Sustainability
- ◆ Reached out to **more than 260 schools** covering **more than 83,000 school students** through various Educational initiatives
- ◆ **96 villages** covered under Vocational Training and Employability programme covering approximately - 1000 youth with an average income between ₹ 5000-8000
- ◆ More than **110 villages** reached through water and energy solutions
- ◆ More than **50 villages** installed with Solar Street Lights across locations

During Centenary year and in line with its nationalistic spirit, the Company also dedicated the **Tata Power Skill Development Institute** (TPSDI) meant for empowerment of the Indian workforce. TPSDI will be targeting to skill more than 5000 trainees in the next 3 years and more than 60,000 by 2022.

Care for People

Safety at the Core

Safety has been a core value and always the top-most priority in Tata Power. Tata Power has a structured Safety organisation for monitoring, implementing, and taking corrective actions for safety improvements.

There were approximately 12,500 direct and contract workers at various locations of Tata Power Group. The Company is committed to developing a culture that supports Human Rights and has instituted a Policy on the same.

The Company organises special safety awareness programmes in the vicinity of High Tension lines in Mumbai, under its Jan Jagruti Abhiyaan initiative. Over 38,000 people were sensitised in various sessions throughout the year.



FINANCIAL HIGHLIGHTS

CONSOLIDATED

- ◆ Tata Power Group's FY15 Revenue stood at ₹ 34,367 crore as compared to ₹ 35,873 crore last year. This is mainly due to lower realisation in Coal Companies and lower revenue from Trombay Units, which were under restoration.
- ◆ PAT was up at ₹ 168 crore as compared to a loss of ₹ (260) crore in the previous year, mainly on account of improved operational performance of Coastal Gujrat Power Limited and Maithon Power Limited, lower depreciation and favourable impact of forex in VAT settlement in coal companies.

STANDALONE

- ◆ For the Financial Year ended March 31, 2015, Revenue stood at ₹ 8,678 crore as compared to ₹ 8,676 crore last year.
- ◆ PAT up by 6% to ₹ 1,010 crore as against ₹ 954 crore in the corresponding period last year. This was mainly due to higher dividend income and interest.

Strong Operational Performance Driving Financials



KEY SUBSIDIARIES

- ◆ **Coastal Gujarat Power Limited (CGPL):** Revenue for the Financial Year (FY15) stood at ₹ 5,982.23 crore up by 6% and Loss After Tax at ₹ (898.08) crore decreased by 40%.
- ◆ **Maithon Power Limited (MPL):** The 74:26 Joint Venture Company between Tata Power and Damodar Valley Corporation reported Revenue of ₹ 2,317.71 crore down by 1% and PAT at ₹ 210.51 crore up by 104% for FY15.
- ◆ **Industrial Energy Limited (IEL):** The Company reported Revenue at ₹ 516.70 crore up by 8% and PAT at ₹ 11.86 crore down by 87% for FY15.
- ◆ **Tata Power Renewable Energy Limited (TPREL):** Revenue for FY15 stood at ₹ 148.62 crore up by 66% and PAT at ₹ 6.31 crore up by 43%.
- ◆ **Tata Power Delhi Distribution Limited (TPDDL):** The Company's distribution subsidiary and Joint-Venture with Delhi Government, posted Revenue of ₹ 6,528.71 crore up 9% and PAT at ₹ 335.99 crore up by 1% for FY15.
- ◆ **Powerlinks Transmission Limited (Powerlinks):** Powerlinks, the first public-private Joint Venture in power transmission in India, reported FY15 Revenue at ₹ 241.91 crore down by 5% and PAT at ₹ 112.11 crore down by 1% as compared to the corresponding period last year.
- ◆ **Tata Power Trading Company Limited (TPTCL):** TPTCL traded a total of 10, 572 MU in FY15 as compared to 11,488 MU in the previous year. Revenue for FY15 was ₹ 4,181.21 crore up 1% and PAT was ₹ 29.13 crore down by 26% over last year.



Vocational Training



Distribution of Tata Swach



Vocational Training



Enabling Education Facilities

100 YEARS OF TRIUMPH

With motivation comes effort and with dedication comes recognition. We honour every effort that goes into making us who we are today.

- ◆ Tata Power named as “**2015 - world’s most ethical company**” by the Ethisphere Institute for the second year in succession.
- ◆ Tata Power **won five prestigious awards** at the 54th Association of Business Communicators Awards Nite 2015 (February 27, 2015).
- ◆ **Agni V, DRDO missile was launched** at 8.10 am on 31st January, 2015 from SED Launcher and reached the target of 5000 kms successfully.
- ◆ Tata Power was honoured with the “**CBIP Award, for Outstanding Performance in the Power Sector**” and ‘**Power Persona of the Year**’ respectively, at the Central Board of Irrigation and Power (CBIP) Awards, 2015.
- ◆ The Company was awarded **ISO 31000:2009 Statement of Compliance for Enterprise Risk Management System** from British Standards Institution (BSI) [28th November, 2014]. Tata Power is the first Company from amongst the Tata Group to receive this Statement of Compliance for ISO 31000:2009 for its Enterprise Risk Management System, and probably second in the country.
- ◆ Trombay Thermal Power Station **honoured in three prominent categories for the second consecutive time** at the 15th CII National Award for Energy Management 2014. These categories include “**Excellent Energy Efficient Unit**”, “**Best Innovative Project**” and “**Most Useful Presentation**”.
- ◆ Tata Power - DSM Cell received the **Innovative Energy Saving Service Award** at the 15th National Award for Excellence in Energy Management 2014 by CII.
- ◆ Tata Power’s Jojobera Quality Control team wins **Gold Award at Chapter Convention Quality Circle, 2014** by Quality Circle Forum India, Durgapur (QCFI). The case study presented by the Company at the convention has helped in reducing the water used in the ash plant area.
- ◆ The Company has been conferred the National Award for **Excellence in Corporate Governance** for 2013 by The Institute of Company Secretaries of India. An award was also conferred on Mr. H. M. Mistry as **Company Secretary of the winning Company**.
- ◆ Tata Power Delhi Distribution Limited (TPDDL) recently won **the ‘Innovation for India Awards 2014’** for developing Tamper Evident and Defraud Electricity Meter (April 2014).



CORPORATE INFORMATION

(As on 19th May 2015)

BOARD OF DIRECTORS

Mr. Cyrus P. Mistry, Chairman
Mr. R. Gopalakrishnan
Dr. Homiar S. Vachha
Mr. Nawshir H. Mirza
Mr. Deepak M. Satwalekar
Mr. Piyush G. Mankad, IAS (Retd.)
Mr. Ashok K. Basu, IAS (Retd.)
Ms. Vishakha V. Mulye
Mr. Vijay Kumar Sharma, LIC Nominee
Mr. Anil Sardana, CEO & Managing Director
Mr. Ashok S. Sethi, COO & Executive Director

CHIEF FINANCIAL OFFICER

Mr. Ramesh N. Subramanyam

COMPANY SECRETARY

Mr. Hanoz M. Mistry

SHARE REGISTRARS

TSR Darashaw Limited
6-10, Haji Moosa Patrawala Industrial Estate
20, Dr. E. Moses Road
Mahalaxmi, Mumbai 400 011
Tel: 022 6656 8484 Fax: 022 6656 8494
E-mail: csq-unit@tsrdarashaw.com
Website: www.tsrdarashaw.com

STATUTORY AUDITORS

Deloitte Haskins & Sells LLP

SOLICITORS

Mulla & Mulla & Craigie Blunt & Caroe

BANKERS

Axis Bank Limited
Bank of America
Citibank N.A.
Deutsche Bank AG
HDFC Bank Limited
ICICI Bank Limited
IDBI Bank Limited
IndusInd Bank Limited
Kotak Mahindra Bank Limited
Standard Chartered Bank Limited
State Bank of India
The Hongkong and Shanghai Banking Corporation Limited

REGISTERED OFFICE

Bombay House
24, Homi Mody Street
Mumbai 400 001
Tel: 022 6665 8282 Fax: 022 6665 8801
E-mail: tatapower@tatapower.com
Website: www.tatapower.com

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Corporate Centre
34, Sant Tukaram Road
Carnac Bunder
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Tel: 022 6717 1000
E-mail: tatapower@tatapower.com

CORPORATE IDENTITY NUMBER

L28920MH1919PLC000567



**SAVE TREES,
SAVE THE EARTH**

**SUPPORT
'GREEN INITIATIVE'**

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Please register your consent for this purpose on
investorcomplaints@tatapower.com/
tatapower@tatapower.com

This Annual Report can be viewed under the 'Investor Relations' section on the Company's website
www.tatapower.com

As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to kindly bring their copies to the meeting.

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Annual General Meeting

Date : Wednesday, 5th August 2015
Time : 3 p.m.
Venue : Birla Matushri Sabhagar,
Sir Vithaldas Thackersey Marg,
19, New Marine Lines, Mumbai 400 020.

NOTICE

The NINETY-SIXTH ANNUAL GENERAL MEETING of THE TATA POWER COMPANY LIMITED will be held on Wednesday, the 5th day of August 2015 at 3.00 p.m. at Birla Matushri Sabhagar, Sir Vithaldas Thackersey Marg, 19, New Marine Lines, Mumbai 400 020, to transact the following business:-

1. To receive, consider and adopt the Audited Financial Statements for the year ended 31st March 2015 together with the Reports of the Board of Directors and the Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements for the year ended 31st March 2015 together with the Report of the Auditors thereon.
3. To declare a dividend for the financial year 2014-15 on Equity Shares.
4. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-
 "RESOLVED that Mr. R. Gopalakrishnan (DIN: 00027858), who retires as Director pursuant to the provisions of Section 152 of the Companies Act, 2013, be and is hereby re-appointed as a Director of the Company to hold office upto 24th December 2015."
5. **Ratification of appointment of Statutory Auditors and fixing their remuneration**
 To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-
 "RESOLVED that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Rules made thereunder, as amended from time to time, the appointment of Deloitte Haskins & Sells LLP, Chartered Accountants (ICAI Firm Registration No. 117366W/W-100018) as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Ninety-Seventh AGM of the Company to be held in the year 2016 to examine and audit the accounts of the Company at Mumbai and the Divisions for the financial year 2015-16, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors, be and is hereby ratified."
6. **Appointment of Mr. Vijay Kumar Sharma as Director**
 To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-
 "RESOLVED that Mr. Vijay Kumar Sharma (DIN: 02449088), who was appointed as an Additional Director of the Company with effect from 19th May 2015 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (the Act) but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed a Director of the Company."
7. **Private placement of Non-Convertible Debentures**
 To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:-
 "RESOLVED that pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Rules made thereunder, as amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) for making offer(s) or invitation(s) to subscribe to Non-Convertible Debentures on private placement basis, in one or more tranches such that the total amount does not exceed ₹ 4,000 crore during a period of one year from the date of passing of this Resolution and that the said borrowing is within the overall borrowing limits of the Company.
 RESOLVED FURTHER that the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."
8. **Appointment of Branch Auditors**
 To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-
 "RESOLVED that pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013 (the Act) (including any statutory modification or re-enactment thereof for the time being in force) and the Rules made thereunder, as amended from time to time, the Board of Directors be and is hereby authorised to appoint as Branch Auditor(s) of any Branch Office of the Company, whether existing or which may be opened/acquired hereafter, outside India, in consultation with the Company's Auditors, any persons, qualified to act as Branch Auditors within the provisions of Section 143(8) of the Act and to fix their remuneration."

9. **Ratification of Cost Auditors' Remuneration**

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-

"RESOLVED that pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Rules made thereunder, as amended from time to time, the Company hereby ratifies the remuneration of ₹ 6,50,000 plus Service tax, travel and actual out-of-pocket expenses payable to M/s. Sanjay Gupta and Associates, who are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the Financial Year 2015-16."

10. **Increase in limits of investments in other bodies corporate**

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:-

"RESOLVED that pursuant to Section 186 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) (including any statutory modification or re-enactment thereof for the time being in force) and the Rules made thereunder, as amended from time to time, consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to invest/acquire the securities of any body corporate by way of subscription/purchase or otherwise, upto a sum of ₹ 2,000 crore, notwithstanding that the aggregate of the investments so far made or to be made exceed the limits/will exceed the limits laid down by the Act.

RESOLVED FURTHER that the Board be and is hereby authorised to take from time to time all decisions and steps necessary, expedient or proper, in respect of the above mentioned investment(s) (collectively 'transactions') including the timing, the amount and other terms and conditions of such transactions and also to take all other decisions including varying any of them, through transfer or sale, divestment or otherwise, either in part or in full, as it may, in its absolute discretion, deem appropriate, subject to the specified limits for effecting the aforesaid transaction."

NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), in regard to the business as set out in Item Nos.5 to 10 above and the relevant details of the Directors seeking re-appointment/appointment under Item Nos.4 and 6 above as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges, are annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued on behalf of the nominating organisation.

Members are requested to note that a person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. Corporate Members intending to send their authorised representatives to attend the Annual General Meeting (AGM) are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. **The Register of Members and the Transfer Books of the Company will remain closed from 22nd July 2015 to 5th August 2015, both days inclusive.** If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend will be made on or after 7th August 2015 as under :
 - i) To all Beneficial Owners in respect of shares held in electronic form as per the data as may be made available by National Securities Depository Limited and Central Depository Services (India) Limited (both collectively referred to as 'Depositories') as of the close of business hours on 21st July 2015;
 - ii) To all Members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 21st July 2015.
6. Members are requested to notify immediately any change in their addresses and/or the Bank Mandate details to the Company's Registrars and Share Transfer Agents, TSR Darashaw Limited (TSRD) for shares held in physical form and to their respective Depository Participants (DP) for shares held in electronic form.

7. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/deletion in such bank details. Further, instructions, if any, already given by them in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form. Members may, therefore, give instructions regarding bank accounts in which they wish to receive dividend to their DPs.
8. Pursuant to Section 205 of the Companies Act, 1956, all unclaimed/unpaid dividends upto the financial year ended 31st March 1995 have been transferred to the General Revenue Account of the Central Government. Members, who have not yet encashed their dividend warrants for the said period, are requested to forward their claims in the prescribed Form No. II to the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 to -

Office of the Registrar of Companies
Central Government Office Bldg., 'A' Wing, 2nd floor
Next to Reserve Bank of India
CBD Belapur – 400 614.

Consequent upon the amendment of Section 205A of the Companies Act, 1956 and the introduction of Section 205C by the Companies (Amendment) Act, 1999, the amount of dividends for the subsequent years from the financial year ended 31st March 1996 to the financial year ended 31st March 2007, remaining unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company were transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India and no payments shall be made in respect of any such claims by the IEPF.

Members who have not yet encashed their dividend warrant(s) for the financial year ended 31st March 2008 onwards, are requested to make their claims to the Company accordingly, without any delay.

9. Members holding shares in physical form and who have not registered their e-mail IDs are requested to register the same with TSRD.
10. The Notice of the AGM alongwith the Annual Report 2014-15 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
11. To support the "Green Initiative", Members who have not registered their e-mail addresses are requested to register the same with TSRD/Depositories.
12. Process and manner for Members opting for e-voting are as under:-
 - I. In compliance with provisions of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide Members facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL). In order to enable its Members, who do not have the access to e-voting facility to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, the Company is enclosing a Ballot Form with the Notice. Instructions for Ballot Form are given at the back of the said form and instructions for e-voting are given hereinbelow. Resolution(s) passed by Members through Ballot Forms or e-voting is / are deemed to have been passed as if they have been passed at the AGM.
 - II. Members are provided with the facility for voting either through electronic voting system or ballot or polling paper at the AGM and Members attending the meeting who have not already cast their vote by remote e-voting or by ballot form are eligible to exercise their right to vote at the meeting.
 - III. Members who have cast their vote by remote e-voting or by ballot form prior to the AGM are also eligible to attend the meeting but shall not be entitled to cast their vote again.
 - IV. Members can opt for only one mode of voting, i.e., either by Ballot Form or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot Form shall be treated as invalid.
 - V. In case a Member is desirous of obtaining a duplicate Ballot Form, he may send an e-mail to investorcomplaints@tatapower.com by mentioning his Folio No. / DP ID No. and Client ID No. However, the duly completed Ballot Form should reach the Scrutinizer, Mr. P. N. Parikh or Ms. Jigyasa Ved of M/s. Parikh & Associates at Bombay House, 24, Homi Mody Street, Mumbai 400 001 not later than 31st July 2015 (5:00 p.m. IST). Ballot Form received after this date will be treated as invalid.

- VI. The remote e-voting period commences on 31st July 2015 (9:00 a.m. IST) and ends on 4th August 2015 (5:00 p.m. IST). Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 29th July 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- VII. The process and manner for remote e-voting are as under:
- A. In case a Member receives an e-mail from NSDL [for Members whose e-mail IDs are registered with the Company/Depository Participant(s)] :
- (i) Open e-mail and open PDF file viz.: "Tata Power e-voting.pdf" with your Client ID No. or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
 - (iii) Click on Shareholder - Login
 - (iv) Select "EVEN" of "The Tata Power Company Limited", which is 101933.
 - (v) If you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password/PIN for casting your vote.
 - (vi) If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
 - (vii) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) On the voting page, you may cast your vote by selecting an appropriate option "For" or "Against" and click "SUBMIT". A confirmation box will be displayed. Click "OK" to confirm or "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. Upon confirmation, the message "Vote Cast Successfully" will be displayed.
 - (xiii) You can similarly vote in respect of all other resolutions forming part of the Notice of the AGM. During the voting period, Members can login any number of times till they have voted on all the Resolutions.
 - (xiv) If you wish to log out after voting on a few resolutions and continue voting for the balance resolutions later, you may click on "RESET" for those resolutions for which you have not yet cast the vote.
 - (xv) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail to cs@parikhassociates.com with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for Members whose e-mail IDs are not registered with the Company/DP(s) or requesting physical copy] :
- (i) Initial password is provided in the enclosed ballot form:
EVEN (101933), USER ID PASSWORD/PIN
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VIII. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on Toll Free No.: 1800-222-990.
- IX. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- X. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 29th July 2015.

- XI. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. 29th July 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or the Company/TSRD.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following Toll Free No.: 1800-222-990.

- XII. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting, voting through ballot form, as well as voting at the meeting.
- XIII. If a Member is desirous of obtaining a duplicate Ballot Form, or desires to vote in physical form, he may request for the same by mentioning his Folio No. / DP ID - Client ID No. However, the duly completed Ballot Forms should reach the Scrutinizer not later than Friday, 31st July 2015 (5.00 p.m. IST). Ballot Forms received after this date will be treated as invalid.
- XIV. Mr. P. N. Parikh (FCS 327) or failing him Ms. Jigyasa Ved (FCS 6488) of Parikh and Associates, Company Secretaries have been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the voting and remote e-voting process including the ballot form received from the Members who do not have access to the e-voting process, in a fair and transparent manner.
- XV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of "remote e-voting" or "Ballot Paper" or "Polling Paper" for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XVI. The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast at the meeting and, thereafter, unblock the votes cast through remote e-voting and also count the votes received by post through Ballot Forms, in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days from the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVII. The Results declared, alongwith the Scrutinizer's Report, shall be placed on the Company's website viz. www.tatapower.com and on the website of NSDL immediately after the declaration of the result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's Equity Shares are listed viz. BSE Limited and National Stock Exchange of India Limited.
- XVIII. In case of grievances connected with facility for voting by electronic means, Members are requested to contact Mr. Amit Vishal, Senior Manager at amitv@nsdl.co.in or evoting@nsdl.co.in or on 022 2499 4360. Members may also write to him at NSDL, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013.

13. Updation of Members' Details:

The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act, requires the Company/ Share Registrars and Transfer Agents to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividend, etc. A form for capturing the additional details is appended at the end of this Annual Report. Members holding shares in physical form are requested to submit the filled in form to the Company or its Share Registrars and Transfer Agents. Members holding shares in electronic form are requested to submit the details to their respective DPs.

By Order of the Board of Directors,
H. M. Mistry
Company Secretary

Mumbai, 19th May 2015

Registered Office:

Bombay House,
24, Homi Mody Street,
Mumbai 400 001.

CIN: L28920MH1919PLC000567

Tel: 91 22 6665 8282 Fax: 91 22 6665 8801

E-mail: tatapower@tatapower.com Website: www.tatapower.com

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos.5 to 10 of the accompanying Notice dated 19th May 2015:

Item No.5: This explanatory statement is provided though strictly not required as per Section 102 of the Act.

Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No. 117366W/W-100018) were appointed as the statutory auditors of the Company for a period of three years at the Annual General Meeting (AGM) of the Company held on 13th August 2014.

As per provisions of Section 139(1) of the Act, their appointment for the above tenure is subject to ratification by Members at every AGM.

Accordingly, ratification of the Members is being sought for the proposal contained in the Resolution set out at Item No.5 of the accompanying Notice.

The Board commends the Resolution at Item No.5 of the accompanying Notice for ratification by the Member of the Company .

None of the Directors or Key Managerial Personnel (KMP) or their respective relatives are concerned or interested in the Resolution at Item No.5 of the accompanying Notice.

Item No.6: Mr. Thomas Mathew T., Life Insurance Corporation of India's (LIC) Nominee on the Board of your Company, submitted his resignation as Director, which was effective 30th April 2015. In his place, LIC nominated their Managing Director, Mr. Vijay Kumar Sharma, to represent LIC as Nominee Director on the Board of the Company. He was appointed as an Additional Director of the Company with effect from 19th May 2015 by the Board of Directors under Section 161 of the Act and Article 132 of the Company's Articles of Association. In terms of Section 161(1) of the Act, Mr. Sharma holds office only upto the date of the forthcoming Annual General Meeting of the Company but is eligible for appointment as a Director. A notice under Section 160(1) of the Act has been received from a Member signifying its intention to propose Mr. Sharma's appointment as a Director.

Mr. Sharma, aged 56 years, holds a post graduate degree in Science. He joined LIC in September 1981. He is of the rank of Executive Director of LIC since 2007. He took charge of LIC Housing Finance Limited, as Director & Chief Executive in December 2010 and was elevated to the post of Managing Director and CEO in March 2013. He was appointed Managing Director of LIC on 1st November 2013.

The Board commends the Resolution at Item No.6 of the accompanying Notice for approval by the Members of the Company.

Other than Mr. Sharma, none of the Directors or KMP of the Company or their respective relatives are concerned or interested in the Resolution at Item No.6 of the accompanying Notice.

Mr. Sharma is not related to any other Director of the Company.

Item No.7: As per Section 42 of the Act, read with the Rules framed thereunder, a company offering or making an invitation to subscribe to Non-Convertible Debentures (NCDs) on a private placement basis, is required to obtain the prior approval of the Members by way of a Special Resolution. Such an approval can be obtained once a year for all the offers and invitations made for such NCDs during the year.

The total borrowings of the Company as on 31st March 2015 are approx. ₹ 12,400 crore. The Company has a funding gap of ₹ 2,500 crore in FY 2016 and FY 2017 and refinancing of its high-cost rupee loans to the extent of ₹ 1,500 crore.

Among the various options for raising such funds, the Company may need to raise funds by way of debentures of upto ₹ 4,000 crore to meet its funding gap for FY 2016 and FY 2017.

The approval of the Members is being sought by way of a Special Resolution under Sections 42 and 71 of the Act read with the Rules made thereunder, to enable the Company to offer or invite subscriptions of NCDs on a private placement basis, in one or more tranches, during the period of one year from the date of passing of the Resolution at Item No.7, within the overall borrowing limits of the Company, as approved by the Members from time to time.

The Board commends the Resolution at Item No.7 of the accompanying Notice for approval by the Members of the Company.

None of the Directors or KMP of the Company or their respective relatives are concerned or interested in the Resolution at Item No.7 of the accompanying Notice.

Item No.8: As Members are aware, the Company is undertaking several projects/contracts in India as well as outside India mainly for the erection, operation and maintenance of power generation and distribution facilities. To enable the Directors to appoint Branch Auditors for the purpose of auditing the accounts of the Company's Branch Offices outside India (whether now existing or as may be established), the necessary authorisation of the Members is being obtained in accordance with the provisions of Section 143 of the Act, in terms of the Resolution at Item No.8 of the accompanying Notice.

The Board commends the Resolution at Item No.8 of the accompanying Notice for approval by the Members of the Company.

None of the Directors and KMP of the Company or their respective relatives are concerned or interested in the Resolution at Item No.8 of the accompanying Notice.

Item No.9: Pursuant to Section 148 of the Act, the Company is required to have the audit of its cost records conducted by a cost accountant in practice. On the recommendation of the Audit Committee of Directors, the Board of Directors has approved the re-appointment of M/s. Sanjay Gupta & Associates (SGA) as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company for the Financial Year 2015-16, at a remuneration of ₹ 6,50,000 plus Service tax, travel and actual out-of-pocket expenses.

SGA have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company. They have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company for the previous year under the provisions of the Act.

The Board commends the Resolution at Item No.9 of the accompanying Notice for ratification of the Cost Auditors' remuneration by the Members of the Company.

None of the Directors or KMP of the Company or their respective relatives are concerned or interested in the Resolution at Item No.9 of the accompanying Notice.

Item No.10: The Company being engaged in the business of providing infrastructural facilities, the loans made, guarantees given or security provided by it are exempt from the provisions of Section 186 of the Act. However, as per Section 186 of the Act read with the Rules framed thereunder, the Company is required to obtain the prior approval of the Members by way of a Special Resolution for acquisition by way of subscription, purchase or otherwise, the securities of any other body corporate exceeding 60% of its paid-up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium, whichever is more.

Based on its financials as on 31st March 2015, 60% of the paid-up share capital plus free reserves including securities premium is approx. ₹ 8,200 crore and 100% of free reserves including securities premium is approx. ₹ 13,500 crore. As such, any investments in securities in excess of ₹ 13,500 crore would require a Special Resolution of the Members in its general meeting.

As on 31st March 2015, the Company had investment in securities of other companies amounting to ₹ 12,898 crore.

The Company has growth plans in generation in thermal, hydro, renewables; transmission for inter-connecting Company's own Generation and/or Distribution assets; electricity distribution; EPC and O&M business; defence solutions and related system engineering; fuel securitization and intends to pursue greenfield, brownfield and operating assets both in India and abroad. The Company, therefore, proposes additional equity and equivalent investment in instruments of upto ₹ 2,000 crore for these new projects/assets.

Further approval of the Members is being sought by way of a Special Resolution under Section 186 of the Act read with the Rules made thereunder, to enable the Company to acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding 60% of its paid-up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium, whichever is more.

The Board commends the Resolution at Item No.10 of the accompanying Notice for approval by the Members of the Company.

None of the Directors or KMP of the Company or their respective relatives is concerned or interested in the Resolution at Item No.10 of the accompanying Notice.

By Order of the Board of Directors,
H. M. Mistry
Company Secretary

Mumbai, 19th May 2015

Registered Office:

Bombay House,
24, Homi Mody Street,
Mumbai 400 001.

CIN: L28920MH1919PLC000567

Tel: 91 22 6665 8282 Fax: 91 22 6665 8801

E-mail: tatapower@tatapower.com Website: www.tatapower.com

**Details of the Director seeking re-appointment/appointment at the forthcoming Annual General Meeting
(In pursuance of Clause 49 of the Listing Agreement)**

Name of Director	Mr. R. Gopalakrishnan	Mr. Vijay Kumar Sharma
Date of Birth	25 th December 1945	19 th December 1958
Date of Appointment	15 th January 1999	19 th May 2015
Expertise in specific functional areas	Mr. Gopalakrishnan is a Director of Tata Sons Ltd., Chairman of Rallis India Ltd., Vice-Chairman of Tata Chemicals Ltd. and a Director of several other companies like Akzo Nobel India Ltd., Castrol India Ltd. etc. Prior to joining Tatas in 1998, he served with Levers for 31 years, where he rose from being a Management Trainee to being Vice-Chairman of Hindustan Lever Ltd.	Mr. Sharma is of the rank of Executive Director of Life Insurance Corporation of India (LIC) since 2007. He took charge of LIC Housing Finance Ltd., as Director & Chief Executive in December 2010 and was elevated to the post of Managing Director and CEO in March 2013. He was appointed Managing Director of LIC on 1 st November 2013.
Qualifications	Graduate in Physics from Calcutta University and in Engineering from IIT, Kharagpur	Post Graduate in Science
Directorships held in other companies (excluding foreign companies)	Tata Sons Ltd. Tata Chemicals Ltd. Rallis India Ltd. Akzo Nobel India Ltd. Castrol India Ltd. Tata Autocomp Systems Ltd. Tata Technologies Ltd. Advinus Therapeutics Ltd. Metahelix Life Sciences Ltd. ABP Pvt. Ltd.	Life Insurance Corporation of India Infrastructure Leasing & Financial Services Ltd. LIC Pension Fund Ltd. ACC Ltd. ICICI Bank Ltd.
Committee position held in other companies	<u>Audit Committee</u> <i>Chairman</i> ABP Pvt. Ltd. <i>Member</i> Tata Chemicals Ltd. Akzo Nobel India Ltd. Castrol India Ltd.	Nil
No. of shares held:		
(a) Own	Nil	Nil
(b) For other persons on a beneficial basis	Nil	Nil

BOARD'S REPORT

To The Members,

The Directors are pleased to present the Ninety-Sixth Annual Report on the business and operations of your Company and the Statements of Account for the year ended 31st March 2015.

1. Financial Results

Figures in ₹ crore

	Standalone		Consolidated	
	FY15	FY14	FY15	FY14
(a) Net Sales/Income from Other Operations.....	8,678	8,675	34,367	35,873
(b) Operating Expenditure.....	6,516	6,121	27,426	28,166
(c) Operating Profit.....	2,162	2,554	6,941	7,707
(d) Less: Forex Loss/(Gain).....	48	264	(64)	789
(e) Add: Other Income	1,025	656	352	227
(f) Less: Finance Cost.....	1,048	868	3,699	3,440
(g) Profit before Depreciation and Tax	2,091	2,078	3,658	3,705
(h) Less: Depreciation/ Amortisation/ Impairment.....	575	587	2,174	2,730
(i) Profit before Tax	1,516	1,491	1,484	975
(j) Tax Expenses	506	537	1,075	1,008
(k) Net Profit/(Loss) after Tax	1,010	954	409	(33)
(l) Less: Minority Interest.....	-	-	289	272
(m) Add: Share of Profit of Associates.....	-	-	48	45
(n) Net Profit after Tax, Minority Interest and Share of Profit of Associates	1,010	954	168	(260)

2. Financial Performance and the state of the Company's affairs

2.1. Standalone

On a Standalone basis, the Operating Revenue was maintained at ₹ 8,678 crore as against ₹ 8,675 crore in FY14, despite relative negative variation in fuel charges for regulated business, which is offset by increased revenue from Strategic Engineering Division (SED) business and higher cost of power purchased.

The Profit after Tax in FY15 was higher at ₹ 1,010 crore as compared to ₹ 954 crore last year. This was mainly due to higher dividend and interest income. The Earnings per Share (Basic) in FY15 stood at ₹ 3.30.

2.2. Consolidated

On a Consolidated basis, the Operating Revenue stood at ₹ 34,367 crore in FY15, as against ₹ 35,873 crore in FY14. The reduction was mainly due to lower realisation in coal companies and lower revenue from Trombay Unit 8, which was under restoration. Further, Operating Revenue of previous year also included a one-time impact of a favourable order from Appellate Tribunal for Electricity (ATE) that had added ₹ 300 crore.

The Consolidated Profit after Tax in FY15 stood at ₹ 168 crore as compared to a loss of ₹ 260 crore in the previous year mainly on account of improved operational performance at Coastal Gujarat Power Limited (CGPL) and Maithon Power Limited (MPL), lower depreciation based on Companies Act, 2013 (the Act) guidelines and favourable impact of forex due to VAT settlement in coal companies.

Your Company, together with its subsidiaries, achieved generation sales of 44,001 MUs of power from all its power plants during the year, as compared to 42,315 MUs in the previous year. Highlights of operational performance of your Company and its key subsidiaries and joint ventures are available in the Management Discussion and Analysis.

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

3. Dividend

The Directors of your Company recommend a dividend of 130% (₹ 1.30 per share of ₹ 1 each), subject to the approval of the Members.

4. Centenary Year

The Tata Power Company Limited completed 100 years of its operations in February 2015. This journey began in 1915 when the erstwhile 'The Tata Hydro-Electric Power Supply Company Limited' (since amalgamated with your Company) commissioned its first hydroelectric power station at Khopoli and later at Bhivpuri and Bhira (all nearby areas to city of Mumbai, Maharashtra, India). Ever since, the Company has helped the city of Mumbai to grow into a leading financial and commercial centre by delivering reliable power, 24x7. The Company has also been a lead adopter of technologies with several firsts to its name like first SCADA implementation, first 500 MW unit, first islanding implementation and first 800 MW super-critical unit in India. The Company has the distinction of being part of successful Public-Private Partnerships in generation, transmission and distribution. The Company's commitment to sustainability is demonstrated in several programmes encompassing community development, affirmative action initiatives, environment and biodiversity initiatives and focus on clean and green power.

5. Current Size of Operations

The major businesses of the Company are in Generation, Transmission, Distribution-cum-Retail, Power Trading, Power Services, Coal Mines and Logistics, Strategic Engineering for defence applications, Solar Photovoltaic (PV) manufacturing and associated project management services (Engineering, Procurement, Construction).

As of 31st March 2015, the Tata Power Group of companies had an operational generation capacity of 8,726 MW based on various fuel sources- thermal (coal, gas and oil), hydroelectric power, renewable energy (wind and solar PV) and waste heat recovery.

The Company (including its subsidiaries) had 16% of its capacity (in MW terms) in clean and green sources (Hydro, Wind, Solar and Waste Heat Recovery). Your Company stands committed to achieving its target of 20-25% share of its generation mix through clean and green sources.

Details of generation businesses in operations

Fuel Source	Location	State	Capacity (MW)	Returns/Earnings Model	Category Total (MW)
Thermal – Coal/ Oil/ Gas	Mundra	Gujarat	4,000	Long-term PPA based on UMPP Bid	7,367
	Trombay	Maharashtra	1,580	Long-term PPA with Regulated Return on Equity	
	Maithon	Jharkhand	1,050	Long-term PPA- Regulated Return on Equity (900 MW) and Merchant (150 MW) as an interim measure	
	Jojobera	Jharkhand	428	Long-term PPA- Regulated Return on Equity	
	IEL – Jojobera	Jharkhand	120	Bilateral Negotiated PPA	
	TPDDL – Rithala (Gas based)	New Delhi	108	PPA is being pursued	
	Belgaum	Karnataka	81	PPA has expired and unit is under decommissioning	
Thermal – Waste Heat Recovery	IEL – Jamshedpur	Jharkhand	120	Bilateral Negotiated PPA	240
	Haldia	West Bengal	120	Merchant (100 MW) and Bilateral Conditional (20 MW)	
Hydro	Bhira	Maharashtra	300	Long-term PPA- Regulated Return on Equity	573
	Khopoli	Maharashtra	72		
	Bhivpuri	Maharashtra	75		
	Dagachhu	Bhutan	126	Merchant	
Renewables	Wind farms	Maharashtra, Gujarat, Karnataka, Tamil Nadu, Rajasthan	487	PPA based on Feed-in-tariff + REC Mechanism	547
	Solar Photovoltaic (PV)	Maharashtra, Gujarat and Delhi	60	PPA based on Feed-in-tariff	
Total					8,726

The Company de-commissioned the 40 MW Lodhivali Power Plant on 19th November 2014. Sale of the equipment is under process.

Details of other businesses

Business	Location	Returns/Earnings & Profits	Key details
Transmission	Mumbai	25 year license - Regulated Return on Equity	Over 1,174 Ckm of Transmission lines, connecting Generating Stations to 21 Receiving Stations
	Eastern/ Northern regions	Regulated Return on Equity	As part of Powerlinks Transmission Limited - Installed 400 kV Transmission lines to evacuate and transmit surplus power from Eastern/North Eastern region (Siliguri) to Uttar Pradesh (Mandaula) covering a distance of 1,166 km
Distribution	Mumbai	25 year license - Regulated Return on Equity	3,792 Ckm of Distribution lines. Over 6 lakh consumers
	New Delhi	Regulated Return on Equity	Tata Power Delhi Distribution Limited (TPDDL) - Approximately 12,314 Ckm of Distribution lines Over 14 lakh consumers
Strategic Engineering	Mumbai	Returns based on sector dynamics and competition	One of the leading suppliers of defence equipment and solutions amongst the Indian Private Sector
Power Services	Mumbai	Returns based on sector dynamics and competition	One of the leading service providers for Project Management, O&M and specialised services in the power sector
Power Trading	Across India	Returns based on market dynamics in short-term and bilateral power market subject to cap prescribed by CERC	Category-I power trading license, which permits the company to trade any amount of power
Coal Investments	Indonesia	Returns based on dynamics in International thermal coal market	Stake in Indonesian mines
Shipping	Singapore	Returns based on sector dynamics and competition	Operates long-term charters and cape size vessels to meet shipping requirements
Solar PV manufacturing, EPC	Bengaluru	Returns based on sector dynamics and competition	Manufacturing and sale of solar PV cells and modules and EPC services

6. Subsidiaries/ Joint Ventures/ Associates

As on 31st March 2015, the Company had 25 Subsidiaries (16 are wholly-owned Subsidiaries), 35 Joint Ventures (JVs) and 9 Associates.

During the year, the following changes occurred in your Company's holding structure:

- Joint Ventures: Koromkheti Netherlands BV and Koromkheti Georgia LLC, created as special purpose vehicles for the Georgia Hydro project
- Indocoal KPC Resources (Cayman) Ltd. created by the demerger of Indocoal Resources (Cayman) Ltd. to facilitate the sale and transfer of Arutmin
- Af-Taab Investment Company Limited (a subsidiary of your Company) sold its stake in Hemisphere Properties India Limited (an Associate)

During FY15, none of the existing subsidiaries or joint ventures ceased to be subsidiaries/joint ventures of the Company. There has been no major change in the nature of business of your Company and its subsidiaries, joint ventures and associates.

Policy for determining material subsidiaries of the Company has been provided in the following link: <http://www.tatapower.com/aboutus/pdf/dms-policy-15.pdf>. (Scan the adjacent QR code on any mobile device smart phone/ tablet to read the policy on the Company website. QR code scanner app can be downloaded free of cost for Android/iOS/Windows devices from respective app stores).



Report on the performance and financial position of each of the subsidiaries, JVs and associate companies has been provided in Form AOC-1.

7. Reserves

The net movement in the major reserves of the Company for FY15 and the previous year are as follows:

Figures in ₹ crore

Particulars	FY15	FY14
General Reserve	101.03	95.41
Securities Premium Account	1,930.97	(1.90)
Surplus in Statement of Profit and Loss	832.42	269.31
Debenture Redemption Reserve	(413.20)	132.85

8. Foreign Exchange - Earnings and Outgo

Figures in ₹ crore

Particulars – Standalone	FY15	FY14
Foreign Exchange Earnings	419	336
Foreign Exchange Outflow mainly on account of:	1,112	1,719
• Fuel purchase	793	1,355
• Interest on foreign currency borrowings, NRI dividends	81	83
• Purchase of capital equipment, components and spares and other miscellaneous expenses	238	281

9. Disclosures about regulatory and legal matters

The businesses of the Company are governed primarily under the Electricity Act, 2003 (EA, 2003). Following are the critical regulatory orders pertaining to the Company. None of these impact the going concern status of your Company.

9.1. Distribution license in Mumbai

Maharashtra Electricity Regulatory Commission (MERC), through its order dated 14th August 2014, has granted a Distribution License to the Company for 25 years with effect from 16th August 2014 covering the entire South Mumbai area, Mumbai Suburban areas and areas of Mira Bhayandar Municipal Corporation including area covered under Chene and Varsave.

9.2. Transmission license in Mumbai and adjoining areas

MERC, through its order dated 14th August 2014, has granted a Transmission License to the Company for 25 years with effect from 16th August 2014 covering all Transmission Lines and Receiving Substations located in and outside Mumbai area or proposed to be commissioned as per the Intra State Transmission System of Maharashtra.

9.3. Multi year tariff orders of MERC

In August 2013, MERC determined the Multi-Year Tariff (MYT) for all distribution licensees for FY 2013-14, FY 2014-15 and FY 2015-16. The Company has filed Mid Term Review petition with MERC. The petition is still under evaluation.

9.4. Key judgements of MERC and Hon'ble Appellate Tribunal for Electricity (ATE) related to network roll-out and movement of consumers in Mumbai

In November 2014, ATE quashed all restrictions for movement of consumers but has directed the distribution licensees to limit parallel network creation only to areas where network reliability is to be improved or for acquiring new consumers. However, in places where the Company has made considerable investment in laying network or the works are in advanced stage of completion, such network has been allowed to be commissioned and capitalised.

9.5. Compensatory tariff for CGPL

Due to unforeseen changes in Indonesian law, CGPL is not able to recover the full cost of fuel through the existing tariff. In view of this, CGPL had filed a petition before Central Electricity Regulatory Commission (CERC) seeking relief by way of establishment of an appropriate mechanism to offset the adverse impact caused by the steep hike in coal prices. The CERC, in its order dated 15th April 2013, while rejecting the claim of the company under Force Majeure and Change in Law aspects gave directives to constitute a committee to recommend a quantum of compensatory tariff. Subsequent to the committee report, CERC passed an order on 21st February 2014 ruling that the company will be entitled to compensatory tariff to offset additional fuel costs till the hardship continues on account of increase in coal prices.

The said order was challenged by the Procurers before the ATE. On 21st July 2014, ATE passed an interim order directing the procurers to make payment of Compensatory Tariff effective March 2014. Aggrieved by the above, one of the Procurers challenged this interim order before Hon'ble Supreme Court which after hearing the case, rendered inoperative the earlier order passed by CERC dated 15th April 2013 as also the order passed by ATE dated 21st July 2014. It also requested the ATE to hear the matter as already scheduled and to dispose it as expeditiously as possible, without being influenced by the observations made in the orders passed by the CERC and the ATE.

In addition, as all Procurers challenged the CERC Order (passed on 21st February 2014) even after actively participating in the Committee proceedings, the company decided to review its decision not to challenge Force Majeure and Change in Law and filed a cross-appeal before ATE along with an interim application seeking condonation of delay in filing such appeal. However, ATE dismissed the interim application on delay condonation. Being aggrieved by the above Order, the company filed a Civil Appeal before the Hon'ble Supreme Court. The matter is pending before the Hon'ble Supreme Court.

In the meantime, the company has also filed an interim application seeking liberty to make necessary submissions to defend its case on the issues of Force Majeure and Change in Law, which were rejected by CERC in its order dated 15th April 2013.

9.6. CERC tariff order for FY 2011-14 for Maithon Power Limited

CERC passed the Tariff Order of MPL wherein it has approved the Capital Cost of the Project and determined the Tariff from the commercial operation date of Unit 1 and Unit 2 till 31st March 2014. The company has filed an Appeal with ATE challenging a few disallowances.

9.7. De-Allocation of Tubed and Mandakini Coal Blocks

On 25th August 2014, the Supreme Court cancelled the allocation of captive coal blocks both under screening committee route and government dispensation route, which also included the Tubed and Mandakini Coal Blocks.

Tubed: As per the directive of Ministry of Coal (MoC), information regarding assets and liabilities has been submitted to the Nominated Authority. Further investment on the project has been stopped and manpower demobilisation has started. As of the date of this report, Tubed block is expected to be put on auction soon by MoC. After transfer of assets to the new allocatee, Tubed Coal Mines Limited, the JV company, will be closed down as per statutory guidelines.

Mandakini: As per the directive of MoC, information regarding assets and liabilities has been submitted to the Nominated Authority. The block was put on auction by MoC and vesting order to the new allocatee would be issued as per the auction process.

9.8. Writ petition - Mandakini Coal Block

Your Company is aggrieved by the grant of inadequate compensation of ₹ 6.75 crore by MoC as against a claim of ₹ 243.93 crore for Mandakini Coal Company Limited (MCCL), of which Tata Power's share is 33%. Tata Power and MCCL have, therefore, challenged the compensation amount by way of a Writ Petition before the Hon'ble High Court of Delhi. The writ has been admitted and the judgement is expected soon. It may be noted that the Ld. Additional Solicitor General of India appearing on behalf of the Union of India submitted (orally) that he has given an opinion to the Union of India stating that the prior allottees ought to be compensated for the leasehold land which is being transferred to the successful bidder and which accounts for significant amount of disallowance.

9.9. Standby charges

On an appeal filed by the Company, the Hon'ble Supreme Court had stayed the operation of the ATE order in 2007 subject to the condition that the Company deposits an amount of ₹ 227 crore and submits a bank guarantee for an equal amount. Tata Power has complied with both the conditions. Reliance Infrastructure Limited (R-Infra) has also subsequently filed an appeal before the Supreme Court challenging the ATE order. Both the appeals have been admitted in 2007. However, no hearings were held on the matter during the year.

9.10. Energy charges and 'take or pay' obligation

MERC directed R-Infra to pay ₹ 323.87 crore to Tata Power towards the difference between the rate of ₹ 1.77 per kWh paid and ₹ 2.09 per kWh payable for the energy drawn at 220 kV interconnection and towards its 'Take or Pay' obligation for the years 1998 - 1999 and 1999 - 2000. On an appeal filed by R-Infra, the ATE upheld the Company's contention with regard to payment for energy charges but reduced the rate of interest. As per the ATE order, the amount payable works out to ₹ 34.98 crore (excluding interest), as on 31st May 2008. As regards the 'Take or Pay' obligation, the ATE has ordered that the issue should be examined afresh by MERC after the decision of the Supreme Court in the appeals relating to the distribution license and rebates given by R-Infra. Tata Power and R-Infra filed appeals in the Supreme Court. Both the appeals have been admitted and are listed for hearing and final disposal. The Supreme Court, vide its

order dated 14th December 2009, has granted stay against the ATE order and has directed R-Infra to deposit with the Supreme Court a sum of ₹ 25 crore and furnish a bank guarantee for the balance amount. Pursuant to the liberty granted by the Supreme Court, the Company has withdrawn the above mentioned sum subject to an undertaking to refund the amount with interest, in the event the appeal is decided against the Company. No hearings were held during the year on this matter.

9.11. Entry Tax

In respect of Entry Tax demand raised on the Company, the management, on the basis of legal opinion, has provided for Entry Tax on inter-state purchase and imports of fuel oil for the period FY06 to FY15, and also accounted for corresponding Value Added Tax set-off.

10. Risks and Concerns

The Company is faced with risks of different types, all of which need different approaches for mitigation. Details of various risks faced by the Company are provided in Management Discussion & Analysis.

11. Risk Management Framework and Internal Financial Controls

Risk Management Framework:

Based on the Risk Management Policy (<http://www.tatapower.com/aboutus/pdf/risk-management-policy.pdf>). Alternately, scan the adjacent QR code using a mobile device to read the policy on the Company website), a standardised Risk Management Process and System has been implemented across Tata Power Group. All risk plans have been uploaded in the system with mitigation action, target dates and responsibility. This has enabled continuous tracking of status of mitigation action and monitoring of Risk Mitigation Completion Index (RMCI). The Risk Register contains the mitigation plans for eleven categories of risk. Eight Risk Management Sub-Committees (RMSCs) closely monitor and review the risk plans. Risk Management Review Committee (RMRC) meets every quarter to review major risks and identify new risks. As per Companies Act, 2013, the newly formed Risk Management Committee (RMC) consists of 2 Independent Directors, one Executive Director, Chief Financial Officer and Chief Risk Officer. The RMC meets every quarter to review top risks of each of the eleven categories and the status of mitigation actions. The Company has refined its risk quantification method which will help identify key risks of the organisation and reduce subjectivity in assessment of residual value. This will further help implement appropriate controls in business process.



British Standards Institution (BSI) has conferred the Statement of Compliance to Tata Power for ISO 31000:2009 – a certification that implies that the Company has strong processes for risk identification, management and mitigation. Tata Power is the first power company in India to get this recognition.

Internal financial controls and systems:

The Company has set up the Internal audit function which endeavours to make meaningful contributions to the organisation's overall governance, risk management, and internal controls. The function reviews and ensures sustained effectiveness of Internal Financial Controls by adopting a systematic approach.

In the year 2014-15, the function reviewed and ensured sustained effectiveness of Internal Financial Controls by adopting a systematic approach to assess design and operating effectiveness. This assessment is carried out at Entity Level & Business Process level. At the Entity level, Internal Audit and Risk Management (IARM) function has carried out a self-assessment by adopting Committee of Sponsoring Organizations (COSO) framework. COSO is a leading framework, which provides guidance on the design and evaluation of internal controls. This has been done for 5 elements and 17 principles, which provides assurance of financial controls in place at the level of functional heads and at top management level. This has helped in assessing the effectiveness and efficiency of operational controls, enhanced governance and consideration of anti-fraud expectations, reliability of financial reporting and statutory compliances. Attributes with internal control deficiency are identified with action plan to be taken and target dates for compliances.

For the Business Process level, controls are evaluated through internal audits and Control Self-Assessment.

The Internal Audit process includes review and evaluation of process robustness, effectiveness of controls and compliances. It also ensures adherence to policies and systems, and mitigation of the operational risks perceived for each area under audit. Internal Audit Policy and Manual has been framed, based on which a flexible risk based audit plan has been formulated that aligns with the organizational

strategy and impact on business objectives. Internal audits are classified into Process Audits, Spot Audits, etc. depending on the past performance and also the risk perception. All processes of the Company have been classified under vital, essential and desirable, based on the analysis of process impact on Company's Strategic Objectives. Post the audit, process is rated through the Risk Control Index and Process Robustness Index given by the Internal Auditors. Also, theme based audits are carried out for certain areas getting impacted by changing external environment. Significant observations including recommendations for improvement of the business processes are reviewed by the Management before reporting to the Audit Committee. The Audit Committee then reviews the Internal Audit reports and the status of implementation of the agreed action plan. Post recognition of 'General conformance to international audit standards' from Institute of Internal Auditors (IIA Global) last year, quality review of audit reports is carried out as per IIA global guidelines before the report is issued. Internal audit process has been standardized across the Tata Power Group.

Internal audit plan is executed by in-house audit team with additional support of an expert Internal Audit firm.

Assessment mechanism for measuring the existence and effectiveness of controls are established by the fact that the Value Added Index, which is a measure of effectiveness and contribution of the internal audit to top management and Audit Committee, has improved over the years and so has the RCI Index, thereby giving assurance to management of efficiency and effectiveness of the Internal Financial Controls.

The action taken statistics emerging out of internal audit reports for last three years reflect an increase in implementation percent achieved through rigorous and systematic follow up. Further, the total number of action points has decreased by 7% over the last three years, thereby reflecting an improvement in the system and processes.

On review of the internal audit observations, and action taken on audit observations, we can state that there are no adverse observations having material impact on financials or commercial implications or material non-compliances which have not been acted upon.

Control Self-Assessment: The Company continued Control Self-Assessment process this year, whereby responses of all process owners are used to assess built in internal controls in each process. This helps the Company to identify focus audit areas, design audit plan and support CEO/CFO certification for internal controls. The Control Self-Assessment questionnaire is designed to test effectiveness of deployment of existing controls for processes which are not to be audited as per the audit plan. The responses received from process owners on the questionnaire are analysed and validated through spot audits. This ensures optimum coverage of audit universe to provide assurance on the operating effectiveness based on results of evaluation across all processes.

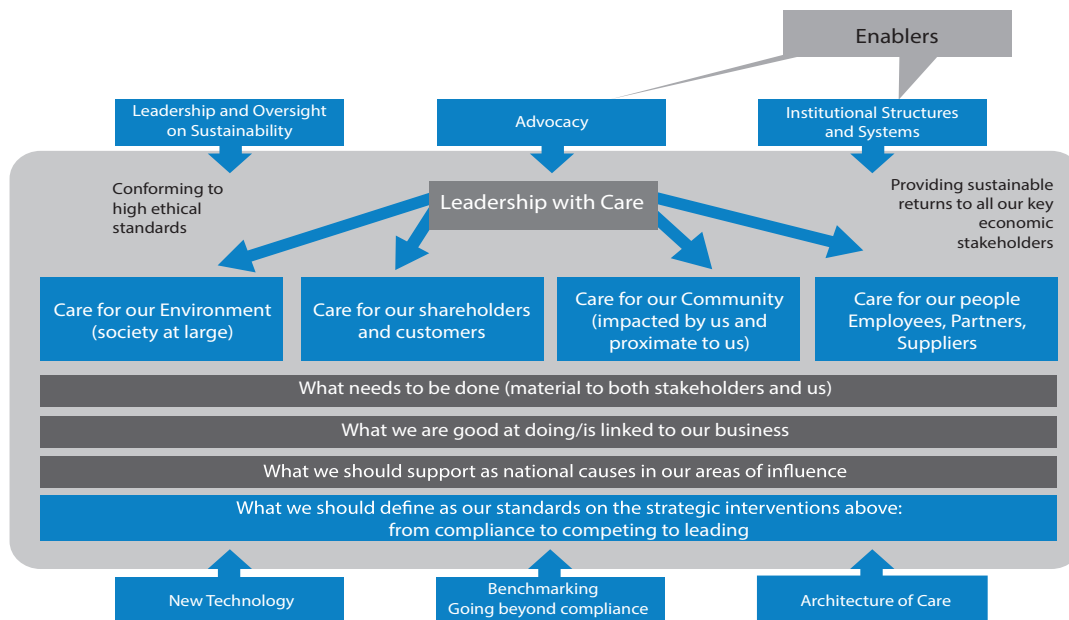
Process Robustness Index (PRI): The processes are examined to assess their robustness primarily from the perspective of system driven controls (SAP, Customer Connect, etc.), which ensure that deviations from the defined process do not occur due to manual errors. In case controls have not been embedded in the system, other compensating controls such as maker-checker are exercised to assess the robustness of the process. This index is computed on the basis of existence of robust controls and not on the basis of extent of implementation of these controls. Your Company has obtained a copyright for this PRI scoring methodology.

As further support to establish efficiency and effectiveness of Internal Financial Controls, in addition to internal audits, the Company also submits declarations to various regulatory authorities like MERC, SEBI, RBI etc. The statutory auditors carry out an audit at quarterly intervals and these reports have not reported any adverse findings. The Company's secretarial audit carried out in the current year has not indicated any major lapses.

12. Sustainability

Tata Power firmly believes in integrating its business with the social fabric of the society that it operates in and is a firm supporter of the triple bottom line concept. The Sustainability thought process has been outlined with the governing principle of "Leadership with Care". 'Care' is one of the core values of your Company and has the following elements: Care for Environment, Care for Community, Care for Customers and Care for People i.e. employees, shareholders, suppliers, partners etc.

Fig. Tata Power Sustainability Model



12.1. Safety – Care for our People

Safety has been a core value and always is the top most priority in Tata Power. Tata Power has a structured Safety organization for monitoring, implementing and taking corrective actions for safety improvements. There are approximately 12,500 employees and contract workers at various locations of Tata Power Group.

Safety Statistics FY15:

Sl. No.	Safety Parameters in your Company's work jurisdiction (Tata Power, CGPL, MPL, IEL, CTTL, Powerlinks, TPDDL & TPSSL)	FY15	FY14
1	Fatality (Number)	03 (Company employees: Nil; Contractor's employees: 3)	07 (Company employees: 2; Contractor's employees: 5)
2	LTIFR (Lost Time Injuries Frequency Rate per million man hours)	0.15	0.42
3	Total Injury Frequency Rate (No. of injuries per million man hours)	5.64	9.88
4	First Aid Cases (Number)	592	582

The Company, treats any fatality in any of its premises, of any of its employees, contractor/associate's employees or any third party with equal gravitas and is committed to taking the entire working environment and behaviour to the highest safety standards.

Further, the Company is committed to pursuing its policy on Human Rights. The policy document has been provided in the following link: <http://www.tatapower.com/sustainability/pdf/HumanRights-14.pdf>. (Alternately, scan the adjacent QR Code using a mobile device to read the policy on the Company website).



12.2. Care for our Community

Your Company has been actively working on five thrust areas in Corporate Social Responsibility (CSR) - Primary Education with focus on girl child, Health & Drinking Water, Livelihood and Employability, Social Capital and Infrastructure, and Inclusive Growth.

In FY15, the CSR policy for different Tata Power Group companies was aligned to the five thrust areas and programs were rolled out across locations and mapped with Schedule-VII of the Companies Act with timelines and outcome indicators. The same was approved by the respective CSR Board Committees of the respective Tata Power Group companies.

In FY15, Tata Power Group companies reached out to more than 250 villages/urban pockets across 7 states. The year saw Tata Power ramp-up CSR capabilities and operations across all locations by bringing robustness to systems and processes to ensure effective programs which deliver long-term impact and change to the community. This also marked a shift in bringing focus and institutionalisation of 80:20 paradigm of CSR, with 80% allocation of resources on long-term sustainable and thematic programs and 20% resources on location specific programs. Tata Power Community Development Trust (TPCDT) being the vehicle for CSR programs, was assigned to undertake CSR Programs for Tata Power Group companies.

Your Company has set up Tata Power Skill Development Institute (TPSDI) to ensure that unskilled and semi-skilled are adequately upgraded in their capabilities. TPSDI would be involved in imparting modular power skills training, testing, certification and accreditation in a phased manner. To begin with, it would focus on key communities of Tata Power and would over time, cater to other companies in the power sector. TPSDI was formally launched on 9th February 2015 by Tata Power Chairman, Mr. Cyrus P. Mistry, as part of the Company's Centenary Celebrations.

The total CSR spend for the Company in FY15 stood at ₹ 31.1 crore as against the requirement of ₹ 29.8 crore as per the Act. In addition to the above, the CSR spend of subsidiaries and joint ventures of the Company was ₹ 18.2 crore, as against the requirement of ₹ 17.2 crore as per the Act.

Major highlights of programs in FY15 are as follows:

- Reached out to half a million beneficiaries through initiatives in Education, Health, Livelihood, Social Capital & Nurturing Sustainability
- More than 3500 Relief/Hygiene kits were distributed to the impacted families during Jammu & Kashmir (J & K) Flood Relief
- 2000 Solar lamps were provided to Vishakapatnam district in response to Cyclone Hud-Hud
- Reached out to more than 350 schools covering more than 1,00,000 school students through various educational initiatives.
- 96 villages covered under Vocational Training and Employability programme covering approximately - 1000 youth with an average income between ₹ 5000-8000
- More than 110 villages reached through water and energy solutions
- More than 50 villages installed with Solar Street Lights across locations
- 45,000 hours contributed through employee volunteering

Annual report of CSR activities is provided in Annexure-I.

12.3. Affirmative Action

Under its Affirmative Action (AA) program, your Company has implemented several initiatives for Employment, Entrepreneurship, Employability, Education and Essential Amenities. These programs touched and influenced over 75,000 beneficiaries in FY15.

The major programs carried out in the neighbourhood of the operating plants and projects are Skill Development Programs for youth (Industrial Training Institutes, Business Process Outsourcing training and vocational trainings), entrepreneurial programs like fly ash brick making/supporting Self Help Groups, assistance in obtaining caste certificate through dedicated drives and support for educational initiatives for school children along with assistance in the development of adequate infrastructure.

The Company is also working in areas beyond its areas of operations, such as in Jawhar taluka, Palghar district of Maharashtra, which has a tribal population of over 90% of the total population with a vast majority of them below the poverty line. The Company has continued the engagement with a tribal residential school and a Government ITI in Jawhar through employee volunteering. Also, a village in Jawhar, Kadachimeth, has been identified for long term partnering to develop it into a model village. The Company is working with Non-Government Organisations and employee volunteers to deploy the plans.

12.4. Care for our Environment

The Company addresses various aspects of resource conservation, energy efficiency, carbon footprint, renewable power generation, biodiversity and green buildings. Details of initiatives undertaken are given in MD&A Section 8.1.3.

12.4.1. Club Enerji

Club Enerji, previously known as Tata Power Energy Club, is an initiative that takes energy and resource conservation beyond Tata Power. This initiative helps in sensitizing the community on sustainability through various conservation ideas. Tata Power Club Enerji reaches out to school children through various interactive mediums and sensitizes them on the need to conserve power and resources. Till date, the initiative has reached out to over 480 schools in India and has sensitized over 9.3 million citizens, who in turn have helped save more than 14.2 MUs of electricity. This saving is equivalent to saving 14,200 tonnes of CO₂ and is enough to light up over 6,943 houses for a year.

12.4.2. Demand Side Management

Your Company considers it important to manage continuously rising demand by creating an environment for efficient use of

power. The Company has developed demand side management programmes for different types of consumers and is pursued by a dedicated team with full time responsibility to drive savings in power consumption.

12.5. Sustainability Reporting

Your Company has adopted the latest Global Reporting Initiative (GRI) G4 guidelines to report on its sustainability performance for FY15. The report, which is being prepared in accordance to the Comprehensive criteria, is specific to the Indian operations of Tata Power viz. generation, transmission and distribution of power and provides highlights on Materiality and Stakeholder Engagement issues. The Company's latest Sustainability Report is hosted on its website: <http://www.tatapower.com/sustainability/sustainability-communications.aspx>.

12.6. Business Responsibility Report (BRR)

The Business Responsibility Reporting is in line with the SEBI requirement based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' notified by Ministry of Corporate Affairs (MCA), Government of India, in July 2011. Your Company has reported its performance as per the BRR framework, describing initiatives taken from an environmental, social and governance perspective. The BRR is hosted on the website.

12.7. United Nations Global Compact

Your Company is dedicated to report on United Nations Global Compact (UNGC) on ten principles in the areas of Human Rights, Labour standards, Environment and Anti-corruption. The Company has been reporting to UNGC principles since 2006. In September 2014, the Company had submitted the 9th Communication on Progress (CoP) to UNGC.

13. Directors and Key Managerial Personnel

In terms of Section 149 of the Act, the Members, at their meeting held on 13th August 2014, appointed the following as Independent Directors of the Company:

- Dr. Homiar S. Vachha
- Mr. Nawshir H. Mirza
- Mr. Deepak M. Satwalekar
- Mr. Ashok K. Basu
- Mr. Piyush G. Mankad
- Ms. Vishakha V. Mulye

In terms of Section 203 of the Act, the following were designated as Key Managerial Personnel of your Company by the Board:

- Mr. Anil Sardana, CEO and Managing Director
- Mr. Ashok S. Sethi, COO and Executive Director (w.e.f. 7th May 2014)
- Mr. S. Padmanabhan, Executive Director (Operations)(till 30th June 2014)
- Mr. Ramesh N. Subramanyam, Chief Financial Officer
- Mr. Hanoz M. Mistry, Company Secretary

Mr. Ashok S. Sethi, Chief-Corporate Operations Management was appointed COO and Executive Director of your Company effective 7th May 2014. Mr. S. Padmanabhan, Executive Director resigned as Director of the Company w.e.f. 30th June 2014. Mr. Thomas Mathew T., LIC nominee on your Company's Board, resigned as a Director of your Company effective 30th April 2015. Mr. Vijay Kumar Sharma, Managing Director of LIC, was appointed as Director representing LIC on the Board effective 19th May 2015.

Eight Board Meetings were held during the year. For further details, please refer Report on Corporate Governance.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the Act and Clause 49 of the Listing Agreement with the Stock Exchanges.

In accordance with the requirements of the Act and the Articles of Association of the Company, Mr. R. Gopalakrishnan retires by rotation and is eligible for re-appointment.

Governance Guidelines:

The Company has adopted Governance Guidelines on Board Effectiveness. The Governance Guidelines cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, definition of independence, Director's term, retirement age and Committees of the Board. It also covers aspects relating to nomination, appointment, induction and development of Directors, Director remuneration, subsidiary oversight, Code of Conduct, Board Effectiveness Review and mandates of Board Committees.

14. Annual Evaluation of Board performance and performance of its committees and individual directors

Pursuant to the provisions of the Act and Clause 49 of the Listing Agreement, the Board has carried out an annual evaluation of its own performance, performance of the Directors individually as well as the evaluation of the working of its Committees.

The following process was adopted for Board Evaluation:

Feedback was sought from each Director about their views on the performance of the Board covering various criteria such as degree of fulfilment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning, Board culture and dynamics, quality of relationship between the Board and the Management and efficacy of communication with external stakeholders. Feedback was also taken from every director on his assessment of the performance of each of the other Directors.

The Nomination and Remuneration Committee (NRC) then discussed the above feedback received from all the Directors.

Based on the inputs received, the Chairman of the NRC also made a presentation to the Independent Directors at their meeting, summarising the inputs received from the Directors as regards Board performance as a whole, and of the Chairman. The performance of the non-independent non-executive directors and Board Chairman was also reviewed by them.

Post the meeting of the Independent Directors, their collective feedback on the performance of the Board (as a whole) was discussed by the Chairman of the NRC with the Chairman of the Board. It was also presented to the Board and a plan for improvements was agreed upon.

Every statutorily mandated committee of the Board conducted a self-assessment of its performance and these assessments were presented to the Board for consideration. Areas on which the Committees of the Board were assessed included degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

Feedback was provided to the Directors, as appropriate. Significant highlights, learning and action points arising out of the evaluation were presented to the Board.

15. Remuneration Policy for the Directors, Key Managerial Personnel and other employees

In terms of the provisions of Section 178(3) of the Act and Clause 49(IV)(B)(1) of the Listing Agreement, the NRC is responsible for formulating the criteria for determining qualification, positive attributes and independence of a Director. The NRC is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. In line with this requirement, the Board has adopted the Policy on Board Diversity and Director Attributes, which is reproduced in Annexure-II and Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company, which is reproduced in Annexure-III.

16. Committees of the Board

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority. The following substantive Committees constituted by the Board function according to their respective roles and defined scope:

- Audit Committee of Directors
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders Relationship Committee
- Executive Committee of the Board
- Risk Management Committee

Details of composition, terms of reference and number of meetings held for respective committees are given in the Report on Corporate Governance.

The details of the familiarisation programmes for Independent Directors are disclosed on the Company's website and the web link for the same is: <http://www.tatapower.com/pdf/Terms-&-conditions-of-IDs-appointment.pdf>. (Scan the adjacent QR Code to read the details on the company website).



The Board has laid down separate Codes of Conduct for Non-Executive Directors and Senior Management personnel of the Company and the same are posted on the Company's website. All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct. The Managing Director has also confirmed and certified the same. The certification is enclosed at the end of the Report on Corporate Governance.

17. Conservation of Energy, Technology Absorption

The information on conservation of energy and technology absorption stipulated under Section 134 (3) (m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014, is attached as Annexure - IV.

18. Particulars of Employees and Remuneration

The information required under Section 197 (12) of the Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached as Annexure - V.

The information required under Rule 5 (2) and (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in the Annexure forming part of this Report. In terms of the first proviso to Section 136 of the Act, the Report and Accounts are being sent to the members excluding the aforesaid Annexure. Any member interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company. None of the employees listed in the said Annexure is related to any Director of the Company.

19. Related Party Transactions

In line with the requirements of the Act and the Listing Agreement, the Company has formulated a Policy on Related Party Transactions and the same is uploaded on the Company's website: <http://www.tatapower.com/aboutus/pdf/policy-on-related-party-transactions.pdf>. (Scan the adjacent QR Code to read the details on the company website). Details of Related Party Transactions as per AOC-2 are provided in Annexure-VI.



20. Deposits

Sl. No.	Particulars	Amount in ₹
1.	Accepted during the year	Nil
2.	Remained unpaid or unclaimed at the end of the year.	2,58,105
3.	Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved	Nil
	• At the beginning of the year	Nil
	• Maximum during the year	Nil
	• At the end of the year	Nil
4.	Details of deposits which are not in compliance with the requirements of Chapter V of the Act	Not Applicable

21. Loans, guarantees, securities and investments

The Company, being an infrastructure company, is exempt from the provisions as applicable to loans, guarantees and securities under Section 186 of the Act. The details of investments are provided in the schedules to the financial statements.

22. Extract of Annual Return

Pursuant to Section 92 of the Act and Rule 12 of The Companies (Management and Administration) Rules, 2014, the extract of Annual Return in Form MGT-9, is provided in Annexure-VII.

23. Auditors

Messrs. Deloitte Haskins & Sells LLP (DHS LLP), who are the statutory auditors of your Company, hold office until the conclusion of the Ninety-eighth AGM to be held in the year 2017, subject to ratification of their appointment at every AGM. The Members, year on year, will be requested, to ratify their appointment as Auditors and to authorise the Board of Directors to fix their remuneration. In this connection, the attention of the Members is invited to Item No.5 of the Notice.

Members will also be requested to pass a resolution (vide Item No.8 of the Notice) authorising the Board of Directors to appoint Branch Auditors for the purpose of auditing the accounts maintained at the Branch Offices of the Company abroad.

24. Auditors' Report

The consolidated financial statements of the Company have been prepared in accordance with Accounting Standard 21 on Consolidated Financial Statements, Accounting Standard 23 on Accounting of Investments in Associates and Accounting Standard 27 on Financial Reporting of Interest in Joint Ventures, issued by the Council of The Institute of Chartered Accountants of India.

The Auditors have given a qualified opinion on the Consolidated Financial Statements of the Company, the same being listed below:

- (a) As referred to in Note 2.1(c)(viii) to the consolidated financial statements, the consolidated financial statements include the unaudited financial information of 1 jointly controlled entity, whose financial information reflect total assets (net) of ₹ 3,228.36 crore as at 31st March, 2015, total revenue of ₹ 1,603.12 crore and net cash out flows amounting to ₹ 2.49 crore for the year ended on that date, as considered in the consolidated financial statements, based on their unaudited financial information. This financial information has been certified by the Management and our opinion, in so far as it relates to the amounts included in respect of this jointly controlled entity, is based solely on such Management certified financial information.
- (b) In case of 1 jointly controlled entity, as referred to in Note 33(c) to the consolidated financial statements, the Hon'ble Supreme Court had issued an Order dated 24th September, 2014, cancelling the coal block ("coal block") allocated to the said entity. Subsequently, Government of India has promulgated the Coal Mines (Special Provisions) Ordinance, 2014. The said entity has filed a petition with the Hon'ble Delhi High Court, disputing the amount of compensation determined including relating to purchase of leasehold land for the coal block. Pending outcome of the matter, the Group has, based on a legal opinion carried forward amounts aggregating to ₹ 66.69 crore (net of provision of ₹ 23.30 crore) as fully recoverable. Accordingly, we are unable to comment on the possible financial impact on the consolidated financial statements.

Board's comments:

- a) PT Arutmin Indonesia, the jointly controlled entity (JE) referred to in the basis for qualified opinion is a company incorporated in Indonesia, in which the Group has 30% shareholding. The JE prepares its statutory accounts on a calendar year basis. The audit of the statutory accounts of JE for the calendar year ended 31st December, 2014 has not been completed and therefore the audit of the accounts of the JE for the year 1st April, 2014 to 31st March, 2015 required for the consolidated financial statement of the Group for the year ended 31st March, 2015 has also not been completed. Accordingly, the Group's consolidated financial statements include the unaudited financial information of the aforesaid JE as certified by the management of the JE.

The Group along with the joint ventures' are making efforts to get the accounts of the JE audited.

- b) Mandakini Coal Company Limited, the jointly controlled entity (JE) referred to in the basis for qualified opinion wherein Tata Power Company Limited has 33.33% shareholding. Tata Power Company Limited and the JE have filed petition with the Hon'ble Delhi High Court disputing the amount of compensation determined in respect of expenditure incurred by the JE for the coal block which was cancelled following the order of the Hon'ble Supreme Court. The matter is sub-judice and the Judgement of the Hon'ble High Court is awaited.

The Tata Power Company Limited has based on a legal opinion, carried forward amounts aggregating to ₹ 66.69 crore (Net of provision of ₹ 23.30 crore) as fully recoverable.

25. Cost Auditor and Cost Audit Report

M/s. Sanjay Gupta and Associates, Cost Accountants, was appointed Cost Auditors of your Company for FY15.

In accordance with the requirement of the Central Government and pursuant to Section 148 of the Act, your Company carries out an audit of cost accounts relating to electricity every year. The Cost Audit Report and the Compliance Report of your Company for the Financial Year ended 31st March 2014, which was due for filing by 30th September 2014, was filed on 12th September 2014 with the Ministry of Corporate Affairs through Extensive Business Reporting Language (XBRL) by M/s Sanjay Gupta and Associates, Cost Accountants.

26. Secretarial Audit Report

M/s. Parikh & Associates, Company Secretaries, were appointed as Secretarial Auditors to conduct Secretarial Audit of records and documents of the Company for FY15. The Secretarial Audit Report confirms that the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines etc., subject to the following observation:

- a) Non-filing of form MGT-14 in respect of two resolutions passed by the Board of Directors under Section 179(3) of the Act and Rules made thereunder, for investment of funds of the Company.

The Board has passed a resolution authorising the Company to follow the necessary procedure for seeking condonation for this inadvertent delay in the above filings from the appropriate authority.

The Secretarial Audit Report is given in Annexure -VIII.

27. Corporate Governance

Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges and relevant sections of the Act, a Management Discussion and Analysis Statement, Report on Corporate Governance and Auditors' Certificate, are included in the Annual Report.

28. Vigil mechanism

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. In line with the Tata Code of Conduct, any actual or potential violation, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the TCOC cannot be undermined.

Pursuant to Section 177(9) of the Act, a vigil mechanism was established for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chief Ethics Counsellor (CEC)/ Chairman of the Audit Committee of the Company.

29. Directors' Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost auditors, secretarial auditors and external consultants and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2014-15.

Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures therefrom;
- b) They have, in the selection of the accounting policies, consulted the Statutory Auditors and have applied them consistently and made judgements 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 and of the profit of the Company for that period;
- c) They have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) They have prepared the annual accounts on a going concern basis;
- e) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

30. Acknowledgements

On behalf of the Directors of the Company, I would like to place on record our deep appreciation to our Shareholders, Customers, Business Partners, Vendors, both international and domestic, Bankers, Financial Institutions and Academic Institutions.

The Directors are thankful to the Government of India and the various Ministries, the State Governments and the various Ministries, the Central and State Electricity Regulatory authorities, communities in the neighbourhood of our operations, Corporation and Municipal authorities of Mumbai and local authorities in areas where we are operational.

Finally, we appreciate and value the contributions made by all our employees and their families for making Tata Power what it is.

On behalf of the Board of Directors,

Cyrus P. Mistry
Chairman

Mumbai, 19th May 2015

Annexure-I: Annual Report on CSR Activities

(Ref.: Board's Report, Section 12.2)

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.	<p>Tata Power has been actively working on five thrust areas in CSR:</p> <ul style="list-style-type: none"> • Primary Education with focus on girl child • Health and Drinking Water • Livelihood and Employability • Social Capital and Infrastructure • Inclusive Growth <p>The Company has ramped-up CSR capabilities and operations across all locations by bringing robustness to systems and processes to ensure effective programs which deliver long term impact and change to the community.</p> <p>The Company's CSR policy, including overview of projects or programs proposed to be undertaken, are provided on the Company website: http://www.tatapower.com</p>
2.	The composition of the CSR committee	<ol style="list-style-type: none"> 1. Mr. Deepak M. Satwalekar (Chairman) 2. Ms. Vishakha V. Mulye 3. Mr. Anil Sardana
3.	Average net profit of the company for last three financial years.	₹ 1,491.7 crore (as per Section 198 of Companies Act, 2013)
4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	₹ 29.8 crore
5.	Details of CSR spent during the financial year.	
(a)	Total amount to be spent for the financial year	₹ 29.8 crore. However, the Company has spent an amount of ₹ 31.1 crore during the year.
(b)	Amount unspent, if any	Nil
(c)	Manner in which the amount spent during the financial year is detailed below	

(1) Sl. No.	(2) CSR project or activity identified	(3) Sector in which the Project is covered	(4) Project or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	(5) Amount outlay (budget) project or programs wise (₹ in lakh)	(6) Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads (₹ in lakh)	(7) Cumulative expenditure upto the reporting period (as on 31.03.2015) (₹ in lakh)	(8) Amount spent: Direct or through implementing agency
i.	Augmenting Primary Education System with emphasis on Girl Child Education (Focus Areas: E-Learning, Adult Literacy, Scholarships, Special Coaching, School Infrastructure, Mainstreaming drop-out students)	Promotion of education	Local Areas : <ul style="list-style-type: none"> • Maval, Mulshi (Hydros) • Trombay, T&D License Area • Jojobera • Tiruldih, Naraj Marthapur • Haldia • Dherand • Gadag, Khandke • Supa, Agaswadi • Poolawadi • Samana 	381	386	386	Amount spent through the following channels : Direct, Internal and External Implementation Agencies.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SI. No.	CSR project or activity identified	Sector in which the Project is covered	Project or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise (₹ in lakh)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads (₹ in lakh)	Cumulative expenditure upto the reporting period (as on 31.03.2015) (₹ in lakh)	Amount spent: Direct or through implementing agency
ii.	Building and Strengthening Health Care Facilities including Safe Drinking Water <i>(Focus Areas: Mobile Health program, Behaviour Change Communication, Safe Drinking Water and Hygiene, Health Infrastructure, Women & Child Health Awareness)</i>	Promoting preventive healthcare and sanitation and making available safe drinking water	State : • Maharashtra • Jharkhand	280	219	219	Direct: • Tata Power
iii.	Enhancing Program on Livelihood and Employability <i>(Focus Areas: Skill Development, Vocational training, Promote Livelihood practices among farmers/fishermen, Income Generation activities for Women Self Help Groups)</i>	Livelihood enhancement projects; Promoting gender equality, empowering women and measures for reducing inequalities faced by socially and economically backward groups	• Odisha • West Bengal • Karnataka • Tamil Nadu • Gujarat District : • Pune • Mumbai • Singhbhum East	1,393	1,095	1,095	Implementation Agency Internal : • Tata Power Community Development Trust (TPCDT) • Employee Volunteers Implementation Agency External: • Government Agencies
iv.	Building Social Capital and Infrastructure <i>(Focus Areas: Institution Building, Participatory Rural Development Works, Women empowerment training programs)</i>	Rural development projects; Empowering women	• Saraikela-Kharsawan • Cuttack • Haldia • Raigad • Gadag	327	1,028	1,028	• Local Panchayats • Zilla Parishad • NGOs • Skill development agencies
v.	Nurturing Sustainability for Inclusive Growth <i>(Focus Areas: Rural Energy, Promoting Sports/Games, Support to Natural Calamity, Tree plantation, Employee Volunteering)</i>	Training to promote rural sports, nationally recognized sports; Socio-Economic development	• Ahmednagar • Satara • Udumalpet • Jamnagar	438	158	158	• Other Resource agencies
vi.	Community Welfare- Others	Rural Development Projects		182	227	227	
	TOTAL			3,001	3,113	3,113	

The details of major programs undertaken under the above thrust areas are as follows:

Augmenting Primary Education System with emphasis on Girl Child Education (*Focus Areas:* E-Learning, Adult Literacy, Scholarships, Special Coaching, School Infrastructure, Mainstreaming drop-out students)

- E-learning Initiatives across Mumbai and Jojobera in 61 Schools
- Alignment with Sarva Shiksha Abhyan through Building as Learning Aid (BALA) programme
- Special Sanitation Projects at School to prevent Girl Child Drop-outs across locations- Haldia, Hydros, Dherand
- Remedial coaching centres for secondary classes students from economically backward section in Jojobera, Tiruldih and Maval (Bhivpuri)

Building and Strengthening Health Care Facilities including Safe Drinking Water (*Focus Areas:* Mobile Health program, Behaviour Change Communication, Safe Drinking Water and Hygiene, Health Infrastructure, Women and Child Health Awareness)

- Project RISHTA – A Joint Initiative for Reproductive and Child Health (RCH) launched
- 'Mobile Blood Donation Van' initiative to provide safe blood donation services to communities in and around Trombay
- Behaviour Change Communication (BCC) campaigns to promote healthy behaviour in communities

Enhancing Program on Livelihood and Employability (*Focus Areas:* Skill Development, Vocational training, Promote Livelihood practices among farmers/fishermen, Income Generation activities for Women Self Help Groups)

- Tata Power Skill Development Institute
- Income generation activities like Tailoring, Nursing, Agarbati, Straw & Jute Handicraft production at Mulshi (Bhira) and Naraj Marthapur
- Sustainable agricultural practices like SRT/SRI benefiting more than 1,500 farmers in 33 villages
- Initiatives undertaken for Stakeholders at different stages:
 - Farmers for technology inputs, cash crop promotion, drip irrigation
 - Women and Youth for service industry training, ITI-Male, micro finance and income generation

Building Social Capital and Infrastructure (*Focus Areas:* Institution Building, Participatory Rural Development Works, Women empowerment training programs)

- More than 280 Self Help groups with approximately 4800 women membership formed
- Ash Brick Production facility established by Self Help Groups at Jojobera
- Through Jan Jagruti Abhiyan, raised awareness on safety near transmission lines through 78 street plays

Nurturing Sustainability for Inclusive Growth (*Focus Areas:* Rural Energy, Promoting Sports/Games, Support to Natural Calamity, Tree plantation, Employee Volunteering)

- Jammu & Kashmir (J&K) Flood Relief and Rehabilitation
- Hud-Hud Cyclone Disaster Relief and Rehabilitation
- 223 LPG gas connections provided to tribal families at Maval (Bhivpuri). More than 1,300 tons of firewood saved as also ensured convenient cooking and reduced respiratory ailments (due to use of chulhas)
- Plastic removal campaign conducted near Mulshi (Bhira) to spread awareness among tourists on 'Do not litter' and Plastic Free Tourism
- Employee Volunteering through Arpan initiative

6.	In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report.	Tata Power has met the spend requirement on CSR activities.
7.	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the company.	The implementation and monitoring of the CSR Policy is in compliance with CSR objectives and Policy of the Company.

Anil Sardana
 CEO & Managing Director

Deepak M. Satwalekar
 Chairman, CSR Committee

Annexure-II: Policy on Board Diversity and Director Attributes

(Ref.: Board's Report, Section 15)

1. Objective

- 1.1 The Policy on Board Diversity ('the Policy') sets out the approach to diversity on the Board of Directors ('the Board') of The Tata Power Company Limited ('the company').
- 1.2 The company recognises that diversity at board level is a necessary requirement in ensuring an effective board. A mix of executive, independent and other non-executive directors is one important facet of diverse attributes that the company desires. Further, a diverse board representing differences in the educational qualifications, knowledge, experience, gender, age, thought and perspective results in delivering a competitive advantage and a better appreciation of the interests of stakeholders. These differences should be balanced against the need for a cohesive, effective board. All board appointments shall be made on merit having regard to this policy.

2. Attributes of Directors

- 2.1 The following attributes need to be considered in considering optimum board composition:

- i) **Gender diversity:**

Having at least one woman director on the Board with an aspiration to reach three women directors.

- ii) **Age**

The average age of board members should be in the range of 60 - 65 years.

- iii) **Competency**

The board should have a mix of members with different educational qualifications, knowledge and with adequate experience in finance, accounting, economics, legal and regulatory matters, the environment, green technologies, operations of the Company's businesses, energy commodity markets and other disciplines related to the Company's businesses.

- iv) **Independence**

The independent directors should satisfy the requirements of the Companies Act, 2013 ('the Act') and the listing agreements in respect of the 'independence' criterion.

Additional Attributes

- The directors should not have any other pecuniary relationship with the Company, its subsidiaries, associates or joint ventures and the company's promoters, besides sitting fees and commission.
- The directors should not have any of their relatives (as defined in the Act and Rules made thereunder) as directors or employees or other stakeholders (other than with immaterial dealings) of the company, its subsidiaries, associates or joint ventures.
- The directors should maintain an arm's length relationship between themselves and the employees of the Company, as also with the directors and employees of its subsidiaries, associates, joint ventures, promoters and stakeholders for whom the relationship with these entities is material.
- The directors should not be the subject of allegations of illegal or unethical behaviour, in their private or professional lives.
- The directors should have ability to devote sufficient time to the affairs of the Company.

3. Role of the Nomination and Remuneration Committee

- 3.1 The Nomination and Remuneration Committee ('the NRC') shall review and assess board composition whilst recommending the appointment or reappointment of independent directors.

4. Review of the Policy

- 4.1 The NRC will review this policy periodically and recommend revisions to the board for consideration.

Annexure-III: Remuneration Policy for Directors, Key Managerial Personnel and other employees

(Ref.: Board's Report, Section 15)

The philosophy for remuneration of directors, Key Managerial Personnel ("KMP") and all other employees of The Tata Power Company Limited ("company") is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("Act") and Clause 49(IV)(B)(1) of the Equity Listing Agreement ("Listing Agreement"). In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178(4) of the Act, which are as under:

"(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals"

Key principles governing this remuneration policy are as follows:

- **Remuneration for independent directors and non-independent non-executive directors**

- Independent directors ("ID") and non-independent non-executive directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits.
- Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
- Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the Company (taking into consideration the challenges faced by the Company and its future growth imperatives).
- Overall remuneration should be reflective of size of the Company, complexity of the sector/ industry/ company's operations and the company's capacity to pay the remuneration.
- Overall remuneration practices should be consistent with recognised best practices.
- Quantum of sitting fees may be subject to review on a periodic basis, as required.
- The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
- The NRC will recommend to the Board the quantum of commission for each director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by directors other than in meetings.
- In addition to the sitting fees and commission, the Company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his/her role as a director of the Company. This could include reasonable expenditure incurred by the director for attending Board/ Board committee meetings, general meetings, court convened meetings, meetings with shareholders/ creditors/ management, site visits, induction and training (organised by the company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/ her duties as a director.

- **Remuneration for managing director ("MD")/ executive directors ("ED")/ KMP/ rest of the employees¹**

- The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be:
 - Market competitive (market for every role is defined as companies from which the company attracts talent or companies to which the company loses talent).

¹ Excludes employees covered by any long term settlements or specific term contracts. The remuneration for these employees would be driven by the respective long term settlements or contracts.

- Driven by the role played by the individual.
- Reflective of size of the company, complexity of the sector/ industry/ company's operations and the company's capacity to pay.
- Consistent with recognised best practices.
- Aligned to any regulatory requirements.
- o In terms of remuneration mix or composition:
 - The remuneration mix for the MD/ EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
 - Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
 - In addition to the basic/ fixed salary, the company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimisation, where possible. The company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalisation through re-imbursments or insurance cover and accidental death and dismemberment through personal accident insurance.
 - The company provides retirement benefits as applicable.
 - In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the company provides MD/EDs such remuneration by way of commission, calculated with reference to the net profits of the company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD/ EDs would be based on performance as evaluated by the Board or the NRC and approved by the Board.
 - The company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the company.
- **Remuneration payable to Director for services rendered in other capacity**

The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such director in any other capacity unless:

 - a) The services rendered are of a professional nature.
 - b) The NRC is of the opinion that the director possesses requisite qualification for the practice of the profession.
- **Policy implementation**

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

Annexure IV– Conservation of Energy and Technology Absorption

(Ref.: Board's Report, Section 17)

A. Conservation of Energy

- (i) The steps taken or impact on conservation of energy:

Your Company considers it important to manage continuously rising demand by creating an environment for efficient use of power. The Company has developed programmes for different types of consumers.

For Residential consumers, your Company has launched a unique consumer initiative called "My Mumbai Green Mumbai". This initiative gives an opportunity to Mumbai consumers to exchange their inefficient electrical appliances for new energy efficient appliances. The Company has partnered with leading consumer appliance manufacturers for energy efficient equipment.

The Company carries out energy audits for Industrial and Commercial consumers. Experts map their unique power consumption pattern and offer specific recommendations to improve the process and equipment efficiency.

Rising peak loads is another challenge in a commercial city like Mumbai. Your Company has launched initiatives such as Demand Response and Thermal Energy Storage incentive, which motivate the consumers to shift load from peak to off peak.

- (ii) The steps taken by the Company for utilising alternate sources of energy:

The Company (including its subsidiaries) has 16% of capacity (in MW terms) through clean and green sources (Hydro, Wind, Solar and Waste Heat Recovery).

- (iii) The capital investment on energy conservation equipment:

- Use of superior thermal technology like supercritical boilers
- Installation of solar water heaters in hydro power stations for office use
- Installation of light pipe in conference rooms for room lighting purposes.

B. Technology Absorption

1	Efforts, in brief, made towards Technology Absorption, adaptation and innovation	<ul style="list-style-type: none"> • Filed patent on "Formulation of Ready mix plaster using artificial sand", "Cable warning tiles using fly ash and bottom ash", "Raft of floating solar" • Self-healing Transmission Grid • Camera for detecting SF6 leaks in equipment like GIS, Switchgear etc.
2	Benefits derived as a result of the above efforts	<ul style="list-style-type: none"> • Help achieving goal of 100% ash utilisation and heat rate improvement
3	In case of imported technology (imported during the last five years reckoned from the beginning of the financial year), following information may be furnished: a) Technology Imported b) Year of Import c) Has technology been fully absorbed d) If not fully absorbed, areas where this has not taken place, reasons thereof and future plans of action	Liquid Solar Array 2010 Technology put to use from January 2014 -
4	Expenditure on R & D (in ₹ crore) (Strategic Engineering Division)* a) Capital b) Recurring Total	45.25 - 45.25

* Strategic Engineering Division (SED) has approval from Department of Scientific & Industrial Research (DSIR) for its Mumbai and Bengaluru R & D Facilities under Section 35(2AB) of Income-tax Act, 1961.

* SED obtained approval from Department of Electronics and Information Technology, Ministry of Communications & Information Technology for capital subsidy under Modified Special Incentive Package Scheme (MSIPS) for Manufacturing and R & D investments for the next 10 years.

1. Technology Absorption

1.1 Generation Business

- Laser Catenary method used at Generator base levelling during overhauls.
- Laser alignment in motors of coal mills.
- Enthalpy Drop test of LP Turbine till Extraction stage.
- New modulating type electrical actuators at Induced Draft Fan scoop tube in place of pneumatic actuator. This will save auxiliary power.
- Replacement of Human Machine interface in place of HMI (GUS).
- Control valve diagnosis station - New wireless based control valve diagnostic station to monitor day to day performance of Spray and Feed control valve.
- Remote Positioner in Burner tilt - New remote positioner to modulate the burner tilt for better combustion of coal.
- Magnetic type Circulating water flow meter installed in discharge of Cooling Water pumps to monitor performance & improve Heat rate.
- Sewage treatment plant based on proven Moving Bed Biological Reactor technology installed at Jojobera for treatment of raw sewage with continuous aeration.
- Motor Current Signature Analysis for condition monitoring tool.
- Introduction of corrosion resistance Fiberglass Reinforced Plastic gratings in De-Mineralisation plant area replacing checker plates.
- Computational Fluid Dynamics Analysis of boiler to identify critical areas for improvement in performance.
- Turbine Over Hauling Time Reduction by in-Situ Machining and Balancing.
- GPS Tracking System for Coal fleet management by tracking vehicle movement for better coal reconciliation.
- Boiler Tube Leak Monitoring Software rolled out to all operating thermal units to help mapping of different zones of boiler.
- Protection panels and SCADA – Old electromechanical relays replaced with new numerical relays. New SCADA has facility to communicate with relays on IEC61850 protocol which enables remote control and monitoring. This is in line with the Company's initiative of Remote Operation of Hydro Plants.

1.2 Transmission and Distribution Business

- Implementation of Distribution Management System and its Integration with SAP, GIS, Cyme and AMR
- GIS-CRM-AMR Integration for "SMART handling of power supply complaints"
- Installation of Underground Feeder Pillar
- Retro filling of Distribution Transformers with Natural Ester
- Fibre Integration at Distribution Substations
- Design, development and Introduction of Fault Pass Indicator communication Over SMS
- Centralised Power Quality Monitoring System
- Remote Intelligent Electronic Device Management System
- Deployment of Advanced Metering Infrastructure
- AMI based Auto Demand Response Project
- Ultrasonic Scanning for precise and advance identification of issues for electrical distribution equipment's
- Power Manager Application - An integrated application of load forecasting, scheduling, monitoring and revising in real time sanctioned power vis-a-vis the actual drawl so as to minimise deviation.
- Smart Meter Reading Device
- Mobile Based Web Application
- Remote Intelligent Electronic Device Management System

Annexure-V: Disclosure of Managerial Remuneration

(Ref.: Board's Report, Section 18)

- a) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year

Name of the Director	Ratio of Director's remuneration to the median remuneration of the employees of the Company for the financial year
Mr. Cyrus P. Mistry	0.4
Mr. R. Gopalakrishnan	6.2
Dr. Homiar S. Vachha	10.1
Mr. Nawshir H. Mirza	9.2
Mr. Deepak M. Satwalekar	9.3
Mr. Piyush G. Mankad	4.3
Mr. Ashok K. Basu	3.0
Mr. Thomas Mathew T. (resigned w.e.f. 30 th April 2015)	2.2
Ms. Vishakha V. Mulye	N.A.
Mr. Anil Sardana, CEO & Managing Director	64.9
Mr. Ashok S. Sethi, COO & Executive Director	26.0
Mr. S. Padmanabhan, Executive Director (Operations) (resigned w.e.f. 30 th June 2014)	12.9

- b) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year

Name of the Director and Key Managerial Personnel	Percentage increase in remuneration in the financial year
Mr. Cyrus P. Mistry	-5
Mr. R. Gopalakrishnan	-6
Dr. Homiar S. Vachha	13
Mr. Nawshir H. Mirza	-5
Mr. Deepak M. Satwalekar	3
Mr. Piyush G. Mankad	-6
Mr. Ashok K. Basu	-8
Mr. Thomas Mathew T. (resigned w.e.f. 30 th April 2015)	9
Ms. Vishakha V. Mulye	N.A.
Mr. Anil Sardana, CEO & Managing Director	13
Mr. Ashok S. Sethi, COO & Executive Director	30
Mr. S. Padmanabhan, Executive Director (Operations) (resigned w.e.f. 30 th June 2014)	-68
Mr. Ramesh N. Subramanyam, Chief Financial Officer (KMP)	49
Mr. Hanoz M. Mistry, Company Secretary (KMP)	16

- c) The percentage increase in the median remuneration of employees in the financial year: 14%
- d) The number of permanent employees on the rolls of the company: 4,290
- e) The explanation on the relationship between average increase in remuneration and company performance

Sl. No.	Particulars	Explanation
1	Increase in median remuneration of employees has been 14%	The increase in remuneration has been done pursuant to detailed market study of likely compensation increase during the year conducted by various agencies and all-round operational performance of the Company.
2	Company performance has improved from a PAT of ₹ 954 crore in FY14 to ₹ 1,010 crore in FY15	

f) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

Sl. No.	Particulars of remuneration for Key Managerial Personnel	Percentage of Standalone Operating Profit
1	Mr. Anil Sardana, CEO & Managing Director	0.26
2	Mr. Ashok S. Sethi, COO & Executive Director	0.10
3	Mr. Ramesh N. Subramanyam, Chief Financial Officer	0.09
4	Mr. Hanoz M. Mistry, Company Secretary	0.03

g) Market and financial performance related information:

- Variations in the market capitalization of the company (31st March 2015 vs. 31st March 2014):
4% increase in market capitalization. The Company focuses on long-term value creation and not on maximization of market capitalization in the short term as it would motivate unhealthy behaviour.
- Variations price earnings ratio (31st March 2015 vs. 31st March 2014):
11% reduction in price earnings ratio.
- Percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer:
7,610% increase between price on 31st March 2015 (Share Price: ₹ 77.1) and price of last public offer in 1981 (Offer Price: ₹ 100 for Face Value of ₹ 100, adjusted to ₹ 1 for ₹ 1 Face Value)

h) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year, its comparison with the percentile increase in the managerial remuneration, justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average increase in Salary of Managers (defined as MD and ED on the Board of your Company) was 13%. For employees of Tata Power, the median increase was 14%. Non-Managerial personnel are covered under the Long-Term Settlement, which is under discussion and after closure will be implemented w.e.f. 1st January 2014.

i) The key parameters for any variable component of remuneration availed by the directors:

Non-Executive Directors

Based on the Company's performance, profits, returns to investors, shareholder value creation etc., the aggregate commission recommended for all the Non-Executive Directors in FY15, was distributed broadly on the following basis:

- Number of meetings of the Board and substantive committees of the Board attended
- Role and responsibility as Chairman/member of the Board/Committee
- Individual contribution at meetings and
- Time spent other than in meetings relating to the operations of the Company

Executive Directors

Based on the Company's performance, profits, returns to investors, shareholder value creation etc., the aggregate commission recommended for all the Executive Directors in FY15, was distributed broadly on the basis of the achievement of their Short Term and Strategic Long term Goals, which were determined in consultation with the Nomination & Remuneration Committee.

j) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: There is no employee who received remuneration in excess of highest paid Director.

k) Affirmation that the remuneration is as per the remuneration policy of the Company:

It is affirmed that the remuneration is as per the 'Remuneration Policy for Directors, Key Managerial Personnel and other employees' adopted by the Company.

Annexure VI – Related Party Transactions

(Ref.: Board's Report, Section 19)

FORM No. AOC-2

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 arms length transactions under third proviso thereto

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

1. Details of contracts or arrangements or transactions not at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188
Mandakini Coal Company Limited (MCCL)	Shareholder's loan	Long-Term	Repayment of interest to IFCI Limited for loan to MCCL of ₹ 4.70 crore	Promoters funding obligation	15.01.2015	Nil	N.A.

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Bhira Investments Limited, (100% subsidiary)	Corporate guarantee extended	36 months	Guarantee of ₹ 20.79 crore for interest rate hedging	13.11.2014	Nil
		33 months	Debt facility arrangement for ₹ 733.77 crore	16.07.2014	Nil
		18 months	Debt facility arrangement for ₹ 3,094.04 crore	16.07.2014	Nil

On behalf of the Board of Directors,

Cyrus P. Mistry
Chairman

Mumbai, 19th May 2015

NOTICE

BOARD'S REPORT

MD&A

CG REPORT

STANDALONE

CONSOLIDATED

Annexure-VII: Extract of Annual Return

(Ref.: Board's Report, Section 22)

FORM No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN: L28920MH1919PLC000567
- ii) Registration Date: 18th September 1919
- iii) Name of the Company: The Tata Power Company Limited
- iv) Category / Sub-Category of the Company: Public Company limited by shares
- v) Address of the Registered office and contact details: Bombay House, 24, Homi Mody Street, Mumbai - 400 001. Tel.: 022 6665 8282, Fax: 022 6665 8801 Email: tatapower@tatapower.com Website: www.tatapower.com
- vi) Whether listed company: Yes / No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:
TSR Darashaw Limited
6-10, Haji Moosa Patrawala Industrial Estate
20, Dr. E. Moses Road, Mahalaxmi, Mumbai - 400 011
Tel.: 022 6656 8484, Fax.: 022 6656 8494
E-mail: csg-unit@tsrdarashaw.com Website: www.tsrdarashaw.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Power Supply & Transmission charges	3,510	91%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company *	CIN/GLN	Holding/Subsidiary/ Associate	% of shares Held *	Applicable Section
1	Chemical Terminal Trombay Ltd. Pir Pav Installation, Near MbPT Pump House, Behind Tata Power Company Unit 5, Chembur, Mumbai 400 074	U63020MH1970PLC014572	Subsidiary	100	Section 2(87)
2	Af-Taab Investment Co. Ltd. Corporate Centre, B Block, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400 009	U65990MH1979PLC021037	Subsidiary	100	Section 2(87)
3	Tata Power Trading Co. Ltd. Carnac Receiving Station, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400 009	U40100MH2003PLC143770	Subsidiary	100	Section 2(87)
4	Powerlinks Transmission Ltd. 10th Floor, DLF Tower-A, District Center-Jasola, New Delhi 110 025.	U40105DL2001PLC110714	Subsidiary	51	Section 2(87)
5	Maithon Power Ltd. c/o The Tata Power Co. Ltd., Room 9, 10th Floor, Tower One, Jeevan Bharati Building, Connaught Circus, New Delhi 110 001	U74899DL2000PLC106999	Subsidiary	74	Section 2(87)
6	NELCO Ltd. MIDC, Plot No. EL 6, TTC Industrial Area, Electronics Zone, Mahape, Navi Mumbai 400 710	L32200MH1940PLC003164	Subsidiary	50.04	Section 2(87)

Sl. No.	Name and Address of the Company *	CIN/GLN	Holding/Subsidiary/ Associate	% of shares Held *	Applicable Section
7	Tatanet Services Ltd. MIDC, Plot No. EL 6, TTC Industrial Area, Electronics Zone, Mahape, Navi Mumbai 400 710	U67120MH1987PLC044351	Subsidiary	50.04	Section 2(87)
8	Industrial Energy Ltd. c/o The Tata Power Co. Ltd., Corporate Centre, A Block, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400 009	U74999MH2007PLC167623	Subsidiary	74	Section 2(87)
9	Industrial Power Utility Ltd. c/o The Tata Power Co. Ltd., Corporate Centre, A Block, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400 009	U74999MH2007PLC168291	Subsidiary	100	Section 2(87)
10	Tata Power Delhi Distribution Ltd. NDPL House, Hudson Lines, Kingsway Camp, Delhi 110 009	U40109DL2001PLC111526	Subsidiary	51	Section 2(87)
11	Coastal Gujarat Power Ltd. 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400 009	U40102MH2006PLC182213	Subsidiary	100	Section 2(87)
12	Tata Power Renewable Energy Ltd. c/o The Tata Power Co. Ltd., Corporate Centre, A Block, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400 009	U40108MH2007PLC168314	Subsidiary	100	Section 2(87)
13	Tata Power Green Energy Ltd. B Block, Corporate Centre, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400 009	U40108MH2011PLC211851	Subsidiary	100	Section 2(87)
14	Dugar Hydro Power Ltd. Santosh Bhavan, 1st Floor, Near Govt. Middle School, Mehli, PO Kasumpti, Shimla 171 009	U40101HP2011PLC031626	Subsidiary	50.001	Section 2(87)
15	NDPL Infra Ltd. Jeevan Bharati Tower #1, 10th Floor, 124, Connaught Circus, New Delhi 110 001	U40106DL2011PLC223982	Subsidiary	51	Section 2(87)
16	Tata Power Solar Systems Ltd. Plot No.78, Electronic City, Hosur Road, Bengaluru 560 100	U40106KA1989PLC034989	Subsidiary	100	Section 2(87)
17	Tata Power Jamshedpur Distribution Ltd. c/o The Tata Power Co. Ltd., Corporate Centre, A Block, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400 009	U40300MH2012PLC237581	Subsidiary	100	Section 2(87)
18	NewGen Saurashtra Windfarms Ltd. c/o The Tata Power Co. Ltd., Corporate Centre, A Block, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400 009	U40108MH2010PLC260025	Subsidiary	100	Section 2(87)
19	Bhira Investments Ltd. IFS Court, Twenty Eight, Cybercity Ebene, Mauritius	Not applicable, foreign company	Subsidiary	100	Section 2(87)
20	Bhivpuri Investments Ltd. IFS Court, Twenty Eight, Cybercity Ebene, Mauritius	Not applicable, foreign company	Subsidiary	100	Section 2(87)
21	Khopoli Investments Ltd. IFS Court, Twenty Eight, Cybercity Ebene, Mauritius	Not applicable, foreign company	Subsidiary	100	Section 2(87)
22	Trust Energy Resources Pte. Ltd. 143 Cecil Street, # 25-01, GB Building, Singapore 069542	Not applicable, foreign company	Subsidiary	100	Section 2(87)

Sl. No.	Name and Address of the Company *	CIN/GLN	Holding/Subsidiary/ Associate	% of shares Held *	Applicable Section
23	Energy Eastern Pte. Ltd. 143 Cecil Street, # 25-01, GB Building, Singapore 069542	Not applicable, foreign company	Subsidiary	100	Section 2(87)
24	PT Sumber Energi Andalan Tbk. Prince Centre 8 th Floor, Jl. Jend. Sudirman Kav 3-4, Jakarta 10220, Indonesia	Not applicable, foreign company	Subsidiary	94.61	Section 2(87)
25	Tata Power International Pte. Ltd. 143, Cecil Street, #25-01, GB Building, Singapore 069542	Not applicable, foreign company	Subsidiary	100	Section 2(87)
26	Tubed Coal Mines Ltd. Century Bhavan, 3 rd Floor, Dr. Annie Besant Road, Worli, Mumbai 400 030	U10100MH2007PLC174466	Associate	40	Section 2(6)
27	Mandakini Coal Company Ltd. Plot No.12, Sector B-1, Local Shopping Complex, Vasant Kunj, New Delhi 110 070	U10100DL2008PLC175417	Associate	33.33	Section 2(6)
28	Solace Land Holding Ltd. Plot No.12, Sector B-1, Local Shopping Complex, Vasant Kunj, New Delhi 110 070	U70109DL2012PLC242177	Associate	33.33	Section 2(6)
29	Gamma Land Holding Ltd. Plot No.12, Sector B-1, Local Shopping Complex, Vasant Kunj, New Delhi 110 070	U70109DL2012PLC242303	Associate	33.33	Section 2(6)
30	Beta Land Holding Ltd. Plot No.12, Sector B-1, Local Shopping Complex, Vasant Kunj, New Delhi 110 070	U70100DL2012PLC245127	Associate	33.33	Section 2(6)
31	Ginger Land Holding Ltd. Plot No.12, Sector B-1, Local Shopping Complex, Vasant Kunj, New Delhi 110 070	U70109DL2012PLC245128	Associate	33.33	Section 2(6)
32	Yashmun Engineers Ltd. Dharavi Road, Next to MSEB, Matunga, Mumbai 400 019	U29100MH1966PLC006109	Associate	27.27	Section 2(6)
33	Tata Ceramics Ltd. 26 Cochin SEZ, Kakkanaad, Ernakulam 682 037	U26933KL1991PLC006018	Associate	30.68	Section 2(6)
34	Panatone Finvest Ltd. Bombay House, 24, Homi Mody Street, Mumbai 400 001	U67120MH1992PLC066160	Associate	39.98	Section 2(6)
35	Tata Projects Ltd. Mithona Towers-1, 1-7-80 to 87, Prenderghast Road, Secunderabad, Hyderabad 500 003	U45203AP1979PLC057431	Associate	47.78	Section 2(6)
36	ASL Advanced Systems Pvt. Ltd. Pragathi, 70/1 Miller Road, Bengaluru 560 052	U72900KA1992PTC033624	Associate	37	Section 2(6)
37	The Associated Building Co. Ltd. Bombay House, 24, Homi Mody Street, Mumbai 400 001	U45200MH1921PLC000866	Associate	33.14	Section 2(6)
38	Rujuvalika Investments Ltd. Bombay House, 24, Homi Mody Street, Mumbai 400 001	U67120MH1988PLC049872	Associate	27.59	Section 2(6)
39	Brihat Trading Private Ltd. Bank of Baroda Building, Bombay Samachar Marg, Mumbai 400 001	U51900MH1988PTC049926	Associate	33.50	Section 2(6)
40	Nelito Systems Ltd. 205-208, Millennium Business Park, Building 2, Sector 1, Mahape, Navi Mumbai 400 701	U72900MH1995PLC088816	Associate	49.46	Section 2(6)

Sl. No.	Name and Address of the Company *	CIN/GLN	Holding/Subsidiary/ Associate	% of shares Held *	Applicable Section
41	Cennergi Pty. Ltd. Block A, Ground Floor, Lakefield Office Park, 272 West Avenue, Centurion 0157, South Africa	Not applicable, foreign company	Associate	50	Section 2(6)
42	Tsitsikamma Community Wind Farm (Pty.) Ltd. Block A, Ground Floor, Lakefield Office Park, 272 West Avenue, Centurion 0157, South Africa	Not applicable, foreign company	Associate	50	Section 2(6)
43	Amakhala Emoyeni RE Project 1 (Pty.) Ltd. Block A, Ground Floor, Lakefield Office Park, 272 West Avenue, Centurion 0157, South Africa	Not applicable, foreign company	Associate	50	Section 2(6)
44	PT Mitratama Perkasa Gedung Gelael – Jl. Falatehan No. 35-36, Kebayoran Baru, Jakarta 12160, Indonesia	Not applicable, foreign company	Associate	28.38	Section 2(6)
45	PT Mitratama Usaha Gedung Gelael – Jl. Falatehan No. 35-36, Kebayoran Baru, Jakarta 12160, Indonesia	Not applicable, foreign company	Associate	28.38	Section 2(6)
46	PT Arutmin Indonesia 14 th Floor of Bakrie Tower Building, Rasuna Epicentrum, Jalan H.R. Rasuna Said, Jakarta 12940, Indonesia	Not applicable, foreign company	Associate	30	Section 2(6)
47	PT Kaltim Prima Coal 14 th Floor of Bakrie Tower Building, Rasuna Epicentrum, Jalan H.R. Rasuna Said, Jakarta 12940, Indonesia	Not applicable, foreign company	Associate	30	Section 2(6)
48	Indocoal Resources (Cayman) Ltd. M&C Corporate Services Ltd., P.O. Box 309GT, Uglan House, South Church Street, George Town, Grand Cayman, Cayman Islands	Not applicable, foreign company	Associate	30	Section 2(6)
49	Indocoal KPC Resources (Cayman) Ltd. C/o Citco Trustees (Cayman) Limited, 89 Nexus Way, Camana Bay, P.O. Box 31106, Grand Cayman KY1-1205, Cayman Islands	Not applicable, foreign company	Associate	30	Section 2(6)
50	PT Indocoal Kalsel Resources 12 th Floor of Bakrie Tower Building, Rasuna Epicentrum, Jalan HR Rasuna Said, Jakarta 12960, Indonesia	Not applicable, foreign company	Associate	30	Section 2(6)
51	PT Indocoal Kaltim Resources 12 th Floor of Bakrie Tower Building, Rasuna Epicentrum, Jalan HR Rasuna Said, Jakarta 12960, Indonesia	Not applicable, foreign company	Associate	30	Section 2(6)
52	Dagachhu Hydro Power Corporation Ltd. Khebisa, Dzongkhag: Dagana, Bhutan	Not applicable, foreign company	Associate	26	Section 2(6)
53	Candice Investments Pte. Ltd. 80, Raffles Place, #16-20 UOB Plaza 2, Singapore 048624	Not applicable, foreign company	Associate	30	Section 2(6)
54	PT Nusa Tambang Pratama Menara Anugrah, 12 th Floor Kantor Taman E3.3, Lot. 8.6-8.7, Jl. DR Ide Anak Agung Gde Agung, Kawasan Mega Kuningan, Jakarta 12950, Indonesia	Not applicable, foreign company	Associate	30	Section 2(6)

Sl. No.	Name and Address of the Company *	CIN/GLN	Holding/Subsidiary/ Associate	% of shares Held *	Applicable Section
55	PT Marvel Capital Indonesia Menara Anugrah, 12 th Floor Kantor Taman E3.3, Lot. 8.6-8.7, Jl. DR Ide Anak Agung Gde Agung, Kawasan Mega Kuningan, Jakarta 12950, Indonesia	Not applicable, foreign company	Associate	30	Section 2(6)
56	PT Dwikarya Prima Abadi Menara Anugrah, 12 th Floor Kantor Taman E3.3, Lot. 8.6-8.7, Jl. DR Ide Anak Agung Gde Agung, Kawasan Mega Kuningan, Jakarta 12950, Indonesia	Not applicable, foreign company	Associate	30	Section 2(6)
57	PT Kalimantan Prima Power Menara Duta Building, 2 nd floor Jl. H.R. Rasuna Said Kav. B-9 Jakarta 12910, Indonesia	Not applicable, foreign company	Associate	30	Section 2(6)
58	PT Guruh Agung 2 nd Floor, Gedung Graha Kapital, Jl. Kemang Raya no. 4, Jakarta 12730, Indonesia	Not applicable, foreign company	Associate	30	Section 2(6)
59	PT Citra Prima Buana 2 nd Floor Wing A Menara Duta Building, Jl. H.R. Rasuna Said Kav. B-9, Jakarta 12910, Indonesia	Not applicable, foreign company	Associate	30	Section 2(6)
60	PT Citra Kusuma Perdana 2 nd Floor Wing A Menara Duta Building, Jl. H.R. Rasuna Said Kav. B-9, Jakarta 12910, Indonesia	Not applicable, foreign company	Associate	30	Section 2(6)
61	OTP Geothermal Pte. Ltd. 8 Marina, Boulevard #05-02, Marina Bay Financial Centre Tower 1, Singapore 018981	Not applicable, foreign company	Associate	50	Section 2(6)
62	PT Sorik Marapi Geothermal Power Level 5, Recapital Building, Jl. Aditiawarman Kav. 55, Kebayoran Baru, Jakarta 12160, Indonesia	Not applicable, foreign company	Associate	47.50	Section 2(6)
63	PT OTP Geothermal Level 5, Recapital Building, Jl. Aditiawarman Kav. 55, Kebayoran Baru, Jakarta 12160, Indonesia	Not applicable, foreign company	Associate	47.50	Section 2(6)
64	PT Baramulti Sukessarana Tbk The Landmark Centre Tower B, 8 th Floor, Jl. Jenderal Sudirman No.1, South Jakarta, Indonesia	Not applicable, foreign company	Associate	26	Section 2(6)
65	PT Antang Gunung Meratus The Landmark Centre Tower B, 8 th Floor, Jl. Jenderal Sudirman No.1, Jakarta 12910, Indonesia	Not applicable, foreign company	Associate	26	Section 2(6)
66	Adjaristsqali Netherlands B.V. Westblaak 89, 3012 KG Rotterdam, The Netherlands	Not applicable, foreign company	Associate	40	Section 2(6)
67	Adjaristsqali Georgia LLC 6, I. Abashidze Str., Ap 2-3, Batumi, 6010, Georgia	Not applicable, foreign company	Associate	40	Section 2(6)
68	Koromkheti Netherlands B.V. Westblaak 89, 3012 KG Rotterdam, The Netherlands	Not applicable, foreign company	Associate	40	Section 2(6)
69	Koromkheti Georgia L.L.C 6, I. Abashidze Str., Ap 2-3, Batumi, 6010, Georgia	Not applicable, foreign company	Associate	40	Section 2(6)

* Includes direct and indirect subsidiaries, joint ventures and associates.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2014)				No. of Shares held at the end of the year (as on 31.03.2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters (including Promoter Group)									
(1) Indian									
a) Individuals / HUF	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	76,98,81,050	0	76,98,81,050	32.44	89,25,44,226	0	89,25,44,226	33.00	0.56
e) Bank/Fl	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other (Trust)	6,56,240	0	6,56,240	0.03	6,56,240	0	6,56,240	0.02	0.00
Sub-Total (A) (1):	77,05,37,290	0	77,05,37,290	32.47	89,32,00,466	0	89,32,00,466	33.02	0.55
(2) Foreign									
a) NRIs -Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other - Individuals									
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/Fl	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (2):	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoters (A) = (A) (1)+(A)(2)	77,05,37,290	0	77,05,37,290	32.47	89,32,00,466	0	89,32,00,466	33.02	0.55
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds / UTI	1,94,36,631	2,74,820	1,97,11,451	0.83	2,98,46,381	1,74,420	3,00,20,801	1.11	0.28
b) Banks/Fl	95,41,361	4,86,420	1,00,27,781	0.42	1,37,01,117	4,86,862	1,41,87,979	0.52	0.10
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.(s)	3,93,928	2,52,560	6,46,488	0.03	3,90,485	2,52,560	6,43,045	0.02	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	49,79,95,448	30,400	49,80,25,848	20.99	55,82,95,159	30,400	55,83,25,559	20.64	-0.34
g) FIs	61,63,35,841	68,980	61,64,04,821	25.97	70,02,71,478	68,980	70,03,40,458	25.89	-0.08
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)									
i-i) Foreign Portfolio Investors (Corporate)	0	0	0	0.00	7,61,27,437	0	7,61,27,437	2.81	2.81
i-ii) Foreign Nationals - DR	22,760	0	22,760	0.00	22,760	0	22,760	0.00	0.00
i-iii) Foreign Bodies - DR	0	0	0	0.00	12,94,567	0	12,94,567	0.05	0.05
Sub-Total (B) (1):	1,14,37,25,969	11,13,180	1,14,48,39,149	48.24	1,37,99,49,384	10,13,222	1,38,09,62,606	51.06	2.82
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	2,23,20,383	17,57,090	2,40,77,473	1.01	2,08,55,189	17,48,607	2,26,03,796	0.84	-0.18
ii) Overseas	4,000	6,400	10,400	0.00	4,000	6,400	10,400	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	26,86,60,553	6,47,54,001	33,34,14,554	14.05	30,84,22,536	6,29,84,606	37,14,07,142	13.73	-0.32
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1,92,93,665	16,11,480	2,09,05,145	0.88	2,52,35,929	14,91,480	2,67,27,409	0.99	0.11
c) Others (specify)									0.00
Trust	36,58,957	11,100	36,70,057	0.15	52,21,312	11,100	52,32,412	0.19	0.04
Directors & their relatives	64,000	0	64,000	0.00	93,574	0	93,574	0.00	0.00
Foreign Bodies	7,11,14,192	0	7,11,14,192	3.00	4,949	0	4,949	0.00	-3.00
Sub-total (B) (2):	38,51,15,750	6,81,40,071	45,32,55,821	19.10	35,98,37,489	6,62,42,193	42,60,79,682	15.75	-3.35
Total Public Shareholding (B) = (B)(1)+(B)(2)	1,52,88,41,719	6,92,53,251	1,59,80,94,970	67.34	1,73,97,86,873	6,72,55,415	1,80,70,42,288	66.81	-0.53
TOTAL (A)+(B)	2,29,93,79,009	6,92,53,251	2,36,86,32,260	99.81	2,63,29,87,339	6,72,55,415	2,70,02,42,754	99.84	0.03
C.Shares held by Custodians for GDR & ADRs	44,38,800	1,300	44,40,100	0.19	43,81,200	1,300	43,82,500	0.16	-0.03
GRAND TOTAL (A)+(B)+(C)	2,30,38,17,809	6,92,54,551	2,37,30,72,360	100.00	2,63,73,68,539	6,72,56,715	2,70,46,25,254	100.00	0.00

ii) Shareholding of Promoters (including Promoter Group)

Sl. No	Shareholder's Name	Shareholding at the beginning of the year (as on 01.04.2014)			Shareholding at the end of the year (as on 31.03.2015)			% change in 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	Tata Sons Limited (Promoter)	70,75,11,570	29.81	1.49	82,18,99,682	30.39	1.68	0.57
2	Tata Steel Limited *	3,43,18,180	1.45	0.00	3,91,22,725	1.45	0.00	0.00
3	Tata Industries Limited *	1,96,80,000	0.83	0.00	2,24,35,200	0.83	0.00	0.00
4	Tata Investment Corporation Limited *	60,06,880	0.25	0.00	68,47,842	0.25	0.00	0.00
5	Ewart Investments Limited *	19,55,840	0.08	0.00	22,29,657	0.08	0.00	0.00
6	Sheba Properties Limited *	8,000	0.00	0.00	9,120	0.00	0.00	0.00
7	Sir Dorabji Tata Trust *	5,72,880	0.02	0.00	5,72,880	0.02	0.00	0.00
8	Sir Ratan Tata Trust *	70,160	0.00	0.00	70,160	0.00	0.00	0.00
9	J R D Tata Trust *	13,200	0.00	0.00	13,200	0.00	0.00	0.00
10	Chemical Terminal Trombay Limited *	4,00,580	0.02	0.00	0	0.00	0.00	-0.02
	Total	77,05,37,290	32.47	1.49	89,32,00,466	33.02	1.68	0.55

* Part of Promoter Group

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

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (as on 01.04.2014)		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Tata Sons Limited (Promoter)	70,75,11,570	29.81					70,75,11,570	26.16
				02.05.2014	Purchase of Shares	11,43,88,112	4.23	82,18,99,682	30.39
				31.03.2015	At the end of the year	-	-	82,18,99,682	30.39
2	Tata Steel Limited *	3,43,18,180	1.45					3,43,18,180	1.27
				02.05.2014	Purchase of Shares	48,04,545	0.18	3,91,22,725	1.45
				31.03.2015	At the end of the year	-	-	3,91,22,725	1.45
3	Tata Industries Limited *	1,96,80,000	0.83					1,96,80,000	0.73
				02.05.2014	Purchase of Shares	27,55,200	0.10	2,24,35,200	0.83
				31.03.2015	At the end of the year	-	-	2,24,35,200	0.83
4	Tata Investment Corporation Limited *	60,06,880	0.25					60,06,880	0.22
				02.05.2014	Purchase of Shares	8,40,962	0.03	68,47,842	0.25
				31.03.2015	At the end of the year	-	-	68,47,842	0.25
5	Ewart Investments Limited *	19,55,840	0.08					19,55,840	0.07
				02.05.2014	Purchase of Shares	2,73,817	0.01	22,29,657	0.08
				31.03.2015	At the end of the year	-	-	22,29,657	0.08
6	Sheba Properties Limited *	8,000	0.00					8,000	0.00
				02.05.2014	Purchase of Shares	1,120	0.00	9,120	0.00
				31.03.2015	At the end of the year	-	-	9,120	0.00
7	Sir Dorabji Tata Trust *	5,72,880	0.02					5,72,880	0.02
				-	No change	0	0.00	5,72,880	0.02
				31.03.2015	At the end of the year	-	-	5,72,880	0.02
8	Sir Ratan Tata Trust *	70,160	0.00					70,160	0.00
				-	No change	0	0.00	70,160	0.00
				31.03.2015	At the end of the year	-	-	70,160	0.00
9	J R D Tata Trust *	13,200	0.00					13,200	0.00
				-	No change	0	0.00	13,200	0.00
				31.03.2015	At the end of the year	-	-	13,200	0.00

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (as on 01.04.2014)		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
10	Chemical Terminal Trombay Limited *	4,00,580	0.02					4,00,580	0.01
				27.01.2015	Sale of Shares	-25,000	0.00	3,75,580	0.01
				19.02.2015	Sale of Shares	-10,000	0.00	3,65,580	0.01
				20.02.2015	Sale of Shares	-10,000	0.00	3,55,580	0.01
				23.02.2015	Sale of Shares	-5,000	0.00	3,50,580	0.01
				25.02.2015	Sale of Shares	-10,000	0.00	3,40,580	0.01
				26.02.2015	Sale of Shares	-50,000	0.00	2,90,580	0.01
				27.02.2015	Sale of Shares	-75,000	0.00	2,15,580	0.01
				02.03.2015	Sale of Shares	-70,000	0.00	1,45,580	0.01
				03.03.2015	Sale of Shares	-40,000	0.00	1,05,580	0.00
				04.03.2015	Sale of Shares	-5,000	0.00	1,00,580	0.00
				27.03.2015	Sale of Shares	-1,00,580	0.00	0	0.00
31.03.2015	At the end of the year	-	-	0	0.00				

* Part of Promoter Group

iv) Shareholding Pattern of Top 10 Shareholders (Other than Directors, Promoters and Holders of GDRS and ADRs):

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (as on 01.04.2014)		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shares during the year	
		No. of Shares	% of total Shares of the Company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Life Insurance Corporation of India	29,93,67,181	12.62					29,93,67,181	11.07
				02.05.2014	Purchase of Shares	4,19,07,488	1.55	34,12,74,669	12.62
				09.05.2014	Sale of Shares	-17,87,582	-0.07	33,94,87,087	12.55
				09.05.2014	Purchase of Shares	17,87,582	0.07	34,12,74,669	12.62
				06.06.2014	Sale of Shares	-5,00,000	-0.02	34,07,74,669	12.60
				13.06.2014	Sale of Shares	-12,33,108	-0.05	33,95,41,561	12.55
				20.06.2014	Sale of Shares	-1,98,935	-0.01	33,93,42,626	12.55
				27.06.2014	Sale of Shares	-3,46,436	-0.01	33,89,96,190	12.53
				30.06.2014	Sale of Shares	-1,67,203	-0.01	33,88,28,987	12.53
				04.07.2014	Purchase of Shares	2	0.00	33,88,28,989	12.53
				04.07.2014	Sale of Shares	-12,00,002	-0.04	33,76,28,987	12.48
				11.07.2014	Sale of Shares	-14,60,005	-0.05	33,61,68,982	12.43
				18.07.2014	Sale of Shares	-7,00,000	-0.03	33,54,68,982	12.40
				24.07.2014	Sale of Shares	-5,38,338	-0.02	33,49,30,644	12.38
				10.10.2014	Purchase of Shares	20,59,152	0.08	33,69,89,796	12.46
				17.10.2014	Purchase of Shares	32,17,431	0.12	34,02,07,227	12.58
				24.10.2014	Purchase of Shares	43,19,830	0.16	34,45,27,057	12.74
				31.10.2014	Purchase of Shares	37,93,154	0.14	34,83,20,211	12.88
				07.11.2014	Purchase of Shares	18,46,310	0.07	35,01,66,521	12.95
				14.11.2014	Purchase of Shares	10,00,000	0.04	35,11,66,521	12.98
				28.11.2014	Purchase of Shares	14,54,519	0.05	35,26,21,040	13.04
				05.12.2014	Purchase of Shares	2,50,407	0.01	35,28,71,447	13.05
				12.12.2014	Purchase of Shares	2,95,074	0.01	35,31,66,521	13.06
				23.01.2015	Sale of Shares	-51,600	0.00	35,31,14,921	13.06
				23.01.2015	Purchase of Shares	51,600	0.00	35,31,66,521	13.06
				13.02.2015	Purchase of Shares	16,39,260	0.06	35,48,05,781	13.12
				27.02.2015	Purchase of Shares	91,774	0.00	35,48,97,555	13.12
				06.03.2015	Purchase of Shares	42,237	0.00	35,49,39,792	13.12
				31.03.2015	Sale of Shares	-1,34,011	0.00	35,48,05,781	13.12
				31.03.2015	At the end of the year	-	-	35,48,05,781	13.12

Sl. No.	Name of the ShareHolder	Shareholding at the beginning of the year (as on 01.04.2014)		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shares during the year	
		No. of Shares	% of total Shares of the Company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
2	Matthews Pacific Tiger Fund	12,75,60,510	5.38					12,75,60,510	4.72
				02.05.2014	Purchase of Shares	1,78,58,471	0.66	14,54,18,981	5.38
				22.08.2014	Purchase of Shares	6,21,990	0.02	14,60,40,971	5.40
				29.08.2014	Purchase of Shares	29,11,845	0.11	14,89,52,816	5.51
				05.09.2014	Purchase of Shares	32,70,058	0.12	15,22,22,874	5.63
				12.09.2014	Purchase of Shares	4,46,107	0.02	15,26,68,981	5.64
				19.09.2014	Purchase of Shares	12,08,835	0.04	15,38,77,816	5.69
				30.09.2014	Purchase of Shares	39,17,620	0.14	15,77,95,436	5.83
				10.10.2014	Purchase of Shares	15,01,868	0.06	15,92,97,304	5.89
				17.10.2014	Purchase of Shares	32,48,132	0.12	16,25,45,436	6.01
				09.01.2015	Purchase of Shares	25,00,000	0.09	16,50,45,436	6.10
				13.02.2015	Purchase of Shares	19,40,060	0.07	16,69,85,496	6.17
				20.03.2015	Purchase of Shares	5,59,940	0.02	16,75,45,436	6.19
31.03.2015	At the end of the year	-	-	16,75,45,436	6.19				
3	National Westminster Bank Plc as Depository of First State Global Emerging Markets Leaders Fund a Sub Fund of First State Investments ICVC	7,70,57,434	3.25					7,70,57,434	2.85
				02.05.2014	Purchase of Shares	1,07,88,040	0.40	8,78,45,474	3.25
				31.03.2015	At the end of the year	-	-	8,78,45,474	3.25
4	JSH (Mauritius) Limited	6,95,30,560	2.93					6,95,30,560	2.57
				04.04.2014	Sale of Shares	-36,84,065	-0.14	6,58,46,495	2.43
				11.04.2014	Sale of Shares	-32,57,861	-0.12	6,25,88,634	2.31
				18.04.2014	Sale of Shares	-7,78,074	-0.03	6,18,10,560	2.29
				25.04.2014	Sale of Shares	-12,80,033	-0.05	6,05,30,527	2.24
				02.05.2014	Purchase of Shares	96,58,555	0.36	7,01,89,082	2.60
				16.05.2014	Sale of Shares	-1,09,98,000	-0.41	5,91,91,082	2.19
				23.05.2014	Sale of Shares	-3,05,83,587	-1.13	2,86,07,495	1.06
				30.05.2014	Sale of Shares	-1,92,96,621	-0.71	93,10,874	0.34
				31.03.2015	Sale of Shares	-93,10,874	-0.34	0	0.00
				31.03.2015	At the end of the year	-	-	0	0.00
5	The New India Assurance Company Limited	6,35,26,620	2.68					6,35,26,620	2.35
				04.04.2014	Sale of Shares	-7,50,000	-0.03	6,27,76,620	2.32
				11.04.2014	Sale of Shares	-8,67,399	-0.03	6,19,09,221	2.29
				18.04.2014	Sale of Shares	-4,45,142	-0.02	6,14,64,079	2.27
				25.04.2014	Sale of Shares	-2,75,000	-0.01	6,11,89,079	2.26
				02.05.2014	Purchase of Shares	88,88,726	0.33	7,00,77,805	2.59
				23.05.2014	Sale of Shares	-58,399	0.00	7,00,19,406	2.59
				30.05.2014	Sale of Shares	-2,00,000	-0.01	6,98,19,406	2.58
				06.06.2014	Sale of Shares	-60,000	0.00	6,97,59,406	2.58
				13.06.2014	Sale of Shares	-2,75,000	-0.01	6,94,84,406	2.57
				20.06.2014	Sale of Shares	-70,000	0.00	6,94,14,406	2.57
				27.06.2014	Sale of Shares	-1,00,000	0.00	6,93,14,406	2.56
				30.06.2014	Sale of Shares	-15,000	0.00	6,92,99,406	2.56
				04.07.2014	Sale of Shares	-21,601	0.00	6,92,77,805	2.56
				24.07.2014	Sale of Shares	-1,50,000	-0.01	6,91,27,805	2.56
31.03.2015	At the end of the year	-	-	6,91,27,805	2.56				

Sl. No.	Name of the ShareHolder	Shareholding at the beginning of the year (as on 01.04.2014)		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shares during the year	
		No. of Shares	% of total Shares of the Company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
6	General Insurance Corporation of India	6,25,30,370	2.63					6,25,30,370	2.31
				04.04.2014	Sale of Shares	-2,50,000	-0.01	6,22,80,370	2.30
				11.04.2014	Sale of Shares	-6,25,020	-0.02	6,16,55,350	2.28
				18.04.2014	Sale of Shares	-6,59,558	-0.02	6,09,95,792	2.26
				25.04.2014	Sale of Shares	-13,65,422	-0.05	5,96,30,370	2.20
				02.05.2014	Purchase of Shares	99,66,955	0.37	6,95,97,325	2.57
				16.05.2014	Sale of Shares	-9,20,921	-0.03	6,86,76,404	2.54
				06.06.2014	Sale of Shares	-5,00,000	-0.02	6,81,76,404	2.52
7	National Westminster Bank Plc as Depository of First State Asia Pacific Leaders Fund a Sub Fund of First State Investments ICVC	5,44,72,794	2.30	31.03.2015	At the end of the year	-	-	6,81,76,404	2.52
								5,44,72,794	2.01
				02.05.2014	Purchase of Shares	76,26,191	0.28	6,20,98,985	2.30
				27.06.2014	Purchase of Shares	10,19,698	0.04	6,31,18,683	2.33
				10.10.2014	Purchase of Shares	8,80,956	0.03	6,39,99,639	2.37
31.03.2015	At the end of the year	-	-	6,39,99,639	2.37				
8	Aberdeen Global Indian Equity (Mauritius) Limited	4,37,00,000	1.84					4,37,00,000	1.62
				02.05.2014	Purchase of Shares	61,18,000	0.23	4,98,18,000	1.84
				09.05.2014	Sale of Shares	-18,20,000	-0.07	4,79,98,000	1.77
				23.05.2014	Sale of Shares	-34,00,000	-0.13	4,45,98,000	1.65
				13.03.2015	Sale of Shares	-18,95,738	-0.07	4,27,02,262	1.58
				20.03.2015	Sale of Shares	-32,38,793	-0.12	3,94,63,469	1.46
				27.03.2015	Sale of Shares	-22,18,959	-0.08	3,72,44,510	1.38
				31.03.2015	Sale of Shares	-6,46,510	-0.02	3,65,98,000	1.35
				31.03.2015	At the end of the year	-	-	3,65,98,000	1.35
9	Abu Dhabi Investment Authority	2,76,33,439	1.16					2,76,33,439	1.02
				11.04.2014	Sale of Shares	-6,05,000	-0.02	2,70,28,439	1.00
				02.05.2014	Purchase of Shares	39,87,445	0.15	3,10,15,884	1.15
				06.06.2014	Purchase of Shares	5,85,792	0.02	3,16,01,676	1.17
				13.06.2014	Purchase of Shares	14,08,680	0.05	3,30,10,356	1.22
				13.06.2014	Sale of Shares	-14,08,680	-0.05	3,16,01,676	1.17
				20.06.2014	Sale of Shares	-12,97,055	-0.05	3,03,04,621	1.12
				27.06.2014	Sale of Shares	-1,11,625	0.00	3,01,92,996	1.12
				27.06.2014	Purchase of Shares	6,286	0.00	3,01,99,282	1.12
				30.06.2014	Purchase of Shares	916	0.00	3,02,00,198	1.12
				04.07.2014	Purchase of Shares	1,07,039	0.00	3,03,07,237	1.12
				11.07.2014	Purchase of Shares	2,38,717	0.01	3,05,45,954	1.13
				18.07.2014	Purchase of Shares	1,26,446	0.00	3,06,72,400	1.13
				25.07.2014	Purchase of Shares	1,16,421	0.00	3,07,88,821	1.14
				25.07.2014	Sale of Shares	-1,16,421	0.00	3,06,72,400	1.13
				01.08.2014	Sale of Shares	-1,16,421	0.00	3,05,55,979	1.13
				05.09.2014	Purchase of Shares	1,39,679	0.01	3,06,95,658	1.13
				19.09.2014	Purchase of Shares	20,44,744	0.08	3,27,40,402	1.21
				19.09.2014	Sale of Shares	-18,96,577	-0.07	3,08,43,825	1.14
				14.11.2014	Sale of Shares	-9,99,533	-0.04	2,98,44,292	1.10
				14.11.2014	Purchase of Shares	3,35,232	0.01	3,01,79,524	1.12
				21.11.2014	Sale of Shares	-3,35,232	-0.01	2,98,44,292	1.10
				28.11.2014	Purchase of Shares	3,60,899	0.01	3,02,05,191	1.12
				19.12.2014	Purchase of Shares	1,13,900	0.00	3,03,19,091	1.12
27.02.2015	Sale of Shares	-1,18,000	0.00	3,02,01,091	1.12				
06.03.2015	Sale of Shares	-4,05,963	-0.02	2,97,95,128	1.10				
31.03.2015	At the end of the year	-	-	2,97,95,128	1.10				

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (as on 01.04.2014)		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shares during the year	
		No. of Shares	% of total Shares of the Company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
10	National Insurance Company Limited	1,77,74,701	0.75					1,77,74,701	0.66
				18.04.2014	Sale of Shares	-2,00,000	-0.01	1,75,74,701	0.65
				02.05.2014	Purchase of Shares	24,88,458	0.09	2,00,63,159	0.74
				16.05.2014	Sale of Shares	-2,00,000	-0.01	1,98,63,159	0.73
				23.05.2014	Sale of Shares	-8,00,000	-0.03	1,90,63,159	0.70
				30.05.2014	Sale of Shares	-1,00,000	0.00	1,89,63,159	0.70
				13.06.2014	Sale of Shares	-1,00,000	0.00	1,88,63,159	0.70
				20.06.2014	Sale of Shares	-1,00,000	0.00	1,87,63,159	0.69
				31.03.2015	At the end of the year	-	-	1,87,63,159	0.69
11	Vanguard Emerging Markets Stock Index Fund, a Series of Vanguard International Equity Index Fund	1,52,54,857	0.64					1,52,54,857	0.56
				04.04.2014	Purchase of Shares	83,720	0.00	1,53,38,577	0.57
				11.04.2014	Purchase of Shares	1,02,557	0.00	1,54,41,134	0.57
				18.04.2014	Purchase of Shares	14,651	0.00	1,54,55,785	0.57
				02.05.2015	Purchase of Shares	25,32,541	0.09	1,79,88,326	0.67
				23.05.2014	Purchase of Shares	37,674	0.00	1,80,26,000	0.67
				11.07.2014	Purchase of Shares	73,255	0.00	1,80,99,255	0.67
				24.07.2014	Purchase of Shares	83,720	0.00	1,81,82,975	0.67
				01.08.2014	Purchase of Shares	1,33,952	0.00	1,83,16,927	0.68
				22.08.2014	Purchase of Shares	52,325	0.00	1,83,69,252	0.68
				12.09.2014	Purchase of Shares	58,604	0.00	1,84,27,856	0.68
				28.11.2014	Purchase of Shares	58,604	0.00	1,84,86,460	0.68
				05.12.2014	Purchase of Shares	52,325	0.00	1,85,38,785	0.69
				09.01.2015	Sale of Shares	-85,813	0.00	1,84,52,972	0.68
				16.01.2015	Sale of Shares	-37,674	0.00	1,84,15,298	0.68
				23.01.2015	Sale of Shares	-35,581	0.00	1,83,79,717	0.68
				06.02.2015	Sale of Shares	-10,465	0.00	1,83,69,252	0.68
				13.02.2015	Sale of Shares	-41,860	0.00	1,83,27,392	0.68
31.03.2015	Sale of Shares	-31,395	0.00	1,82,95,997	0.68				
				31.03.2015	At the end of the year	-	-	1,82,95,997	0.68

v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (as on 01.04.2014)		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shares during the year	
		No. of Shares	% of total Shares of the Company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Mr. Cyrus P. Mistry	64000	0.00					64,000	0.00
				02.05.2014	Purchase of Shares	8,960	0.00	72,960	0.00
				31.03.2015	At the end of the year	-	-	72,960	0.00
2	Mr. R. Gopalakrishnan	0	0.00					0	0.00
				-	No change	0	0.00	0	0.00
				31.03.2015	At the end of the year	-	-	0	0.00
3	Dr. Homiar S. Vachha	0	0.00					0	0.00
				-	No change	0	0.00	0	0.00
				31.03.2015	At the end of the year	-	-	0	0.00
4	Mr. Nawshir H. Mirza	0	0.00					0	0.00
				-	No change	0	0.00	0	0.00
				31.03.2015	At the end of the year	-	-	0	0.00

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (as on 01.04.2014)		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shares during the year	
		No. of Shares	% of total Shares of the Company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
5	Mr. Deepak M. Satwalekar	0	0.00					0	0.00
				-	No change	0	0.00	0	0.00
				31.03.2015	At the end of the year	-	-	0	0.00
6	Mr. Piyush G. Mankad	0	0.00					0	0.00
				-	No change	0	0.00	0	0.00
				31.03.2015	At the end of the year	-	-	0	0.00
7	Mr. Ashok K. Basu	0	0.00					0	0.00
				-	No change	0	0.00	0	0.00
				31.03.2015	At the end of the year	-	-	0	0.00
8	Mr. Thomas Mathew T.	0	0.00					0	0.00
				-	No change	0	0.00	0	0.00
				31.03.2015	At the end of the year	-	-	0	0.00
9	Ms. Vishakha V. Mulye	0	0.00					0	0.00
				-	No change	0	0.00	0	0.00
				31.03.2015	At the end of the year	-	-	0	0.00
10	Mr. Anil Sardana, CEO & Managing Director	0	0.00					0	0.00
				02.05.2014	Purchase of Shares	14	0.00	14	0.00
				31.03.2015	At the end of the year	-	-	14	0.00
11	Mr. S. Padmanabhan, Executive Director (Operations) (upto 30.06.2014)	0	0.00					0	0.00
				-	No change	0	0.00	0	0.00
				31.03.2015	At the end of the year	-	-	0	0.00
12	Mr. Ashok S. Sethi, COO & Executive Director (w.e.f. 07.05.2014)	18000	0.00					18000	0.00
				02.05.2014	Purchase of Shares	2600	0.00	20600	0.00
				31.03.2015	At the end of the year	-	-	20600	0.00
13	Mr. Ramesh N. Subramanyam, Chief Financial Officer	0	0.00					0	0.00
				-	No change	0	0.00	0	0.00
				31.03.2015	At the end of the year	-	-	0	0.00
14	Mr. Hanoz M. Mistry, Company Secretary	16180	0.00					16180	0.00
				02.05.2014	Purchase of Shares	2265	0.00	18445	0.00
				31.03.2015	At the end of the year	-	-	18445	0.00

V. INDEBTEDNESS

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

Figures in ₹ crore

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	5,703.46	5,376.73	0.27	11,080.46
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	107.21	85.98	-	193.19
Total (i + ii + iii)	5,810.67	5,462.71	0.27	11,273.65
Change in Indebtedness during the financial year				
• Addition	1,259.29	6,237.56	-	7,496.85
• Reduction	(1,464.15)	(6,046.35)	(0.24)	(7,510.74)
Net Change	(204.86)	191.21	(0.24)	(13.89)
Indebtedness at the end of the financial year				
i) Principal Amount	5,506.24	5,530.83	0.03	11,037.10
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	99.57	123.09	-	222.66
Total (i + ii + iii)	5,605.81	5,653.92	0.03	11,259.76

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Mr. Anil Sardana, CEO & Managing Director	Mr. Ashok S. Sethi, COO & Executive Director (w.e.f. 07.05.2014)	*Mr. S. Padmanabhan, Executive Director (Operations) (Upto 30.06.2014)	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,16,55,270	62,30,467	22,64,299	2,01,50,036
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	72,86,394	43,19,616	36,01,362	1,52,07,372
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission - as % of profit - others, specify...(performance based)	₹3,42,00,000	₹1,04,50,000	₹47,50,000	₹4,94,00,000
5.	Others, Retirement Benefits	21,87,000	11,67,097	4,13,100	37,67,197
	Total (A)	5,53,28,664	2,21,67,180	1,10,28,761	8,85,24,605
	Ceiling as per the Act (@10% of profit calculated under Section 198 of the Companies Act, 2013)				135,32,44,316

* Commission relates to the financial year ended 31st March 2015, which will be paid during FY16.

Commission of ₹ 3,00,00,000 and ₹ 2,00,00,000, was paid to Mr. Sardana and Mr. Padmanabhan respectively, for FY14, during FY15.

B. Remuneration to other directors:

(₹)

Sl. No.	Name of Directors	Particulars of Remuneration			Total Amount
		Fee for attending board / committee Meetings*	Commission payable for FY15 *	Others, please specify	
I. Independent Directors					
1.	Dr. H. S. Vachha	6,00,000	80,00,000	Nil	86,00,000
2.	Mr. N. H. Mirza	4,20,000	74,00,000	Nil	78,20,000
3.	Mr. D. M. Satwalekar	6,00,000	73,50,000	Nil	79,50,000
4.	Mr. P. G. Mankad	4,00,000	32,50,000	Nil	36,50,000
5.	Mr. A. K. Basu	1,80,000	24,00,000	Nil	25,80,000
6.	Ms. V. V. Mulye\$	Nil	Nil	Nil	Nil
	Total (I)	22,00,000	2,84,00,000	Nil	3,06,00,000
II. Other Non-Executive Directors					
1.	Mr. C. P. Mistry	3,80,000	Nil#	Nil	3,80,000
2.	Mr. R. Gopalakrishnan	4,20,000	49,00,000	Nil	53,20,000
3.	Mr. Thomas Mathew T. @	1,60,000	17,00,000	Nil	18,60,000
	Total (II)	9,60,000	66,00,000	Nil	75,60,000
	Total Managerial Remuneration (I + II)	31,60,000	3,50,00,000	Nil	3,81,60,000
	Overall Ceiling as per the Act (@1% of profit calculated under Section 198 of the Companies Act, 2013)				13,53,24,432

* Excludes service tax

* Commission relates to the financial year ended 31st March 2015, which will be paid to eligible Directors during FY16.

\$ Ms. Vishakha Mulye has not accepted any Sitting Fees or Commission.

Mr. C. P. Mistry, being Executive Chairman of Tata Sons Limited, has not accepted any Commission.

@ While the Sitting Fees for attending meetings were paid to Mr. Thomas Mathew T., Nominee Director of LIC, the Commission was paid to LIC.

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Ramesh Subramanyam, Chief Financial Officer	Mr. H. M. Mistry, Company Secretary	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,41,91,040	44,25,080	1,86,16,120
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	52,20,681	23,20,047	75,40,728
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission - as % of profit - others	Nil	Nil	Nil
5.	Others, Retirement Benefits	5,62,925	5,92,240	11,55,165
	Total	1,99,74,646	73,37,367	2,73,12,013

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			None		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			None		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

Annexure-VIII: Secretarial Audit Report

(Ref.: Board's Report, Section 26)

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015

(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,
The Tata Power Company Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Tata Power Company Limited (hereinafter called the '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 Tata Power Company Limited'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 authorised 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 2015 generally 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 made available to us and maintained by The Tata Power Company Limited for the financial year ended on 31st March 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the 'Act') and the rules made there under;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - (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 (Issue and Listing of Debt Securities) Regulations, 2008;
 - (e) The other regulations of the Securities and Exchange Board of India as may be applicable to the Company.
- (vi) Other laws applicable to the Company as per the representations made by the Company.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with respect to board and general meetings of The Institute of Company Secretaries of India are not in force as on the date of this report.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above subject to the following observations:

- (a) Non-filing of form MGT-14 in respect of two resolutions passed by the Board of Directors under Section 179(3) of the Companies Act, 2013 and rules made thereunder for investment of funds of the Company.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 was given to all Directors at least seven days in advance to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously.

We further report that as per the explanations given to us and the representations made by the Management and relied upon by us there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company had the following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.:

1. Issue of 33,22,30,130 Equity Shares of ₹ 1/- each at a price of ₹ 60 per share aggregating ₹ 1,993.38 crore, on Rights basis under Section 62 of the Act.
2. Issue of privately placed debentures aggregating ₹ 1,500 crore, under Section 42 and 71 of the Act.
3. Part redemption of 3 series of Non-convertible Debentures aggregating ₹ 281 crore.
4. Increase in borrowing limits upto ₹ 27,000 crore under Section 180(1)(c) of the Act.
5. Sell, lease or dispose off whole or substantially the whole of the undertaking of the Company not exceeding ₹ 33,750 crore under Section 180(1)(a) of the Act .

For Parikh & Associates
Company Secretaries

P. N. Parikh
(Partner)
FCS: 327/CP: 1228

Place: Mumbai
Date: 19th May 2015

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

'Annexure A'

To,
The Members
The Tata Power Company Limited

Our report of even date is to be read along with this letter.

1. 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.
2. We have followed the audit practices and process 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 process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. 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.

For Parikh & Associates
Company Secretaries

P. N. Parikh
(Partner)
FCS: 327/CP: 1228

Place: Mumbai
Date: 19th May 2015

MANAGEMENT DISCUSSION & ANALYSIS

1. Industry Structure and Developments

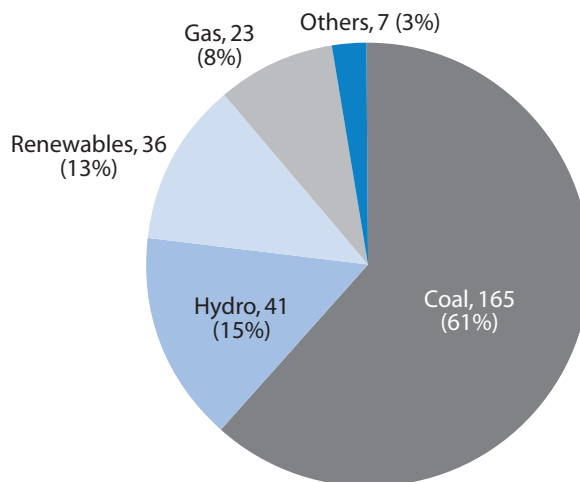
1.1. Market Structure

India has different models for sale and purchase of bulk power - integrated utility [State Electricity Board (SEB)], single buyer (MoU based/regulated generation), competitive bidding, captive power generation and sale to captive users. At the consumer end, India has models such as monopoly where the incumbent state distribution company is the sole provider of electricity, franchisee model, retail competition, etc. Migration to a more mature market structure is expected to occur gradually. With the proposed amendment to the Electricity Act, 2003 (EA, 2003) on the anvil, the market structure may alter significantly in the long-term.

1.2. Generation

The installed generating capacity in the country as on 31st March 2015, was 272 GW (and an additional 43 GW of captive power). Grid capacity addition during the financial year for the country was 25 GW as compared to capacity addition of 20 GW during the previous financial year.

India generation mix (in GW) and share by generation source , as of 31st March 2015 (Source: CEA)



1.3. Fuel

Coal production by Coal India Limited (CIL) and its subsidiaries was 494 MT in FY15 against 462 MT in FY14, reflecting a 7% growth y-o-y as against CAGR of 2.3% experienced in the last three years. The process of captive coal block auctions is aimed at facilitating the growth of domestic coal production. Thermal coal imports this year stood at over 150 MT. Domestic natural gas production was 33,656 MCM against 35,407 MCM in FY14.

(Source: www.coalindia.in, www.petroleum.nic.in)

1.4. Transmission

The backbone transmission of system in India is mainly through 400 kV AC and 220 kV AC networks with the highest transmission voltage level being 765 kV. Transmission lines capacity has increased to over 3 lakh Ckm in FY15, reflecting an increase of 7.5% over the previous year.

1.5. Distribution

The recently issued 'Performance Report of State Power Utilities' by Power Finance Corporation (PFC) for FY13 indicates that Aggregate Technical & Commercial (AT&C) losses of state owned distribution utilities are still at very high levels. Financial health of state electricity utilities in retail distribution continues to remain the most critical issue for the sector's viability.

As part of the proposed amendments to the EA, 2003, separation of the wires and supply businesses is envisaged. This is expected to increase competition in the supply sector, though reliability of wires & network remaining with the incumbent would continue to pose challenges.

1.6. Power Trading

Around 115 BUs of electricity were traded in the short-term power market during FY15 (as compared to 105 BUs in FY14), accounting for around 9% of the total generation.

With increased opportunities, the challenges in the power trading sector have also grown. The competition has grown fierce due to an increase in the number of CERC licensed traders from 13 in FY05 to 71 in FY15. Due to this, trading margins are also under immense pressure.

Power trading is also adversely affected by continued corridor constraints for power flow from predominant generating regions in East & West to consumption centres in the South leading to prevalence of high prices for the customers in the southern states.

1.7. Power Services Business

With the opening up of the Electricity Sector, several private players started establishing power plants in India to meet the demand-supply gap. With this development, the market for outsourcing of O&M of Power Plants also opened up in India. Today, it is estimated that over 15,000 MW capacities have been outsourced for O&M. In the next 2-3 years, additional 12,000 MW of capacity is expected to deploy outsourced power services.

Further, in the transmission sector, with the entry of private players in last few years, there is an opportunity for O&M services and project management consultancy services.

1.8. Changes to Regulatory Environment

Regulatory reforms in the power sector are critical given the current challenges across the value chain. The following are some of the important regulatory changes that took place in FY15:

- Electricity (Amendment) Bill, 2014

The Electricity (Amendment) Bill, 2014 was introduced in Lok Sabha on 19th December 2014. The Bill seeks to segregate the distribution network from the electricity supply business and to introduce multiple supply licensees in the market amongst other changes. The Bill has been referred to Parliamentary Standing Committee on Energy which has submitted its report. Your Company is actively participating in the public consultation process directly and through industry associations.

- The Coal Mines (Special Provisions) Bill, 2015 and Coal Auctions

Hon'ble Supreme Court, vide its judgment dated 25th August 2014, read with its order dated 24th September 2014 cancelled the allocation of 204 captive coal blocks. To reallocate the cancelled captive coal blocks, the Parliament, passed the Coal Mines (Special Provisions) Act, 2015. This provides for allocation of coal mines, through auction and allotment, and vesting of the right, title and interest in and over the land and mine infrastructure, to successful bidders and allottees, with a view to ensure continuity in coal mining operations and production of coal.

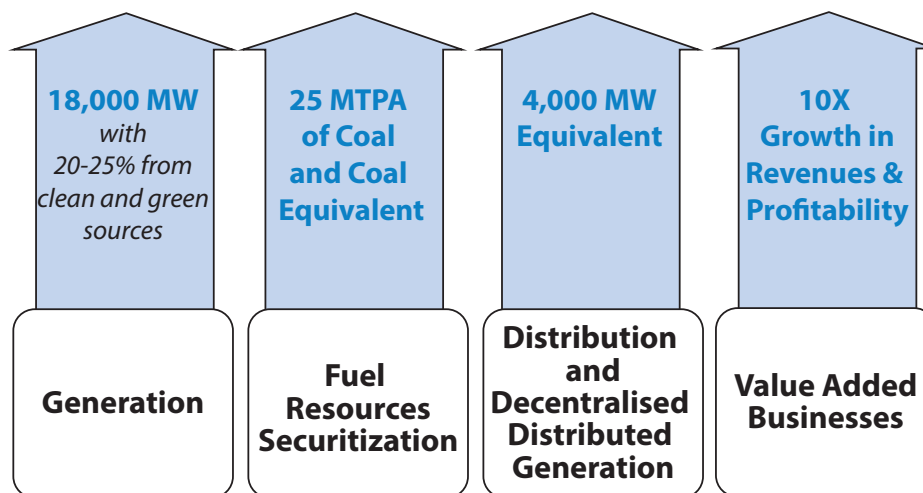
Ministry of Coal put on auction Schedule II (42 producing and ready to produce blocks) and Schedule III (32 substantially developed coal blocks) in the months of January and February 2015. As per indications available from Government of India, the process of auction of coal blocks is likely to continue in the months and years ahead.

- CERC Tariff Regulation 2014

CERC notified tariff regulations under 'Term and Conditions of Tariff, 2014', which will form the basis for regulations for a period of five years with effect from 1st April, 2014 to 31st March, 2019 and shall be applicable to all Central Generating Stations, Inter-State Generating Stations and the Inter-State Transmission Systems for whom the tariff is determined under Section 62 of EA, 2003. The key changes are with regards to tax and calculation of incentives for thermal power plants. As per the new regulations, the base rate of Return on Equity (RoE) would be grossed up with the effective tax rate of the respective financial year. The effective tax rate would be considered on the basis of actual tax paid for the financial year by the generating company. The incentive for thermal power plants would be calculated based on the Plant Load Factor (PLF) instead of Plant Availability Factor (PAF) and would be paid at the rate of 50 paise/kWh for every unit generated above 85% PLF. Apart from these, the regulations have tightened the operating parameters such as Station Heat Rate, Auxiliary Consumption and Secondary Fuel Oil Consumption for thermal power plants.

2. Strategic Focus of Tata Power

Strategic Intent 2022



Your Company is an integrated player across the power value chain which gives it a competitive edge in the marketplace. The key focus areas for the Company will be scaling up of Generation capacity and Value Added Businesses viz. services, trading etc. Considering the evolution in the global energy environment, the Company will maintain a portfolio of options for its generation mix. The Company plans to have 20-25% of its generation capacity from clean and green sources over the next 8-10 years.

While Indian market continues to remain the primary focus of business, your Company has started making investments in projects in select international geographies to diversify its portfolio. In line with the international strategy, the Company continues to evaluate investment opportunities in Africa, Turkey & Middle East, South East Asia and the SAARC region. In addition, the Company continues to evaluate various opportunities for providing management and technical advisory services in Generation and Distribution businesses.

The Company is focusing on the consumer end of the value chain through distribution network development and power supply business. The Company is also looking at scaling up its Value Added Businesses i.e. businesses with no or low capital investment (Power trading, O&M services, Strategic engineering, Solar EPC) substantially over the next few years. The Company would continue to evaluate investments in non-core businesses such as telecom - Tata Teleservices Limited, Tata Teleservices (Maharashtra) Limited, Tata Communications Limited and depending on market situation and opportunity, divest them at an appropriate juncture.

The progress made against the key strategic objectives are as follows:

Sl. No.	Strategic Objective	Progress made in FY15
1	Resolution of compensatory tariff for CGPL	The matter has been in hearing at the ATE and Hon'ble Supreme Court. Details of the matter are given in Section 9.5 of the Board's Report.
2	Investing in growth projects prudently with focus on renewable energy and expanding international footprint in focus geographies	142 MW of net generation capacity commissioned (126 MW in Dagachhu Hydro; 30 MW solar and 26 MW of wind in TPREL; Sale of capacity of 40 MW DG sets at Lodhivali) Over 770 MW projects under execution in India, South Africa and Georgia
3	Sustainability of Mumbai License Area business	New Distribution and Transmission license obtained for a period of 25 years with effect from August 2014
4	Improving strength of balance sheet	Rights Issue successfully garnered ₹ 1,989.32 crore thereby improving Debt/Equity ratio
5	Operating assets at benchmark levels	Consolidated operating profit at 20% of Net Sales and Income from other Operations

The Company has made the following progress towards its Strategic Intent 2022:

Sr. No.	Strategic Intent 2022													
1	Commissioned Generation Capacity: 18,000 MW	<p>Commissioned Generation Capacity (MW)</p> <table border="1"> <tr> <th>Date</th> <th>Commissioned Generation Capacity (MW)</th> </tr> <tr> <td>31st March 2015</td> <td>8,726</td> </tr> <tr> <td>31st March 2014</td> <td>8,584</td> </tr> </table>	Date	Commissioned Generation Capacity (MW)	31 st March 2015	8,726	31 st March 2014	8,584						
Date	Commissioned Generation Capacity (MW)													
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2	Share of Clean & Green Generation: 20-25%	<table border="1"> <tr> <th>Fiscal Year</th> <th>Share of Clean & Green Generation (%)</th> </tr> <tr> <td>FY 15</td> <td>16%</td> </tr> <tr> <td>FY 14</td> <td>14%</td> </tr> </table>	Fiscal Year	Share of Clean & Green Generation (%)	FY 15	16%	FY 14	14%						
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3	Fuel: 25 MTPA	<p>Coal produced (MTPA, Tata Power share)</p> <table border="1"> <tr> <th>Cycle</th> <th>Coal produced (MTPA, Tata Power share)</th> </tr> <tr> <td>CY 14</td> <td>26.6</td> </tr> <tr> <td>CY 13</td> <td>25.0</td> </tr> </table> <p>26.6 MTPA of coal production (Tata Power share) in CY14 from coal mines of KPC, Arutmin, BSSR, AGM. It is to be noted that your Company through its subsidiary, Bhira Investments Limited signed an agreement to sell its stake in PT Arutmin Indonesia and associated companies in coal trading and infrastructure. Coal production from PT Arutmin in CY14 was 9.6 MTPA (Tata Power share).</p> <p>25 MTPA of coal production (Tata Power share) in CY13 from coal mines of KPC, Arutmin, BSSR, AGM.</p>	Cycle	Coal produced (MTPA, Tata Power share)	CY 14	26.6	CY 13	25.0						
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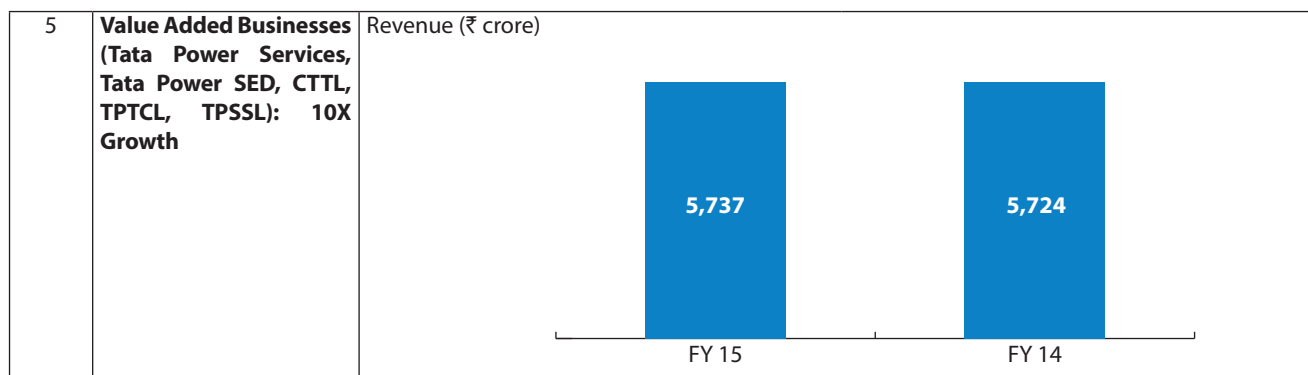
BOARD'S REPORT

MD&A

CG REPORT

STANDALONE

CONSOLIDATED



3. Opportunities and Outlook

The growth in domestic market has in the last few years been constrained given the uncertainties around fuel supply, financial condition of discoms, challenges of land acquisition, water linkages and various statutory clearances. As the power sector is seen as a key driver supporting the growth of the nation at large, the new Government at the Centre has been pursuing reforms which is expected to ease some of the known constraints.

The opportunities that exist for your Company is as follows:

- Generation**

- o Greenfield projects in India and international geographies of focus
- o Expansion at existing sites where the Company is operating
- o Due to the current financial stress in the power sector in India, there are assets which may be available for acquisition. The Company is evaluating and will continue to evaluate opportunities to acquire projects in various stages of development across the country. These acquisitions, if they materialize, will leverage our existing businesses in the power value chain.
- o Renewables: The Company is exploring multiple options, both greenfield and through possible acquisitions. This will help enhance the market share for both solar and wind based generation. Given the increasing difficulty of acquiring land for future capacity addition in India, the Company is actively evaluating and pursuing opportunities to acquire land in strategic markets in the country to help build a strong pipeline.
- o Decentralised Distributed Generation: The Company is actively advocating, evaluating and pursuing projects for solar, wind, biomass-based power plants and other formats of generation to make them commercially viable specifically for small (kW sized) power plants.

- Distribution**

With growing focus on improving the state of distribution business, several business models have been evaluated in the past. While the PPP route has been successfully demonstrated in Delhi, the distribution franchisee model has been accepted by a few states as the route to bring in private investments, expertise and management skills in the distribution business.

Your Company will pursue opportunities in the distribution sector– partnering with States/Union Territories that have the institutional will and conviction to reform and drive operational improvement.

The Company is actively tracking developments with respect to amendments to EA, 2003, which might create opportunities in electricity supply business.

- Transmission**

Over the next few years, the demand for transmission capacity is expected to increase significantly, driven primarily by increase in generation capacity and also due to requirements of open access, inter-regional transfers and integration of infirm renewable power in the system.

Your Company is continuously pursuing the expansion of its transmission network in the Mumbai and Delhi License Areas. The Company also keenly tracks any growth opportunities in the transmission sector and reviews each opportunity as it presents itself.

- **Fuel**

Subsequent to the judgement of the Hon'ble Supreme Court of India pertaining to the matter of coal block allocation, the Company's share of coal allocated in two mines viz. Tubed and Mandakini also got cancelled.

The Company did not participate in the first two rounds of the coal block auction process as it concluded after a detailed evaluation that the offered coal blocks were uneconomical for the Company's qualified end use plants. However, the Company will continue to evaluate coal blocks available in future rounds of auction.

The Company continues to evaluate investments in international thermal coal mines to meet the current and future generation growth needs.

4. Risks and Concerns

Tata Power is faced with risks of different varieties, all of which need different approaches for mitigation:

- Risks common to several players in the sector and country of operation
- Risks very specific to the Company due to the way its businesses/operations are structured
- Disaster Management and Business Continuity risks which are by nature rare, but are events with dramatic impact

The key risks and concerns facing the Power sector in India are as follows:

- India's domestic capacity is heavily skewed towards fossil fuels which has a negative impact from an environmental perspective. Regulatory orders to address climate change can adversely affect valuations of coal based power stations.
- Pace of economic growth can slow down leading to lower growth in demand for power in India.
- Slowdown in pace of regulatory reforms in the country can affect aspects such as renewables scale-up, Case I and Case II bidding, opportunities for private player in distribution sector, amendment of EA, 2003, etc.
- Domestic coal supply may continue to remain inadequate or inaccessible to meet the growth in generation capacity.
- Infrastructure constraints such as railways and port capacity that may affect the transportation of domestic coal and logistics of imported coal.
- The imposition of export restrictions or levy of taxes by energy exporting countries could make the cost of imported energy into India more expensive and unattractive for discoms.
- The poor financial health of SEBs continues to be a factor that impedes the growth of the sector.
- Shortage of domestic gas and expensive LNG imports affects the financial viability of gas-based power plants.
- Delays in land acquisition, environmental clearances and other approvals remain an area of concern. Lack of water is another threat to the capacity addition plans.
- The availability of cost-effective capital for funding of new projects could be a cause of concern given current exposure of banks to power sector and stranded assets which can result in NPAs.

The key risks and concerns specific to your Company are as follows:

- Timely resolution and implementation of CGPL PPA Compensatory Tariff
- Risks in Mumbai business due to pressure on tariff in distribution business
- Volatility in exchange rates and coal prices
- Steep fall in international coal prices adversely impacting the profitability of coal mines, thereby affecting their valuations

For the Company's forays in the domestic and international markets, adequate assessment of the risks and returns associated with each investment is carried out and appropriate mitigation measures are put in place.

Your Company has prepared Disaster Management Plans as per National Disaster Management Authority guidelines and Business Continuity Plans as per ISO 22301:2012. British Standards Institution (BSI) has assessed the same and has recommended your Company for certification.

5. Operational Performance

Consolidated operations of Tata Power are categorised into three segments: Power, Coal and Others. Report on the performance and financial position of each of the subsidiaries, joint ventures and associate companies has been provided in Form AOC-1. Highlights of operational performance of key entities are listed below.

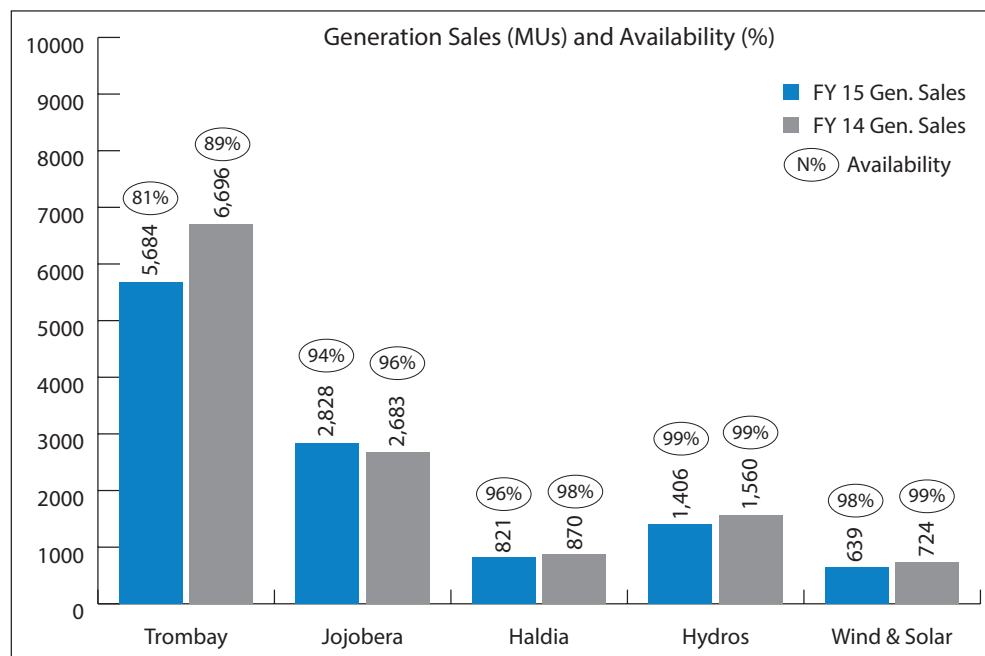
5.1. The Tata Power Company Limited

Figures in ₹ crore

Particulars	FY15	FY14
Net sales	8,678	8,675
PAT	1,010	954

The higher PAT is due to lower loss on foreign exchange vis-à-vis previous year primarily due to realized gain on hedging of FCCB loan, higher treasury and dividend income.

5.1.1. Generation



- **Trombay:** Generation was lower than last year on account of low system demand planned, low PLF in Unit-6 to reduce oil usage, low availability of APM gas impacting Unit-7, and forced outages of Unit-7 and Unit-8. The plant has undertaken several operational improvement measures such as Cooling Water Tunnel interconnection between units for vacuum improvement in condenser that helps improve efficiency of units, installation of Variable Frequency Drive for hot well make up pump that results in reduction of auxiliary power consumption.
- **Jojobera:** Generation was marginally higher than previous year on account of higher demand. The plant has undertaken measures for improvement in boiler performance optimising primary air flow in mills.
- **Haldia:** Generation from Haldia was lower in FY15 mainly because of forced outages and lower supply of flue gas. The plant has undertaken several measures for operational improvement including restoration of deareator extraction temperature to design value to increase power generation, rectification of stalling problem of turbine and implementation of auto-changeover scheme to improve restoration time.
- **Hydro:** The decrease in generation was on account of lesser margin in KWTA quota and the need to keep the peaking capacity available during low lake level period i.e. May and June of the calendar year 2015.
- **Renewables (Wind and Solar):** Lower generation from wind was primarily due to backing down by utilities and lower wind trend. Generation at solar plant at Mulshi was as per expectation.

5.1.2. Transmission

The Transmission assets, which are part of the Mumbai License Area, had a grid availability of 99.65% (highest ever) as against the MERC norm of 98%. This improved availability is due to proactive actions taken based on preventive maintenance practices, good condition monitoring and judicious planning and execution of planned outages.

- During the year, the Company added 430 MVA of Transformation Capacity, laid 47.35 Ckm of network and commissioned a new 145 kV GIS Receiving Station.

- 220 kV Transmission line between MSETCL Kalwa Receiving Station and Tata Power Salsette Receiving Station has been uprated and will enhance Transmission capacity for bringing power to Mumbai city from outside.
- The Company organised special safety awareness programs in the vicinity of High Tension lines in Mumbai, under its Jan Jagruti Abhiyaan initiative. The objective is to reduce electrical accidents that can be caused while living in areas which are close to high voltage Transmission lines.

5.1.3. Distribution

The highlights of the Distribution business are as follows:

- Total consumer base increased to over 6 lakh with addition of 19,284 direct and 1,18,851 changeover consumers during FY15.
- Annual distribution sales were 5,969 MUs in FY15 as against 6,541 MUs in FY14.
- In FY15, 704 km of network was developed of which 286 km was of HT and 418 km was of LT. 101 Consumer Substation (Capacity addition-98MVA) and 10 Distribution Substations (Capacity addition-240 MVA) were commissioned in FY15. Five new Bill Collection Centres were commissioned in FY15.

5.1.4. Services

- In FY15, the Services division provided Project Management Services for about 1,300 MW and O&M services for about 1,000 MW.
- In addition, the division provided services such as GIS testing, Design & Quality Audit etc. for various clients.

5.1.5 Strategic Engineering Division (SED)

Despite the continuing sluggish growth in Defence industry in FY15, SED delivered significant growth in revenues compared to FY14 through operational excellence and execution against existing order backlog. Some of the noteworthy achievements of SED during FY15 are:

- Tata Power SED (along with pre-selected associate L&T) was selected as one of the two Development Agencies for Prototype Development phase of BMS Program. Tata Power SED is the leader of the Consortium.
- The Republic Day 2015 Parade, which had the theme of 'Make in India', had on display two indigenous systems and both had contributions from Tata Power SED.

5.2. Coastal Gujarat Power Limited (4,000 MW)

Type of entity: Wholly owned subsidiary

Figures in ₹ crore

Particulars	FY15	FY14
Generation Sales	24,502 MUs	21,972 MUs
Net sales	5,982	5,712
PAT	(898)	(1,492)

PAT Loss at CGPL has reduced significantly mainly due to better operational performance, lower coal prices and lower depreciation. The company has not yet taken into account the compensatory tariff order of CERC while reporting financial performance.

Regulatory matters

Due to unforeseen changes in Indonesian law along with the tariff structure of the Power Purchase Agreement (PPA), CGPL is not able to recover the full cost of fuel through its tariff. Details of petition submitted by CGPL and an update on the same have been provided in the Board's Report Section 9.5.

5.3. Maithon Power Limited (1,050 MW)

Type of entity: Subsidiary (Tata Power: 74%, DVC: 26%)

Figures in ₹ crore

Particulars	FY15	FY14
Generation Sales	6,312 MUs	5,964 MUs
Net sales	2,283	2,293
PAT	211	103

The growth in profit is mainly due to revenue re-computed pursuant to the final tariff order received from the CERC, for tariff control period 2009-14 and improvement in capitalisation.

Power Purchase Agreement

Out of the total capacity of 1,050 MW,

- 900 MW power had been tied up through long term PPAs. DVC, WBSEDCL and Tata Power Delhi Distribution Limited (TPDDL) have each tied up 300 MW.
- 150 MW has been tied up under long term PPA with Kerala State Electricity Board (KSEB) on 30th December 2013. Recently, Medium Term Open Access (MTOA) has been granted for evacuation of entire contracted capacity (150 MW) from Maithon Power to KSEB. The MTOA is valid from 1st January 2016 till 31st May 2018, by when it is expected that the Long-Term Open Access (LTOA) on transmission would be granted.

5.4. Industrial Energy Limited (240 MW)

Type of entity: Subsidiary (Tata Power: 74%, Tata Steel: 26%)

Figures in ₹ crore

Particulars	FY15	FY14
Generation Sales	1,580 MUs	1,694 MUs
Net sales	517	480
PAT	12	89

The lower PAT in FY15 as compared to FY14 is mainly because of the deferred tax liability provision due to change in depreciation rate as per the Companies Act, 2013.

Project Execution

The Company is executing a 3 x 67.5 MW cogeneration plant at Kalinganagar, Odisha, utilising production gases from the Tata steel plant.

5.5. Tata Power Renewable Energy Limited

Type of entity: Wholly owned subsidiary

Figures in ₹ crore

Particulars	FY15	FY14
Generation Sales	216 MUs	153 MUs
Net sales	149	90
PAT	6	4

The Company's higher Revenue and PAT is due to commissioning of Palaswadi Solar Plant, Dangri Wind Plant and Girijashankarwadi Wind Plant.

The overall commissioned capacity at the end of FY15 is 164 MW. During the year, TPREL has successfully commissioned 18 MW at Dangri, Rajasthan. The Company also completed the 32 MW project at Girijashankarwadi, Maharashtra with the commissioning of the final 8 MW. Solar plant at Palaswadi (29 MW) was also commissioned during the year.

5.6. Dagachhu Hydro Power Corporation Limited (DHPC) (126 MW)

Type of entity: Joint Venture (Tata Power: 26%, Druk Green Power Corporation Limited: 59%, National Pension and Provident Fund of Bhutan: 15%)

Figures in ₹ crore

Particulars	FY15	FY14
Net sales	Nil	Nil
PAT	(2.33)	(0.26)

There are no net sales from DHPC as commercial operations had not commenced as on 31st March 2015.

Operations

DHPC is a Run of the River Hydro power plant which has signed PPA with Tata Power Trading Company Limited (TPTCL) for sale of its power in Indian merchant market. TPTCL is selling DHPC power on short term basis in India. The plant was operationalised in FY15 (Unit-1 [63 MW]: 20th February 2015, Unit-2 [63 MW]: 15th March 2015). Tata Power is pursuing opportunities to place power on bilateral basis with several states.

5.7. Powerlinks Transmission Limited

Type of entity: Subsidiary (Tata Power: 51%, PGCIL: 49%)

Figures in ₹ crore

Particulars	FY15	FY14
Net sales	242	254
PAT	112	113

The lower sales are mainly due to reduction in interest on loan which is a pass-through and hence does not impact PAT. The slight PAT movement is due to reduction in incentives due to change in Tariff Regulations (CERC Tariff for 2014-19).

Operations

The availability of the line was maintained at 99.56% for Eastern Region in FY15 (previous year availability: 98.80%) and 99.87% for Northern Region (previous year availability: 99.97%), as against the minimum stipulated availability of 98% by the Regulator.

5.8. Tata Power Delhi Distribution Limited (TPDDL)

Type of entity: Subsidiary (Tata Power: 51%, Government of National Capital Territory (NCT) of Delhi: 49%)

Figures in ₹ crore

Particulars	FY15	FY14
Net sales	6,529	5,979
PAT	336	334

The marginally higher PAT is mainly due to increase in compensation for carrying cost of regulatory assets, lower depreciation rate in line with new Companies Act, improved operational performance which were partially offset by one time Rithala Plant provision for contingency against the recognized revenue coupled with a tariff order which was not fully cost reflective.

Operations:

TPDDL has a registered consumer base of 14.4 lakh and spans across an area of 510 sq. km. in Northern and North Western part of Delhi. TPDDL sales stood at 8,426 MUs in FY15 as compared to 8,038 MUs in FY14 and for the first time achieved single digit AT&C loss of 9.87%. TPDDL has also met all time peak demand of 1,704 MW in FY15 as against 1,508 MW in FY14. Tariffs in the past have been insufficient to ensure recovery of the power purchase costs of the Company, which has resulted in accumulation of Regulatory Assets to the tune of ₹ 5,358 crore as in FY15 compared to ₹ 5,146 crore in FY14.

In FY15, TPDDL successfully braved the devastating storm of 30th May 2014 in Delhi where wind speeds of over 110 kmph were observed. Teams were immediately deployed at various affected locations and TPDDL was able to restore 50% of power in less than 5 hours and 100% restoration of sub-transmission lines and 80% of distribution network within 12 hours of the disaster.

TPDDL is currently supporting Tata Power in providing consultancy services in the country of Benin/Nigeria and has developed expertise in lending such services of change management and distribution, anywhere around the globe.

5.9. Tata Power Trading Company Limited (TPTCL)

Type of entity: Wholly owned subsidiary

Figures in ₹ crore

Particulars	FY15	FY14
MUs Traded	10,572 MUs	11,488 MUs
Net sales	4,181	4,140
PAT	29	39

Revenue for FY15 is nearly flat as compared to the previous year. However PAT was down by 26% as compared to the previous year primarily on account of higher competition leading to lower trading margin, which is in line with margins of competitors.

Cross-Border Trade of power from Dagachhu Hydro Power Corporation Limited, started from 20th February 2015. TPTCL is the first Indian trader to start merchant power trade from Bhutan. TPTCL also invested in a 1.25 MW rooftop solar power project in Tamil Nadu to ensure green power in its portfolio and also to avail accelerated depreciation norms.

5.10. Trust Energy Resources Pte. Limited (Trust Energy)

Figures in ₹ crore

Particulars	FY15	FY14
Net sales	289	461
PAT	58	95

The lower PAT is mainly due to reduction in coal marketing commission and lower coal shipments as compared to previous year.

The assets under Trust Energy maintained an overall availability of close to 99.9% with 0.7 days down time on one of the vessels in FY15. A new vessel (208,000 DWT) has been contracted to securitize the freight of CGPL for twenty years and is scheduled to be delivered in 2016. The Company has also undertaken several measures to reduce operating expenditure viz. condition monitoring system for lubricants, reduction in hull and machinery insurance premium and ensuring lean structure to manage overhead costs.

5.11. Coal & Infrastructure Companies

Your Company, through its subsidiaries, holds 30% stake in PT Kaltim Prima Coal (KPC) and 26% stake in PT Baramulti Suksessarana Tbk (BSSR), which are strategic assets to hedge imported coal price exposure at CGPL and an important part of the supply chain for its coal off-take requirements.

In FY14, your Company signed an agreement to sell its 30% stake in PT Arutmin Indonesia and associated companies in coal trading and infrastructure. The aggregate consideration for Tata Power’s 30% stake is USD 510 million, subject to certain closing adjustments and restructuring actions. However, the Conditions Precedent to closing the transaction could not be completed in FY15. Your Company is pursuing steps to complete this transaction.

The production at the two Indonesian thermal coal companies, viz. PT Kaltim Prima Coal and PT Arutmin Indonesia, during CY14 was 84.49 MT as against 80.32 MT in CY13. The coal price realization for the year was USD 52.64/tonne as compared to USD 63.87/tonne in the previous year due to continuing downtrend in global coal prices. The lower price of coal impacted the profitability of the coal companies substantially as compared to the earlier years. However, as is the strategy of the Company, the overall impact on profitability of Tata Power Consolidated was partially offset by lower fuel cost in CGPL.

BSSR along with its wholly owned subsidiary, PT Antang Gunung Meratus produced a total of 4.85 MT during CY14. The coal companies have taken steps to reduce the cost of production by focussing on productivity and operating efficiencies.

5.12. Tata Power Solar Systems Limited

Type of entity: Wholly owned subsidiary

Figures in ₹ crore

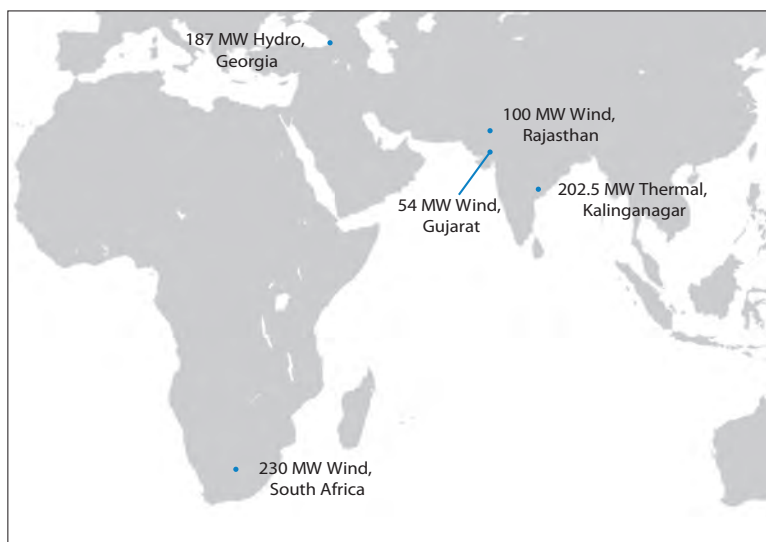
Particulars	FY15	FY14
Net sales	873	1,103
PAT	(114)	(127)

During the year, there was a marginal improvement in bottomline due to improved operational performance. However, the Company continued to incur a loss as it faced challenges in fully utilizing its manufacturing capacity. The market was extremely competitive especially due to imports.

Operations

- Solar Photovoltaic (PV) Cells and Modules: During the year, the company supplied 65 MW of modules to customers in the Domestic Content Requirement (DCR) market under Phase 2, Batch 1 of JNNSM program.
- Projects: The Company executed 10 MWp for Boruka Power Corporation Limited in the state of Karnataka and has also won open access projects that supply power to corporate customers through the grid.
- Products: The Company has won an order in J&K to supply and install solar home lighting solutions to over 43,000 homes in the state. The Company also exported cells and modules, and got repeat orders from the international customers. The products business faced unexpected adverse pressures owing to withdrawal of subsidies by the Government of India.

6. Projects Under Execution

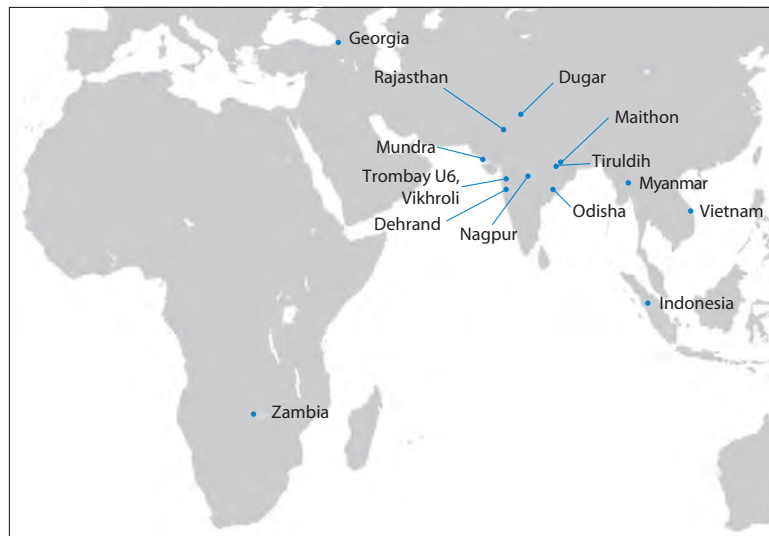


Domestic

Vehicle for project execution	Scale	Key Highlights
Tata Power Renewable Energy Limited (TPREL)	154 MW	Two wind projects are under construction one each in Gujarat and Rajasthan, of which 18 MW is already commissioned in April 2015.
Industrial Energy Limited (IEL)	202.5 MW	The project is located in Kalinganagar, Odisha. The project is in advanced stages of execution.

International

Vehicle for project execution	Scale	Key Highlights
Cennergi Pty. Ltd.	230 MW	Subsequent to financial closure for the two wind projects (Amakhala Emoyeni Wind farm and Tsitsikamma Community Wind Farm) in FY14, the EPC contractors were mobilised at both the sites. The construction at both the projects is progressing on schedule.
Adjaristsqali Georgia LLC	187 MW	Financial closure for Shuakhevi Hydro Project was achieved on 19 th March 2015. The construction of dams, tunnels and power house is in progress.

7. Potential Future Growth Areas**Domestic**

Vehicle for project development	Name	Scale	Key Highlights
The Tata Power Company Limited	Coastal Maharashtra, Dehrand	1,600 MW	Your Company successfully completed acquisition and possession of private land (970 acres) for Coastal Maharashtra project at Dehrand. All statutory approvals required to start the project are in place. Clearance by GoM for transfer of Government land (72.12 acres) to Maharashtra Industrial Development Corporation (MIDC) for Tata Power is in process. The Company is pursuing Power Purchase Agreement with Government of Maharashtra as per MoU signed.
Coastal Gujarat Power Limited (CGPL)	Mundra Expansion	1,600 MW	A Public Hearing in response to the Environment Impact Assessment (EIA) submitted by CGPL for expansion of two additional units of 800 MW was completed successfully in the month of August 2013 and revised EIA was submitted to Gujarat Pollution Control Board (GPCB) and MoEF incorporating suggestions from the local community. The environment clearance and other statutory clearances are being pursued with MoEF and MoP.

Vehicle for project development	Name	Scale	Key Highlights
Maithon Power Limited	Maithon Expansion	1,320 MW	All requisite approvals, other than coal linkage and MoEF clearance are in place. Proposal for coal tie up of 6.4 MTPA is awaiting evaluation of the linkage committee.
Dugar Hydro Power Ltd. (DHPL)	Dugar Hydroelectric JV Project	380 MW	DHPL is a venture between your Company (50% + 1 share) and SN Power Singapore Pte. Limited (50% - 1 share), a subsidiary of Statkraft, Norway. The site investigations and development of the Detailed Project Report (DPR) are under progress.
The Tata Power Company Ltd.	Tiruldih Power Project	1,980 MW	Your Company has acquired around 40% of the required land. Water allocation for the project has been obtained. Post deallocation of Tubed coal block, further action on Environment Clearance (EC) is contingent on obtaining a firm coal linkage for the project.
The Tata Power Company Ltd.	Odisha Project	-	The project of Naraj Marthapur, Odisha was originally envisaged as an end use plant for Mandakini coal block. Accordingly, land was acquired (through Industrial Development Corporation of Odisha-IDCO). Due to proximity of the site to the Chandaka-Dampada wild-life sanctuary and pursuant to the non-clearance of the coal based power project by State Board of Wildlife and National Board of Wildlife, your Company explored alternate options to utilize the land that has been acquired. In FY15, your Company received communication from Industrial Development Corporation of Odisha (IDCO) regarding return of allotted land to IDCO. Your Company has responded to IDCO in this matter and is exploring all options including an alternate site for location of the thermal power project.
Tata Power Renewable Energy Limited	Renewable projects	Over 200 MW	Your Company is developing over 200 MW of wind power projects in India. The Company has acquired land in the states of Gujarat and Rajasthan for future of solar based projects. The Company is also in the process of acquiring land parcels in the state of Telangana.
The Tata Power Company Ltd.	Trombay Unit-6 Modernisation	500 MW	Your Company is pursuing modernisation of its 500 MW Unit 6 in Trombay Power Plant through change of fuel (oil to coal) duly recognising that domestic gas is not available and also oil has become prohibitively expensive. Further oil is environmentally less suitable to deploy due to higher unburnt carbon and associated carbon dioxide. Environmental clearance and CRZ (Coastal Regulation Zone) clearance for the project have been obtained from MoEF. The management is conscious of the environment impact of power generation using coal and has thus proposed mitigation measures by which there would be no enhancement of limits of various emissions. Also, your Company responsibly handles 100% of the ash generated in Trombay through benign applications. Execution of this project will also result in lower cost of power for consumers and thus contribute towards economic activity.
Ideal Energy Projects Ltd. (IEPL)	Ideal Energy	270 MW	The Company signed a Share Purchase Agreement (SPA) with Ideal Energy Projects Ltd. (IEPL), promoted by IRB group, for acquisition of 100% of shares in the 270 MW power project located near Nagpur, Maharashtra. Currently, both sides are working towards completing the Conditions Precedent to the transaction.

Vehicle for project development	Name	Scale	Key Highlights
The Tata Power Company Ltd.	400 kV Vikhroli Transmission Project	-	<p>Your Company is constructing a 400 kV, double circuit transmission line of route length about 20 km from existing 400 kV MSETCL's Kharghar receiving station to proposed 400 kV receiving station at Vikhroli along with 400 kV switching station at Ghatkopar. The proposed 400 kV receiving station at Vikhroli will enable bulk power transmission into Mumbai grid system from the state grid and will meet long term power requirement of Mumbai city.</p> <p>Land plots required for setting up of Gas Insulated Switchgear (GIS) based 400 kV receiving station at Vikhroli and 400 kV GIS bays at Kharghar have been purchased and the land development work is in progress.</p> <p>Clearance from Maharashtra Maritime Board (MMB) for construction work in Vashi creek has been received.</p> <p>Your Company is also in the process of obtaining various statutory clearances/critical approvals such as Coastal Regulatory Zone (CRZ) approval, Forest clearance, Airport Authority of India (AAI) approval, etc.</p>

International

Vehicle for project development	Name	Scale	Key Highlights
The Tata Power Company Ltd.	Long Phu 2, Vietnam	1,200 MW	Your Company has executed a Memorandum of Understanding (MoU) in November 2013 with the Ministry of Industry and Trade, Government of Vietnam, for developing the Long Phu 2 coal fired power project in Soc Trang Province of Vietnam on Build, Own and Transfer (BOT) basis. The Company successfully submitted the DPR as per the regulations in Vietnam in July 2014, in line with the timelines mentioned in the MoU. The Company has also successfully carried out a coal logistics study for the project.
The Tata Power Company Ltd.	Myanmar	-	Your Company has executed a MoU with the Ministry of Electric Power, Government of Myanmar, for development of an imported coal fired power project at Ngayok Kaung, Ayeyarwaddy, Myanmar on BOT basis. The Company has successfully submitted the Pre-Feasibility Report for the proposed project and is now working on preparation of the DPR to be submitted to the Government of Myanmar.
PT OTP Geothermal	Sorik Marapi Geothermal Project, Indonesia	240 MW	<p>The consortium of your Company, Origin Energy Limited and PT Supraco Indonesia won the Sorik Marapi Geothermal Project (SMGP) concession in a competitive bid process in 2010.</p> <p>The project is in the exploration phase. SMGP executed Power Purchase Agreement with PT.PLN (Indonesia State Power Off-taker) on 29th August 2014. SMGP was issued second extension of one year period during the year under existing business license to drill exploratory wells. Key contracts for drilling and related infrastructure support have been awarded. IPB (Geothermal license issued by the Central Government of Indonesia under the new legislation) has been issued for the project on 22nd April 2015 for a period of 30 years.</p>
Itezhi Tezhi Power Corporation Limited	Itezhi Tezhi Hydro Project	120 MW	<p>The Company has entered into a Share Purchase Agreement (SPA) with Tata Africa Holdings (SA) (Pty) Ltd. for formalizing the acquisition of their 50% shareholding in Itezhi Tezhi Power Corporation Ltd. (ITPC). ITPC, a 50-50 joint venture with the Zambian utility ZESCO Limited (ZESCO), is a special purpose vehicle which has been setup to build and operate a 120 MW hydro power plant in Itezhi Tezhi district in Zambia. ITPC has a 25 year Power Purchase Agreement with ZESCO. The closing will be subject to various approvals and consents as required under the applicable law. The project has achieved financial closure and work is in progress.</p>

NOTICE

BOARD'S REPORT

MD&A

CG REPORT

STANDALONE

CONSOLIDATED

Vehicle for project development	Name	Scale	Key Highlights
Koromkheti Georgia LLC (Downstream of Shuakhevi project being developed by the company)	Koromkheti Georgia Project	100-150 MW	The project is a run of the river project, downstream of the Shuakhevi project with diurnal storage capacity to generate during peak hours. The project is located on the Adjaristsqali River in Southern Georgia in close proximity to the border with Turkey. The Project is being developed in cooperation with Clean Energy Invest AS (CEI) and IFC InfraVentures, a member of the World Bank Group. Key project lenders are the European Bank for Reconstruction and Development (EBRD) and the Asian Development Bank (ADB).

8. Enablers to business

8.1 Sustainability

The Company pursues a comprehensive model in its quest towards Sustainability (described in Board's Report Section 12). This includes the following key elements: Care for our People, Care for Community, Care for our Environment and Care for our Shareholders and Customers. The Company's latest Sustainability Report is hosted on its website: <http://www.tatapower.com/sustainability/sustainability-communications.aspx>.

8.1.1 Care for our People

- Safety - Safety has been adopted as a core value at Tata Power and is hence the first priority for the Company. Safety performance of the Company has been reported in Board's Report Section 12.1. Keeping in mind the safety performance in FY15, it was decided to reduce the overall performance pay of all employees including the Managing Director and the Executive Director by a quantum of 5%. The Members of the Board of Directors of the Company have voluntarily offered to reduce their remuneration payable for FY15 by 5%.
- Employee Engagement - On a standalone basis, the manpower (officers and staff) at the end of FY15 stood at 4,310 as compared to 4,244 at the end of the last financial year. Women employees account for approximately 9% of the manpower. The overall employee engagement of your Company determined through Aon Hewitt survey in FY15 was 69% as against the 66% in FY14 and is above the industry average of 60% and is a sector benchmark in India.
- Industrial Relations - Your Company has, since its inception, supported working collaboratively with all stakeholders to maintain cordial industrial relationship at all locations. The activities at all location progressed peacefully and cordially during the year.
- Sexual Harassment – The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. An Internal Complaints Committee (ICC) is set up for all administrative units or offices of Tata Power to redress complaints received regarding sexual harassment. The policy has set guidelines on the redressal and enquiry process that is to be followed by complainants and the ICC, whilst dealing with issues related to sexual harassment at the work place towards any woman associates. All women associates (permanent, temporary, contractual and trainees) as well as any woman visiting the Company's office premises or women service providers are covered under this policy.

The following is a summary of sexual harassment issues raised, attended and dispensed during FY15:

- o No. of complaints received: 1
- o No. of complaints disposed off: 1
- o No. of cases pending for more than 90 days: Nil
- o No. of workshops on awareness program against sexual harassment carried out: 8

8.1.2 Care for Community

The five thrust areas for Corporate Social Responsibility (CSR) wherein the Company engages with its Community are:

- Primary Education with focus on girl child
- Health and Drinking Water
- Livelihood and Employability
- Social Capital and Infrastructure
- Inclusive Growth

Details of CSR spend by the Company is given in and Annexure-I of the Board's Report. CSR activities undertaken by the Subsidiaries and Joint Ventures with significant spend (CGPL, MPL, TPDDL) are as follows:

Coastal Gujarat Power Limited (CGPL)

The Company abides by all stipulated norms including mitigation action for environmental, social, community and ecological aspects. Following are some of the salient features and programs undertaken on social and community aspects.

Approach

At present, CGPL is focussing on 21 villages for implementation of various CSR activities. A systematic approach has been followed for identification of stakeholders and designing programs to promote co-creation. The active role played by the Gram Panchayat has led to the formation of the village level committees which are the first contact point for the company for all developmental work.

Health

Swachh Jal is a program which aims at providing clean water by establishing RO plants and hence preventing water borne diseases in the coastal community. During the year, six RO plants have been installed and now a total of 18 RO plants are operational in the villages, which are effectively managed by the Panchayat. These 18 RO plants (12 nos. each with 1,000 litres/hour capacity, 6 nos. each with 500 litres/hour capacity) cater to the water needs of 18,630 people of the region.

Project Arogya hosts school and community health camps and programs for creating awareness on sanitation and health. During the year, seven specialized health camps were organised in 31 villages which covered 1,177 beneficiaries. Initiatives such as School Health Camps, Community Health Camps, Special Camps (viz. Eye and cataract, Gynaecology) were also conducted.

Education

CGPL is implementing the Shiksha Sarathi and Project Sujaan initiatives to drive upliftment of the education standards. This has benefited 14,469 children across the region. This is being implemented in 83 schools of 50 villages.

Shiksha Sarathi is a Comprehensive Education Upliftment Programme for children in primary school and also aims at capacity building of the teachers. Activities pursued through this are teachers training, learning camps for Std. 3rd-5th, science camps, setting up libraries, etc. These activities have contributed to improved 'learning achievement' of the students evident in their proficiency in reading, mathematics, etc.

Sujaan involves empowering the future generation through value-added computer aided literacy. Under this program, 41 learning stations have been installed, which includes 14 learning stations in schools where number of SC/ST students is high.

Livelihood

Project Sagar Bandhu is an ambitious program designed for development of the fishermen community through strengthening of village institutions like the Village Development Advisory Council (VDAC) and implementation of various activities such as initiatives in micro-financing support, formation of Self Help Groups, establishment of group enterprises, Roof rain water harvesting structure, pipe line connectivity for provision of drinking water, health camps, support to the informal school by providing teachers, provision of mid day meal in school, distribution of fishing gears for livelihood enhancement, etc.

Project Akshaya Urja Deep is a green solution for lighting fishing boats using solar energy, improving livelihood profitability and working towards a sustainable future of fishermen. 113 units of solar boat lights were given to the fishermen which are used for illumination in their hutments and in the boat during fishing at night. This has resulted in increase in productivity because of increased daily fishing hours and saving in costs such as purchase of kerosene.

Kanthi Area Livelihood Program is a project for enhancing livelihood of the community under Gaushala initiatives. During the year, CGPL supplied fodder for 3,600 cattle which benefited 450 cattle owners. Responding to the request of district administration, CGPL provided fodder during the drought in 7 villages. The company has been appreciated officially by the government for the same.

Community Asset Creation

Project Annapurna is an initiative for household bio-gas installations through cost sharing between CGPL and the user community. During FY15, 30 household bio-gas units have been installed. It is having positive impact on the health of families.

Environmental Sustainability

Mangrove Afforestation Program has been undertaken by the company in collaboration with Gujarat Ecological Commission (GEC) and Kantiyajal Tavar Vikas Samiti (KTVS) from October 2010 and has been effectively implemented in 1,000 hectares of land in the coastal village of Kantiyajal, Bharuch district.

Approach to observations made by Compliance Audit Ombudsman (IFC) and Compliance Review Panel (ADB)

The Company and its lenders have received complaints from a few NGOs, who have alleged that CGPL has not done enough to protect the livelihood of fishermen in the neighbourhood. Following the allegations made to IFC and ADB, the Compliance Audit Ombudsman (CAO with reference to IFC) and Compliance Review Panel (CRP with reference to ADB) reviewed the social and environmental safeguard scenario in CGPL. After the report published by the Compliance Audit Ombudsman, CGPL has, in collaboration with IFC, developed an M&M (Monitoring and Management) Plan which is currently being executed. This includes actions and interventions to address the CAO observations.

The M&M Plan focuses on monitoring of selected Environmental and Biodiversity parameters over different time durations, to establish that UMPP Mundra is functioning within the stipulated norms of the IFC/World Bank. Some of these monitoring and verification exercises for example, "Verify presence of radioactive materials in coal & fly ash" have been conducted and concluded that radioactive materials are below detection levels in coal and fly ash. Monitoring of some parameters are designed for longer time period and hence continuing. As part of the M&M Plan, a socio-economic survey is being conducted to identify areas of interventions required in the villages in the UMPP's vicinity. While the study report is being finalized, the recommended actions of the report will be mainstreamed in the regular CSR work of CGPL. The update and details of the progress of the M&M plan is available on the following website <http://www.tatapower.com/cgpl-mundra/csr.aspx>

The CRP (Compliance Review Panel) in reference to the ADB report, has recently been published and the action plan is being developed. The Company wishes to reinforce that the core issues raised are not specific to Mundra UMPP alone, but relate to issues generally concerning the coastline of Gujarat. CGPL shares a very healthy relationship with the local communities and continues to work with them on multiple platforms and community development initiatives. The Company is engaging with all NGOs who work closely with the local community as well as fishermen in and around Mundra UMPP area. The Company would always welcome enhanced engagement with all those who have commitment to genuinely pursue the cause of local communities and ensure enhancement in their quality of life.

Maithon Power Limited (MPL)

During the year under review, the following activities were undertaken:

Employability

- Employability trainings were organized with the help of Tata Consultancy Services Limited and Aegis Global Limited on skill development for working in BPO/KPOs in which 495 local youth were trained. About 30% of those trained have already got placement in locations such as Kolkata and Jamshedpur. In continuation of the above, local youth were also imparted training on various soft skills such as presentation skills, group discussion, public speaking, interpersonal skills, computer operation, verbal and non-verbal communication, email writing, etc.
- 80 tribal women were trained in jute & straw handicraft. Forward linkage with Jharcraft (GoJ) has been established.
- 60 tribal youth were involved in establishing fly ash brick manufacturing unit.

Health

- Two Mobile Medical Units with a team of doctors, pharmacists and nurses were deployed to provide medical advice for treatment of non-chronic diseases, along with distribution of required medicines in 24 locations covering 60 villages near the plant and railway infrastructure.
- Health awareness trainings were imparted to women. Special medical camps on anaemia were also conducted in the nearby villages.

Education

- During the year, MPL started three remedial education support centres and provided education support to 650 students and 50 women around the plant area to bridge their learning gaps.
- MPL has also started a computer training centre in one school facilitating training to 280 candidates including 50 adults.

Water

- 100 non-functional tube wells were repaired in nearby villages.
- Supply of drinking water in nearby 33 villages during summer season was also undertaken by MPL.

Tata Power Delhi Distribution Limited (TPDDL)

TPDDL has developed a unique socio-economic business case for addressing needs and aspirations of key communities which are also its consumers, thereby building a symbiotic relationship for the benefit of both, viz. members of such economically weaker sections especially for those residing in Jhuggi Jhopri (JJ) clusters, resettlement colonies and the company. There are 200+ listed JJ clusters and resettlement colonies which fall in the company's area of operation.

TPDDL's innovative processes of integrating CSR with its business goal of AT&C loss reduction is one of its kind in the industry and has won CII Industrial Innovation Award 2014. In FY15, CSR umbrella program "Haath Badhana, Haath Batana" was launched.

In FY15, the major CSR initiatives undertaken with the objective of reaching out to the communities in which the company operates were:

- Women Literacy programs (290 centres) which helped create 741 brand ambassadors
- 5 RO plants were installed in government schools
- 2 night shelters started
- Education support program for SC/ST students and wards of Adult Literacy Centre and Vocational Training beneficiaries
- More than 30,000 women benefitted by the initiative of imparting education and vocational training
- Mobile dispensaries and drug de-addiction camps

8.1.3 Care for our Environment

Following key initiatives were taken up in FY15:

- Ash Utilisation
- Sewage Treatment Plants at Hydro station of Bhivpuri and Jojobera
- E-Waste Management across your Company
- Promoting E-Bill subscription by consumers in Distribution business
- Demand Side Management
- Carbon abatement

8.1.4 Care for our Customers.

Strengthening customer focus is one of the key areas of attention for Tata Power. The Company aims at achieving customer affection, a level of excellence in customer focus that goes beyond customer satisfaction and delight.

In this direction, the Company in FY15, initiated 'Tata Power Customer Affection Program (TP-CAP)' and instituted a dedicated team to pursue this in a systematic manner, both in Business-to-Business (B2B) and Business-to-Consumer (B2C) businesses. The Company plans to undertake a detailed study of customer segmentation and realign its focus based on needs of each segment.

8.2. Financing

• Fund Raising

On 25th April 2014, the Company allotted 33,15,52,894 Equity Shares of ₹ 1/- each at a price of ₹ 60/- per Equity Share aggregating to ₹ 1,989.32 crore pursuant to shares issued under Rights Issue.

During the year, your Company successfully completed an offering of 3-year Debentures aggregating ₹ 1,000 crore and 5-year Debentures aggregating ₹ 500 crore. The proceeds of the debentures were utilised for the redemption of FCCBs of USD 300 million. The Coupon on the 3-year and 5-year debentures is set below 9.5% for both offerings. Despite a difficult environment, your Company managed to optimise the financing cost through a balanced mix of borrowings from banks/ NBFCs, commercial papers and Debentures.

Despite the pressure on your Company's balance sheet due to under-recovery of fuel costs at CGPL, Mundra, your Company managed to control the borrowing costs by constantly sourcing cheaper sources of funds. CGPL is also actively pursuing its lenders for getting a lower lending rate and also plans to utilize RBI's 5:25 scheme to avail favourable refinancing and repayment options.

• Debt repayment

During the year, an amount of ₹ 8,140.82 crore was repaid on existing loans and debentures. This includes the redemption of ₹ 1796.70 crore of FCCBs which was partially financed by raising debentures of ₹ 1500 crore.

• **Leverage as on 31st March 2015:**

Standalone

Particulars	FY15	FY14
Debt/Equity, Standalone	0.58	0.71

Consolidated – with impairment

Particulars	FY15	FY14
Debt/Equity, Consolidated, without Minority Interest	2.58	2.90
Debt/Equity, Consolidated, including Minority Interest	2.19	2.45

Consolidated – without impairment

Particulars	FY15	FY14
Debt/Equity, Consolidated, without Minority Interest	2.17	2.39
Debt/Equity, Consolidated, including Minority Interest	1.89	2.07

• **Credit Rating**

As on 19th May 2015, your Company had the following five credit ratings, stated below. The ratings have been assigned on the basis of consolidated credit profile of Tata Power and its subsidiaries:

- o Standard & Poor’s Rating Services: B+ with Stable outlook
- o Moody’s Investor Services: Ba3 with Stable outlook
- o CRISIL: AA- with Stable Outlook
- o CARE: AA
- o ICRA: AA with Negative Outlook

• **Hedging**

Your Company is exposed to risks from market fluctuations of foreign exchange. Your Company’s policy is to actively manage its long term foreign exchange risks within the framework laid down by the Company’s forex policy and it includes:

- i. Hedging buyers credit exposure with a combination of Forwards and Options
- ii. Hedging inflows in the form of Dividend/Interest immediately
- iii. Hedging principal and interest payments of foreign currency loans of domestic projects at least 3 years before the due date

• **Cash flows from operating activities**

Cash generated from operations of your Company, post adjustments to profit before tax, has decreased from ₹ 2,699.50 crore in FY14 to ₹ 1,687.90 crore in FY15. This is primarily on account of higher power purchase cost, higher cost of components consumed, higher employee benefits expenses and lower reduction in Regulatory Assets during FY15 compared to the reduction during FY14. On a consolidated level, net cash flow from operating activities decreased from ₹ 6,483.07 crore to ₹ 5,980.91 crore.

8.3. Business Excellence

- Tata Business Excellence Model - In line with the Tata Group guidelines for high performing companies, your Company undergoes Tata Business Excellence Model (TBEM) assessment once in two years. In FY15, your Company underwent the assessment and achieved an improved score. The Board, Management and entire staff of the Company reviewed the findings of the assessment with the objective of consolidating its strengths and addressing various opportunities for improvement as an outcome of the assessment process and Company’s commitment to Business Excellence.
- Business Process Reengineering (BPR) – This year the focus was on Enterprise Resource Planning reimplementation. Also, some of the critical processes in the areas of Procurement, Customers and Employee Service & Administration were reengineered to bring in best practices and improve effectiveness of these processes.

- Culture Building – Realising the importance of building the desired culture in the organisation, your Company has strengthened several behavioural initiatives in FY15. These included Leher (an organisational transformation program for officers), LASER (an organisational transformation program for shop floor employees), We Care (umbrella program for strengthening organisational values embedment are run), Spandan (organisational transformation and safety programs for shop floor employees), Workers Development Program (organisational transformation for contract employees), Gender Diversity & Inclusivity programs.

8.4. Information and Communication Technology

During the year, SAP reimplementation has been completed and has brought in new functionalities for core operational processes as well as a new paradigm in terms of Social, Mobility, Analytics and Cloud Technology. ICT Systems have been recommended by BSI for ISO 22301:2012 BCMS certification. Infrastructure systems have been upgraded using latest blade technology and operating systems. Command & Control Centres for physical access have been established. Information Security is another focus area wherein initiatives related to access control for servers and applications have been undertaken.

9. Financial Performance – Standalone

Your Company recorded a PAT of ₹1,010 crore during the financial year ended 31st March 2015 (FY14: ₹954 crore). Both the basic and the diluted earnings per share were at ₹ 3.30 for FY15.

The analysis of major items of the Standalone financial statements is shown below (Section 9.1 to 9.10: Statement of Profit and Loss; Section 9.10 to 9.21: Balance Sheet Items)

9.1. Revenue

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Revenue from Power Supply and Transmission Charges	7,874.23	8,100.04	(225.81)	-3%
Revenue from Contracts (Net of Excise Duty)	654.06	442.14	211.92	48%
Other Operating Revenue	149.40	133.35	16.05	12%
Total	8,677.69	8,675.53	2.16	0%

The increase is due to favourable ATE, order offset by lower contribution from Trombay units as it was under restoration and higher Power Purchase cost. Increase in Revenue from Contracts is mainly due to Tata Power SED executing higher number of orders.

9.2. Other Income

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Dividend Income	513.87	366.66	147.21	40%
Interest Income	447.04	255.21	191.83	75%
Others	63.77	33.89	29.88	88%
Total	1,024.68	655.76	368.92	56%

Increase in Other Income is due to higher dividend income from subsidiaries, higher interest charge on subordinated loans given to subsidiary companies and higher treasury income.

9.3. Cost of Power Purchased and Cost of Fuel

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Cost of Power Purchased	953.09	793.33	159.76	20%
Cost of Fuel	3,141.91	3,350.91	(209)	-6%

The increase in cost of power purchased and the decrease in cost of fuel is mainly due to the forced outage of Unit 8 at Trombay.

9.4. Cost of Component Consumed

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Cost of components consumed	374.30	178.99	195.31	109%

Cost of component consumed was higher mainly due to execution of a major contract undertaken during the year in Tata Power SED.

9.5. Transmission Charges

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Transmission Charges	436.87	467.96	(31.09)	-7%

Transmission charges are in Mumbai Regulated business based on the Intra state transmission order issued during the year.

9.6. Employee Benefits Expenses

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Employee benefits expense	686.52	544.95	141.57	26%

Changes in actuarial provision relating to gratuity and yearly increase in wage bill have led to an increase in Employee Benefit expense during the current financial year.

9.7. Finance Cost

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Finance Costs	1,047.46	868.21	179.25	21%

Finance cost was higher mainly due to funding needs of subsidiaries and working capital requirements.

9.8. Depreciation and Amortisation

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Depreciation and amortisation	575.29	587.14	(11.85)	-2%

There were no significant variations in depreciation during the year.

9.9. Operations and Other Expenses

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Repairs and Maintenance	330.87	301.23	29.64	10%
Loss on Foreign Currency Transactions and Translation (Net)	48.32	263.54	(215.22)	-82%
Others	592.09	483.87	108.22	22%
Total Operation and Other Expenses	971.28	1,048.64	(77.36)	-7%

Operation and Other Expenses have decreased due to gain on FCCB hedge and lower loss on foreign exchange. 'Other Expenses' includes higher spend of CSR activities in comparison to previous year and provisioning for Mandakini & Tubed coal mines.

9.10. Tax Expenses

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Current Tax	357.63	354.50	3.13	1%
MAT Credit Reversal	Nil	105.00	-105.00	-100%
Reversal of Excess Provision for Tax relating to Prior Years	Nil	(25.65)	25.65	-100%
Deferred Tax	147.73	103.23	44.50	43%
Total Tax Expense	505.36	537.08	(31.72)	-6%

Increase in Deferred Tax is due to higher capitalisation. In the previous year, the Company had reversed the MAT credit based on the projections, which was a one off item.

9.11. Fixed Assets

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Tangible Assets	9,458.95	8,532.81	926.14	11%
Intangible Assets	141.99	65.82	76.17	116%
Capital Work-in-Progress	472.35	684.49	(212.14)	-31%
Intangible assets under development	76.20	90.60	(14.40)	-16%
Net Fixed Assets	10,149.49	9,373.72	775.77	8%

Increase in Net Fixed Assets is due to the higher capitalisation in the Mumbai License Area.

9.12. Non-Current Investments

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Investment in Subsidiary, JV and Associates	11,282.90	10,435.10	847.80	8%
Statutory Investments	357.11	357.11	-	0%
Others	1,568.88	1,568.88	-	0%
Total	13,208.89	12,361.09	847.80	7%

Increase in Non-Current Investments is mainly on account of additional equity contributed by your Company to CGPL, IEL, TPREL, Tata Power International Pte. Ltd.

9.13. Current Investments

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Mutual Funds	42.00	1.36	40.64	2,988%

Increase in Current Investments is mainly on account of surplus funds invested in mutual funds.

9.14. Loans and Advances

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Long-Term	3,549.34	2,898.79	650.55	22%
Short-Term	373.30	804.53	(431.23)	-54%
Total	3,922.64	3,703.32	219.32	6%

Increase in Long-term loan & advances is mainly due to loans given to subsidiary company, CGPL which is offset by repayment of loan from Khopoli investments and conversion of debt into equity by TPREL. Short-term loan reduction is mainly due to repayment of inter corporate loan by Subsidiaries – IEL, TPREL, and TPTCL.

9.15. Trade Receivables

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Trade Receivables	1,576.13	1,320.10	256.03	19%

Increase in Trade Receivables is mainly due to outstanding receivables from BEST during the current year in Mumbai Operations.

9.16. Other Non-Current Assets

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Regulatory Assets	2,429.62	2,053.91	375.71	18%
Others	507.54	316.03	191.51	61%
Total	2,937.16	2,369.94	567.22	24%

Increase in Non-Current Assets is mainly due to build-up of Regulatory Assets in Mumbai Operations. Increase in Other Non-Current Assets is due to interest accrued on loans and advances to subsidiary companies.

9.17. Long-Term Borrowings

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Secured Loans	4,953.53	4,832.48	121.05	3%
Unsecured Loans	3,842.10	2,343.51	1,498.59	64%
Total	8,795.63	7,175.99	1,619.64	23%

During the year, the company has raised Redeemable Non-Convertible debentures of ₹ 1,500 crore to refinance FCCB loans which led to increase in Long-Term Borrowings.

9.18. Short-Term Borrowings

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Secured Loans	93.00	357.13	(264.13)	-74%
Unsecured Loans	1,671.78	1,222.40	449.38	37%
Total	1,764.78	1,579.53	185.25	12%

During the year company has raised the additional Short-Term funding requirement through Commercial Papers.

9.19. Trade Payables

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Trade Payables	1,304.66	1,057.68	246.98	23%

Increase in Trade payable is mainly the regular creditor dues.

9.20. Other Current Liabilities

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Other Current Liabilities	2,705.56	4,305.99	(1,600.43)	-37%

Decrease in Other Current Liability is on account of repayment of FCCB loan of USD 300 million during the year.

9.21. Net Worth (Shareholders' Funds)

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Net Worth (Shareholders' Fund)	14,466.62	11,886.07	2,580.55	22%

The Net Worth of the Company has increased by 22% during the year on account of profits for the year after dividends, statutory appropriation and securities premium received on the rights issue during the year.

10. Financial Performance – Consolidated

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Total Income	34,783.59	36,100.36	(1,316.77)	-4%
Depreciation/ Amortisation/ Impairment	2,174.21	2,729.62	(555.41)	-20%
Finance Costs	3,699.27	3,439.90	259.37	8%
Profit Before Taxes	1,483.74	975.07	508.67	52%
(Loss)/Profit After Taxes, Share of Associates, Minority Interest and Before Statutory Appropriations	167.83	(259.97)	427.80	-165%

The decrease in Total Income was primarily on account of lower revenue from Coal Companies and Tata Power Solar, partly offset by higher revenue from CGPL and TPDDL. The lower depreciation/ amortisation/ impairment is mainly due to change in rate of depreciation as per new Companies Act in CGPL and lower depreciation in Coal Companies. Finance costs were higher primarily on account of subordinated debt from Tata Power in CGPL, interest on projects that got commissioned (Visapur and Palaswadi in TPREL) offset by reversal of interest on entry tax charged in previous year in Tata Power.

Tax Expenses stood at ₹1,075 crore as against ₹1,008 crore in the previous year. The increase is mainly due to one-time deferred tax impact in IEL on account of change in depreciation rate as per new Companies Act.

10.1. Fixed Assets

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Tangible Assets	37,748.14	36,795.04	953.10	3%
Intangible Assets	365.20	266.52	98.68	37%
Capital Work-in-Progress	3,571.73	3,298.07	273.66	8%
Intangible assets under Development	78.75	90.60	(11.85)	-13%
Net Fixed Assets	41,763.82	40,450.23	1,313.59	3%

Increase in the Net fixed assets is mainly due to

- Additional capitalisation in Mumbai Licensed area, TPDDL, MPL
- Commissioning of 28.80 MW Palaswadi solar plant, 18 MW Dangri (Rajasthan) wind farm by TPREL
- Increase in CWIP for Kalinganagar, Cennergi, MPL, TPREL and TPTCL projects.

10.2. Goodwill on Consolidation

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Goodwill on Consolidation	6,625.76	6,332.04	293.72	5%

Goodwill on Consolidation has increased mainly due to realignment on account of appreciation of US Dollar as compared to Indian Rupee.

10.3. Non-Current Investments

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Investment in Associates	1,109.03	1,065.59	43.44	4%
Statutory Investments	357.11	357.11	-	-
Others	1,563.33	1,534.34	28.99	2%
Provision for diminution in value of Investment	(296.90)	(278.32)	(18.58)	7%
Total	2,732.57	2,678.72	53.85	2%

The marginal increase in Non-Current Investments is due to increase in Investment in Associates.

10.4. Current Investments

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Mutual Funds	605.57	340.54	265.03	78%

Increase in Current Investments is mainly on account of investment of surplus funds invested in mutual funds by CGPL, TPREL and Tata Power.

10.5. Loans and Advances

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Long-Term	1,776.01	1,512.38	263.63	17%
Short-Term	3,569.83	3,215.96	353.87	11%
Total	5,345.84	4,728.34	617.50	13%

Increase in Long-term Loans and Advances is mainly due to VAT setoff recoverable in Tata Power and increase in Long-Term loan in Trust Energy and TPREL. Increase in Short-Term Loans and Advances is mainly on account of Short-Term Loans in Arutmin, CGPL and Khopoli investments which are partially offset by reduction in Short-Term Loans in Tata Power Standalone and MPL

10.6. Trade Receivables

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Trade Receivable	5,563.95	4,542.61	1,021.34	22%

Increase in Trade Receivables is mainly due to higher receivables in Tata Power, Arutmin, PTMP, TERPL, MPL and TPTCL.

10.7. Other Current Assets

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Trade Receivable from Regulatory Assets	900.71	1,024.86	(124.15)	12%
Unbilled Revenue	707.13	440.92	266.21	60%
Others	224.15	167.71	56.44	34%
Total	1,831.99	1,633.49	198.50	12%

Increase in Other Current Assets is mainly due to unbilled Revenue in TPTCL and Tata Power. There is a decline in Trade Receivable from Regulatory Assets in MPL due to CERC Tariff Order.

10.8. Other Non-Current Assets

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Trade Receivable from Regulatory Assets	7,286.51	6,717.10	569.41	8%
Others	335.97	331.95	4.02	1%
Total	7,622.48	7,049.05	573.43	8%

Increase in Other Non-Current Assets is mainly due to higher regulatory assets in Tata Power (Mumbai License area) and in TPDDL.

10.9. Long-Term Borrowings

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Secured Loans	23,455.08	23,874.32	(419.24)	-2%
Unsecured Loans	9,163.30	6,595.62	2,567.68	39%
Total	32,618.38	30,469.94	2,148.44	7%

Increase in Long-Term Borrowings is mainly due to additional borrowings in Georgia, Khopoli Investment, Bhira Investment, Tata Power Standalone and Cennergi.

10.10. Short-Term Borrowings

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Secured Loans	819.89	942.45	(122.56)	-13%
Unsecured Loans	3,766.67	3,764.33	2.34	0%
Total	4,586.56	4,706.78	(120.22)	-3%

Decrease in Short-Term Borrowings is mainly on account of decrease in borrowings in Arutmin, BSSR, IEL (Kalinganagar project), Khopoli Investment, MPL and TPREL which is partially offset by an increase in CGPL.

10.11. Trade Payables

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Trade Payables	5,235.42	4,574.00	661.42	14%

Increase in trade payables is mainly in Tata Power and Arutmin which is partially offset by MPL, CGPL, TPTCL, TPDDL and Tata Power Solar.

10.12. Other Current Liabilities

Figures in ₹ crore

Particulars	FY15	FY14	Change	% Change
Other Current Liabilities	10,518.67	11,545.58	(1,026.91)	-9%

Decrease in Other Current Liabilities is mainly due to decline in current maturities on long-term Debt in Tata Power.

11. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis, describing the Company's objectives, projections and estimates may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government policies and other incidental/related factors.

GLOSSARY

AA	Affirmative Action
AAI	Airports Authority of India
AC	Alternating Current
ADB	Asian Development Bank
AGM	Annual General Meeting
AMR	Automatic Meter Reading
APM gas	Administered Pricing Mechanism for Gas
APTEL/ ATE	Appellate Tribunal for Electricity
BEST	Brihanmumbai Electric Supply and Transport
BMS	Battlefield Management System
BPR	Business Process Re-engineering
BRR	Business Responsibility Report
BSE	Bombay Stock Exchange (BSE Limited)
BSI	British Standards Institution
BSSR	PT Baramulti Suksessarana Tbk
BU	Billion Units
CAGR	Compound Annual Growth Rate
CAO	Compliance Audit Ombudsman
CEC	Chief Ethics Counsellor
CEO	Chief Executive Officer
CERC	Central Electricity Regulatory Commission
CFO	Chief Financial Officer
CGPL	Coastal Gujarat Power Limited
CIL	Coal India Limited
Ckm	Circuit Kilometres
CO ₂	Carbon Dioxide
COD	Commercial Operation Date
COO	Chief Operations Officer
CoP	Communication of Progress
CRM	Customer Relationship Management
CRP	Compliance Review Panel
CRZ	Coastal Regulation Zone
CSR	Corporate Social Responsibility
CTTL	Chemical Terminal Trombay Limited
CW	Cooling Water
CWIP	Capital Work in Progress
DG	Diesel Generator
DHPC	Dagachhu Hydro Power Corporation Limited
DHS	Deloitte Haskins & Sells LLP
DVC	Damodar Valley Corporation
EA	Electricity Act, 2003
EAC	Expert Appraisal Committee
EC	Environment Clearance
ECOB	Executive Committee of the Board
ED	Executive Director
EIA	Environment Impact Assessment
EPC	Engineering-Procurement-Construction

FCCB	Foreign Currency Convertible Bonds
FY	Financial Year
GIS	Gas Insulated Switchgear
GPCB	Gujarat Pollution Control Board
GPS	Global Positioning System
GRI	Global Reporting Initiative
GTG	Gas Turbine Generator
GW	Gigawatts
HMI	Human Machine Interface
HT	High Tension
ICC	Internal Complaints Committee
ID	Independent Directors
IDCO	Industrial Development Corporation of Odisha
IEL	Industrial Energy Limited
IEPL	Ideal Energy Projects Limited
IFC	Internal Financial Controls
IIA	Institute of Internal Auditors
ISO	International Organization for Standardization
ITI	Industrial Training Institutes
J&K	Jammu and Kashmir
JNNSM	Jawaharlal Nehru National Solar Mission
KMP	Key Managerial Personnel
KPC	PT Kaltim Prima Coal
KSEB	Kerala State Electricity Board
kV	Kilo Volt
KWTA	Krishna Water Tribunal Award
L&T	Larsen & Toubro
LLC	Limited Liability Company
LLP	Limited Liability Partnership
LNG	Liquified Natural Gas
LP	Low Pressure
LT	Low Tension
LTIFR	Lost Time Injuries Frequency Rate
LTOA	Long Term Open Access
M&M	Monitoring and Management
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs
MCCL	Mandakini Coal Company Limited
MCM	Million Cubic Meters
MD	Managing Director
MERC	Maharashtra Electricity Regulatory Commission
MMB	Maharashtra Maritime Board
MoC	Ministry of Coal
MoEF	Ministry of Environment and Forests
MoU	Memorandum of Understanding
MPL	Maithon Power Limited
MSETCL	Maharashtra State Electricity Transmission Co. Ltd
MT	Million Tonnes

MTOA	Medium term Open Access
MTPA	Million Tonnes per Annum
MUs	Million Units
MVA	Mega Volt Ampere
MW	Megawatts
MYT	Multi Year Tariff
NBFC	Non - Banking Financial Companies
NDMA	National Disaster Management Authority
NED	Non-Executive Director
NGO	Non-Governmental Organization
NPA	Non-Performing Asset
NRC	Nomination and Remuneration Committee
O&M	Operation and Maintainance
PAF	Plant Availability Factor
PAT	Profit After Tax
PFC	Power Finance Corporation Limited
PLF	Plant Load Factor
PMSA	Project Management Services Agreement
PPA	Power Purchase Agreement
PRI	Process Robustness Index
PTL	Powerlinks Transmission Limited
PTMP	PT Mitratama Perkasa
PV	Photo Voltaic
QR CODE	Quick Response Code
RBI	Reserve Bank of India
RCI	Risk Control Index
RMC	Risk Management Committee
RMCI	Risk Mitigation Completion Index
RMRC	Risk Managemnt Review Committee
RMSC	Risk Management Sub Committee

RoE	Return on Equity
SAARC	South Asian Association for Regional Cooperation
SAP	Systems Applications Products
SC/ST	Scheduled Castes/Scheduled Tribes
SCADA	Supervisory Control and Data Acquisition
SEB	State Electricity Board
SEBI	Securitie Exchange Board of India
SED	Strategic Engineering Division
SLDC	State Load Dispatch Centre
SMGP	Sorik Marapi Geothermal Project
SMS	Short Message Service
SPA	Share Purchase Agreement
SPV	Special Purpose Vehicle
SRC	Stakeholders Relationship Committee
TBEM	Tata Business Excellence Model
TCOC	Tata Code of Conduct
TERPL	Trust Energy Resources Pte. Ltd
TPCDT	Tata Power Community Development Trust
TPDDL	Tata Power Delhi Distribution Limited
TPREL	Tata Power Renewable Energy Limited
TPSDI	Tata Power Skill Development Institute
TPTCL	Tata Power Trading Company Limited
UMPP	Ultra Mega Power Project
UNGC	United Nations Global Compact
VFD	Variable Frequency Drive
w.e.f	With effect from
WBSEDCL	West Bengal State Electricity Distribution Company Limited
WDV	Written Down Value
XBLR	Extensive Business Reporting Language
ZESCO	Zambia Electricity Supply Company

Report on Corporate Governance

Company's Philosophy on Corporate Governance

The essence of Corporate Governance is about maintaining the right balance between economic, social, individual and community goals. At Tata Power, good Corporate Governance is a way of life and the way we do our business, encompassing every day's activities and is enshrined as a part of our way of working. The Company is focused on enhancement of long-term value creation for all stakeholders without compromising on integrity, societal obligations, environment and regulatory compliances. Our actions are governed by our values and principles, which are reinforced at all levels of the organisation. These principles have been and will continue to be our guiding force in the future.

For your Company, good Corporate Governance is a synonym for sound management, transparency and disclosure, encompassing good corporate practices, procedures, standards and implicit rules which propel a Company to take sound decisions, thus maximising long-term shareholder value without compromising on integrity, social obligations and regulatory compliances. As a Company with a strong sense of values and commitment, Tata Power believes that profitability must go hand in hand with a sense of responsibility towards all stakeholders. This is an integral part of your Company's business philosophy. The cardinal principles such as independence, accountability, responsibility, transparency, trusteeship and disclosure serve as means for implementing the philosophy of Corporate Governance.

This philosophy is reflected and practised through the Tata Code of Conduct, the Tata Business Excellence Model and the Tata Code for Prevention of Insider Trading and Code of Corporate Disclosure Practices, which serve as guidelines for "Leadership with Trust". The Company is committed to focus its energies and resources in creating and positively leveraging shareholders' wealth, and at the same time, safeguarding the interests of all stakeholders. This is our path to sustainable and profitable existence and growth.

ICSI National Award for Excellence in Corporate Governance for 2013

Your Company was conferred The ICSI National Award for Excellence in Corporate Governance for 2013, in recognition of its high quality all round approach to governance.

The Company has adopted the requirements of Corporate Governance under Clause 49 of the Listing Agreements with the Stock Exchanges, the disclosure requirements of which are given below:

Board of Directors

➤ Composition:

As on 19th May 2015, the Company's Board of Directors comprises 11 members, out of whom 2 are Executive Directors and 9 are Non-Executive Directors (NEDs). Out of the 9 NEDs, 6 are Independent Directors. These Directors bring in a wide range of skills and experience to the Board.

Table 1: The names and categories of the Directors on the Board, number of Board meetings held during the year under review (FY15) and their attendance at Board Meetings and at the last Annual General Meeting (AGM), as also the number of Directorships and Committee positions held by them in other companies as on 31st March 2015:

Sl. No.	Name of the Director and Business Relationship	Category of Directorship	* No. of other Directorships	# No. of other Committee positions held		**No. of Board meetings attended	Attendance at AGM held on 13 th August 2014
				Chairman	Member		
1.	Mr. Cyrus P. Mistry, Chairman	Non-Independent,	9	Nil	Nil	8	Yes
2.	Mr. R. Gopalakrishnan	Non-Executive	9	Nil	3	8	Yes
3.	Dr. Homiar S. Vachha	Independent, Non-Executive	8	3	5	7	Yes
4.	Mr. Nawshir H. Mirza		7	4	2	8	Yes
5.	Mr. Deepak M. Satwalekar		3	1	1	8	Yes
6.	Mr. Piyush G. Mankad		7	2	6	7	Yes
7.	Mr. Ashok K. Basu		8	4	6	8	Yes
8.	Ms. Vishakha V. Mulye		3	Nil	1	8	Yes
9.	Mr. Thomas Mathew T., (Representative of LIC as Investor/Lender) [@]		Non-Independent, Non-Executive	5	Nil	1	8

Sl. No.	Name of the Director and Business Relationship	Category of Directorship	* No. of other Directorships	# No. of other Committee positions held		**No. of Board meetings attended	Attendance at AGM held on 13 th August 2014
				Chairman	Member		
10.	Mr. Anil Sardana, CEO & Managing Director	Executive	5	Nil	1	8	Yes
11.	Mr. Ashok S. Sethi, COO & Executive Director ¹		5	Nil	Nil	7	Yes

* Excludes Alternate Directorships and directorships in private companies, foreign companies and Section 8 companies.

Represents Chairmanships/Memberships of Audit Committee and Stakeholders Relationship Committee of Indian companies.

** Eight Board Meetings were held during the year and the gap between two meetings did not exceed 120 days. The dates of meetings were 7th May 2014, 29th May 2014, 16th July 2014, 12th August 2014, 13th October 2014, 13th November 2014, 4th February 2015 and 27th March 2015. One separate meeting of Independent Directors was also held on 27th March 2015, which was attended by all the Independent Directors.

¹ Mr. S. Padmanabhan resigned as Director & Executive Director of the Company w.e.f. 30th June 2014. Mr. Ashok S. Sethi was appointed as Executive Director w.e.f. 7th May 2014.

@ Mr. Thomas Mathew T. ceased to be Director of the Company w.e.f. 30th April 2015. Mr. Vijay Kumar Sharma, Managing Director of LIC, was appointed as representative of LIC effective 19th May 2015 in place of Mr. Mathew.

Notes:

- None of the Directors of the Company were members of more than 10 Committees or acted as Chairperson of more than 5 Committees (as specified in Clause 49), across all the companies in which he/she was a Director. The necessary disclosures regarding Committee positions have been made by the Directors.
- None of the Directors held directorship in more than 10 public limited companies.
- None of the Directors were related to any Director or member of an extended family.
- None of the Independent Directors of the Company served as Independent Director in more than 7 listed companies.
- Mr. Sardana, CEO & Managing Director and Mr. Sethi, COO & Executive Director are not Independent Directors of any other listed company.
- All Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013 (the Act). Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment are disclosed on the Company's website: www.tatapower.com

The information as required under Annexure X to Clause 49 is being made available to the Board periodically.

➤ Code of Conduct

The Board has laid down Codes of Conduct for NEDs which includes details as specified in Schedule IV to the Act. The Company has adopted the Tata Code of Conduct (TCOC) for all its employees including Managing Directors/Executive Directors. Both the codes of conduct are posted on the Company's website. All Board Members and Senior Management personnel have affirmed compliance with their respective Codes of Conduct. The CEO & Managing Director has also confirmed and certified the same. The certification is enclosed at the end of this Report.

Committees of the Board

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority. Each Committee of the Board functions according to its role and defined scope.

➤ Mandatory Committees:

The mandatory committees under the Act and the Listing Agreement are:

- Audit Committee of Directors
- Nomination and Remuneration Committee
- Risk Management Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee

❖ **Audit Committee of Directors**

Table 2: Composition of the Audit Committee of Directors (Audit Committee) and details of meetings attended by the Directors during the year under review:

SI. No.	Name of the Director	Category	No. of meetings held	Remarks
1.	Dr. Homiar S. Vachha, Chairman	Independent, Non-Executive	12	Dr. Vachha is a former executive of ICICI Limited and, accordingly, has the requisite business/accounting/related financial management expertise.
2.	Mr. Deepak M. Satwalekar		12	Financially experienced and renowned practitioners.
3.	Mr. Piyush G. Mankad		12	

The Audit Committee met twelve times during the year under review on the following dates:

29th April 2014, 23rd May 2014, 28th May 2014, 11th August 2014, 13th September 2014, 23rd September 2014, 12th November 2014, 18th November 2014, 16th December 2014, 3rd February 2015, 16th February 2015 and 26th February 2015.

During the year, the Company amended the Charter of the Audit Committee to bring the terms of reference, role and scope in conformity with the provisions of the Act and the amended Listing Agreement. The Charter specifies the composition, meetings, quorum, powers, roles and responsibilities etc. of the Audit Committee.

The Board has delegated the following powers to the Audit Committee:

- To investigate any activity within the scope of this Charter or referred to it by the Board.
- Appoint, compensate and oversee the work of any registered public accounting firm employed by the organisation.
- Pre-approve all auditing and non-audit services.
- To seek any information from any employee or director of the Company.
- To engage independent counsel and other advisors and seek their advice.
- To secure attendance of outsiders with relevant expertise.
- To have full access to the books of accounts, company facilities, employees and any other service provider to the Company.
- Meet with company officers, external auditors, or outside counsel, as necessary.
- To engage a valuer where a valuation needs to be made for any property, stock, shares, debentures, or goodwill or any other assets or net worth of a company or its liabilities (as per Section 247(1) of the Act).

The role and responsibilities of the Audit Committee include the following:

- Oversight of the Company's Financial Reporting Processes and Financial Statements.
- Recommend to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees and terms of appointment.
- Review the adequacy of internal audit function.
- Appointment of Cost Auditor.
- Evaluate on a regular basis the adequacy of risk management systems.
- Review with the management, external and internal auditors and outsourced internal audit firms, the quality, adequacy and effectiveness of internal control systems and any significant deficiencies or material weakness in the internal controls.
- Review the effectiveness of the system for monitoring compliance with applicable laws and regulations.
- To review the functioning of the Whistle Blower mechanism.
- To approve all related party transactions in accordance with the Act.
- Subsidiary company oversight.

The Audit Committee invites such of the executives, as it considers appropriate (and particularly the head of the finance function), to be present at its meetings. The CEO & Managing Director, COO & Executive Director, Chief Financial Officer (CFO) and head of Internal Audit attend the meetings. The Statutory Auditors are also invited to the meetings. Mr. H. M. Mistry, the Company Secretary, acts as the Secretary of the Committee.

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective 14th May 2015) (the Regulations), the Board of Directors of the Company has adopted the Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices (the Code) to be followed by Directors, Employees and other connected persons. The Code is based on the principle that Directors and Employees of a Tata Company owe a fiduciary duty to, among others, the Members of the Company, to

place the interest of the Members above their own and conduct their personal securities transactions in a manner that does not create any conflict of interest situation. The Code contains regulations for preservation of price sensitive information, pre-clearance of trade and monitoring and implementation of the Code. Under the Code, the Audit Committee is empowered:

- To approve policies in relation to the implementation of the Code and to supervise implementation of the Code;
- To note and take on record the status reports detailing the dealings by Designated Persons in securities of the Company, as submitted by the Compliance Officer on a quarterly basis;
- To provide directions on any penal action to be initiated, in case of any violation of the Regulations by any person.

❖ **Nomination and Remuneration Committee**

Table 3: Composition of the Nomination and Remuneration Committee (NRC) and details of meetings attended by the Directors during the year under review:

Sl. No.	Name of the Director	Category	No. of meetings attended
1.	Mr. Nawshir H. Mirza, Chairman	Independent, Non-Executive	7
2.	Mr. Cyrus P. Mistry	Non-Independent, Non-Executive	6
3.	Mr. R. Gopalakrishnan		7
4.	Dr. Homiar S. Vachha	Independent, Non-Executive	7

The NRC met seven times during the year under review on the following dates:

7th April 2014, 11th June 2014, 25th July 2014, 25th November 2014, 21st January 2015, 17th February 2015 and 23rd March 2015.

At its meeting held on 27th March 2015, the Board adopted the amended Charter of the NRC which specifies the principles and objectives, composition, meetings, authority and power, responsibilities, reporting, evaluation etc. of the Committee.

The Board has delegated the following powers to the NRC:

- Investigate any matter within the scope of its Charter or as referred to it by the Board.
- Seek any information or explanation from any employee or director of the Company.
- Ask for any records or documents of the Company.

The role and responsibilities of the NRC include the following:

- Board Composition and succession related
- Evaluation related
- Remuneration related
- Board Development related
- Review of HR Strategy, Philosophy and Practices
- Other functions

In terms of the provisions of Section 178(3) of the Act and Clause 49(IV)(B)(1) of the Equity Listing Agreement, the NRC is responsible for formulating the criteria for determining qualification, positive attributes and independence of a director. The NRC is also responsible for recommending to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees. In line with this requirement, the Board has adopted the Policy on Board Diversity and Director Attributes and Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company. These policies are attached as Annexures-III and IV to the Board's Report.

Remuneration to Directors

Table 4: Details of remuneration to NEDs during and for the year under review:

Name of the Director	Sitting Fees paid for FY 15 (Gross) (₹)*	Commission paid for FY 14 (Gross) (₹) **	Commission payable for FY 15 (Gross) (₹) +
Mr. Cyrus P. Mistry #	3,80,000	Nil	Nil
Mr. R. Gopalakrishnan	4,20,000	52,50,000	49,00,000
Dr. Homiar S. Vachha	6,00,000	71,50,000	80,00,000

Name of the Director	Sitting Fees paid for FY 15 (Gross) (₹)*	Commission paid for FY 14 (Gross) (₹)**	Commission payable for FY 15 (Gross) (₹) +
Mr. Nawshir H. Mirza	4,20,000	78,50,000	74,00,000
Mr. Deepak M. Satwalekar	6,00,000	71,50,000	73,50,000
Mr. Piyush G. Mankad	4,00,000	34,50,000	32,50,000
Mr. Ashok K. Basu	1,80,000	26,00,000	24,00,000
Mr. Thomas Mathew T. @	1,60,000	15,50,000	17,00,000
Ms. Vishakha V. Mulye §	Nil	Nil	Nil

* Excludes Service tax.

** Commission relates to the financial year ended 31st March 2014, which was paid during FY15.

+ Commission relates to the financial year ended 31st March 2015, which was approved by the Board on 19th May 2015, and which will be paid during FY16.

Mr. Mistry, being Executive Chairman of Tata Sons Limited, has not accepted receipt of any Commission.

@ While the Sitting Fees for attending meetings were paid to Mr. Thomas Mathew T., Nominee Director of LIC, the Commission was paid to LIC.

§ Ms. Mulye has not accepted receipt of any Sitting Fees or Commission.

None of the NEDs had any pecuniary relationship or transactions with the Company other than the Directors' Fees and Commission received by them.

Table 5: Details of remuneration and perquisites paid and/or value calculated as per the Income-tax Act, 1961 to the Managing Director and Executive Directors:

(Amount in ₹)

Name	Salary and Allowances	@ Commission for FY 15	Perquisites	Retirement Benefits	Total
Mr. Anil Sardana, CEO & Managing Director	1,16,55,270	3,42,00,000	72,86,394	21,87,000	5,53,28,664
Mr. Ashok S. Sethi, COO & Executive Director (w.e.f. 7 th May 2014)	62,30,467	1,04,50,000	43,19,616	11,67,097	2,21,67,180
Mr. S. Padmanabhan, Executive Director (Operations) (Upto 30 th June 2014)	22,64,299	47,50,000	36,01,362	4,13,100	1,10,28,761

@ Commission relates to the financial year ended 31st March 2015, which will be paid during FY16.

The following amounts have been paid as Commission for the financial year ended 31st March 2014 during FY15:

Name	Commission (₹)
Mr. Anil Sardana, CEO & Managing Director	3,00,00,000
Mr. Ashok S. Sethi, COO & Executive Director	Nil
Mr. S. Padmanabhan, Executive Director (Operations) (Upto 30 th June 2014)	2,00,00,000
Mr. S. Ramakrishnan, Executive Director (Finance) (Upto 28 th February 2014)	2,00,00,000

Table 6: Salient features of the agreements executed by the Company with Mr. Sardana and Mr. Sethi, consequent upon obtaining Members' approval at the AGM:

Terms of Agreement	Mr. Anil Sardana CEO & Managing Director	Mr. Ashok S. Sethi COO & Executive Director
Period of appointment	1-2-2011 to 31-1-2016	7-5-2014 to 31-3-2017
Remuneration	Basic salary upto a maximum of ₹ 9,50,000 p.m.	Basic salary upto a maximum of ₹ 6,00,000 p.m.
• Salary		
• Commission	At the discretion of the Board within the limits stipulated under the Act.	
• Incentive Remuneration	At the discretion of the Board, not exceeding 200% of basic salary.	
• Benefits, perquisites and allowances (excluding Company's contribution to Provident Fund, Superannuation, Gratuity, Leave Encashment)	As may be determined by the Board from time to time.	
Notice period	The Agreements may be terminated by either party giving to the other party six months' notice or the Company paying six months' remuneration in lieu thereof.	
Severance fees	There is no separate provision for payment of severance fees.	
Stock Option	Nil	

The above agreements are contractual in nature.

Table 7: Details of number of shares and convertible instruments held by NEDs as on 31st March 2015:

Name of Director	No. of Equity Shares held	No. of convertible instruments held
Mr. Cyrus P. Mistry	72,960	Nil

❖ Risk Management Committee

In terms of Clause 49 of the Listing Agreement, the Company has constituted the Risk Management Committee (RMC) w.e.f. 1st October 2014.

Table 8: Composition of the RMC and details of meetings attended by the Directors during the year under review

Sl. No.	Name of the Director	Category	No. of meetings attended
1.	Dr. Homiar S. Vachha, Chairman	Independent, Non-Executive	2
2.	Mr. Deepak M. Satwalekar		2
3.	Mr. Ashok S. Sethi	Executive	2
4.	Mr. Ramesh N. Subramanyam	CFO (Management nominee)	2
5.	Mr. Parshuram G. Date	Chief - Internal Audit & Risk Management (Management nominee)	2

The RMC met twice during the year under review on 19th December 2014 and 24th March 2015.

The Board adopted the amended Risk Management Strategy Document which specifies the objective, benefits of Risk Management, Risk Management Policy, Risk Management Process, Risk Organization Structure, Risk Culture etc. of the Company.

The role and responsibilities of the RMC broadly include the following:

- To review Risk Management policy and its deployment.
- To review Risk Management framework and its effectiveness and set direction.
- To monitor and review Risk Management plan.
- To decide the risk appetite of the Company and, accordingly, guide the Board in taking up new investments.
- To review the major risks.
- To report high value risks and its mitigation to the Board.
- Such other functions as may be deemed fit.

Internal Controls and Risk Management

Risk assessment and mitigation procedures have been set in place for identification, mitigation and monitoring of risks. Risk mitigation plans are framed in the web based Risk Management System and status of action taken is monitored and reviewed periodically. The RMC review the risks and action status on a quarterly basis. Risk Management Review Committee consisting of senior management also reviews the risks and mitigation measures every two months. In FY15, British Standards Institution has conferred the Statement of Compliance to Tata Power for ISO 31000:2009 for its Risk Management System. Tata Power is the 1st power company in India to get this recognition.

❖ **Stakeholders Relationship Committee**

Table 9: Composition of the Stakeholders Relationship Committee (SRC) and details of meetings attended by the Directors during the year under review:

Name of the Director	Category of Directorship	No. of meetings attended
Dr. Homiar S. Vachha, Chairman	Independent, Non-Executive	2
Ms. Vishakha V. Mulye		2
Mr. Ashok S. Sethi	Executive	2

The SRC met twice during the year under review on 28th July 2014 and 17th March 2015.

The Board has adopted the Charter of the SRC which specifies the composition, meetings, quorum, authority and powers, role and responsibilities etc. of the Committee.

The responsibilities of the SRC *inter alia* include:

- Review of statutory compliance relating to all security holders.
- Resolving the grievances of all security holders of the Company.
- Overseeing and reviewing of all matters related to the transfer of securities and movement in shareholding and ownership of the Company.

Name, designation and address of the Compliance Officer

H. M. Mistry, Company Secretary
Bombay House, 24, Homi Mody Street, Mumbai 400 001.
Tel: 022 6665 7515 Fax: 022 6717 1004

In accordance with Clause 49(VIII)(E)(5) of the Listing Agreement, the Board has appointed Mr. H. M. Mistry, Company Secretary as the Compliance Officer. He is authorised to severally approve share transfers/transmissions, in addition to the powers with the members of the SRC. Share Transfer formalities are regularly attended to and atleast once a fortnight.

All investor complaints which cannot be settled at the level of the Compliance Officer, are placed before the Committee for final settlement.

The status of total number of complaints received during the year under review is as follows:

Sl. No.	Description	Total		
		Received	Replied	Pending
A.	Letters received from Statutory Bodies			
	Securities & Exchange Board of India	56	52	4
	Stock Exchanges	12	12	0
	Depositories (NSDL/CDSL)	7	7	0
	Ministry of Corporate Affairs	0	0	0
	Consumer Forum ¹	1	N.A.	1
B.	Dividends			
	Non-receipt of dividend/interest warrants (pending reconciliation at the time of receipt of letters)	0	0	0
	Total	76	71	5

- For the 4 unresolved complaints received through the SEBI SCORES System (System), the ATRs have been uploaded on the system and the same are pending for review with SEBI.
- ¹ The case before the Consumer Forum is being legally dealt with and is pending a decision.
- There were no pending Transfers/Demats as on 31st March 2015.

❖ **Corporate Social Responsibility Committee**

Table 10: Composition of the Corporate Social Responsibility (CSR) Committee and details of meetings attended by the Directors during the year under review:

Name of the Director	Category of Directorship	No. of meetings attended
Mr. Deepak M. Satwalekar, Chairman	Independent, Non-Executive	2
Ms. Vishakha V. Mulye		2
Mr. Anil Sardana	Executive	2

The CSR Committee met twice during the year under review on 11th July 2014 and 19th February 2015.

The Company has adopted a CSR policy which indicates the activities to be undertaken by the Company as specified in Schedule VII to the Act. The policy, including overview of projects or programs proposed to be undertaken, is provided on the Company's website.

The broad terms of reference of the CSR Committee are as under:

- Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Act or may be prescribed by the rules thereto;
- Recommend the amount of expenditure to be incurred on the activities referred to in the above clause; and
- Monitor the CSR Policy of the Company from time to time.

➤ Other Committees

The other Committees of the Board are:

- Executive Committee of the Board
- Ethics and Compliance Committee

❖ Executive Committee of the Board

The Executive Committee of the Board comprises Mr. Cyrus P. Mistry (Chairman), Mr. R. Gopalakrishnan, Mr. Nawshir H. Mirza, Mr. Deepak M. Satwalekar, Mr. Anil Sardana (CEO & Managing Director) and Mr. Ashok S. Sethi (COO & Executive Director). This Committee covers a detailed review of the following items before being presented to the full Board:

- Business and strategy review
- Long-term financial projections and cash flows
- Capital and Revenue Budgets and capital expenditure programmes
- Acquisitions, divestments and business restructuring proposals
- Senior management succession planning
- Any other item as may be decided by the Board

❖ Ethics and Compliance Committee

In accordance with the earlier Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended, the Board of Directors of the Company adopted the Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices (the Code) to be followed by Directors, Officers and other employees.

Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (new Regulations) were notified by SEBI on 15th January 2015 which became effective from 14th May 2015. The new Regulations not only regulate trading by insiders but also seek to prohibit insider trading. With the coming into force of the new Regulations, a revised Code was adopted by the Company. As required, the Code of Corporate Disclosure Practices has been uploaded on the Company's website.

In terms of this Code, Mr. Ramesh N. Subramanyam, Chief Financial Officer continues to be 'Compliance Officer' and Mr. Anand Agarwal, Head-Corp. Treasury & Investor Relations has been designated as the 'Chief Investor Relations Officer'.

Since the new Regulations require implementation of this Code under the general supervision of the Audit Committee and the overall supervision of the Board of the Company, the 'Ethics and Compliance Committee' has been dissolved with effect from 19th May 2015.

General Body Meetings

The last three Annual General Meetings (AGMs) were held as under:

Financial Year ended	Day & Date	Time	Venue
31 st March 2012	Friday, 17 th August 2012	3 p.m.	Birla Matushri Sabhagar, Sir Vithaldas Thackersey Marg, 19, New Marine Lines, Mumbai 400 020.
31 st March 2013	Friday, 16 th August 2013		
31 st March 2014	Wednesday, 13 th August 2014		

Details of Special Resolutions passed in the previous three AGMs

Date of AGM	Particulars of Special Resolutions passed thereat
17 th August 2012	No Special Resolutions were passed at this AGM
16 th August 2013	Commission to Non-Executive Directors
13 th August 2014	Private placement of Non-Convertible Debentures, Borrowing limits of the Company, Creation of Charges, Increase in limits of investments in other bodies corporate.

None of the business to be transacted at this AGM is required to be passed by postal ballot.

During the year under review, no special resolution has been passed through the exercise of postal ballot.

Disclosures

1. The Board has received disclosures from senior management relating to material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large.
2. There was no non-compliance during the last three years by the Company on any matter related to Capital Market. There were no penalties imposed nor strictures passed on the Company by Stock Exchanges, Securities and Exchange Board of India (SEBI) or any statutory authority.
3. The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The said policy has been posted on the Company's website. The Company affirms that no personnel have been denied access to the Chairman of the Audit Committee.
4. The Company follows Accounting Standards laid down by The Institute of Chartered Accountants of India in the preparation of its financial statements.
5. In terms of Clause 49(IX) of the Listing Agreement, the CEO & Managing Director and the Chief Financial Officer made a certification to the Board of Directors in the prescribed format for the year under review, which has been reviewed by the Audit Committee and taken on record by the Board.
6. The Company has complied with all the mandatory and non-mandatory requirements of Clause 49 of the Listing Agreement relating to Corporate Governance. The status of compliance with the non-mandatory requirements is as under:
 - The Non-Executive Chairman maintains a separate office, for which the Company is not required to reimburse expenses.
 - A half-yearly financial performance of the Company is sent to the Members in electronic form. The results are also put up on the Company's website.
 - The Chairman of the Board is a NED and his position is separate from that of the CEO & Managing Director.
 - The Internal Auditor reports to the Audit Committee.

Means of Communication

Quarterly Results: Quarterly and half-yearly reports are published in the following newspapers:

Name of the Newspaper	Region	Language
Indian Express – All editions	Ahmedabad, Vadodara, Mumbai, Chandigarh, New Delhi, Kolkata, Lucknow, Nagpur and Pune	English
Financial Express	Mumbai, Pune, Ahmedabad, New Delhi, Lucknow, Chandigarh, Kolkata, Hyderabad, Bengaluru, Kochi and Chennai	English
Loksatta – All editions	Ahmednagar, Mumbai, Pune, Nagpur, Aurangabad and New Delhi	Marathi
Jam-e-Jamshed Weekly	Mumbai	Gujarati
Vyapar + Phulchhab	Mumbai and Rajkot	Gujarati

Annual Reports: The Annual Reports were e-mailed/posted to Members and others entitled to receive them.

News Releases, Presentations etc.: Official news releases, detailed presentations made to media, analysts, institutional investors etc. are displayed on the Company's website. Official media releases, sent to the Stock Exchanges, are given directly to the press.

Website: Comprehensive information about the Company, its business and operations, Press Releases and Investor information can be viewed at the Company's website: www.tatapower.com. The 'Investor Relations' section serves to inform the investors by providing key and timely information like Financial Results, Annual Reports, Shareholding Pattern, presentations made to analysts etc.

Corporate Filing and Dissemination System (CFDS): The CFDS portal is a single source to view information filed by listed companies. All disclosures and communications to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are filed electronically through CFDS portal.

NSE Electronic Application Processing System (NEAPS) and BSE Online Portal: The Company also submits to NSE, all disclosures and communications through NSE's NEAPS portal. Similar filings are made to BSE on their Online Portal - BSE Corporate Compliance & Listing Centre.

Extensive Business Reporting Language (XBRL): XBRL is a language for electronic communication of business and financial data. It offers major benefits to all those who have to create, transmit, use or analyse such information which aids better analysis and decision making. Ministry of Corporate Affairs (MCA) vide its Circular No. 8/2012 dated 10th May 2012 [as amended on 29th June 2012], has already mandated all cost auditors and the concerned companies to file their Cost Audit Reports and Compliance Reports for the year 2011-12 onwards [including the overdue reports relating to any previous year(s)] only in the XBRL mode. The Company has filed its Cost Audit Report and Compliance Report on MCA through XBRL.

Web-based Query Redressal System: Members also have the facility of raising their queries/complaints on share related matters through a facility provided on the 'Investor Relations' section.

SEBI Complaints Redress System (SCORES): A centralised web-based complaints redressal system which serves as a centralised database of all complaints received, enables uploading of Action Taken Reports by the concerned companies and online viewing by the investors of actions taken on the complaint and its current status.

Factory visit: To familiarise our Members with the Company's operations, based on requests by them, the Company arranged for visits to its Trombay Thermal Station during FY15.

General Shareholder Information

- The AGM is scheduled to be held on Wednesday, 5th August 2015 at 3 p.m. at Birla Matushri Sabhagar, Sir Vithaldas Thackersey Marg, 19, New Marine Lines, Mumbai 400 020.

As required under Clause 49(VIII)(E)(1) of the Listing Agreement, particulars of Directors seeking appointment/re-appointment at the forthcoming AGM are given in the Annexure to the Notice of the AGM to be held on 5th August 2015.

- Financial Year** : 1st April 2014 to 31st March 2015
- Book Closure** : From 22nd July 2015 to 5th August 2015 (both days inclusive).
- Dividend Payment Date** : On and from 7th August 2015.
- Listing on Stock Exchanges** : The Company's Equity Shares are listed on the following 2 Stock Exchanges in India:

BSE Limited (BSE)	National Stock Exchange of India Limited (NSE)
(Regional Stock Exchange)	'Exchange Plaza'
Phiroze Jeejeebhoy Towers	Bandra-Kurla Complex
Dalal Street, Mumbai 400 001.	Bandra (E), Mumbai 400 051.

In February 1994, the Company jointly with the erstwhile The Tata Hydro-Electric Power Supply Company Limited and The Andhra Valley Power Supply Company Limited issued Global Depository Shares (GDS) in the International Market which have been listed on the Luxembourg Stock Exchange and have been accepted for clearance through Euroclear and Cedel. They have also been designated for trading in the PORTAL System of the National Association of Securities Dealers, Inc.

In July 2009, the Company raised USD 335 million through offering of Global Depository Receipts (GDRs). The GDRs are listed in and traded in Euro MTF market of the Luxembourg Stock Exchange and are also available for trading on IOB (International Order Board) of London Stock Exchange.

The following series of Debentures issued by the Company are listed on the Wholesale Debt Market segment of NSE :

Sl. No.	Series	Amount outstanding as on 31/03/2015 (₹ crore)
1.	7.1% Transferable Secured Redeemable Non-Convertible Debentures	180
2.	10.10% Redeemable Transferable Secured Non-Convertible Debentures	500
3.	10.40% Redeemable Transferable Secured Non-Convertible Debentures	500
4.	9.15% Secured Non-Convertible Non-Cumulative Redeemable Taxable Debentures with Separately Transferable Redeemable Principal Parts	250
5.	9.15% Secured Non-Convertible Non-Cumulative Redeemable Taxable Debentures with Separately Transferable Redeemable Principal Parts	186
6.	9.40% Redeemable Transferable Secured Non-Convertible Debentures	210

Sl. No.	Series	Amount outstanding as on 31/03/2015 (₹ crore)
7.	10.75% Unsecured Debentures	1,500
8.	11.40% Perpetual Bonds (also listed on BSE)	1,500
9.	9.32% Unsecured Redeemable Non-convertible Debentures	1,000
10.	9.48% Unsecured Redeemable Non-convertible Debentures	500

The Company has paid the requisite Annual Listing Fees to the 2 Stock Exchanges for the financial year 2014-15.

6. **Stock Code (For Equity Shares)**

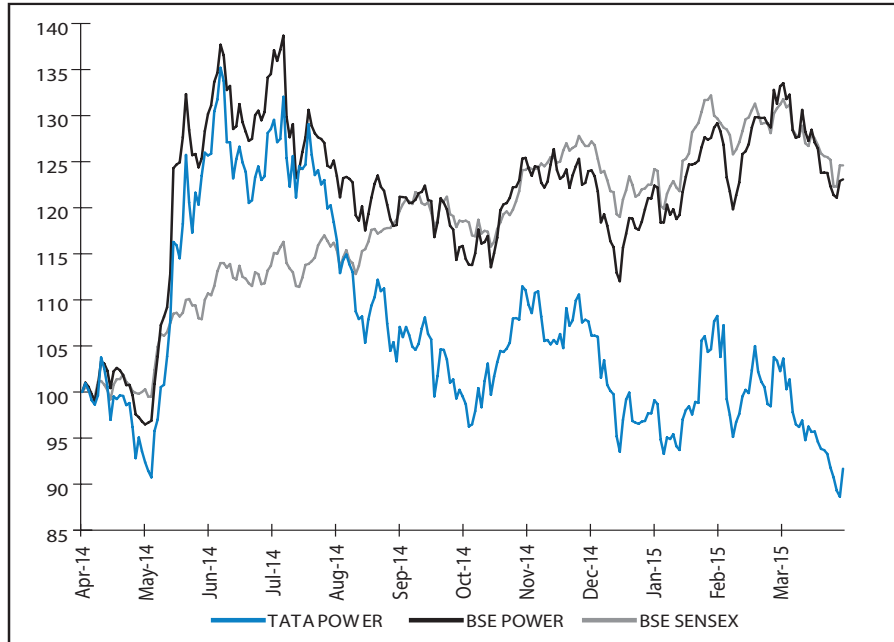
BSE Limited (physical form) (demat form)	400 500400
National Stock Exchange of India Limited	TATAPOWER EQ

7. **Market Information:**

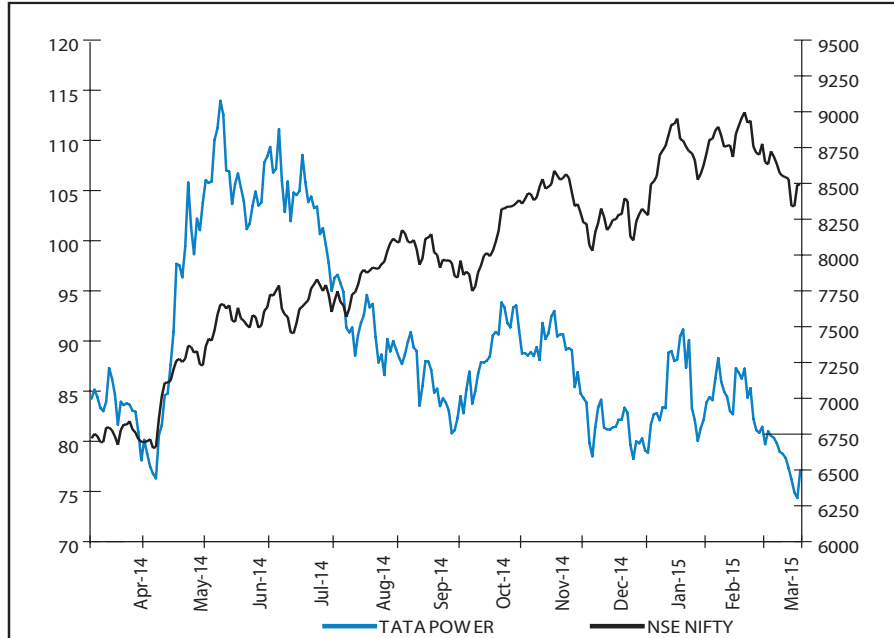
(a) Market Price Data: High, Low during each month and trading volumes of the Company's Equity Shares during the last financial year at BSE and NSE are given below :

Stock Exchange	BSE			NSE			
	Month	High (₹)	Low (₹)	No. of shares traded during the month	High (₹)	Low (₹)	No. of shares traded during the month
	April 2014	87.25	78.05	1,22,97,373	87.30	78.10	7,91,70,968
	May 2014	105.75	76.30	2,85,81,152	105.80	76.30	21,87,78,645
	June 2014	113.70	101.35	2,21,67,457	113.95	101.15	16,54,73,037
	July 2014	111.05	97.95	1,56,40,780	111.10	97.75	11,74,78,516
	August 2014	96.65	86.90	1,08,19,446	96.60	86.60	9,18,07,764
	September 2014	90.90	83.00	1,13,18,058	90.90	83.05	9,96,85,633
	October 2014	93.75	80.95	99,21,089	93.85	80.80	7,55,38,597
	November 2014	93.40	88.10	74,64,380	93.55	88.10	6,89,04,767
	December 2014	90.70	78.65	77,94,167	90.65	78.50	6,75,57,177
	January 2015	90.55	78.45	84,46,902	90.50	78.25	6,85,76,713
	February 2015	91.05	80.00	1,39,80,683	91.15	80.05	9,08,31,229
	March 2015	87.15	74.55	77,28,189	87.25	74.35	6,90,89,692

(b) Normalized performance of Tata Power Share price in comparison to BSE Sensex and Power Index:



(c) Performance of Tata Power Share price in comparison to Nifty :



8. **Registrars and Transfer Agents:** TSR Darashaw Limited (TSRD)
 6-10, Haji Moosa Patrawala Industrial Estate (Near Famous Studio),
 20, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011.
 Tel. : 022 6656 8484, Fax :022 6656 8494
 E-mail: csg-unit@tsrdarashaw.com Website:www.tsrdarashaw.com

For the convenience of Members based in the following cities, transfer documents and letters will also be accepted at the following branches/agencies of TSRD:

Branches of TSRD

- | | |
|--|--|
| <p>1. 503, Barton Centre, 5th Floor,
84, Mahatma Gandhi Road,
Bengaluru 560 001.
Tel : 080 2532 0321
Fax : 080 2558 0019
E-mail : tsrdlbg@tsrdarashaw.com</p> | <p>2. Bungalow No.1, 'E' Road,
Northern Town, Bistupur,
Jamshedpur 831 001.
Tel : 0657 242 6616
Fax : 0657 242 6937
E-mail: tsrdljsr@tsrdarashaw.com</p> |
| <p>3. Tata Centre, 1st Floor,
43, Jawaharlal Nehru Road,
Kolkata 700 071.
Tel : 033 2288 3087
Fax : 033 2288 3062
E-mail : tsrdlcal@tsrdarashaw.com</p> | <p>4. Plot No. 2/42, Sant Vihar,
Ansari Road, Darya Ganj,
New Delhi 110 002.
Tel : 011 2327 1805
Fax : 011 2327 1802
E-mail : tsrdldel@tsrdarashaw.com</p> |

Agent of TSRD

Shah Consultancy Services Pvt. Limited
 3, Sumatinath Complex, Pritam Nagar, Akhada Road, Ellisbridge, Ahmedabad 380 006 .
 Telefax : 079 2657 6038 E-mail : shahconsultancy8154@gmail.com

9. **Share Transfer System:** Share Transfers in physical form can be lodged with TSRD at the abovementioned address or at their branch offices, addresses of which are available on their website: www.tsrdarashaw.com
 Transfers are normally processed within 15 days from the date of receipt. If the documents are complete in all respects, Mr. H. M. Mistry, the Company Secretary and Compliance Officer and Mr. A. S. Bapat, Head-Corporate Legal, are severally empowered to approve transfers, in addition to the powers with the Members of the Stakeholders Relationship Committee. The Company officials could be contacted at the following address:
 The Tata Power Company Limited,
 Bombay House, 24, Homi Mody Street, Mumbai 400 001.
 E-mail: investorcomplaints@tatapower.com

10. **Distribution of Shares as on 31st March 2015:**

Slab	Number of shares				Number of shareholders					
	Physical	Demat	Total	%	Physical	%	Demat	%	Total	%
1 - 5000	3,53,95,043	12,64,76,956	16,18,71,999	5.99	28,344	90.98	2,47,076	94.34	2,75,420	93.98
5001 - 10000	1,40,26,283	5,61,66,652	7,01,92,935	2.59	2,058	6.61	8,020	3.06	10,078	3.44
10001 - 20000	69,25,636	5,45,22,365	6,14,48,001	2.27	500	1.61	3,933	1.50	4,433	1.51
20001 - 30000	31,99,340	2,73,87,486	3,05,86,826	1.13	132	0.42	1,119	0.43	1,251	0.43
30001 - 40000	20,14,588	1,76,35,743	1,96,50,331	0.73	57	0.18	508	0.19	565	0.19
40001 - 50000	11,65,285	1,23,65,830	1,35,31,115	0.50	26	0.08	277	0.11	303	0.10
50001 - 100000	16,66,020	3,42,15,738	3,58,81,758	1.33	26	0.08	491	0.19	517	0.18
100001 and above	28,64,520	2,30,85,97,769	2,31,14,62,289	85.46	11	0.04	479	0.18	490	0.17
Total	6,72,56,715	2,63,73,68,539	*2,70,46,25,254	100.00	31,154	100.00	2,61,903	100.00	2,93,057	100.00

* Excluding 29,80,316 shares not allotted but held in abeyance, 44,02,700 shares cancelled pursuant to a Court Order and 4,80,40,400 shares of the Company held by the erstwhile The Andhra Valley Power Supply Co. Ltd. cancelled pursuant to the Scheme of Amalgamation sanctioned by the High Court of Judicature at Bombay.

11. Shareholding pattern as on 31st March 2015:

Particulars	Equity Shares of ₹ 1/- each	
	No. of Shares	%
Promoters (including Promoter Group)	89,32,00,466	33.02
Directors and their relatives	93,574	0.00
Insurance Companies	55,83,25,559	20.64
Financial Institutions/Banks	1,40,96,416	0.52
Mutual Funds/UTI	3,00,20,801	1.11
Clearing Members	65,77,340	0.24
Corporate Bodies	1,60,26,456	0.59
Trusts	52,32,412	0.19
Resident Individuals & HUF	37,23,92,145	13.77
Central/State Governments	6,43,045	0.02
Foreign Institutional Investors	70,03,40,458	25.89
Foreign Portfolio Investors - Corporate	7,61,27,437	2.81
Foreign Banks	91,563	0.00
OCBs	10,400	0.00
Foreign Bodies	4,949	0.00
Foreign Nationals DR	22,760	0.00
Foreign Bodies DR	12,94,567	0.05
Global Depository Receipts	43,82,500	0.16
Non-Resident Indians	2,57,42,406	0.95
Total	2,70,46,25,254	100.00

12. Top 10 Shareholders of the Company as on 31st March 2015:

Sl. No.	Name of Shareholder	Total holdings	% to capital
1	Tata Sons Limited	82,18,99,682	30.39
2	Life Insurance Corporation of India	35,48,05,781	13.12
3	Matthews Pacific Tiger Fund	16,75,45,436	6.19
4	National Westminster Bank Plc As Depository of First State Global Emerging Markets Leaders Fund A Sub Fund of First State Investments ICVC	8,78,45,474	3.25
5	The New India Assurance Company Limited	6,91,27,805	2.55
6	General Insurance Corporation of India	6,81,76,404	2.52
7	National Westminster Bank Plc As Depository of First State Asia Pacific Leaders Fund A Sub Fund of First State Investments ICVC	6,39,99,639	2.37
8	Tata Steel Limited	3,91,22,725	1.45
9	Aberdeen Global Indian Equity (Mauritius) Limited	3,65,98,000	1.35
10	Abu Dhabi Investment Authority	2,97,95,128	1.10
	Total	1,73,89,16,074	64.29

13. Dematerialisation of Shares as on 31st March 2015 and Liquidity:

The Company's shares are compulsorily traded in dematerialised form and are available for trading through both the Depositories in India viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

Particulars of Shares	Shares of ₹ 1/- each		Shareholders	
	Number	% to Total	Number	% to Total
Dematerialised form				
NSDL	257,23,41,395	95.11	1,87,373	63.94
CDSL	6,50,27,144	2.40	74,530	25.43
Sub-total	263,73,68,539	97.51	2,61,903	89.37
Physical form	6,72,56,715	2.49	31,154	10.63
Total	270,46,25,254	100.00	2,93,057	100.00

14. **E-voting**

E-voting is a common internet infrastructure that enables investors to vote electronically on resolutions of companies. Investors can now vote on resolutions requiring voting through Postal Ballot as per the applicable rules and regulations without sending their votes through post. The Company will also have the E-voting facility for the items to be transacted at this AGM. The Ministry of Corporate Affairs has authorised NSDL and CDSL for setting up electronic platform to facilitate casting of votes in electronic form. The Company has entered into agreements with NSDL and CDSL for availing E-voting facilities.

15. **International Securities Identification Number (ISIN)**

Under the Depository system, the ISIN allotted to the Company's shares in dematerialised form is INE245A01021. The Annual Custodial Fees for the Financial Year 2014-15 were paid to NSDL and CDSL.

The Company's shares are regularly traded on BSE and NSE as is seen from the volume of shares indicated in the table containing market information.

16. **Number of GDS outstanding:** 1,479 (Issued in 1994 to Citibank NA)
as on 31st March 2015 3,05,130 (Issued in 2009 to Bank of New York)

17. **Plant Location:**

(a) Thermal Power Stations:

- | | | |
|--|--|--|
| i) Trombay Generating Station, Mahul Road, Chembur, Mumbai, Maharashtra | ii) Jojobera Power Plant, Jojobera Jamshedpur, Jharkhand | iii) Belgaum Power Plant, Plot Nos.1234 to 1240 & 1263 to 1297, KIADB Kanbargi Industrial Area, Auto Nagar, Belgaum, Karnataka |
| iv) Haldia Power Plant, HFC Complex, Patikhali Haldia, East Medinipur, West Bengal | | |

(b) Hydro Generating Stations :

- | | | |
|---|--|---|
| i) Generating Station, Bhira, P O Bhira, Taluka Mangaon, District Raigad, Maharashtra | ii) Generating Station, Bhivpuri, P O Bhivpuri Camp, Taluka Karjat, District Raigad, Maharashtra | iii) Generating Station, Khopoli, P O Khopoli Power House, District Raigad, Maharashtra |
|---|--|---|

(c) Wind Farms :

- | | | |
|---|--|--|
| i) Village Shahjahanpur & Pimpalgaon, Taluka Parner, District Ahmednagar, Maharashtra | ii) Village Khandke, Taluka & District Ahmednagar, Maharashtra | iii) Village Valve, Taluka Sakri, District Dhulia, Maharashtra |
| iv) Jamjodhpur, Sadodar, Motapanch Devda, Samana, District Jamnagar, Gujarat | v) Hosur, Kanavi, Mulgund, Shiroland Harti, District Gadag, Karnataka. | vi) Village Sadawaghapur, Taluka Patan, District Satara, Maharashtra |

- vii) Village Anikaduvu, Mongilphuluvu, Illupunagaram, Taluka Madathukulam, District Tripur, Tamil Nadu
- viii) Village Kannarwadi, Hiwarwadi & Agaswadi, Taluka Khatav, District Satara, Maharashtra
- ix) Village Sawarghar and Niwade, Taluka Patan, District Satara, Maharashtra
- x) Visapur Wind Farm
Village Kokrale, Visapur, Girijashankarwadi & Rajachekurle, Taluka Khatav, District Satara, Maharashtra

(d) Solar Plants:

- (i) Mulshi (Khurd),
Post Male, Taluka Mulshi,
District Pune, Maharashtra

- (e) Transmission Division : Shil Road, Netivli, Kalyan, District Thane, Maharashtra
- (f) Distribution Division : Senapati Bapat Marg, Lower Parel, Mumbai
- (g) Strategic Engineering Division : 42/43 Electronic City, Electronic City Post Office, Hosur Road, Bengaluru
- (h) Plants under other Tata Power Group of companies :
- Mundra Ultra Mega Power Plant, Gujarat
 - Maithon Right Bank Thermal Power Plant, Jharkhand
 - Unit 5 and Power House No.6, Jharkhand
 - Dagachhu Hydro Power Plant, Bhutan
 - Rithala Combined Cycle Gas Turbine, NCR
 - Wind Farms in Maharashtra, Gujarat, Rajasthan,
 - Solar Plants in Maharashtra, Gujarat, Delhi, Tamil Nadu.

18. **Address for correspondence** : The Tata Power Company Limited
Bombay House, 24, Homi Mody Street,
Mumbai 400 001.
Tel.: 022 6665 8282 Fax : 022 6665 8801
E-mail: tatapower@tatapower.com
Website: www.tatapower.com

19. **Other Shareholder Information**➤ **Corporate Identity Number (CIN)**

The CIN allotted to the Company by the MCA, Government of India is **L28920MH1919PLC000567**.

➤ **TOLL FREE Investor Helpline**

The Company maintains a TOLL FREE Investor Helpline to give Members the convenience of one more contact point with TSRD, Registrar and Transfer Agent of the Company, for redressal of grievances/responses to queries. The Toll Free number is **1800-209-8484**.

➤ **Shareholders' Relations Team**

The Shareholders' Relations Team is located at the Registered Office of the Company.

Contact Person: Mr. J. E. Mahernosh Tel.: 022 66657508 Fax: 022 67171004

In compliance with Clause 47(f) of the Listing Agreement, a separate e-mail ID investorcomplaints@tatapower.com has been set up as a dedicated ID solely for the purpose of dealing with Members' queries/complaints.

Transfer of unclaimed dividend to Investor Education and Protection Fund

Pursuant to the provisions of Sections 205A and 205C of the Companies Act, 1956, the dividend which remains unclaimed/unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

The status of dividend remaining unclaimed is given hereunder:

Unclaimed Dividend	Status	Whether it can be claimed	Can be claimed from
Upto and including the Financial Year 1994-95	Transferred to General Revenue Account of the Central Government	Yes	Office of the Registrar of Companies, Central Government Office Building, A-Wing, 2 nd Floor, CBD Belapur, Navi Mumbai 400 614. Application to be made in Form II prescribed by the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978.
For the Financial Years 1995-96 to 2006-07	Transferred to the IEPF of the Central Government	No	Not applicable
For the Financial Years 2007-08 and thereafter	Lying in respective Unpaid Dividend Accounts	Yes	TSR Darashaw Ltd., Registrar and Transfer Agent.

During the year, the Company sent a reminder to those Members who had not claimed their dividend. The following unclaimed amounts were transferred to IEPF:

Particulars	Amount (₹)
Amounts transferred during financial year 2014-15:	
- Unclaimed dividend with the Company	71,49,881
- Legal outstanding cases to be retained	(2,51,902)
- Unclaimed matured deposits with the Company	0
- Interest accrued on the unpaid mature deposits	0
Total amount transferred during the year	68,97,979

The due dates for transfer to IEPF of the dividend remaining unclaimed for FY2007-08 onwards are provided hereunder:

Date of dividend declaration	Unclaimed Dividend (As on 31/03/2015)	Last date for claiming payment from TSRD
10.09.2008	1,02,16,479.00	09.09.2015
06.08.2009	1,24,79,880.50	05.08.2016
08.09.2010	1,32,95,484.00	07.09.2017
24.08.2011	1,51,47,562.50	23.08.2018
17.08.2012	1,60,46,123.75	16.08.2019
16.08.2013	1,67,72,946.65	14.08.2020
13.07.2014	2,13,23,975.00	12.08.2021

Members may visit the Company's website www.tatapower.com (Investor Relations – Investor Helpdesk – Amounts pending transfer to IEPF) for tracking details of any unclaimed/unpaid amounts, pending transfer to IEPF. Members are requested to get in touch with TSRD for claiming the unclaimed dividend, if any, standing to the credit of their account.

After transfer of the said amounts to the IEPF, no claims in this respect shall lie against the IEPF or the Company nor shall any payment be made in respect of such claims.

➤ **Unclaimed Shares**

As required under Clause 5A of the Listing Agreement, the Company has sent reminders to the Members whose shares were lying unclaimed/undelivered with the Company.

➤ **Shares held in electronic form**

Members holding shares in electronic form may please note that:

- i) For the purpose of making cash payments to the Investors through Reserve Bank of India (RBI) approved electronic mode of payment (such as ECS, NECS, NEFT, RTGS etc.) relevant bank details available with the depositories will be used. Members are requested to update their bank details with their Depository Participant (DP).
- ii) Instructions regarding change of address, nomination and power of attorney should be given directly to the DP.

➤ Shares held in physical form

Members holding shares in physical form are requested to notify/send the following to TSRD to facilitate better servicing:

- i) any change in their address/mandate/bank details, and
- ii) particulars of the bank and branch in which they wish their dividend to be credited, in case they have not been furnished earlier.

As per Circular No.CIR/MRD/DP/10/2013 dated 21st March 2013, companies are directed to use, either directly or through their RTA, any RBI approved electronic mode of payment such as ECS, NECS, NEFT, RTGS etc. for making cash payments to the Investors. For Investors holding shares in demat mode, relevant bank details from the depositories will be sought. Investors holding shares in physical form, are requested to register instructions regarding their bank details with the RTA. Only in cases where either the bank details such as Magnetic Ink Character Recognition (MICR), Indian Financial System Code (IFSC) etc., that are required for making electronic payment, are not available or the electronic payment instructions have failed or have been rejected by the bank, physical payment instruments for making cash payments to the Investors may be used.

➤ Demat initiative

WHY DEMAT	
<ul style="list-style-type: none"> • Easy portfolio monitoring • Elimination of bad deliveries • Elimination of all risks associated with physical certificates • No stamp duty is paid on transfer of shares • Immediate transfer/trading of securities • Faster settlement cycle • Faster disbursement of non cash corporate benefits like rights, bonus etc. 	<ul style="list-style-type: none"> • Periodic status reports and information available on internet • Ensures faster communication to investors • Ease related to change of address • Provides more acceptability and liquidity of securities • Postal delays and loss of shares in transit is prevented • Saves the shareholder from going through cumbersome legal processes to reclaim the lost/pilfered certificates

In view of the advantages of holding shares in electronic form, Members holding their Equity Shares in physical form are urged to demat their holdings.

➤ Depository Services

Members may write to the respective Depository or to TSRD for guidance on depository services. Address for correspondence with the Depositories is as follows:

National Securities Depository Limited
Trade World, 4th Floor,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai 400 013.
Tel. No. : 022 2499 4200
Fax No. : 022 2497 6351
E-mail : info@nsdl.co.in
website : www.nsdl.co.in

Central Depository Services (India) Limited
Phiroze Jeejeebhoy Towers,
17th Floor, Dalal Street,
Mumbai 400 023.
Tel. No. : 022 2272 3333
Fax No. : 022 2272 3199
E-mail : investor@cdslindia.com
website : www.cdslindia.com

➤ Nomination Facility

Pursuant to the provisions of Section 72 of the Act, Members are entitled to make nominations in respect of shares held by them. Members holding shares in physical form and intending to make/change the nomination in respect of their shares in the Company, may submit their requests in Form No. SH.13 to TSRD. Members holding shares in electronic form are requested to give the nomination request to their respective DPs directly.

Form No. SH.13 can be obtained from TSRD or downloaded from the Company's website under the section 'Investor Relations'.

➤ Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified practising Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges as well as placed before the Board of Directors. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).

➤ **Compliance of Share Transfer formalities**

Pursuant to Clause 47 (c) of the Listing Agreement, certificates, on half-yearly basis, have been issued by a Practicing Company Secretary for due compliance of share transfer formalities by the Company.

➤ **Secretarial Audit**

In terms of the Act, the Company appointed M/s. Parikh & Associates, Practicing Company Secretaries, to conduct Secretarial Audit of records and documents of the Company for FY2015. The Secretarial Audit Report is attached as Annexure-VIII to the Board's Report.

20. Investor Safeguards

In pursuit of the Company's objective to mitigate/avoid risks while dealing with shares and related matters, the following are the Company's recommendations to its Members:

i) **Open Demat Account and Dematerialise your Shares**

Members should convert their physical holdings into electronic holdings. Holding shares in electronic form helps Members to achieve immediate transfer of shares. No stamp duty is payable on transfer of shares held in electronic form and risks associated with physical certificates such as forged transfers, fake certificates and bad deliveries are avoided.

ii) **Consolidate your Multiple Folios**

Members are requested to consolidate their shareholding held under multiple folios. This facilitates one-stop tracking of all corporate benefits on the shares and would reduce time and efforts required to monitor multiple folios.

iii) **Confidentiality of Security Details**

Folio Nos./DP ID/Client ID should not be disclosed to any unknown persons. Signed blank transfer deeds, delivery instruction slips should not be given to any unknown persons.

iv) **Dealing with Registered Intermediaries**

Members should transact through a registered intermediary who is subject to the regulatory discipline of SEBI, as it will be responsible for its activities, and in case the intermediary does not act professionally, Members can take up the matter with SEBI.

v) **Obtain documents relating to purchase and sale of securities**

A valid Contract Note/Confirmation Memo should be obtained from the broker/sub-broker, within 24 hours of execution of the trade. It should be ensured that the Contract Note/Confirmation Memo contains order no., trade no., trade time, quantity, price and brokerage.

vi) **Update your Address**

To receive all communications and corporate actions promptly, please update your address with the Company or DP, as the case may be.

vii) **Prevention of Frauds**

There is a possibility of fraudulent transactions relating to folios which lie dormant, where the Member is either deceased or has gone abroad. Hence, we urge you to exercise diligence and notify the Company of any change in address, stay abroad or demise of any Member, as and when required.

viii) **Monitor holdings regularly**

Do not leave your demat account dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified.

ix) **PAN Requirement for Transfer of Shares in Physical Form**

SEBI has mandated the submission of Permanent Account Number (PAN) for securities market transactions and off market/private transactions involving transfer of shares of listed companies in physical form. It is, therefore, mandatory for any transferee(s) to furnish a copy of the PAN card to TSRD for registration of such transfers. Members are, therefore, requested to make note of the same and submit their PAN card copy to TSRD.

x) **Mode of Postage**

Share Certificates and high value dividend warrants/cheques/demand drafts should not be sent by ordinary post. It is recommended that Members should send such instruments by registered post or courier.

DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, I affirm that the Board Members and the Senior Management Personnel have confirmed compliance with the Codes of Conduct, as applicable to them, for the year ended 31st March 2015.

For The Tata Power Company Limited

Anil Sardana

CEO & Managing Director

Mumbai, 19th May 2015

NOTICE

BOARD'S REPORT

MD&A

CG REPORT

STANDALONE

CONSOLIDATED

CERTIFICATE

To the Members of The Tata Power Company Limited

We have examined the compliance of conditions of Corporate Governance by The Tata Power Company Limited ('the Company'), for the year ended 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was 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 and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We 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 DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

R. A. Banga

Partner

(Membership Number: 037915)

Mumbai, 19th May, 2015

INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF
THE TATA POWER COMPANY LIMITED**

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **THE TATA POWER COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the standalone financial statements:

- (a) Note 32(d) and (e) to the standalone financial statements which describes uncertainties relating to the outcome of the Appeal filed before the Hon'ble Supreme Court. Pending outcome of the Appeal filed before the Hon'ble Supreme Court, no adjustment has been made by the Company in respect of the standby charges estimated at ₹ 519 crores accounted for as revenue in earlier periods and its consequential effects (Note 32 (d) and (e)) for the period upto 31st March, 2015. The impact of the same on the results for the year

ended 31st March, 2015 cannot presently be determined pending the ultimate outcome of the matter. Since the Company is of the view, supported by legal opinion, that the Tribunal's Order can be successfully challenged, no provision/adjustment has been considered necessary by the Management.

- (b) Note 29(a) to the standalone financial statements which describes the key source of estimation uncertainties as at 31st March, 2015 relating to the Company's assessment of the recoverability of the carrying amount of assets of Coastal Gujarat Power Limited (CGPL), a wholly owned subsidiary that could result in material adjustment to the carrying amount of the long-term investment of ₹ 5,980.57 crores in, and loans aggregating ₹ 3,034.56 crores to the said subsidiary. For the reasons explained in the said Note, no provision for diminution other than temporary in value of investment and provision for loans is considered necessary.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) The matters described in the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
 - (f) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 32 to the standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company-also refer Note 12 to the standalone financial statements.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W /W-100018)

R. A. BANGA
Partner
Membership Number: 037915

MUMBAI, 19th May, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (ii) In respect of its inventories:
 - (a) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals. In our opinion the frequency of verification is reasonable.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. In respect of such loans:
 - (a) The receipts of principal amounts and interest have been regular/as per stipulations.
 - (b) There is no overdue amount in excess of ₹ 1 lakh remaining outstanding as at the year-end.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act. Accordingly to the information and explanations given to us, no Order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.

- (c) Details of dues of income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited as on 31st March, 2015 on account of disputes are given below:

Name of the statute	Nature of the dues	Amount (₹ in crores)	Period to which the amount relates	Forum where dispute is pending
Customs Laws	Customs Duty	37.41	1993-94 to 1999-00 and 2012-13	Appellate Authority - upto Commissioner level
Maharashtra Tax on the Entry of Goods into Local Areas Act, 2002	Entry Tax	877.91	2006-07, 2007-08 and 2009-10	Appellate Authority - Joint Commissioner
		709.15	2005-06 and 2008-09	High Court
Maharashtra Value Added Tax Act, 2002	VAT	17.91	2008-09	Sales Tax Appellate Tribunal
Central Excise Laws	Excise Duty	8.61	1992-93 to 2012-13	Appellate Authority - upto Tribunal Level
Cess Laws	Cess	1.13	2009-10	Chairman MPCB
Income Tax Act, 1961	Income Tax	3.13	2008-09	Income Tax Appellate Tribunal

- (d) The Company has been regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder within time - also refer Note 12 to the standalone financial statements.
- (viii) The Company does not have accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
- (x) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are not, *prima facie*, prejudicial to the interests of the Company.
- (xi) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.
- (xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W /W-100018)

R. A. BANGA
Partner
Membership Number: 037915

MUMBAI, 19th May, 2015

Balance Sheet as at 31st March, 2015

	Notes	Page	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
EQUITY AND LIABILITIES				
SHAREHOLDERS' FUNDS				
Share Capital	3	123	270.48	237.33
Reserves and Surplus	4	124	14,196.14	11,648.74
			14,466.62	11,886.07
UNSECURED PERPETUAL SECURITIES	5	125	1,500.00	1,500.00
STATUTORY CONSUMER RESERVES	6	125	623.23	613.23
SPECIAL APPROPRIATION TOWARDS PROJECT COST			533.61	533.61
SERVICE LINE CONTRIBUTIONS FROM CONSUMERS			104.53	94.45
NON-CURRENT LIABILITIES				
Long-term Borrowings	7	126	8,795.63	7,175.99
Deferred Tax Liabilities (Net)	8	128	1,024.98	881.14
Other Long-term Liabilities	9	128	93.93	86.10
Long-term Provisions	10	128	149.90	164.23
			10,064.44	8,307.46
CURRENT LIABILITIES				
Short-term Borrowings	11	129	1,764.78	1,579.53
Trade Payables (Refer Note 30)			1,304.66	1,057.68
Other Current Liabilities	12	129	2,705.56	4,305.99
Short-term Provisions	10	128	493.76	661.01
			6,268.76	7,604.21
TOTAL			33,561.19	30,539.03
ASSETS				
NON-CURRENT ASSETS				
Fixed Assets				
Tangible Assets	13(a)	130	9,458.95	8,532.81
Intangible Assets	13(b)	131	141.99	65.82
Capital Work-in-Progress			472.35	684.49
Intangible Assets under Development			76.20	90.60
			10,149.49	9,373.72
Non-current Investments	14	132	13,208.89	12,361.09
Long-term Loans and Advances	15	134	3,549.34	2,898.79
Other Non-current Assets	16	135	2,937.16	2,369.94
			29,844.88	27,003.54
CURRENT ASSETS				
Current Investments	17	135	42.00	1.36
Inventories	18	136	669.18	710.67
Trade Receivables	19	136	1,576.13	1,320.10
Cash and Bank Balances	20	136	279.27	67.86
Short-term Loans and Advances	15	134	373.30	804.53
Other Current Assets	21	137	776.43	630.97
			3,716.31	3,535.49
TOTAL			33,561.19	30,539.03

See accompanying notes forming part of the Financial Statements

In terms of our report attached.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

R. A. BANGA
Partner

Mumbai, 19th May, 2015.

RAMESH SUBRAMANYAM
Chief Financial Officer

H. M. MISTRY
Company Secretary

Mumbai, 19th May, 2015.

For and on behalf of the Board,

CYRUS P. MISTRY
Chairman

ANIL SARDANA
CEO & Managing Director

Statement of Profit and Loss for the year ended 31st March, 2015

	Notes	Page	For the year ended 31st March, 2015 ₹ crore	For the year ended 31st March, 2014 ₹ crore
REVENUE				
Revenue from Operations (Gross)	22	137	8,681.17	8,693.74
Less: Excise Duty.....	22	137	3.48	18.21
Revenue from Operations (Net).....	22	137	8,677.69	8,675.53
Other Income.....	23	138	1,024.68	655.76
TOTAL REVENUE			9,702.37	9,331.29
EXPENSES				
Cost of Power Purchased			953.09	793.33
Cost of Fuel			3,141.91	3,350.91
Transmission Charges.....			436.87	467.96
Cost of Components Consumed.....			374.30	178.99
Employee Benefits Expense.....	24	138	686.52	544.95
Finance Costs	25	139	1,047.46	868.21
Depreciation and Amortisation	13, 2.2 to 2.4	131, 122	575.29	587.14
Other Expenses	26	139	971.28	1,048.64
TOTAL EXPENSES.....			8,186.72	7,840.13
PROFIT BEFORE TAX			1,515.65	1,491.16
TAX EXPENSE/(BENEFIT)				
Current Tax Expense.....			357.63	354.50
MAT Credit reversed in respect of Prior Years.....			Nil	105.00
Excess Provision for Tax relating to Prior Years			Nil	(25.65)
Net Current Tax Expense.....			357.63	433.85
Deferred Tax Expense.....			147.73	103.23
Net Tax Expense.....			505.36	537.08
PROFIT FOR THE YEAR			1,010.29	954.08
EARNINGS PER SHARE (FACE VALUE ₹ 1/- PER SHARE)				
Basic (₹)	42	157	3.30	3.38
Diluted (₹).....	42	157	3.30	3.38

See accompanying notes forming part of the Financial Statements

In terms of our report attached.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

R. A. BANGA
Partner

Mumbai, 19th May, 2015.

RAMESH SUBRAMANYAM
Chief Financial Officer

H. M. MISTRY
Company Secretary

Mumbai, 19th May, 2015.

For and on behalf of the Board,

CYRUS P. MISTRY
Chairman

ANIL SARDANA
CEO & Managing Director

NOTICE

BOARD'S REPORT

MD&A

CG REPORT

STANDALONE

CONSOLIDATED

Cash Flow Statement for the year ended 31st March, 2015

	For the year ended 31st March, 2015 ₹ crore	For the year ended 31st March, 2014 ₹ crore
A. Cash Flow from Operating Activities		
Profit before tax	1,515.65	1,491.16
Adjustments for:		
Depreciation and Amortisation	575.29	587.14
Interest Income	(447.04)	(255.21)
Dividend Income	(513.87)	(366.66)
Gain on Sale of Investments	(23.06)	(20.37)
Discount accrued on Bonds	Nil	(0.26)
Guarantee Commission	(19.71)	(13.26)
Transfer of Service Line Contributions	(9.45)	(8.14)
Finance Costs	1,047.46	868.21
(Gain)/Loss on Sale/Retirement of Assets (Net)	(18.13)	0.09
Provision for Doubtful Debts and Advances (Net)	(2.38)	0.54
Provision for Warranties	8.53	6.69
Provision for Diminution in Value of Investments	37.10	Nil
Exchange loss on Investing/Financing Activity (Net)	19.25	103.74
Unrealised Exchange Loss (Net)	37.25	143.60
	691.24	1,046.11
Operating Profit before Working Capital Changes	2,206.89	2,537.27
Adjustments for Operating Assets:		
Inventories	41.49	50.42
Trade Receivables	(253.77)	(9.25)
Short-term Loans and Advances	127.23	(130.00)
Long-term Loans and Advances	(96.09)	(52.07)
Other Current Assets	(205.19)	(347.07)
Other Non-current Assets	(361.39)	504.69
	(747.72)	16.72
Adjustments for Operating liabilities:		
Trade Payables	246.98	134.13
Other Current Liabilities	259.38	340.50
Other Long-term Liabilities	7.83	0.75
Short-term Provisions	(15.66)	1.29
Long-term Provisions	28.24	(40.34)
	526.77	436.33
Cash Generated from Operations	1,985.94	2,990.32
Taxes paid (Net)	(298.04)	(290.82)
Net Cash generated from Operating Activities	1,687.90	2,699.50
B. Cash Flow from Investing Activities		
Capital Expenditure on Fixed Assets, including Capital Advances	(1,256.14)	(1,100.95)
Proceeds from Sale of Fixed Assets	28.10	3.34
Proceeds from Insurance Company for damage of Fixed Assets	29.78	Nil
Purchase of Long-term Investments		
Subsidiaries	(783.45)	(1,303.55)
Joint Ventures	(0.26)	(19.02)
Other Investments	Nil	(26.99)
Proceeds from sale of Non-current Investments		
Other Investments	Nil	20.00
Purchase of Current Investments	(12,096.86)	(13,256.33)
Proceeds from Sale of Current Investments	12,079.28	13,513.90
Interest Received		
Subsidiaries	104.12	84.10
Others	140.74	87.23
Loans given to Subsidiaries	(1,547.08)	(3,339.08)
Loans repaid by Subsidiaries	1,185.06	2,340.25
Carried over...	(2,116.71)	(2,997.10)

Cash Flow Statement for the year ended 31st March, 2015 (Contd.)

	For the year ended 31st March, 2015 ₹ crore	For the year ended 31st March, 2014 ₹ crore
Brought forward...	(2,116.71)	(2,997.10)
Dividend Received		
Subsidiaries	479.70	289.01
Associates.....	4.89	4.89
Others.....	15.31	9.94
Guarantee Commission Received	16.26	13.53
Inter Corporate Deposits placed.....	(350.00)	(730.09)
Inter Corporate Deposits redeemed	326.00	1,067.84
Bank balance not considered as Cash and Cash Equivalents.....	(0.86)	(0.59)
Net Cash used in Investing Activities	(1,625.41)	(2,342.57)
C. Cash Flow from Financing Activities		
Amount received on Issue of Shares	1,989.32	Nil
Share Issue Expenses Paid	(22.82)	(1.90)
Debenture Issue Expenses	(2.38)	Nil
Proceeds from Gain on Option Settlement	84.14	Nil
Increase in Capital/Service line Contributions.....	19.53	20.37
Proceeds from Long-term Borrowings	2,080.76	849.90
Repayment of Long-term Borrowings.....	(2,607.61)	(484.92)
Proceeds from Short-term Borrowings	4,396.68	2,981.98
Repayment of Short-term Borrowings	(4,258.67)	(2,663.76)
Distribution on Unsecured Perpetual Securities.....	(171.00)	(171.00)
Other Borrowing Cost Paid	(31.75)	(104.70)
Interest Paid (including interest cost capitalised).....	(990.92)	(856.49)
Dividend Paid	(337.22)	(272.31)
Net Cash generated from/(used in) Financing Activities.....	148.06	(702.83)
Net Increase/(Decrease) in Cash and Cash Equivalents.....(A+B+C)	210.55	(345.90)
Cash and Cash Equivalents as at 1st April (Opening Balance)	55.30	401.20
Cash and Cash Equivalents as at 31st March (Closing Balance).....	265.85	55.30

Notes:

1. Cash and Cash Equivalents include:

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
(i) Cash and Cheques on Hand (Includes cheques on hand ₹ 0.02 crore (Previous Period - ₹ 6.26 crore)).....	0.03	6.27
(ii) Current Accounts with Banks	61.82	49.03
(iii) Deposits with Banks	204.00	Nil
	265.85	55.30

2. Purchase of Long-term Investments in subsidiaries includes advances paid towards equity.

3. Purchase of Long-term Investments in subsidiaries and loans repaid by subsidiaries includes ₹ 23.44 crore (31st March, 2014 - ₹ 7.22 crore) and ₹ 118.64 crore (31st March, 2014 - ₹ Nil) being loans given to Coastal Gujarat Power Limited and Tata Power Renewable Energy Limited respectively which were converted into Equity Share Capital.

4. Previous year's figures have been regrouped, wherever necessary, to conform to current year's classification.

In terms of our report attached.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

R. A. BANGA
Partner

Mumbai, 19th May, 2015.

RAMESH SUBRAMANYAM
Chief Financial Officer

H. M. MISTRY
Company Secretary

Mumbai, 19th May, 2015.

For and on behalf of the Board,

CYRUS P. MISTRY
Chairman

ANIL SARDANA
CEO & Managing Director

Notes forming part of the Financial Statements

1. Background:

The Company, pioneered the generation of electricity in India a century ago. Prior to 1st April, 2000 the Tata Electric Companies comprised of the following three Companies -

- The Tata Hydro-Electric Power Supply Company Limited, established in 1910 (Tata Hydro).
- The Andhra Valley Power Supply Company Limited, established in 1916 (Andhra Valley).
- The Tata Power Company Limited, established in 1919 (Tata Power).

With effect from 1st April, 2000, Andhra Valley and Tata Hydro merged into Tata Power to result in one large unified entity. The Company has an installed generation capacity of 3035 MW in India and a presence in all the segments of the power sector viz. Fuel and Logistics, Generation (thermal, hydro, solar and wind), Transmission and Distribution.

2.1. Significant Accounting Policies:

(a) Basis for Preparation of Accounts:

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The Financial Statements have been prepared on accrual basis under the historical cost convention, except for Fixed Assets at Strategic Engineering Division, that are carried at revalued amount. The accounting policies adopted in the preparation of the Financial Statements are consistent with those followed in the previous year, except for change in the accounting policy for depreciation at its Strategic Engineering Division (SED), as more fully described in Note 2.2.

(b) Use of Estimates:

The preparation of the Financial Statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

(c) Cash and Cash Equivalents (for purposes of Cash Flow Statement):

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(d) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(e) Tangible/Intangible Fixed Assets:

- Fixed assets, except Tangible Assets at its Strategic Engineering Division are carried at cost less accumulated depreciation/ amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets upto the date the asset is ready for its intended use. The Company has adopted the provisions of para 46A of the Accounting Standard-11 (AS-11) - "The Effects of Changes in Foreign Exchange Rates", accordingly exchange differences arising on restatement/settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on fixed assets after its purchase/completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Notes forming part of the Financial Statements

The Company revalued all its Tangible assets that existed on 1st April, 2013 at its Strategic Engineering Division. The revalued assets are carried at the revalued amounts less accumulated depreciation and impairment losses, if any. Increase in the net book value on such revaluation is credited to "Revaluation reserve account" except to the extent such increase is related to and not greater than a decrease arising from a revaluation/impairment that was previously recognised in the Statement of Profit and Loss, in which case such amount is credited to the Statement of Profit and Loss. Decrease in book value on revaluation is charged to the Statement of Profit and Loss except where such decrease relates to a previously recognised increase that was credited to the Revaluation reserve, in which case the decrease is charged to the Revaluation reserve to the extent the reserve has not been subsequently reversed/utilised.

(ii) Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

(iii) Capital Work-in-Progress:

Projects under which tangible fixed assets are not yet ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing costs.

(iv) Intangible Assets under Development:

Expenditure on Research and Development [Refer Note 2.1 (I)] eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

(f) Impairment of Assets:

The carrying value of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

(g) Depreciation/Amortisation:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on Tangible fixed assets in respect of electricity business is provided at the rate as well as methodology notified by the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 generally in accordance with the provision of Schedule II of the Companies Act, 2013.

In respect of assets relating to other business of the Company, depreciation on Tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following category of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, etc.

Motor Vehicles, Launches, Barges - 5 years

Intangible assets are amortised on straight line method over their estimated useful life or 5 years, whichever is lower.

The estimated useful life of the Intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

(h) Leases:

Where the Company as a lessor leases assets under finance leases, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant rate of return on the outstanding net investment.

Notes forming part of the Financial Statements

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight line basis, over the lease term.

(i) Investments:

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments determined on an individual basis. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

(j) Inventories:

Inventories of stores, spare parts, fuel and loose tools are valued at lower of cost (on weighted average basis) and net realisable value after providing for obsolescence and other losses where considered necessary. Work-in-progress and property under development are valued at lower of cost and net realisable value. Cost includes cost of land, material, labour and other appropriate overheads.

(k) Taxes on Income:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and Deferred Tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

(l) Research and Development Expenses:

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for tangible/intangible fixed assets.

(m) Warranty Expenses:

Anticipated product warranty costs for the period of warranty are provided for in the year of sale.

Notes forming part of the Financial Statements

(n) Foreign Currency Transactions and Translations:

Initial recognition:

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Transactions in foreign currencies entered into by the Company's integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Net investment in non-integral foreign operations is accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Transactions of non-integral foreign operations are translated at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at the balance sheet date:

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Foreign currency monetary items (other than derivative contracts) of the Company's integral foreign operations outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company's integral foreign operations are carried at historical cost.

Foreign currency monetary items (other than derivative contracts) of the Company's net investment in non-integral foreign operations outstanding at the balance sheet date are restated at the year-end rates.

All assets and liabilities of non-integral foreign operations are translated at the year-end rates.

Treatment of exchange differences:

Exchange differences arising on settlement/restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

Exchange differences arising on settlement/restatement of short-term foreign currency monetary assets and liabilities of the Company's integral foreign operations are recognised as income or expense in the Statement of Profit and Loss.

The exchange differences on restatement of long-term receivables from non-integral foreign operations that are considered as net investment in such operations is accounted as per policy for long-term foreign currency monetary items stated in para below until disposal/recovery of such net investment, in which case the accumulated balance in "Foreign currency translation reserve" is recognised as income/expense in the same period in which the gain or loss on disposal/recovery is recognised.

The exchange differences relating to non-integral foreign operations are accumulated in a "Foreign currency translation reserve" until disposal of the operation, in which case the accumulated balance in "Foreign currency translation reserve" is recognised as income/expense in the same period in which the gain or loss on disposal is recognised.

The exchange differences arising on settlement/restatement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relate and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period/upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss. The unamortised exchange difference is carried under Reserves and Surplus as "Foreign currency monetary item translation difference account" net of the tax effect thereon, where applicable.

Accounting of forward contracts:

Premium/discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made. Refer Note 2.1 (o) for accounting for forward exchange contracts relating to firm commitments and highly probable forecast transactions.

Notes forming part of the Financial Statements

(o) Derivative Contracts:

The Company enters into derivative contracts in the nature of foreign currency swaps, currency options, forward contracts with an intention to hedge its existing assets and liabilities, firm commitments and highly probable transactions in foreign currency. Forward contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for foreign currency transactions and translations. All other derivative contracts are mark-to-market and losses are recognised in the Statement of Profit and Loss. Gains arising on the same are not recognised, until realised, on grounds of prudence.

(p) Employee Benefits:

Employee benefits consist of Provident Fund, Superannuation Fund, Gratuity Scheme, Pension (including Director pension), Post Retirement Medical Benefits, Retirement Gift, Compensated Absences, Hospitalisation in Service and Long-term Service Awards.

Defined contribution plans:

The Company's contributions paid/payable during the year to Provident Fund, Superannuation Fund and Employee State Insurance Scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans:

For defined benefit plans in the form of Gratuity, Ex-Gratia Death Benefits, Retirement Gifts, Post Retirement Medical Benefits and Pension (including Director pension), the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Hospitalisation in Service and Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

(q) Revenue Recognition:

- (i) Revenue from Power Supply and Transmission Charges are accounted for on the basis of billings to consumers/state transmission utility and includes unbilled revenues accrued upto the end of the accounting year.
- (ii) The Company determines surplus/deficit (i.e. excess/shortfall of/in aggregate gain over Return on Equity entitlement) for the year in respect of its Mumbai and Jojobera regulated operations (i.e. Generation, Transmission and Distribution) based on the principles laid down under the respective Tariff Regulations as notified by Maharashtra Electricity Regulatory Commission

Notes forming part of the Financial Statements

(MERC) and Jharkhand State Electricity Regulatory Commission (JSERC) respectively on the basis of Tariff Orders issued by them. In respect of such surplus/deficit, appropriate adjustments as stipulated under the regulations are made during the year. Further, any adjustments that may arise on annual performance review by MERC and JSERC under the aforesaid Tariff Regulations is made after the completion of such review.

- (iii) Delayed payment charges and interest on delayed payments are recognised, on grounds of prudence, as and when recovered/confirmed by consumers.
- (iv) Interest income and guarantee commission is accounted on an accrual basis. Dividend income is accounted for when the right to receive income is established.
- (v) Amounts received from consumers towards capital/service line contributions are accounted as a liability and are subsequently recognised as income over the life of the fixed assets.
- (vi) Revenue from infrastructure management services is recognised as income as and when services are rendered and no significant uncertainty to the collectability exists.
- (vii) Income on contracts in respect of Strategic Engineering Business and Project Management Services are accounted on "Percentage of Completion" basis measured by the proportion that cost incurred upto the reporting date bear to the estimated total cost of the contract.
- (viii) Revenue from Sale of Carbon Credit and Renewable Energy Certificate is recognised at the time of sale.
- (r) Issue Expenses and Premium on Redemption of Bonds and Debentures:
 - (i) Expenses incurred in connection with the issue of Euro Notes, Foreign Currency Convertible Bonds, Unsecured Perpetual Securities, Global Depository Receipts and Debentures are adjusted against Securities Premium Account in the year of issue.
 - (ii) Discount on issue of Bonds, Debentures and Euro Notes are amortised over the tenure.
 - (iii) Premium on Redemption of Bonds/Debentures, net of tax impact, are adjusted against the Securities Premium Account in the year of issue.

(s) Borrowing Costs:

Borrowing costs include interest, amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

(t) Segment Reporting:

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market/fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and not allocable to segments on reasonable basis have been included under "unallocable revenue/expenses/assets/liabilities".

Notes forming part of the Financial Statements

(u) Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present values and are determined based on the best estimate required to settle the obligations at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements and are disclosed in the Notes. A Contingent asset is neither recognised nor disclosed in the financial statements.

(v) Earnings Per Share:

Basic earnings per share is computed by dividing the profit/loss after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/loss after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The number of equity shares and potentially dilutive equity shares are adjusted for share splits/reverse share splits and bonus shares, as appropriate.

- 2.2. During the year, the Company has changed the method of providing depreciation on Tangible fixed assets at its Strategic Engineering Division. Depreciation which was hitherto provided on written down value method is now provided on straight line method based on the useful life provided in Schedule II to the Companies Act, 2013. As a result of the change, the charge on account of depreciation for the year ended 31st March, 2015 is lower by ₹ 18.46 crore (including write back of depreciation of ₹ 22.86 crore upto 31st March, 2014).
- 2.3. Pursuant to the enactment of the Companies Act, 2013 (the 'Act'), the Company has, effective 1st April, 2014, reviewed and revised the estimated useful life of certain fixed assets, generally in accordance with the provisions of Schedule II of the Act. Further, depreciation in respect of certain power plants which were hitherto charged on a straight line method at rates provided in the power purchase agreements is from 1st April, 2014, charged on straight line method over the balance useful life using the methodology as notified by the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014. The consequential impact (after considering the transitional provision specified in Schedule II) on the depreciation charged and on the results for the year ended 31st March, 2015 is not material.

In earlier years, the deferred tax liability on timing difference relating to depreciation in respect of the above referred power plants was not recognised since the timing difference was expected to reverse during the tax holiday period in accordance with the Accounting Standard-22 (AS-22) - "Accounting for Taxes on Income". As a result of the change in depreciation as above, the Company has, during the year ended 31st March, 2015, recognised deferred tax liability of ₹ 23.00 crore in respect of the timing difference which is now expected to reverse after the tax holiday period.

- 2.4. The Company had, during the previous year ended 31st March, 2014, changed its accounting policy in respect of Tangible assets at its Strategic Engineering Division. These Tangible assets which were hitherto carried at cost have been revalued as at 1st April, 2013. The revaluation is based on a valuation made by an independent valuer using the Depreciated Replacement Cost Method. Accordingly, the gross book value of such assets and the accumulated depreciation as at 1st April, 2013 had increased by ₹ 234.98 crore and ₹ 7.59 crore respectively and ₹ 227.39 crore had been credited to the Revaluation Reserve.
- 2.5. In an earlier year, in line with the Notification dated 29th December, 2011 issued by the Ministry of Corporate Affairs (MCA), the Company had selected the option given in paragraph 46A of the Accounting Standard-11 (AS-11) - "The Effects of Changes in Foreign Exchange Rates". Accordingly, the depreciated/amortised portion of net foreign exchange (gain)/loss on long-term foreign currency monetary items for the year ended 31st March, 2015 is ₹ 128.56 crore (31st March, 2014 - ₹ 169.60 crore). The unamortised portion carried forward as at 31st March, 2015 is ₹ 243.60 crore (31st March, 2014 - ₹ 297.64 crore).

Notes forming part of the Financial Statements

3. Shareholders' Funds - Share Capital

	As at 31st March, 2015		As at 31st March, 2014	
	Number	₹ crore	Number	₹ crore
Authorised				
Equity Shares of ₹ 1/- each.....	300,00,00,000	300.00	300,00,00,000	300.00
Cumulative Redeemable Preference Shares of ₹ 100/- each.....	2,29,00,000	229.00	2,29,00,000	229.00
		<u>529.00</u>		<u>529.00</u>
Issued				
Equity Shares [including 29,80,316 shares (31st March, 2014 - 23,03,080 shares) not allotted but held in abeyance, 44,02,700 shares cancelled pursuant to a Court Order and 4,80,40,400 shares of the Company held by the erstwhile The Andhra Valley Power Supply Company Limited cancelled pursuant to the Scheme of Amalgamation sanctioned by the High Court of Judicature, Bombay]	276,17,00,970	<u>276.17</u>	242,94,70,840	<u>242.95</u>
Subscribed and Paid-up				
Equity Shares fully Paid-up [excluding 29,80,316 shares (31st March, 2014 - 23,03,080 shares) not allotted but held in abeyance, 44,02,700 shares cancelled pursuant to a Court Order and 4,80,40,400 shares of the Company held by the erstwhile The Andhra Valley Power Supply Company Limited cancelled pursuant to the Scheme of Amalgamation sanctioned by the High Court of Judicature, Bombay]	270,46,25,254	270.46	237,30,72,360	237.31
Less: Calls in arrears [including ₹ 0.01 crore (31st March, 2014 - ₹ 0.01 crore) in respect of the erstwhile The Andhra Valley Power Supply Company Limited and the erstwhile The Tata Hydro-Electric Power Supply Company Limited].....		0.04		0.04
		<u>270.42</u>		<u>237.27</u>
Add: Equity Shares forfeited - Amount paid	16,52,300	0.06	16,52,300	0.06
Total Issued, Subscribed and fully Paid-up Share Capital		<u>270.48</u>		<u>237.33</u>

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at 31st March, 2015		As at 31st March, 2014	
	Number	₹ crore	Number	₹ crore
Equity Shares				
At the beginning of the year	237,47,24,660	237.33	237,47,24,660	237.33
Issued during the year	33,15,52,894	33.15	Nil	Nil
Outstanding at the end of the year	<u>270,62,77,554</u>	<u>270.48</u>	<u>237,47,24,660</u>	<u>237.33</u>

(b) Terms/rights attached to Equity Shares

The Company has issued only one class of Equity Shares having a Par Value of ₹ 1/- per share. Each holder of Equity Shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended 31st March, 2015, the amount of per share dividend recognised as distribution to equity shareholders was ₹ 1.30 per share of Face Value of ₹ 1/- each (31st March, 2014 - ₹ 1.25 per share).

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

	As at 31st March, 2015		As at 31st March, 2014	
	Number	% Holding	Number	% Holding
Equity Shares of ₹ 1/- each fully paid				
Tata Sons Limited	82,18,99,682	30.39	70,75,11,570	29.81
Life Insurance Corporation of India	35,48,05,781	13.12	29,93,67,181	12.62
Matthews Pacific Tiger Fund.....	16,75,45,436	6.19	12,75,60,510	5.38

(d) In an earlier year, the Company issued 3,000 1.75% Foreign Currency Convertible Bonds (FCCB) with Face Value of USD 100,000 each aggregating to USD 300 million. The bondholders had an option to convert these Bonds into Equity Shares, at an initial conversion price, subject to adjustment in certain circumstances, of ₹ 145.6125 per share at a fixed rate of exchange on conversion of ₹ 46.81 = USD 1.00, at any time on and after 31st December, 2009, upto 11th November, 2014. The Company has redeemed the FCCBs on 21st November, 2014 (the redemption date) at 109.47% of their principal amount together with accrued and unpaid interest.

(e) The Company, vide its Letter of Offer dated 19th March, 2014, offered upto 33,22,30,130 Equity Shares of Face Value of ₹ 1/- each at a price of ₹ 60/- per Equity Share (including Share Premium of ₹ 59/- per Equity Share) for an amount aggregating to ₹ 1,993.38 crore to the existing Equity Shareholders of the Company on rights basis in the ratio of 7 Equity Shares for every 50 Equity Shares held by the Equity Shareholders on the record date i.e. 20th March, 2014. The issue opened on 31st March, 2014 and closed on 15th April, 2014. On 25th April, 2014 the Company has allotted 33,15,52,894 Equity Shares, the remaining 6,77,236 Equity Shares being kept in abeyance.

Notes forming part of the Financial Statements

4. Shareholders' Funds - Reserves and Surplus

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
Capital Reserve	61.66	61.66
Revaluation Reserve (Refer Note 2.4)		
Opening Balance	224.79	Nil
Add: Created during the year	Nil	227.39
Less: Amount transferred to Depreciation Fund consequent to change in accounting policy (Refer Note 2.2)	2.48	Nil
Less: Amount transferred to Depreciation during the year (Refer Note 13)	Nil	2.60
Closing Balance	<u>222.31</u>	<u>224.79</u>
Capital Redemption Reserve	1.60	1.60
Securities Premium Account		
Opening Balance	3,641.51	3,643.41
Add: Share Premium collected during the year	1,956.17	Nil
Less: Issue Expenses pertaining to Rights Issue	22.82	1.90
Less: Issue Expenses pertaining to Debenture Issue	2.38	Nil
Closing Balance	<u>5,572.48</u>	<u>3,641.51</u>
Debenture Redemption Reserve		
Opening Balance	847.86	715.01
Add: Amount transferred from Surplus in Statement of Profit and Loss	Nil	132.85
Less: Amount transferred to Surplus in Statement of Profit and Loss	413.20	Nil
Closing Balance	<u>434.66</u>	<u>847.86</u>
Foreign Currency Translation Reserves (Net)		
Opening Balance	(26.03)	(139.37)
Less: Effect of foreign exchange rate variations during the year [including deferred tax ₹ Nil (31st March, 2014 - ₹ 27.58 crore) and current tax ₹ Nil (31st March, 2014 - ₹ 30.66 crore)]	14.57	113.34
Closing Balance	<u>(11.46)</u>	<u>(26.03)</u>
Foreign Currency Monetary Item Translation Difference Account		
Opening Balance	(136.01)	(147.49)
Add: Effect of foreign exchange rate variations during the year	(25.08)	(139.33)
Less: Amortised during the year	109.17	150.81
Closing Balance	<u>(51.92)</u>	<u>(136.01)</u>
General Reserve		
Opening Balance	3,688.05	3,592.64
Add: Amount transferred from Surplus in Statement of Profit and Loss	101.03	95.41
Closing Balance	<u>3,789.08</u>	<u>3,688.05</u>
Surplus in Statement of Profit and Loss		
Opening balance	3,345.31	3,076.00
Add: Profit for the year	1,010.29	954.08
Reversal of additional Income-tax on Dividend in respect of earlier year	24.72	28.54
Transfer from Debenture Redemption Reserve	413.20	Nil
Less: Distribution on Unsecured Perpetual Securities [Net of tax ₹ 58.12 crore (31st March, 2014 - ₹ 58.12 crore)]	112.88	112.88
Proposed Dividend [₹ 1.30 per share (31st March, 2014 - ₹ 1.25 per share)]	351.99	338.45
Additional Income-tax on Dividend	32.34	24.72
Transfer to Contingencies Reserve Fund	10.00	9.00
Transferred on account of change in useful life of assets (Refer Note 2.3) [Net of Deferred Tax ₹ 3.89 crore (31st March, 2014 - ₹ Nil)]	7.55	Nil
Transfer to Debenture Redemption Reserve	Nil	132.85
Transfer to General Reserve	101.03	95.41
Closing Balance	<u>4,177.73</u>	<u>3,345.31</u>
Total	<u>14,196.14</u>	<u>11,648.74</u>

Notes forming part of the Financial Statements

5. Unsecured Perpetual Securities

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
Unsecured Perpetual Securities	1,500.00	1,500.00
Total	1,500.00	1,500.00

In an earlier year the Company raised ₹ 1,500 crore through issue of Unsecured Perpetual Securities (the "Securities"). These Securities are perpetual in nature with no maturity or redemption and are callable only at the option of the Company. The distribution on these Securities are 11.40% with a step up provision if the Securities are not called after 10 years. The distribution on the Securities may be deferred at the option of the Company, if during the six months preceding the relevant distribution payment date, the Company has made no payment on, or redeemed or repurchased, any securities ranking *pari passu* with, or junior to the instrument. As these Securities are perpetual in nature and ranked senior only to the Share Capital of the Company and the Company does not have any redemption obligation, these are considered to be in the nature of equity instruments and are not classified as "Debt" and the distribution on such Securities is not considered under "Finance Costs".

6. Statutory Consumer Reserves

[Under the repealed Electricity (Supply) Act, 1948 and Tariff Regulations]

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
Tariffs and Dividends Control Reserve	22.43	22.43
Contingencies Reserve Fund		
Opening Balance	76.00	67.00
Add: Amount transferred from Surplus in Statement of Profit and Loss	10.00	9.00
Closing Balance	<u>86.00</u>	<u>76.00</u>
Development Reserve	5.29	5.29
Deferred Taxation Liability Fund	279.76	279.76
Investment Allowance Reserve	121.18	121.18
Debt Redemption Reserve	51.94	51.94
Debenture Redemption Reserve	56.63	56.63
Total	<u>623.23</u>	<u>613.23</u>

Notes forming part of the Financial Statements

7. Long-term Borrowings

	As at 31st March, 2015		As at 31st March, 2014	
	Non-current ₹ crore	Current ₹ crore	Non-current ₹ crore	Current ₹ crore
Secured				
Redeemable Non-Convertible Debentures				
(a) 9.15% Series 2025	170.00	16.00	186.00	16.00
(b) 9.15% Series 2025	225.00	25.00	250.00	25.00
(c) 9.40% Series 2023	210.00	Nil	210.00	Nil
(d) 10.10% Series 2019	500.00	Nil	500.00	Nil
(e) 10.40% Series 2019	500.00	Nil	500.00	Nil
(f) 7.10% Series 2015	Nil	180.00	180.00	240.00
	<u>1,605.00</u>	<u>221.00</u>	<u>1,826.00</u>	<u>281.00</u>
Term Loans				
From Banks				
(g) HDFC Bank	1,058.75	41.25	649.00	30.00
(h) IDBI Bank	517.50	35.00	552.50	35.00
(i) Kotak Mahindra Bank	320.51	24.25	215.00	25.50
	<u>1,896.76</u>	<u>100.50</u>	<u>1,416.50</u>	<u>90.50</u>
From Others				
(j) Asian Development Bank	57.02	12.67	69.69	12.67
(k) Indian Renewable Energy Development Agency Limited	336.65	35.13	371.78	35.13
(l) Infrastructure Development Finance Company Limited	1,058.10	90.10	1,148.20	90.10
(m) Export Import Bank of India	Nil	0.31	0.31	4.45
	<u>1,451.77</u>	<u>138.21</u>	<u>1,589.98</u>	<u>142.35</u>
	(A) <u>4,953.53</u>	<u>459.71</u>	<u>4,832.48</u>	<u>513.85</u>
Unsecured				
Redeemable Non-Convertible Debentures				
(n) 10.75% Series 2073	1,500.00	Nil	1,500.00	Nil
(o) 9.48% Series 2019	500.00	Nil	Nil	Nil
(p) 9.32% Series 2017	1,000.00	Nil	Nil	Nil
	<u>3,000.00</u>	<u>Nil</u>	<u>1,500.00</u>	<u>Nil</u>
Bonds				
(q) 8.50% Euro Notes (2017)	372.21	Nil	356.68	Nil
(r) 1.75% Foreign Currency Convertible Bonds (2014) [Refer Note 3 (d)]	Nil	Nil	Nil	1,796.70
	<u>372.21</u>	<u>Nil</u>	<u>356.68</u>	<u>1,796.70</u>
Term Loans				
From Banks				
(s) ICICI Bank	2.90	5.80	8.70	5.80
(t) JP Morgan Chase Bank	200.00	Nil	200.00	Nil
(u) BNP Paribas	210.00	Nil	210.00	Nil
	<u>412.90</u>	<u>5.80</u>	<u>418.70</u>	<u>5.80</u>
Deferred Payment Liabilities				
(v) Sales Tax Deferral	56.99	11.15	68.13	8.32
	<u>3,842.10</u>	<u>16.95</u>	<u>2,343.51</u>	<u>1,810.82</u>
Total	(B) <u>8,795.63</u>	<u>476.66</u>	<u>7,175.99</u>	<u>2,324.67</u>
	(A + B)			

Notes forming part of the Financial Statements

7. Long-term Borrowings (Contd.)

Security

- (i) The Debentures mentioned in (a) have been secured by a charge on movable properties and assets of the Company at Agaswadi and Visapur in Satara District of Maharashtra and Poolavadi in Tirupur District of Tamil Nadu.
- (ii) The Debentures mentioned in (b) have been secured by a *pari passu* charge on the assets of the wind farms situated at Samana and Gadag in Gujarat and Karnataka.
- (iii) The Debentures mentioned in (c) have been secured by a charge on the land situated at Village Takve Khurd (Maharashtra).
- (iv) The Debentures mentioned in (d) and (e) have been secured by a *pari passu* charge on land in Village Takve Khurd (Maharashtra) and movable and immovable properties in and outside Maharashtra, except assets of windmill projects, present and future.
- (v) The Debentures mentioned in (f) have been secured by a charge on land in Village Takve Khurd (Maharashtra), movable and immovable properties in and outside Maharashtra, as also all transmission stations/lines, receiving stations and sub-stations in Maharashtra, except assets of windmill projects, present and future.
- (vi) The loans from HDFC Bank and IDBI Bank, mentioned in (g) and (h) respectively have been secured by a *pari passu* charge on all movable Fixed Assets (excluding land and building), present and future (except assets of all wind projects both present and future) including movable machinery, machinery spares, tools and accessories.
- (vii) The loan from Kotak Mahindra Bank mentioned in (i) has been secured by a *pari passu* charge on all movable Fixed Assets (excluding land and building), present and future (except assets of wind projects, both present and future, situated at Khandke, Brahmanvel and Supa in Maharashtra) including movable machinery, machinery spares, tools and accessories.
- (viii) The loans from Asian Development Bank and Indian Renewable Energy Development Agency Limited mentioned in (j) and (k) respectively have been secured by a first charge on the tangible movable properties, plant & machinery and immovable properties situated at Khandke, Brahmanvel and Sadawaghapur in Maharashtra.
- (ix) The loan from Infrastructure Development Finance Company Limited mentioned in (l) have been secured by a charge on the movable assets except assets of all windmill projects present and future more particularly situated in Supa, Khandke, Brahmanvel, Sadawaghapur, Gadag and Samana in Maharashtra, Karnataka and Gujarat.
- (x) The loan from Export Import Bank of India mentioned in (m) has been secured by receivables (present and future), book debts and outstanding monies.

Redemption

- (i) The Debentures mentioned in (a) are redeemable at par in 14 annual installments of ₹ 16 crore each and 1 installment of ₹ 26 crore commencing from 18th September, 2011.
- (ii) The Debentures mentioned in (b) are redeemable at par in 10 annual installments of ₹ 25 crore each and 5 annual installments of ₹ 20 crore each commencing from 23rd July, 2011.
- (iii) The Debentures mentioned in (c) are fully redeemable at par at the end of 10 years from the respective date of allotment viz. 28th December, 2022.
- (iv) The Debentures mentioned in (d) and (e) are fully redeemable at par at the end of 10 years from the respective dates of allotment viz. 25th April, 2018 and 20th June, 2018.
- (v) The Debentures mentioned in (f) are redeemable at premium in 3 installments amounting to ₹ 180 crore, ₹ 240 crore and ₹ 180 crore each at the end of 9th, 10th and 11th year respectively from 18th October, 2004.
- (vi) The first loan from HDFC Bank mentioned in (g) is redeemable at par in 36 quarterly installments of ₹ 7.50 crore each commencing from 1st June, 2010 and 4 quarterly installments of ₹ 82.50 crore each commencing from 30th June, 2020 and
The second loan from HDFC Bank mentioned in (g) is redeemable at par in 40 quarterly installments of ₹ 5.63 crore each commencing from 16th November, 2015 and 4 quarterly installments of ₹ 18.75 crore each commencing from 16th November, 2025 and
The third loan from HDFC Bank mentioned in (g) is redeemable at par in 40 quarterly installments of ₹ 6.56 crore each commencing from 24th September, 2016 and 4 quarterly installments of ₹ 21.88 crore each commencing from 24th September, 2026.
- (vii) The loan from IDBI Bank of ₹ 300 crore mentioned in (h) is redeemable at par in 46 quarterly installments of ₹ 3.75 crore each commencing from 1st October, 2010 and 1 installment of ₹ 127.50 crore on 1st April, 2022 and
The second loan from IDBI Bank of ₹ 400 crore mentioned in (h) is redeemable at par in 36 quarterly installments of ₹ 5 crore each commencing from 1st April, 2011 and 1 installment of ₹ 220 crore on 1st April, 2020.
- (viii) The first loan from Kotak Mahindra Bank mentioned in (i) is redeemable at par in 8 quarterly installments of ₹ 7.75 crore each commencing from 31st October, 2012, 4 quarterly installments of ₹ 5 crore each commencing from 31st October, 2014 and 4 quarterly installments of ₹ 1.50 crore each commencing from 31st October, 2015 and
The second loan from Kotak Mahindra Bank mentioned in (i) is redeemable at par in 40 quarterly installments of ₹ 5.63 crore each commencing from 14th November, 2015 and 4 quarterly installments of ₹ 18.75 crore each commencing from 14th November, 2025 and
The third loan from Kotak Mahindra Bank mentioned in (i) is redeemable at par in 40 quarterly installments of ₹ 4.06 crore each commencing from 30th June, 2017 and 4 quarterly installments of ₹ 21.88 crore each commencing from 30th June, 2027.
- (ix) The loan from Asian Development Bank mentioned in (j) is redeemable at par in 26 semi-annual installments commencing from 15th December, 2007.
- (x) The loan from Indian Renewable Energy Development Agency Limited of ₹ 95 crore mentioned in (k) is redeemable at par in 26 semi-annual installments commencing from 15th December, 2007 and
The second loan from Indian Renewable Energy Development Agency Limited of ₹ 450 crore mentioned in (k) is redeemable at par in 24 semi-annual installments of ₹ 14.63 crore each commencing from 30th June, 2012 and 2 semi-annual installments of ₹ 49.50 crore each commencing from 30th June, 2024.
- (xi) The first loan from Infrastructure Development Finance Company Limited of ₹ 450 crore mentioned in (l) is redeemable at par in 35 quarterly installments of ₹ 5.65 crore each commencing from 1st October, 2009 and 1 installment of ₹ 252.25 crore commencing from 15th July, 2018, and
The second loan from Infrastructure Development Finance Company Limited of ₹ 150 crore mentioned in (l) is redeemable at par in 36 quarterly installments of ₹ 1.88 crore each commencing from 15th May, 2010 and 4 quarterly installments of ₹ 20.63 crore each commencing from 15th May, 2019 and
The third loan from Infrastructure Development Finance Company Limited of ₹ 800 crore mentioned in (l) is redeemable at par in 40 quarterly installments of ₹ 15 crore each commencing from 15th October, 2013 and 4 quarterly installments of ₹ 50 crore each commencing from 15th October, 2023.
- (xii) The loan from Export Import Bank of India mentioned in (m) is redeemable at par in 18 semi-annual installments of USD 372,200 each commencing from 29th September, 2006 and last installment of USD 50,400.
- (xiii) The 10.75% Redeemable and Non-convertible Debentures mentioned in (n) are redeemable at par at the end of 60 years from the respective date of allotment viz. 21st August, 2072. The Company has the call option to redeem the same at the end of 10 years from 21st August, 2022 and at the end of every year thereafter.
- (xiv) The 9.48% Redeemable and Non-convertible Debentures mentioned in (o) are fully redeemable at par at the end of 5 years from the respective date of allotment viz. 17th November, 2019.
- (xv) The 9.32% Redeemable and Non-convertible Debentures mentioned in (p) are fully redeemable at par at the end of 3 years from the respective date of allotment viz. 17th November, 2017.
- (xvi) 8.50% Euro Notes mentioned in (q) is repayable fully on 19th August, 2017.
- (xvii) The loan from ICICI Bank mentioned in (s) is redeemable at par in 10 semi-annual installments commencing from 1st April, 2012.
- (xviii) The loan from JP Morgan Chase Bank mentioned in (t) is repayable fully on 28th November, 2016.
- (xix) The loan from BNP Paribas mentioned in (u) is repayable fully on 29th December, 2016.
- (xx) Sales Tax Deferral mentioned in (v) is repayable in 150 installments commencing from April, 2013 and repayable in full by 2022.

Notes forming part of the Financial Statements

8. Deferred Tax Liabilities (Net)

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
Deferred Tax Liability on account of:		
Relating to Fixed Assets	1,403.75	1,234.01
Balance in Deferred Tax Liability Fund.....	(279.76)	(279.76)
Deferred Tax Liability	<u>1,123.99</u>	<u>954.25</u>
Deferred Tax Asset on account of:		
Provision for Employee Benefits	37.10	36.41
Provision for Tax, Duty, Cess, Fee etc.	44.26	17.99
Provision for Doubtful Debts and Advances	17.65	18.71
Deferred Tax Asset	<u>99.01</u>	<u>73.11</u>
Net Deferred Tax Liability	<u>1,024.98</u>	<u>881.14</u>

9. Other Long-term Liabilities

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
Trade Payables	29.92	27.25
Others		
Consumers' Benefit Account	21.94	21.94
Security Deposits from Customers	42.07	36.91
Total	<u>93.93</u>	<u>86.10</u>

10. Provisions

	As at 31st March, 2015		As at 31st March, 2014	
	Long-term ₹ crore	Short-term ₹ crore	Long-term ₹ crore	Short-term ₹ crore
Provision for Employee Benefits				
Compensated Absences	77.57	5.41	62.20	5.65
Gratuity (Net) [Refer Note 35(c)(ii)]	Nil	26.17	Nil	37.00
Post Employment Medical Benefits [Refer Note 35(c)(ii)]	18.49	0.64	10.96	0.56
Other Defined Benefits Plans [Refer Note 35(c)(ii)]	33.72	5.04	28.73	4.62
Other Employee Benefits.....	16.40	2.76	16.05	5.55
Provision - Others				
Provision for Warranties	3.72	26.39	5.79	18.64
Provision for Premium on Redemption of Foreign Currency Convertible Bonds	Nil	Nil	Nil	170.15
Provision for Premium on Redemption of Debentures	Nil	40.50	40.50	53.70
Provision for Wealth Tax	Nil	2.52	Nil	1.97
Provision for Proposed Dividend	Nil	351.99	Nil	338.45
Provision for Additional Income-tax on Dividend	Nil	32.34	Nil	24.72
Total	<u>149.90</u>	<u>493.76</u>	<u>164.23</u>	<u>661.01</u>

Notes forming part of the Financial Statements

11. Short-term Borrowings

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
Secured		
From Banks		
(a) Cash Credit Account	Nil	65.78
(b) Loans from Banks	93.00	Nil
(c) Buyer's Line of Credit	Nil	291.35
	<u>93.00</u>	<u>357.13</u>
Unsecured		
From Banks		
(d) Buyer's Line of Credit	286.78	99.33
(e) Loans from Banks	185.00	468.00
From Others		
(f) Inter-corporate Deposit	Nil	5.07
(g) Commercial Paper [maximum amount outstanding during the year is ₹ 1,525.00 crore (31st March, 2014 - ₹ 750.00 crore)]	1,200.00	650.00
	<u>1,671.78</u>	<u>1,222.40</u>
Total	<u>1,764.78</u>	<u>1,579.53</u>

Security

Cash Credit from banks is secured against first *pari passu* charge on all current assets including goods, book debts, receivables and other moveable current assets of the Company. The Cash Credit is repayable on demand.

Loan from banks is secured against first *pari passu* charge over all current assets of the Company, present and future, with other working capital lenders, except for specific wind assets (for which charge has been ceded).

Buyer's Line of Credit is secured against first *pari passu* charges on all current assets including goods, book debts, receivables and other moveable current assets of the Company.

12. Other Current Liabilities

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
(a) Current Maturities of Long-term Debt (Refer Note 7)	476.66	2,324.67
(b) Interest accrued but not due on Borrowings	293.87	264.40
(c) Investor Education and Protection Fund shall be credited by the following amounts namely:**		
Unpaid Dividend	14.49	13.26
Unpaid Matured Deposits	0.03	0.03
Unpaid Matured Debentures	0.09	0.09
(d) Book Overdraft	0.85	94.49
(e) Other Payables		
Statutory Liabilities	171.12	240.79
Regulatory Liabilities	903.86	402.86
Payables towards Purchase of Fixed Assets	269.41	298.78
Advance and Progress payments received from Customers/Public Utilities	243.86	449.18
Security Deposits from Consumers	152.21	150.87
Security Deposits from Customers	4.95	5.24
Tender Deposits from Vendors	2.00	3.18
Other Liabilities	172.16	58.15
Total	<u>2,705.56</u>	<u>4,305.99</u>

** Includes amounts outstanding aggregating ₹ 0.85 crore (31st March, 2014 - ₹ 0.83 crore) for more than seven years pending legal cases.

Notes forming part of the Financial Statements

13. Fixed Assets

	GROSS BLOCK				DEPRECIATION				NET BLOCK
	As at 1st April, 2014	Additions	Revaluation	Deductions	As at 31st March, 2015	As at 1st April, 2014	For the year	Deductions	
(a) TANGIBLE ASSETS									
Land									
(a) Freehold Land	338.36	3.85	Nil	Nil	342.21	Nil	Nil	Nil	342.21
	121.75	24.12	192.49	Nil	338.36	Nil	Nil	Nil	338.36
(b) Leasehold Land	327.37	301.85	Nil	Nil	629.22	13.91	5.79	Nil	609.52
	287.30	40.07	Nil	Nil	327.37	9.75	4.16	Nil	313.46
(i) Owned Assets									
1. Hydraulic Works	533.44	0.86	Nil	Nil	534.30	223.17	17.50	Nil	293.63
	531.52	1.92	Nil	Nil	533.44	205.84	17.33	Nil	310.27
2. Buildings - Plant	953.04	75.57	Nil	16.15	1,012.46	334.06	16.81	10.87	672.46
	850.91	91.62	10.58	0.07	953.04	300.34	30.82	0.01	618.98
3. Buildings - Others	177.60	35.89	Nil	0.03	213.46 @	56.42	10.27	0.03	146.80
	141.98	15.73	19.96	0.07	177.60 @	49.11	7.31	0.07	121.18
4. Coal Jetty	106.10	Nil	Nil	Nil	106.10	27.99	5.60	Nil	72.51
	106.10	Nil	Nil	Nil	106.10	22.39	5.60	Nil	78.11
5. Railway Sidings, Roads, Crossings, etc.	51.91	0.22	Nil	Nil	52.13	19.07	1.74	Nil	31.32
	50.24	1.67	Nil	Nil	51.91	17.40	1.67	Nil	32.84
6. Plant and Machinery	10,068.23	680.53 #	Nil	109.68	10,639.08	4,770.60	395.99 #	76.98	5,546.99
	9,421.05	647.68 #	10.97	11.47	10,068.23	4,352.32	424.19 #	9.87	5,297.63
7. Transmission Lines, Cable Network, etc.	2,016.77	418.87	Nil	1.40	2,434.24	683.19	92.06	0.84	1,659.83
	1,707.93	308.94	0.06	0.16	2,016.77	608.33	74.82	0.01	1,333.58
8. Furniture and Fixtures	63.42	10.33	Nil	0.22	73.53	26.93	4.95	0.10	41.75
	55.90	7.25	0.90	0.63	63.42	22.72	4.13	0.50	36.49
9. Office Equipment	25.03	6.24	Nil	0.50	30.77	9.54	6.32	0.34	15.25
	22.98	2.29	Nil	0.24	25.03	8.29	1.38	0.13	15.49
10. Motor Vehicles, Launches, Barges, etc.	48.37	1.48	Nil	4.11	45.74	31.38	7.05	3.18	10.49
	48.84	1.48	0.02	1.97	48.37	28.04	4.54	1.22	16.99
11. Helicopters	37.00	Nil	Nil	Nil	37.00	17.67	3.14	Nil	16.19
	36.86	0.14	Nil	Nil	37.00	14.53	3.14	Nil	19.33
(ii) Assets taken on lease									
Motor Vehicles under Finance Lease	1.18	Nil	Nil	1.18	Nil	1.08	0.10	1.18	Nil
	1.23	Nil	Nil	0.05	1.18	1.12	Nil	0.04	1.08
TOTAL TANGIBLE ASSETS	14,747.82	1,535.69	Nil	133.27	16,150.24	6,215.01	567.32	93.52	9,458.95
	13,384.59	1,142.91	234.98	14.66	14,747.82	5,640.18	579.09	11.85	8,532.81

Notes:

@ Buildings include ₹ * being cost of ordinary shares in co-operative housing societies.

Addition to Plant and Machinery includes ₹ 49.44 crore (31st March, 2014 - ₹ 74.05 crore) and depreciation of ₹ 19.39 crore (31st March, 2014 - ₹ 18.79 crore) on account of Foreign Currency Exchange Differences respectively.

Pertains to Revaluation of Assets during the year ended 31st March, 2014. Refer Note 2.4.

! Addition includes ₹ 39.77 crore (31st March, 2014 - ₹ 41.01 crore) being finance cost capitalised during the year.

Fixed Assets having Gross Block of ₹ 1,789.10 crore (31st March, 2014 - ₹ 1,751.97 crore) [Net Block ₹ 569.29 crore (31st March, 2014 - ₹ 555.36 crore)] are on leased land for which agreement is pending finalisation. Previous year's figures are in Italics.

Notes forming part of the Financial Statements

13. Fixed Assets (Contd.)

	GROSS BLOCK				AMORTISATION			NET BLOCK
	As at 1st April, 2014	Additions	Deductions	As at 31st March, 2015	For the year	Deductions	As at 31st March, 2015	
(b) INTANGIBLE ASSETS								
1. Technical Know-How and Prototypes !	37.06	18.02	Nil	55.08	7.65	Nil	16.09	
	13.43	23.63	Nil	37.06	4.20	Nil	8.44	
2. Licences \$	0.26	Nil	Nil	0.26	Nil	Nil	0.26	
	0.26	Nil	Nil	0.26	Nil	Nil	0.26	
3. Computer Software \$	46.81	77.56	0.05	124.32	11.76	0.05	21.32	
	24.08	22.73	Nil	46.81	6.45	Nil	9.61	
TOTAL INTANGIBLE ASSETS	84.13	95.58	0.05	179.66	19.41	0.05	37.67	
2013-2014	37.77	46.36	Nil	84.13	10.65	Nil	18.31	

Notes:

! Internally generated intangible assets.

\$ Other than internally generated intangible assets.

Previous year's figures are in italics.

Depreciation/Amortisation:

Depreciation on Tangible Assets	567.32	579.09
Less: Amount transfer from Revaluation Reserve (Refer Note 2.4)	Nil	2.60
Less: Amount written off to Surplus in the Statement of Profit and Loss (Refer Note 2.3)	11.44	Nil
Add: Amortisation on Intangible Assets	19.41	10.65
Total	575.29	587.14

For the year ended
31st March, 2015
₹ croreFor the year ended
31st March, 2014
₹ crore

Notes forming part of the Financial Statements

14. Non-current Investments

	As at 31st March, 2015 Quantity	As at 31st March, 2014 Quantity	Face Value (in ₹ unless stated otherwise)	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
A. Trade Investments (valued at cost less diminution other than temporary, if any)					
a. Equity Shares fully Paid-up (unless otherwise stated)					
(i) Investment in Subsidiaries (Quoted)					
NELCO Ltd.....	1,10,99,630	1,10,99,630	10	11.07	11.07
Investment in Subsidiaries (Unquoted)					
Chemical Terminal Trombay Ltd.....	1,86,200	1,86,200	100	37.81	37.81
Powerlinks Transmission Ltd. #.....	23,86,80,000	23,86,80,000	10	238.68	238.68
Tata Power Trading Co. Ltd.	1,60,00,000	1,60,00,000	10	37.00	37.00
Maithon Power Ltd.	111,65,99,120	111,65,99,120	10	1,116.83	1,116.83
Industrial Energy Ltd. #.....	46,53,12,000	24,64,20,000	10	465.31	246.42
Coastal Gujarat Power Ltd. #.....	598,05,70,000	591,71,30,000	10	5,980.57	5,917.13
Bhira Investments Ltd.	10,00,000	10,00,000	USD 1	4.10	4.10
Bhivpuri Investments Ltd.	7,46,250	7,46,250	Euro 1	4.08	4.08
Khopoli Investments Ltd.	4,70,07,350	4,70,07,350	USD 1	255.20	255.20
Trust Energy Resources Pte. Ltd.	12,47,63,344	12,47,63,344	USD 1	575.02	575.02
Tata Power Delhi Distribution Ltd.	28,15,20,000	28,15,20,000	10	200.93	200.93
Tata Power Jamshedpur Distribution Ltd.	50,000	50,000	10	0.05	0.05
Industrial Power Utility Ltd.	1,10,000	1,10,000	10	0.11	0.11
Tata Power Renewable Energy Ltd. #	48,76,07,715	19,50,26,832	10	487.61	195.03
Dugar Hydro Power Ltd.	3,80,00,002	3,50,00,002	10	38.00	35.00
Tata Power Solar Systems Ltd.	67,77,567	67,77,567	100	148.31	148.31
Tata Power International Pte. Ltd.	1,79,50,000	1,79,50,000	USD 1	107.68	107.68
				<u>9,697.29</u>	<u>9,119.38</u>
(ii) Investment in Associates (Unquoted)					
Yashmun Engineers Ltd.	19,200	19,200	100	0.01	0.01
The Associated Building Co. Ltd.	1,400	1,400	900	0.13	0.13
Tata Projects Ltd.	9,67,500	9,67,500	100	85.01	85.01
				<u>85.15</u>	<u>85.15</u>
(iii) Investment in Joint Ventures (Unquoted)					
Tubed Coal Mines Ltd. #	1,78,36,000	1,19,80,000	10	17.84 **	11.98
Mandakini Coal Company Ltd. #	3,93,00,000	3,93,00,000	10	39.30 **	39.30
Dagachhu Hydro Power Corporation Ltd.	10,74,320	10,74,320	Nu 1,000	107.43	107.43
				<u>164.57</u>	<u>158.71</u>
** Less: Provision for diminution in value of investments other than temporary				<u>37.10</u>	<u>Nil</u>
				<u>127.47</u>	<u>158.71</u>
(iv) Investment in Others (Unquoted)					
Tata Services Ltd.	1,112	1,112	1,000	0.11	0.11
Indian Energy Exchange Ltd.	12,50,000	12,50,000	10	1.25	1.25
				<u>1.36</u>	<u>1.36</u>
				<u>9,922.34</u>	<u>9,375.67</u>
b. Preference Shares fully Paid-up (Unquoted)					
Investment in Subsidiaries					
Tata Power Delhi Distribution Ltd.	2,55,00,000	2,55,00,000	100	255.00	255.00
Tata Power International Pte. Ltd.	6,48,59,930	1,90,80,000	USD 1	392.94	114.76
Tata Power Solar Systems Ltd.	45,00,000	22,05,000	100	45.00	22.05
				<u>692.94</u>	<u>391.81</u>
B. Other Investments					
a. Statutory Investments					
(i) Contingencies Reserve Fund Investments					
Government Securities (Unquoted)					
8.28% GOI (2027).....	11,30,000	11,30,000	100	11.30	11.30
8.24% GOI (2027).....	9,65,000	9,65,000	100	9.65	9.65
8.33% GOI (2026).....	7,50,000	7,50,000	100	7.50	7.50
8.19% GOI (2020).....	7,03,000	7,03,000	100	7.03	7.03
6.35% GOI (2020).....	16,01,300	16,01,300	100	16.01	16.01
7.83% GOI (2018).....	10,00,000	10,00,000	100	10.00	10.00
7.99% GOI (2017).....	8,48,700	8,48,700	100	8.49	8.49
7.49% GOI (2017).....	7,36,000	7,36,000	100	7.36	7.36
7.59% GOI (2016).....	19,000	19,000	100	0.19	0.19
				<u>77.53</u>	<u>77.53</u>
Carried forward..				<u>10,692.81</u>	<u>9,845.01</u>

Notes forming part of the Financial Statements

14. Non-current Investments (Contd.)

	As at 31st March, 2015 Quantity	As at 31st March, 2014 Quantity	Face Value (in ₹ unless stated otherwise)	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
Brought forward..				10,692.81	9,845.01
B. Other Investments (Contd.)					
(ii) Deferred Taxation Liability Fund Investments					
Government Securities (Unquoted)					
8.28% GOI (2027).....	61,45,000	61,45,000	100	61.45	61.45
8.20% GOI (2025).....	20,00,000	20,00,000	100	20.00	20.00
7.35% GOI (2024).....	31,00,000	31,00,000	100	31.00	31.00
8.15% GOI (2022).....	29,75,000	29,75,000	100	29.75	29.75
8.19% GOI (2020).....	19,40,000	19,40,000	100	19.40	19.40
6.35% GOI (2020).....	2,48,700	2,48,700	100	2.49	2.49
6.05% GOI (2019).....	42,00,000	42,00,000	100	42.00	42.00
6.25% GOI (2018).....	15,00,000	15,00,000	100	15.00	15.00
7.99% GOI (2017).....	33,49,300	33,49,300	100	33.49	33.49
7.49% GOI (2017).....	25,00,000	25,00,000	100	25.00	25.00
				<u>279.58</u>	<u>279.58</u>
				<u>357.11</u>	<u>357.11</u>
b. Non-trade Investments					
(i) Equity Shares fully Paid-up (unless otherwise stated)					
1. Investment in Subsidiaries (Unquoted)					
Af-Taab Investment Co. Ltd.	10,73,000	10,73,000	100	68.68	68.68
2. Investment in Associates (Unquoted)					
Tata Ceramics Ltd.	91,10,000	91,10,000	2	9.11 **	9.11 **
Rujuvalika Investments Ltd.	1,83,334	1,83,334	10	0.30	0.30
Panatone Finvest Ltd.....	59,08,82,000	59,08,82,000	10	600.00	600.00
				<u>609.41</u>	<u>609.41</u>
** Less: Provision for diminution in value of investments other than temporary				9.11	9.11
				<u>600.30</u>	<u>600.30</u>
3. Investment in Others (Quoted)					
HDFC Bank Ltd.	7,500	7,500	2	*	*
IDBI Bank Ltd.....	1,42,720	1,42,720	10	1.14	1.14
Voltas Ltd.	2,33,420	2,33,420	1	0.25	0.25
Tata Consultancy Services Ltd.	452	452	1	*	*
Tata Teleservices (Maharashtra) Ltd.....	13,72,63,174	13,72,63,174	10	119.67	119.67
Tata Communications Ltd.....	1,34,22,037	1,34,22,037	10	343.81	343.81
				<u>464.87</u>	<u>464.87</u>
4. Investment in Others (Unquoted)					
Tata Industries Ltd.....	58,28,126	58,28,126	100	102.69	102.69
Tata Sons Ltd.....	6,673	6,673	1,000	241.95	241.95
Haldia Petrochemicals Ltd.....	2,24,99,999	2,24,99,999	10	22.50	22.50
Tata Teleservices Ltd. #	32,83,97,823	32,83,97,823	10	735.48	735.48
				<u>1,102.62</u>	<u>1,102.62</u>
				<u>2,236.47</u>	<u>2,236.47</u>
(ii) Government Securities (Unquoted)					
8.07% GOI (2017)	3,000	3,000	100	0.03	0.03
				<u>2,236.50</u>	<u>2,236.50</u>
Total.....				<u>13,208.89</u>	<u>12,361.09</u>

Notes forming part of the Financial Statements

14. Non-current Investments (Contd.)

Notes:

1. Aggregate of Quoted Investments	
Cost.....	475.94
Market value.....	759.07
2. Aggregate of Unquoted Investments	
Cost	12,779.16
Less: Provision for diminution in value of investments other than temporary	46.21 **
Aggregate amount of Unquoted Investments (Net)	12,732.95

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
	475.94	475.94
	759.07	561.40
	12,779.16	11,894.26
	46.21 **	9.11 **
	<u>12,732.95</u>	<u>11,885.15</u>

** Provision for diminution in value of investments other than temporary.

Refer Note 32(c).

* Denotes figures below ₹ 50,000/-.

15. Loans and Advances

	As at 31st March, 2015		As at 31st March, 2014	
	Long-term ₹ crore	Short-term ₹ crore	Long-term ₹ crore	Short-term ₹ crore
(a) Capital Advances				
Unsecured, considered good	17.68	Nil	106.49	Nil
Doubtful	0.72	Nil	0.66	Nil
	18.40	Nil	107.15	Nil
Less: Provision for Doubtful Advances	0.72	Nil	0.66	Nil
	17.68	Nil	106.49	Nil
(b) Security Deposits				
Unsecured, considered good	302.53	3.65	315.11	1.48
Doubtful	22.59	Nil	22.34	Nil
	325.12	3.65	337.45	1.48
Less: Provision for Doubtful Deposits	22.59	Nil	22.34	Nil
	302.53	3.65	315.11	1.48
(c) Loans and Advances to Related Parties				
Unsecured, considered good				
Advance towards Equity	Nil	Nil	101.19	Nil
Other Loans	2,858.66	39.86	2,144.32	377.61
Doubtful	1.27	Nil	1.27	Nil
	2,859.93	39.86	2,246.78	377.61
Less: Provision for Doubtful Advances	1.27	Nil	1.27	Nil
	2,858.66	39.86	2,245.51	377.61
(d) Advance Income-tax (Net)	49.52	Nil	20.96	Nil
(e) Balance with Government Authorities				
Unsecured, considered good				
Advances	Nil	36.63	Nil	11.56
Amount Paid Under Protest.....	151.52	Nil	151.52	Nil
VAT/Sales Tax Receivable	131.24	Nil	16.77	95.94
	282.76	36.63	168.29	107.50
(f) Inter-corporate Deposits				
Unsecured, considered good	Nil	24.00	Nil	Nil
(g) Other Loans and Advances				
Unsecured, considered good				
Loans to Employees.....	8.62	Nil	9.77	Nil
Prepaid Expenses	20.34	43.04	26.11	33.72
Advances to Vendors.....	Nil	214.32	Nil	280.57
Other Advances	9.23	11.80	6.55	3.65
Doubtful	4.29	1.47	6.10	1.47
	42.48	270.63	48.53	319.41
Less: Provision for Doubtful Advances	4.29	1.47	6.10	1.47
	38.19	269.16	42.43	317.94
Total	3,549.34	373.30	2,898.79	804.53

Notes forming part of the Financial Statements

16. Other Non-current Assets

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
(a) Long-term Trade Receivables		
Unsecured, considered good		
Trade Receivables - Regulatory Assets	2,429.62	2,053.91
Trade Receivables from Contracts	Nil	14.31
Trade Receivables from Others	185.76	185.76
(b) Unamortised Expenses		
Unamortised Option Premium.....	8.96	Nil
(c) Accruals		
Interest Accrued on Loans and Advances to Related Parties	312.82	115.96
Total	2,937.16	2,369.94

17. Current Investments

	As at 31st March, 2015 Quantity	As at 31st March, 2014 Quantity	Face Value (in ₹ unless stated) otherwise	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
Current Investment (valued at lower of cost and fair value)					
Mutual Funds (Unquoted)					
Taurus Mutual Fund - Bonanza Exclusive - Growth.....	Nil	6,66,667	10	Nil	0.50
Templeton India - Growth	Nil	2,50,000	10	Nil	0.25
J M Equity Fund - Growth	Nil	5,00,000	10	Nil	0.50
UTI Balanced Fund - Dividend Plan - Reinvestment	Nil	1,42,289	10	Nil	0.11
Religare Invesco Liquid Fund - Direct Plan - Growth.....	72,771	Nil	1,000	14.00	Nil
LIC Nomura Liquidity Fund - Direct Plan - Growth.....	55,234	Nil	1,000	14.00	Nil
Tata Money Market Fund - Direct Plan - Growth.....	54,228	Nil	1,000	14.00	Nil
Total				42.00	1.36
Aggregate amount of Unquoted Investments				42.00	1.36

Reconciliation for Disclosure as per Accounting Standard 13

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
Non-current Investments		
Non-current Investments (Refer Note 14)	13,208.89	12,361.09
Current Investments		
Current Investments (Refer Note 17).....	42.00	1.36
Total	13,250.89	12,362.45

Notes forming part of the Financial Statements

18. Inventories (valued at lower of cost and net realisable value)

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
Stores and Spares		
Fuel - Stores	291.79	341.27
Fuel-in-Transit	53.71	68.57
Stores-in-Transit	13.69	3.52
Stores and Spare Parts.....	259.86	255.81
Loose Tools	0.22	0.98
	<u>619.27</u>	<u>670.15</u>
Others		
Property under Development	49.91	40.52
Total	<u>669.18</u>	<u>710.67</u>

19. Trade Receivables

(Unsecured unless otherwise stated)

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
Trade Receivables outstanding for a period exceeding six months from the date they were due for payment *		
Considered good.....	34.72	25.18
Considered doubtful	21.24	20.96
	<u>55.96</u>	<u>46.14</u>
Less: Provision for Doubtful Trade Receivables.....	21.24	20.96
	<u>34.72</u>	<u>25.18</u>
Other Trade Receivables *		
Considered good.....	1,541.41	1,294.92
Considered doubtful	1.30	2.46
	<u>1,542.71</u>	<u>1,297.38</u>
Less: Provision for Doubtful Trade Receivables.....	1.30	2.46
	<u>1,541.41</u>	<u>1,294.92</u>
Total	<u>1,576.13</u>	<u>1,320.10</u>

* Company holds security deposits of ₹ 152.21 crore (31st March, 2014 - ₹ 150.87 crore) in respect of Electricity Receivables.

20. Cash and Bank Balances

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
(A) Cash and Cash Equivalents:		
(i) Cash on Hand.....	0.01	0.01
(ii) Cheques on Hand.....	0.02	6.26
(iii) Balances with Banks:		
(a) In Current Accounts.....	61.82	49.03
(b) In Deposit Accounts (remaining maturity of three months or less) (Refer Note 44)	204.00	Nil
Cash and Cash Equivalents as per AS-3 Cash Flow Statements	<u>265.85</u>	<u>55.30</u>
(B) Other Balances with Banks:		
(i) In Deposit Accounts (remaining maturity of more than twelve months).....	1.94	1.94
(ii) In Earmarked Accounts- Unpaid Dividend Account.....	11.48	10.62
	<u>13.42</u>	<u>12.56</u>
Total	<u>279.27</u>	<u>67.86</u>

Notes forming part of the Financial Statements

21. Other Current Assets

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
(a) Unbilled Revenue	226.75	73.52
(b) Regulatory Assets	363.00	363.00
(c) Unamortised Expenses		
Unamortised Option Premium.....	7.99	68.55
(d) Accruals		
Interest Accrued on Deposits.....	5.05	0.28
Interest Accrued on Investments.....	5.86	5.95
Interest Accrued on Loans and Advances to Related Parties.....	37.40	59.69
Dividend Receivable.....	75.00	59.89
(e) Others		
Forward Contracts.....	1.36	0.09
Insurance Claims Receivable.....	54.02	Nil
Total	776.43	630.97

22. Revenue from Operations

	For the year ended 31st March, 2015 ₹ crore	For the year ended 31st March, 2014 ₹ crore
(a) Revenue from Operations		
(i) Revenue from Power Supply and Transmission Charges.....	7,838.35	7,286.54
(Less)/Add: Income to be adjusted in future tariff determination (Net).....	(48.62)	513.50
Add: Income to be adjusted in future tariff determination (Net) in respect of earlier years.....	84.50	300.00
	<u>7,874.23</u>	<u>8,100.04</u>
(ii) Revenue from Contracts		
Electronic Products.....	530.50	343.07
Project/Operation Management Services.....	127.04	117.28
	<u>657.54</u>	<u>460.35</u>
(b) Other Operating Revenue		
Rental of Land, Buildings, Plant and Equipment, etc.	11.34	10.47
Income in respect of Services Rendered.....	45.50	42.82
Compensation Earned.....	7.08	0.05
Transfer of Service Line Contributions.....	9.45	8.14
Sale of Renewable Energy Certificates.....	1.57	15.41
Miscellaneous Revenue.....	28.52	29.63
Sale of Fly Ash.....	1.64	2.24
Sale of Carbon Credits.....	5.49	13.86
Discount Received on Prompt Payment.....	9.93	3.36
Provision for Doubtful Debts and Advances Written Back (Net).....	2.38	Nil
Profit on Sale/Retirement of Assets (Net) **.....	18.13	Nil
Delayed Payment Charges.....	8.37	7.37
	<u>149.40</u>	<u>133.35</u>
	8,681.17	8,693.74
Less: Excise Duty.....	3.48	18.21
Total	8,677.69	8,675.53
** Net of insurance claims received.....	29.78	Nil

Notes forming part of the Financial Statements

23. Other Income

	For the year ended 31st March, 2015 ₹ crore	For the year ended 31st March, 2014 ₹ crore
(a) Interest Income		
Interest on Banks Deposits	62.47	6.73
Interest from Inter-corporate Deposits	17.27	12.64
Interest on Fuel Adjustment Charges Recoverable from Consumers	Nil	3.86
Interest on Overdue Trade Receivables	30.01	27.72
Interest on Income-tax Refund	30.77	0.40
Interest on Non-current Investment - Contingency Reserve Fund	5.97	5.62
Interest on Non-current Investment - Deferred Tax Liability Fund	21.21	21.15
Interest on Loans to Subsidiaries	278.11	176.08
Interest on Loans to Jointly Controlled Entities	0.24	Nil
Other Interest	0.99	1.01
	<u>447.04</u>	<u>255.21</u>
(b) Dividend Income		
From Non-current Investments		
Subsidiaries	493.67	351.83
Associates	4.89	4.89
Others	15.06	9.84
	<u>513.62</u>	<u>366.56</u>
From Current Investments		
Others	0.25	0.10
	<u>513.87</u>	<u>366.66</u>
(c) Profit on Sale of Investments		
Current investments	23.06	20.37
(d) Other Non-operating Income		
Discount amortised/accrued on Bonds (Net)	Nil	0.26
Guarantee Commission from Subsidiaries	19.71	13.26
Miscellaneous Income	21.00	Nil
	<u>40.71</u>	<u>13.52</u>
Total	<u>1,024.68</u>	<u>655.76</u>

24. Employee Benefits Expense

	For the year ended 31st March, 2015 ₹ crore	For the year ended 31st March, 2014 ₹ crore
Salaries and Wages	561.50	474.25
Contribution to Provident Fund [Refer Note 35 (a)]	21.03	20.60
Contribution to Superannuation Fund [Refer Note 35 (a)]	10.13	9.96
Retiring Gratuities	31.16	12.72
Leave Encashment Scheme	26.14	9.11
Pension Scheme	8.98	6.16
Staff Welfare Expenses	115.23	88.23
	<u>774.17</u>	<u>621.03</u>
Less:		
Employee Cost Capitalised	73.77	58.08
Employee Cost Recovered	1.83	6.16
Employee Cost Inventorised	12.05	11.84
	<u>87.65</u>	<u>76.08</u>
Total	<u>686.52</u>	<u>544.95</u>

Notes forming part of the Financial Statements

25. Finance Costs

	For the year ended 31st March, 2015 ₹ crore	For the year ended 31st March, 2014 ₹ crore
(a) Interest Expense on:		
Borrowings		
Interest on Debentures	395.35	359.60
Interest on - Euro Notes and FCCB	75.14	68.46
Interest on Loans - Banks & Financial Institutions	500.02	380.90
Others		
Interest on Consumer Security Deposits	13.20	15.57
Other Interest and Commitment Charges	20.17	11.87
	1,003.88	836.40
Less: Interest Capitalised	39.77	41.01
	964.11	795.39
(b) Other Borrowing Cost:		
Derivative Premium	71.70	62.13
Other Finance Costs	11.65	10.69
	83.35	72.82
Total	1,047.46	868.21

26. Other Expenses

	For the year ended 31st March, 2015 ₹ crore	For the year ended 31st March, 2014 ₹ crore
Consumption of Stores, Oil, etc. (excluding ₹ 65.98 crore on repairs and maintenance - Previous Year - ₹ 55.91 crore)	17.65	12.22
Rental of Land, Buildings, Plant and Equipment, etc.	28.10	19.74
Repairs and Maintenance -		
(i) To Buildings and Civil Works	64.15	61.38
(ii) To Machinery and Hydraulic Works \$	258.82	232.08
(iii) To Furniture, Vehicles, etc.	7.90	7.77
	330.87	301.23
Rates and Taxes	50.07	42.10
Insurance	27.58	15.64
Other Operation Expenses	86.23	98.32
Ash Disposal Expenses	17.08	17.44
Warranty Charges	8.53	6.68
Travelling and Conveyance Expenses	28.47	29.05
Consultants' Fees	28.52	24.75
Auditors' Remuneration	5.02	4.84
Cost of Services Procured	126.40	96.91
Bad Debts	Nil	0.04
Provision for Doubtful Debts and Advances (Net)	Nil	0.54
Loss on Sale/Retirement of Assets (Net)	Nil	0.09
Provision for Diminution in Value of Non-current Investments	37.10	Nil
Donations #	0.43	3.07
Legal Charges	13.80	12.78
Loss on Foreign Currency Transactions and Translation (Net)	48.32	263.54
Corporate Social Responsibility Expenses (Refer Note 28)	31.13	8.74
Discount on Prompt Payment	42.54	45.13
Miscellaneous Expenses	43.44	45.79
Total	971.28	1,048.64

Notes forming part of the Financial Statements

26. Other Expenses (Contd.)

Payment to the auditors comprises (inclusive of service tax):

	For the year ended 31st March, 2015	For the year ended 31st March, 2014
	₹ crore	₹ crore
As Auditors - Statutory Audit	2.97	3.22
For Taxation Matters	0.59	0.46
For Company Law Matters	*	*
For Other Services	0.90	0.58
Reimbursement of Expenses	0.01	0.05
For Service Tax	0.55	0.53
Total	5.02	4.84

The remuneration disclosed above excludes fees of ₹ 0.04 crore (Previous Year - ₹ 0.04 crore) [exclusive of service tax of ₹ * (Previous Year - ₹ *)] for attest and other professional services rendered by firm of accountants in which some partners of the firm of statutory auditors are partners.

\$ Net of insurance claims received/accrued..... 97.77 Nil

Donations includes payment to Electoral Trust..... 0.23 Nil

* Denotes figures below ₹ 50,000/-.

27. In an earlier year, the Company had commissioned its 120 MW Unit 4 thermal power unit at Jojobera, Jharkhand. Revenue in respect of this unit is recognised on the basis of a draft Power Purchase Agreement prepared jointly by the Company and its customer which is pending finalisation.
28. (a) Expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof ₹ 31.13 crore (including ₹ 11.57 crore paid to Tata Power Community Development Trust).
- (b) Gross amount required to be spent during the year ₹ 29.83 crore.
29. (a) The Company has a long-term investment of ₹ 5,980.57 crore (31st March, 2014 - ₹ 5,928.28 crore including advance towards equity) and has extended loans amounting to ₹ 3,034.56 crore (including interest accrued) (31st March, 2014 - ₹ 1,413.46 crore) to Coastal Gujarat Power Limited (CGPL) a wholly owned subsidiary of the Company which has implemented the 4000 MW Ultra Mega Power Project at Mundra ("Mundra UMPP").

CGPL has obligated to charge escalation on 45 percent of the cost of coal in terms of the 25 year power purchase agreement relating to the Mundra UMPP. CGPL's Management has re-assessed the recoverability of the carrying amount of the assets at Mundra as of 31st March, 2015 and concluded that no further provision for impairment is necessary (upto 31st March, 2014 - ₹ 2,650 crore).

In estimating the future cash flows, Management has, based on externally available information, made certain assumptions relating to the future fuel prices, future revenues, operating parameters and the assets' useful life which Management believes reasonably reflects the future expectation of these items. In view of the estimation uncertainties, the assumptions will be monitored on a periodic basis and adjustments will be made if conditions relating to the assumptions indicate that such adjustments are appropriate.

The Company's investments in Indonesian Coal Companies including Infrastructure Companies through its subsidiaries, were made to secure long-term coal supply. The Management believes that cash inflows (in the nature of profit distribution and profit from sale) from these investments from an economic perspective provide protection from the risk of price volatility on coal to be used in power generation in CGPL, to the extent not covered by price escalations. In order to provide protection to CGPL and to support its cash flows, the Management has committed to a future restructuring under which the Company will transfer at least 75 percent of its equity interests in the Indonesian Coal Companies including Infrastructure Companies to CGPL, subject to receipt of regulatory and other necessary approvals which are being pursued and will also evaluate other alternative options. A valuation of the equity interests in the Indonesian Coal Companies including Infrastructure Companies has been carried out on the basis of certain assumptions, including legal interpretation that there is reasonable certainty that the mining leases would be extended without significant cost.

Notes forming part of the Financial Statements

Further, the Company, through its wholly owned subsidiaries, has entered into agreements on 30th January, 2014 for sale of shares in PT Arutmin Indonesia and its associated infrastructure and trading companies. As per the terms of the agreement, it is proposed to sell its stake in these companies, for a consideration of USD 510 million, subject to tax deductions and other closing adjustments. The completion of the sale transaction is conditional upon the satisfaction or waiver of certain conditions, obtaining requisite consents and certain restructuring actions. The buyer will pay the seller interest on the purchase price from 26th November, 2013 (the effective date) till the completion date. The proposed sale of shares in PT Arutmin Indonesia referred above is consistent with the above intent.

Having regard to the overall returns expected from the Company's investment in CGPL, including the valuation of investments in the Indonesian Coal Companies including Infrastructure Companies and the proposed future restructuring, no provision for diminution other than temporary, in value of long-term investment in and no provisions for loans to CGPL is considered necessary as at 31st March, 2015.

- (b) The Company has an investment in Tata Teleservices Limited (TTSL) of ₹ 735.48 crore (31st March, 2014 - ₹ 735.48 crore). Based on the accounts for the year ended 31st March, 2014, TTSL has accumulated losses which has completely eroded its net worth. In the opinion of the Management, having regard to the long-term nature of the business, there is no diminution other than temporary, in the value of the investment.
- (c) The Company has an investment in Haldia Petrochemicals Limited (HPL) of ₹ 22.50 crore (31st March, 2014 - ₹ 22.50 crore). Based on the accounts for the year ended 31st March, 2014, HPL has accumulated losses which have significantly eroded its net worth. In the opinion of the Management, having regard to the long-term nature of the business, there is no diminution other than temporary, in the value of the investment.
- (d) (i) The Company has invested ₹ 39.30 crore (31st March, 2014 - ₹ 39.30 crore), given loans of ₹ 4.50 crore including interest accrued (31st March, 2014 - ₹ 1.20 crore) to Mandakini Coal Company Limited ("Joint Venture") which had been allotted coal blocks by Government of India through Ministry of Coal.
- (ii) The Company has invested ₹ 17.84 crore (31st March, 2014 - ₹ 17.58 crore including advance towards equity) in Tubed Coal Mines Limited ("Joint Venture") which had been allotted coal blocks by Government of India through Ministry of Coal.
- (iii) Pursuant to the Order of the Hon'ble Supreme Court dated 24th September, 2014, regarding cancellation of the allotment of coal blocks and the subsequent Coal Mines (Special Provision) Ordinance, 2014, issued by the Government of India, the Company has made an assessment of the recoverability of its investments in and guarantees given to Jointly Controlled Entities viz. Mandakini Coal Company Limited and Tubed Coal Mines Limited, affected by the said Order and recognised, on a prudent basis, a provision for diminution of ₹ 37.10 crore during the year ended 31st March, 2015.
30. Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

	31st March, 2015	31st March, 2014
	₹ crore	₹ crore
(a) Principal amount remaining unpaid as on 31st March.....	17.11	6.71
(b) Interest due thereon as on 31st March @	Nil	Nil
(c) The amount of Interest paid along with the amounts of the payment made to the supplier beyond the appointed day @	Nil	Nil
(d) The amount of Interest due and payable for the year @	Nil	Nil
(e) The amount of Interest accrued and remaining unpaid as at 31st March @	Nil	Nil
(f) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid @	Nil	Nil

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

@ Amounts unpaid to MSM vendors on account of retention money have not been considered for the purpose of interest calculation.

Notes forming part of the Financial Statements

31. Commitments:

(a) Capital Commitments (net of capital advance):

Capital commitments not provided for are estimated at ₹ 662.48 crore (31st March, 2014 - ₹ 681.06 crore).

(b) Commitment towards purchase of Equity Shares of Trust Energy Resources Pte. Limited from Khopoli Investment Limited of ₹ 27.48 crore (31st March, 2014 - ₹ 26.29 crore) subject to approval of Reserve Bank of India.

(c) The Company has signed a Share Purchase Agreement on 10th December, 2014 for acquisition of 100% shareholding in Ideal Energy Projects Limited (IEPL), subject to statutory approvals and certain conditions precedent. IEPL owns a 540 MW coal based thermal power project in Maharashtra out of which 270 MW was commissioned in May 2013 and is based on domestic coal.

(d) Other Commitments:

(i) In terms of the Sponsor Support agreement entered into between the Company, Coastal Gujarat Power Limited (CGPL) and lenders of CGPL, the Company has undertaken to provide support by way of base equity contribution to the extent of 25% of CGPL's project cost and additional equity or subordinated loans to be made or arranged for, if required as per the financing agreements to finance the project. The Sponsor Support Agreement also includes support by way of additional financial support for any overrun in project costs, operational loss and Debt Service Reserve Guarantee as provided under the Financing Agreements. Pending achievement of the "Project Financial Completion Date" as defined under the Financing Agreement, the Sponsor support will continue. Further, CGPL has entered into Agreements with the Company, (i) for Additional Subordinated Loan to the extent of USD 50 million (equivalent to ₹ 200.00 crore at a fixed rate of exchange of ₹ 40 = USD 1.00) and (ii) for Additional Subordinated Loans to the extent of ₹ 3,540.00 crore. In accordance with these agreements the Company has provided total Additional Subordinated Loans of ₹ 4,235.82 crore (of which ₹ 1,512.85 crore has been converted into equity) [31st March, 2014 - Additional Subordinated Loans of ₹ 2,793.00 crore (of which ₹ 1,489.41 crore has been converted into equity)] to CGPL. Balance of both the loans would be repaid in accordance with the conditions of the Subordination and Hypothecation Agreements either out of additional equity to be infused by the Company or out of the balance Indian rupee term loans receivable by CGPL in future period, after the fulfillment of conditions in the Coal Supply and Transportation Agreements Completion Date (CSTACD) agreement.

The accrued interest as at 31st March, 2015 aggregating to ₹ 311.59 crore (31st March, 2014 - ₹ 109.87 crore) on Additional Subordinated Loans shall be payable subject to fulfillment of conditions in Subordination Agreement and Coal Supply and Transportation Agreements Completion Date (CSTACD) agreement.

(ii) In respect of NELCO Limited, the Company has undertaken to arrange for the necessary financial support to NELCO Limited in the form of interim Short-term funding for meeting its business requirements.

(iii) The Company has undertaken to arrange for the necessary financial support to its Subsidiaries Khopoli Investments Limited, Bhivpuri Investments Limited, Industrial Power Utility Limited, Tata Power Jamshedpur Distribution Limited and Tata Power International Pte. Limited.

(iv) In respect of Maithon Power Limited (MPL), the Company jointly with Damodar Valley Corporation (DVC) has undertaken to the lenders of MPL, to provide support by way of base equity contribution and additional equity or subordinated loans to meet the increase in Project Cost. Further, the Company has given an undertaking to MPL to fulfill payment obligations of Tata Power Trading Company Limited (TPTCL) and Tata Power Delhi Distribution Limited (TPDDL) in case of their default.

(v) In terms of pre-implementation agreement entered into with Government of Himachal Pradesh and the consortium consisting of the Company and SN Power Holding Singapore Pte. Ltd. (Company being the Lead Member of the consortium) for the investigation and implementation of Dugar Hydro Electric Project, the Company has undertaken as Lead Member to undertake/perform various obligations pertaining to Dugar Project.

(vi) In accordance with the terms of the Share Purchase Agreement and the Shareholder's Agreement entered into by Panatone Finvest Limited (PFL), an associate of the Company, with the Government of India, PFL has contractually undertaken a "Surplus Land" obligation including agreeing to transfer 45% of the share capital of the Resulting Company, at Nil consideration, to

Notes forming part of the Financial Statements

the Government of India and other selling shareholders upon Demerger of the Surplus Land by Tata Communication Limited (TCL). The Company has till date acquired 1,34,22,037 shares of TCL from PFL. The Company would be entitled to be allotted 4.71% of the share capital of the Resulting Company based on its holding of 1,34,22,037 shares of TCL. The Company has undertaken to PFL to bear the "Surplus Land" obligation pertaining to these shares.

(vii) The Company has given an undertaking for non-disposal of shares to the lenders of Tata Power Delhi Distribution Limited in respect of its outstanding borrowings amounting to ₹ 520.78 crore (31st March, 2014 - ₹ 635.13 crore).

(viii) The Company has given letter of comfort to Cennergi Pty. Limited amounting to ₹ 10.67 crore (31st March, 2014 - ₹ 11.67 crore).

32. Contingent Liabilities (to the extent not provided for):

(a) Claims against the Company not acknowledged as debts aggregating to ₹ 1,691.49 crore (31st March, 2014 - ₹ 1,230.81 crore) consist mainly of the following:

(i) Interest and penalty demand disputed by the Company aggregating ₹ 1,151.48 crore (31st March, 2014 - ₹ 795.55 crore) relating to Entry tax claims for the financial years 2005-06, 2006-07, 2007-08, 2008-09 and 2009-10. The Company is of the view, supported by legal opinion, that the demand can be successfully challenged.

(ii) Custom duty claims (including interest and penalty) of ₹ 170.01 crore (31st March, 2014 - ₹ 135.52 crore) disputed by the Company relating to applicability and classification of coal [Payment made under protest against these claims of ₹ 135.52 crore (31st March, 2014 - ₹ 135.52 crore)].

(iii) Way Leave fees (including interest) of ₹ 62.60 crore (31st March, 2014 - ₹ 54.00 crore) claims disputed by the Company relating to rates charged.

(iv) Rates, Cess, Excise and Custom Duty claims disputed by the Company aggregating ₹ 41.14 crore (31st March, 2014 - ₹ 40.95 crore).

(v) A Suit has been filed against the Company claiming compensation of ₹ 20.51 crore (31st March, 2014 - ₹ 20.51 crore) by way of damages for alleged wrongful disconnection of power supply and interest accrued thereon ₹ 120.60 crore (31st March, 2014 - ₹ 116.29 crore).

(vi) Octroi claims disputed by the Company aggregating to ₹ 5.03 crore (31st March, 2014 - ₹ 5.03 crore), in respect of octroi exemption claimed by the Company.

(vii) Compensation disputed by private land owners aggregating to ₹ 22.00 crore (31st March, 2014 - ₹ Nil) on private land acquired under the provisions of Maharashtra Industrial Development Act, 1961.

(viii) Other claims against the Company not acknowledged as debts ₹ 98.12 crore (31st March, 2014 - ₹ 62.96 crore).

(ix) Amounts in respect of employee related claims/disputes, regulatory matters is not ascertainable.

Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.

(b) Other Contingent Liabilities:

Taxation matters for which liability, relating to issues of deductibility and taxability, is disputed by the Company and provision is not made (computed on the basis of assessments which have been re-opened and assessments remaining to be completed) ₹ 209.52 crore (including interest demanded ₹ 1.17 crore) [31st March, 2014 - ₹ 188.29 crore (including interest demanded ₹ 1.43 crore)].

Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.

Notes forming part of the Financial Statements

(c) Indirect exposures of the Company:

Name of the Company	Guarantees given ₹ crore	Shares pledged (Refer Note 1 below) Nos.
Tata Teleservices Limited (TTSL)	-	18,27,08,138
	-	<i>18,27,08,138</i>
Powerlinks Transmission Limited (PTL)	-	23,86,80,000
	-	<i>23,86,80,000</i>
Coastal Gujarat Power Limited (CGPL)	3,403.27	305,00,90,700
	-	
	3,341.43	301,77,36,300
	<i>(including JPY 31,219 million)</i>	
	[Refer Note 31 (d) (i)]	
Industrial Energy Limited (IEL)	-	12,56,74,200
	-	<i>12,56,74,200</i>
Khopoli Investments Limited (KIL)	2,521.21	-
	<i>(equivalent to USD 403.41 million)</i>	
	3,327.25	-
	<i>(equivalent to USD 555.56 million)</i>	
Bhira Investments Limited (BIL)	3,933.59	-
	<i>(equivalent to USD 629.40 million)</i>	
	5,390.10	-
	<i>(equivalent to USD 900 million)</i>	
Trust Energy Resources Pte. Limited (TERL)	268.43	-
	<i>(equivalent to USD 42.95 million)</i>	
	316.82	-
	<i>(equivalent to USD 52.90 million)</i>	
Tubed Coal Mines Limited (TCML)	11.36	-
	11.36	-
Mandakini Coal Company Limited (MCCL)	115.79	2,00,43,000
	86.93	<i>2,00,43,000</i>
Energy Eastern Pte. Limited (EEL)	171.87	-
	<i>(equivalent to USD 27.50 million)</i>	
	428.21	-
	<i>(equivalent to USD 71.50 million)</i>	
Tata Power Renewable Energy Limited (TPREL)	391.76	24,86,79,935
	418.64	<i>9,94,63,684</i>
Maithon Power Limited (MPL)	126.58	-
	144.00	-
	[Refer Note 31 (d) (iv)]	
Tata Power International Pte. Limited (TPIPL)	488.04	-
	<i>(equivalent to USD 78.09 million)</i>	
	184.10	-
	<i>(equivalent to USD 30.74 million)</i>	
Cennergi Pty. Limited (CPL)	359.30	-
	<i>(equivalent to ZAR 693.91 million)</i>	
	392.75	-
	<i>(equivalent to ZAR 693.91 million)</i>	
	[Refer Note 31 (d) (viii)]	
Tata Sons Limited (TSL)	[Refer (f) below]	-
	[Refer (f) below]	-

Notes:

- The Company has pledged the above shares of subsidiaries, jointly controlled entities and TTSL, with the lenders for borrowings availed by the respective subsidiaries, jointly controlled entities and TTSL.
- Previous year's figures are in italics.

Notes forming part of the Financial Statements

- (d) In respect of the Standby Charges dispute with Reliance Infrastructure Ltd. (R-Infra) for the period from 1st April, 1999 to 31st March, 2004, the Appellate Tribunal of Electricity (ATE), set aside the Maharashtra Electricity Regulatory Commission (MERC) Order dated 31st May, 2004 and directed the Company to refund to R-Infra as on 31st March, 2004, ₹ 354.00 crore (including interest of ₹ 15.14 crore) and pay interest at 10% per annum thereafter. As at 31st March, 2015 the accumulated interest was ₹ 207.16 crore (31st March, 2014 - ₹ 195.96 crore) (₹ 11.20 crore for the year ended 31st March, 2015). On appeal, the Hon'ble Supreme Court vide its Interim Order dated 7th February, 2007, has stayed the ATE Order and in accordance with its directives, the Company has furnished a bank guarantee of the sum of ₹ 227.00 crore and also deposited ₹ 227.00 crore with the Registrar General of the Court which has been withdrawn by R-Infra on furnishing the required undertaking to the Court.

Further, no adjustment has been made for the reversal in terms of the ATE Order dated 20th December, 2006, of Standby Charges credited in previous years estimated at ₹ 519.00 crore, which will be adjusted, wholly by a withdrawal/set off from certain Statutory Reserves as allowed by MERC. No provision has been made in the accounts towards interest that may be finally determined as payable to R-Infra. Since 1st April, 2004, the Company has accounted Standby Charges on the basis determined by the respective MERC Tariff Orders.

The Company is of the view, supported by legal opinion, that the ATE's Order can be successfully challenged and hence, adjustments, if any, including consequential adjustments to the Deferred Tax Liability Fund and the Deferred Tax Liability Account will be recorded by the Company on the final outcome of the matter.

- (e) MERC vide its Tariff Order dated 11th June, 2004, had directed the Company to treat the investment in its wind energy project as outside the Mumbai Licensed Area, consider a normative Debt Equity ratio of 70:30 to fund the Company's fresh capital investments effective 1st April, 2003 and had also allowed a normative interest charge @ 10% p.a. on the said normative debt. The change to the Clear Profit and Reasonable Return (consequent to the change in the capital base) as a result of the above mentioned directives for the period upto 31st March, 2004, has been adjusted by MERC from the Statutory Reserves along with the disputed Standby Charges referred to in Note 32(d) above. Consequently, the effect of these adjustments would be made with the adjustments pertaining to the Standby Charges dispute as mentioned in Note 32(d) above.
- (f) In 2008-09, NTT DoCoMo Inc (Docomo) entered into an Agreement with Tata Teleservices Ltd (TTSL) and Tata Sons Limited to acquire 20% of the equity share capital under the primary issue and 6% under the secondary sale from Tata Sons Limited. In terms of the Agreements with Docomo, Tata Sons Limited, inter alia, agreed to provide various indemnities and a Sale Option entitling Docomo to sell its entire shareholding in 2014 at a minimum pre-determined price of ₹ 58.045 per share if certain performance parameters were not met by TTSL. The minimum pre-determined price represented 50% of the acquisition price of 2008-09. The Agreements are governed by Indian Law.

The Company in 2008-09 had accepted an offer made voluntarily by Tata Sons Limited to all shareholders of TTSL to participate pro-rata in the secondary sale to Docomo together with bearing liabilities, if any, including the Sale Option in proportion of the number of shares sold by the company to the aggregate Secondary Sale to Docomo. Accordingly, an Inter-se Agreement was executed by the Company with Tata Sons and other Selling Shareholders. The Company sold 2,72,82,177 shares of TTSL to Docomo at ₹ 116.09 per share, resulting in a profit of ₹ 255.62 crore. The Company is obliged to acquire 13,45,95,551 shares of TTSL in the above proportion in the event the Sale Option is exercised by Docomo.

Docomo has exercised the Sale Option in July 2014 and has called upon Tata Sons Limited to acquire its entire shareholding in TTSL at the pre-determined price of ₹ 58.045 per share. Tata Sons Limited has in turn informed the Company that they may be called upon to acquire 13,45,95,551 shares, in terms of its original offer to the Company and the inter-se agreement to participate in the Secondary Sale.

Tata Sons have also informed the Company that the Reserve Bank of India have not permitted acquisition of the shares at the pre-determined price and have advised that the acquisition can only be made at Fair Market Value (FMV) prevailing at the time of the acquisition. The FMV determined as at 30th June, 2014 is ₹ 23.34 per share. Tata Sons Limited has conveyed to Docomo its willingness to acquire the shares at ₹ 23.34 per share, however, Docomo reiterated its position that the shares be acquired at ₹ 58.045 per share.

Docomo have initiated Arbitration in the matter.

The liability, if any, to the extent of the difference in price sought by Docomo and the Fair Market Value is dependent upon the outcome of the Arbitration and prevailing Exchange Control Regulations.

Under the above mentioned agreements with Docomo, TSL, and TTSL have jointly and severally agreed to indemnify Docomo within the agreed limits against claims arising on amount of any failure of certain warranties provided by TSL and TTSL to be true and correct in all respects (amount not determinable) and in respect of specified contingent liabilities (Company's share ₹ 29.76 crore). The Company is liable to reimburse TSL, on a pro-rata basis.

Notes forming part of the Financial Statements

33. (a) In an earlier year, the Company had provisionally determined Statutory Appropriations and adjustments to be made on Annual Performance Review as per Multi Year Tariff (MYT) Regulations, 2011 for Mumbai Licensed Area for financial year 2011-12. In view of deferment of implementation of MYT Tariffs to 1st April, 2012, as directed by MERC, revenue amounting to ₹ 155.00 crore was reversed in the financial year 2012-13.

The Company had filed a petition at the Appellate Tribunal for Electricity (ATE). ATE in its Order dated 28th November, 2013 had ruled in favour of the Company for implementation of MYT Tariffs effective 1st April, 2011. Accordingly, during the previous year, the Company had recognised revenue amounting to ₹ 185.00 crore for the financial year 2011-12.

- (b) During the previous year, Maharashtra Electricity Regulatory Commission (MERC) had completed true-up for the financial year 2011-12 and issued Tariff Orders. In these Tariff Orders, MERC has allowed true-up of the claims made by the Company in respect of earlier years incorporating the impact of favourable ATE Order. Accordingly, during the previous year, revenue of ₹ 115.00 crore had been recognised in the financial statements.
- (c) During the year ended 31st March, 2015 the Appellate Tribunal for Electricity (ATE) in its order dated 27th October, 2014 has allowed the Company's claim regarding certain expenses which were disallowed/not recognised by MERC in its earlier true-up orders. Accordingly, the Company has treated such expenses as recoverable and has recognised revenue of ₹ 80.00 crore.
34. In the matter of claims raised by the Company on R-Infra, towards (i) the difference in the energy charges for the period March 2001 to May 2004 and (ii) for minimum off-take charges of energy for the period 1998 to 2000, MERC has issued an Order dated 12th December, 2007 in favour of the Company. The total amount payable by R-Infra, including interest, is estimated to be ₹ 323.87 crore as on 31st December, 2007. ATE in its Order dated 12th May, 2008 on appeal by R-Infra, has directed R-Infra to pay the difference in the energy charges amounting to ₹ 34.98 crore for the period March 2001 to May 2004. In respect of the minimum off-take charges of energy for the period 1998 to 2000 claimed by the Company from R-Infra, ATE has directed MERC that the issue be examined afresh and after the decision of the Hon'ble Supreme Court in the Appeals relating to the distribution licence and rebates given by R-Infra. The Company and R-Infra had filed appeals in the Hon'ble Supreme Court. The Hon'ble Supreme Court, vide its Order dated 14th December, 2009, has granted stay against ATE Order and has directed R-Infra to deposit with the Hon'ble Supreme Court, a sum of ₹ 25.00 crore and furnish bank guarantee of ₹ 9.98 crore. The Company had withdrawn the above mentioned sum subject to an undertaking to refund the amount with interest, in the event the Appeal is decided against the Company. On grounds of prudence, the Company has not recognised any income arising from the above matters.
35. Employee Benefits:

- (a) Defined contribution plans

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution retirement benefit plans for eligible employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified under the law are paid to the provident fund set up as a trust by the Company. The Company is generally liable for annual contributions and any shortfall in the fund assets based on the Government specified minimum rates of return and recognises such contribution and shortfall, if any, as an expense in the year it is incurred. Having regard to the assets of the fund and the return on the investments, the Company does not expect any shortfalls in the foreseeable future.

The Company has recognised ₹ 21.03 crore (31st March, 2014 - ₹ 20.60 crore) for provident fund contributions and ₹ 10.13 crore (31st March, 2014 - ₹ 9.96 crore) for superannuation contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

- (b) Defined benefit plans

The Company operates the following unfunded/funded defined benefit plans:

Unfunded:

- (i) Ex-Gratia Death Benefits
- (ii) Retirement Gifts
- (iii) Post Retirement Medical Benefits and
- (iv) Pension (including Director pension)

Funded:

- (i) Gratuity

- (c) The actuarial valuation of the present value of the defined benefit obligations has been carried out as at 31st March, 2015. The following tables set out the amounts recognised in the financial statements as at 31st March, 2015 for the above mentioned defined benefit plans:

Notes forming part of the Financial Statements

- (i) Net employee benefit expense (recognised in employee cost) for the year ended 31st March, 2015:

	Funded		Unfunded	
	31st March, 2015	31st March, 2014	31st March, 2015	31st March, 2014
	₹ crore	₹ crore	₹ crore	₹ crore
Current Service Cost	11.03	10.68	1.82	1.94
Interest	15.20	12.77	3.89	3.51
Expected Return on Plan Assets	(11.95)	(8.87)	Nil	Nil
Actuarial (Gain)/Loss	17.25	(4.00)	11.05	(3.36)
Settlement Cost	Nil	Nil	Nil	(0.80)
Past Service Cost.....	Nil	Nil	Nil	1.59
Total Expense.....	31.53	10.58	16.76	2.88

- (ii) Change in the Defined Benefit Obligation during the year ended 31st March, 2015:

	Funded		Unfunded	
	31st March, 2015	31st March, 2014	31st March, 2015	31st March, 2014
	₹ crore	₹ crore	₹ crore	₹ crore
Present value of Defined Benefit Obligation as at 1st April as per books	173.88	166.54	44.87	45.69
Current Service Cost.....	11.03	10.68	1.82	1.94
Interest	15.20	12.77	3.89	3.51
Settlement Cost	Nil	Nil	1.44	(0.80)
Actuarial (Gain)/Loss (Net)	30.20	(3.37)	11.05	(3.36)
Past Service Cost.....	Nil	Nil	Nil	1.59
Benefits Paid (Net).....	(17.36)	(12.74)	(5.18)	(3.70)
Present value of Defined Benefit Obligation as at 31st March	212.95	173.88	57.89	44.87
Less: Fair Value of Assets at the end of the year.....	186.78	136.88	Nil	Nil
Provision for Defined Benefit Obligation as at 31st March as per books	26.17	37.00	57.89	44.87

	2014-15	2013-14	2012-13	2011-12	2010-11
	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore
Defined Benefit Obligation.....	270.84	218.75	212.23	185.97	164.25
Experience Adjustment on Plan Liabilities	8.21	10.29	10.79	7.01	19.83

The Company has paid ₹ 25.00 crore to Tata Power Gratuity Fund (31st March, 2014 - ₹ 33.00 crore). Of the payment of ₹ 25.00 crore, ₹ Nil towards the current year liability (31st March, 2014 - ₹ 8.00 crore) and ₹ 25.00 crore towards the Opening Liability (31st March, 2014 - ₹ 25.00 crore). The balance of the Opening Liability is to be funded by next year.

- (iii) Change in Fair Value of Assets during the year:

	31st March, 2015	31st March, 2014
	₹ crore	₹ crore
Plan Assets at the beginning of the year	136.88	94.38
Expected Return on Plan Assets	11.95	8.87
Actual Company contributions.....	25.00	33.00
Actuarial Gain	12.95	0.63
Fair value of plan assets at the end of the year	186.78	136.88

Composition of the plan assets is as follows:

Insurer Managed Funds*

* In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

Notes forming part of the Financial Statements

- (iv) Actuarial assumptions used for valuation of the present value of the defined benefit obligations of various benefits are as under:

	31st March, 2015	31st March, 2014
Discount Rate.....	7.90%	9.20%
Salary Growth Rate	Management 8% p.a. Non-Management 7% p.a.	Management 7.50% p.a. Non-Management 6% p.a.
Turnover Rate - Age 21 to 44 years	Management 8% p.a. Non-Management 0.50% p.a.	Management 8% p.a. Non-Management 0.50% p.a.
Turnover Rate - Age 45 years and above	Management 2.50% p.a. Non-Management 0.50% p.a.	Management 2.50% p.a. Non-Management 0.50% p.a.
Pension Increase Rate.....	3% p.a.	3% p.a.
Mortality Table.....	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult
Annual Increase in Health Cost	8% p.a.	6% p.a.

- Discount rate is based on the prevailing market yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligation.
- The estimates of future salary increases, considered in actuarial valuation, take account of the inflation, seniority, promotion and other relevant factors.

- (v) Effect of change in assumed health care cost trend rate:

	31st March, 2015		31st March, 2014	
	₹ crore	₹ crore	₹ crore	₹ crore
	1% increase	1% decrease	1% increase	1% decrease
Effect on the aggregate of the service cost and interest cost.....	0.11	(0.10)	0.12	(0.10)
Effect on defined benefit obligation	1.70	(1.49)	0.89	(0.79)

- (vi) The contribution expected to be made by the Company during the financial year 2015-16 has not been ascertained.

36. In respect of the contracts pertaining to the Strategic Engineering Business and Project Management Services, disclosures required as per AS-7 (Revised) are as follows:

- (a) Contract revenue recognised as revenue during the year ₹ 530.50 crore (31st March, 2014 - ₹ 343.07 crore).
- (b) In respect of contracts in progress –
- The aggregate amount of costs incurred and recognised profits upto 31st March, 2015 ₹ 814.84 crore (31st March, 2014 - ₹ 343.15 crore).
 - Advances and progress payments received as at 31st March, 2015 ₹ 813.25 crore (31st March, 2014 - ₹ 709.25 crore).
 - Retention money included as at 31st March, 2015 in Sundry Debtors ₹ 6.32 crore (31st March, 2014 - ₹ 9.81 crore).
- (c) (i) Gross amount due to customers for contract work as a liability as at 31st March, 2015 ₹ 191.44 crore (31st March, 2014 - ₹ 402.03 crore).
- (ii) Gross amount due from customers for contract work as an asset as at 31st March, 2015 ₹ 191.89 crore (31st March, 2014 - ₹ 35.93 crore).

Notes forming part of the Financial Statements

37. (a) Total number of electricity units sold and purchased during the year as certified by Management - 13,603 MUs (31st March, 2014 - 14,516 MUs) and 2,541 MUs (31st March, 2014 - 2,321 MUs).

(b) C.I.F. Value of imports:

	31st March, 2015	31st March, 2014
	₹ crore	₹ crore
(i) Capital goods	35.42	189.05
(ii) Components and spare parts	182.50	80.13
(iii) Fuel	792.63	1,355.10

(c) Expenditure in foreign currency:

	31st March, 2015	31st March, 2014
	₹ crore	₹ crore
(i) Professional and consultation fees	2.93	4.68
(ii) Interest and issue expenses	77.64	80.43
(iii) Other matters	17.43	7.35

Note: Expenditure does not include expenditure of capital nature.

(d) Value of components, stores and spare parts consumed (including fuel consumed and stores consumption included in Repairs and Maintenance):

	31st March, 2015		31st March, 2014	
	₹ crore	% consumed	₹ crore	% consumed
(i) Imported	1,266.68	35.19	1,741.63	48.41
(ii) Indigenous	2,333.16	64.81	1,856.40	51.59
	<u>3,599.84</u>	<u>100.00</u>	<u>3,598.03</u>	<u>100.00</u>

(e) Remittances by the Company in foreign currencies for dividends (including amounts credited to Non-Resident External Accounts):

Dividend for the year ended

	31st March, 2014	31st March, 2013
	₹ crore	₹ crore
No. of non-resident shareholders.....	5,208	4,758
No. of Equity Shares of face value ₹ 1 each held	2,52,36,151	2,46,84,924
Amount of Dividend (₹ crore)	3.15	2.84

(f) Earnings in foreign exchange:

	31st March, 2015	31st March, 2014
	₹ crore	₹ crore
(i) Interest	11.30	31.33
(ii) Export of services	40.40	38.24
(iii) Guarantee Commission from Subsidiaries	17.44	13.26
(iv) Dividend	319.97	238.96
(v) Sale of Fixed Assets.....	24.59	Nil
(vi) Others	5.49	13.86

(g) Expenditure incurred on Research and Development by the Company:

	31st March, 2015	31st March, 2014
	₹ crore	₹ crore
(i) Revenue Expenditure	Nil	Nil
(ii) Capital Expenditure.....	45.26	32.04

Notes forming part of the Financial Statements

38. Related Party Disclosures:

Disclosure as required by Accounting Standard-18 (AS-18) - "Related Party Disclosures" are as follows:

Names of the related parties and description of relationship:

(a) Related parties where control exists:

Subsidiaries

- 1) Af-Taab Investment Co. Ltd. (AICL)
- 2) Chemical Terminal Trombay Ltd. (CTTL)
- 3) Tata Power Trading Co. Ltd. (TPTCL)
- 4) Powerlinks Transmission Ltd. (PTL)
- 5) NELCO Ltd. (NELCO)
- 6) Maithon Power Ltd. (MPL)
- 7) Industrial Energy Ltd. (IEL)
- 8) Tata Power Delhi Distribution Ltd. (TPDDL)
- 9) Coastal Gujarat Power Ltd. (CGPL)
- 10) Bhira Investments Ltd. (BIL)
- 11) Bhivpuri Investments Ltd. (BHIL)
- 12) Khopoli Investments Ltd. (KIL)
- 13) Trust Energy Resources Pte. Ltd. (TERL)
- 14) Energy Eastern Pte. Ltd. ** (EEL)
- 15) Industrial Power Utility Ltd. (IPUL)
- 16) Tatanet Services Ltd.** (TNSL)
- 17) Tata Power Renewable Energy Ltd. (TPREL)
- 18) PT Sumber Energi Andalan Tbk. ** (SEA)
- 19) Tata Power Green Energy Ltd. ** (TPGEL)
- 20) NDPL Infra Ltd. ** (NDPLIL)
- 21) Dugar Hydro Power Ltd. (DHPL)
- 22) Tata Power Solar Systems Ltd. (TPSSL)
- 23) Tata Power Jamshedpur Distribution Ltd. (TPJDL)
- 24) Tata Power International Pte. Ltd. (TPIPL)
- 25) NewGen Saurashtra Windfarms Ltd ** (NSWL) (erstwhile AES Saurashtra Windfarms Ltd).

** Through Subsidiary Companies.

(b) Other related parties (where transactions have taken place during the year) :

(i) Associates

- 1) Tata Projects Ltd. (TPL)
- 2) Yashmun Engineers Ltd. (YEL)
- 3) Rujuvalika Investments Ltd. (RIL)

(ii) Jointly Controlled Entities

- 1) OTP Geothermal Pte. Ltd. (OTPGL) **
- 2) Adjaristsqali Georgia LLC (AGL) **
- 3) Cennergı Pty. Ltd. (CPL) **
- 4) Mandakini Coal Company Ltd. (MCCL)
- 5) Tubed Coal Mines Ltd. (TCML)

** Fellow Jointly Controlled Entities

(iii) Promoters holding together with its Subsidiary more than 20%

Tata Sons Ltd.

(c) Key Management Personnel

Anil Sardana - CEO & Managing Director
 Ashok Sethi - COO & Executive Director (from 7th May, 2014)
 S. Padmanabhan - Executive Director (upto 30th June, 2014)
 Ramesh Subramanyam - Chief Financial Officer

Notes forming part of the Financial Statements

38. Related Party Disclosures (Contd.):
(d) Details of Transactions:

Particulars	₹ crore				
	Subsidiaries	Associates	Jointly Controlled Entities	Key Management Personnel	Promoters
Purchase of goods/power (Net of Discount Received on Prompt Payment)	56.45	-	-	-	-
	200.73	-	-	-	-
Sale of goods/power (Net of Discount on Prompt Payment)	202.77	-	-	-	-
	211.47	-	-	-	-
Purchase of fixed assets	-	8.12	-	-	-
	0.07	17.89	-	-	-
Sale of fixed assets	-	-	-	-	-
	0.08	-	-	-	-
Rendering of services	102.46	0.10	1.87	-	0.57
	104.25	0.10	4.13	-	-
Receiving of services	2.72	8.71	-	-	0.61
	4.84	12.21	-	-	0.85
Brand equity contribution	-	-	-	-	21.15
	-	-	-	-	21.61
Guarantees, collaterals etc. given	9,326.87	-	95.53	-	-
	1,152.55	-	392.75	-	-
Guarantees, collaterals etc. cancelled	11,917.87	-	66.67	-	-
	1,060.05	-	-	-	-
Letter of comfort given	-	-	-	-	-
	-	-	488.37	-	-
Letter of comfort cancelled	-	-	-	-	-
	-	-	503.04	-	-
Remuneration paid	-	-	-	15.57	-
	-	-	-	11.12	-
Interest income	278.11	-	0.24	-	-
	176.08	-	-	-	-
Dividend received	493.67	4.89	-	-	5.34
	351.83	4.89	-	-	5.34
Dividend paid	0.05	-	-	-	102.74
	0.05	-	-	-	81.36
Guarantee commission earned	19.71	-	-	-	-
	13.26	-	-	-	-
Loans given	1,543.99	-	3.09	-	-
	3,337.88	-	1.20	-	-
Equity contribution (net of advance towards equity contribution and loan converted into equity) @	482.32	-	0.26	-	-
	1,188.79	-	19.02	-	-
Purchase of preference shares (including advance towards preference shares)	301.13	-	-	-	-
	114.76	-	-	-	-
Equity Shares issued	-	-	-	-	686.33
	-	-	-	-	-
Loans repaid (including loan converted into equity)	1,185.06	-	-	-	-
	2,340.25	-	-	-	-
Deposits taken towards rental accomodation	-	-	-	-	2.00
	-	-	-	-	-

NOTICE

BOARD'S REPORT

MD&A

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Notes forming part of the Financial Statements

38. Related Party Disclosures (Contd.):

(d) Details of Transactions (Contd.):

Particulars	₹ crore				
	Subsidiaries	Associates	Jointly Controlled Entities	Key Management Personnel	Promoters
Balances outstanding					
Security deposits given.....	-	-	-	-	0.50
	-	-	-	-	0.50
Other receivables (net of provisions).....	51.52	4.59	0.71	-	-
	66.14	0.89	2.59	-	-
Loans given (including interest thereon).....	3,244.25	1.27	4.49	-	-
	2,696.38	1.27	1.20	-	-
Loans provided for as doubtful advances.....	-	1.27	-	-	-
	-	1.27	-	-	-
Preference shares outstanding.....	692.94	-	-	-	-
	391.81	-	-	-	-
Advance towards equity/preference shares.....	-	-	-	-	-
	95.59	-	5.60	-	-
Dividend receivable.....	75.00	-	-	-	-
	59.89	-	-	-	-
Guarantees, collaterals etc. outstanding.....	11,304.75	-	486.45	-	Refer Note 32 (f)
	13,550.55	-	491.04	-	Refer Note 32 (f)
Letter of comfort outstanding.....	-	-	10.67	-	-
	-	-	11.67	-	-
Other payables.....	7.42	1.50	-	-	23.96
	3.05	6.35	-	-	22.02

Notes:

@ Including shares pursuant to loan being converted to equity.

Previous year's figures are in italics.

(e) Details of material related party transactions:

(i) Subsidiaries :

Particulars	₹ crore											
	IEL	PTL	TPTCL	MPL	EEL	BIL	KIL	TPIPL	TERL	CGPL	TPREL	TPDDL
Purchase of goods/power.....	-	-	-	-	-	-	-	-	16.32	-	39.84	-
	-	-	51.35	-	-	-	-	-	149.38	-	-	-
Sale of goods/power.....	-	-	200.83	-	-	-	-	-	-	-	-	-
	-	-	209.03	-	-	-	-	-	-	-	-	-
Sale of fixed assets.....	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	0.08	-
Rendering of services.....	27.52	-	-	37.54	-	-	-	-	-	-	-	-
	35.15	-	-	36.78	-	-	-	-	-	-	-	-
Receiving of services.....	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	2.13	-	-
Guarantees and collaterals given....	-	-	-	-	-	3,865.41	1,525.62	-	-	3,403.27	-	-
	-	-	-	-	197.64	-	598.90	184.10	-	-	-	-

Notes forming part of the Financial Statements

38. Related Party Disclosures (Contd.):

(e) Details of material related party transactions (Contd.):

(i) Subsidiaries (Contd.):

Particulars	₹ crore											
	IEL	PTL	TPTCL	MPL	EEL	BIL	KIL	TPIPL	TERL	CGPL	TPREL	TPDDL
Guarantees and collaterals cancelled	-	-	-	-	-	5,503.24	2,455.97	-	-	3,341.43	-	-
	-	-	-	-	-	-	808.52	-	149.73	-	-	-
Interest income	-	-	-	-	-	-	-	-	-	224.14	-	-
	24.37	-	-	-	-	-	30.88	-	-	81.45	-	-
Dividend received	-	-	-	-	-	319.97	-	-	-	-	-	65.39
	49.28	53.70	-	-	-	209.12	-	-	-	-	-	-
Guarantee commission earned	-	-	-	-	-	9.06	4.31	-	-	-	-	-
	-	-	-	-	-	8.21	2.42	-	1.47	-	-	-
Loans given	-	-	-	-	-	-	-	-	-	1,531.66	-	-
	-	-	620.00	-	-	-	-	-	-	1,895.59	-	340.00
Equity contribution (including advance towards equity contribution and loan converted into equity)	218.89	-	-	-	-	-	-	-	-	52.29	208.14	-
	-	-	-	-	-	-	-	-	-	824.67	194.98	-
Purchase of preference shares	-	-	-	-	-	-	-	278.18	-	-	-	-
	-	-	-	-	-	-	-	114.76	-	-	-	-
Loans repaid (including loan converted into equity)	218.89	-	-	-	-	-	613.47	-	-	-	196.71	-
	-	-	640.00	-	-	-	-	-	-	992.00	-	340.00
Balances outstanding												
Loans given (including interest thereon) ..	-	-	-	-	-	-	-	-	-	3,034.56	-	-
	-	-	-	-	-	-	621.69	-	-	1,413.46	-	-
Preference shares outstanding	-	-	-	-	-	-	-	392.94	-	-	-	255.00
	-	-	-	-	-	-	-	114.76	-	-	-	255.00
Advance towards equity	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	11.15	84.44	-
Other receivables (net of provisions) ..	-	-	14.62	-	-	-	-	-	-	18.15	-	-
	11.74	-	18.40	20.75	-	-	-	-	-	-	-	-
Dividend receivable	-	-	-	-	-	75.00	-	-	-	-	-	-
	-	-	-	-	-	59.89	-	-	-	-	-	-
Guarantees, collaterals etc. outstanding ..	-	-	-	-	-	3,933.59	2,521.21	-	-	3,403.27	-	-
	-	-	-	-	-	5,390.10	3,327.25	-	-	3,341.43	-	-
Other payables	-	-	-	-	-	-	-	-	-	-	6.33	-
	-	-	-	-	-	-	-	-	-	-	-	-

Note: Previous year's figures are in italics.

Notes forming part of the Financial Statements

38. Related Party Disclosures (Contd.):

(e) Details of material related party transactions (Contd.):

(ii) Associates and Jointly Controlled Entities:

Particulars	₹ crore			
	Associates			Jointly Controlled Entities
	TPL	YEL	NSL	CPL
Purchase of fixed assets.....	8.12	-	-	-
	<i>17.89</i>	-	-	-
Receiving of services	-	8.71	-	-
	-	<i>12.21</i>	-	-
Guarantees, collaterals etc. given	-	-	-	-
	-	-	-	392.75
Letter of comfort given.....	-	-	-	-
	-	-	-	488.37
Letter of comfort cancelled.....	-	-	-	-
	-	-	-	503.04
Balances outstanding				
Loans provided for as doubtful advances	-	-	1.27	-
	-	-	1.27	-
Letter of comfort.....	-	-	-	10.67
	-	-	-	11.67
Other payable	-	-	-	-
	<i>4.08</i>	-	-	-

Note: Previous year's figures are in italics.

39. Disclosure as required under Clause 32 of listing agreement:

Loans and advances (excluding advance towards equity) in the nature of loans given to Subsidiaries, Joint Ventures and Associates:

Name of the Company	Relationship	Amount	Maximum	Investments
		Outstanding as	Amount	in Company's
		at the	Outstanding	Shares
		year-end **	during the	
		₹ crore	year**	(Nos.)
			₹ crore	
Tata Power Renewable Energy Ltd.....	Subsidiary	Nil	185.39	Nil
		<i>185.39</i>	<i>256.40</i>	<i>Nil</i>
Coastal Gujarat Power Ltd. ### ***	Subsidiary	2,722.96	2,846.40	Nil
		<i>1,303.59</i>	<i>1,303.59</i>	<i>Nil</i>
Khopoli Investments Ltd.	Subsidiary	Nil	615.58	Nil
		<i>598.90</i>	<i>683.61</i>	<i>Nil</i>
Industrial Energy Ltd. ***	Subsidiary	39.86	258.75	Nil
		<i>258.75</i>	<i>258.75</i>	<i>Nil</i>
Maithon Power Ltd.	Subsidiary	123.50	123.50	Nil
		<i>123.50</i>	<i>223.50</i>	<i>Nil</i>
Chemical Terminal Trombay Ltd.	Subsidiary	Nil	1.00	Nil
		<i>1.00</i>	<i>1.00</i>	<i>4,00,580</i>

Notes forming part of the Financial Statements

39. Disclosure as required under Clause 32 of listing agreement (Contd.):

Name of the Company	Relationship	Amount Outstanding as at the year-end ** ₹ crore	Maximum Amount Outstanding during the year** ₹ crore	Investments in Company's Shares (Nos.)
Tata Power Trading Company Ltd.	Subsidiary	Nil <i>30.00</i>	30.00 <i>215.00</i>	Nil <i>Nil</i>
Powerlinks Transmission Ltd.	Subsidiary	Nil <i>Nil</i>	Nil <i>41.00</i>	Nil <i>Nil</i>
Tata Power Jamshedpur Distribution Ltd.***	Subsidiary	7.92 <i>6.90</i>	7.92 <i>6.90</i>	Nil <i>Nil</i>
NELCO Ltd.	Subsidiary	Nil <i>12.70</i>	12.70 <i>12.70</i>	Nil <i>Nil</i>
Mandakini Coal Company Ltd.	Joint Venture	4.28 <i>1.20</i>	4.28 <i>1.20</i>	Nil <i>Nil</i>
Nelito Systems Ltd. \$ ***	Associate	1.27 <i>1.27</i>	1.27 <i>1.27</i>	Nil <i>Nil</i>

Notes:

** Excluding interest accrued.

*** No repayment schedule.

Right to convert to equity.

\$ Provided for.

Previous year's figures are in italics.

40. Derivative Instruments and Unhedged foreign currency exposures:

(i) Derivative Instruments:

The following derivative positions are open as at 31st March, 2015. These transactions have been undertaken to act as economic hedges for the Company's exposures to various risks in foreign exchange markets and may/may not qualify or be designated as hedging instruments. The accounting for these transactions is stated in Note 2.1 (n) and 2.1 (o).

Forward exchange contracts (being derivative instrument), which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables.

Outstanding forward exchange contracts and currency option contracts entered into by the Company as on 31st March, 2015:

	Buy/Sell	31st March, 2015		31st March, 2014	
		Foreign Currency (in Millions)	₹ crore	Foreign Currency (in Millions)	₹ crore
Forward Contracts (Buyer's credit)	Buy	USD 45.89	286.78	USD 65.23	390.68
Forward Contracts (Firm Commitment)	Buy	GBP 6.57	60.74	GBP 0.24	2.39
	Buy	Euro 11.02	74.07	Euro 1.68	13.82
	Buy	USD 33.33	208.30	Nil	Nil
Currency Option (Euro Notes and FCCB)	Buy	USD 60.01	375.02	USD 252.00	1,509.23
Currency Option (Firm commitment)	Buy	USD 15.39	96.18	Nil	Nil

Notes forming part of the Financial Statements

40. Derivative Instruments and Unhedged foreign currency exposures (Contd.):

(ii) The year-end foreign currency exposures that have not been hedged by a derivative instrument are given below:

	31st March, 2015		31st March, 2014	
	Foreign Currency (in Millions)	₹ crore	Foreign Currency (in Millions)	₹ crore
(a) Amounts receivable in foreign currency on account of the following:				
(i) Export of goods	USD 0.79	4.95	USD 1.46	8.73
(ii) Loan receivable from subsidiaries	Nil	Nil	USD 100.00	598.90
(iii) Interest receivable.....	Nil	Nil	USD 3.82	22.88
(iv) Dividend receivable.....	USD 12.00	75.00	USD 10.00	59.89
(v) Other advances receivable from subsidiaries	USD 1.32	8.24	USD 0.96	5.74
(b) Amounts payable in foreign currency on account of the following:				
(i) Import of goods and services	USD 18.84	117.76	USD 13.72	82.20
	Euro 0.92	6.19	Euro 0.29	2.38
	GBP 2.61	24.12	GBP 0.56	5.55
(ii) Capital imports.....	Euro 0.20	1.31	Euro 0.44	3.60
	JPY 107.06	5.58	JPY 152.30	8.91
	USD 0.33	2.08	USD 0.42	2.51
	GBP 0.06	0.59	GBP *	0.02
(iii) Interest payable	USD 0.10	0.65	USD 2.71	16.22
(iv) Loans payable.....	USD 0.05	0.31	USD 108.35	648.91
(v) Premium payable on borrowings.....	Nil	Nil	USD 28.41	170.15
(c) Bank balances.....	USD 0.82	5.12	USD 0.84	5.02
	TAKA 0.22	0.02	TAKA 0.22	0.02

41. Segment Reporting:

(a) Primary Segment Information:

The Company has identified business segments as its primary segment. Business segments are as below:

	₹ crore			
	Power	Others	Eliminations	Total
REVENUE				
External Revenue.....	8,012.89	664.80	-	8,677.69
	8,217.19	458.34	-	8,675.53
RESULT				
Total Segment Results	1,604.42	60.54	-	1,664.96
	1,933.28	67.52	-	2,000.80
Finance Costs				(1,047.46)
				(868.21)
Unallocable Income net of Unallocable Expense				898.15
				358.57
Income Taxes.....				(505.36)
				(537.08)
Profit after Tax				1,010.29
				954.08
OTHER INFORMATION				
Segment Assets.....	15,306.33	1,296.36	-	16,602.69
	13,990.65	1,187.60	-	15,178.25
Unallocable Assets.....				16,958.50
				15,360.78
Total Assets				33,561.19
				30,539.03
Segment Liabilities	3,005.60	682.97	-	3,688.57
	2,560.91	620.17	-	3,181.08
Unallocable Liabilities.....				12,749.16
				12,825.04
Total Liabilities				16,437.73
				16,006.12

Notes forming part of the Financial Statements

41. Segment Reporting (Contd.):

(a) Primary Segment Information (Contd.):

	₹ crore			
	Power	Others	Eliminations	Total
Capital Expenditure	1,169.69	86.45	-	1,256.14
	999.98	100.97	-	1,100.95
Non-cash Expenses other than Depreciation/Amortisation (to the extent allocable to segment)	-	8.53	-	8.53
	3.55	4.41	-	7.96
Depreciation/Amortisation charged to the Statement of Profit and Loss Account (to the extent allocable to segment)	572.82	2.47	-	575.29
Depreciation on account of change in useful life of assets and charged to retain earnings.....	10.75	0.69	-	11.44
Total Depreciation.....	583.57	3.16	-	586.73
	569.18	17.96	-	587.14

Types of products and services in each business segment:

Power - Generation, Transmission and Distribution.

Others - Defence Electronics, Engineering, Project Contracts/Infrastructure Management Services, Coal Bed Methane and Property Development.

Note: Previous year's figures are in italics.

(b) Secondary Segment Information:

The Company's operations are mainly confined within India and as such there are no reportable geographical segments.

42. Earnings Per Share:

Basic

	31st March, 2015	31st March, 2014
Net profit for the year (₹ crore).....	1,010.29	954.08
Less: Contingencies Reserve (provided)/writeback for the year (₹ crore)	10.00	9.00
	1,000.29	945.08
Less: Distribution on Unsecured Perpetual Securities (₹ crore)	112.88	112.88
Net profit for the year attributable to the equity shareholders (₹ crore)	887.41	832.20
The weighted average number of Equity Shares for Basic Earnings Per Share (Nos.).....	269,15,47,867	246,33,94,672
Par value Per Share (in ₹)	1.00	1.00
Basic Earnings Per Share (in ₹)	3.30	3.38

Diluted

Net profit for the year attributable to the equity shareholders (₹ crore).....	887.41	832.20
Add: Interest Expense and Exchange Fluctuation on FCCB (Net) (₹ crore)	Nil	132.35
Profit attributable to equity shareholders on dilution (₹ crore).....	887.41	964.55
The weighted average number of Equity Shares for Basic Earnings Per Share (Nos.).....	269,15,47,867	246,33,94,672
Add: Effect of potential Equity Shares on Conversion of FCCB (Nos.).....	Nil	9,64,40,896
The weighted average number of Equity Shares for Diluted Earnings Per Share (Nos.)	269,15,47,867	255,98,35,568
Par value Per Share (in ₹)	1.00	1.00
Diluted Earnings Per Share (in ₹) - Anti Dilutive	3.30	3.77
Diluted Earnings Per Share restricted to Basic Earnings Per Share (in ₹)	3.30	3.38

Note:

Pursuant to the rights issue, as stated in note 3 (e) earnings per share (EPS) in respect of previous year has been restated as per Accounting Standard-20 (AS-20)- "Earnings Per Share", specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

Notes forming part of the Financial Statements

43. Disclosures as required by Accounting Standard-29 (AS-29) "Provisions, Contingent Liabilities and Contingent Assets" as at 31st March, 2015:

The Company has made provision for various contractual obligations based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

Particulars	₹ crore				
	Opening Balance	Provision during the year	Payments made during the year	Reversal/ Regrouped during the year	Closing Balance
Provision for Warranties	24.43	24.62	(2.85)	(16.09)	30.11
	<i>20.02</i>	<i>19.54</i>	<i>(2.28)</i>	<i>(12.85)</i>	<i>24.43</i>
Provision for Premium on Redemption of FCCB	170.15	5.10 @	(175.25)	-	-
	<i>154.52</i>	<i>15.63 @</i>	-	-	<i>170.15</i>
Provision on Premium on Redemption of Debentures	94.20	-	(53.70)	-	40.50
	<i>134.70</i>	-	<i>(40.50)</i>	-	<i>94.20</i>

Notes:

@ On account of exchange loss.

Previous year's figures are in italics

44. Utilisation of Rights Issue proceeds:

As stated in Note 3 (e) On 25th April, 2014, the Company allotted 33,15,52,894 equity shares of ₹ 1/- each at a price of ₹ 60/- per equity share aggregating to ₹ 1,989.32 crore pursuant to shares issued under Rights Issue. Status of Utilisation of the Rights Issue proceeds is as under:

Particulars	₹ crore		
	Amount proposed to be financed from Net Proceeds	Amount utilised	Balance amount as at 31st March, 2015
Part funding of capital expenditure	300.00	243.64	56.36
Part repayment of borrowings	533.15	527.34	5.81
Extend facilities to Company's subsidiary towards part repayment of the subsidiary's borrowings	639.51	582.63	56.88
General corporate purposes.....	498.35	480.25	18.10
Issue related expenses.....	22.37	17.76	4.61
	<u>1,993.38</u>	<u>1,851.62</u>	<u>141.76</u>
Less: Value of Shares in Abeyance.....	(4.06)	-	(4.06)
Total	<u>1,989.32</u>	<u>1,851.62</u>	<u>137.70</u>

The balance unutilised amount have been temporarily deployed in fixed deposits.

45. The Company is engaged in the business of providing infrastructural facilities as per Section 186(ii) read with Schedule VI of the Act, Accordingly, disclosures under Section 186 of the Act, is not applicable to the Company.
46. The Company has interests in the following Joint Ventures-Jointly Controlled Entities as on 31st March, 2015 and its proportionate share in the Assets, Liabilities, Income and Expenditure are given below:

Name of the Joint Venture (Audited)	Country of Incorporation	% holding	31st March, 2015				31st March, 2015	
			₹ crore Assets	₹ crore Liabilities	₹ crore Contingent Liabilities	₹ crore Capital Commitment	₹ crore Income	₹ crore Expenditure including Tax
Tubed Coal Mines Ltd. (TCML)	India	40	9.42	0.19	11.36	2.12	0.03	8.49
			<i>17.52</i>	<i>0.22</i>	<i>11.36</i>	<i>3.11</i>	<i>0.04</i>	<i>0.10</i>
Mandakini Coal Company Ltd. (MCCL)	India	33.33	90.01	51.58	20.26	12.17	Nil	0.09
			<i>82.89</i>	<i>44.37</i>	<i>20.26</i>	<i>8.73</i>	<i>Nil</i>	<i>0.18</i>
Dagachhu Hydro Power Corporation Ltd. (DHPCL)	Bhutan	26	366.26	259.83	Nil	Nil	0.43	1.03
			<i>326.55</i>	<i>219.51</i>	<i>Nil</i>	<i>Nil</i>	<i>0.12</i>	<i>0.19</i>

Note: Previous year's figures are in italics.

47. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure. Figures below ₹ 50,000/- are denoted by '*':

Performance Perspective

₹ crore

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Generation (in MUs)	13,746	14,269	14,717	14,807	15,946	15,325	15,230	15,770	13,183	11,974
Operating Income	4,563	4,715	5,916	7,236	7,098	6,918	8,496	9,567	8,675	8,678
Operating Expenses	3,727	3,992	4,979	6,095	5,220	5,330	6,711	7,509	6,121	6,516
Operating Profit	835	723	937	1,141	1,879	1,588	1,785	2,058	2,554	2,162
Other Income	326	344	498	632	282	494	983	722	656	1,025
EBDITA	1,161	1,067	1,435	1,773	2,160	2,082	2,768	2,752	2,946	3,138
Finance Cost	165	190	174	328	423	460	515	684	868	1,047
Depreciation	278	292	291	329	478	510	570	364	587	575
PBT	747	586	970	1,117	1,259	1,112	1,683	1,703	1,491	1,516
PAT	611	697	870	922	939	941	1,170	1,025	954	1,010
Basic Earning Per Share (EPS) - ₹/shares	29	34	39	44	41	41	5	3	3	3
Dividend per share (%)	85%	95%	105%	115%	120%	125%	125%	115%	125%	130%

Return On Capital Employed [ROCE] (%)	13%	12%	12%	11%	11%	10%	10%	9%	10%	9%
Return On Net Worth [RONW] (%)	14%	15%	13%	14%	10%	10%	10%	7%	7%	6%
Long-term Debts/Equity	0.49	0.51	0.34	0.52	0.55	0.63	0.59	0.71	0.71	0.58
Total Debts/Equity	0.50	0.60	0.38	0.60	0.55	0.70	0.65	0.80	0.83	0.69

Capital	198	198	221	221	237	237	237	237	237	270
Shareholder's Reserves	3,962	4,437	6,331	7,182	9,173	9,801	10,389	10,803	11,649	14,196
Statutory Reserves**	1,395	1,398	1,486	1,289	1,213	1,201	1,195	1,220	1,241	1,261
Borrowings	2,755	3,633	3,037	5,198	5,872	6,981	7,906	10,069	11,080	11,037
Gross Block (including Capital WIP)	6,137	7,010	8,164	9,747	10,487	11,548	13,083	14,137	15,607	16,878
Accumulated Depreciation	2,922	3,199	3,477	3,795	4,258	4,736	5,300	5,648	6,233	6,729
Net Block	3,215	3,811	4,687	5,952	6,229	6,812	7,783	8,489	9,374	10,149

Notes:

* Share split from ₹ 10/- to ₹ 1/- in FY 12

** Statutory Reserves also includes Special Appropriation towards Projects Cost and Service Line Contribution from Consumers.

FY11, FY12, FY13, FY14 and FY15 figures are based on Revised Schedule VI workings.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE TATA POWER COMPANY LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **THE TATA POWER COMPANY LIMITED** (hereinafter referred to as "the Holding Company"), its subsidiaries and jointly controlled entities (the Holding Company, its subsidiaries and jointly controlled entities together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

- (a) As referred to in Note 2.1(c)(viii) to the consolidated financial statements, the consolidated financial statements include the unaudited financial information of 1 jointly controlled entity, whose financial information reflect total assets (net) of ₹ 3,228.36 crores as at 31st March, 2015, total revenue of ₹ 1,603.12 crores and net cash out flows amounting to ₹ 2.49 crores for the year ended on that date, as considered in the consolidated financial statements, based on their unaudited financial information. This financial information has been certified by the Management and our opinion, in so far as it relates to the amounts included in respect of this jointly controlled entity, is based solely on such Management certified financial information.
- (b) In case of 1 jointly controlled entity, as referred to in Note 33(c) to the consolidated financial statements, the Hon'ble Supreme Court had issued an Order dated 24th September, 2014, cancelling the coal block ("coal block") allocated to the said entity. Subsequently, Government of India has promulgated the Coal Mines (Special Provisions) Ordinance, 2014. The said entity has filed a petition with the Hon'ble Delhi High Court, disputing the amount of compensation determined including relating to purchase of leasehold land for the coal block. Pending outcome of the matter, the Group has, based on a legal opinion carried forward amounts aggregating to

₹ 66.69 crores (net of provision of ₹ 23.30 crores) as fully recoverable. Accordingly, we are unable to comment on the possible financial impact on the consolidated financial statements.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the consolidated financial statements:

- (a) Note 35(e) and (f) to the consolidated financial statements, which describe uncertainties relating to the outcome of the Appeals filed before the Hon'ble Supreme Court. Pending outcome of the Appeals filed before the Hon'ble Supreme Court, no adjustment has been made by the Holding Company in respect of the standby charges estimated at ₹ 519 crores accounted for as revenue in earlier periods and its consequential effects [Note 35(e) and (f)] for the period upto 31st March, 2015. The impact of the same on the results for the year ended 31st March, 2015 cannot presently be determined pending the ultimate outcome of the matter. Since the Holding Company is of the view, supported by legal opinion, that the Tribunal's Order can be successfully challenged, no provision/adjustment has been considered necessary by the Management.
- (b) Note 32(b) to the consolidated financial statements, which describes the key source of estimation uncertainties relating to the assessment of the recoverability of the carrying amount of the assets aggregating to ₹ 14,657.05 crores of the subsidiary, its compliance with debt covenants and classification of long-term borrowings.
- (c) In case of 2 jointly controlled entities of the Holding Company, the component auditors have drawn attention to matters as stated in Note 35(a)(xi) to the consolidated financial statements, regarding recoverability of ₹ 7,771.36 crores (Group's share of ₹ 2,331.41 crores) of value added tax and vehicle fuel tax balances and Group's share in tax claims and other contingent claims from third parties on the said jointly controlled entities, the outcome of which cannot be presently determined.
- (d) In case of 1 subsidiary, the component auditor has drawn attention to a matter as stated in Note 35(h) to the consolidated financial statements, wherein no adjustment has been made by the subsidiary in respect of income estimated at ₹ 213.13 crores as at 31st March, 2015 which includes carrying cost of ₹ 28.10 crores for the year ended 31st March, 2015. The impact of the above as at 31st March, 2015 cannot presently be determined pending ultimate outcome of the matter. Since the Group is of the view, supported by legal opinion that the disallowance of expenses by the Delhi Electricity Regulatory Commission (DERC) pertaining to the Rithala plant can be successfully challenged, no adjustment has been considered necessary by the Management.

Our opinion is not qualified in respect of these matters.

Other Matters

- (a) We did not audit the financial information of 12 subsidiaries, and 19 jointly controlled entities, whose financial information reflect total assets (net) of ₹ 25,039.85 crores as at 31st March, 2015, total revenues of ₹ 12,928.92 crores and net cash outflows amounting to ₹ 427.19 crores for the year ended on that date, as considered in the consolidated financial statements.

The consolidated financial statements also include the Group's share of net profit of ₹ 10.14 crores for the year ended 31st March, 2015, as considered in the consolidated financial statements, in respect of 2 associates, whose financial statements have not been audited by us.

These financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

- (b) We did not audit the financial information of 14 jointly controlled entities, whose financial information reflect total assets of ₹ 291.52 crores as at 31st March, 2015, total revenues of ₹ Nil and net cash inflows amounting to ₹ 61.38 crores for the year ended on that date, as considered in the consolidated financial statements.

These financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these jointly controlled entities, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid jointly controlled entities, is based solely on such unaudited financial information. These financial information has been certified by the Management and our opinion, in so far as it relates to the amounts included in respect of these jointly controlled entity, is based solely on such Management certified financial information.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not qualified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the Auditors' reports of the Holding company, subsidiary companies, associate companies and jointly controlled entities incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and, except for the possible effect of the matter described in sub-paragraph (a) of the Basis for Qualified Opinion above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, except for the possible effect of the matters described in the Basis for Qualified Opinion above, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, except for the possible effect of the matters described in the Basis for Qualified Opinion above, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) The matter described in the Basis for Qualified Opinion, and matters described in the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.
 - (f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies, associate companies and jointly controlled entities incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
 - (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. Except for the possible effect of the matter described in sub-paragraph (a) of the Basis of Qualified Opinion above, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities - Refer Note 35 to the consolidated financial statements.
 - ii. Except for the possible effect of the matter described in sub-paragraph (a) of the Basis of Qualified Opinion above, provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and jointly controlled entities incorporated in India - also refer Note 12 to the consolidated financial statements.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

R. A. BANGA
Partner
Membership Number: 037915

MUMBAI, 19th May, 2015

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Our reporting on the Order includes 6 subsidiary companies, 1 jointly controlled entities and 2 associate companies incorporated in India, to which the Order is applicable, which have been audited by other auditors and our report in respect of these entities is based solely on the reports of the other auditors, to the extent considered applicable for reporting under the Order in the case of the consolidated financial statements.

In respect of 1 subsidiary company incorporated in India which have been audited by us, in our opinion, and according to the information and explanations given to us, reporting under the Order is applicable in respect of this subsidiary. However, the financial year end of the aforesaid subsidiary under the Act is not the same as that of the Holding Company and, consequently, reporting under the clauses of the Order in respect of the aforesaid subsidiary is for its financial year. Accordingly, our reporting under the Order in the case of the consolidated financial statements in respect of the aforesaid subsidiary is based on the last audit report of such subsidiary.

- (i) In respect of the fixed assets of the Holding Company, subsidiary companies, associate companies and jointly controlled entities incorporated in India:
 - (a) The respective companies have maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management of the respective companies in accordance with a regular programme of verification which, in our opinion and the opinion of the other auditors, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us and the other auditors, no material discrepancies were noticed on such verification.
- (ii) In respect of the inventories of the Holding Company, subsidiary companies, associate companies and jointly controlled entities incorporated in India:
 - (a) As explained to us and the other auditors, the inventories were physically verified during the year by the Management of the respective companies at reasonable intervals.
 - (b) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the procedures of physical verification of inventories followed by the Management of the respective companies were reasonable and adequate in relation to the size of the respective companies and the nature of their business.
 - (c) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the respective companies have maintained proper records of their inventories and no material discrepancies were noticed on physical verification.
- (iii) The Holding Company, subsidiary companies, associate companies and jointly controlled entities incorporated in India have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 by the respective companies
- (iv) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system in the Holding Company, subsidiary companies, associate companies and jointly controlled entities incorporated in India commensurate with the size of the respective companies and the nature of their business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our and the other auditors audit, no major weakness in such internal control system has been observed.
- (v) According to the information and explanations given to us, the Holding Company, subsidiary companies, associate companies and jointly controlled entities incorporated in India have not accepted any deposit during the year. In respect of unclaimed deposits, the Holding Company, subsidiary companies, associate companies and jointly controlled entities incorporated in India have complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013. Accordingly to the information and explanations given to us and the other auditors, no Order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
- (vi) According to the information and explanations given to us and the other auditors, in our opinion and the opinion of the other auditors, the Holding Company, subsidiary companies, associate companies and jointly controlled entities incorporated in India have, prima facie, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under subsection (1) of Section 148 of the Companies Act, 2013. Neither we nor the other auditors have, however, made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- (vii) According to the information and explanations given to us, in respect of statutory dues of the Holding Company, subsidiary companies, associate companies and jointly controlled entities incorporated in India:
- The respective companies have generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to the respective companies with the appropriate authorities.
 - There were no undisputed amounts payable by the respective companies in respect of provident fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.
 - Details of dues of income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited as on 31st March 2015 on account of disputes by the aforesaid companies are given below:

Name of the statute	Nature of the dues	Amount (₹ in crores)	Period to which the amount relates	Forum where dispute is pending
Bombay Stamp Act, 1958	Stamp Duty	9.63	2012-13 to 2014-15	Supreme Court
Central Sales Tax Act, 1956	Central Sales Tax	3.36	Various year from 1985-86 to 2010-11	Additional Commissioner (Appeals)
		33.39	Various year from 1989-90 to 2007-08	High Court
		1.80	2006-07	Appellate Authority Tribunal Level
Sales Tax Laws	Sales Tax	0.50	2001-02 and 2002-03	High Court
		9.36	Various years from 1999-00 to 2012-13	Appellate Authority upto Tribunal Level
Customs Act, 1962	Customs Duty	37.65	Various years from 1991-92 to 2012-13	Appellate Authority - upto Commissioner level
		23.87	2011-12 to 2012-13	Central Excise and Service tax Appellate Tribunal
Gujarat Green Cess Act, 2011	Green Cess	126.36	2012-13 to 2014-15	Supreme Court
Maharashtra Tax on the Entry of Goods into Local Areas Act, 2002	Entry Tax	877.91	2006-07, 2007-08 and 2009-10	Appellate Authority - Joint Commissioner
		709.15	2005-06 and 2008-09	High Court
Maharashtra Value Added Tax Act, 2002	VAT	17.91	2008-09	Sales Tax Appellate Tribunal
VAT Laws	VAT	1.09	2008-09	High Court
		12.63	Various years from 2006-07 to 2012-13	Appellate Authority upto Tribunal Level
Commercial Tax Officer (Andhra Pradesh, West Bengal and Punjab)	Commercial Tax	0.11	Various years from 1998-99 to 2010-11	Appellate Authority -Commissioner Appeals
Central Excise Act, 1944	Excise Duty	9.19	Various years from 1983-84 to 2012-13	Appellate Authority - upto Tribunal Level
Cess Laws	Cess	1.13	2009-10	Chairman MPCB
Service Tax Act, 1994	Tax, Interest and Penalty	17.71	2007-08 to 2013-14	Central Excise and Service tax Appellate Tribunal
		2.18	2003-04, 2005-06 and 2006-07	Appellate Authority – upto Commissioner Level
Income Tax Act, 1961	Income Tax	22.61	Various years from 1995-96 to 2010-11	Income Tax Appellate Tribunal
		115.36	Various years from 2007-08 to 2013-14	Commissioner of Income Tax (Appeal)

- The aforesaid companies have been regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder within time - also refer Note 12 to the consolidated financial statements.

- (viii) Without considering the possible effects of our audit qualification reported in the Basis of Qualified Opinion paragraphs of our Audit Report which is not quantifiable, the Group and its associates does not have consolidated accumulated losses at the end of the financial year and the Group and its associates have not incurred cash losses on a consolidated basis during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the Holding Company, subsidiary companies, associate companies and jointly controlled entities incorporated in India have not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
- (x) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the terms and conditions of the guarantees given by the Holding Company, subsidiary companies, associate companies and jointly controlled entities incorporated in India for loans taken by others outside of the Group its associates and jointly controlled entities from banks and financial institutions are not, *prima facie*, prejudicial to the interests of the Group its associates and jointly controlled entities.
- (xi) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the term loans have been applied by the Holding Company, subsidiary companies, associate companies and jointly controlled entities incorporated in India during the year for the purposes for which they were obtained other than temporary deployment of term loan of ₹ 12.36 crores pending application in mutual funds.
- (xii) To the best of our knowledge and according to the information and explanations given to us and the other auditors, no fraud by the Holding Company, its subsidiary companies, associate companies and jointly controlled entities incorporated in India and no material fraud on the Holding Company, its subsidiary companies, associate companies and jointly controlled entities incorporated in India has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

R. A. BANGA
Partner
Membership Number: 037915

MUMBAI, 19th May, 2015

Consolidated Balance Sheet as at 31st March, 2015

	Notes	Page	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
EQUITY AND LIABILITIES				
SHAREHOLDERS' FUNDS				
Share Capital	3	180	270.48	237.29
Reserves and Surplus	4	181	12,271.57	10,473.29
			<u>12,542.05</u>	<u>10,710.58</u>
UNSECURED PERPETUAL SECURITIES	5	182	1,500.00	1,500.00
STATUTORY CONSUMER RESERVES	6	182	623.23	613.23
MINORITY INTEREST			2,492.59	2,273.31
SPECIAL APPROPRIATION TOWARDS PROJECT COST			533.61	533.61
CAPITAL GRANT			8.30	8.82
SERVICE LINE CONTRIBUTIONS FROM CONSUMERS			611.70	534.83
NON-CURRENT LIABILITIES				
Long-term Borrowings	7	183	32,618.38	30,469.94
Deferred Tax Liabilities (Net)	8	183	1,401.37	1,137.88
Other Long-term Liabilities	9	184	1,079.12	974.57
Long-term Provisions	10	184	921.38	914.77
			<u>36,020.25</u>	<u>33,497.16</u>
CURRENT LIABILITIES				
Short-term Borrowings	11	185	4,586.56	4,706.78
Trade Payables			5,235.42	4,574.00
Other Current Liabilities	12	185	10,518.67	11,545.58
Short-term Provisions	10	184	770.47	900.36
			<u>21,111.12</u>	<u>21,726.72</u>
TOTAL			75,442.85	71,398.26
ASSETS				
NON-CURRENT ASSETS				
Fixed Assets				
Tangible Assets	13(a)	186	37,748.14	36,795.04
Intangible Assets	13(b)	187	365.20	266.52
Capital Work-in-Progress			3,571.73	3,298.07
Intangible Assets under Development			78.75	90.60
			<u>41,763.82</u>	<u>40,450.23</u>
Goodwill on Consolidation			6,625.76	6,332.04
Non-current Investments	14	188	2,732.57	2,678.72
Deferred Tax Assets (Net)	8	184	5.85	14.96
Long-term Loans and Advances	15	190	1,776.01	1,512.38
Other Non-current Assets	16	190	7,622.48	7,049.05
			<u>60,526.49</u>	<u>58,037.38</u>
CURRENT ASSETS				
Current Investments	17	191	605.57	340.54
Inventories	18	192	1,844.17	2,073.27
Trade Receivables	19	192	5,563.95	4,542.61
Cash and Bank Balances	20	192	1,500.85	1,555.01
Short-term Loans and Advances	15	190	3,569.83	3,215.96
Other Current Assets	21	193	1,831.99	1,633.49
			<u>14,916.36</u>	<u>13,360.88</u>
TOTAL			75,442.85	71,398.26

See accompanying notes forming part of the Consolidated Financial Statements

In terms of our report attached.

 For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

 R. A. BANGA
Partner

Mumbai, 19th May, 2015.

For and on behalf of the Board,

 CYRUS P. MISTRY
Chairman

 ANIL SARDANA
CEO & Managing Director

 RAMESH SUBRAMANYAM
Chief Financial Officer

 H. M. MISTRY
Company Secretary

Mumbai, 19th May, 2015.

Consolidated Statement of Profit and Loss for the year ended 31st March, 2015

	Notes	Page	For the year ended 31st March, 2015 ₹ crore	For the year ended 31st March, 2014 ₹ crore
REVENUE				
Revenue from Operations (Gross)	22	193	34,370.82	35,892.74
Less: Excise Duty.....	22	193	3.97	19.64
Revenue from Operations (Net)	22	193	34,366.85	35,873.10
Other Income.....	23	194	416.74	227.26
TOTAL REVENUE			34,783.59	36,100.36
EXPENSES				
Cost of Power Purchased			7,383.14	7,465.67
Cost of Fuel			9,261.00	9,895.61
Transmission charges.....			467.25	508.83
Coal Processing Charges.....			2,162.69	2,683.10
Royalty towards Coal Mining.....			1,034.68	1,249.37
Cost of Components Consumed.....			374.30	178.99
Raw Material Consumed.....	24	195	697.84	721.88
Purchase of Goods for Resale.....			31.10	43.70
Decrease in Stock-in-Trade and Work-in-Progress.....	24	195	120.72	130.77
Employee Benefits Expense.....	25	195	1,545.67	1,349.35
Finance Costs	26	196	3,699.27	3,439.90
Depreciation and Amortisation	13	187	2,174.21	2,729.62
Other Expenses	27	196	4,347.98	4,728.50
TOTAL EXPENSES			33,299.85	35,125.29
PROFIT BEFORE TAX			1,483.74	975.07
TAX EXPENSE/(BENEFIT)				
Current Tax Expense			826.57	831.89
MAT Credit (Entitlement)/Reversal (Net).....			(18.29)	88.31
Current Tax Expense relating to Prior Years			0.14	(41.51)
Net Current Tax Expense.....			808.42	878.69
Deferred Tax Expense.....			266.50	129.69
Net Tax Expense.....			1,074.92	1,008.38
PROFIT/(LOSS) AFTER TAX AND BEFORE SHARE OF PROFIT OF ASSOCIATES AND MINORITY INTEREST			408.82	(33.31)
Share of Profit of Associates for the Year.....			48.38	45.37
Minority interest			(289.37)	(272.03)
PROFIT/(LOSS) FOR THE YEAR			167.83	(259.97)
EARNINGS PER SHARE (FACE VALUE ₹ 1/- PER SHARE)				
Basic (In ₹)	43	210	0.17	(1.55)
Diluted (In ₹).....	43	210	0.17	(1.55)

See accompanying notes forming part of the Consolidated Financial Statements

In terms of our report attached.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

R. A. BANGA
Partner

Mumbai, 19th May, 2015.

RAMESH SUBRAMANYAM
Chief Financial Officer

H. M. MISTRY
Company Secretary

Mumbai, 19th May, 2015.

For and on behalf of the Board,

CYRUS P. MISTRY
Chairman

ANIL SARDANA
CEO & Managing Director

Consolidated Cash Flow Statement for the year ended 31st March, 2015

	For the Year ended 31st March, 2015 ₹ crore	For the Year ended 31st March, 2014 ₹ crore
A. Cash Flow from Operating Activities		
Net profit before Taxes	1,483.74	975.07
Adjustments for:		
Depreciation and Amortisation	2,174.21	2,729.62
Share Issue Expenses	0.27	2.12
Profit on Sale/Retirement of Assets (Net)	(15.57)	(0.44)
Finance Cost (Net of Capitalisation)	3,699.27	3,439.90
Interest Income (Net of Interest Income Capitalised)	(213.09)	(154.86)
Dividend Income (Net of Dividend Income Capitalised)	(17.44)	(16.76)
Profit on Sale of Investments (Net)	(84.22)	(72.30)
Liabilities/Provisions No Longer Required Written Back.....	(0.58)	Nil
Provision for Diminution in Value of Investments (Net)	7.10	50.02
Provision for Doubtful Debts/Advances (Net)	4.95	(5.82)
Bad Debts.....	1.23	16.62
Provision for Contingencies.....	55.59	(7.00)
Provision for Warranties	16.06	17.61
Discount accrued on Bonds (Net).....	Nil	(0.26)
Provision for Restoration and Rehabilitation	51.13	38.98
Grants/Consumer Contributions Transferred.....	(34.26)	(26.19)
Write off of Assets.....	27.87	1.60
Commission Earned.....	(9.43)	(5.83)
Exchange Loss on Investing/Financing Activity (Net)	17.24	106.57
Unrealised Exchange Loss (Net)	186.46	345.24
	<u>5,866.79</u>	<u>6,458.82</u>
Operating Profit before Working Capital Changes.....	7,350.53	7,433.89
Adjustments for Operating Assets:		
Inventories	247.84	13.89
Trade Receivable.....	(1,075.39)	(1,118.05)
Short-term Loans and Advances	164.75	(330.72)
Long-term Loans and Advances	(133.85)	68.98
Other Current Assets.....	(104.58)	(503.72)
Other Non-current Assets	(564.98)	102.60
Purchase of Investments.....	(36.33)	(47.77)
Sale of Investments.....	42.24	39.25
Deposits given.....	Nil	(3.50)
Deposits refunded (including interest)	Nil	12.00
	<u>(1,460.30)</u>	<u>(1,767.04)</u>
Adjustments for Operating Liabilities:		
Trade Payables.....	579.09	922.91
Other Current Liabilities.....	315.13	954.99
Other Long-term Liabilities.....	57.94	33.93
Short-term Provisions	(9.89)	(64.66)
Long-term Provisions.....	(43.09)	(76.31)
	<u>899.18</u>	<u>1,770.86</u>
Cash Generated from Operations.....	6,789.41	7,437.71
Taxes paid (Net).....	(808.50)	(954.64)
Net cash generated from Operating Activities.....	<u>5,980.91</u>	<u>6,483.07</u>
B. Cash Flow from Investing Activities		
Capital Expenditure on Fixed Assets, including Capital Advances.....	(3,493.62)	(4,336.13)
Deferred Stripping Expenditure	0.16	(8.11)
Proceeds from Insurance on Assets Destroyed	29.78	Nil
Sale of Fixed Assets.....	66.98	27.55
Inter-corporate Deposits (Net)	(435.24)	269.23
Carried over..	(3,831.94)	(4,047.46)

Consolidated Cash Flow Statement for the year ended 31st March, 2015 (Contd.)

	For the Year ended 31st March, 2015 ₹ crore	For the Year ended 31st March, 2014 ₹ crore
Brought forward...	(3,831.94)	(4,047.46)
Current investments		
Purchased.....	(23,116.35)	(19,874.83)
Proceeds from sale.....	22,910.69	20,092.58
Purchase consideration paid on acquisition of holding interest in Subsidiary and Jointly Controlled Entities	Nil	(150.05)
Purchase of Long-term Investments - Others	Nil	(57.86)
Proceeds from Sale of Long-term Investments		
Others	3.46	20.00
Interest Received.....	184.86	203.04
Commission Received.....	9.54	5.84
Dividend Received.....	22.97	17.39
Exchange Gain/(Loss) on Investing Activity	2.74	(0.32)
Bank balance not considered as Cash and Cash Equivalents.....	(60.89)	49.83
Net Cash used in investing activities.....B	<u>(3,874.92)</u>	<u>(3,741.84)</u>
C. Cash Flow from Financing Activities		
Proceeds from Issue of Shares including shares issued to Minority Shareholders.....	2,069.23	25.94
Increase in Capital Contributions and Capital Grants	110.61	110.38
Proceeds from Long-Term Borrowings.....	8,240.74	5,734.35
Repayment of Long-Term Borrowings.....	(8,140.82)	(6,048.67)
Debenture/Share Issue Expenses	(25.47)	(4.02)
Proceeds from Short -Term Borrowings.....	9,496.04	9,363.20
Repayment of Short -Term Borrowings.....	(9,694.73)	(8,325.44)
Other Borrowing Cost Paid (including Borrowing Cost Capitalised).....	(223.00)	(187.42)
Interest Paid (including Interest Capitalised)	(3,384.24)	(3,393.14)
Dividend Paid.....	(461.45)	(341.18)
Additional Income-tax on Dividend Paid	(50.65)	(28.38)
Distribution on Unsecured Perpetual Securities.....	(171.00)	(171.00)
Net Cash used in Financing Activities	<u>(2,234.74)</u>	<u>(3,265.38)</u>
Net Decrease in Cash and Cash Equivalents.. (A+B+C)	<u>(128.75)</u>	<u>(524.15)</u>
Cash and Cash Equivalents as at 1st April (Opening Balance)	<u>1,398.05</u>	<u>1,789.63</u>
Cash and Cash Equivalents Acquired on Acquisition of Subsidiary and Jointly Controlled Entities.....	Nil	54.97
Effect of Exchange Fluctuation on Cash and Cash Equivalents.....	9.74	77.60
Cash and Cash Equivalents as at 31st March (Closing Balance)	<u>1,279.04</u>	<u>1,398.05</u>

Notes:

1. Cash and Cash Equivalents include:

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
(a) Cash and Cheques on Hand	1.58	13.26
(b) Schedule Bank.....	29.25	41.56
(c) Balance with Banks		
(i) In Current Accounts.....	819.94	706.00
(ii) In Deposit Accounts	428.27	637.23
	<u>1,279.04</u>	<u>1,398.05</u>

2. Previous year's figures have been regrouped, wherever necessary, to conform to this year's classification.

In terms of our report attached.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

R. A. BANGA
Partner

Mumbai, 19th May, 2015.

RAMESH SUBRAMANYAM
Chief Financial Officer

H. M. MISTRY
Company Secretary

Mumbai, 19th May, 2015.

For and on behalf of the Board,

CYRUS P. MISTRY
Chairman

ANIL SARDANA
CEO & Managing Director

Notes forming part of the Consolidated Financial Statements

1. Background:

The Company, pioneered the generation of electricity in India a century ago. Prior to 1st April, 2000 the Tata Electric Companies comprised of the following three Companies -

- The Tata Hydro-Electric Power Supply Company Limited, established in 1910 (Tata Hydro).
- The Andhra Valley Power Supply Company Limited, established in 1916 (Andhra Valley).
- The Tata Power Company Limited, established in 1919 (Tata Power).

With effect from 1st April, 2000, Andhra Valley and Tata Hydro merged into Tata Power to result in one large unified entity. Today, Tata Power is India's largest integrated power utility with a significant international presence. It has an installed generation capacity of 8726 MW in India and a presence in all the segments of the power sector viz. Fuel and Logistics, Generation (thermal, hydro, solar and wind), Transmission, Distribution and Trading. It has successful public-private partnerships in Generation, Transmission and Distribution in India. It is one of the largest renewable energy players in India and has developed and fully commissioned 4000 MW Ultra Mega Power Project at Mundra (Gujarat) based on super-critical technology.

Its international presence includes strategic investments in Indonesia through a stake in coal mines and a geothermal project; in Singapore to securitise coal supply and the shipping of coal for its thermal power generation operations; in South Africa through a joint venture to develop projects in South Africa, Botswana and Namibia; in Australia through investments in enhanced geothermal and clean coal technologies; in Bhutan through a hydro project in partnership with The Royal Government of Bhutan and in Georgia through a joint venture with Clean Energy Invest AS and IFC Infra Ventures to develop a Hydro Project.

2.1. Significant Accounting Policies:

(a) Basis for Preparation of Accounts:

The consolidated financial statements of The Tata Power Company Limited (the Parent Company), its subsidiaries and jointly controlled entities (together the 'Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/ Companies Act, 1956 ("the 1956 Act"), as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention, except for Fixed Assets at Strategic Engineering Division of the Parent Company, that are carried at revalued amount. The accounting policies adopted by the Group in the preparation of the consolidated financial statements are consistent with those followed in the previous year, except for change in the accounting policy for depreciation at its Strategic Engineering Division (SED), of the Parent Company as more fully described in Note 2.3.

(b) Use of Estimates:

The preparation of the consolidated financial statements in conformity with Indian GAAP requires the Management of the Group to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

(c) Principles of Consolidation:

The Consolidated Financial Statements relate to the Parent Company, its subsidiary companies, jointly controlled entities and the Group's share of profit/loss in its associates. The Consolidated Financial Statements have been prepared on the following basis:

- (i) The Financial Statements of the subsidiaries, jointly controlled entities and associates used in consolidation are drawn upto the same reporting date as that of the Parent Company i.e. year ended 31st March, 2015 and are audited except as stated in (viii) and (ix) below.
- (ii) The Financial Statements of the Parent Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, incomes and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.
- (iii) Share of profit/loss, assets and liabilities in the jointly controlled entities, which are not subsidiaries, have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses on a proportionate basis to the extent of the Group's equity interest in such entity as per Accounting Standard-27 (AS-27) - "Financial Reporting of Interests in Joint Ventures". The intra-group balances, intra-group transactions and unrealised profits or losses have been eliminated to the extent of the Group's share in the entity.

Notes forming part of the Consolidated Financial Statements

- (iv) The Consolidated Financial Statements include the share of profit/loss of the associate companies which have been accounted for using equity method as per Accounting Standard-23 (AS-23) - "Accounting for Investments in Associates in Consolidated Financial Statements". Accordingly, the share of profit/loss of each of the associate companies (the loss being restricted to the cost of investment) has been added to/deducted from the cost of investments.
- (v) The excess of cost to the Group of its investments in the subsidiary companies and jointly controlled entities, over its share of equity of the subsidiary companies and jointly controlled entities, at the date on which the investments are made, is recognised as 'Goodwill' being an asset in the Consolidated Financial Statements and is tested for impairment. On the other hand, where the share of equity in the subsidiary and joint venture entities, as on the date of investment is in excess of cost of investment of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the Consolidated Financial Statements. The 'Goodwill/Capital Reserve' is determined separately for each subsidiary company/jointly controlled entity and such amount are not setoff between different entities.
- (vi) Minority Interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which Investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of Investments. Net profit/loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit/loss after tax of the Group in order to arrive at the income attributable to shareholders of the Company.
- (vii) Following Subsidiary Companies have been considered in the preparation of the Consolidated Financial Statements:

Name	Country of Incorporation	% voting power held as at 31st March, 2015	% voting power held as at 31st March, 2014
Af-Taab Investment Co. Ltd. (AICL)	India	100	100
Chemical Terminal Trombay Ltd. (CTTL)	India	100	100
Tata Power Trading Co. Ltd. (TPTCL)	India	100	100
Powerlinks Transmission Ltd. (PTL)	India	51	51
NELCO Ltd. (NELCO)	India	50.04	50.04
Maithon Power Ltd. (MPL)	India	74	74
Industrial Energy Ltd. (IEL)	India	74	74
Tata Power Delhi Distribution Ltd. (TPDDL)	India	51	51
Coastal Gujarat Power Ltd. (CGPL)	India	100	100
Bhira Investments Ltd. (BIL)	Mauritius	100	100
Bhivpuri Investments Ltd. (BHIL)	Mauritius	100	100
Khopoli Investments Ltd. (KIL)	Mauritius	100	100
Trust Energy Resources Pte. Ltd. (TERL)	Singapore	100	100
Energy Eastern Pte. Ltd. (EEL)	Singapore	100	100
Industrial Power Utility Ltd. (IPUL)	India	100	100
Tatanet Services Ltd. (TNSL) (Consolidated with NELCO Ltd.)	India	50.04	50.04
Tata Power Renewable Energy Ltd. (TPREL)	India	100	100
PT Sumber Energi Andalan Tbk. (SEA)	Indonesia	94.61	94.61
Tata Power Green Energy Ltd. (TPGEL)	India	100	100
NDPL Infra Ltd. (NDPLIL)	India	51	51
Dugar Hydro Power Ltd. (DHPL)	India	50.001	50.001
Tata Power Solar Systems Ltd. (TPSSL)	India	100	100
Tata Power Jamshedpur Distribution Ltd. (TPJDL)	India	100	100
Tata Power International Pte. Ltd. (TIPL)	Singapore	100	100
NewGen Saurashtra Windfarms Ltd. (NSWL) (erstwhile AES Saurashtra Windfarms Ltd.)	India	100	100

Notes forming part of the Consolidated Financial Statements

(viii) Interest in Joint Ventures:

The Group's interest in Jointly Controlled Entities are:

Name	Country of Incorporation	% of Ownership Interest as at 31st March, 2015	% of Ownership Interest as at 31st March, 2014
PT Arutmin Indonesia (PAI)**	Indonesia	30	30
PT Kaltim Prima Coal (PKPC)	Indonesia	30	30
Indocoal Resources (Cayman) Ltd. (IRCL)	Cayman Island	30	30
PT Indocoal Kalsel Resources (PIKR) *	Indonesia	30	30
PT Indocoal Kaltim Resources (PIR) *	Indonesia	30	30
Tubed Coal Mines Ltd. (TCML)	India	40	40
Mandakini Coal Company Ltd. (MCCL)	India	33.33	33.33
Dagachhu Hydro Power Corporation Ltd. (DHPCL)	Bhutan	26	26
Candice Investments Pte. Ltd. (CIL)	Singapore	30	30
OTP Geothermal Pte. Ltd. (OTPGGL) *	Singapore	50	50
PT Kalimantan Prima Power (PKPP)	Indonesia	30	30
Cennergi Pty. Ltd. (CPL)	South Africa	50	50
PT Mitratama Perkasa (PTMP)	Indonesia	28.38	28.38
PT Baramulti Sukessarana Tbk. (BSSR)	Indonesia	26	26
Adjaristsqali Netherlands BV (ANBV)	Netherlands	40	40
Khoromkheti Netherlands BV (KNBV) * (From 9th May, 2014)	Netherlands	40	Nil
Indocoal KPC Resources (Cayman) Ltd. (IKPC) *	Indonesia	30	Nil

* Based on Unaudited Financial Information, certified by its Management for the year ended 31st March, 2015.

** Based on Unaudited Financial Information, certified by its Management. The Group's share of total assets of ₹ 3,228.36 crore as at 31st March, 2015, total revenue of ₹ 1,603.12 crore for the year ended 31st March, 2015, profit after tax of ₹ 88.66 crore for the year ended 31st March, 2015 and net cash outflows of ₹ 2.49 crore, in respect of the jointly controlled entity has been included in the consolidated financial statements.

(ix) Investment in Associates:

The Group's Associates are:

Name	Country of Incorporation	% of Ownership Interest as at 31st March, 2015	% of Ownership Interest as at 31st March, 2014
Yashmun Engineers Ltd. *	India	27.27	27.27
Tata Ceramics Ltd.	India	30.68	30.68
Panatone Finvest Ltd.	India	39.98	39.98
Tata Projects Ltd.	India	47.78	47.78
ASL Advanced Systems Pvt. Ltd. #	India	37	37
The Associated Buildings Co. Ltd. #	India	33.14	33.14
Rujuvalika Investments Ltd. #	India	27.59	27.59
Hemisphere Properties India Ltd. # (Upto 31st March, 2015)	India	Nil	24.44
Brihat Trading Private Ltd. #	India	33.50	33.50
Nelito Systems Ltd.	India	49.46	49.46

These associates have not been considered for consolidation being not material to the Group.

* Based on Unaudited Financial Information, certified by its Management for the year ended 31st March, 2015.

Notes forming part of the Consolidated Financial Statements

(x) The break-up of Investment in Associates is as under:

		₹ crore				
Refer Note 14		Nelito Systems Ltd.	Panatone Finvest Ltd.	Yashmun Engineers Ltd. @	Tata Projects Ltd.	Tata Ceramics Ltd. #
(i)	Number of Equity Shares (Nos.)	10,20,000	59,08,82,000	19,200	9,67,500	2,99,39,802
		<i>10,20,000</i>	<i>59,08,82,000</i>	<i>19,200</i>	<i>9,67,500</i>	<i>2,99,39,802</i>
(ii)	Percentage holding (%)	49.46	39.98	27.27	47.78	30.68
		<i>49.46</i>	<i>39.98</i>	<i>27.27</i>	<i>47.78</i>	<i>30.68</i>
(iii)	Cost of Investment (Equity Shares)	4.34	600.00	0.01	66.78	13.17
		<i>4.34</i>	<i>600.00</i>	<i>0.01</i>	<i>66.78</i>	<i>13.17</i>
(iv)	Including Goodwill/(Capital Reserve)	Nil	1.51	(0.24)	23.30	10.24
		<i>Nil</i>	<i>1.51</i>	<i>(0.24)</i>	<i>23.30</i>	<i>10.24</i>
(v)	Share in accumulated profits net of dividends received upto 31st March, 2014	16.07	54.18	1.66	296.03	Nil
		<i>15.12</i>	<i>50.69</i>	<i>1.64</i>	<i>260.13</i>	<i>Nil</i>
(vi)	Share of profit for the year	0.36	9.78	Nil	38.24	Nil
	Less: Dividend received during the year	<u>0.06</u>	<u>Nil</u>	<u>0.03</u>	<u>4.84</u>	<u>Nil</u>
	Share of profit net of dividends received during the year	0.30	9.78	(0.03)	33.40	Nil
		<i>0.95</i>	<i>3.49</i>	<i>0.02</i>	<i>35.90</i>	<i>Nil</i>
(vii)	Provision for diminution in value of investments (Equity Shares)	Nil	Nil	Nil	Nil	(13.17) \$
		<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>(13.17) \$</i>
(viii)	Carrying cost	20.71	663.96	1.64	396.21	Nil
		<i>20.41</i>	<i>654.18</i>	<i>1.67</i>	<i>362.81</i>	<i>Nil</i>

Notes:

\$ Included in Note 14 under Provision for diminution in value of investments.

@ Based on Unaudited Financial Information certified by its Management for the year ended 31st March, 2015.

Share of profit/(loss) has not been considered since, loss being restricted to the cost of investment.

Previous year's figures are in italics.

(xi) The Associates not considered for consolidation being not material to the Group have been stated at cost as under:

		₹ crore				
Refer Note 14		Hemisphere Properties India Ltd.	Brihat Trading Private Ltd.	ASL Advanced Systems Pvt. Ltd.	The Associated Building Co. Ltd.	Rujuvalika Investments Ltd.
(i)	Number of Equity Shares (Nos.)	Nil	3,350	5,55,000	1,825	3,66,667
		<i>12,220</i>	<i>3,350</i>	<i>5,55,000</i>	<i>1,825</i>	<i>3,66,667</i>
(ii)	Percentage holding (%)	Nil	33.50	37.00	33.14	27.59
		<i>24.44</i>	<i>33.50</i>	<i>37.00</i>	<i>33.14</i>	<i>27.59</i>
(iii)	Cost of Investment (Equity Shares)	Nil	0.01	0.56	0.17	0.60
		<i>0.01</i>	<i>0.01</i>	<i>0.56</i>	<i>0.17</i>	<i>0.60</i>
(iv)	Provision for diminution in value of investments (Equity Shares)	Nil	Nil	(0.56) \$	Nil	Nil
		<i>Nil</i>	<i>Nil</i>	<i>(0.56) \$</i>	<i>Nil</i>	<i>Nil</i>
(v)	Carrying cost	Nil	0.01	Nil	0.17	0.60
		<i>0.01</i>	<i>0.01</i>	<i>Nil</i>	<i>0.17</i>	<i>0.60</i>

Notes:

\$ Included in Note 14 under Provision for diminution in value of investments.

Previous year's figures are in italics.

Notes forming part of the Consolidated Financial Statements

(d) Cash and Cash Equivalents (for purposes of Cash Flow Statement):

The Group's Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(e) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

(f) Tangible/Intangible Fixed Assets:

(i) Fixed assets, except Tangible Assets at its Strategic Engineering Division of the Parent Company are carried at cost less accumulated depreciation/amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets upto the date the asset is ready for its intended use. The Group has adopted the provisions of para 46A of the Accounting Standard-11 (AS-11) - "The Effects of Changes in Foreign Exchange Rates", accordingly exchange differences arising on restatement/settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on fixed assets after its purchase/completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

The Parent Company revalued all its Tangible assets that existed on 1st April, 2013 at its Strategic Engineering Division. The revalued assets are carried at the revalued amounts less accumulated depreciation and impairment losses, if any. Increase in the net book value on such revaluation is credited to "Revaluation reserve account" except to the extent such increase is related to and not greater than a decrease arising from a revaluation/impairment that was previously recognised in the Statement of Profit and Loss, in which case such amount is credited to the Statement of Profit and Loss. Decrease in book value on revaluation is charged to the Statement of Profit and Loss except where such decrease relates to a previously recognised increase that was credited to the Revaluation reserve, in which case the decrease is charged to the Revaluation reserve to the extent the reserve has not been subsequently reversed/utilised.

(ii) Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

(iii) Capital Work-in-Progress:

Projects under which tangible fixed assets are not yet ready for their intended use and other capital work-in-progress are carried at cost (net of impairment), comprising direct cost, related incidental expenses and attributable borrowing costs.

(iv) Intangible Assets under Development:

Expenditure on Research and Development [Refer Note 2.1 (m)] eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

(v) In case of Coal Companies, when proven reserves are determined and development is sanctioned, exploration and evaluation assets are included in "Fixed Assets". All subsequent development costs relating to construction of infrastructure required to operate the mine is capitalised and classified as work-in-progress. Development costs are net of proceeds from the sale of coal or mineral extracted during the development phase. Once development is completed, all assets included in work-in-progress are reclassified as either mining properties or other component of fixed assets.

Mining properties include assets in production and in development, assets transferred from exploration and evaluation assets and deferred stripping performed in the development of the mine. Mining properties in development and acquired mineral resources are not depreciated until production commences.

(vi) In the case of OTPGL, exploration expenditures incurred in connection with the acquisition of exploration license, exploration and evaluation are capitalised when incurred. Such costs includes license acquisition, technical services and studies, seismic acquisition, geological and geophysical expenditure, exploration drilling and testing.

Exploration expenditure incurred is fully capitalised on an area of interest basis, provided that ;

(i) the expenditure is expected to be recouped through successful development and exploitation of the area of interest; or

Notes forming part of the Consolidated Financial Statements

- (ii) exploration activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing, or where both conditions are met.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration asset may exceed its recoverable amount.

Pre-license exploration expenditures incurred prior to having obtained the legal rights to explore an area are recognised in the Statement of Profit and Loss as they are incurred.

- (g) Impairment of Assets:

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

For the purpose of impairment testing, goodwill is allocated to each of the Group's Cash Generating Units.

- (h) Depreciation/Amortisation:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets in respect of electricity business of the Group covered under Part B of Schedule II of the Act has been provided on the straight line method at the rates using the methodology as notified by the respective regulators.

Depreciation on other tangible fixed assets in respect of the Group in India has been provided on the straight line method as per useful life prescribed in Schedule II to the Companies Act, 2013, except in respect of motor vehicles, launches and barges, where the life of the assets have been assessed as 5 years based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, etc.

Depreciation on the tangible fixed assets of the Company's foreign subsidiaries and jointly controlled entities has been provided on straight line method as per the estimated useful life as determined by the Management or over the lives determined based on rates of depreciation specified under various applicable local statutes.

Intangible assets are amortised on straight line method over their estimated useful life or 5 years, whichever is lower.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Expenditure to acquire Operating right to use intake channel is amortised on straight line basis over 25 years being the right to use the facilities.

- (i) Leases:

Assets leased by the Group in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight line basis, over the lease term.

- (j) Investments:

- (i) Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments determined on an individual basis. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

Notes forming part of the Consolidated Financial Statements

- (ii) In the case of AICL, purchase of securities of Tata Group Companies are considered as long-term investments. Investments, other than above, are considered as stock-in-trade and are carried at the lower of cost and fair value.
- (k) Inventories:
 Inventories of raw materials, semi-finished products, product/tools under development, stores, spare parts, consumable supplies, fuel and loose tools are valued at lower of cost (on weighted average basis) and net realisable value after providing for obsolescence and other losses where considered necessary. Work-in-progress and property under development, developed properties and finished products are valued at lower of cost and net realisable value. Cost includes cost of land, material, labour and other appropriate overheads.
 In the case of AICL, Inventories (stock of shares and securities) are valued at lower of cost and fair value.
- (l) Taxes on Income:
 Current tax is determined on the basis of taxable income and tax credits computed for each of the entities in the Group, in accordance with the applicable tax rates and the provisions of applicable tax laws of the respective jurisdiction where the entities are located.
 Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group.
 Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.
 Current and Deferred Tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.
- (m) Research and Development Expenses:
 Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for tangible/intangible fixed assets.
- (n) Warranty Expenses:
 Anticipated product warranty costs for the period of warranty are provided for in the year of sale.
- (o) Foreign Currency Transactions and Translations:
 Initial recognition:
 Transactions in foreign currencies entered into by the Group are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.
 Transactions in foreign currencies entered into by the Company's integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.
 Net investment in non-integral foreign operations is accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.
 Transactions of non-integral foreign operations are translated at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.
 Measurement at the balance sheet date:
 Foreign currency monetary items (other than derivative contracts) of the Group, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Group are carried at historical cost.
 Foreign currency monetary items (other than derivative contracts) of the Company's integral foreign operations outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company's integral foreign operations are carried at historical cost.
 Foreign currency monetary items (other than derivative contracts) of the Company's net investment in non-integral foreign operations outstanding at the balance sheet date are restated at the year-end rates.

Notes forming part of the Consolidated Financial Statements

All assets and liabilities of non-integral foreign operations are translated at the year-end rates.

Treatment of exchange differences:

Exchange differences arising on settlement/restatement of short-term foreign currency monetary assets and liabilities of the Group are recognised as income or expense in the Statement of Profit and Loss.

Exchange differences arising on settlement/restatement of short-term foreign currency monetary assets and liabilities of the Company's integral foreign operations are recognised as income or expense in the Statement of Profit and Loss.

The exchange differences on restatement of long-term receivables from non-integral foreign operations that are considered as net investment in such operations is accounted as per policy for long-term foreign currency monetary items stated in para below until disposal/recovery of such net investment, in which case the accumulated balance in "Foreign currency translation reserve" is recognised as income/expense in the same period in which the gain or loss on disposal/recovery is recognised.

The exchange differences relating to non-integral foreign operations are accumulated in a "Foreign currency translation reserve" until disposal of the operation, in which case the accumulated balance in "Foreign currency translation reserve" is recognised as income/expense in the same period in which the gain or loss on disposal is recognised.

The exchange differences arising on settlement/restatement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relate and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period/upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss. The unamortised exchange difference is carried under Reserves and Surplus as "Foreign currency monetary item translation difference account" net of the tax effect thereon, where applicable.

Accounting of forward contracts:

Premium/discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made. Refer Note 2.1 (p) for accounting for forward exchange contracts relating to firm commitments and highly probable forecast transactions.

(p) Accounting of Derivative Contracts:

The Group enters into derivative contracts in the nature of foreign currency swaps, currency options, forward contracts with an intention to hedge its existing assets and liabilities, firm commitments and highly probable transactions in foreign currency. Forward contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for foreign currency transactions and translations. These contracts are mark-to-market and losses are recognised in the Statement of Profit and Loss. Gains arising on the same are not recognised, until realised, on grounds of prudence. The Group enters into Interest Rate Swap (IRS) contracts to hedge interest rate risks on foreign currency borrowings. These contracts are held to maturity, are settled as and when the amounts fall due under the contract and are in substance contracts which convert floating interest rate to fixed interest rate. Accordingly, such interest is accounted in the period in which it accrues.

(q) Employee Benefits:

Employee benefits consist of Provident Fund, Superannuation Fund, Gratuity Scheme, Pension (including Director pension), Post Retirement Medical Benefits, Retirement Gift, Compensated Absences, Hospitalisation in Service and Long-term Service Awards.

Defined contribution plans:

Contributions paid/payable during the year to Provident Fund, Superannuation Fund and Employee State Insurance Scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans:

For defined benefit plans in the form of Gratuity, Ex-Gratia Death Benefits, Retirement Gifts, Post Retirement Medical Benefits and Pension (including Director pension), the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee

Notes forming part of the Consolidated Financial Statements

renders the related service. The cost of such compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Hospitalisation in Service and Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

(r) Revenue Recognition:

- (i) Revenue from Power Supply and Transmission Charges are accounted for on the basis of billings to consumers/state transmission utilities, state distribution utilities, when it is not unreasonable to expect ultimate collection and includes unbilled revenues accrued upto the end of the accounting year.
- (ii) The Group determines surplus/deficit (i.e. excess/shortfall of/in aggregate gain over Return on Equity entitlement) for the year in respect of its regulated operations (i.e. Generation, Transmission and Distribution) based on the principles laid down under the relevant Tariff Regulations/Tariff Orders as notified by respective State Regulatory Commissions. In respect of such surplus/deficit, appropriate adjustments as stipulated under the regulations are made during the year. Further, any adjustments that may arise on annual performance review by respective State Regulatory Commissions under the aforesaid Tariff Regulations/Tariff Orders is made after the completion of such review.
- (iii) Delayed payment charges and interest on delayed payments are recognised, on grounds of prudence, as and when recovered/confirmed by consumers.
- (iv) Interest income and guarantee commission is accounted on an accrual basis. Dividend income is accounted for when the right to receive income is established.
- (v) Amounts received from consumers towards capital/service line contributions are accounted as a liability and are subsequently recognised as income over the life of the fixed assets.
- (vi) Revenue from infrastructure management services/infrastructure services is recognised as income as and when services are rendered and no significant uncertainty to the collectability exists.
- (vii) Income on contracts in respect of Strategic Engineering Business and Project Management Services of the Parent Company are accounted on "Percentage of Completion" basis measured by the proportion that cost incurred upto the reporting date bear to the estimated total cost of the contract.
- (viii) Revenue from Sale of Carbon Credit and Renewable Energy Certificate is recognised at the time of sale.
- (ix) The amount received from consumers on account of Service Line charges are treated as Income on installation of connection.
- (x) Revenue from sale of goods is recognised on the transfer of title in the goods which occurs either on dispatch or delivery of goods to customer as per terms of contract. Service income is recognised as per terms of contract.

(s) Advance against Depreciation:

In the case of PTL, Advance against depreciation forming part of tariff pertaining to subsequent years, to facilitate repayment of loans is reduced from transmission income and considered as deferred revenue to be included in transmission income in subsequent years.

(t) Issue Expenses and Premium on Redemption of Bonds and Debentures:

- (i) Expenses incurred in connection with the issue of Euro Notes, Foreign Currency Convertible Bonds, Unsecured Perpetual Securities, Global Depository Receipts and Debentures are adjusted against Securities Premium Account in the year of issue.
- (ii) Discount on issue of Bonds, Debentures and Euro Notes are amortised over the tenure.
- (iii) Premium on Redemption of Bonds/Debentures, net of tax impact, are adjusted against the Securities Premium Account in the year of issue.

(u) Estimated Liability for Restoration and Rehabilitation:

Estimated liability for restoration and rehabilitation costs are based principally on legal and regulatory requirements. Estimates are reassessed regularly and the effects of changes are recognised prospectively. Recognition of current portion of liability is based on the estimates by the Management.

(v) Borrowing Costs:

Borrowing costs include interest and amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

Notes forming part of the Consolidated Financial Statements

(w) Segment Reporting:

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market/fair value factors.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and not allocable to segments on reasonable basis have been included under "unallocable revenue/ expenses/ assets/ liabilities".

(x) Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present values and are determined based on the best estimate required to settle the obligations at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements and are disclosed in the Notes. A Contingent asset is neither recognised nor disclosed in the financial statements.

(y) Earnings Per Share:

Basic earnings per share is computed by dividing the profit/loss after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/loss after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The number of equity shares and potentially dilutive equity shares are adjusted for share splits/reverse share splits and bonus shares, as appropriate.

2.2. During the year, the Parent Company has changed the method of providing depreciation on Tangible Fixed Assets at its Strategic Engineering Division. Depreciation which was hitherto provided on written down value method is now provided on straight line method based on the useful life provided in Schedule II to the Companies Act, 2013. As a result of the change, the charge on account of depreciation for the year ended 31st March, 2015 is lower by ₹ 18.46 crore (including write back of depreciation of ₹ 22.86 crore upto 31st March, 2014).

2.3. Pursuant to the enactment of the Companies Act, 2013 (the 'Act'), the Group has, effective 1st April, 2014, reviewed and revised the estimated useful life of certain fixed assets, generally in accordance with the provisions of Schedule II of the Act. Further, depreciation in respect of certain power plants which were hitherto charged on a straight line method at rates provided in the power purchase agreements is from 1st April, 2014, charged on straight line method over the balance useful life using the methodology as notified by the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014. The consequential impact (after considering the transitional provision specified in Schedule II) on the depreciation charged and on the results for year ended 31st March, 2015 is lower by ₹ 438.18 crore.

In earlier years, the deferred tax liability on timing difference relating to depreciation in respect of the above referred power plants was not recognised since the timing difference was expected to reverse during the tax holiday period in accordance with the Accounting Standard-22 (AS-22) - "Accounting for Taxes on Income". As a result of the change in depreciation as above, the Group has, during the year ended 31st March, 2015, recognised deferred tax liability of ₹ 126.64 crore in respect of the timing difference which is now expected to reverse after the tax holiday period.

2.4. The Parent Company had, during the previous year ended 31st March, 2014, changed its accounting policy in respect of Tangible Assets at its Strategic Engineering Division. These Tangible Assets which were hitherto carried at cost have been revalued as at 1st April, 2013. The revaluation is based on a valuation made by an independent valuer using the Depreciated Replacement Cost Method. Accordingly, the gross book value of such assets and the accumulated depreciation as at 1st April, 2013 had increased by ₹ 234.98 crore and ₹ 7.59 crore respectively and ₹ 227.39 crore had been credited to the Revaluation Reserve.

2.5. In an earlier year, in line with the Notification dated 29th December, 2011 issued by the Ministry of Corporate Affairs (MCA), the Group had selected the option given in paragraph 46A of the Accounting Standard-11 (AS-11) - "The Effects of Changes in Foreign Exchange Rates". Accordingly, the depreciated/amortised portion of net foreign exchange (gain)/loss on long-term foreign currency monetary items for the year ended 31st March, 2015 is ₹ 211.48 crore (31st March, 2014 - ₹ 227.73 crore). The unamortised portion carried forward as at 31st March, 2015 is ₹ 1,785.58 crore (31st March, 2014 - ₹ 1,645.08 crore).

Notes forming part of the Consolidated Financial Statements
3. Shareholders' Funds - Share Capital
Authorised

Equity Shares of ₹ 1/- each	300,00,00,000	300.00	300,00,00,000	300.00
Cumulative Redeemable Preference Shares of ₹100/- each.....	2,29,00,000	229.00	2,29,00,000	229.00
		529.00		529.00

Issued

Equity Shares [including 29,80,316 shares (31st March, 2014 - 23,03,080 shares) not allotted but held in abeyance, 44,02,700 shares cancelled pursuant to a Court Order and 4,80,40,400 shares of the Company held by the erstwhile The Andhra Valley Power Supply Company Limited cancelled pursuant to the Scheme of Amalgamation sanctioned by the High Court of Judicature, Bombay]

276,17,00,970	276.17	242,94,70,840	242.95
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Subscribed and Paid-up

Equity Shares fully Paid-up [excluding 29,80,316 shares (31st March, 2014 - 23,03,080 shares) not allotted but held in abeyance, 44,02,700 shares cancelled pursuant to a Court Order and 4,80,40,400 shares of the Company held by the erstwhile The Andhra Valley Power Supply Company Limited cancelled pursuant to the Scheme of Amalgamation sanctioned by the High Court of Judicature, Bombay]

270,46,25,254	270.46	237,30,72,360	237.31
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Less: Calls in arrears [including ₹ 0.01 crore (31st March, 2014 - ₹ 0.01 crore) in respect of the erstwhile The Andhra Valley Power Supply Company Limited and the erstwhile The Tata Hydro-Electric Power Supply Company Limited]

	0.04		0.04
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Add: Equity Shares forfeited - Amount paid

16,52,300	0.06	16,52,300	0.06
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Total Issued, Subscribed and fully Paid-up Share Capital

	270.48		237.33
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Less: Equity Shares held by Chemical Terminal Trombay Ltd. which were acquired before it became a subsidiary

Nil	Nil	4,00,580	0.04
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Total

	270.48		237.29
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(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period
Equity Shares

At the beginning and at the end of the year.....	237,43,24,080	237.29	237,43,24,080	237.29
Equity Shares held by Chemical Terminal Trombay Ltd., subsidiary sold during the year	4,00,580	0.04	Nil	Nil
Issued during the year	33,15,52,894	33.15	Nil	Nil
Outstanding at the end of the period.....	270,62,77,554	270.48	237,43,24,080	237.29

(b) Terms/rights attached to Equity Shares

The Company has issued only one class of Equity Shares having a par value of ₹1/- per share. Each holder of Equity Shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended 31st March, 2015, the amount of per share dividend recognised as distribution to equity shareholders was ₹ 1.30 per share of Face Value of ₹ 1/- each (31st March, 2014: ₹ 1.25 per share of Face Value ₹ 1/- each).

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

(c) Details of Shareholders holding more than 5% shares in the Company
Equity shares of ₹ 1/- each fully paid

	As at 31st March, 2015		As at 31st March, 2014	
	Number	% Holding	Number	% Holding
Tata Sons Limited	82,18,99,682	30.39	70,75,11,570	29.81
Life Insurance Corporation of India	35,48,05,781	13.12	29,93,67,181	12.62
Matthews Pacific Tiger Fund.....	16,75,45,436	6.19	12,75,60,510	5.38

(d) In an earlier year, the Company issued 3,000 1.75% Foreign Currency Convertible Bonds (FCCB) with Face Value of USD 100,000 each aggregating to USD 300 million. The bondholders had an option to convert these Bonds into Equity Shares, at an initial conversion price, subject to adjustment in certain circumstances, of ₹ 145.6125 per share at a fixed rate of exchange on conversion of ₹ 46.81 = USD 1.00, at any time on and after 31st December, 2009, upto 11th November, 2014. The Company redeemed the FCCBs on 21st November, 2014 (the redemption date) at 109.47% of their principal amount together with accrued and unpaid interest.

(e) The Company, vide its Letter of Offer dated 19th March, 2014, offered upto 33,22,30,130 Equity Shares of Face Value of ₹ 1/- each at a price of ₹ 60/- per Equity Share (including Share Premium of ₹ 59/- per Equity Share) for an amount aggregating to ₹ 1,993.38 crore to the existing Equity Shareholders of the Company on rights basis in the ratio of 7 Equity Shares for every 50 Equity Shares held by the Equity Shareholders on the record date i.e. 20th March, 2014. The issue opened on 31st March, 2014 and closed on 15th April, 2014. On 25th April, 2014 the Company has allotted 33,15,52,894 Equity Shares, the remaining 6,77,236 Equity Shares being kept in abeyance.

Notes forming part of the Consolidated Financial Statements

4. Shareholders' Funds - Reserves and Surplus

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
Capital Reserve	61.66	61.66
Revaluation Reserve (Refer Note 2.4)		
Opening Balance.....	224.79	Nil
Add: Created during the year.....	Nil	227.39
Less: Amount transferred to Depreciation Fund consequent to change in accounting policy (Refer Note 2.4).....	2.48	Nil
Less: Amount transferred to Depreciation Account during the year (Refer Note 13).....	Nil	2.60
Closing Balance.....	<u>222.31</u>	<u>224.79</u>
Capital Redemption Reserve		
Opening Balance.....	15.76	15.76
Add: Amount transferred from Surplus in Statement of Profit and Loss.....	Nil	Nil
Closing Balance.....	<u>15.76</u>	<u>15.76</u>
Capital Reserve on Consolidation		
Opening Balance.....	159.74	152.02
Add: On Acquisition of a Subsidiary Company.....	Nil	7.72
Closing Balance.....	<u>159.74</u>	<u>159.74</u>
Self Insurance Reserve		
Opening Balance.....	10.11	8.58
Add: Amount transferred from Surplus in Statement of Profit and Loss.....	1.52	1.53
Closing Balance.....	<u>11.63</u>	<u>10.11</u>
Securities Premium Account		
Opening Balance.....	3,654.32	3,656.22
Add: Share Premium collected during the year.....	1,956.17	Nil
Less: Issue Expenses pertaining to Rights Issue.....	22.82	1.90
Less: Issue expenses pertaining to Debentures Issue.....	2.38	Nil
Closing Balance.....	<u>5,585.29</u>	<u>3,654.32</u>
Debenture Redemption Reserve		
Opening Balance.....	847.86	715.01
Add: Amount transferred from Surplus in Statement of Profit and Loss.....	Nil	132.85
Less: Amount transferred to Surplus in Statement of Profit and Loss.....	413.20	Nil
Closing Balance.....	<u>434.66</u>	<u>847.86</u>
Special Reserve Fund (under Section 45-IA of RBI Act, 1934)		
Opening Balance.....	67.08	62.49
Add: Amount transferred from Surplus in Statement of Profit and Loss.....	3.10	4.59
Closing Balance.....	<u>70.18</u>	<u>67.08</u>
Foreign Currency Translation Reserves (Net)		
Opening Balance.....	775.27	298.88
Add: Effect of foreign exchange rate variations during the year.....	144.80	476.39
Closing Balance.....	<u>920.07</u>	<u>775.27</u>
Foreign Currency Monetary Item Translation Difference Account		
Opening Balance.....	(136.01)	(147.49)
Add: Effect of foreign exchange rate variations during the year.....	(25.08)	(139.33)
Less: Amortised during the year.....	109.17	150.81
Closing Balance.....	<u>(51.92)</u>	<u>(136.01)</u>
General Reserve		
Opening Balance.....	3,940.63	3,814.61
Add: Amount transferred from Surplus in Statement of Profit and Loss.....	121.39	126.02
Closing Balance.....	<u>4,062.02</u>	<u>3,940.63</u>
Carried forward...	11,491.40	9,621.21

Notes forming part of the Consolidated Financial Statements

4. Shareholders' Funds - Reserves and Surplus (Contd.)

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
Brought forward...	11,491.40	9,621.21
Surplus in Statement of Profit and Loss		
Opening Balance	852.08	1,863.45
Add: Profit for the year	167.83	Nil
Reversal of additional Income-tax on Dividend in respect of earlier year.....	24.72	28.54
Transfer from Debenture Redemption Reserve	413.20	Nil
Less: Loss for the year.....	Nil	259.97
Distribution on Unsecured Perpetual Securities [Net of tax ₹ 58.12 crore (31st March, 2014 - ₹ 58.12 crore)].....	112.88	112.88
Proposed Dividend [₹ 1.30 per share (31st March, 2014 - ₹ 1.25 per share)].....	351.99	338.45
Additional Income-tax on Dividend.....	67.04	54.62
Transfer to Self Insurance Reserve (Net).....	1.52	1.53
Transfer to Special Reserve Fund (under Sec 45-IA of RBI Act, 1934)	3.10	4.59
Transfer to Contingencies Reserve Fund (Net)	10.00	9.00
Transfer to Debenture Redemption Reserve.....	Nil	132.85
Transferred on account of change in the useful life of asset (Refer Note 2.3) [Net of Deferred Tax ₹ 4.45 crore (31st March, 2014 - ₹ Nil)].....	9.74	Nil
Transfer to General Reserve.....	121.39	126.02
	(71.91)	(1,011.37)
Closing Balance	780.17	852.08
Total	12,271.57	10,473.29

5. Unsecured Perpetual Securities

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
Unsecured Perpetual Securities.....	1,500.00	1,500.00
Total	1,500.00	1,500.00

In an earlier year the Company raised ₹ 1,500 crore through issue of Unsecured Perpetual Securities (the "Securities"). These Securities are perpetual in nature with no maturity or redemption and are callable only at the option of the Company. The distribution on these Securities are 11.40% with a step up provision if the Securities are not called after 10 years. The distribution on the Securities may be deferred at the option of the Company, if during the six months preceding the relevant distribution payment date, the Company has made no payment on, or redeemed or repurchased, any securities ranking *pari passu* with, or junior to the instrument. As these Securities are perpetual in nature and ranked senior only to the Share Capital of the Company and the Company does not have any redemption obligation, these are considered to be in the nature of equity instruments and are not classified as "Debt" and the distribution on such Securities is not considered under "Finance Costs".

6. Statutory Consumer Reserves

[Under the repealed Electricity (Supply) Act, 1948 and Tariff Regulations]

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
Tariffs and Dividends Control Reserve	22.43	22.43
Contingencies Reserve Fund		
Opening Balance	76.00	67.00
Add: Amount transferred from Surplus in Statement of Profit and Loss.....	10.00	9.00
Closing Balance.....	86.00	76.00
Development Reserve	5.29	5.29
Deferred Taxation Liability Fund	279.76	279.76
Investment Allowance Reserve	121.18	121.18
Debt Redemption Reserve	51.94	51.94
Debenture Redemption Reserve	56.63	56.63
Total	623.23	613.23

Notes forming part of the Consolidated Financial Statements

7. Long-term Borrowings

	As at 31st March, 2015		As at 31st March, 2014	
	Non-current ₹ crore	Current ₹ crore	Non-current ₹ crore	Current ₹ crore
Secured				
Redeemable Non-Convertible Debentures	1,605.00	221.00	1,826.00	281.00
Term Loans				
From Banks	13,976.67	1,315.01	13,571.47	1,102.60
From Others	7,607.36	804.62	8,118.27	669.14
Finance Lease Obligations (Refer Note 46)	266.05	152.48	358.58	148.31
	<u>23,455.08</u>	<u>2,493.11</u>	<u>23,874.32</u>	<u>2,201.05</u>
Unsecured				
Redeemable Non-Convertible Debentures	3,000.00	Nil	1,500.00	Nil
Convertible Debentures	2.89	Nil	2.89	Nil
Bonds				
8.50% Subordinate Notes (2071)	Nil	Nil	2,695.05	Nil
8.50% Euro Notes (2017)	372.21	Nil	356.68	Nil
1.75% Foreign Currency Convertible Bonds (2014)	Nil	Nil	Nil	1,796.70
Term Loans				
From Banks	5,579.63	1,081.54	1,852.25	989.31
From Others	151.09	50.91	119.90	Nil
Deferred Payment Liabilities - Sales Tax Deferral	57.48	11.37	68.85	8.76
	<u>9,163.30</u>	<u>1,143.82</u>	<u>6,595.62</u>	<u>2,794.77</u>
Total	<u>32,618.38</u>	<u>3,636.93</u>	<u>30,469.94</u>	<u>4,995.82</u>

Security

Redeemable Non-Convertible Debentures are secured by a *pari passu* charge on the assets of various wind farms, land in village Takve Khurd (Maharashtra) and movable and immovable properties in and outside Maharashtra, as also all transmission stations/lines, receiving stations and sub-stations in Maharashtra.

Term Loans availed by various entities of the Group from various Banks and Financial Institutions are secured by a *pari passu* charge on all present and future moveable and immovable assets, stores and spares, raw materials, work-in-progress, finished goods, receivables, intangibles and rights of the respective entities. Finance Lease obligations are secured by hypothecation of specific assets taken on finance lease.

Terms of Repayments

Secured Redeemable Non-Convertible Debentures carry varying rates of interest ranging from 7.10% to 10.40% and is redeemable starting from 2015 and ending with 2025, in various installments.

Secured Term Loans from Banks and Others have maturities starting from 2015 and ending with 2031 in various installments.

Unsecured Redeemable Non-Convertible Debentures of ₹ 1,500 crore carrying 10.75% rate of interest and is redeemable in 2072. The Group has the call option to redeem the same at the end of 10 years from 21st August, 2022 and at the end of every year thereafter.

Unsecured Redeemable Non-Convertible Debentures of ₹ 1,500 crore carry varying rates of interest of 9.32% and 9.48% and is redeemable at par starting from 2017 and ending with 2019.

Unsecured Convertible Debentures is convertible in 2017.

8.50% Euro Notes is repayable fully on 19th August, 2017.

Unsecured Term Loans from Banks and Others have maturities starting from 2015 and ending with 2025, in various installments.

Sales Tax Deferral is repayable in various installments from April, 2015 to 2022.

8. Deferred Tax Balances

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
A. Deferred Tax Liability (Net)		
The components of Deferred Tax Liability and Asset are as under:		
Deferred Tax Liability on account of:		
Relating to Fixed Assets	2,367.13	2,030.20
Balance in Deferred Tax Liability Fund	(279.76)	(279.76)
Deferred Stripping Cost	3.59	Nil
Lease Transactions	188.48	122.19
Exchange Losses on Loans to Subsidiaries	15.70	Nil
Deferred Tax Liability	<u>2,295.14</u>	<u>1,872.63</u>
Deferred Tax Asset on account of:		
Provision for Doubtful Debts and Advances	66.13	27.98
Provision for Tax, Duty, Cess, Fee etc.	44.26	17.99
Provision for Employee Benefits	119.85	105.40
Brought Forward Business Losses	1.98	3.04
Others	12.49	0.24
Deferred Tax Asset	<u>244.71</u>	<u>154.65</u>
Net Deferred Tax Liability	<u>2,050.43</u>	<u>1,717.98</u>
Less: Tax to be recovered in Future Tariff Determination	649.06	580.10
Total	<u>1,401.37</u>	<u>1,137.88</u>

Notes forming part of the Consolidated Financial Statements

8. Deferred Tax Balances (Contd.)
B. Deferred Tax Asset (Net)

The components of Deferred Tax Liability and Asset are as under:

Deferred Tax Liability on account of:

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
Relating to Fixed Assets	2,858.22	2,534.10
Deferred Tax Liability	<u>2,858.22</u>	<u>2,534.10</u>

Deferred Tax Asset on account of:

Provision for Doubtful Debts and Advances	9.78	12.04
Provision for Tax, Duty, Cess, Fee etc.	10.89	1.13
Provision for Employee Benefits	9.43	7.70
Unabsorbed Depreciation Carried Forward	2,832.49	2,518.97
Brought Forward Business Losses	Nil	7.56
Others	1.48	1.66
Deferred Tax Asset	<u>2,864.07</u>	<u>2,549.06</u>

Net Deferred Tax Asset

5.85	14.96
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Note: Certain Subsidiaries of the Group have recognised Deferred Tax Assets as at 31st March, 2015 and 31st March, 2014, arising from Unabsorbed Depreciation on the basis of prudence only to the extent of above mentioned deferred tax liability as at 31st March, 2015 and 31st March, 2014.

9. Other Long-term Liabilities

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
Trade Payables	30.68	28.51
Payables on Purchase of Fixed Assets	4.11	2.52
Consumers' Benefit Account	21.94	21.94
Regulatory Liabilities	48.38	33.48
Security Deposits from Customers/Consumers	530.70	483.43
Advances from Customers	285.15	297.29
Advance against Depreciation	98.73	98.73
Interest accrued but not due on Borrowings	0.66	0.42
Others	58.77	8.25
Total	<u>1,079.12</u>	<u>974.57</u>

10. Provisions

	As at 31st March, 2015		As at 31st March, 2014	
	Long-term ₹ crore	Short-term ₹ crore	Long-term ₹ crore	Short-term ₹ crore
Provision for Employee Benefits	350.49	79.27	313.12	85.57
Provision - Others				
Provision for Warranties	27.56	36.37	26.05	29.27
Provision for Premium on Redemption of Foreign Currency Convertible Bonds	Nil	Nil	Nil	170.15
Provision for Premium on Redemption of Debentures	Nil	40.50	40.50	53.70
Provision for Contingencies	Nil	55.59	Nil	Nil
Provision for Future Forseeable Losses	1.74	0.73	2.51	0.40
Provision for Income-tax (Net)	3.74	77.54	3.74	106.72
Provision for Wealth Tax	Nil	3.29	Nil	3.21
Provision for Proposed Dividend	Nil	351.99	Nil	338.45
Provision for Additional Income-tax on Dividend	Nil	77.10	Nil	61.84
Provision for Restoration and Rehabilitation	537.85	48.09	528.85	51.05
Total	<u>921.38</u>	<u>770.47</u>	<u>914.77</u>	<u>900.36</u>

Notes forming part of the Consolidated Financial Statements

11. Short-term Borrowings

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
Secured		
From Banks		
(a) Short-term Loans.....	819.89	651.10
(b) Buyer's Line of Credit	Nil	291.35
	<u>819.89</u>	<u>942.45</u>
Unsecured		
From Banks		
(c) Short-term Loans.....	1,206.56	1,600.63
(d) Buyer's Line of Credit	1,178.99	904.57
From Others		
(e) Inter-corporate Deposit	106.12	209.13
Commercial Paper	1,275.00	1,050.00
	<u>3,766.67</u>	<u>3,764.33</u>
Total	<u>4,586.56</u>	<u>4,706.78</u>

Security

The Short-term Loans and Buyers' Line of Credit availed by various entities of the Group are secured by a *pari passu* charge on unmovable property of certain entities, both present and future and are also secured by a *pari passu* charge on tangible assets, receivables and stores and spares of the respective entities.

12. Other Current Liabilities

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
(a) Payables towards Purchase of Fixed Assets.....	759.48	1,030.32
(b) Current Maturities of Long-term Debt (Refer Note 7).....	3,636.93	4,995.82
(c) Interest accrued but not due on Borrowings.....	487.99	532.71
(d) Interest accrued and due on Borrowings	38.76	42.08
(e) Interest accrued on Others.....	104.23	13.57
(f) Investor Education and Protection Fund shall be credited by the following amounts namely:**		
Unpaid Dividend	14.61	13.38
Unpaid Matured Deposits.....	0.03	0.03
Unpaid Matured Debentures.....	0.09	0.09
(g) Book Overdraft.....	1.81	94.59
(h) Other Payables		
Statutory Liabilities.....	598.16	420.21
Advance and Progress payments received from Customers / Public Utilities.....	377.44	560.30
Royalty.....	2,436.26	2,745.13
Security Deposits from Consumers	173.33	162.74
Security Deposits from Customers	55.34	61.24
Tender Deposits from Vendors	2.50	20.14
Regulatory Liabilities.....	1,173.04	472.86
Other Liabilities.....	658.67	380.37
Total	<u>10,518.67</u>	<u>11,545.58</u>

** Includes amounts outstanding aggregating ₹ 0.85 crore (31st March, 2014 - ₹ 0.83 crore) for more than seven years pending legal cases.

Notes forming part of the Consolidated Financial Statements

₹ crore	13 Fixed Assets (Contd.)										
	GROSS BLOCK					AMORTISATION AND IMPAIRMENT					NET BLOCK
	As at 1st April, 2014	Acquired during the year #	Additions	Translation Adjustments	Deductions	As at 31st March, 2015	As at 1st April, 2014	Acquired during the year #	For the year	Deductions	As at 31st March, 2015
(b) INTANGIBLE ASSETS:											
Technical Know-How and Prototypes !	61.49	Nil	18.02	Nil	Nil	79.51	28.72	Nil	9.83	Nil	38.55
	33.35	Nil	28.14	Nil	Nil	61.49	24.22	Nil	4.50	Nil	28.72
Right to Use Assets.....	204.17	Nil	38.71	Nil	Nil	242.88	41.73	Nil	9.64	Nil	51.37
	201.43	Nil	2.74	Nil	Nil	204.17	33.63	Nil	8.10	Nil	41.73
Licences \$\$.....	1.04	Nil	Nil	Nil	Nil	1.04	0.64	Nil	0.09	Nil	0.73
	1.04	Nil	Nil	Nil	Nil	1.04	0.55	Nil	0.09	Nil	0.64
Computer Software \$\$.....	115.62	Nil	81.40	(0.02)	0.21	196.79	44.71	Nil	19.79	(0.01)	64.37
	87.25	0.01	28.39	Nil	0.03	115.62	30.84	Nil	13.88	Nil	44.71
TOTAL INTANGIBLE ASSETS	382.32	Nil	138.13	(0.02)	0.21	520.22	115.80	Nil	39.35	(0.01)	155.02
2013-2014	323.07	0.01	59.27	Nil	0.03	382.32	89.24	Nil	26.57	Nil	115.80

Notes:

- ! Internally generated intangible assets.
During the Previous Year consequent to acquisition of Subsidiary - NewGen Saurashtra Windfarms Limited erstwhile AES Saurashtra Windfarms (Limited) and Jointly Controlled Entity - Adjanistsqali Netherlands B.V.
\$\$ Other than internally generated intangible assets.

Depreciation/Amortisation for the year:

Depreciation for the year before adjustments	2,149.93	2,706.40
Less: Amount written off to Surplus in Statement of Profit and Loss (Refer Note 2.3)	14.19	Nil
Less: Amount transfer from Revaluation Reserve (Refer Note 2.4)	Nil	2.60
Add: Amortisation for the year	39.35	26.57
Less: Depreciation charged off to Capital Work-in-Progress and Inventories	0.88	0.75
Total	2,174.21	2,729.62

Notes forming part of the Consolidated Financial Statements

14. Non-current Investments

	As at 31st March, 2015 Quantity	As at 31st March, 2014 Quantity	Face Value (in ₹ unless stated otherwise)	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
A. Trade Investment (valued at cost less diminution other than temporary, if any)					
Equity Shares fully Paid-up (unless otherwise stated)					
(i) Investment in Others (Quoted)					
Geodynamics Ltd.....	2,94,00,000	2,94,00,000	AUD 1.50	223.44 **	214.12 **
** Less: Provision for diminution in value of Investments other than temporary				218.68	202.64
				4.76	11.48
(ii) Investment in Others (Unquoted)					
Tata Services Ltd.	1,112	1,112	1,000	0.11	0.11
Indian Energy Exchange Ltd.....	12,50,000	12,50,000	10	1.25	1.25
Power Exchange India Limited	25,00,000	25,00,000	10	2.50 **	2.50 **
Exergen Pty. Ltd.	4,37,904	4,37,904	AUD 20.53	56.20 **	53.86 **
Sunengy Pte. Ltd.....	3,04,838	3,04,838	AUD 2.10	3.93 **	3.73 **
				63.99	61.45
**Less: Provision for diminution in value of Investments other than temporary				62.63	60.09
				1.36	1.36
(iii) Investment in Associates (Unquoted)					
Nelito Systems Ltd.	10,20,000	10,20,000	10	20.71	20.41
Yashmun Engineers Ltd.....	19,200	19,200	100	1.64	1.67
Tata Projects Ltd.	9,67,500	9,67,500	100	396.21	362.81
				418.56	384.89
				424.68	397.73
B. Other Investments					
1. Statutory Investments					
a. Contingencies Reserve Fund Investments					
Government Securities (Unquoted)					
8.28% GOI (2027).....	11,30,000	11,30,000	100	11.30	11.30
8.24% GOI (2027).....	9,65,000	9,65,000	100	9.65	9.65
8.33% GOI (2026).....	7,50,000	7,50,000	100	7.50	7.50
8.19% GOI (2020).....	7,03,000	7,03,000	100	7.03	7.03
6.35% GOI (2020).....	16,01,300	16,01,300	100	16.01	16.01
7.83% GOI (2018).....	10,00,000	10,00,000	100	10.00	10.00
7.99% GOI (2017).....	8,48,700	8,48,700	100	8.49	8.49
7.49% GOI (2017).....	7,36,000	7,36,000	100	7.36	7.36
7.59% GOI (2016).....	19,000	19,000	100	0.19	0.19
				77.53	77.53
b. Deferred Taxation Liability Fund Investments					
Government Securities (Unquoted)					
8.28% GOI (2027).....	61,45,000	61,45,000	100	61.45	61.45
8.20% GOI (2025).....	20,00,000	20,00,000	100	20.00	20.00
7.35% GOI (2024).....	31,00,000	31,00,000	100	31.00	31.00
8.15% GOI (2022).....	29,75,000	29,75,000	100	29.75	29.75
8.19% GOI (2020).....	19,40,000	19,40,000	100	19.40	19.40
6.35% GOI (2020).....	2,48,700	2,48,700	100	2.49	2.49
6.05% GOI (2019).....	42,00,000	42,00,000	100	42.00	42.00
6.25% GOI (2018).....	15,00,000	15,00,000	100	15.00	15.00
7.99% GOI (2017).....	33,49,300	33,49,300	100	33.49	33.49
7.49% GOI (2017).....	25,00,000	25,00,000	100	25.00	25.00
				279.58	279.58
				357.11	357.11
2. Other investments					
a. Equity Shares fully Paid-up (unless otherwise stated)					
(i) Investment in Others (Quoted)					
HDFC Bank Ltd.	7,500	7,500	2	*	*
IDBI Bank Ltd.	1,42,720	1,42,720	10	1.14	1.14
Voltas Ltd.	2,33,420	2,33,420	1	0.25	0.25
Tata Consultancy Services Ltd.	6,33,804	6,33,804	1	0.02	0.02
Tata Teleservices (Maharashtra) Ltd.....	13,72,63,174	13,72,63,174	10	119.67	119.67
Tata Communications Ltd.	1,34,22,037	1,34,22,037	10	316.10	316.10
Trent Ltd.....	4,72,714	3,87,714	10	12.94	15.92
Tata Motors Ltd.	3,38,525	3,38,525	10	5.36	5.36
Tata Motors Ltd. - differential voting rights	48,360	48,360	10	0.30	0.30
Tata Investment Corporation Ltd.....	8,57,143	8,57,143	2	13.41	13.41
				469.19	472.17
				1,250.98	1,227.01
Carried over...					

Notes forming part of the Consolidated Financial Statements

14. Non-current Investments (Contd.)

	As at 31st March, 2015 Quantity	As at 31st March, 2014 Quantity	Face Value (in ₹ unless stated otherwise)	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
Brought forward...				1,250.98	1,227.01
(ii) Investment in Others (Unquoted)					
Tata Industries Ltd.....	68,28,669	68,28,669	100	115.47	115.47
Tata Sons Ltd.....	6,673	6,673	1,000	194.70	194.70
Haldia Petrochemicals Ltd.....	2,24,99,999	2,24,99,999	10	22.50	22.50
Tata Teleservices Ltd. #	32,83,97,823	32,83,97,823	10	425.39	425.39
Tata International Ltd	24,000	24,000	1,000	18.77	18.77
Tata Services Ltd.	552	552	1,000	0.06	0.06
Taj Air Ltd.....	42,00,000	79,00,760	10	7.90	4.21
Tata Capital Ltd.....	23,33,070	23,33,070	10	3.61	3.61
Technopolis Knowledge Park Ltd.....	18,10,000	18,10,000	10	1.81 **	1.81 **
				790.21	786.52
**Less: Provision for diminution in value of investments other than temporary				1.81	1.81
				788.40	784.71
(iii) Investment in Associates (Unquoted)					
Hemisphere Properties India Ltd.....	Nil	12,220	10	Nil	0.01
Brihat Trading Private Ltd.....	3,350	3,350	10	0.01	0.01
ASL Advanced Systems Pvt. Ltd.	5,55,000	5,55,000	10	0.56 **	0.56 **
The Associated Building Co. Ltd.....	1,825	1,825	900	0.17	0.17
Rujuvalika Investments Ltd.....	3,66,667	3,66,667	10	0.60	0.60
Tata Ceramics Ltd.	2,99,39,802	2,99,39,802	2	13.17 **	13.17 **
Panatone Finvest Ltd.	59,08,82,000	59,08,82,000	10	663.96	654.18
				678.47	668.70
**Less: Provision for diminution in value of investments other than temporary				13.73	13.73
				664.74	654.97
b. Preference Shares fully Paid-up					
(i) Investment in Associates (Unquoted)					
7.25% Redeemable Cumulative Convertible Preference Shares- Tata Ceramics Limited.....	12,00,000	12,00,000	10	12.00	12.00
(ii) Investment in Others (Unquoted)					
Natural Plants Products India Ltd.....	4,993	4,993	10	0.05 **	0.05 **
** Less: Provision for diminution in value of investments other than temporary				0.05	0.05
				Nil	Nil
				12.00	12.00
c. Government Securities (Unquoted)					
8.07% GOI (2017)	3,000	3,000	100	0.03	0.03
d. Other Investments (Unquoted)					
Investment in Mutual Funds (Unquoted)					
Tata FMP - Series 44 - Scheme B - Growth	1,19,51,664.45	Nil	10	11.95	Nil
Tata FMP - Series 46 - Scheme A - Growth	31,68,324.53	Nil	10	3.17	Nil
Tata FMP - Series 45 - Scheme D - Growth.....	13,01,188.32	Nil	10	1.30	Nil
				16.42	Nil
				2,307.89	2,280.99
Total				2,732.57	2,678.72

Notes :

- Aggregate of Quoted Investments
Cost 692.63
Less: Provision for diminution in value of investments other than temporary 218.68
Aggregate amount of Quoted Investments (Net) 473.95
Market value..... 975.46
- Aggregate of Unquoted Investments
Cost 2,336.84
Less: Provision for diminution in value of investments other than temporary 78.22
Aggregate amount of Unquoted Investments (Net) 2,258.62

** Provision for diminution in value of Investments other than temporary.

Refer Note 35(c)

* Denotes figures below ₹ 50,000/-.

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
Aggregate of Quoted Investments (Net)	473.95	483.65
Aggregate of Unquoted Investments (Net)	2,258.62	2,195.07

Notes forming part of the Consolidated Financial Statements

15. Loans and Advances

	As at 31st March, 2015		As at 31st March, 2014	
	Long-term ₹ crore	Short-term ₹ crore	Long-term ₹ crore	Short-term ₹ crore
(a) Capital Advances				
Unsecured, considered good	517.12	Nil	480.89	Nil
Doubtful	0.72	Nil	0.66	Nil
	517.84	Nil	481.55	Nil
Less: Provision for Doubtful Advances	0.72	Nil	0.66	Nil
	517.12	Nil	480.89	Nil
(b) Security Deposits				
Unsecured, considered good	328.42	16.94	381.33	26.33
Doubtful	23.02	1.15	22.47	2.44
	351.44	18.09	403.80	28.77
Less: Provision for Doubtful Deposits	23.02	1.15	22.47	2.44
	328.42	16.94	381.33	26.33
(c) Other Loans and Advances - Associates/Joint-Ventures				
Unsecured, considered good	1.54	84.33	Nil	Nil
Doubtful.....	1.27	Nil	1.27	Nil
	2.81	84.33	1.27	Nil
Less: Provision for Doubtful Advances.....	1.27	Nil	1.27	Nil
	1.54	84.33	Nil	Nil
(d) Advance Income-tax (Net)				
Unsecured, considered good	190.27	3.91	143.79	26.86
(e) MAT Credit entitlement				
Unsecured, considered good	64.80	Nil	46.51	Nil
(f) Balance with Government Authorities				
Unsecured, considered good				
Advances	115.09	45.64	52.05	16.32
Amount Paid Under Protest.....	203.97	Nil	203.97	Nil
VAT/Sales Tax/Service Tax Receivable.....	148.33	2,368.10	20.18	2,306.62
	467.39	2,413.74	276.20	2,322.94
(g) Inter-corporate Deposits				
Unsecured, considered good	Nil	310.65	Nil	65.44
(h) Other Loans and Advances				
Unsecured, considered good				
Loans to Employees.....	15.75	2.18	16.86	2.36
Prepaid Expenses.....	23.22	156.14	28.96	141.69
Advances to Vendors.....	167.50	244.27	137.57	417.25
Other Advances.....	Nil	337.67	0.27	213.09
Doubtful.....	4.29	6.67	6.10	6.75
	210.76	746.93	189.76	781.14
Less: Provision for Doubtful Advances.....	4.29	6.67	6.10	6.75
	206.47	740.26	183.66	774.39
Total.....	1,776.01	3,569.83	1,512.38	3,215.96

16. Other Non-current Assets

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
(a) Long-term Trade Receivables		
Trade Receivables - Regulatory Assets	7,286.51	6,717.10
Trade Receivables from Contracts.....	Nil	4.37
Trade Receivables from Others	190.94	187.97
	7,477.45	6,909.44
(b) Unamortised Expenses		
Ancillary Borrowing Cost.....	85.44	98.76
Deferred Stripping Costs	24.76	23.88
Unamortised Option Premium.....	34.83	16.97
	145.03	139.61
Total.....	7,622.48	7,049.05

Notes forming part of the Consolidated Financial Statements

17. Current Investments

	As at 31st March, 2015 Quantity	As at 31st March, 2014 Quantity	Face Value (in ₹ unless stated) otherwise	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
Current Investment (valued at lower of cost and fair value)					
Mutual Funds (Unquoted)					
Axis Liquid Fund - Growth.....	1,90,902	2,52,020	1,000	28.70	35.46
Baroda Pioneer Liquid Fund - Plan A Growth.....	Nil	70,095	1,000	Nil	10.25
DSP BlackRock Liquidity Fund - Institutional - Growth.....	1,98,500	50,323	1,000	38.98	9.00
HDFC Cash Management Fund Treasury Adv Plan Retail - Daily Dividend.....	Nil	2,00,29,606	10	Nil	20.10
HDFC Liquid Fund.....	80,86,164	45,08,000	10	21.04	11.25
HSBC Cash Fund -Growth.....	Nil	15,362	1,000	Nil	1.95
ICICI Prudential FMP Series 69-369 days Growth.....	Nil	2,50,00,000	10	Nil	25.00
ICICI Prudential Liquid - Regular Plan - Growth.....	23,86,171	26,06,925	100	46.45	48.12
ICICI Prudential Saving Fund - Regular Plan - Growth.....	10,80,200	Nil	100	22.30	Nil
ICICI Prudential Super Institutional Plan- Growth.....	Nil	10,29,639	100	Nil	19.08
ICICI Prudential Ultra Short Term - Direct Plan Direct Dividend.....	Nil	99,50,641	10	Nil	10.06
IDFC Cash Fund - Growth - (Regular Plan).....	46,669	Nil	1,000	7.91	Nil
J M Equity Fund - Growth.....	Nil	5,00,000	10	Nil	0.50
JM High Liquidity - Growth.....	53,04,498	40,33,209	10	19.37	13.92
Kotak FMP Series 116 - Growth.....	Nil	44,00,000	10	Nil	4.40
Kotak Liquid Scheme Plan A - Daily Dividend.....	Nil	74,061	1,000	Nil	9.06
Kotak Liquid Scheme Plan A - Growth.....	Nil	78,292	1,000	Nil	20.00
L&T Liquid Fund - Growth.....	57,784	55,429	1,000	11.00	9.55
LIC Nomura Liquidity Fund - Direct Plan - Growth.....	55,234	Nil	1,000	14.00	Nil
Religare Invesco Liquid Fund - Growth Plan.....	11,92,431	67,227	1,000	227.04	11.75
Sundaram Money Fund Regular Growth.....	2,19,80,143	36,21,306	10	64.66	9.73
Sundaram Ultra Short-Term Fund Regular Daily Dividend Option Reinvestment.....	Nil	1,00,09,654	10	Nil	10.05
Tata FMP Series 44- Scheme B - Growth.....	Nil	1,19,51,664	10	Nil	11.95
Tata FMP Series 45- Scheme D - Growth.....	Nil	35,88,806	10	Nil	3.59
Tata FMP Series 46- Scheme A - Growth.....	Nil	41,75,807	10	Nil	4.17
Tata FMP Series 46- Scheme I - Growth.....	Nil	30,00,000	10	Nil	3.00
Tata FMP Series 47- Scheme A - Growth.....	Nil	7,00,000	10	Nil	0.70
Tata Liquid Fund Direct Plan- Daily Dividend.....	53,786	1,23,919	1,000	5.99	13.81
Tata Liquid Fund Plan A - Growth.....	11,685	57,616	1,000	3.01	12.88
Tata Liquid Fund Plan A - Daily Dividend.....	1,17,111	12,015	1,000	13.05	1.34
Tata Liquid Super High Investment Fund - Growth.....	1,35,199	8,843	1,000	34.22	2.06
Tata Money Market Fund - Direct Plan - Growth.....	54,228	Nil	1,000	14.00	Nil
Tata Money Market Fund Plan A - Growth.....	1,20,908	Nil	1,000	26.10	Nil
Taurus Mutual Fund - Bonanza Exclusive - Growth.....	Nil	6,66,667	10	Nil	0.50
Templeton India - Growth.....	Nil	2,50,000	10	Nil	0.25
UTI Balanced Fund - Dividend Plan - Reinvestment.....	Nil	1,42,289	10	Nil	0.11
UTI Liquid Cash Plan - Institutional - Growth.....	Nil	33,854	1,000	Nil	6.95
UTI Liquid Fund - Cash Plan - Growth.....	34,441	Nil	1,000	7.75	Nil
Total				605.57	340.54
Aggregate amount of Unquoted Investments.....				605.57	340.54

Reconciliation for Disclosure as per Accounting Standard 13

Non-current Investments

Non-current Investments (Refer Note 14).....

Current investments

Current Investments (Refer Note 17).....

Total.....

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
Non-current Investments (Refer Note 14).....	2,732.57	2,678.72
Current Investments (Refer Note 17).....	605.57	340.54
Total	3,338.14	3,019.26

Notes forming part of the Consolidated Financial Statements

18. Inventories (valued at lower of cost and net realisable value)

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
Raw Materials.....	102.74	103.39
Work-in-Progress	2.87	19.16
Finished Goods.....	368.50	458.43
Stock-in-Trade - Shares	11.63	12.86
Stores and Spare Parts	468.14	475.20
Stores-in-Transit	13.69	4.99
Fuel - Stores	638.08	801.06
Fuel-in-Transit	187.86	156.04
Loose Tools	0.75	1.62
Property under Development	49.91	40.52
Total.....	1,844.17	2,073.27

19. Trade Receivables

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
Trade Receivables outstanding for period exceeding six months from the date they were due for payment		
Considered good.....	211.64	124.97
Considered doubtful	202.34	196.60
	413.98	321.57
Less: Provision for Doubtful Trade Receivables.....	202.34	196.60
	211.64	124.97
Other Trade Receivables		
Considered good.....	5,352.31	4,417.64
Considered doubtful	22.48	17.06
	5,374.79	4,434.70
Less: Provision for Doubtful Trade Receivables.....	22.48	17.06
	5,352.31	4,417.64
Total.....	5,563.95	4,542.61

20. Cash and Bank Balances

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
(A) Cash and Cash Equivalents:		
(i) Cash on Hand.....	1.58	13.26
(ii) Cheques on Hand.....	29.25	41.56
(iii) Balances with Banks:		
(a) In Current Accounts	819.94	706.00
(b) In Deposit Accounts (remaining maturity of three months or less) (Refer Note 45)..	428.27	637.23
Cash and Cash Equivalents as per AS-3 Cash Flow Statements.....	1,279.04	1,398.05
(B) Other Balances with Banks:		
(i) In Earmarked Accounts -		
Unpaid Dividend Account.....	11.60	10.74
In Deposit Accounts as security for guarantees issued/loan availed	208.27	144.28
(ii) In Deposit Accounts (remaining maturity of more than twelve months).....	1.94	1.94
	221.81	156.96
Total	1,500.85	1,555.01

Notes forming part of the Consolidated Financial Statements

21. Other Current Assets

	As at 31st March, 2015 ₹ crore	As at 31st March, 2014 ₹ crore
(a) Unbilled Revenue	707.13	440.92
(b) Regulatory Assets	900.71	1,024.86
(c) Unamortised Expenses		
Ancillary Borrowing Cost.....	18.63	17.21
Unamortised Option Premium.....	20.25	110.74
(d) Accruals		
Interest accrued on Deposits.....	9.62	3.54
Interest accrued on Investments.....	5.88	6.12
(e) Others		
Receivable on sale of Investments.....	12.54	Nil
Forward Contracts.....	63.35	3.92
Insurance Claim Receivable.....	66.98	12.47
Other Receivables.....	26.90	13.71
Total	1,831.99	1,633.49

22. Revenue from Operations

	For the year ended 31st March, 2015 ₹ crore	For the year ended 31st March, 2014 ₹ crore
(a) Revenue from Power Supply and Transmission Charges	25,096.87	23,772.56
(Less)/Add: Income to be recovered in future tariff determination (Net).....	(168.63)	966.70
Add: Income to be recovered in future tariff determination (Net) in respect of earlier years..	84.50	300.00
	25,012.74	25,039.26
Less: Revenue Capitalised.....	0.19	Nil
	25,012.55	25,039.26
	7,247.69	8,849.64
(b) Sale of Coal		
(c) Revenue from Contracts		
Project/Operation Management Services.....	103.91	48.05
Solar Products.....	865.16	912.82
Electronic Products.....	581.52	414.24
	1,550.59	1,375.11
(d) Other Operating Revenue		
Rental of Land, Buildings, Plant and Equipment, etc.	12.18	11.65
Charter Hire.....	103.26	99.28
Income in respect of Services Rendered.....	120.11	181.23
Transfer from Capital Grants/Consumers Contribution.....	34.26	26.19
Sale of Renewable Energy Certificates.....	1.57	15.41
Income from Storage and Terminalling.....	13.51	13.37
Compensation (Net).....	7.10	0.01
Miscellaneous Revenue and Sundry Credits.....	119.97	135.06
Sale of Fly Ash.....	6.03	6.90
Discount Received on Prompt Payment.....	71.39	69.54
Delayed Payment Charges.....	27.99	24.91
Sale of Carbon Credits.....	5.49	13.86
Provision for doubtful debts and advances written back (Net).....	Nil	5.82
Profit on sale/retirement of assets (Net)**.....	15.57	0.44
Sale of Stock of Shares.....	3.36	1.36
Dividend from Non-current Investments.....	6.85	3.62
Dividend from Current Investments.....	0.49	0.86
Interest on Inter-corporate Deposits.....	Nil	0.22
Dividend from Shares treated as Stock-in-Trade.....	0.31	0.66
Profit on sale of Non-current Investments.....	9.70	26.38
Profit on sale of Current Investments.....	2.23	0.02
	561.37	636.79
Less: Revenue Capitalised.....	1.38	8.06
	559.99	628.73
	34,370.82	35,892.74
Less: Excise Duty.....	3.97	19.64
Total	34,366.85	35,873.10
** Net of insurance claims received.....	29.78	Nil

Notes forming part of the Consolidated Financial Statements

23. Other Income

	For the year ended 31st March, 2015 ₹ crore	For the year ended 31st March, 2014 ₹ crore
(a) Interest Income		
Interest on Bank Deposits	95.33	74.57
Interest from Inter-corporate Deposits	18.48	12.81
Interest on Fuel Adjustment Charges Recoverable from Consumers	Nil	3.86
Interest on Overdue Trade Receivables.....	30.01	30.64
Interest on Income-tax Refund	30.77	0.79
Interest on Non-current Investments - Contingency Reserve Fund.....	5.97	5.62
Interest on Non-current Investments - Deferred Tax Liability Fund.....	21.21	21.15
Other Interest.....	11.92	5.86
	<u>213.69</u>	<u>155.30</u>
Less: Interest Income Capitalised	0.60	0.44
	<u>213.09</u>	<u>154.86</u>
(b) Dividend Income		
From Current Investments - Others	2.88	7.99
From Non-current Investments - Others.....	15.11	9.84
	<u>17.99</u>	<u>17.83</u>
Less: Dividend Income Capitalised	0.55	1.07
	<u>17.44</u>	<u>16.76</u>
(c) Profit on Sale of Investments		
Current Investments.....	69.00	45.90
Non-current Investments (Net)	3.29	Nil
	<u>72.29</u>	<u>45.90</u>
(d) Other Non-operating Income		
Discount amortised/accrued on Bonds (Net)	Nil	0.26
Miscellaneous Income	21.52	0.03
Commission Earned.....	9.43	5.83
Recovery of Past Dues with Interest	12.41	Nil
Leave and License Fees	1.43	1.36
Other Income.....	4.71	2.26
Gain on Foreign Currency Transaction and Translation (Net).....	64.42	Nil
	<u>113.92</u>	<u>9.74</u>
Total.....	<u>416.74</u>	<u>227.26</u>

Notes forming part of the Consolidated Financial Statements

24. Raw Materials Consumed and (Increase)/Decrease in Work-in-Progress/Finished Goods/Stock-in-Trade

	For the year ended 31st March, 2015 ₹ crore	For the year ended 31st March, 2014 ₹ crore
Raw Materials Consumed		
Opening Stock.....	103.39	57.76
Add: Purchases	697.19	767.51
	800.58	825.27
Less: Closing Stock	102.74	103.39
Total	697.84	721.88
(Increase)/Decrease in Work-in-Progress/Finished Goods/Stock-in-Trade		
Work-in-Progress		
Inventory at the beginning of the year	19.16	3.33
Less: Inventory at the end of the year	2.87	19.16
	16.29	(15.83)
Finished Goods		
Inventory at the beginning of the year	458.43	558.01
Add: Exchange Fluctuation	13.27	46.24
	471.70	604.25
Less: Inventory at the end of the year	368.50	458.43
	103.20	145.82
Stock-in-Trade – Shares		
Inventory at the beginning of the year	12.86	13.64
Less: Inventory at the end of the year	11.63	12.86
	1.23	0.78
Total	120.72	130.77

25. Employee Benefits Expense

	For the year ended 31st March, 2015 ₹ crore	For the year ended 31st March, 2014 ₹ crore
Salaries and Wages	1,339.60	1,235.42
Contribution to Provident Fund.....	44.76	42.25
Contribution to Superannuation Fund.....	10.45	10.26
Retiring Gratuities	38.62	14.61
Leave Encashment Scheme.....	36.58	16.43
Pension Scheme	29.03	2.70
Staff Welfare Expenses.....	187.84	161.03
	1,686.88	1,482.70
Less:		
Employee Cost Capitalised	129.16	121.51
Employee Cost Inventorised	12.05	11.84
	141.21	133.35
Total	1,545.67	1,349.35

Notes forming part of the Consolidated Financial Statements

26. Finance Costs

	For the year ended 31st March, 2015 ₹ crore	For the year ended 31st March, 2014 ₹ crore
(a) Interest Expense on:		
Borrowings		
Interest on Debentures	395.61	359.86
Interest on - Euro Notes and FCCB	75.14	68.46
Interest on Fixed Period Loans - Others	2,833.29	2,710.31
Others		
Interest on Consumer Security Deposits	43.65	43.70
Other Interest and Commitment Charges	154.96	70.53
	<u>3,502.65</u>	<u>3,252.86</u>
Less: Interest Capitalised	143.04	112.31
	<u>3,359.61</u>	<u>3,140.55</u>
(b) Other Borrowing Cost:		
Derivative Premium	170.98	181.90
Other Finance Costs	170.27	119.55
	<u>341.25</u>	<u>301.45</u>
Less: Other Borrowing Costs Capitalised	1.59	2.10
	<u>339.66</u>	<u>299.35</u>
Total	<u>3,699.27</u>	<u>3,439.90</u>

27. Other Expenses

	For the year ended 31st March, 2015 ₹ crore	For the year ended 31st March, 2014 ₹ crore
Stores, Oil, etc. consumed (excluding ₹ 68.81 crore on repairs and maintenance - Previous Year - ₹ 59.04 crore)	174.39	155.08
Rental of Land, Buildings, Plant and Equipment, etc.	399.44	380.75
Repairs and Maintenance -		
(i) To Buildings and Civil Works	120.39	151.77
(ii) To Machinery and Hydraulic Works \$	865.43	856.36
(iii) To Furniture, Vehicles, etc.	82.33	102.59
	<u>1,068.15</u>	<u>1,110.72</u>
Rates and Taxes	107.99	92.82
Insurance	125.58	109.28
Travelling Expenses	59.03	60.77
Other Operation Expenses	704.81	301.54
Freight and Handling Charges	58.34	42.85
Auditors' Remuneration	12.07	10.55
Cost of Services Procured	142.68	148.85
Warranty Charges	16.06	17.61
Ash Disposal Expenses	81.51	65.02
Bad Debts	1.23	16.62
Provision for diminution in value of Investments (Net)	7.10	50.02
Provision for Doubtful Debts and Advances (Net)	4.95	Nil
Provision for Contingencies	55.59	(7.00)
Provision for Future Foreseeable Losses	(0.44)	0.17
Miscellaneous Expenses	339.53	394.54
Consultants' Fees	46.77	44.97
Donations #	5.02	3.09
Loss on Foreign Currency Transaction and Translation (Net)	Nil	789.12
Corporate Social Responsibility Expenses	55.79	19.33
Cash Discount on Sale of Power	134.78	154.86
Legal Charges	42.04	34.24
Marketing Expenses	727.79	756.01
Transfer of Revenue Expenses to Capital	(22.22)	(23.31)
Total	<u>4,347.98</u>	<u>4,728.50</u>
\$ Net of insurance claims receive/accrued.	97.77	Nil
# Donations include payment to Electoral Trust.	0.23	Nil

Notes forming part of the Consolidated Financial Statements

28. In the case of MPL, the Company had applied to the Ministry of Power, Government of India along with necessary documents for grant of Mega Power Status to the Company's 1050 MW Maithon Right Bank Thermal Power Plant. Pending receipts of the mega power certificate, the Company remains liable to pay Excise and Customs duty on its receipts of goods and materials wherever applicable. Accordingly, the Company had paid Excise duty to its vendors, aggregating to ₹ 119.97 crore (31st March, 2014 - ₹ 119.36 crore) upto 31st March, 2015. Out of total payment of Excise duty to vendors ₹ 119.11 crore (net of receipts) (31st March, 2014 - ₹ 119.05 crore) had been capitalised and the balance amount of ₹ 0.86 crore (31st March, 2014 - ₹ 0.31 crore) is included in capital work-in-progress as at 31st March, 2015.
29. In an earlier year, the Parent Company had commissioned its 120 MW Unit 4 thermal power unit at Jojobera, Jharkhand. Revenue in respect of this unit is recognised on the basis of a draft Power Purchase Agreement prepared jointly by the Company and its customer which is pending finalisation.
30. Coal Company's Long-term Agreements:
- In the case of PAI and PKPC the Companies entered into a Coal Contract Work ("Coal Agreement") for the exploration and exploitation of coal. Under the term of the Coal Agreement, the Companies commenced its 30-year operating period on 1st October, 1989 and 1st January, 1992 respectively.
- In the case of BSSR (Consolidated), the Company in respect of Kutai mines has obtained Mining Authorisation of Coal Exploitation for 30 years, commencing from 15th August, 1994 and in case of Banjar, Tapin and Hulu mines for 12 years commencing from 11th April, 2006.
- The Company also obtained approval for the change of its Mining Authorisation of Exploitation to become Mining Right ("IUP") of Operation Production for 8 years, commencing from 13th April, 2010 upto 11th April, 2018.
31. Coal Company's Sale Agreement:
- The Group, has entered into agreements on 30th January, 2014 for sale of shares in PT Arutmin Indonesia and its associated infrastructure and trading companies. As per the terms of the agreement, it is proposed to sell its stake in these companies, for a consideration of USD 510 million, subject to tax deductions and other closing adjustments. The completion of the sale transaction is conditional upon the satisfaction or waiver of certain conditions, obtaining requisite consents and certain restructuring actions and accordingly, not made any adjustments in the financial statements as at 31st March, 2015. The buyer will pay the seller interest on the purchase price from 26th November, 2013 (the effective date) till the completion date.
32. (a) Revenue recognition arising out of CERC order:
- Coastal Gujarat Power Limited (CGPL) had implemented the 4000 MW Ultra Mega Power Project at Mundra ("Mundra UMPP") and commenced commercial operations in its all five Units of 800 MW each.
- CGPL had petitioned to the Central Electricity Regulatory Commission (CERC) for evolving a mechanism to compensate the adverse impact of the unforeseen, uncontrollable and unprecedented escalation in the imported coal price and the change in law in Indonesia.
- The CERC had, after considering the recommendations of a committee appointed for the purpose (which comprised of experts from various disciplines like Legal, Banking, Finance, Technical and Procurers, the deliberations of which extended over several months) vide its Order dated 21st February, 2014, decided that CGPL is entitled to compensatory tariff from 1st April, 2012 over and above the tariff agreed under the PPA with the procurers till the hardship on account of Indonesian regulations persists.
- Subsequent to the above CERC Order, the procurers challenged the Order as also filed appeals with APTEL for grant of stay on the enforcement of the CERC Order. The Appellate Tribunal for Electricity (APTEL) vide its Order dated 21st July, 2014 has directed the procurers to make payment towards compensatory tariff from March, 2014 onwards as per the Order of the CERC and has granted partial stay on CERC Order. Further, it had also directed that the payment of arrears from 1st April, 2012 to 28th February, 2014 need not be complied with by the procurers pending disposal of the Appeal filed with APTEL.
- During the year ended 31st March, 2015, in respect of an appeal filed by one of the procurers, the Supreme Court has rendered inoperative the Order passed by the CERC, and the Order passed by the APTEL dated 21st July, 2014, and requested the APTEL to hear the above matter and dispose of the same as expeditiously as possible.
- CGPL has been legally advised that it has a good arguable case. However, in view of the pending appeal as mentioned above and considering that the amounts associated are significant, CGPL has not recognised revenue amounting to ₹ 757.89 crore for the year ended 31st March, 2015 and ₹ 1,019.06 crore for the period from 1st April, 2012 to 31st March, 2014.

Notes forming part of the Consolidated Financial Statements

(b) Impairment of Assets:

In terms of the 25 year Power Purchase Agreement (PPA), the CGPL is entitled to charge 45 percent of escalation of the cost of coal from the procurers of its power.

As at 31st March, 2015, CGPL had in pursuance of Accounting Standard-28 (AS-28) - "Impairment of Assets", reassessed impairment of its Mundra UMPP, having regard to the upward revision in the fuel prices, exchange rates variation, operating parameters and claim for compensatory tariff.

In earlier years, CGPL had accounted an impairment loss of ₹ 2,650.00 crore in respect of its Mundra UMPP, which had been recognised as an exceptional item-Impairment loss in the Statement of Profit and Loss.

For estimating the Mundra UMPP value in use it is necessary to project future cash flows of Mundra UMPP over its estimated useful life.

The Management has reviewed and reassessed the recoverability of the carrying amount of the assets at Mundra amounting to ₹ 14,657.05 crore considering the fuel prices, exchange rate variation, operating parameters and the claim for compensatory tariff that would impact future cash flows and has concluded that no further provision for impairment as at 31st March, 2015 is necessary. In view of the pending appeals relating to the claim for compensatory tariff, the Management has not considered the possible effect of the claim for compensatory tariff in evaluation of provision for impairment. The legal proceedings and the underlying assumptions will be monitored on a periodic basis by the Management and appropriate adjustments will be made.

The recoverable amount of the relevant assets has been determined on the basis of their value in use. The discount rate used in the current year is 10.61 percent per annum (31st March, 2014 - 10.61 percent per annum).

Consequent to the impairment loss in respect of Mundra UMPP, certain covenants governing the loans borrowed for construction of the project have not been met. No notice has been served by the lenders, declaring the loans taken as immediately due and payable. CGPL had received waiver from compliance of the covenants upto 30th June, 2013. Further, CGPL has sought revision in certain terms of Financing Agreements and extending of existing waivers. Accordingly, loans aggregating to ₹ 10,956.93 crore are considered to be long-term borrowings (including current maturities of long-term borrowings of ₹ 829.63 crore) [31st March, 2014 - ₹ 11,471.50 crore (including current maturities of long-term borrowings of ₹ 722.15 crore)].

33. (a) The Group has an investment in Tata Teleservices Limited (TTSL) of ₹ 735.48 crore (31st March, 2014 - ₹ 735.48 crore). Based on the accounts for the year ended 31st March, 2014, TTSL has accumulated losses which has completely eroded its net worth. In the opinion of the Management, having regard to the long-term nature of the business, there is no diminution other than temporary, in the value of the investment.
- (b) The Group has an investment in Haldia Petrochemicals Limited (HPL) of ₹ 22.50 crore (31st March, 2014 - ₹ 22.50 crore). Based on the accounts for the year ended 31st March, 2014, HPL has accumulated losses which has significantly eroded its net worth. In the opinion of the Management, having regard to the long-term nature of the business, there is no diminution other than temporary, in the value of the investment.
- (c) In case of Mandakini Coal Company Limited (Group's share 33.33%), the Hon'ble Supreme Court, vide its Order dated 24th September, 2014, cancelled the allotment of coal blocks. Subsequently, Government of India has promulgated the Coal Mines (Special Provisions) Ordinance, 2014. The said entity has filed a petition with the Hon'ble Delhi High Court, disputing the amount of compensation determined relating to purchase of leasehold land for the coal block. Pending outcome of the matter, the Group, based on a legal opinion, has carried forward amounts aggregating to ₹ 66.69 crore (net of provision of ₹ 23.30 crore) as fully recoverable.

34. Commitments:

(a) Capital Commitments (net of capital advance):

- (i) Capital commitments not provided for are estimated at ₹ 2,600.33 crore (31st March, 2014 - ₹ 3,345.81 crore).
- (ii) In the case of Associates, capital commitments not provided for are estimated at ₹ 1.88 crore (31st March, 2014 - ₹ 3.12 crore).

(b) Uncalled liability on Shares and Other Investment partly paid:

In case of TPIPL, commitment for purchase of investment ₹ Nil in Sunengy Pty. Ltd (31st March, 2014 - ₹ 0.34 crore).

Notes forming part of the Consolidated Financial Statements

(c) Other Commitments:

- (i) The Parent Company has signed a Share Purchase Agreement on 10th December, 2014 for acquisition of 100% shareholding in Ideal Energy Projects Limited (IEPL), subject to statutory approvals and certain conditions precedent. IEPL owns a 540 MW coal based thermal power project in Maharashtra out of which 270 MW was commissioned in May 2013 and is based on domestic coal.
- (ii) (a) In the case of Panatone Finvest Ltd. (PFL), an associate of the Group, upon the demerger of surplus land by Tata Communications Ltd. and the issue of shares by the Resulting Company, PFL is contractually obligated to transfer 45% of the share capital of the Resulting Company to Government of India and other Shareholders who had tendered their shares to PFL. Based on its shareholding in Tata Communications Ltd. as on 31st March, 2015, PFL would be entitled to be allotted 31.10% of the share capital of the Resulting Company. Additionally, PFL has arrangements for procuring 11.77% of the share capital of the Resulting Company and it would need to acquire further shares representing 2.13% of the share capital of the Resulting Company.
- (b) In accordance with the terms of the Share Purchase Agreement and the Shareholder's Agreement entered into by Panatone Finvest Limited (PFL), an associate of the Parent Company, with the Government of India, PFL has contractually undertaken a "Surplus Land" obligation including agreeing to transfer 45% of the share capital of the Resulting Company, at Nil consideration, to the Government of India and other selling shareholders upon Demerger of the Surplus Land by Tata Communication Limited (TCL). The Parent Company has till date acquired 1,34,22,037 shares of TCL from PFL. The Parent Company would be entitled to be allotted 4.71% of the share capital of the Resulting Company based on its holding of 1,34,22,037 shares of TCL. The Parent Company has undertaken to PFL to bear the "Surplus Land" obligation pertaining to these shares.
- (iii) The Company has given an undertaking for non-disposal of shares to the lenders of Tata Power Delhi Distribution Limited in respect of its outstanding borrowings amounting to ₹ 520.78 crore (31st March, 2014 - ₹ 635.13 crore).
- (iv) In the case of CGPL, in terms of the Port Service Agreement valid upto 31st March, 2040, CGPL is required to pay fixed handling charges amounting to ₹ 138.00 crore per annum escalable as per CERC notification and variable port handling charges for handling a certain minimum tonnage of coal for its Mundra UMPP. In the event of a default which subsists for over one year, the Port Operator shall be entitled to suspend all its services under the agreement without terminating the agreement and all amount outstanding shall be payable by CGPL.
- (v) In the case of TPSSL, Vendor purchase commitments ₹ 205.33 crore (31st March, 2014 - ₹ 245.62 crore) and contracts pertaining to future post sale services ₹ 98.40 crore (31st March, 2014 - ₹ 94.13 crore).
- (vi) MCCL has given an undertaking to the Chief Engineer, Minor Irrigation Department, Orissa vide letter no. MCCL/C.E. (MI)/053 dated 24th July, 2010 to reimburse/compensate the cost of compensatory minor irrigation project due to loss of ayacut area of 82 Hectares of Ghasiapasi Minor Irrigation Canal. The liability for the same is not determinable at present.

35. Contingent Liabilities (to the extent not provided for):

- (a) Claims against the Group not acknowledged as debts aggregating to ₹ 5,935.95 crore (31st March, 2014 - ₹ 4,933.32 crore) consist mainly of the following:
 - (i) Interest and penalty demand disputed by the Parent Company aggregating ₹ 1,151.48 crore (31st March, 2014 - ₹ 795.55 crore) relating to Entry tax claims for the financial years 2005-06, 2006-07, 2007-08, 2008-09 and 2009-10. The Company is of the view, supported by legal opinion, that the demand can be successfully challenged.
 - (ii) In the case of the Group, disputes relating to power purchase agreements ₹ 1,354.11 crore (31st March, 2014 - ₹ 878.96 crore).
 - (iii) Way Leave fees (including interest) of ₹ 62.60 crore (31st March, 2014 - ₹ 54.00 crore) claims disputed by the Parent Company relating to rates charged.
 - (iv) Rates, Cess, Property Tax, Excise and Custom Duty claims disputed by the Group aggregating ₹ 306.60 crore (31st March, 2014 - ₹ 238.18 crore).
 - (v) Custom duty claims (including interest and penalty) of ₹ 246.33 crore (31st March, 2014 - ₹ 211.84 crore) disputed by the Group relating to applicability and classification of coal [Payment made by the Group under protest against these claims of ₹ 187.97 crore (31st March, 2014 - ₹ 187.97 crore)].
 - (vi) A Suit has been filed against the Parent Company claiming compensation of ₹ 20.51 crore (31st March, 2014 - ₹ 20.51 crore)

Notes forming part of the Consolidated Financial Statements

by way of damages for alleged wrongful disconnection of power supply and interest accrued thereon ₹ 120.60 crore (31st March, 2014 - ₹ 116.29 crore).

- (vii) Octroi claims disputed by the Parent Company aggregating to ₹ 5.03 crore (31st March, 2014 - ₹ 5.03 crore), in respect of octroi exemption claimed by the Parent Company.
- (viii) In the case of the Parent Company, Compensation disputed by private land owners aggregating to ₹ 22.00 crore (31st March, 2014 - ₹ Nil) on private land acquired under the provisions of Maharashtra Industrial Development Act, 1961.
- (ix) Other claims against the Group, not acknowledged as debts ₹ 217.26 crore (31st March, 2014 - ₹ 381.11 crore).
- (x) In the case of Associates, other claims not acknowledged as debts ₹ 98.02 crore (31st March, 2014 - ₹ 87.46 crore) and liquidated damages amounts is indeterminable.
- (xi) In the case of certain jointly controlled entities, demand for royalty payment is set-off against recoverable Value Added Tax (VAT) paid on inputs for coal production aggregating to ₹ 7,771.36 crore - Group's share ₹ 2,331.41 crore (31st March, 2014 - ₹ 7,147.97 crore - Group's share ₹ 2,144.39 crore). Under the Coal Contract of Work the Coal Companies would recover VAT from the Government within 60 days. As the Government had not refunded VAT within 60 days, the Coal Companies have set-off royalty against VAT recoverable, which has not been accepted by the Government. The Management of the Coal Companies, based on the various legal judgments, are of the view that the said amounts would be allowable as set-off.

In addition, taxation claim for which liability, relating to issues of deductibility and taxability, is disputed and provision is not made (computed on the basis of assessments which have been re-opened and assessments remaining to be completed) ₹ 2,913.56 crore - Group share ₹ 874.07 crore (31st March, 2014 - ₹ 1,869.12 crore - Group share ₹ 560.74 crore), the outcome of which cannot be presently determined.

Further, the Coal Companies are contingently liable for claims from third parties arising from the ordinary conduct of business relating to land dispute, illegal mining, mining service fees etc. which are either pending or being processed by the Courts, the amount and the outcome of which cannot be presently determined.

- (xii) In the case of the Group, amounts in respect of employee related claims/disputes, regulatory matters is not ascertainable.

Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.

(b) Other Contingent Liabilities:

- (i) Taxation matters for which liability, relating to issues of deductibility and taxability, is disputed by the Group and provision is not made (computed on the basis of assessments which have been re-opened and assessments remaining to be completed) ₹ 370.53 crore (including interest demanded ₹ 14.43 crore) [31st March, 2014 - ₹ 234.72 crore (including interest demanded ₹ 15.22 crore)].
- (ii) In the case of Associates, taxation matters for which liability, relating to issues of deductibility and taxability, is disputed and provision is not made (computed on the basis of assessments which have been re-opened and assessments remaining to be completed) ₹ 3.57 crore (31st March, 2014 - ₹ 1.01 crore).

Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.

(c) Indirect exposures of the Group:

- (i) The Parent Company has pledged 18,27,08,138 shares (31st March, 2014 - 18,27,08,138 shares) of TTSL with the lenders for borrowings availed.
- (ii) The Parent Company's shares in Subsidiaries to the extent of 100% in PTL, 51% in CGPL, upto 51% in IEL, 51% in MCCL and 51% in TPREL have been pledged with the lenders for borrowings availed by the respective Subsidiaries.

- (d) In the case of TPDDL, the Company had introduced a Voluntary Separation Scheme (VSS) for its employees in December 2003, in response to which initially 1,798 employees were separated. As per the Scheme, the retiring employees were paid Ex-gratia separation amount by the Company. They were further entitled to Retiral Benefits (i.e. gratuity, leave encashment, pension commutation, pension, medical and leave travel concession), the payment obligation of which became a matter of dispute between the Company and the DVB Employees Terminal Benefit Fund 2002 ('the Trust'). The Trust is, however, of the view that its

Notes forming part of the Consolidated Financial Statements

liability to pay retiral benefits arises only on the employee attaining the age of superannuation or on death whichever is earlier. On 1st November, 2004, the Company entered into a Memorandum of Understanding with the Government of National Capital Territory of Delhi (GNCTD) and a special Trust namely Special Voluntary Retirement Scheme Retirees Terminal Benefit Fund, 2004 Trust (SVRS RTBF, 2004 Trust) was created.

For resolution of the issue through the process of law, the Company had filed a Writ, before the Hon'ble Delhi High Court. The Hon'ble Court pronounced its judgement on this issue on 2nd July, 2007 whereby it has provided two options to the Discoms for paying terminal benefits / residual pension to the Trust:

- (i) Terminal benefits due to the VSS optees and to be paid by Discoms which shall be reimbursed to Discoms by the Trust without interest on normal retirement / death (whichever is earlier) of such VSS optees. In addition, the Discoms shall pay the Retiral Pension to VSS optees till their respective dates of normal retirement, after which the Trust shall commence payment to such optees.
- (ii) The Trust to pay the terminal benefits and all dues of the VSS optees and Discoms to pay to the trust an 'Additional Contribution' required on account of premature payout by the Trust which shall be computed by an Arbitral Tribunal of Actuaries to be appointed within a stipulated period.

The Company considers the second option as more appropriate and also estimates that the liability under this option shall be lower than under the first option which is presently being followed. Pending computation of the liability by the Arbitral Tribunal of Actuaries due to delay in appointment of the same, no adjustment has been made in these financial statements.

While the writ petition was pending, the Company had already advanced ₹ 77.74 crore (31st March, 2014 - ₹ 77.74 crore) to the SVRS Trust for payment of retiral dues to separated employees. In addition to the payment of terminal benefits / residual pension to the Trust, the Hon'ble Delhi High Court in its above Order dated 2nd July, 2007 in WP C 4827/2005 has held that the Discoms are liable to pay interest @ 8% per annum on the amount of terminal benefits for the period from the date of voluntary retirement to the date of disbursement. As mentioned above that due to pending computation of the liability by the Arbitral Tribunal of Actuaries, the Company has paid ₹ 8.01 crore in FY 2008-09 as interest to VSS optees which is also shown as recoverable from SVRS Trust in case of option (ii). As the company was entitled to get reimbursement against advanced terminal benefit amount on superannuation age, the Company had recovered ₹ 29.71 crore (31st March, 2014 - ₹ 29.71 crore) and adjusted an amount of ₹ 51.89 crore (31st March, 2014 - ₹ 49.76 crore) from pension, leave salary and other contribution totaling to ₹ 81.60 crore (31st March, 2014 - ₹ 79.47 crore), against a claim of ₹ 83.37 crore (31st March, 2014 - ₹ 80.34 crore) from the SVRS Trust in respect of retirees, who have expired or attained the age of superannuation till 31st March, 2015.

The Company is of the opinion that the total liability for payment of terminal benefits to the Trust based on actuarial valuation including payment of interest to VSS optees, would be less than the amount of retiral pensions already paid to the VSS optees and charged to Statement of Profit and Loss. Consequently, pending valuation of 'Additional Contribution' to be computed by an Arbitral Tribunal of Actuaries, the Company has shown ₹ 4.16 crore (31st March, 2014 - ₹ 6.28 crore), as recoverable as on 31st March, 2015 and includes current portion of ₹ 1.27 crore (31st March, 2014 - ₹ 1.95 crore).

Apart from this, the Company has also been paying the retiral pension to the VSS optees till their respective dates of normal retirement or death (whichever is earlier). DERC has approved the aforesaid retiral pension amount in its Aggregate Revenue Requirement (ARR) and the same has been charged to the Statement of Profit and Loss.

- (e) In respect of the Parent Company's Standby Charges dispute with Reliance Infrastructure Ltd. (R-Infra) for the period from 1st April, 1999 to 31st March, 2004, the Appellate Tribunal of Electricity (ATE), set aside the Maharashtra Electricity Regulatory Commission (MERC) Order dated 31st May, 2004 and directed the Company to refund to R-Infra as on 31st March, 2004, ₹ 354.00 crore (including interest of ₹ 15.14 crore) and pay interest at 10% per annum thereafter. As at 31st March, 2015 the accumulated interest was ₹ 207.16 crore (31st March, 2014 - ₹ 195.96 crore) (₹ 11.20 crore for the year ended 31st March, 2015). On appeal, the Hon'ble Supreme Court vide its Interim Order dated 7th February, 2007, has stayed the ATE Order and in accordance with its directives, the Company has furnished a bank guarantee of the sum of ₹ 227.00 crore and also deposited ₹ 227.00 crore with the Registrar General of the Court which has been withdrawn by R-Infra on furnishing the required undertaking to the Court.

Further, no adjustment has been made for the reversal in terms of the ATE Order dated 20th December, 2006, of Standby Charges credited in previous years estimated at ₹ 519.00 crore, which will be adjusted, wholly by a withdrawal/set off from certain Statutory Reserves as allowed by MERC. No provision has been made in the accounts towards interest that may be finally determined as payable to R-Infra. Since 1st April, 2004, the Parent Company has accounted Standby Charges on the basis determined by the respective MERC Tariff Orders.

Notes forming part of the Consolidated Financial Statements

The Parent Company is of the view, supported by legal opinion, that the ATE's Order can be successfully challenged and hence, adjustments, if any, including consequential adjustments to the Deferred Tax Liability Fund and the Deferred Tax Liability Account will be recorded by the Parent Company on the final outcome of the matter.

- (f) MERC vide its Tariff Order dated 11th June, 2004, had directed the Parent Company to treat the investment in its wind energy project as outside the Mumbai Licensed Area, consider a normative Debt Equity ratio of 70:30 to fund the Parent Company's fresh capital investments effective 1st April, 2003 and had also allowed a normative interest charge @ 10% p.a. on the said normative debt. The change to the Clear Profit and Reasonable Return (consequent to the change in the capital base) as a result of the above mentioned directives for the period upto 31st March, 2004, has been adjusted by MERC from the Statutory Reserves along with the disputed Standby Charges referred to in Note 35(e) above. Consequently, the effect of these adjustments would be made with the adjustments pertaining to the Standby Charges dispute as mentioned in Note 35(e) above.
- (g) In the case of Parent Company, in 2008-09, NTT DoCoMo Inc. (Docomo) entered into an Agreement with Tata Teleservices Ltd. (TTSL) and Tata Sons Limited to acquire 20% of the equity share capital under the primary issue and 6% under the secondary sale from Tata Sons Limited. In terms of the Agreements with Docomo, Tata Sons Limited, inter alia, agreed to provide various indemnities and a Sale Option entitling Docomo to sell its entire shareholding in 2014 at a minimum pre-determined price of ₹ 58.045 per share if certain performance parameters were not met by TTSL. The minimum pre-determined price represented 50% of the acquisition price of 2008-09. The Agreements are governed by Indian Law.

The Company in 2008-09 had accepted an offer made voluntarily by Tata Sons Limited to all shareholders of TTSL to participate pro-rata in the secondary sale to Docomo together with bearing liabilities, if any, including the Sale Option in proportion of the number of shares sold by the Company to the aggregate Secondary Sale to Docomo. Accordingly, an Inter se Agreement was executed by the Company with Tata Sons and other Selling Shareholders. The Company sold 2,72,82,177 shares of TTSL to Docomo at ₹ 116.09 per share, resulting in a profit of ₹ 255.62 crore. The Company is obliged to acquire 13,45,95,551 shares of TTSL in the above proportion in the event the Sale Option is exercised by Docomo.

Docomo has exercised the Sale Option in July 2014 and has called upon Tata Sons Limited to acquire its entire shareholding in TTSL at the pre-determined price of ₹ 58.045 per share. Tata Sons Limited has in turn informed the Company that they may be called upon to acquire 13,45,95,551 shares, in terms of its original offer to the Company and the inter-se agreement to participate in the Secondary Sale.

Tata Sons have also informed the Company that the Reserve Bank of India have not permitted acquisition of the shares at the pre-determined price and have advised that the acquisition can only be made at Fair Market Value (FMV) prevailing at the time of the acquisition. The FMV determined as at 30th June, 2014 is ₹ 23.34 per share. Tata Sons Limited has conveyed to Docomo its willingness to acquire the shares at ₹ 23.34 per share, however, Docomo reiterated its position that the shares be acquired at ₹ 58.045 per share.

Docomo have initiated Arbitration in the matter.

The liability, if any, to the extent of the difference in price sought by Docomo and the Fair Market Value is dependent upon the outcome of the Arbitration and prevailing Exchange Control Regulations.

Under the above mentioned agreements with Docomo, TSL and TTSL have jointly and severally agreed to indemnify Docomo within the agreed limits against claims arising on account of any failure of certain warranties provided by TSL and TTSL to be true and correct in all respects (amount not determinable) and in respect of specified contingent liabilities (Company's share ₹ 29.76 crore). The Company is liable to reimburse TSL, on a pro-rata basis.

- (h) In the case of TPDDL, earlier Delhi Electricity Regulatory Commission (DERC) has issued the Order on True up for FY 2010-11, FY 2011-12, FY 2012-13, Aggregate Revenue Requirement for FY 2012-13 to FY 2014-15 and Distribution Tariff (Wheeling & Retail Supply) for FY 2012-13, FY 2013-14 and FY 2014-15 ('the Orders') on 13th July, 2012, 31st July, 2013 and 23rd July, 2014 respectively. While approving the power purchase cost for these true up years, DERC had provisionally allowed the power purchase cost for generation of Rithala plant at the rate equivalent to the Unscheduled Interchange rates for units generated during the time when the Company was under-drawing from the grid instead of the actual cost of generation. Pending final determination of Rithala power purchase cost, aggrieved by the approach adopted by the DERC for provisional allowance of Rithala power purchase cost, the Company had preferred appeal No. 171/2012, 271/2013 and 246/2014 before the APTEL. Appeal No. 171/2012 against the true up Order of FY 2010-11 has been disposed off on 10th February, 2015 and the matter has been remanded back to DERC with the direction to recognise Rithala plant as a source of power and finalise the tariff. By following the above approach, DERC in its true up Order for FY 2010-11 and FY 2011-12 has disallowed ₹ 7.62 crore and ₹ 90.19 crore respectively. Pending implementation of the APTEL direction in appeal No. 171/2012, the Company has based on management estimates accounted for revenue of ₹ 7.62 crore, ₹ 88.42 crore and ₹ 49.68 crore for FY 2010-11, FY 2011-12 and for the period 1st April, 2012 to 30th September, 2012

Notes forming part of the Consolidated Financial Statements

respectively aggregating to ₹ 145.72 crore besides ₹ 67.41 crore as entitlement towards carrying cost (which includes ₹ 28.10 crore for the year ended 31 March, 2015) thus amounting to ₹ 213.13 crore, which amount is included in income adjustable from future tariff. The adjustments, if any will be recorded by the Company after decision taken by the DERC in ensuing tariff order as directed by the APTEL in appeal No. 171/2012. With effect from 1st October, 2012, the scheduling of power generation at Rithala plant is being done as per the instructions/ directions of State Load Dispatch Center.

36. In case of Parent Company:

- (a) In an earlier year, the Company had provisionally determined Statutory Appropriations and adjustments to be made on Annual Performance Review as per Multi Year Tariff (MYT) Regulations, 2011 for Mumbai Licensed Area for financial year 2011-12. In view of deferment of implementation of MYT Tariffs to 1st April, 2012, as directed by MERC, revenue amounting to ₹ 155.00 crore was reversed in the financial year 2012-13.

The Company had filed a petition at the Appellate Tribunal for Electricity (ATE). ATE in its Order dated 28th November, 2013 had ruled in favour of the Company for implementation of MYT Tariffs effective 1st April, 2011. Accordingly, during the previous year, the Company had recognised revenue amounting to ₹ 185.00 crore for the financial year 2011-12.

- (b) During the previous year, Maharashtra Electricity Regulatory Commission (MERC) had completed true-up for the financial year 2011-12 and issued Tariff Orders. In these Tariff Orders, MERC has allowed true-up of the claims made by the Company in respect of earlier years incorporating the impact of favourable ATE Order. Accordingly, during the previous year, revenue of ₹ 115.00 crore had been recognised in the financial statements.
- (c) During the year ended 31st March, 2015, the Appellate Tribunal for Electricity (ATE) in its Order dated 27th October, 2014 has allowed the Company's claim regarding certain expenses which were disallowed/not recognised by MERC in its earlier true-up Orders. Accordingly, the Company has treated such expenses as recoverable and has recognised revenue of ₹ 80.00 crore.

37. In the matter of claims raised by the Parent Company on R-Infra, towards (i) the difference in the energy charges for the period March 2001 to May 2004 and (ii) for minimum off-take charges of energy for the period 1998 to 2000, MERC has issued an Order dated 12th December, 2007 in favour of the Parent Company. The total amount payable by R-Infra, including interest, is estimated to be ₹ 323.87 crore as on 31st December, 2007. ATE in its Order dated 12th May, 2008 on appeal by R-Infra, has directed R-Infra to pay the difference in the energy charges amounting to ₹ 34.98 crore for the period March 2001 to May 2004. In respect of the minimum off-take charges of energy for the period 1998 to 2000 claimed by the Parent Company from R-Infra, ATE has directed MERC that the issue be examined afresh and after the decision of the Hon'ble Supreme Court in the Appeals relating to the distribution licence and rebates given by R-Infra. The Parent Company and R-Infra had filed appeals in the Hon'ble Supreme Court. The Hon'ble Supreme Court, vide its Order dated 14th December, 2009, has granted stay against ATE Order and has directed R-Infra to deposit with the Hon'ble Supreme Court, a sum of ₹ 25.00 crore and furnish bank guarantee of ₹ 9.98 crore. The Parent Company had withdrawn the above mentioned sum subject to an undertaking to refund the amount with interest, in the event the Appeal is decided against the Parent Company. On grounds of prudence, the Parent Company has not recognised any income arising from the above matters.

38. Employee Benefits:

- (a) The Group makes contribution towards provident fund and superannuation fund to a defined contribution retirement benefit plan for qualifying employees.

As a result of the above, a sum of ₹ 55.21 crore (31st March, 2014 - ₹ 52.51 crore) has been charged to the Consolidated Statement of Profit and Loss.

- (b) The Group operates the following unfunded/funded defined benefit plans:
- (i) Ex-Gratia Death Benefits
 - (ii) Retirement Gifts
 - (iii) Post Retirement Medical Benefits
 - (iv) Pension (including Director pension)
 - (v) Gratuity

Notes forming part of the Consolidated Financial Statements

(c) The actuarial valuation of the present value of the defined benefit obligation has been carried out as at 31st March, 2015. The following tables set out the amounts recognised in the consolidated financial statements as at 31st March, 2015 for the above mentioned defined benefit plans:

(i) Net employee benefit expense (recognised in employee cost) for the year ended 31st March, 2015:

	31st March, 2015 ₹ crore (Funded)#	31st March, 2015 ₹ crore (Unfunded)	31st March, 2014 ₹ crore (Funded)#	31st March, 2014 ₹ crore (Unfunded)
Current Service Cost	28.59	4.91	29.73	6.19
Interest	37.87	6.97	33.81	6.41
Expected Return on Plan Assets	(25.64)	Nil	(19.94)	Nil
Actuarial (Gain)/Loss	43.81	14.67	(32.20)	(6.64)
Settlement Cost	Nil	Nil	Nil	(0.80)
Past Service Cost.....	Nil	Nil	Nil	1.59
Total Expense	<u>84.63</u>	<u>26.55</u>	<u>11.40</u>	<u>6.75</u>

Post Retirement Gratuity funded in case of Parent Company, TPDDL, CTTL, PTL, TPSSL, MPL and PKPC.

(ii) Change in the Defined Benefit Obligation/Commitments during the year ended 31st March, 2015:

	31st March, 2015 ₹ crore (Funded)#	31st March, 2015 ₹ crore (Unfunded)	31st March, 2014 ₹ crore (Funded)#	31st March, 2014 ₹ crore (Unfunded)
Present value of Defined Benefit Obligation as at 1st April as per books	451.25	87.80	467.49	88.44
Employee Benefit Expenses	125.18	27.92	21.25	6.75
Acquisition Costs	1.16	(2.78)	1.04	0.33
Benefits Paid (Net).....	(26.15)	(8.19)	(18.46)	(5.84)
Exchange (Gain)	(33.80)	(2.24)	(20.07)	(1.88)
Present value of Defined Benefit Obligation as at 31st March	517.64	102.51	451.25	87.80
Less: Fair Value of plan assets at the end of the year	<u>346.65</u>	<u>Nil</u>	<u>280.63</u>	<u>Nil</u>
Provision for Defined Benefit Obligation as at 31st March as per books	<u>170.99</u>	<u>102.51</u>	<u>170.62</u>	<u>87.80</u>

Post Retirement Gratuity funded in case of Parent Company, TPDDL, CTTL, PTL, TPSSL, MPL and PKPC.

Notes forming part of the Consolidated Financial Statements

(iii) Plan Assets:

	31st March, 2015	31st March, 2014
	₹ crore	₹ crore
Fair value of Plan Assets as on 1st April	280.63	228.52
Expected Return on Plan Assets	25.64	19.94
Contribution.....	44.22	54.06
Benefits Paid.....	(6.84)	(5.39)
Actuarial Gain/(Loss)	14.91	(10.08)
Exchange (Loss).....	(11.91)	(6.42)
Closing balance as on 31st March	<u>346.65</u>	<u>280.63</u>

The Parent Company has paid ₹ 25.00 crore to Tata Power Gratuity Fund (31st March, 2014 - ₹ 33.00 crore). Of the payment of ₹ 25.00 crore, ₹ Nil towards the current year liability (31st March, 2014 - ₹ 8.00 crore) and ₹ 25.00 crore towards the Opening Liability (31st March, 2014 - ₹ 25.00 crore). The balance of the Opening Liability is to be funded by next year.

Major category of Plan Assets as a % of the Total Plan Assets

	31st March, 2015	31st March, 2014
	₹ crore	₹ crore
Government Bonds	26.10%	29.24%
Government Securities.....	9.82%	12.47%
Debt Instruments	1.56%	1.47%
Equity and Preference shares.....	0.98%	0.94%
Mutual Funds.....	1.23%	1.46%
Other Deposits	4.93%	3.49%
Insurer Managed Funds*	55.38%	50.93%

* In the absence of detailed information regarding plan assets funded with Insurance Companies, the composition of each major category of plan assets and the percentage or amount for each category to the fair value of plan assets has not been disclosed.

(iv) Actuarial assumptions used for valuation of the present value of the defined benefit obligations of various benefits are as under:

	31st March, 2015	31st March, 2014
Discount Rate	7.50% to 9.25%	8.40% to 9.31%
Salary Growth Rate	6% to 11 % p.a.	6% to 11 % p.a.
Turnover Rate - Age 21 to 44 years	0.50% to 10% p.a.	0.50% to 10% p.a.
Turnover Rate - Age 45 years and above	0.50% to 2.50% p.a.	0.50% to 2.50% p.a.
Pension Increase Rate.....	3% p.a.	3% p.a.
Mortality Table (in case of Indian Companies).....	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult
Expected Return on Scheme Assets	7.50% to 9.25% p.a.	7.50% to 9.25% p.a.
Annual Increase in Health Cost	8% p.a.	6% p.a.

- Discount rate is based on the prevailing market yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligation.
- The estimates of future salary increases, considered in actuarial valuation, take account of the inflation, seniority, promotion and other relevant factors.

(v) The contribution expected to be made by the Group during the financial year 2015-16 has not been ascertained.

39. In respect of the contracts pertaining to the Strategic Engineering Business and Project Management Services of the Group, disclosures required as per AS-7 (Revised) are as follows:

- (a) Contract revenue recognised as revenue during the year ₹ 530.50 crore (31st March, 2014 - ₹ 343.07 crore).
- (b) In respect of contracts in progress –
 - (i) The aggregate amount of costs incurred and recognised profits upto 31st March, 2015 - ₹ 814.84 crore (31st March, 2014 - ₹ 343.15 crore).
 - (ii) Advances and progress payments received as at 31st March, 2015 ₹ 813.25 crore (31st March, 2014 - ₹ 709.25 crore).
 - (iii) Retention money included as at 31st March, 2015 in Sundry Debtors ₹ 6.32 crore (31st March, 2014 - ₹ 9.81 crore).
- (c) (i) Gross amount due to customers for contract work as a liability as at 31st March, 2015 ₹ 191.44 crore (31st March, 2014 - ₹ 402.03 crore).
- (ii) Gross amount due from customers for contract work as an asset as at 31st March, 2015 ₹ 191.89 crore (31st March, 2014 - ₹ 35.93 crore).

40. Related Party Disclosures:

Disclosure as required by Accounting Standard 18 (AS-18) - "Related Party Disclosures" are as follows:

Names of the related parties and description of relationship:

- (a) (i) Jointly Controlled Entities (where transactions have taken place during the year)
 - 1) Cennergi Pty. Ltd. **
 - 2) OTP Geothermal Pte. Ltd. **
 - 3) PT Antang Gunung Meratus **
 - 4) Adjaristsqali Georgia LLC **
 - 5) Khoromkheti Georgia LLC **

** Fellow Jointly Controlled Entities

- (ii) Associates (where transactions have taken place during the year)
 - 1) Tata Projects Ltd.
 - 2) Nelito Systems Ltd.
 - 3) Yashmun Engineers Ltd.
 - 4) Rujuvalika Investments Ltd.

- (iii) Promoters holding together with its Subsidiary more than 20%
 - Tata Sons Ltd.

- (b) Key Management Personnel
 - Anil Sardana - CEO & Managing Director
 - Ashok Sethi - COO & Executive Director (from 7th May, 2014)
 - S. Padmanabhan - Executive Director (upto 30th June, 2014)
 - Ramesh Subramanyam - Chief Financial Officer

Notes forming part of the Consolidated Financial Statements

40. Related Party Disclosures (Contd.):

(c) Details of Transactions:

Particulars	₹ crore			
	Associates	Jointly Controlled Entities	Key Management Personnel	Promoters
Purchase of goods.....	-	2,028.26	-	-
		<i>1,899.50</i>		
Purchase of fixed assets	191.78	-	-	-
	<i>383.89</i>			
Rendering of services.....	0.10	11.29	-	0.57
	<i>0.10</i>	<i>39.35</i>		
Receiving of services.....	8.71	-	-	0.61
	<i>12.21</i>			<i>0.85</i>
Brand equity contribution	-	-	-	23.84
				<i>25.38</i>
Remuneration paid.....	-	-	15.57	-
			<i>11.12</i>	
Interest income	-	-	-	-
	<i>0.22</i>			
Dividend received	4.95	-	-	5.34
	<i>5.01</i>			<i>5.34</i>
Dividend paid	-	-	-	102.74
				<i>81.36</i>
Equity Shares Issued.....	-	-	-	686.33
Deposits taken - towards rental accomodation	-	-	-	2.00
Inter corporate deposit given	-	-	-	-
	<i>3.50</i>			
Inter corporate deposit repaid	-	-	-	-
	<i>12.00</i>			
Purchase of preference shares.....	-	-	-	-
	<i>12.00</i>			
Letter of undertaking given	-	-	-	-
	<i>15.97</i>			
Letter of undertaking cancelled	-	-	-	-
	<i>17.06</i>			
Balances outstanding				
Security deposit given.....	-	-	-	0.50
				<i>0.50</i>
Other receivables (net of provisions)	-	41.07	-	-
	<i>71.45</i>	<i>39.21</i>		
Loans given (including interest thereon)	1.27	-	-	-
	<i>1.27</i>			
Loans provided for as doubtful advances	1.27	-	-	-
	<i>1.27</i>			
Guarantees, collaterals etc. outstanding	-	-	-	Refer Note 35 (g)
				<i>Refer Note 35 (g)</i>
Letter of undertaking.....	-	-	-	-
	<i>15.97</i>			
Preference shares outstanding.....	12.00	-	-	-
	<i>12.00</i>			
Other payables.....	12.53	182.47	-	26.70
	<i>130.75</i>	<i>119.89</i>		<i>27.86</i>

Note: Previous year's figures are in italics.

NOTICE

BOARD'S REPORT

MD&A

CG REPORT

STANDALONE

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Notes forming part of the Consolidated Financial Statements

40 Related Party Disclosures (Contd.):

(d) Details of material related party transactions [included under (c)]:

(a) Joint Controlled Entities:

Particulars	₹ crore			
	PT Kaltim Prima Power	PT Arutmin Indonesia	Indocoal Resources (Cayman) Ltd.	PT Antang Gunung Meratus
Purchase of goods.....	2,028.26	-	-	-
Rendering of services.....	-	-	1,870.11	-
	-	35.68	-	7.54
Balances outstanding				
Other receivables (net of provisions)	-	38.51	-	-
	-	39.21	-	-
Other payables	182.47	-	-	-
	-	-	91.02	29.31

(b) Associates:

Particulars	₹ crore			
	Tata Ceramics Ltd.	Tata Projects Ltd.	Yashmun Engineers Ltd.	Nelito Systems Ltd.
Purchase of fixed assets	-	191.78	-	-
Rendering of services.....	-	383.89	-	-
Receiving of services	-	-	0.10	-
	-	-	0.10	-
Interest income	-	-	8.71	-
	-	-	12.21	-
Dividend received	0.22	-	-	-
	-	4.84	-	-
Inter corporate deposit given	-	4.84	-	-
	-	-	-	-
Inter corporate deposit repaid	3.50	-	-	-
	-	-	-	-
Purchase of preference shares.....	12.00	-	-	-
	-	-	-	-
Letter of undertaking given	12.00	-	-	-
	-	-	-	-
Letter of undertaking cancelled	15.97	-	-	-
	-	-	-	-
Balances outstanding				
Other receivables (net of provisions)	-	-	-	-
	-	71.45	-	-
Loans given (including interest thereon)	-	-	-	1.27
	-	-	-	1.27
Loans provided for as doubtful advances.....	-	-	-	1.27
	-	-	-	1.27
Letter of undertaking.....	-	-	-	-
	15.97	-	-	-
Preference shares outstanding.....	12.00	-	-	-
	12.00	-	-	-
Other payables	-	-	-	-
	-	128.48	-	-

Note: Previous year's figures are in italics.

Notes forming part of the Consolidated Financial Statements

41. Derivative Instruments and Unhedged Foreign Currency exposures:

(i) Derivative Instruments:

The following derivative positions are open as at 31st March, 2015. These transactions have been undertaken to act as economic hedges for the Group's exposures to various risks in foreign exchange markets and may/may not qualify or be designated as hedging instruments. The accounting for these transactions is stated in Note 2.1 (o) and 2.1 (p).

Forward exchange contracts (being derivative instrument), which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables.

Outstanding swaps/forward/currency options contracts entered into by the Group as on 31st March, 2015:

	31st March, 2015		31st March, 2014	
	Foreign Currency (in Millions)	₹ crore	Foreign Currency (in Millions)	₹ crore
Forward Contracts.....	USD 430.55	2,690.86	USD 456.27	2,732.57
	Euro 88.29	593.28	Euro 105.44	867.35
	JPY 81.36	4.24	JPY 860.79	50.35
	ZAR 20.50	10.61	Nil	Nil
Forward Contracts (Firm Commitment) #	GBP 6.57	60.74	GBP 0.24	2.39
	Euro 11.02	74.07	Euro 1.68	13.82
	USD 108.56	678.49	USD 76.51	458.23
Currency Option Contracts.....	USD 586.00	3,662.33	USD 742.24	4,445.26
Currency Option Contracts (Firm Commitment)	USD 15.39	96.18	Nil	Nil
Interest Rate Swaps	USD 1,411.31	8,820.32	USD 1,627.10	9,340.47
	ZAR 754.41	390.63	ZAR 414.28	234.48
Interest Rate Cap	USD 475.00	2,968.63	Nil	Nil
Unrecognised Gain in respect of above Forward Contracts and Currency Option Contracts	Nil	57.89	Nil	321.72

Includes forward contracts in the nature of debt servicing which are composite contracts taken for principal as well as interest repayment on loan.

(ii) The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

	31st March, 2015		31st March, 2014	
	Foreign Currency (in Millions)	₹ crore	Foreign Currency (in Millions)	₹ crore
(a) Amounts receivable in foreign currency on account of the following:				
Export of goods	USD 0.85	5.32	USD 1.52	9.09
	Euro *	0.09	Euro *	0.14
Other Receivables	USD 0.28	1.74	Nil	Nil
(b) Amounts payable in foreign currency on account of the following:				
(i) Import of goods and services	USD 54.40	339.98	USD 23.93	143.38
	Euro 0.97	6.54	Euro 0.41	3.37
	GBP 2.61	24.12	GBP 0.59	5.85
	Nil	Nil	JPY 3.32	0.19
	NOK 0.05	0.04	NOK 0.12	0.12
	Nil	Nil	CHF*	0.01
(ii) Capital imports.....	Euro 0.40	2.65	Euro 0.74	6.11
	JPY 107.06	5.58	JPY 152.30	8.91
	USD 0.58	3.64	USD 0.51	3.04
	GBP 0.06	0.62	GBP *	0.05
(iii) Interest payable	USD 0.26	1.66	USD 2.71	16.22
(iv) Loans payable	USD 637.82	3,986.22	USD 905.50	5,423.01
	Euro 10.21	68.61	Nil	Nil
(v) Premium payable on borrowings.....	Nil	Nil	USD 28.41	170.15
(c) Bank balances.....	USD 0.94	5.88	USD 1.01	6.05
	TAKA 0.22	0.02	TAKA 0.22	0.02

Notes forming part of the Consolidated Financial Statements

42. Disclosures as required by Accounting Standard-29 (AS-29) "Provisions, Contingent Liabilities and Contingent Assets" as at 31st March, 2015:

The Group has made provision for various contractual obligations based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

Particulars	₹ crore					
	Opening Balance	Additions during the year	Acquisition made during the year	Payments/ Adjustments made during the year	Reversal/ Regrouped during the year	Closing Balance
Provision for Warranties	55.32	33.01	-	(7.44)	(16.96)	63.93
	<i>41.97</i>	<i>31.77</i>	-	<i>(4.26)</i>	<i>(14.16)</i>	<i>55.32</i>
Provision for Premium on Redemption of FCCB	170.15	5.10 @	-	(175.25)	-	-
	<i>154.52</i>	<i>15.63 @</i>	-	-	-	<i>170.15</i>
Provision for Premium on Redemption of Debentures	94.20	-	-	(53.70)	-	40.50
	<i>134.70</i>	-	-	<i>(40.50)</i>	-	<i>94.20</i>
Provision for Foreseeable losses on Contracts etc.	2.91	-	-	-	(0.44)	2.47
	<i>2.82</i>	<i>0.09</i>	-	-	-	<i>2.91</i>
Provision for Restoration and Rehabilitation	579.90	64.14	-	(45.09) #	(13.01)	585.94
	<i>544.20</i>	<i>38.98</i>	-	<i>(3.28) #</i>	-	<i>579.90</i>
Provision for Contingencies.....	-	55.59	-	-	-	55.59
	-	-	-	-	-	-

Notes:

@ On account of exchange loss.

includes exchange fluctuation.

Previous year's figures are in italics

43. Earnings Per Share:

Basic

Net Profit/(Loss) for the year (₹ crore)

Less: Contingencies Reserve provided for the year (₹ crore)

Less: Distribution on Unsecured Perpetual Securities (₹ crore).....

Net Profit/(Loss) for the year attributable to the equity shareholders (₹ crore)

The weighted average number of Equity Shares for Basic Earning Per Share (Nos.)

Par value Per Share (in ₹)

Basic Earnings Per Share (in ₹)

Diluted

Net Profit/(Loss) for the year attributable to the equity shareholders (₹ crore)

Add: Interest Expense and Exchange Fluctuation on FCCB (Net) (₹ crore)

Profit/(Loss) attributable to equity shareholders on dilution (₹ crore)

The weighted average number of Equity Shares for Basic Earning Per Share (Nos.)

Add: Effect of potential Equity Shares on Conversion of FCCB (Nos.)

The weighted average number of Equity Shares for Diluted Earning Per Share (Nos.)

Par value Per Share (in ₹)

Diluted Earnings Per Share (in ₹) - (Anti Dilutive)

Diluted Earnings Per Share restricted to Basic Earning Per Share (in ₹)

	31st March, 2015	31st March, 2014
Net Profit/(Loss) for the year (₹ crore)	167.83	(259.97)
Less: Contingencies Reserve provided for the year (₹ crore)	10.00	9.00
	157.83	(268.97)
Less: Distribution on Unsecured Perpetual Securities (₹ crore).....	112.88	112.88
Net Profit/(Loss) for the year attributable to the equity shareholders (₹ crore)	44.95	(381.85)
The weighted average number of Equity Shares for Basic Earning Per Share (Nos.)	269,11,76,511	246,29,79,249
Par value Per Share (in ₹)	1.00	1.00
Basic Earnings Per Share (in ₹)	0.17	(1.55)
Diluted		
Net Profit/(Loss) for the year attributable to the equity shareholders (₹ crore)	44.95	(381.85)
Add: Interest Expense and Exchange Fluctuation on FCCB (Net) (₹ crore)	Nil	132.35
Profit/(Loss) attributable to equity shareholders on dilution (₹ crore)	44.95	(249.50)
The weighted average number of Equity Shares for Basic Earning Per Share (Nos.)	269,11,76,511	246,29,79,249
Add: Effect of potential Equity Shares on Conversion of FCCB (Nos.)	Nil	9,64,40,896
The weighted average number of Equity Shares for Diluted Earning Per Share (Nos.)	269,11,76,511	255,94,20,145
Par value Per Share (in ₹)	1.00	1.00
Diluted Earnings Per Share (in ₹) - (Anti Dilutive)	0.17	(0.97)
Diluted Earnings Per Share restricted to Basic Earning Per Share (in ₹)	0.17	(1.55)

Note:

'Pursuant to the rights issue, as stated in Note 3 (e) earnings per share (EPS) in respect of previous year has been restated as per Accounting Standard-20 (AS-20) - "Earnings Per Share", specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

Notes forming part of the Consolidated Financial Statements

44. Segment Reporting:

(a) Primary Segment Information:

The Group has identified business segments as its primary segment. Business segments are as below:

	₹ crore				
	Power	Coal	Others	Eliminations	Total
REVENUE					
External Revenue.....	25,420.37	8,147.46	1,759.61	960.59	34,366.85
	<i>25,492.58</i>	<i>9,693.90</i>	<i>1,779.76</i>	<i>1,093.14</i>	35,873.10
RESULT					
Total Segment Result	4,202.05	926.07	39.22		5,167.34
	<i>3,732.84</i>	<i>1,069.41</i>	<i>31.11</i>		4,833.36
Finance Costs					(3,699.27)
					(3,439.90)
Unallocable Income net of Unallocable Expense					15.67
					(418.39)
Income Taxes.....					(1,074.92)
					(1,008.38)
Profit/(Loss) after Tax and before Share of Profit of Associates and Minority Interest					408.82
					(33.31)
Share of Profit of Associates					48.38
					45.37
Minority Interest					(289.37)
					(272.03)
Profit/(Loss) for the year					167.83
					(259.97)
OTHER INFORMATION					
Segment Assets.....	52,672.65	15,480.53	2,362.56		70,515.74
	<i>50,093.21</i>	<i>14,558.28</i>	<i>2,240.65</i>		66,892.14
Unallocable Assets					4,927.11
					4,506.12
Total Assets					75,442.85
					71,398.26
Segment Liabilities	6,771.97	6,209.71	1,091.63		14,073.31
	<i>6,582.59</i>	<i>5,319.37</i>	<i>1,075.60</i>		12,977.56
Unallocable Liabilities.....					43,678.06
					42,789.97
Total Liabilities					57,751.37
					55,767.53
Capital Expenditure.....	3,091.75	291.00	110.87		3,493.62
	<i>3,821.06</i>	<i>392.87</i>	<i>122.20</i>		4,336.13
Non-cash Expenses other than Depreciation/Amortisation (to the extent allocable to segment).....	60.74	79.15	16.94		156.83
	<i>31.27</i>	<i>-</i>	<i>50.32</i>		81.59
Depreciation/Amortisation charged to the Statement of Profit and Loss Account (to the extent allocable to segment)	1,645.45	435.87	92.89		2,174.21
Depreciation on account of change in useful life of assets and charged to retain earnings.....	10.75	-	3.44		14.19
Total Depreciation.....	1,656.20	435.87	96.33		2,188.40
	<i>2,043.78</i>	<i>542.03</i>	<i>143.81</i>		2,729.62

Types of products and services in each business segment:

Power - Generation, Transmission, Distribution and Trading of Electricity.

Coal - Mining and Trading.

Others - Defence Engineering, Solar Equipment, Project Contracts/Infrastructure Management Services, Coal Bed Methane, Investment, Shipping and Property Development.

Note: Previous year's figures are in italics.

Notes forming part of the Consolidated Financial Statements

 44. Segment Reporting (*Contd.*):

(b) Secondary Segment Information:

Particulars	₹ crore		
	Domestic	Overseas	Total
Revenue from External Customers.....	26,945.55	7,421.30	34,366.85
	<i>26,839.62</i>	<i>9,033.48</i>	<i>35,873.10</i>
Segment Assets.....	52,423.04	18,092.70	70,515.74
	<i>50,408.62</i>	<i>16,483.52</i>	<i>66,892.14</i>
Capital Expenditure.....	2,626.77	866.85	3,493.62
	<i>3,537.40</i>	<i>798.73</i>	<i>4,336.13</i>

Note: Previous year's figures are in italics.

45. Utilisation of Rights Issue proceeds:

As stated in Note 3 (e), on 25th April, 2014, the Parent Company allotted 33,15,52,894 equity shares of ₹ 1/- each at a price of ₹ 60/- per equity share aggregating to ₹ 1,989.32 crore pursuant to shares issued under Rights Issue. Status of Utilisation of the Rights Issue proceeds is as under:

Particulars	₹ crore		
	Amount proposed to be financed from Net Proceeds	Amount utilised	Balance amount as at 31st March, 2015
Part funding of capital expenditure.....	300.00	243.64	56.36
Part repayment of borrowings	533.15	527.34	5.81
Extend facilities to Company's subsidiary towards part repayment of the subsidiary's borrowings	639.51	582.63	56.88
General corporate purposes.....	498.35	480.25	18.10
Issue related expenses.....	22.37	17.76	4.61
	<u>1,993.38</u>	<u>1,851.62</u>	<u>141.76</u>
Less: Value of Shares in Abeyance.....	(4.06)	-	(4.06)
Total	<u>1,989.32</u>	<u>1,851.62</u>	<u>137.70</u>

The balance unutilised amount have been temporarily deployed in fixed deposits.

46. Obligations towards Finance Leases:

	31st March, 2015	31st March, 2014
	₹ crore	₹ crore
Assets acquired under finance lease:		
Minimum Lease payments:		
Within 1 year	168.44	169.83
Later than 1 year but not later than 5 years.....	271.75	369.29
Later than 5 years	12.56	18.96
	<u>452.75</u>	<u>558.08</u>
Present value of minimum Lease Payments:		
Within 1 year	152.48	148.31
Later than 1 year but not later than 5 years.....	253.82	340.05
Later than 5 years	12.23	18.53
	<u>418.53</u>	<u>506.89</u>
Add: Future Finance Charges.....	34.22	51.19
	<u>452.75</u>	<u>558.08</u>

Notes forming part of the Consolidated Financial Statements

47. Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures:

Name of the Entity	Net Assets i.e. total assets minus total liabilities ⁹		Share of Profit or (Loss)	
	As % of consolidated net assets	Amount (₹ crore)	As % of consolidated profit or (loss)	Amount (₹ crore)
The Tata Power Company Ltd.	55.45	17,123.46	71.34	1,010.29
Indian Subsidiaries				
1. Nelco Ltd. (Consolidated) ¹	0.02	7.50	(0.08)	(1.16)
2. Chemical Terminal Trombay Ltd.....	0.15	47.37	0.37	5.30
3. Af-Taab Investment Co. Ltd.....	0.49	150.31	1.09	15.48
4. Powerlinks Transmission Ltd.....	1.73	534.00	7.92	112.11
5. Tata Power Trading Co. Ltd.....	0.45	139.83	2.06	29.13
6. Maithon Power Ltd.....	5.03	1,553.89	14.86	210.51
7. Industrial Energy Ltd.....	2.24	690.92	0.84	11.86
8. Coastal Gujarat Power Ltd.....	(0.71)	(219.28)	(63.42)	(898.08)
9. Tata Power Delhi Distribution Ltd.....	9.85	3,040.92	23.73	335.99
10. Tata Power Jamshedpur Distribution Ltd.....	(0.03)	(8.97)	(0.15)	(2.06)
11. Industrial Power Utility Ltd.....	0.00	0.01	0.00	*
12. Tata Power Renewable Energy Ltd.....	1.62	500.31	0.45	6.31
13. Dugar Hydro Power Ltd.....	0.24	74.33	(0.04)	(0.54)
14. Tata Power Solar Systems Ltd.....	0.35	108.29	(8.07)	(114.33)
15. NDPL Infra Ltd.....	0.01	3.98	0.26	3.75
16. Tata Power Green Energy Ltd.....	0.00	0.03	0.00	*
17. NewGen Saurashtra Windfarms Ltd.....	0.18	55.28	(0.02)	(0.24)
Foreign Subsidiaries				
1. Bhira Investments Ltd.....	(0.75)	(230.89)	15.78	223.44
2. Bhivpuri Investments Ltd.....	3.88	1,197.72	0.21	3.00
3. Khopoli Investments Ltd.....	1.42	439.73	3.20	45.32
4. Trust Energy Resources Pte. Ltd.....	2.74	845.12	4.06	57.55
5. Energy Eastern Pte. Ltd.....	0.07	21.59	0.43	6.06
6. PT Sumber Energi Andalan Tbk.....	0.04	11.63	(0.05)	(0.76)
7. Tata Power International Pte. Ltd.....	1.59	489.67	0.53	7.51
Indian Associates				
1. Nelito Systems Ltd.....	0.05	16.37	0.02	0.23
2. Panatone Finvest Ltd.....	0.21	63.96	0.69	9.78
3. Yashmun Engineers Ltd.....	0.01	1.63	0.00	*
4. Tata Projects Ltd.....	1.07	329.43	2.70	38.24
Indian Jointly Control Entities				
1. Tubed Coal Mines Ltd.....	0.03	9.10	(0.60)	(8.46)
2. Mandakini Coal Company Ltd.....	0.05	15.16	(1.65)	(23.38)
3. Gamma Land Holding Ltd.....	0.00	0.01	0.00	*
4. Solace Land Holding Ltd.....	0.00	0.76	0.00	*
5. Beta Land Holdings Ltd.....	0.00	0.01	0.00	*
6. Ginger Land Holdings Ltd.....	0.00	0.01	0.00	*
Carried over...	87.48	27,013.19	76.46	1,082.85

Notes forming part of the Consolidated Financial Statements

47. Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures (Contd.):

Name of the Entity	Net Assets i.e. total assets minus total liabilities ⁹		Share of Profit or (Loss)	
	As % of consolidated net assets	Amount (₹ crore)	As % of consolidated profit or (loss)	Amount (₹ crore)
Brought forward...	87.48	27,013.19	76.46	1,082.85
Foreign Jointly Control Entities				
1. Cennergi Pty. Ltd. (Consolidated) ²	(0.25)	(77.49)	(9.50)	(134.51)
2. PT Mitratama Perkasa (Consolidated) ³	2.16	668.06	14.44	204.47
3. PT Arutmin Indonesia.....	2.00	617.86	(1.48)	(21.00)
4. PT Kaltim Prima Coal.....	1.41	436.33	2.70	38.20
5. Indocoal Resources (Cayman) Ltd.....	1.97	608.22	0.29	4.10
6. PT Indocoal Kalsel Resources.....	(0.00)	(0.03)	(0.00)	(0.01)
7. PT Indocoal Kaltim Resources.....	0.00	0.09	0.00	*
8. Dagachhu Hydro Power Corporation Ltd.....	0.34	106.43	(0.04)	(0.60)
9. Candice Investments Pte. Ltd.....	0.04	11.19	0.72	10.25
10. PT Nusa Tambang Pratama.....	1.86	572.91	7.20	101.93
11. PT Marvel Capital Indonesia.....	0.00	0.18	(0.00)	(0.01)
12. PT Dwikarya Prima Abadi.....	0.55	170.35	6.15	87.07
13. PT Kalimantan Prima Power (Consolidated) ⁴	0.35	105.50	3.05	43.30
14. OTP Geothermal Pte. Ltd. (Consolidated) ⁵	0.69	214.43	(0.61)	(8.58)
15. PT Baramulti Sukessarana Tbk (Consolidated) ⁶	0.50	154.52	0.85	12.00
16. Adjaristsqali Netherlands BV (Consolidated) ⁷	0.90	278.28	(0.33)	(4.68)
17. Koromkheti Netherlands BV (Consolidated) ⁸	(0.00)	(0.97)	0.10	1.35
18. Indocoal KPC Resources (Cayman) Ltd.....	0.00	0.03	0.00	0.03
	100.00	30,879.08	100.00	1,416.16
(a) Less: Adjustments arising out of consolidation.....		(13,187.60)		(958.96)
(b) Less: Minority Interest				
Indian Subsidiaries				
1. Powerlinks Transmission Ltd.....		(267.37)		(54.94)
2. Nelco Ltd. (Consolidated) ¹		(2.91)		0.57
3. Maithon Power Ltd.....		(403.54)		(54.73)
4. Industrial Energy Ltd.....		(195.97)		(3.08)
5. Tata Power Delhi Distribution Ltd.....		(1,557.33)		(164.64)
6. NDPL Infra Ltd.....		(1.93)		(1.84)
7. Dugar Hydro Power Ltd.....		(37.15)		0.27
Foreign Subsidiaries				
1. PT Sumber Energi Andalan Tbk.....		(0.48)		0.04
Foreign Jointly Control Entities				
1. Cennergi Pty. Ltd. (Consolidated) ²		(1.17)		*
2. PT Mitratama Perkasa (Consolidated) ³		(24.74)		(11.02)
Total		(2,492.59)		(289.37)
Consolidated Net Assets / Profit after tax		15,198.89		167.83

Notes:

- Accounts of Tatanet Services Ltd. have been consolidated with Nelco Ltd.
- Accounts of Amakhala Emoyeni RE Project 1 (Pty) Ltd. and Tsitsikamma Community Wind Farm (Pty) Ltd. have been consolidated with Cennergi Pty. Ltd.
- Accounts of PT Mitratama Usaha have been consolidated with PT Mitratama Perkasa.
- Accounts of PT Citra Prima Buana, PT Guruh Agung and PT Citra Kusuma Perdana have been consolidated with PT Kalimantan Prima Power.
- Accounts of PT OTP Geothermal Services Indonesia and PT Sorik Marapi Geothermal Power have been consolidated with OTP Geothermal Pte Ltd.
- Accounts of PT Antang Gunung Meratus have been consolidated with PT Baramulti Sukessarana Tbk.
- Accounts of Adjaristsqali Georgia LLC have been consolidated with Adjaristsqali Netherlands BV.
- Accounts of Koromkheti Georgia LLC have been consolidated with Koromkheti Netherlands BV.
- Net Assets exclude unsecured perpetual securities, special appropriation towards project cost and statutory consumer reserves.
- Refer Note 2.1 (ix) for list of associates which have not been considered for consolidation being not material to the Group.
- Figures below ₹ 50,000/- are denoted by “*“.

Notes forming part of the Consolidated Financial Statements

48. Interest in Joint Ventures-Jointly Controlled Entities:

The Group's share of total assets, liabilities, income, expenses, contingent liabilities and capital commitments in jointly controlled entities considered in these Consolidated Financial Statements are as under:

	31st March, 2015 ₹ crore	31st March, 2014 ₹ crore
I. NON-CURRENT LIABILITIES		
a) Long-term Borrowings	1,062.05	941.11
b) Deferred Tax Liabilities	266.73	254.64
c) Other Long-term Liabilities.....	71.60	18.14
d) Long-term Provisions.....	683.09	673.97
(A)	2,083.47	1,887.86
II. CURRENT LIABILITIES		
a) Short-term Borrowings	18.66	85.20
b) Trade Payables.....	2,447.34	1,559.08
c) Other Current Liabilities.....	3,537.66	3,339.15
d) Short-term Provisions	119.06	147.80
(B)	6,122.72	5,131.23
(A+B)	8,206.19	7,019.09
III. NON-CURRENT ASSETS		
a) Fixed Assets	4,652.17	4,317.93
b) Goodwill	32.91	31.53
c) Long-term Loans and Advances	328.58	337.29
d) Other Non-current Assets	24.75	23.88
e) Deferred Tax Assets.....	5.82	12.92
(C)	5,044.23	4,723.55
IV. CURRENT ASSETS		
a) Inventories	383.72	575.93
b) Trade Receivables.....	2,092.17	1,407.90
c) Cash and Bank Balances.....	374.68	356.14
d) Short-term Loans and Advances	2,700.99	2,352.65
e) Other Current Assets.....	0.09	0.09
(D)	5,551.65	4,692.71
(C+D)	10,595.88	9,416.26
V. REVENUE		
a) Revenue from Operations	7,278.02	8,879.45
b) Other Income.....	271.09	8.32
	7,549.11	8,887.77
VI. EXPENSES		
a) Royalty towards Coal Mining	1,034.68	1,249.37
b) Cost of Fuel.....	1,162.15	1,438.26
c) Coal Processing Charges.....	2,162.69	2,683.10
d) Decrease in Stock-in-Trade and Work-in-Progress.....	169.68	126.29
e) Employee Benefits Expense.....	323.53	305.67
f) Other Expenses	2,326.60	2,354.44
g) Depreciation and Amortisation	436.81	542.68
h) Finance Costs	235.01	93.86
i) Tax Expense	177.98	236.51
	8,029.13	9,030.18
VII. (LOSS) AFTER TAX.....	(480.02)	(142.41)
VIII. OTHER MATTERS		
a) Contingent Liabilities.....	2,363.03	2,322.44
b) Capital Commitments.....	1,067.21	1,380.90
	3,430.24	3,703.34

49. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure. Figures below ₹ 50,000/- are denoted by '*'.

Form AOC-1
Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures
Part 'A': Subsidiaries

Sr. No.	Name of the Subsidiary Company	Reporting period	Reporting Currency	Exchange Rate as at 31st March, 2015	Share Capital (incl. Pref. Shares)	Reserves & Surplus	Total Assets (Excluding Share Capital & Reserves)	Total Liabilities (Excluding Share Capital & Reserves)	Investments	Turnover	Other Income	Total Revenue	Profit/(Loss) before Taxation	Provision for Taxation (including Deferred Tax)	Profit/(Loss) after Taxation	Proposed Dividend on Equity Shares (%)	Proposed Dividend on Equity Shares	% of Shareholding
1.	NELCO Ltd. (Consolidated) ¹	31st March, 2015	Indian Rupee	1.00	22.82	(15.32)	145.30	137.80	8.45	125.23	1.25	126.48	(0.69)	0.47	(1.16)	Nil	Nil	50.04
2.	Chemical Terminal Trombay Ltd.	31st March, 2015	Indian Rupee	1.00	1.86	45.51	51.85	4.48	37.23	19.95	4.78	24.73	6.59	1.29	5.30	Nil	Nil	100.00
3.	Af-Taab Investment Co. Ltd.	31st March, 2015	Indian Rupee	1.00	10.73	139.58	156.49	6.18	129.36	23.03	1.43	24.46	18.77	3.29	15.48	Nil	Nil	100.00
4.	Powerlinks Transmission Ltd.	31st March, 2015	Indian Rupee	1.00	468.00	66.00	1,100.27	566.27	26.51	241.90	16.08	257.98	118.71	6.60	112.11	2.50	11.70	51.00
5.	Tata Power Trading Co. Ltd.	31st March, 2015	Indian Rupee	1.00	16.00	123.83	710.64	570.81	3.00	4,181.20	5.09	4,186.29	43.62	14.49	29.13	50.00	8.00	100.00
6.	Maithon Power Ltd.	31st March, 2015	Indian Rupee	1.00	1,508.92	44.97	4,980.77	3,426.88	Nil	2,317.71	1.05	2,318.76	263.80	53.29	210.51	Nil	Nil	74.00
7.	Industrial Energy Ltd.	31st March, 2015	Indian Rupee	1.00	628.80	62.12	1,998.95	1,308.03	189.91	516.70	10.51	527.21	146.70	134.84	11.86	10.00	62.88	74.00
8.	Coastal Gujarat Power Ltd.	31st March, 2015	Indian Rupee	1.00	5,980.57	(6,199.85)	16,561.82	16,781.10	183.77	5,982.23	22.32	6,004.55	(898.08)	Nil	(898.08)	Nil	Nil	100.00
9.	Bhira Investments Ltd.	31st March, 2015	US Dollar	62.50	4.10	(234.99)	6,995.85	7,226.74	4,107.76	102.73	470.09	572.82	265.24	41.80	223.44	Nil	Nil	100.00
10.	Bhivpuri Investments Ltd.	31st March, 2015	US Dollar	62.50	4.08	1,193.64	2,705.49	1,507.77	2,701.90	Nil	0.03	0.03	(1.05)	(4.05)	3.00	Nil	Nil	100.00
11.	Khopoli Investments Ltd.	31st March, 2015	US Dollar	62.50	255.20	184.53	3,845.86	3,406.13	1,167.09	251.93	42.07	294.00	69.78	24.46	45.32	Nil	Nil	100.00
12.	Trust Energy Resources Pte. Ltd.	31st March, 2015	US Dollar	62.50	602.46	242.66	1,558.51	713.39	4.93	289.27	2.38	291.65	57.55	Nil	57.55	Nil	Nil	100.00
13.	Tata Power Delhi Distribution Ltd.	31st March, 2015	Indian Rupee	1.00	1,052.00	1,988.92	9,467.07	6,426.15	0.05	6,528.71	35.79	6,564.50	441.33	105.34	335.99	14.00	77.28	51.00
14.	Tata Power Jamshedpur Distribution Ltd.	31st March, 2015	Indian Rupee	1.00	0.05	(9.02)	1.59	10.56	Nil	Nil	0.01	0.01	(2.06)	Nil	(2.06)	Nil	Nil	100.00
15.	Industrial Power Utility Ltd.	31st March, 2015	Indian Rupee	1.00	0.11	(0.10)	0.01	*	Nil	Nil	Nil	Nil	*	Nil	*	Nil	Nil	100.00
16.	Tata Power Renewable Energy Ltd.	31st March, 2015	Indian Rupee	1.00	487.61	12.70	1,367.07	866.76	156.94	148.62	18.13	166.75	13.35	7.04	6.31	Nil	Nil	100.00
17.	Dugar Hydro Power Ltd.	31st March, 2015	Indian Rupee	1.00	76.00	(1.67)	78.90	4.57	4.02	Nil	0.18	0.18	(0.54)	Nil	(0.54)	Nil	Nil	50.00
18.	Tata Power Solar Systems Ltd.	31st March, 2015	Indian Rupee	1.00	112.78	(4.49)	828.84	720.55	Nil	872.92	1.81	874.73	(114.33)	Nil	(114.33)	Nil	Nil	100.00
19.	Tata Power International Pte. Ltd.	31st March, 2015	US Dollar	62.50	500.62	(10.95)	723.14	233.48	675.79	40.00	2.83	42.83	8.20	0.69	7.51	Nil	Nil	100.00
20.	NDPL Infra Ltd.	31st March, 2015	Indian Rupee	1.00	0.05	3.93	5.48	1.50	Nil	9.20	0.02	9.22	5.55	1.80	3.75	Nil	Nil	51.00
21.	Tata Power Green Energy Ltd.	31st March, 2015	Indian Rupee	1.00	0.05	(0.02)	0.03	*	Nil	Nil	Nil	Nil	*	Nil	*	Nil	Nil	100.00
22.	Energy Eastern Pte. Ltd.	31st March, 2015	US Dollar	62.50	3.40	18.19	299.84	278.25	Nil	437.04	5.32	442.36	6.64	0.58	6.06	Nil	Nil	100.00
23.	PT Sumber Energi Andalan Tbk	31st March, 2015	US Dollar	62.50	25.41	(13.78)	11.80	0.17	Nil	2.45	0.53	2.98	(0.76)	Nil	(0.76)	Nil	Nil	94.61
24.	NewGen Saurashtra Windfarms Ltd.	31st March, 2015	Indian Rupee	1.00	42.15	13.13	163.60	108.32	Nil	29.54	0.79	30.33	(0.24)	Nil	(0.24)	Nil	Nil	100.00

Part "B": Associates and Joint Ventures

Sr. No.	Name of the Associate/Joint Venture Company	Latest audited Balance Sheet Date	Reporting Currency	Exchange Rates as at 31st March, 2015	Shares of Associate/Joint Venture Company held by the Company on the year end (No.)	Amount of Investment in Associate/Joint Venture companies	Extent of Holding %	Description of how there is significant influence	Reason why the Associate Company is not consolidated	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit/(Loss) after Taxation	Considered in Consolidation	Not considered in Consolidation
Joint Ventures													
1	Cennergi Pty. Ltd. (Consolidated) ²	31st March, 2015	ZAR	5.18	70	191.36	50%	Note 9	-	(78.66)	(269.02)	(134.51)	-
2	PT Mitratama Perkasa (Consolidated) ³	31st March, 2015	US Dollar	62.50	3,420	Nil	30%	Note 9	-	668.06	681.57	204.47	-
3	PT Arutmin Indonesia	31st March, 2015	US Dollar	62.50	3,000	625.26	30%	Note 9	-	617.86	(70.01)	(21.00)	-
4	PT Kalitim Prima Coal	31st March, 2015	US Dollar	62.50	123,540	3,863.10	30%	Note 9	-	436.33	127.33	38.20	-
5	Indocoal Resources (Cayman) Ltd.	31st March, 2015	US Dollar	62.50	300	2,701.57	30%	Note 9	-	608.22	13.65	4.10	-
6	PT Indocoal Kalsel Resources	00/04/8	IDR	0.0048	60,000	0.20	30%	Note 9	-	(0.03)	(0.03)	(0.01)	-
7	PT Indocoal Kaltim Resources	31st March, 2015	IDR	0.0048	82,380	0.32	30%	Note 9	-	(0.09)	(0.01)	*	-
8	Tubed Coal Mines Ltd.	31st March, 2015	Indian Rupee	1.00	17,836,000	17.84	40%	Note 9	-	9.10	(21.15)	(8.46)	-
9	Mandakini Coal Company Ltd.	31st March, 2015	Indian Rupee	1.00	39,300,000	39.30	33.33%	Note 9	-	15.16	(70.14)	(23.38)	-
10	Gamma Land Holding Ltd.	31st March, 2015	Indian Rupee	1.00	16,667	0.02	33.33%	Note 9	-	0.01	*	*	-
11	Solace Land Holding Ltd.	31st March, 2015	Indian Rupee	1.00	766,667	0.77	33.33%	Note 9	-	0.76	0.01	*	-
12	Beta Land Holdings Ltd.	31st March, 2015	Indian Rupee	1.00	16,667	0.02	33.33%	Note 9	-	0.01	*	*	-
13	Ginger Land Holdings Ltd.	31st March, 2015	Indian Rupee	1.00	16,667	0.02	33.33%	Note 9	-	0.01	*	*	-
14	Daachhu Hydro Power Corporation Ltd.	31st March, 2015	Bhutan Nu	1.00	1,074,320	107.43	26%	Note 9	-	106.43	(2.31)	(0.60)	-
15	Candice Investments Pte. Ltd.	31st March, 2015	US Dollar	62.50	3	*	30%	Note 9	-	11.19	34.16	10.25	-
16	PT Nusa Tambang Pratama	31st March, 2015	US Dollar	62.50	7	*	30%	Note 9	-	572.91	339.77	101.93	-
17	PT Marvel Capital Indonesia	31st March, 2015	US Dollar	62.50	1,089	0.01	30%	Note 9	-	0.18	(0.03)	(0.01)	-
18	PT Dwikawa Prima Abadi	31st March, 2015	US Dollar	62.50	99	0.01	30%	Note 9	-	170.35	290.22	87.07	-
19	PT Kalimantan Prima Power (Consolidated) ⁴	31st March, 2015	US Dollar	62.50	7,500	4.68	30%	Note 9	-	105.50	144.33	43.30	-
20	OIP Geothermal Pte. Ltd. (Consolidated) ⁵	31st March, 2015	US Dollar	62.50	39,857,876	249.10	50%	Note 9	-	214.43	(17.16)	(8.58)	-
21	PT Barumulit Suksesaraha Tbk (Consolidated) ⁶	31st March, 2015	US Dollar	62.50	680,290,000	947.95	26%	Note 9	-	154.52	46.15	12.00	-
22	Adjaristsqali Netherlands BV (Consolidated) ⁷	31st March, 2015	Euro	67.20	15,523	421.83	40%	Note 9	-	278.28	(11.70)	(4.68)	-
23	Indocoal KPC Resources (Cayman) Ltd.	31st March, 2015	US Dollar	62.50	300	*	30%	Note 9	-	0.03	0.10	0.03	-
24	Koromkheti Netherlands BV (Consolidated) ⁸	31st March, 2015	Euro	67.20	623	*	40%	Note 9	-	(0.97)	3.38	1.35	-
Associates													
1	Tata Projects Ltd.	31st March, 2015	Indian Rupee	1.00	967,500	66.78	47.78%	Note 10	-	388.81	80.04	38.24	-
2	Panatone Finvest Ltd.	31st March, 2015	Indian Rupee	1.00	590,882,000	600.00	39.98%	Note 10	-	662.99	24.47	9.78	-
3	Neilito Systems Ltd.	31st March, 2015	Indian Rupee	1.00	1,020,000	4.34	49.46%	Note 10	-	18.72	0.47	0.23	-
4	Yashmun Engineers Ltd. ¹¹	31st March, 2015	Indian Rupee	1.00	19,200	0.01	27.27%	Note 10	-	1.49	*	*	-
5	Tata Ceramics Ltd. ¹¹	31st March, 2015	Indian Rupee	1.00	29,939,802	13.17	30.68%	Note 10	-	11.76	0.13	-	0.13
6	Rujuvalika Investments Ltd.	31st March, 2015	Indian Rupee	1.00	366,667	0.60	27.59%	Note 10	Not material to the group	29.50	2.49	-	2.49
7	The Associated Building Co. Ltd. ¹¹	31st March, 2015	Indian Rupee	1.00	1,825	0.17	33.14%	Note 10	-	0.28	0.09	-	0.09
8	ASL Advanced Systems Pvt. Ltd. ¹¹	31st March, 2015	Indian Rupee	1.00	555,000	0.56	37.00%	Note 10	-	(0.41)	0.14	-	0.14
9	Brihat Trading Pvt. Ltd. ¹¹	31st March, 2015	Indian Rupee	1.00	3,350	0.01	33.50%	Note 10	-	-0.01	*	-	*

Notes:

- Accounts of Tatanet Services Ltd. have been consolidated with Nelco Ltd.
- Accounts of Amakhala Emoyeni RE Project 1 (Pty) Ltd. and Tsitsikamma Community Wind Farm (Pty) Ltd. have been consolidated with Cennergi Pty. Ltd.
- Accounts of PT Mitratama Usaha have been consolidated with PT Mitratama Perkasa.
- Accounts of PT Citra Prima Buana, PT Guruh Agung and PT Citra Kusuma Perdana have been consolidated with PT Kalimantan Prima Power.
- Accounts of PT OIP Geothermal Services Indonesia and PT Sorik Marapi Geothermal Power have been consolidated with PT Barumulit Suksesaraha Tbk.
- Accounts of PT Antang Gunung Meratus have been consolidated with PT Barumulit Suksesaraha Tbk.
- Accounts of Adjaristsqali Georgia LLC have been consolidated with Adjaristsqali Netherlands BV.
- Accounts of Koromkheti Georgia LLC have been consolidated with Koromkheti Netherlands BV.
- There is significant influence due to shareholding and joint control over the economic activities.
- There is significant influence due to shareholding.
- Based on Management Accounts for FY 2014-15.
- The Group has sold its entire holding in Hemisphere Properties India Limited during the year.
- Figures below ₹ 50,000/- are denoted by **.

For and on behalf of the Board,

RAMESH SUBRAMANYAM
Chief Financial Officer

H. M. MISTRY
Company Secretary

CYRUS P. MISTRY
Chairman

ANIL SARDANA
CEO & Managing Director

Shareholder Information

To,
TSR Darashaw Ltd.
Unit: The Tata Power Company Limited
6-10 Haji Moosa Patrawala Industrial Estate (Near Famous Studio)
20 Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011.

Updation of Shareholder Information

I/We request you to record the following information against our Folio No.:

General Information:

Folio No.:	
Name of the first named Shareholder:	
PAN: *	
CIN/ Registration No.:(applicable to Corporate Shareholders)	
Tel No. with STD Code:	
Mobile No.:	
Email Id:	

*Self attested copy of the document(s) enclosed

Bank Details:

IFSC: (11 digit)	MICR: (9 digit)
Bank A/c Type:	Bank A/c No.: *
Name of the Bank:	
Bank Branch Address:	

* A blank cancelled cheque is enclosed to enable verification of bank details

I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/we would not hold the Company/RTA responsible. I/We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/We understand that the above details shall be maintained by you till I/we hold the securities under the above mentioned Folio No.

Place:

Date:

Signature of Sole/ First holder



The Tata Power Company Limited

CIN: L28920MH1919PLC000567

Registered Office : Bombay House, 24, Homi Mody Street, Mumbai 400 001.

Tel.: 022 6665 8282 Fax: 022 6665 8801 E-mail: tatapower@tatapower.com Website: www.tatapower.com

Attendance Slip

96TH ANNUAL GENERAL MEETING ON WEDNESDAY, 5TH AUGUST 2015 AT 3 P.M.

at Birla Matushri Sabhagar, Sir Vithaldas Thackersey Marg, 19, New Marine Lines, Mumbai 400 020

Folio No. DP ID No. Client ID No.

Name of the Member.....Signature.....

Name of the Proxyholder.....Signature.....

1. Only Member/Proxyholder can attend the Meeting.
2. Member/Proxyholder should bring his/her copy of the Annual Report for reference at the Meeting.



The Tata Power Company Limited

Registered Office : Bombay House, 24, Homi Mody Street, Mumbai 400 001.

Tel.: 022 6665 8282 Fax: 022 6665 8801 E-mail: tatapower@tatapower.com Website: www.tatapower.com

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L28920MH1919PLC000567

Name of the company : **The Tata Power Company Limited**

Registered Office : Bombay House, 24, Homi Mody Street, Mumbai 400 001.

Name of the member(s) : E-mail ID :

Registered address :

Folio No / Client ID : DP ID :

I / We, being the member(s) of shares of the above named company, hereby appoint

1. Name : E-mail ID :

Address :

.....Signature :or failing him

2. Name : E-mail ID :

Address :

.....Signature :or failing him

3. Name : E-mail ID :

Address :

.....Signature :or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 96th Annual General Meeting of the Company, to be held on the 5th day of August 2015 at 3 p.m. at Birla Matushri Sabhagar, Sir Vithaldas Thackersey Marg, 19, New Marine Lines, Mumbai 400 020 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:





Resolution No.		For	Against
1	Adoption of Audited Financial Statements for the year ended 31 st March 2015 together with the Reports of the Board of Directors and the Auditors thereon	<input type="checkbox"/>	<input type="checkbox"/>
2	Adoption of Audited Consolidated Financial Statements for the year ended 31 st March 2015 together with the Report of the Auditors thereon	<input type="checkbox"/>	<input type="checkbox"/>
3	Declaration of dividend for the financial year 2014-15 on Equity Shares	<input type="checkbox"/>	<input type="checkbox"/>
4	Appointment of Director in place of Mr. R. Gopalakrishnan, who retires by rotation and is eligible for re-appointment	<input type="checkbox"/>	<input type="checkbox"/>
5	Ratification of appointment of Statutory Auditors and fixing their remuneration	<input type="checkbox"/>	<input type="checkbox"/>
6	Appointment of Mr. Vijay Kumar Sharma as Director	<input type="checkbox"/>	<input type="checkbox"/>
7	Private placement of Non-Convertible Debentures	<input type="checkbox"/>	<input type="checkbox"/>
8	Appointment of Branch Auditors	<input type="checkbox"/>	<input type="checkbox"/>
9	Ratification of Cost Auditors' remuneration	<input type="checkbox"/>	<input type="checkbox"/>
10	Increase in limits of investments in other bodies corporate	<input type="checkbox"/>	<input type="checkbox"/>

Signed this day of 2015

Signature of shareholder

Signature of Proxy holder(s).....

Affix
Revenue
Stamp

- Notes**
1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at Bombay House, 24, Homi Mody Street, Mumbai 400 001, not less than 48 hours before the commencement of the Meeting.
 2. Those Members who have multiple folios with different jointholders may use copies of this Attendance slip/Proxy.



100 YEARS OF DEDICATION

Customers are our assets and should be valued. Our host of services in Mumbai and Delhi ensures that no stone is left unturned to make every customer's experience refreshingly wonderful.

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Customer Relations Centres



Customer Meet



Mobile Bill Collection Facility



Queue Management System at Customer Centres



Customer Portal



Consumer Charter



Safety Audit and Energy Audit




OEM Training



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Mundra Ultra Mega Power Project



Maithon Thermal Power Station



Mulshi Solar Plant



Palaswadi Solar Plant



Jojobera Thermal Power Station





FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

Name of the Company:	The Tata Power Company Limited ("the Company")
Standalone financial statements for the year ended	31 st March 2015
Type of Audit observations:	<p><u>Emphasis of Matters</u></p> <p>(a) We draw attention to Note 32(d) and (e) to the standalone financial statements which describes uncertainties relating to the outcome of the Appeal filed before the Hon'ble Supreme Court. Pending outcome of the Appeal filed before the Hon'ble Supreme Court, no adjustment has been made by the Company in respect of the standby charges estimated at Rs. 519 crores accounted for as revenue in earlier periods and its consequential effects (Note 32 (d) and (e)) for the period upto 31st March, 2015. The impact of the same on the results for the year ended 31st March, 2015 cannot presently be determined pending the ultimate outcome of the matter. Since the Company is of the view, supported by legal opinion, that the Tribunal's Order can be successfully challenged, no provision/adjustment has been considered necessary by the Management.</p> <p>(b) We draw attention to Note 29(a) to the standalone financial statements which describes the key source of estimation uncertainties as at 31st March, 2015 relating to the Company's assessment of the recoverability of the carrying amount of assets of Coastal Gujarat Power Limited (CGPL), a wholly owned subsidiary that could result in material adjustment to the carrying amount of the long-term investment of Rs. 5,980.57 crores in, and loans aggregating Rs. 3,034.56 crores to the said subsidiary. For the reasons explained in the said Note, no provision for diminution other than temporary, in value of investment and provision for loans is considered necessary.</p> <p>Our opinion is not modified in respect of these matters.</p> <p>The matters described in the Emphasis of Matter paragraphs above, in our opinion, may have an adverse effect on the functioning of the Company.</p>

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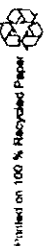
TATA POWER

The Tata Power Company Limited

Registered Office Bombay House 24 Homi Mody Street Mumbai 400 001

Tel 91 22 6665 8282 Fax 91 22 6665 8801

Website: www.tatapower.com Email: tatapower@tatapower.com CIN: L28920MH1919PLC000567



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Relevant note in the standalone financial statements

With respect to (a) above

Note No. 32(d). In respect of the Standby Charges dispute with Reliance Infrastructure Ltd. (R-Infra) for the period from 1st April, 1999 to 31st March, 2004, the Appellate Tribunal of Electricity (ATE), set aside the Maharashtra Electricity Regulatory Commission (MERC) Order dated 31st May, 2004 and directed the Company to refund to R-Infra as on 31st March, 2004, ₹ 354.00 crore (including interest of ₹ 15.14 crore) and pay interest at 10% per annum thereafter. As at 31st March, 2015 the accumulated interest was ₹ 207.16 crore (31st March, 2014 - ₹ 195.96 crore) (₹ 11.20 crore for the year ended 31st March, 2015). On appeal, the Hon'ble Supreme Court vide its Interim Order dated 7th February, 2007, has stayed the ATE Order and in accordance with its directives, the Company has furnished a bank guarantee of the sum of ₹ 227.00 crore and also deposited ₹ 227.00 crore with the Registrar General of the Court which has been withdrawn by R-Infra on furnishing the required undertaking to the Court.

Further, no adjustment has been made for the reversal in terms of the ATE Order dated 20th December, 2006, of Standby Charges credited in previous years estimated at ₹ 519.00 crore, which will be adjusted, wholly by a withdrawal / set off from certain Statutory Reserves as allowed by MERC. No provision has been made in the accounts towards interest that may be finally determined as payable to R-Infra. Since 1st April, 2004, the Company has accounted Standby Charges on the basis determined by the respective MERC Tariff Orders.

The Company is of the view, supported by legal opinion, that the ATE's Order can be successfully challenged and hence, adjustments, if any, including consequential adjustments to the Deferred Tax Liability Fund and the Deferred Tax Liability Account will be recorded by the Company on the final outcome of the matter.

32(e). MERC vide its Tariff Order dated 11th June, 2004, had directed the Company to treat the investment in its wind energy project as outside the Mumbai Licensed Area, consider a normative Debt Equity ratio of 70:30 to fund the Company's fresh capital investments effective 1st April, 2003 and had also allowed a normative interest charge @ 10% p.a. on the said normative debt. The change to the Clear Profit and Reasonable Return (consequent to the change in the capital base) as a result of the above mentioned directives for the period upto 31st March, 2004, has been adjusted by MERC from the Statutory Reserves along with the disputed Standby Charges referred to in Note 32(d) above. Consequently, the effect of these adjustments would be made with the adjustments pertaining to the Standby Charges dispute as mentioned in Note 32(d) above.



With respect to (b) above

Note No. 29(a). The Company has a long-term investment of ₹ 5,980.57 crore (31st March, 2014 - ₹ 5,928.28 crore including advance towards equity) and has extended loans amounting to ₹ 3,034.56 crore (including interest accrued) (31st March, 2014 - ₹ 1,413.46 crore) to Coastal Gujarat Power Limited (CGPL) a wholly owned subsidiary of the Company which has implemented the 4000 MW Ultra Mega Power Project at Mundra ("Mundra UMPP").

CGPL has obligated to charge escalation on 45 percent of the cost of coal in terms of the 25 year power purchase agreement relating to the Mundra UMPP. CGPL's Management has re-assessed the recoverability of the carrying amount of the assets at Mundra as of 31st March, 2015 and concluded that no further provision for impairment is necessary (upto 31st March, 2014 - ₹ 2,650 crore).

In estimating the future cash flows, Management has, based on externally available information, made certain assumptions relating to the future fuel prices, future revenues, operating parameters and the assets' useful life which Management believes reasonably reflects the future expectation of these items. In view of the estimation uncertainties, the assumptions will be monitored on a periodic basis and adjustments will be made if conditions relating to the assumptions indicate that such adjustments are appropriate.

The Company's investments in Indonesian Coal Companies including Infrastructure Companies through its subsidiaries, were made to secure long-term coal supply. The Management believes that cash inflows (in the nature of profit distribution and profit from sale) from these investments from an economic perspective provide protection from the risk of price volatility on coal to be used in power generation in CGPL, to the extent not covered by price escalations. In order to provide protection to CGPL and to support its cash flows, the Management has committed to a future restructuring under which the Company will transfer at least 75 percent of its equity interests in the Indonesian Coal Companies including Infrastructure Companies to CGPL, subject to receipt of regulatory and other necessary approvals which are being pursued and will also evaluate other alternative options. A valuation of the equity interests in the Indonesian Coal Companies including Infrastructure Companies has been carried out on the basis of certain assumptions, including legal interpretation that there is reasonable certainty that the mining leases would be extended without significant cost.



	<p>Further, the Company, through its wholly owned subsidiaries, has entered into agreements on 30th January, 2014 for sale of shares in PT Arutmin Indonesia and its associated infrastructure and trading companies. As per the terms of the agreement, it is proposed to sell its stake in these companies, for a consideration of USD 510 million, subject to tax deductions and other closing adjustments. The completion of the sale transaction is conditional upon the satisfaction or waiver of certain conditions, obtaining requisite consents and certain restructuring actions. The buyer will pay the seller interest on the purchase price from 26th November, 2013 (the effective date) till the completion date. The proposed sale of shares in PT Arutmin Indonesia referred above is consistent with the above intent.</p> <p>Having regard to the overall returns expected from the Company's investment in CGPL, including the valuation of investments in the Indonesian Coal Companies including Infrastructure Companies and the proposed future restructuring, no provision for diminution other than temporary, in value of long-term investment in and no provision for loans to CGPL is considered necessary as at 31st March, 2015.</p>
Frequency of observation	(a) since financial year 2004-05 (b) since financial year 2010-11

Refer our Audit Report dated 19th May, 2015
on the standalone financial statements of the Company

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

R. A. Banga

R. A. Banga
Partner
Membership No 037915
Mumbai, 6 July, 2015

For The Tata Power Company Limited

Anil Sardana

Anil Sardana
CEO & Managing Director

Ramesh Subramanyam

Ramesh Subramanyam
Chief Financial Officer

Homiar S. Vachha

Homiar S. Vachha
Audit Committee Chairman
Mumbai, 6 July, 2015



FORM B
**Format of covering letter of the annual audit report to be
 filed with the stock exchanges**

Name of the Company:	The Tata Power Company Limited ("the Company")
Consolidated financial statements for the year ended	31st March, 2015
Type of Audit qualifications:	<p><u>Basis for Qualified Opinion:</u></p> <p>A) As referred to in Note 2.1 (c)(viii) to the consolidated financial statements, the consolidated financial statements include the unaudited financial information of 1 jointly controlled entity, whose financial information reflect total assets (net) of Rs. 3,228.36 crores as at 31st March, 2015, total revenue of Rs. 1,603.12 crores and net cash out flows amounting to Rs. 2.49 crores for the year ended on that date, as considered in the consolidated financial statements, based on their unaudited financial information. This financial information has been certified by the Management and our opinion, in so far as it relates to the amounts included in respect of this jointly controlled entity, is based solely on such Management certified financial information.</p> <p>B) In case of 1 jointly controlled entity, as referred to in Note 33(c) to the consolidated financial statements, the Hon'ble Supreme Court had issued an Order dated 24th September, 2014, cancelling the coal block ("coal block") allocated to the said entity. Subsequently, the Government of India has promulgated the Coal Mines (Special Provisions) Ordinance, 2014. The said entity has filed a petition with the Hon'ble Delhi High Court, disputing the amount of compensation determined including relating to purchase of leasehold land for the coal block. Pending outcome of the matter, the Group has, based on a legal opinion carried forward amounts aggregating to Rs. 66.69 crores (net of provision of Rs. 23.30 crores) as fully recoverable. Accordingly, we are unable to comment on the possible financial impact on the consolidated financial statements.</p> <p>The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.</p>
Frequency of qualifications	(A) First time (B) First time



Draw attention to relevant notes in the consolidated financial statements and management response to the qualification in the directors report:

Relevant note in the consolidated financial statements

With respect to (A) above

Note No. 2.1 (c) (viii): The Group's interest in Jointly Controlled Entity in PT Arutmin Indonesia is consolidated based on Unaudited Financial Information, certified by its Management. The Group's share of total assets of ₹ 3,228.36 crore as at 31st March, 2015, total revenue of ₹ 1,603.12 crore for the year ended 31st March, 2015, profit after tax of ₹ 88.66 crore for the year ended 31st March, 2015 and net cash outflows of ₹ 2.49 crore, in respect of the jointly controlled entity has been included in the consolidated financial statements.

With respect to (B) above

Note No. 33 (c): In case of Mandakini Coal Company Limited (Group's share 33.33%), the Hon'ble Supreme Court, vide its Order dated 24th September, 2014, cancelled the allotment of coal blocks. Subsequently, Government of India has promulgated the Coal Mines (Special Provisions) Ordinance, 2014. The said entity has filed a petition with the Hon'ble Delhi High Court, disputing the amount of compensation determined relating to purchase of leasehold land for the coal block. Pending outcome of the matter, the Group, based on a legal opinion, has carried forward amounts aggregating to ₹ 66.69 crore (net of provision of ₹ 23.30 crore) as fully recoverable.

Management response to the qualification in the directors' report

With respect to (A) above

PT Arutmin Indonesia, the jointly controlled entity (JE) referred to in the basis for qualified opinion is a company incorporated in Indonesia, in which the Group has 30% shareholding. The JE prepares its statutory accounts on a calendar year basis. The audit of the statutory accounts of JE for the calendar year ended 31st December, 2014 has not been completed and therefore the audit of the accounts of the JE for the year 1st April, 2014 to 31st March, 2015 required for the consolidated financial statement of the Group for the year ended 31st March, 2015 has also not been completed. Accordingly, the Group's consolidated financial statements include the unaudited financial information of the aforesaid JE as certified by the management of the JE.

The Group along with the joint ventures' are making efforts to get the accounts of the JE audited.

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	<p>With respect to (B) above</p> <p>Mandakini Coal Company Limited, the jointly controlled entity (JE) referred to in the basis for qualified opinion wherein Tata Power Company Limited has 33.33% shareholding. Tata Power Company Limited and the JE have filed petition with the Hon'ble Delhi High Court disputing the amount of compensation determined in respect of expenditure incurred by the JE for the coal block which was cancelled following the order of the Hon'ble Supreme Court. The matter is sub-judice and the Judgement of the Hon'ble High Court is awaited.</p> <p>The Tata Power Company Limited has based on a legal opinion, carried forward amounts aggregating to ₹ 66.69 crore (Net of provision of ₹ 23.30 crore) as fully recoverable.</p>
Additional comments from the board/audit committee chair:	None

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Type of Audit observations:

Emphasis of Matter

- (a) We draw attention to Note 35(e) and (f) to the consolidated financial statements, which describe uncertainties relating to the outcome of the Appeals filed before the Hon'ble Supreme Court. Pending outcome of the Appeals filed before the Hon'ble Supreme Court, no adjustment has been made by the Holding Company in respect of the standby charges estimated at Rs. 519 crores accounted for as revenue in earlier periods and its consequential effects (Note 35 (e) and (f)) for the period upto 31st March, 2015. The impact of the same on the results for the year ended 31st March, 2015 cannot presently be determined pending the ultimate outcome of the matter. Since the Holding Company is of the view, supported by legal opinion, that the Tribunal's Order can be successfully challenged, no provision / adjustment has been considered necessary by the Management.
- (b) We draw attention to Note 32(b) to the consolidated financial statements, which describes the key source of estimation uncertainties relating to the assessment of the recoverability of the carrying amount of the assets aggregating to Rs.14,657.05 crores of the subsidiary, its compliance with debt covenants and classification of long-term borrowings.
- (c) In case of 2 jointly controlled entities of the Holding Company, the component auditors have drawn attention to matters as stated in Note 35(a)(xi) to the consolidated financial statements, regarding recoverability of Rs. 7,771.36 crores (Group's share of Rs. 2,331.41 crores) of value added tax and vehicle fuel tax balances and Group's share in tax claims and other contingent claims from third parties on the said jointly controlled entities, the outcome of which cannot be presently determined.
- (d) In case of 1 subsidiary, the component auditor has drawn attention to a matter as stated in Note 35(h) to the consolidated financial statements, wherein no adjustment has been made by the subsidiary in respect of income estimated at Rs. 213.13 crores as at 31st March, 2015 which includes carrying cost of Rs. 28.10 crores for the year ended 31st March, 2015. The impact of the above as at 31st March, 2015 cannot presently be determined pending ultimate outcome of the matter. Since the Group is of the view, supported by legal opinion that the disallowance of expenses by the Delhi Electricity Regulatory Commission (DERC) pertaining to the Rithala plant can be successfully challenged, no adjustment has been considered necessary by the Management.

Our opinion is not qualified in respect of these matters.

The matters described in the Emphasis of Matter paragraphs above, in our opinion, may have an adverse effect on the functioning of the Group.



Relevant notes in the consolidated financial statements

With respect to (a) above

Note No. 35(e). In respect of the Parent Company's Standby Charges dispute with Reliance Infrastructure Ltd. (R-Infra) for the period from 1st April, 1999 to 31st March, 2004, the Appellate Tribunal of Electricity (ATE), set aside the Maharashtra Electricity Regulatory Commission (MERC) Order dated 31st May, 2004 and directed the Company to refund to R-Infra as on 31st March, 2004, ₹ 354.00 crore (including interest of ₹ 15.14 crore) and pay interest at 10% per annum thereafter. As at 31st March, 2015 the accumulated interest was ₹ 207.16 crore (31st March, 2014 – ₹ 195.96 crore) (₹ 11.20 crore for the year ended 31st March, 2015). On appeal, the Hon'ble Supreme Court vide its Interim Order dated 7th February, 2007, has stayed the ATE Order and in accordance with its directives, the Company has furnished a bank guarantee of the sum of ₹ 227.00 crore and also deposited ₹ 227.00 crore with the Registrar General of the Court which has been withdrawn by R-Infra on furnishing the required undertaking to the Court.

Further, no adjustment has been made for the reversal in terms of the ATE Order dated 20th December, 2006, of Standby Charges credited in previous years estimated at ₹ 519.00 crore, which will be adjusted, wholly by a withdrawal/set off from certain Statutory Reserves as allowed by MERC. No provision has been made in the accounts towards interest that may be finally determined as payable to R-Infra. Since 1st April, 2004, the Parent Company has accounted Standby Charges on the basis determined by the respective MERC Tariff Orders.

The Parent Company is of the view, supported by legal opinion, that the ATE's Order can be successfully challenged and hence, adjustments, if any, including consequential adjustments to the Deferred Tax Liability Fund and the Deferred Tax Liability Account will be recorded by the Parent Company on the final outcome of the matter.

Note No. 35(f). MERC vide its Tariff Order dated 11th June, 2004, had directed the Parent Company to treat the investment in its wind energy project as outside the Mumbai Licensed Area, consider a normative Debt Equity ratio of 70:30 to fund the Parent Company's fresh capital investments effective 1st April, 2003 and had also allowed a normative interest charge @ 10% p.a. on the said normative debt. The change to the Clear Profit and Reasonable Return (consequent to the change in the capital base) as a result of the above mentioned directives for the period upto 31st March, 2004, has been adjusted by MERC from the Statutory Reserves along with the disputed Standby Charges referred to in Note 35(e) above. Consequently, the effect of these adjustments would be made with the adjustments pertaining to the Standby Charges dispute as mentioned in Note 35(e) above.



With respect to (b) above

Note No. 32 (b). Impairment of Assets :

In terms of the 25 year Power Purchase Agreement (PPA), the CGPL is entitled to charge 45 percent of escalation of the cost of coal from the procurers of its power.

As at 31st March, 2015, CGPL had in pursuance of Accounting Standard-28 (AS-28) - "Impairment of Assets", reassessed impairment of its Mundra UMPP, having regard to the upward revision in the fuel prices, exchange rates variation, operating parameters and claim for compensatory tariff.

In earlier years, CGPL had accounted an impairment loss of ₹ 2,650.00 crore in respect of its Mundra UMPP, which had been recognised as an exceptional item-Impairment loss in the Statement of Profit and Loss.

For estimating the Mundra UMPP value in use it is necessary to project future cash flows of Mundra UMPP over its estimated useful life.

The Management has reviewed and reassessed the recoverability of the carrying amount of the assets at Mundra amounting to ₹ 14,657.05 crore considering the fuel prices, exchange rate variation, operating parameters and the claim for compensatory tariff that would impact future cash flows and has concluded that no further provision for impairment as at 31st March, 2015 is necessary. In view of the pending appeals relating to the claim for compensatory tariff, the Management has not considered the possible effect of the claim for compensatory tariff in evaluation of provision for impairment. The legal proceedings and the underlying assumptions will be monitored on a periodic basis by the Management and appropriate adjustments will be made.

The recoverable amount of the relevant assets has been determined on the basis of their value in use. The discount rate used in the current year is 10.61 percent per annum (31st March, 2014 - 10.61 percent per annum).

Consequent to the impairment loss in respect of Mundra UMPP, certain covenants governing the loans borrowed for construction of the project have not been met. No notice has been served by the lenders, declaring the loans taken as immediately due and payable. CGPL had received waiver from compliance of the covenants upto 30th June, 2013. Further, CGPL has sought revision in certain terms of Financing Agreements and extending of existing waivers. Accordingly, loans aggregating to ₹ 10,956.93 crore are considered to be long-term borrowings (including current maturities of long-term borrowings of ₹ 829.63 crore) [31st March 2014 - ₹ 11,471.50 crore (including current maturities of long term borrowings of ₹ 722.15 crores)].



	<p>With respect to (c) above</p> <p>Note No. 35(a)(xi) In the case of certain jointly controlled entities, demand for royalty payment is set-off against recoverable Value Added Tax (VAT) paid on inputs for coal production aggregating to ₹ 7,771.36 crore - Group's share ₹ 2,331.41 crore (31st March, 2014 - ₹ 7,147.97 crore - Group's share ₹ 2,144.39 crore). Under the Coal Contract of Work the Coal Companies would recover VAT from the Government within 60 days. As the Government had not refunded VAT within 60 days, the Coal Companies have set-off royalty against VAT recoverable, which has not been accepted by the Government. The Management of the Coal Companies, based on the various legal judgments, are of the view that the said amounts would be allowable as set-off.</p> <p>In addition, taxation claim for which liability, relating to issues of deductibility and taxability, is disputed and provision is not made (computed on the basis of assessments which have been re-opened and assessments remaining to be completed) ₹ 2,913.56 crore - Group share ₹ 874.07 crore (31st March, 2014 - ₹ 1,869.12 crore - Group share ₹ 560.74 crore), the outcome of which cannot be presently determined.</p> <p>Further, the Coal Companies are contingently liable for claims from third parties arising from the ordinary conduct of business relating to land dispute, illegal mining, mining service fees etc. which are either pending or being processed by the Courts, the amount and the outcome of which cannot be presently determined.</p>
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	<p>With respect to (d) above</p> <p>Note No. 35 (h). In the case of TPDDL, earlier Delhi Electricity Regulatory Commission (DERC) had issued the Order on True up for FY 2010-11, FY 2011-12, FY 2012-13, Aggregate Revenue Requirement for FY 2012-13 to FY 2014-15 and Distribution Tariff (Wheeling & Retail Supply) for FY 2012-13, FY 2013-14 and FY 2014-15 ('the Orders') on 13th July, 2012, 31st July, 2013 and 23rd July, 2014 respectively. While approving the power purchase cost for these true up years, DERC had provisionally allowed the power purchase cost for generation of Rithala plant at the rate equivalent to the Unscheduled Interchange rates for units generated during the time when the Company was under-drawing from the grid instead of the actual cost of generation. Pending final determination of Rithala power purchase cost, aggrieved by the approach adopted by the DERC for provisionally allowance of Rithala power purchase cost, the Company had preferred appeal no 171/2012, 271/2013 and 246/2014 before the APTEL. Appeal no 171/2012 against the true up Order of FY 2010-11 has been disposed off on 10th February, 2015 and the matter has been remanded back to DERC with the direction to recognise Rithala plant as a source of power and finalise the tariff. By following the above approach, DERC in its true up Order for FY 2010-11 and FY 2011-12 has disallowed ₹ 7.62 crore and ₹ 90.19 crore respectively. Pending implementation of the APTEL direction in appeal no 171/2012, the Company has based on management estimates accounted for revenue of ₹ 7.62 crore, ₹ 88.42 crore and ₹ 49.68 crore for FY 2010-11, FY 2011-12 and for the period 1st April, 2012 to 30th September, 2012 respectively aggregating to ₹ 145.72 crore besides ₹ 67.41 crore as entitlement towards carrying cost (which includes ₹ 28.10 crore for the year ended 31 March, 2015) thus amounting to ₹ 213.13 crore, which amount is included in income adjustable from future tariff. The adjustments, if any will be recorded by the Company after decision taken by the DERC in ensuing tariff order as directed by the APTEL in appeal no 171/2012. With effect from 1st October, 2012, the scheduling of power generation at Rithala plant is being done as per the instructions/ directions of State Load Dispatch Center.</p>
Frequency of observations	(a) since financial year 2004-05 (b) since financial year 2010-11 (c) since financial year 2010-11 (d) since financial year 2012-13

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Refer our Audit Report dated 19th May, 2015
on the consolidated financial statements of the Company

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

R. A. Banga

R. A. Banga
Partner

Membership No 037915
Mumbai, 6 July, 2015

For The Tata Power Company Limited

Anil Sardana

Anil Sardana
CEO & Managing Director

Ramesh Subramanyam

Ramesh Subramanyam
Chief Financial Officer

Homiar S. Vachha

Homiar S. Vachha
Audit Committee Chairman
Mumbai, 6 July, 2015

CERTIFICATE

Tel: +91 (022) 6185 4000
Fax: +91 (022) 6185 4501/4601

**To the Members of
The Tata Power Company Limited**

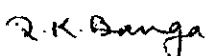
We have examined the compliance of conditions of Corporate Governance by The Tata Power Company Limited ('the Company'), for the year ended 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was 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 and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We 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 DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)


R. A. BANGA
Partner
(Membership No. 037915)

MUMBAI, 19th May, 2015