

TATA POWER

The Tata Power Company Limited
Bombay House, 24 Horni Mody Street, Mumbai 400 001
Website: www.tatapower.com

UNAUDITED FINANCIAL RESULTS (PROVISIONAL) FOR THE QUARTER/HALF-YEAR ENDED 30TH SEPTEMBER, 2005

Particulars	Quarter ended		Half-Year ended		Year ended
	30-Sep-05	30-Sep-04	30-Sep-05	30-Sep-04	31-Mar-05 (Audited)
	MUs	MUs	MUs	MUs	MUs
1. Generation	3,420	3,203	7,171	6,732	13,283
2. Sales	3,341	3,027	6,958	6,400	12,663
	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores
3. a) Revenue from Power Supply	979.95	885.58	2,024.63	1,924.84	3,655.39
b) Income from Other Operations	81.62	54.81	135.69	102.40	275.05
	1,061.57	940.39	2,160.32	2,027.24	3,930.44
4. Expenditure					
a) Staff Cost	42.57	35.55	80.47	53.50	155.40
b) Cost of Power Purchased	133.55	102.80	244.62	213.29	415.70
c) Cost of Fuel	510.52	432.08	1,114.65	944.98	1,863.98
d) Cost of components, materials and services in respect of contracts	74.84	41.06	114.92	70.28	187.45
e) Other expenditure	59.77	109.02	124.30	173.00	355.19
f) Total expenditure (4a to 4e)	821.25	720.51	1,678.96	1,455.05	2,977.72
5. Operating Profit	240.32	219.88	481.36	572.19	952.72
6. Other Income	42.10	98.73	73.62	116.20	387.13
7. Interest and Finance Charges	43.03	48.74	80.88	108.48	191.44
8. Gross Profit after interest and finance charges but before Depreciation and Tax (5+6-7)	239.39	269.87	474.10	579.91	1,148.41
9. Depreciation	68.15	75.12	133.76	196.01	359.62
10. Provision for Contingencies					30.00
11. Profit before tax (8-9-10)	171.24	194.75	340.34	383.90	758.79
12. Provision for Taxation					
Current Tax	51.12	35.71	107.16	99.88	158.88
Deferred Tax	(7.07)	17.15	(13.86)	40.49	48.55
Fringe Benefit Tax	1.52		2.97		
13. Net Profit after tax (11-12)	125.67	141.89	244.07	243.53	551.36
14. Statutory & Special Appropriations					(3.73)
15. Distributable Profit (13-14)					555.09
16. Paid-up Equity Share Capital (Face Value: Rupees Ten per share)	197.92	197.92	197.92	197.92	197.92
17. Reserves including Statutory Reserves					4,363.13
18. Basic Earnings per Share on Net Profit after tax (not annualised) (In Rupees)	6.34	7.16	12.32	12.29	27.83
19. Diluted Earnings per Share on Net Profit after tax (not annualised) (In Rupees)	6.00	7.16	11.63	12.29	27.65
20. Aggregate of non-promoter shareholding					
No. of shares			13,38,56,160	13,35,74,774	13,36,50,822
% of shareholding			67.64	67.50	67.54
21. Final Dividend (Proposed)					
Rate per share (Face Value Rs. 10/-) (In Rupees)					7.50
Amount (Rs. in crores)					148.60

1. The above results were reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on 18th October, 2005.
2. The Auditors Report on the financial statements for the year ended 31st March, 2005, refers to the approvals from the relevant authorities awaited in respect of special appropriations to Deferred Taxation Liability Fund of Rs. 106.63 crores in 2001-02 and Rs. 22.93 crores in 2002-03 considered in the computation of "Capital Base" and "Clear Profits" under the Sixth Schedule to the repealed Electricity (Supply) Act, 1948. The approvals are awaited as at 30th September, 2005.
3. Effective 1st July, 2004, the Company had sold its 75MW Power Plant at Wadi to Associated Cement Companies Limited and the Broadband division of the Company to Tata Power Broadband Co. Ltd. Consequently, the results for the quarter/half-year ended 30th September, 2005, do not include the results from the operations of the Wadi Power Plant and of the Broadband business of the Company and hence are not comparable.
4. Staff Cost and Other Expenditure for the quarter and half-year ended 30th September, 2004 are net of amounts written back aggregating to Rs. Nil and Rs. 22 crores and Rs. Nil and Rs. 17.70 crores respectively. Other Income for the quarter and half-year ended 30th September, 2004, includes Rs. 51.35 crores on account of Profit on sale of Long Term Investments.
5. Effective 1st April, 2004, exchange differences arising on the repayment/realignment of liabilities incurred for the purpose of acquiring fixed assets, which were carried in terms of historical cost, in respect of assets relating to the electricity business as Licensee, had been adjusted in the carrying amount of fixed assets as required by Accounting Standard 11 (AS-11). Consequently, the unamortised portion of such exchange differences as at 1st April, 2004 and exchange differences arising on the repayment/realignment of liabilities incurred for the purpose of acquiring fixed assets from 1st April, 2004 had been capitalised (Rs. 48.58 crores) and depreciation aggregating Rs. 48.58 crores was provided thereon. Accordingly, depreciation charge during the quarter and half-year ended 30th September, 2004 was higher to the extent of Rs. 0.05 crores and Rs. 48.58 crores respectively.
6. The tariff in respect of the Mumbai Licensed Area for the quarter/half-year ended 30th September, 2005 is based on the Tariff Order dated 11th June, 2004 issued by the Maharashtra Electricity Regulatory Commission (MERC) for the years 2003-04 and 2004-05. The Annual Revenue Requirement (ARR) and Tariff Petition of the Company for the year 2005-06 is being processed by MERC. During the quarter, the Maharashtra Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2005 came into force with effect from 26th August, 2005. These Regulations supercede the Maharashtra Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2004. Adjustments, if any, will be made on receipt of the MERC Order which is awaited. Further, the quarterly/half-yearly results do not reflect the adjustments required to be made towards Statutory Appropriations, for which adjustments will be made for the year as a whole. Accordingly, the quarterly/half-yearly results are not representative of the annual performance.
7. In respect of the share of Standby Charges billed by Maharashtra State Electricity Board (MSEB) and recoverable from Reliance Energy Ltd.(REL) for the periods from 1st April, 1998 to 31st March, 2004, there is no change in the status from the last quarter ended 30th June, 2005. However, during the quarter, the Company has filed an appeal before the Appellate Tribunal against the MERC Tariff Order dated 11th June, 2004 to the limited extent of fixing the charges for the standby facility being provided by the Company to REL or sharing by the Company and REL of the Standby Charges payable to MSEB. The appeal is pending for admission.
As the payments in respect of Standby Charges are subject to the final outcome of the Appeals, no adjustment has been made for the reversal in terms of the MERC Order dated 31st May, 2004 of Standby Charges credited in previous years estimated at Rs. 503 crores. Further, consequent to the MERC Order, interest estimated at Rs. 31 crores is payable to MSEB which has also not been accounted for. The aggregate of these amounts net of tax is estimated at Rs. 354 crores, which MERC in its Order has allowed to be adjusted, wholly by a withdrawal/set-off from certain Statutory Reserves created in earlier years by the Company under the repealed Electricity (Supply) Act, 1948.
Adjustments if any, will be recorded by the Company on the final outcome of the said Appeal. Accordingly, adjustment to the Deferred Tax Liability Fund and the Deferred Tax Liability Account will also be made on the disposal of the said Appeal and no provision has been made in the accounts towards interest that may be determined as payable to REL (on amounts determined as excess recovery in the MERC Tariff Order in respect of which refund the Company has obtained a stay) for the quarter/half-year ended 30th September, 2005 in terms of the MERC Order.
However, since 1st April, 2004, the Company, as a matter of prudence, has accounted standby charges on the basis determined by the MERC Order.
8. The number of investor complaints received during the quarter, resolved and pending are:

Pending as on 1 st July, 2005	1
Received during the quarter ended 30 th September, 2005	16
Disposed off during the quarter ended 30 th September, 2005	2
Unresolved at the end of the quarter ended 30 th September, 2005	15 @

@ Includes 14 complaints pertaining to non-receipt of dividend for the Financial Year 2004-05, the reconciliation of which is in progress.
9. Previous period/year figures have been regrouped wherever necessary.
10. In compliance with Clause 41 of the Listing Agreement with the Stock Exchange, a Limited Review of the results for the quarter ended 30th September, 2005 has been carried out by the statutory auditors.

Date: 18th October, 2005.

For and on behalf of the Board of
THE TATA POWER COMPANY LIMITED


RATAN N TATA
Chairman



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SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT

Particulars	Quarter ended		Half-Year ended		Rs. Crores
	30-Sep-05	30-Sep-04	30-Sep-05	30-Sep-04	Year ended
					31-Mar-05
Segment Revenue					
Power business	987.58	891.22	2,047.35	1,936.18	3,683.11
Others	75.49	52.47	116.18	95.82	257.93
Total Segment Revenue	1,063.07	943.69	2,163.53	2,032.00	3,941.04
Less: Inter segment revenue	1.50	3.30	3.21	4.76	10.60
Net Sales/Income from Operations	1,061.57	940.39	2,160.32	2,027.24	3,930.44
Segment Results					
Power business	171.15	151.70	350.00	385.72	616.87
Others	0.45	1.49	(1.24)	3.66	10.86
Total Segment Results	171.60	153.19	348.76	389.38	627.73
Less: Interest Expense	37.18	41.78	73.78	87.89	166.98
Add: Unallocable Income net of unallocable expense	36.82	83.34	65.36	82.41	298.04
Total Profit Before Tax	171.24	194.75	340.34	383.90	758.79
Capital Employed					
Power business	3,623.22	3,518.88	3,623.22	3,518.88	3,375.11
Others	173.83	63.16	173.83	63.16	121.21
Total Capital Employed	3,797.05	3,582.04	3,797.05	3,582.04	3,496.32

Types of products and services in each business segment:

Power - Generation, Transmission and Distribution of Electricity.
Others - Electronics, Project Consultancy etc.

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