

TATA POWER

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

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2009

Particulars	Quarter ended		Year ended 31-Mar-09 (Audited)
	30-Jun-09 (Reviewed)	30-Jun-08 (Reviewed)	
	Rs. Crores	Rs. Crores	Rs. Crores
1. a) Revenue	4,377.23	4,089.95	17,447.04
Add / (Less) : Revenue adjustments pertaining to prior years (Refer Notes 3.3 & 3.4)	232.40	(36.65)	58.05
Income to be recovered / (utilised) in future tariff determination	92.07	4,053.30	17,505.09
Net Revenue	4,701.70	16.04	82.44
2. Total Income	4,713.16	4,069.34	17,567.53
3. Expenditure	184.89	153.98	612.75
a) Staff Cost	1,150.52	943.96	4,372.38
b) Cost of Power Purchased	-	-	12.17
c) Cost of Coal Purchased	1,239.55	1,487.09	5,522.25
d) Cost of Fuel	419.46	288.71	1,344.26
e) Coal Processing Charges	121.49	99.95	523.01
f) Raw materials consumed	5.83	6.57	87.66
g) Purchase of goods/spares for resale	5.20	8.26	38.32
h) Cost of components, materials & services in respect of contracts	19.07	(18.18)	(79.36)
i) Decrease/(increase) in stock in trade and work in progress	201.07	152.39	656.49
j) Depreciation/Amortisation	-	-	280.37
k) Impairment	361.11	400.70	1,608.62
l) Other expenditure	3,708.19	3,523.43	14,978.90
4. Total Expenditure	1,004.97	545.91	2,608.63
5. Profit from Operations before Other Income, Interest and Exceptional Items (2-4)	45.98	34.78	164.98
6. Other Income	22.75	28.31	398.96
a) Gain on exchange (net)	1,073.70	609.00	3,172.57
b) Others	205.54	147.83	708.74
7. Profit before Interest and Exceptional Items (5+6)	868.16	461.17	2,463.83
8. Interest	-	-	-
9. Profit after interest but before Exceptional Items (7-8)	-	-	-
10. Exceptional Items -	-	-	-
a. Loss on redemption of 6.75% Tax free US 64 Bonds 2008	155.47	155.47	155.47
Less: Drawn from : Contingencies Reserve	39.38	39.38	39.38
Deferred Taxation Liability Fund	116.09	116.09	116.09
b. Adjustment of expenses recoverable through Tariff	-	-	-
Less: Drawn from : Contingencies Reserve	108.83	108.83	108.83
11. Profit before Tax, Share of Associates, Minority Interest and Statutory Appropriations	868.16	461.17	2,463.83
12. Provision for Taxation	284.68	189.86	991.40
a) Current year	(0.11)	(0.14)	173.70
b) Previous years	583.59	271.45	1,298.73
13. Net Profit after Tax and before Share of Associates, Minority Interest and Statutory Appropriations	(0.48)	(4.85)	27.57
14. Add: Share of profit/(loss) of Associates	30.35	18.75	107.56
15. Less: Minority Interest	552.76	247.85	1,218.74
16. Net Profit before Statutory Appropriations	(19.89)	28.00	(45.30)
17. Less: Net Statutory Appropriations	572.65	219.85	1,264.04
18. Net Profit after Statutory Appropriations	221.99	220.83	221.40
19. Paid-up Equity Share Capital (Face Value: Rupees Ten per share)	25.81	9.95	57.09
20. Reserves including Statutory Reserves	25.67	9.95	57.09
21. Earnings per Share (on Net Profit after Statutory Appropriations) (In Rupees)			
Basic Earnings per share			
Diluted Earnings per share			

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CONSOLIDATED SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Particulars	Quarter ended		Year ended
	30-Jun-09 (Reviewed)	30-Jun-08 (Reviewed)	
Segment Revenue			
Power Business	3,342.97	2,888.32	11,912.07
Coal Business	1,158.43	1,011.84	4,776.60
Others	211.76	169.18	898.86
Total Segment Revenue	4,713.16	4,069.34	17,587.53
Less: Inter segment revenue	-	-	-
Net Revenue	4,713.16	4,069.34	17,587.53
Segment Results (Profit before interest and tax)			
Power Business	662.41	315.36	1,391.92
Coal Business	373.16	296.85	1,463.94
Others	21.62	19.94	(9.97)
Total Segment Results	1,057.19	632.15	2,845.89
Less: Interest Expense	205.54	147.83	708.74
Add: Unallocated Income net of Unallocated Expense	16.51	(23.15)	326.68
Total Profit Before Tax	868.16	461.17	2,463.83
Capital Employed			
Power Business	15,771.06	11,079.80	14,272.63
Coal Business	6,045.51	5,577.86	6,328.81
Others	1,230.74	584.21	1,291.48
Unallocated	(12,571.91)	(8,137.56)	(11,796.03)
Total Capital Employed	10,475.40	9,104.31	10,096.89

Types of products and services in each business segment:

Power - Generation, Transmission, Distribution and Trading of Electricity.
Coal Business - Mining and Trading of Coal.
Others - Defence Electronics, Project Contracts/ Management Services, Coal Bed Methane and Property Development.



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Notes :

1. The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 28th August, 2009.
2. The following Subsidiaries, Associates and Joint Ventures have been considered for the purpose of preparing Consolidated Financial Results as per Accounting Standards on :
 - a) Consolidated Financial Statements (AS-21)
 - b) Accounting for Investments in Associates in Consolidated Financial Statements (AS-23)
 - c) Financial Reporting of Interests in Joint Ventures (AS-27)

Name of the Company	Ownership in % either directly or through Subsidiaries
Subsidiaries :	
Chemical Terminal Trombay Ltd.	100
Af-Taab Investment Co. Ltd.	100
Tata Power Trading Co.Ltd.	100
Powerlinks Transmission Ltd.	51
NELCO Ltd.	50.04
Tatanet Services Ltd.	50.04
Maitihon Power Ltd.	74
Industrial Energy Ltd.	74
Industrial Power Utility Ltd.	100
Industrial Power Infrastructure Ltd.	100
North Delhi Power Ltd.	51
Coastal Gujarat Power Ltd.	100
Bhira Investments Ltd.	100
Bhivpuri Investments Ltd.	100
Khopoli Investments Ltd.	100
Veltina Holdings Ltd.	100
Trust Energy Resources Pte. Ltd.	100
Energy Eastern Pte. Ltd.	100
Associates :	
Panatone Finvest Ltd.	39.98
Tata Ceramics Ltd.	40
Tata Projects Ltd.	47.78
Yashmun Engineers Ltd.	27.27
Vantech Investments Ltd.	50
Neilito Systems Ltd.	49.46
Joint Ventures :	
Indocoal Resources (Cayman) Ltd.	30
PT Arutmin Indonesia	30
PT Indocoal Kaltim Resources	30
PT Indocoal Kalsel Resources	30
PT Kaltim Prima Coal	30
Tubed Coal Mines Ltd.	40
Mandakini Coal Co. Ltd.	33.33
Tata BP Solar India Ltd.	49
Dagachhu Hydro Power Corporation Ltd. (from 19th January, 2009)	26

3. In the case of the Parent Company :

- 3.1 In respect of the Standby Charges dispute with Reliance Infrastructure Ltd. (R-Infra - formerly Reliance Energy Ltd.) for the periods from 1st April, 1999 to 31st March, 2004, the Appellate Tribunal for 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, Rs. 354 crores (including interest of Rs. 15.14 crores) and pay interest at 10% p.a. thereafter. As at 30th June, 2009, the accumulated interest was Rs.142.76 crores (Rs. 2.80 crores for the quarter ended 30th June, 2009). On appeal, the Hon'ble Supreme Court has stayed the ATE Order and as directed, the Company has furnished a bank guarantee of Rs. 227 crores and also deposited Rs. 227 crores with the Registrar General of the Court, which amount has been withdrawn by R-Infra on furnishing the required undertaking to the Court. The said amount has been accounted under "Other Deposits".
- 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 Rs. 519 crores. The aggregate of Standby Charges credited in previous years, net of tax is estimated at Rs. 434.51 crores, 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. However, since 1st April, 2004, the Company has accounted for 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 based on the final outcome of the matter.
- 3.2 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 Rs. 323.87 crores as on 31st December, 2007. ATE, in its order dated 12th May, 2008, on appeal by R-Infra, has directed R-Infra to pay for the difference in the energy charges 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 after the decision of the Supreme Court in the Appeals relating to the distribution licence and rebates given by R-Infra. The Company and R-Infra have filed appeals in the Supreme Court. On grounds of prudence, the Company has not recognised any income arising from the above matters.
- 3.3 In respect of the Company's Generation Business as a Licensee, MERC in its Tariff Order dated 28th May, 2009, has drawn from Contingencies Reserve to partially meet the impact on tariff of the ATE Order dated 12th May, 2008, wherein ATE upheld the stand taken by the Company regarding allowability of expenses/accounting principles which were earlier disallowed/not recognised by MERC in its truing-up for financial years 2004-05 and 2005-06. Accordingly, the Company has drawn Rs. 108.83 crores from Contingencies Reserve. Further, the Company has recognised revenue of Rs. 105.40 crores and transferred Rs 24.89 crores from Tariffs and Dividends Control Reserve consequent to the above Order and the Orders pertaining to the Transmission and Distribution Businesses dated 28th May, 2009 and 15th June, 2009 respectively. Certain disallowances arising from these Orders aggregating to about Rs 83 crores have not been recognised as expense since they have been challenged by the Company at the ATE.
- 3.4 ATE in its Order dated 15th July, 2009, has upheld the Company's claim regarding allowability of certain expenses/accounting principles which were earlier disallowed/not recognised by MERC in its truing-up for the financial year 2006-07. On this basis, in the current quarter, the Company has treated such expenses as recoverable through tariff of the current year and has recognized revenue of Rs. 127 crores in respect of the financial years 2006-07 to 2008-09.
- 3.5 During the quarter ended 30th June, 2009, 7,964 Foreign Currency Convertible Bonds (FCCB) have been converted into 5,84,713 Equity Shares of Rs 10/- each at a premium as per terms of issue. Consequently, there is an increase in the Subscribed Share Capital by Rs. 0.58 crores and Securities Premium by Rs. 38.52 crores. Further, provision made for premium on redemption of FCCB by debiting Securities Premium Account in an earlier year has been reversed to the extent of Rs. 5.51 crores since it pertains to the FCCB converted during the period. As a result, Securities Premium Account has increased by Rs. 44.03 crores during the quarter ended 30th June, 2009.

- 3.6 Subsequent to the quarter, the Company has made an equity offering in the form of Global Depository Receipts (GDRs) listed on the Luxembourg Stock Exchange for a gross amount of US\$ 335 million. Each GDR will represent 1 equity share of the Company, at a nominal value of Rs.10 per equity share. The Company has issued 1,48,38,110 GDRs which have been priced at US\$ 22.577 per GDR (Rs. 48.27 being the reference exchange rate) as per relevant pricing guidelines for issue of GDRs.
4. Certain Subsidiaries /Joint Ventures having total assets of Rs. 281.59 crores as at 30th June, 2009, revenues of Rs. 51.84 crores, Net Profit after Statutory Appropriations of Rs. 1.33 crores for the quarter ended 30th June, 2009 and the Group's share of Profit in respect of an Associate of Rs. 3.14 crores for the quarter ended 30th June, 2009, have been considered on the basis of financial statements certified by their Managements and not yet reviewed by their auditors.
5. Previous period/year's figures have been regrouped /reclassified wherever necessary.
6. The Company's standalone results for the quarter ended 30th June, 2009 are available on the following websites viz. www.tatapower.com, www.bseindia.com and www.nseindia.com.

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


RATAN N TATA
Chairman



Date: 28th August, 2009.