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# The Tata Power Company Ltd.

Analyst Call –7 February 2014



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**Financial Performance – Standalone**

\*This comparison (Q3FY14 vs. Q3FY13) is more relevant than comparison with Q2FY14 due to cyclical nature of the business

# Q3 FY2014 Standalone Results



Particulars	Quarter ended			Nine months ended		Year ended
	31-Dec-13	30-Sep-13	31-Dec-12	31-Dec-13	31-Dec-12	31-Mar-13
	MUs	MUs	MUs	MUs	MUs	MUs
<b>(A)</b>						
1. Generation	3,212	3,404	3,873	10,513	12,404	15,770
2. Sales	3,547	3,762	3,998	11,445	12,460	16,002
	(` in crore)					
(Refer Notes Below)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
<b>(B)</b>						
<b>1. Income from operations</b>						
a) Revenue from power supply and transmission charges	1,749.92	1,856.87	2,039.69	5,763.68	6,205.98	7,947.89
Add: Income to be recovered in future tariff determination (net)	(42.00)	218.00	278.23	389.00	863.25	1,028.72
Add/(Less): Income to be recovered in future tariff determination (net) in respect of earlier years	185.00	-	130.00	300.00	(22.28)	104.72
Net Revenue	1,892.92	2,074.87	2,447.92	6,452.68	7,046.95	9,081.33
b) Other operating income (net of excise duty)	115.00	124.65	101.19	362.27	306.06	485.95
<b>Total income from operations (net)</b>	<b>2,007.92</b>	<b>2,199.52</b>	<b>2,549.11</b>	<b>6,814.95</b>	<b>7,353.01</b>	<b>9,567.28</b>
<b>2. Expenses</b>						
a) Cost of power purchased	173.58	227.34	197.09	556.65	450.24	623.39
b) Cost of fuel	648.46	956.71	1,377.88	2,840.82	4,275.75	5,244.40
c) Transmission charges	116.99	116.99	64.97	350.98	168.26	233.43
d) Cost of components, materials and services in respect of contracts	29.78	30.64	28.47	105.15	92.10	150.75
e) Employee benefits expense	136.38	112.44	142.85	393.67	413.08	547.60
f) Depreciation and amortisation expense (Refer Note 5)	148.35	139.64	128.11	424.03	438.52	364.10
g) Other expenses	190.97	153.06	167.80	510.66	477.04	709.87
<b>Total expenses</b>	<b>1,444.51</b>	<b>1,736.82</b>	<b>2,107.17</b>	<b>5,181.96</b>	<b>6,314.99</b>	<b>7,873.54</b>
<b>3. Profit from operations before other income, finance costs and tax (1-2)</b>	<b>563.41</b>	<b>462.70</b>	<b>441.94</b>	<b>1,632.99</b>	<b>1,038.02</b>	<b>1,693.74</b>
<b>4. Other Income</b>						
a) (Loss)/Gain on exchange (net)	(64.64)	(83.56)	(42.08)	(213.91)	1.87	(27.62)
b) Others	55.31	129.87	73.90	430.77	571.80	721.67
<b>5. Profit before finance costs and tax (3+4)</b>	<b>554.08</b>	<b>509.01</b>	<b>473.76</b>	<b>1,849.85</b>	<b>1,611.69</b>	<b>2,387.79</b>
6. Finance costs	214.34	162.00	180.38	613.51	485.89	684.41
<b>7. Profit before tax (5-6)</b>	<b>339.74</b>	<b>347.01</b>	<b>293.38</b>	<b>1,236.34</b>	<b>1,125.80</b>	<b>1,703.38</b>
8. Tax expense	88.61	85.24	77.00	366.44	301.14	678.69
<b>9. Net profit after tax (7-8)</b>	<b>251.13</b>	<b>261.77</b>	<b>216.38</b>	<b>869.90</b>	<b>824.66</b>	<b>1,024.69</b>

# Q3 FY2014 Standalone Segmental Results



crore

Particulars (Refer Notes Below)	Quarter ended			Nine months ended		Year ended
	31-Dec-13 (Audited)	30-Sep-13 (Audited)	31-Dec-12 (Audited)	31-Dec-13 (Audited)	31-Dec-12 (Audited)	31-Mar-13 (Audited)
Segment Revenue						
Power Business	1,922.23	2,092.83	2,473.23	6,522.71	7,103.16	9,157.96
Others	85.69	106.69	75.88	292.24	249.85	409.32
Total Segment Revenue	2,007.92	2,199.52	2,549.11	6,814.95	7,353.01	9,567.28
Less: Inter Segment Revenue	-	-	-	-	-	-
<b>Revenue / Income from Operations (Net of Excise Duty)</b>	<b>2,007.92</b>	<b>2,199.52</b>	<b>2,549.11</b>	<b>6,814.95</b>	<b>7,353.01</b>	<b>9,567.28</b>
Segment Results						
Power Business	579.50	434.98	442.94	1,619.10	1,049.14	1,684.68
Others	7.33	20.09	8.09	27.25	14.27	45.07
Total Segment Results	586.83	455.07	451.03	1,646.35	1,063.41	1,729.75
Less: Finance Costs	214.34	162.00	180.38	613.51	485.89	684.41
Add: Unallocable Income (Net)	(32.75)	53.94	22.73	203.50	548.28	658.04
<b>Profit Before Tax</b>	<b>339.74</b>	<b>347.01</b>	<b>293.38</b>	<b>1,236.34</b>	<b>1,125.80</b>	<b>1,703.38</b>
Capital Employed						
Power Business	11,739.96	12,570.44	10,973.20	11,739.96	10,973.20	11,464.55
Others	460.39	436.49	109.51	460.39	109.51	146.05
Unallocable	2,554.62	1,468.98	2,769.37	2,554.62	2,769.37	2,068.03
<b>Capital Employed</b>	<b>14,754.97</b>	<b>14,475.91</b>	<b>13,852.08</b>	<b>14,754.97</b>	<b>13,852.08</b>	<b>13,678.63</b>

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**Q3 FY2014 vs. Q3 FY2013  
Financial Performance – Standalone**

# Q3 FY2014 Highlights – Standalone



- Gross generation at 3212 MUs (PY: 3873 MUs) down by 17%
  - Generation in Mumbai Operations at 2183 MUs (PY: 2741 MUs) down by 20% mainly due to
    - *Lower generation at Trombay due to non-availability of gas and back-down of Unit-6 due to high cost of oil partly offset by higher hydro generation*
  - Generation outside Mumbai Operations at 1028 MUs (PY: 1132 MUs) down by 9% mainly due to
    - *Lower demand by Tata Steel, outage of Unit-3 in Jojobera and shutdown of Belgaum plant due to end of PPA*
- Sales (net of eliminations) at 3547 MUs (PY: 3998 MUs) down by 11%
  - Sales in Mumbai Operations were 2627 MUs (PY: 2975 MUs) down by 12%
  - Sales outside Mumbai Operations were 966 MUs (PY: 1069 MUs) down by 10%
- Haldia merchant sales at 226 MUs (PY: 219 MUs) up by 3%; merchant realizations at Rs. 2.46/kwh (PY: Rs. 2.54/kwh) down by 3%

# Q3 FY2014 Financial Highlights – Standalone



- Net Revenue at Rs. 1893 Cr (PY: Rs. 2448 Cr) down by 23% mainly due to
  - *Low fuel cost due to non availability of gas and less use of oil based generation in Trombay partly offset by net impact of favourable ATE Order and higher transmission charges*
  - *Lower revenue in Belgaum due to shut down of plant due to end of PPA terms in February 2013*
- Other Operating Income at Rs. 115 Cr (PY: Rs. 101 Cr) up by 14%
- Cost of Power Purchased at Rs. 174 Cr (PY: Rs. 197 Cr) down by 12% mainly due to
  - *Quantum of power purchased higher but cost of power purchased lower due to availability of cheaper power in the grid partly offset by higher standby charges*
- Cost of Fuel at Rs. 648 Cr (PY: Rs. 1378 Cr) down by 53% mainly due to
  - *Lower use of gas and oil in Trombay and due to decrease in generation*
- Transmission Charges at Rs. 117 Cr (PY: 65 Cr) up by 80% mainly due to revision in inter-state transmission charges vide order in April 2013
- Cost of Components Consumed at Rs. 30 Cr (PY: Rs. 28 Cr) up by 11%
- Employee Benefit Expenses at Rs. 136 Cr (PY: Rs. 143 Cr) down by 5%
- Depreciation/Amortization at Rs. 148 Cr (PY: Rs. 128 Cr) up by 16% as PY included reversal on account of change in depreciation policy made in Q4FY13 effective FY09
- Other Expenses at Rs. 191 Cr (PY: Rs. 168 Cr) up by 14% mainly due to increase in R&M expenses and charge off of costs relating to development projects

# Q3 FY2014 Financial Highlights – Standalone



- Profit from Operations before Other Income, Finance Cost and Tax at Rs. 563 Cr (PY: Rs. 442 Cr) up by 27%
- Other income at Rs. (9) Cr (PY: Rs. 32 Cr)
  - *Increase in Loss on Exchange by Rs. 23 Cr mainly due to higher amortization as per AS-11*
  - *Decrease in Other Income by Rs. 19 Cr mainly due to lower treasury income*
- Profit Before Finance Cost and Tax at Rs. 554 Cr (PY: Rs. 474 Cr) up by 17%
- Interest and Finance Cost at Rs. 214 Cr (PY: Rs. 180 Cr) up by 19% mainly due to
  - *Higher capitalization and higher working capital interest*
  - *Higher hedging cost*
- Profit before Tax at Rs. 340 Cr (PY: Rs. 293 Cr) up by 16%
- Tax at Rs. 89 Cr (PY: Rs. 77 Cr) up by 15%
- PAT at Rs. 251 Cr (PY: Rs. 216 Cr) up by 16%

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**YTD FY2014 vs. YTD FY2013  
Financial Performance – Standalone**

# YTD FY2014 Financial Highlights – Standalone



Gross generation at 10513 MUs (PY: 12404 MUs) down by 15%

- Generation in Mumbai Operations at 6987 MUs (PY: 8479 MUs) down by 18%
  - *Mainly due to lower generation in Trombay due to outage of Unit-8 and backdown of unit-6 due to high cost of oil and non-availability of gas*
- Generation outside Mumbai Operations at 3526 MUs (PY: 3925 MUs) down by 10%
  - *Mainly due to lower demand by Tata Steel, shutdown of Belgaum plant and lower wind pattern in wind farms*
- Sales (net of eliminations) at 11445 MUs (PY: 12460 MUs) down by 8%
  - Sales in Mumbai Operations were 8408 MUs (PY: 9037 MUs) down by 7%
  - Sales outside Mumbai Operations were 3346 MUs (PY: 3728 MUs) down by 10%
- Haldia merchant sales at 647 MUs (PY: 631 MUs) up by 3%; merchant realizations at Rs. 2.53/kwh (PY: Rs. 2.85/kwh) down by 11%

# YTD FY2014 Financial Highlights – Standalone



- Net Revenue at Rs. 6453 Cr (PY: Rs. 7047 Cr) down by 8% mainly due to
  - *Lower fuel cost and power purchase cost offset by favourable MYT order*
- Other Operating Income at Rs. 362 Cr (PY: Rs. 306Cr) up by 18%
  - *Mainly due to higher revenue from SED and higher services income*
- Cost of Power Purchased at Rs. 557 Cr (PY: Rs. 450 Cr) up by 24% mainly due to
  - *More MUs purchased due to cheaper power available in the grid*
- Cost of Fuel at Rs. 2841 Cr (PY: Rs. 4276 Cr) down by 34% mainly due to
  - *Lower use of gas and oil in Trombay and due to decrease in generation*
- Transmission Charges at Rs. 351 Cr (PY: 168 Cr) up by 109% mainly due to revision in inter-state transmission charges vide order in April 2013
- Cost of components consumed at Rs. 105 Cr. (PY: Rs. 92 Cr) up by 14%
- Employee Benefits Expense at Rs. 394 Cr (PY: Rs. 413 Cr) down by 5%
- Depreciation and Amortization at Rs. 424 Cr (PY: Rs. 439 Cr) down by 3%
- Other Expenses at Rs. 511 Cr (PY: Rs. 477 Cr) up by 7%

# YTD FY2014 Financial Highlights – Standalone



- Profit from Operations before Other Income, Finance Cost and Tax at Rs. 1633 Cr (PY: Rs. 1038 Cr) up by 57%
- Other Income at Rs. 217 Cr (PY: Rs. 574 Cr) down by 62% mainly due to
  - *Increase in Loss on Exchange by Rs. 216 Cr mainly due to realignment of borrowings due to rupee depreciation and PY included gain on realignment of receivables*
  - *Decrease in Other Income by Rs. 141 Cr due to lower dividend and lower treasury income*
- Profit Before Finance Cost and Tax at Rs. 1850 Cr (PY: Rs. 1612 Cr) up by 15%
- Interest and Finance Cost at Rs. 614 Cr (PY: Rs. 486 Cr) up by 26% mainly due to higher borrowings and higher hedging cost
- Profit before Tax at Rs. 1236 Cr (PY: Rs. 1126 Cr) up by 10%
- Tax at Rs. 366 Cr (PY: Rs. 301 Cr) up by 22% mainly due to reversal of MAT credit
- PAT at Rs. 870 Cr (PY: Rs. 825 Cr) up by 5%

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**Financial Performance – Consolidated**

# Q3 FY2014 Consolidated Results



Particulars (Refer Notes Below)	Quarter ended			Nine months ended		Year ended
	31-Dec-13	30-Sep-13	31-Dec-12	31-Dec-13	31-Dec-12	31-Mar-13
	crore	crore	crore	crore	crore	crore
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>PART I</b>						
<b>1. Income from operations</b>						
a) <b>Revenue</b>	8,236.93	8,551.47	8,320.87	25,730.27	22,433.65	30,875.28
Add : Income to be recovered in future tariff determination (net)	234.18	165.64	540.81	634.72	1,427.37	1,856.05
Add/(Less): Income to be recovered in future tariff determination	185.00	-	130.00	300.00	(22.28)	104.72
Net Revenue	8,656.11	8,717.11	8,991.68	26,664.99	23,838.74	32,836.05
b) Other operating income (net of excise duty)	43.91	47.58	47.63	139.21	154.23	189.38
<b>Total Income from operations (net)</b>	<b>8,700.02</b>	<b>8,764.69</b>	<b>9,039.31</b>	<b>26,804.20</b>	<b>23,992.97</b>	<b>33,025.43</b>
<b>2. Expenses</b>						
a) Cost of power purchased	1,635.39	2,003.65	2,199.78	5,631.10	5,652.96	7,818.66
b) Cost of fuel	2,306.86	2,469.99	2,695.75	7,566.72	7,239.17	9,661.60
c) Raw materials consumed	174.26	123.09	112.87	413.37	232.26	386.74
d) Purchase of goods / spares / stock for resale	10.17	9.70	7.15	34.43	28.18	37.47
e) Transmission charges	126.97	126.23	77.07	379.24	202.43	286.50
f) Cost of components, materials and services in respect of contracts	29.78	30.64	28.47	105.15	92.10	150.75
g) (Increase)/decrease in stock-in-trade and work-in-progress	136.87	(129.44)	(115.71)	62.15	(368.26)	(275.12)
h) Royalty towards coal mining	348.63	288.95	297.22	931.54	820.39	1,111.14
i) Coal processing charges	733.46	607.78	701.09	2,018.57	1,926.34	2,544.99
j) Employee benefits expense	323.03	307.40	333.66	960.59	988.77	1,322.95
k) Depreciation and amortisation expense (Refer Note 2.5)	665.54	689.05	587.31	2,005.39	1,635.32	2,051.69
l) Other expenses	1,088.11	896.01	845.72	2,816.42	2,397.49	3,341.25
<b>Total expenses</b>	<b>7,579.07</b>	<b>7,423.05</b>	<b>7,770.38</b>	<b>22,924.67</b>	<b>20,847.15</b>	<b>28,438.62</b>
<b>3. Profit from operations before other income, finance costs, exceptional item and tax (1-2)</b>	<b>1,120.95</b>	<b>1,341.64</b>	<b>1,268.93</b>	<b>3,879.53</b>	<b>3,145.82</b>	<b>4,586.81</b>
<b>4. Other income</b>						
a) Loss on exchange (net)	(159.69)	(354.52)	(86.03)	(806.97)	(162.89)	(187.64)
b) Others	65.60	61.61	97.05	192.05	304.94	369.20
<b>5. Profit before finance costs, exceptional item and tax (3+4)</b>	<b>1,026.86</b>	<b>1,048.73</b>	<b>1,279.95</b>	<b>3,264.61</b>	<b>3,287.87</b>	<b>4,768.37</b>
<b>6. Finance costs</b>	<b>875.03</b>	<b>802.90</b>	<b>741.80</b>	<b>2,581.29</b>	<b>1,915.47</b>	<b>2,641.69</b>
<b>7. Profit before exceptional item and tax (5-6)</b>	<b>151.83</b>	<b>245.83</b>	<b>538.15</b>	<b>683.32</b>	<b>1,372.40</b>	<b>2,126.68</b>
<b>8. Exceptional item -</b>						
Provision for impairment (Refer Note 4)	-	-	600.00	-	850.00	850.00
<b>9. Profit before tax</b>	<b>151.83</b>	<b>245.83</b>	<b>(61.85)</b>	<b>683.32</b>	<b>522.40</b>	<b>1,276.68</b>
<b>10. Tax expense</b>	<b>165.55</b>	<b>125.39</b>	<b>229.93</b>	<b>625.58</b>	<b>678.73</b>	<b>1,177.96</b>
<b>11. Net Profit / (Loss) after tax</b>	<b>(13.72)</b>	<b>120.44</b>	<b>(291.78)</b>	<b>57.74</b>	<b>(156.33)</b>	<b>98.72</b>
<b>12. Share of profit of associates</b>	<b>9.43</b>	<b>12.97</b>	<b>12.19</b>	<b>25.76</b>	<b>18.79</b>	<b>23.92</b>
<b>13. Less: Minority interest</b>	<b>70.62</b>	<b>58.44</b>	<b>49.33</b>	<b>198.14</b>	<b>129.25</b>	<b>208.07</b>
<b>14. Net Profit / (Loss) after tax, minority interest and share of profit of associates</b>	<b>(74.91)</b>	<b>74.97</b>	<b>(328.92)</b>	<b>(114.64)</b>	<b>(266.79)</b>	<b>(85.43)</b>

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**Q3 FY2014 vs. Q3 FY2013  
Financial Performance – Consolidated**

# Q3 FY2014 Financial Highlights – Consolidated



- Total Income from Operations at Rs. 8700 Cr (PY Rs. 9039 Cr) down by 4%
  - Lower in Tata Power by Rs. 543 Cr as explained earlier
  - Higher in CGPL by Rs. 483 Cr due to commissioning of all 5 units as against 3 units in PY
  - Higher in Tata Power Solar by Rs. 215 Cr due to higher volume sold
  - Higher in Maithon by Rs. 124 Cr due to recovery of fixed cost on 150 MW sale of power and higher merchant sale in the quarter
  - Lower in TPDDL by Rs. 264 Cr
  - Lower in Trust Energy by Rs. 174 Cr due to lower income from shipping business
  - Lower in coal companies by Rs. 142 Cr (Rs. 1045 Cr lower due to lower realization offset by Rs. 455 Cr due to higher quantity of coal sold and Rs. 448 Cr due to rupee depreciation)
  - Lower in Coal SPVs by Rs. 79 Cr due to lower fees from coal companies
  - Lower in TPTCL by Rs. 57 Cr mainly due to lower realization offset by higher volume traded

# Q3 FY2014 Financial Highlights – Consolidated



- Cost of Power Purchased at Rs. 1635 Cr (PY: Rs. 2200 Cr) down by 26% mainly due to
  - *Decrease in Tata Power Standalone by Rs. 24 Cr as explained earlier*
  - *Decrease in TPDDL by Rs. 249 Cr*
  - *Decrease in TPTCL by Rs. 58 Cr due to mainly due to lower average cost of power purchased*
  - *Decrease due to inter-company eliminations by Rs. 235 Cr*
- Cost of Fuel at Rs. 2307 Cr (PY: Rs. 2696 Cr) down by 14% mainly due to
  - *Decrease in Tata Power Standalone by Rs. 729 Cr as explained earlier*
  - *Decrease in Trust Energy by Rs. 119 Cr due to no coal trading in the quarter*
  - *Decrease in Coal Companies by Rs. 74 Crs mainly due to lower cost of fuel per ton*
  - *Offset by increase in CGPL by Rs. 376 Cr due to commissioning of all units compared to operation of 3 units in PY*
  - *Offset by increase due to inter-company eliminations by Rs. 131 Cr*
- Transmission Charges at Rs. 127 Cr (PY: 77 Cr) up by 65% mainly due to revision in inter-state transmission charges vide order in April 2013
- Cost of Components consumed at Rs. 30 Cr (PY: Rs. 28 Cr) up by 3%
- Royalty towards Coal Mining at Rs. 349 Cr (PY: 297 Cr) up by 18% due to higher quantity of coal sold and depreciation of rupee offset by decrease in realization of coal

# Q3 FY2014 Financial Highlights – Consolidated



- Coal Processing Charges at Rs. 733 Cr (PY: Rs. 701 Cr) up by 5% mainly due to
  - *Higher quantity of coal processing by Rs. 87 Cr*
  - *Higher due to depreciation of rupee by Rs. 84 Cr*
  - *Higher due to Thiess settlement of claims since 2010 in Arutmin by Rs. 79 Cr*
  - *Offset by decrease in cost of coal processing per ton by Rs. 218 Cr*
- Depreciation/Amortization at Rs. 666 Cr (PY: Rs. 587 Cr) up by 13% mainly due to
  - *Increase in Tata Power Standalone by Rs. 20 Cr as explained earlier*
  - *Increase in CGPL by Rs. 71 Cr due to commissioning of all 5 units as compared to 3 units in PY*
  - *Offset by decrease in Coal Companies by Rs. 24 Cr due to lower amortization of mining property in Arutmin due to decreased production*
- Other expenses at Rs. 1088 Cr (PY: Rs. 846 Cr) up by 29% mainly due to
  - *Increase in Tata Power Standalone by Rs. 23 Cr as explained earlier*
  - *Increase in Coal Companies by Rs. 152 Cr due to increased provision for future rehabilitation on account of termination of Thiess contract, tax adjustment for 2007 and 2008 including penal interest and due to depreciation of rupee*
  - *Increase in CGPL by Rs. 26 Cr as PY included reversal of provisions on coal stock*
- Employee Benefit Expenses at Rs. 323 Cr (PY: Rs. 334 Cr) down by 3%

# Q3 FY2014 Financial Highlights – Consolidated



- Profit from Operations before Other Income, Finance Costs, Exceptional Items and Tax at Rs. 1121 Cr (PY: Rs. 1269 Cr) down by 12%
- Other Income at Rs. (94) Cr (PY: Rs 11 Cr) lower due to
  - *Increase in Loss on Exchange by Rs. 74 Cr due to*
    - *Higher loss in Tata Power Standalone by Rs. 23 Cr as explained earlier*
    - *Higher loss in Coal Companies by Rs. 68 Cr due to realignment of VAT receivable*
  - *Decrease in Other Income by Rs. 31 Cr*
    - *Decrease in Tata Power Standalone by Rs. 19 Cr as explained earlier*
    - *Decrease in Coal SPVs by Rs. 15 Cr due to lower income*
- Profit Before Finance Cost and Tax at Rs. 1027 Cr (PY: Rs. 1280 Cr) down by 20%
- Finance cost at Rs. 875 Cr (PY: Rs. 742 Cr) up by 18% mainly due to increase in CGPL due to commissioning of all 5 units
- PY includes impairment provision of Rs. 600 Cr
- Profit before Tax at Rs. 152 Cr (PY: Rs. (62) Cr)
- Tax Expenses at Rs. 166 Cr (PY: Rs. 230 Cr) down by 28% mainly due to
  - *Decrease in Coal Companies by Rs. 72 Cr due to lower profit*
  - *Offset by increase in Tata Power Standalone by Rs. 11 Cr*
- PAT at Rs. (75) Cr (PY: Rs. (329) Cr)

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**YTD FY2014 vs. YTD FY2013  
Financial Performance – Consolidated**

# YTD FY2014 Financial Highlights – Consolidated



- Total Income from Operations at Rs. 26804 Cr (PY: Rs. 23993 Cr) up by 12%
  - *Decrease in Tata Power Standalone by Rs. 538 Cr as explained earlier*
  - *Increase in CGPL by Rs. 2556 Cr due to commissioning of all 5 units*
  - *Increase in Coal Companies by Rs. 622 Cr mainly due to higher quantity of coal sold and depreciation of rupee offset by lower realization*
  - *Increase in Maithon by Rs. 598 Cr due to full operation of both units and higher capacity tie up of long term power*
  - *Increase in TPTCL by Rs. 580 Cr mainly due to higher volume traded offset by lower average rate realization*
  - *Increase in Tata Power Solar by Rs. 395 Cr due to higher volume sold*
  - *Increase in TPDDL by Rs. 307 Cr*
  - *Increase in EEPL by Rs. 258 Cr due to higher income from shipping business*
  - *Decrease in Trust Energy by Rs. 201 Cr due to lower revenue from coal sales and lower income from shipping business*
  - *Offset by inter-company eliminations by Rs. 1361 Cr*

# YTD FY2014 Financial Highlights – Consolidated



- Cost of Power Purchased at Rs. 5631 Cr (PY: Rs. 5653 Cr)
  - *Increase in Tata Power Standalone by Rs. 106 Cr as explained earlier*
  - *Increase in TPTCL by Rs. 566 Cr due to higher volume traded*
  - *Offset by inter-company eliminations by Rs. 727 Cr*
- Cost of Fuel at Rs. 7567 Cr (PY: Rs. 7239 Cr) up by 4% mainly due to
  - *Increase in CGPL by Rs. 2003 Cr due to commissioning of all units*
  - *Increase in Maithon by Rs. 313 Cr due to higher generation*
  - *Decrease in Tata Power Standalone by Rs. 1435 Cr as explained earlier*
  - *Decrease in Trust Energy by Rs. 132 Cr mainly due to lower shipment*
  - *Decrease in Coal Companies by Rs. 108 Cr mainly due to lower cost of fuel*
  - *Decrease due to inter-company eliminations by Rs. 202 Cr*
- Transmission Charges at Rs. 379 Cr (PY: 202 Cr) up by 88% mainly due to revision in inter-state transmission charges vide order in April 2013
- Cost of Components consumed at Rs. 105 Cr (PY: Rs. 92 Cr) up by 14%
- Royalty towards Coal Mining at Rs. 932 Cr (PY: 820 Cr) up by 14% due to higher quantity of coal sold and depreciation of rupee offset by decrease in realization of coal

# YTD FY2014 Financial Highlights – Consolidated



- Coal Processing Charges at Rs. 2019 Cr (PY: Rs. 1926 Cr in PY) up by 5% mainly due to
  - *Increase in quantity of coal processed by Rs. 383 Cr*
  - *Increase due to depreciation of rupee by Rs. 179 Cr*
  - *Offset by lower cost of processing by Rs. 549 Cr*
- Employee Benefit Expenses at Rs. 961 Cr (PY: Rs. 989 Cr) down by 3%
- Depreciation/Amortization at Rs. 2005 Cr (PY: Rs. 1635 Cr) up by 23% mainly due to
  - *Increase in CGPL by Rs. 319 Cr due to commissioning of all 5 units*
  - *Increase in Maithon by Rs. 23 Cr due to full operation of both units*
  - *Increase in Tata Power Solar by Rs. 20 Cr due to higher capitalization*
  - *Decrease in Tata Power Standalone by Rs. 14 Cr as explained earlier*
- Other expenses at Rs. 2816 Cr (PY: Rs. 2397 Cr) up by 17% mainly due to
  - *Increase in Tata Power Standalone by Rs. 34 Cr as explained earlier*
  - *Increase in Coal Companies by Rs. 245 Cr mainly due to increased provision for future rehabilitation on account of termination of Thiess contract and tax adjustment for 2007 and 2008 including penal interest in Arutmin and due to depreciation of rupee*
  - *Increase in CGPL by Rs. 70 Cr mainly due to higher operation and maintenance cost with increased number of operational units*
  - *Increase in Maithon by Rs. 42 Cr mainly due to higher operation and maintenance cost due to full operation of both units*

# YTD FY2014 Financial Highlights – Consolidated



- Profit from Operations before Other Income, Finance Costs, Exceptional Items and Tax at Rs. 3880 Cr (PY: Rs. 3146 Cr) up by 23%
- Other Income at Rs. (615) Cr (PY: Rs. 142 Cr) down mainly due to
  - *Increase in Loss on Exchange by Rs. 644 Cr due to*
    - *Higher loss in Tata Power Standalone by Rs. 216 Cr as explained earlier*
    - *Higher loss in Coal Companies by Rs. 261 Cr due to realignment of VAT receivable*
    - *Higher loss in CGPL by Rs. 174 Cr due to realignment of coal and freight liabilities*
  - *Decrease in Other Income by Rs. 113 Cr*
    - *Decrease in Tata Power Standalone by Rs. 141 Cr*
    - *Increase in Coal SPVs by Rs. 186 Cr*
    - *Decrease due to inter-company eliminations by Rs. 214 Cr*
- Finance cost at Rs. 2581 Cr (PY: Rs. 1915 Cr) up by 35% mainly due to
  - *Increase in Tata Power Standalone by Rs. 128 Cr as explained earlier*
  - *Increase in CGPL by Rs. 508 Cr mainly due to commissioning of all units*
  - *Increase in Maithon by Rs. 65 Cr mainly due to full operation of both units*
- PY includes impairment provision of Rs. 850 Cr
- PBT at Rs. 683 Cr (PY: Rs. 522 Cr) up by 31%
- Tax Expenses at Rs. 626 Cr (PY: Rs. 679 Cr) down by 8%
  - *Increase in Tata Power Standalone by Rs. 64 Cr as explained earlier*
  - *Decrease in Coal Companies by Rs. 185 Cr due to lower profits and deferred tax reversal*
- PAT at Rs. (115) Cr (PY: Rs. (267) Cr)

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**Segment wise Financial Performance –  
Consolidated**

# Segment Results (Consolidated): Q3 FY2014



Crore

Particulars (Refer Notes Below)	Quarter ended			Nine months ended		Year ended
	31-Dec-13 (Unaudited)	30-Sep-13 (Unaudited)	31-Dec-12 (Unaudited)	31-Dec-13 (Unaudited)	31-Dec-12 (Unaudited)	31-Mar-13 (Audited)
Segment Revenue						
Power Business	5,962.78	6,392.93	6,462.53	19,285.27	16,851.02	23,382.73
Coal Business	2,567.55	2,323.53	2,476.85	7,279.00	6,795.52	9,140.99
Others	496.14	293.93	253.24	1,116.59	685.21	1,074.47
Total Segment Revenue	9,026.47	9,010.39	9,192.62	27,680.86	24,331.75	33,598.19
Less: Inter Segment Revenue	326.45	245.70	153.31	876.66	338.78	572.76
<b>Revenue / Income from Operations (Net of Excise Duty)</b>	<b>8,700.02</b>	<b>8,764.69</b>	<b>9,039.31</b>	<b>26,804.20</b>	<b>23,992.97</b>	<b>33,025.43</b>
Segment Results [Profit / (Loss) before Finance Costs and Tax]						
Power Business	1,043.78	884.02	844.81	2,951.97	1,974.99	3,087.58
Coal Business	16.89	215.13	444.49	592.61	1,125.39	1,499.95
Others	28.46	9.37	(16.22)	38.18	4.11	20.71
Total Segment Results	1,089.13	1,108.52	1,273.08	3,582.76	3,104.49	4,608.24
Less: Finance Costs	875.03	802.90	741.80	2,581.29	1,915.47	2,641.69
Less: Exceptional Item - Power Business	-	-	600.00	-	850.00	850.00
Add / (Less): Unallocable Income / (Expense) (Net)	(62.27)	(59.79)	6.87	(318.15)	183.38	160.13
<b>Profit Before Tax</b>	<b>151.83</b>	<b>245.83</b>	<b>(61.85)</b>	<b>683.32</b>	<b>522.40</b>	<b>1,276.68</b>
Capital Employed						
Power Business	43,491.90	43,625.16	39,537.39	43,491.90	39,537.39	40,868.55
Coal Business	9,479.65	9,886.29	8,493.28	9,479.65	8,493.28	8,825.24
Others	1,136.72	1,115.84	1,039.82	1,136.72	1,039.82	768.21
Unallocable	(37,892.18)	(38,388.62)	(33,698.20)	(37,892.18)	(33,698.20)	(35,021.08)
<b>Total Capital Employed</b>	<b>16,216.09</b>	<b>16,238.67</b>	<b>15,372.29</b>	<b>16,216.09</b>	<b>15,372.29</b>	<b>15,440.92</b>

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**Subsidiary Performance**

# Key Subsidiary Performance: Q3 FY2014



Key Subsidiaries	Op. Income		Op. Profit		PBT		PAT	
	Q3 FY14	Q3 FY13	Q3 FY14	Q3 FY13	Q3 FY14	Q3 FY13	Q3 FY14	Q3 FY13
TPDDL	1,484	1,300	247	260	112	97	87	77
Powerlinks	64	68	60	63	30	32	28	26
IEL	112	124	58	59	27	23	22	18
TPTCL	940	998	13	12	11	10	7	7
MPL	640	517	201	140	40	(15)	38	(15)
Coal SPVs (\$ mn)	5.0*	25.5*	3.6	12.7	(9.8)	(0.6)	(10.3)	(2.1)
CGPL	1,311	801	182	91	(318)	(829)**	(318)	(829)**
Tata Power Solar	342	128	5	(8)	(19)	(25)	(19)	(17)

\* Income pertaining to management and technical fees

\*\* Inclusive of impairment

- Increase in PAT in TPDDL is mainly due to higher carrying cost on regulatory assets, lower interest cost and higher UI interest income offset by lower AT&C incentive
- Increase in PAT in Maithon mainly due to higher recovery of fixed cost due to tie-up of 150MW and higher merchant sales during the quarter
- Operating Profits is higher in TPSSL mainly due to higher volume sold in the quarter
- Operating income is lower in IEL mainly due to planned outage of Unit 5
- Operating Income in Powerlinks is lower MAT Credit benefit as pass through to regulated customers

# Key Subsidiary Performance: YTD FY2014



Key Subsidiaries	Op. Income		Op. Profit		PBT		PAT	
	YTD FY14	YTD FY13	YTD FY14	YTD FY13	YTD FY14	YTD FY13	YTD FY14	YTD FY13
TPDDL	4,549	4,267	752	725	307	245	241	192
Powerlinks	191	197	178	186	89	93	83	80
IEL	363	401	179	184	86	76	68	61
TPTCL	3,117	2,535	49	27	44	27	30	18
MPL	1,713	1,120	531	297	86	(74)	84	(74)
Coal SPVs (\$ mn)	35.0	68.7	30.6	43.2	33.9	4.9	26.1	(0.1)
CGPL	4057	1447	530	99	(1,164)	(1,455)**	(1,164)	(1,455)**
Tata Power Solar	657	311	8	(25)	(56)	(78)	(56)	(53)

\*\* Inclusive of impairment

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