

Board's Report

To the Members,

The Directors are pleased to present to you the second Integrated Report (prepared as per the International Integrated Reporting Council (IIRC) framework and in accordance with Global Reporting Initiatives (GRI) standards: Core options) and One Hundred and Second Annual Report on the business and operations of your Company along with the audited Financial Statements of Account for the financial year ended 31st March 2021.

1. Financial Results

Figures in ₹ crore

Sl. No.	Particulars	Standalone		Consolidated	
		FY21	FY20	FY21	FY20
(a)	Net Sales / Income from Other Operations*	6,480	7,075	33,079	28,948
(b)	Less: Operating Expenditure	4,387	4,794	25,474	21,078
(c)	Operating Profit	2,093	2,281	7,605	7,870
(d)	Add/(Less): Forex Loss	24	(11)	(66)	(116)
(e)	Add: Other Income	1,249	583	439	563
(f)	Less: Finance Cost	1,519	1,510	4,010	4,494
(g)	Profit before Depreciation and Tax	1,847	1,343	3,968	3,823
(h)	Less: Depreciation & Amortisation	669	686	2,745	2,634
(i)	Profit Before Share of Profit of Associates and Joint Ventures	1,178	657	1,223	1,189
(j)	Add: Share of Profit of Associates and Joint Ventures	NIL	NIL	873	953
(k)	Profit Before Exceptional Item	1,178	657	2,096	2,142
(l)	Add/(Less): Exceptional Item	(109)	(306)	(109)	226
(m)	Profit/ (Loss) before Tax	1,069	351	1,987	2,368
(n)	Add/(Less): Tax Expenses /(Credit)	(101)	(208)	(502)	(641)
(o)	Net Profit after Tax from Continuing Operations	968	559	1,485	1,727
(p)	Profit/ (Loss) before Tax from Discontinued Operations	(220)	(443)	(220)	(443)
(q)	Add/(Less): Tax Expenses /(Credit) from Discontinued Operations	174	32	174	32
(r)	Net Profit/(Loss) after Tax from Discontinued Operations	(46)	(411)	(46)	(411)
(s)	Net Profit for the year	922	148	1,439	1,316
(t)	Net Profit for the year attributable to -				
	- Owners of the Company	922	148	1,127	1,017
	- Non-controlling interests	NIL	NIL	311	299
(u)	Other Comprehensive income (Net of Tax)	185	(53)	(380)	836
(v)	Total Comprehensive Income for the year	1,107	95	1,059	2,153
(w)	Total Comprehensive Income attributable to -				
	- Owners of the Company	1,107	95	747	1,856
	- Non-controlling interests	NIL	NIL	312	297

*Including rate regulatory income/(expense)

2. Financial Performance and the State of the Company's Affairs

2.1. Consolidated

The Operating Revenue was at ₹ 33,079 crore in FY21 compared to ₹ 28,948 crore in FY20 on a consolidated basis. This is mainly due to acquisition of three Odisha Distribution Companies (Discoms) and execution of major solar engineering, Procurement and Construction (EPC) projects during the year. Operating Profit was at ₹ 7,605 crore which is marginally lower by 3% compared to previous year mainly due to favourable tariff order in Maithon Power Limited (MPL) in previous year, lower PLF from wind farms offset by lower losses in Coastal Gujarat Power Limited

(CGPL) on account of lower coal prices and higher profit from Prayagraj acquisition. Finance costs decreased from ₹ 4,494 crore to ₹ 4,010 crore mainly due to repayment of loans from sale of non-core assets, issue of preferential capital and lower rate of interest. The profits from Joint Ventures (JV) and Associates were lower mainly due to lower profits from Indonesian coal mines due to lower coal prices.

The Consolidated Profit after tax in FY21 was at ₹ 1,439 crore compared to ₹ 1,316 crore in FY20 mainly due to lower losses in CGPL on account of lower coal prices, higher profit from Prayagraj acquisition and lower finance cost.

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2.2. Standalone

The Operating Revenue stood at ₹ 6,480 crore in FY21 compared to ₹ 7,075 crore in FY20 on a standalone basis. The decrease was mainly due to lower generation and sales on account of lower demand from procurers and customers due to COVID-19 pandemic. The profit in FY21 was ₹ 922 crore as compared to ₹ 148 crore in FY20. The increase in the profit was mainly due to higher dividend from foreign subsidiary and lower impairment loss in Strategic Engineering Division (SED) compared to the previous year.

Refer to Management Discussion and Analysis (MD&A) (Pages 161-183) for more details.

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

2.3. Annual Performance

Details of your Company's annual financial performance as published on the Company's website and presented during the Analyst Meet, after declaration of annual results, can be accessed using the following link: <https://www.tatapower.com/pdf/investor-relations/analyst-presentation-may-21.pdf>.

2.4. Integrated Report

Continuing with your commitment towards a sustainable future and focus towards governance-based reporting, your Company has progressed to second Integrated Report highlighting the Company's efforts to empower all categories of customers and stakeholders with future-ready, smart, energy solutions.

3. Improvement in Leverage Ratios and Cash from Operations

Your Company's Net Debt/Underlying EBIDTA ratio has shown improvement from 4.7 to 4.1 from FY20 to FY21 on a consolidated level reinforcing the Company's commitment to deleverage its balance sheet. Consequently, Net Debt/Equity on a consolidated level has improved from 2.0 to 1.4 from FY20 to FY21. Your Company's efficient working capital management has resulted in an increase of 15% in cash from operations over FY20 (FY21-₹ 8,458 crore vis-à-vis FY20-₹ 7,375 crore). A brief discussion on the highlights of financial performance of your Company and financial & return ratios is presented in the financial capital section of Integrated Report (Pages 104-109).

4. Management Discussion and Analysis

The Management Discussion and Analysis, as required in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), is annexed to this Report.

5. Dividend

The Directors of your Company recommend a dividend of ₹ 1.55 per share of ₹ 1 each subject to the approval of the Members.

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the shareholders w.e.f. 1st April 2020 and the Company is required to deduct tax at source (TDS) from dividend paid to the Members at prescribed rates as per the Income-tax Act, 1961.

The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 19th June 2021 to Monday, 5th July 2021 (both days inclusive) for the purpose of payment of dividend for the financial year ended 31st March 2021.

According to Regulation 43A of the Listing Regulations, the top 1000 listed entities based on market capitalization, calculated as on 31st March of every financial year are required to formulate a dividend distribution policy which shall be disclosed on the website of the listed entity and a web-link shall also be provided in their annual reports. Accordingly, the Dividend Policy of the Company can be accessed using the following link: <https://www.tatapower.com/pdf/aboutus/dividend-policy.pdf>.

6. Current Business

Your Company is present across the entire value chain of power business viz Generation, Transmission, Distribution, Power Trading, Power Services, Coal Mines and Logistics, Solar PV manufacturing and associated EPC services, Consumer-facing businesses such as solar rooftop, solar pumps, EV charging, home automation and microgrid. Leading position in many of these segments places your Company as one of India's largest integrated power companies.

As on 31st March 2021, your Company had an installed capacity of 12,808 MW out of which 3,948 MW is from "Clean and Green sources" (Hydro, waste heat recovery, wind and solar) which constitutes about 31% of the total portfolio.

Moving away from conventional coal based power plants with a commitment to reduce carbon footprint and dependency on fossil fuel based resources like coal and gas, your Company has decided to focus on renewable generation, consumer-facing businesses like solar rooftop, solar pumps, EV charging, home automation as well as tapping into opportunities to widen its distribution network and broaden its customer base. Your Company has acquired four (4) Discoms in Odisha through competitive bidding which will cater to around 9 million consumers and pursuing similar growth opportunity in distribution. Your Company has installed around 161 microgrid projects as on 31st March 2021 with another 40 projects in the

pipeline in line with its commitment to provide the rural population with affordable, clean and reliable power.

Furthermore, your Company has launched smart energy solutions with the idea of “power of smart” through Internet of Things (IOT) based Home Automation solutions, smart energy management tools and various other home automation products encouraging customers to implement efficient and cost-effective home automation solutions to manage electricity usage.

Focussing on achieving growth in an environmentally responsible and sustainable manner, your Company has added 50 MW Solar PV assets in operating portfolio for supply of power to captive consumers and around 6 MW of rooftop projects in the balance sheet of Tata Power Renewable Energy Limited (TPREL). Your subsidiary, Tata Power Solar Systems Limited (TPSSL) has built a portfolio of 406 MW of solar rooftop projects and have an order book of over 2,800 MW with value of around ₹ 8,700 crore as on 31st March 2021. In the solar products domain, your Company is a leading player, with a portfolio of over 33,000 solar agricultural pumps in 16 states. Your Company's business portfolio has been discussed in a greater detail in the Manufactured Capital of Integrated Report (Pages 50-65).

6.1 Preferential Allotment of Equity Shares to Tata Sons Private Limited

Subsequent to approval accorded by the shareholders at the 101st Annual General Meeting of the Company on 30th July 2020, the Company issued and allotted 49,05,66,037 Equity Shares of the Company to its Promoter, Tata Sons Private Limited, at a price of ₹ 53 (including a premium of ₹ 52) per Equity Share, aggregating up to ₹ 2,600 crore, for cash consideration, on a preferential basis. The proceeds of the said Preferential Issue were utilized for repayment of debts of the Company and its subsidiaries.

6.2 Scheme of Amalgamation

With a view to simplify the Corporate structure, your Company has filed the following schemes of merger with the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench, under the applicable provisions of the Companies Act, 2013 (the Act):

- Scheme of Amalgamation of Af-Taab Investment Company Limited with the Company.
- Composite Scheme of Arrangement of Coastal Gujarat Power Limited and Tata Power Solar Systems Limited with the Company along with capital re-organisation after the merger.

The aforesaid Schemes are in the interest of the shareholders, creditors and all other stakeholders of the parties and is not prejudicial to the interests of the

concerned shareholders, creditors of the parties or the public at large.

Both the schemes are pending approvals from Regulatory authorities including NCLT.

7. Reserves

As per Standalone financials, the net movement in the reserves of the Company for FY21 and FY20 is as follows:

Particulars	Figures in ₹ crore	
	As at	As at
	31st March 2021	31st March 2020
Capital Redemption Reserve	2	2
Capital Reserve	62	62
Securities Premium	8,186	5,635
Debenture Redemption Reserve	297	297
General Reserve	3,854	3,854
Retained Earnings	3,370	3,027
Equity Instruments through OCI	128	(45)
Statutory Reserve	660	660

The Board of Directors has decided to retain the entire amount of profits for FY21 in P&L account.

8. Subsidiaries/Joint Ventures/Associates

As on 31st March 2021, the Company had 59 subsidiaries (44 are wholly owned subsidiaries), 33 JVs and 5 Associates. Of the subsidiaries, 3 companies have been classified as JVs under Indian Accounting Standards (Ind AS).

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

- The Company has acquired 51% stake in the following Odisha Discoms:
 - TP Central Odisha Distribution Limited
 - TP Western Odisha Distribution Limited
 - TP Southern Odisha Distribution Limited

Note: The Company has also acquired 51% stake in TP Northern Odisha Distribution Limited on 1st April 2021.
- The following companies have been incorporated as subsidiaries of the Company:
 - TP Kirnali Solar Limited
 - TP Solapur Solar Limited
 - TP Saurya Limited
 - TP Akkalkot Renewable Limited
 - TP Roofurja Renewable Limited

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A report on the performance and financial position of each of the subsidiaries, JVs and Associates has been provided in Form AOC-I as per Section 129(2) of the Act.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company at <https://www.tatapower.com/investor-relations/annual-reports-subsidiaries.aspx>.

The policy for determining material subsidiaries of the Company has been provided in the following link: <https://www.tatapower.com/pdf/aboutus/policy-for-determining-material-subsidiaries.pdf>.

9. Directors' Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the Statutory Auditors 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 FY21.

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirms that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii. they have selected such accounting policies and applied them consistently and made judgments 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;
- iii. they have taken proper and sufficient care 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;
- iv. they have prepared the annual accounts on a going concern basis;
- v. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

10. Directors and Key Managerial Personnel

During the year under review, there was no change in the composition of the Board.

In accordance with the requirements of the Act and the Company's Articles of Association, Mr. N. Chandrasekaran retires by rotation and is eligible for re-appointment. Members' approval is being sought at the ensuing 102nd Annual General Meeting (AGM) for his re-appointment.

During the year under review, the Non-Executive Directors (NEDs) of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and commission, as applicable, received by them.

In terms of Section 149 of the Act, Ms. Anjali Bansal, Ms. Vibha Padalkar, Mr. Sanjay V. Bhandarkar, Mr. Kesava M. Chandrasekhar and Mr. Ashok Sinha are the Independent Directors of the Company. The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the Act and the Listing Regulations.

In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based upon the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

Ms. Anjali Bansal, Ms. Vibha Padalkar and Mr. Sanjay Bhandarkar were appointed as Independent Directors by the Members on 23rd August 2017, for a period of five years commencing with effect from 14th October 2016 upto 13th October 2021.

The Board, on 12th May 2021, based on the recommendations of Nomination and Remuneration Committee (NRC) and pursuant to performance evaluation of Ms. Bansal, Ms. Padalkar and Mr. Bhandarkar respectively as a Member of the Board and considering their background, experience and contribution, the continued association of these individuals would be beneficial to the Company,

recommended their respective re-appointments as Independent Directors of the Company, not liable to retire by rotation, for a second term of five (5) years commencing with effect from 14th October 2021 upto 13th October 2026 for approval of the Members by way of a Special Resolution at the ensuing 102nd AGM of the Company.

Accordingly, Members' approval is being sought at the ensuing 102nd AGM for their respective re-appointments.

Eight Board Meetings were held during the year under review. For further details, please refer to the Report on Corporate Governance, which forms part of the Annual Report.

In terms of Section 203 of the Act, the following are the Key Managerial Personnel (KMP) of the Company as on 31st March 2021:

- Dr. Praveer Sinha, CEO and Managing Director
- Mr. Ramesh N. Subramanyam, Chief Financial Officer
- Mr. Hanoz M. Mistry, Company Secretary

11. Annual Evaluation of Board Performance and Performance of its Committees and Individual Directors

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and Listing Regulations.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors based on criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members based on criteria such as the composition of committees, effectiveness of Committee meetings, etc.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of the Executive Director and NEDs.

The NRC reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on 5th January 2017.

In a subsequent Board meeting, the performance of the Board, its Committees, and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

12. Policy on Board Diversity and Director Attributes and Remuneration Policy for Directors, Key Managerial Personnel and Other Employees

In terms of the provisions of Section 178(3) of the Act and Regulation 19 read with Part D of Schedule II to the Listing Regulations, the NRC is responsible 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 provided in Annexure - I to this Report and Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company, which is reproduced in Annexure - II to this Report.

13. 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 statutory 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
- Risk Management Committee

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

The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of Independent Directors as laid down in the Act. The same can be accessed using the following link: <https://www.tatapower.com/pdf/aboutus/Code-of-Conduct-NEDs.pdf>.

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All Senior Management personnel have affirmed compliance with the Tata Code of Conduct (TCoC). The CEO & Managing Director has also confirmed and certified the same. The certification is enclosed as Annexure - I at the end of the Report on Corporate Governance.

14. Conservation of Energy and Technology Absorption

Your Company continues its journey of growth in a sustainable and responsible manner and has achieved significant conservation of energy through its various Demand Side Management (DSM) initiatives as well as fostering energy efficient appliances at highly discounted prices among its customers. More than 6,000 energy efficient appliances like ceiling fans, air conditioners and LED tube lights have been provided to customers in FY21. Furthermore, around 4,000 Mwh of energy savings have been achieved due to the DSM programme in Mumbai license area. These initiatives have been discussed in greater details in 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, which is attached as Annexure - III to this Report.

15. Corporate Governance

Pursuant to Regulation 34 of the Listing Regulations, Report on Corporate Governance along with the certificate from a Practicing Company Secretary certifying compliance with conditions of Corporate Governance forms part of the Annual Report.

16. Vigil Mechanism

Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. In line with the TCoC, 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/Chairman of the Audit Committee of the Company for redressal. No person has been denied access to the Chairman of the Audit Committee.

17. Risk Management

Your Board has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee

is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. Furthermore, your Company has set up a robust internal audit function which reviews and ensures sustained effectiveness of internal financial controls by adopting a systematic approach to its work. The development and implementation of risk management policy has been covered in the Integrated Report (Pages 24-27).

Internal Financial Control Systems and their Adequacy

Your Company's internal control systems are commensurate with the nature of its business, the size and complexity of its operations and such internal financial controls with reference to the Financial Statements are adequate. Your Company has implemented robust processes to ensure that all internal financial controls are effectively working. For details on internal financial control systems, please refer Integrated Report (Page 26).

18. Details of Significant and Material Orders

No significant and materials orders were passed by the regulators or courts or tribunals impacting the going concern status and your Company's operations in future.

19. Statutory and Branch Auditors

Members of the Company at the AGM held on 23rd August 2017, approved the appointment of M/s. SRBC & CO. LLP (SRBC) (ICAI Firm Registration Number: 324982E/E300003), as the statutory auditors of the Company for a period of five years commencing from the conclusion of the 98th AGM held on said date until the conclusion of 103rd AGM of the Company to be held in 2022.

The Company has in its Notice sought approval from the Members for passing a resolution vide Item No.8 authorizing the Board to appoint Branch Auditors of any Branch office of the Company, whether existing or which may be opened/acquired, outside India, to act as Branch Auditors.

20. Statutory Auditors' Report

The standalone and the consolidated financial statements of the Company have been prepared in accordance with Ind AS notified under Section 133 of the Act.

The Statutory Auditor's report does not contain any qualifications, reservations, adverse remarks or disclaimers.

The Statutory Auditors were present in the last AGM.

21. Cost Auditor and Cost Audit Report

Your Board has appointed M/s. Sanjay Gupta and Associates (Firm Registration No.000212), Cost Accountants,

as Cost Auditors of the Company for conducting cost audit for the FY22. A resolution seeking approval of the Members for ratifying the remuneration of ₹ 6,50,000 (Rupees Six lakh fifty thousand) plus applicable taxes, travel and actual out-of-pocket expenses payable to the Cost Auditors for FY22 is provided in the Notice to the ensuing 102nd AGM. Maintenance of cost records as specified by the Central Government under Section 148 (1) of the Act is not applicable to the Company.

22. Secretarial Audit Report

M/s. Makarand M. Joshi & Co., Company Secretaries (Peer Review Number: P2009MH007000), were appointed as Secretarial Auditors of your Company to conduct a Secretarial Audit of records and documents of the Company for FY21. The Secretarial Audit Report confirms that the Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines and that there were no deviations or non-compliances except the observation that the Annual Performance Report (APR) for Itezhi Tezhi Power Corporation Limited (ITPC) is still in the process of filing. This was on account of the delay in approval of accounts by ITPC board. The Secretarial Audit Report is provided in Annexure - IV to this Report.

The Secretarial Audit report does not contain any qualifications, reservations, adverse remarks or disclaimers.

As per the requirements of the Listing Regulations, Practicing Company Secretaries of the material unlisted subsidiary of the Company have undertaken secretarial audit for FY21. The Audit Report of such material unlisted subsidiary confirms that they have complied with the provisions of the Act, Rules, Regulations, and Guidelines and that there were no deviations or non-compliances.

The Secretarial Audit Report of the unlisted material subsidiary viz. Tata Power Delhi Distribution Limited has been annexed along with the report of the Company.

23. Compliance with Secretarial Standards

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

24. Loans, Guarantees, Securities and Investments

Your Company, being an infrastructure company, is exempt from the provisions as applicable to loans, guarantees, security and investments under Section 186 of the Act. Therefore, no details are required to be provided.

25. Related Party Transactions

In line with the requirements of the Act and the Listing Regulations, the Company has formulated a Policy on Related Party Transactions and the same can be accessed using the following link: <https://www.tatapower.com/pdf/aboutus/rpt-policy-framework-guidelines.pdf>.

During the year under review there were no material transactions of the Company with any of its related parties. Therefore, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY21 and hence the same is not provided.

26. Sustainability

Your Company remains committed to sustainable growth, resource conservation, energy efficiency, habitat protection as a responsible corporate citizen with an aim to achieve carbon neutrality. Your Company's efforts on sustainability were recognized at various platforms and a testimony to this were the various awards bestowed upon it. Your Company won the best Environment Social and Governance (ESG) disclosure at the Investor Relations Award 2020 and ranked 13th in India's most sustainable companies with an A+ rating by BW Business world and Sustain lab Paris. Your Company is the only Indian power utility to co-create Sustainability Development Goal (SDG) roadmap for Electric Utilities with World Business Council for Sustainable Development (WBCSD) along with 10 global power utilities.

26.1 Care For Our Community/Community Relations

Your Company focusses on five thrust areas viz. education, health and sanitation, livelihood and skill building, water and financial inclusivity. In these areas, key flagship interventions were undertaken, Tata Power (Standalone) covered around 12.85 lakh people from Maharashtra, Jharkhand and West Bengal and at group level, your Company's CSR Initiatives covered around **46.65 lakh** beneficiaries across 61 locations in 15 states. The Initiatives are aligned to 6 UN SDGs and Schedule VII to the Act.

As a part of its COVID-19 response initiatives, your Company extended extensive support with a focus on migrant and vulnerable communities to 15 states across the country impacting around 16.59 lakh beneficiaries.

Flagship initiatives undertaken across various locations during FY21 can be summarized as below:

- Financial inclusivity program was undertaken across all major locations with 4.59 lakh beneficiaries

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covered with resources worth ₹ 312 crore accessed under various Government Schemes by communities.

- 1,239 Self-Help Group (SHG) (women) covering 14,325 members involved in various flagship initiatives such as Dhaaga, Abha, Sakhi, Roshni and Samriddhi with cumulative revenue generation of ₹ 4.70 crore.
- New integrated Vocational Training (VT) centres (Roshni) intervention was launched across Bihar, Maharashtra, Karnataka, Jharkhand, Odisha and Tamil Nadu. Total 13 VT centres were set up across all the locations with 88% candidates employed/self-employed through these centers.
- Over 70,000 youth were skilled under Daksh intervention and TPSDI initiatives with 25% youth from Affirmative Action (AA) community benefit from the intervention.
- Water Initiatives resulted in a coverage of 11.85 lakh beneficiaries under demand and supply side management of water initiatives across Delhi, Maharashtra, Gujarat, Rajasthan, Madhya Pradesh, Jharkhand and Tamil Nadu.

The CSR policy of the Company has been provided on the Company's website at <https://www.tatapower.com/pdf/aboutus/csr-policy.pdf>.

The Company's standalone CSR spend for FY21 stood at ₹ 3.45 crore against the 2% CSR obligation of ₹ 3.45 crore. Details of the consolidated CSR activities of your Company and its key subsidiaries are described in Social and Relationship Capital of Integrated Report (Pages 86-103) as well as in the Business Responsibility Report (BRR). The annual report on CSR activities (standalone) is provided in Annexure - V to this Report. On a consolidated basis, the Tata Power Group entities' expenditure on CSR activities stood at ₹ 39.24 crore against the CSR obligation of ₹ 38.60 crore (calculated as per Section 135 of the Act) in FY21.

26.2 Affirmative Action

As a part of AA, your Company continued in its journey of working with local vendors and promoting inclusion of SC/ST in business opportunities. This is driven by Corporate Contracts department with a single point of contact at the Corporate level, as well as at Division/Site level (Procurement Heads at Division level) to facilitate inclusion of SC/ST vendors. AA process for vendor enlistment and ordering was deployed to encourage and evolve entrepreneurship skill among the communities and enable them to be a part of business ecosystem. It also made them compete with positive discrimination element by offering a price preference of 5% over the L1 bidder and gives incentive of 1% of contract value for engaging

50% workforce from SC/ST community. Your Company also promoted entrepreneurship at community level by supporting enterprise development. In this year, business worth ₹ 9.63 crore was given to 24 vendors from SC/ST community. SHG members were also supported through income generation activities. Your Company supported youth, women, farmers and fishermen through skilling and livelihood initiatives with a focus to increase the income level making community members self-reliant. This has been further described in greater detail in Social and Relationship Capital of Integrated Report.

26.3 Sustainability Reporting

Your Company has adopted the IIRC-IR Framework to prepare its second Integrated Report 2020-21. SEBI recommended Integrated Reporting to be adopted on a voluntary basis by the top 500 companies, which are required to prepare BRR, in February 2017. The content of the report is in accordance with the Global Reporting Initiative (GRI) standards: Core option and espouses linkages from the National Voluntary Guidelines (NVG) on Social, Environmental and Economic responsibilities of the business as well as the United Nations SDGs. The Integrated Report communicates Tata Power's performance on financial and non-financial aspects to all stakeholders, underlying the importance of our leadership and strategy towards value creation as well as commitment to empower the customers for future-ready energy providing smart energy solutions paving the way for a sustainable future.

1. Environment

Your Company continues to strive for efficiency in operations and maintenance through adoption of best practices optimizing its efficiency parameters like heat rate and auxiliary resulting in lower resource consumption and lower carbon emissions. Continuing on its path to be a pioneer for environmental stewardship in power industry, your Company further focusses on efficient use of water, prudent recycling and waste disposal measures and remains committed to comply with regulations. Your Company also has been strategically focussing on scaling up renewables business, venturing into new energy efficient green business initiatives like Microgrids, EV charging, Home Automations, Solar Rooftop as well as exploring new opportunities in distribution businesses. All these initiatives reinforces your Company's commitment towards sustainable "Green" growth and encouraging the customer to avail energy efficient, future-ready, smart energy solutions. A brief outline of your Company's efforts towards protection of environment and biodiversity is given in the Natural Capital section of Integrated Report (Pages 110-125).

2. Health and Safety

Your Company is consciously committed to health and safety of all employees and other stakeholders with a defined safety vision "To be a leader in Safety Excellence in the global power and energy business". Your Company employs a pro-active and pre-emptive approach to occupational health and safety and is committed to actively drive the agenda through the length and breadth of the organization. Consequently, 100% of your contractual workforce is trained on various aspects of Occupational health and safety. Close monitoring of the safety management system helped your company to enhance standard of Health and Safety. Suraksha mobile app is one such monitoring intervention that enables employees to conveniently report unsafe conditions. Furthermore, your Company's commitment towards ethos of safety was further demonstrated on various responses during COVID-19 pandemic with a working theme of "**Learn from disaster and prepare for a safer future**". The key focus of this theme was to ensure that health and safety of employees as well as other stakeholders who are fundamental to business are protected and to strengthen your safety measures through numerous rigorous innovation. Furthermore, your Company has already started venturing towards application of advanced technologies like usage of drones, remote monitoring, safe systems for high risk activities etc. to eliminate and minimize the risks associated with various activities for betterment of safety performance. More deployment of advanced technologies is planned in near future for further enhancement of safety performance. A detailed description of Health and Safety including COVID-19 initiatives taken by your Company is outlined in Human Capital section of Integrated Report (Pages 72-85).

3. Customer Relationship

Your Company is working consistently towards a dedicated theme of energizing and sensitizing your customers for smart and future-ready energy solutions to ensure a sustainable future. This involves various IOT based home automations and smart metering solutions for customers across all segments as well as various DSM programs. Furthermore, your Company has been instrumental in raising energy conservation awareness and reducing the energy cost for the consumers through initiatives such as "Be Green", solar rooftop off-grid solutions and other awareness campaigns. Your Company is steadily transitioning from a B2B or a B2G company to a B2C company with enhanced customer-centricity. The customer base is getting more divergent with ventures such as rural electrification

(microgrids), solar rooftop solutions, Electric Vehicle (EV) charging etc. Your Company has numerous touchpoints to be in constant communication with customers as well as a structured process of tracking complaints and ensuring resolution within pre-defined timelines. Your Company has also been a pioneer in leveraging digital technology to serve customers efficiently. Few of such initiatives are Know Your Energy Consumption (KYE), Webchat integrated chatbot TINA, e-Nach, all women customer relations centre, etc. Webchat integrated chatbot TINA went live on customer portal on 6th January 2021 through which consumer can have live communication with Company officials. Furthermore, through implementation of e-billing, your Company reinforces its commitment towards saving of trees and ecosystem. In FY21, your Company has added more than 1 lakh customers resulting in a total of more than 1.4 lakh customers availing the facilities of e-billing in Mumbai license area. A detailed description of your customer relation measures is given in the Social and Relationship Capital section in the Integrated Report (Pages 86-103).

4. Human Resource Management

A key area of focus for your Company is to safeguard health and well-being of employees and their families while the employees remain steadfast in their service to the nation by providing electricity. Many policies and benefits were introduced and innovative work formats were implemented to maximize safety during pandemic situation. Your Company also continues to endeavour to create a work environment which is collaborative and learning and growth oriented to enable employees to perform at their full potential. Your Human Resource (HR) strategy adopts a multipronged approach covering all the key facets of employee development. Learning as a stated value of the Company also sets the tone of your Company's aim to develop competencies to rise to new challenges especially posed by venturing into various segments of renewable energy and new business initiatives. Some of the key HR programmes of your Company are Talent Next, Youth Power Confluence, Gyankosh, Reward & Recognition, etc. A detailed description is given in the Human Capital section of the Integrated Report (Pages 79-80).

26.4 Business Responsibility Report

The BRR is in line with the SEBI requirement based on the "National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business" notified by MCA, Government of India, in July 2011. Your Company reported its performance for FY21 as per the BRR framework, describing initiatives taken from an environmental, social and governance perspective.

Board's Report

As per Regulation 34 of the Listing Regulations, the BRR is attached as a part of this Annual Report. Since the Company is publishing Annual Report under IIRC, report on the nine principles of the NVG on social, environmental and economic responsibilities of business as framed by the MCA, is provided in relevant sections of Integrated Report with suitable references to the BRR.

26.5 Prevention of Sexual Harassment

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 have been provided in the Report on Corporate Governance as well as MD&A.

27. Annual Return

Pursuant to Section 92 of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return is available on the website of the Company on the following link: <https://www.tatapower.com/pdf/investor-relations/Annual-Return-MGT-20-21.pdf>

28. 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 - VI.

Statement containing particulars of top 10 employees and the employees drawing remuneration in excess of limits prescribed under Section 197 (12) of the Act read with 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. IntermsofprovisotoSection136(1)oftheAct,theReportandAccounts are being sent to the Members excluding the aforesaid Annexure. The said Statement is also available for inspection with the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary at investorcomplaints@tatapower.com.

Officers of the organisation are classified into five management work levels i.e. MA, MB, MC, MD and ME. The work levels are further divided into grades. Non-management employees are across different grades and also have been classified as unskilled, semi-skilled, skilled and highly skilled.

29. Disclosure requirements

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and such systems are adequate and operating effectively.

30. Deposits

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the Balance Sheet.

31. Foreign Exchange - Earnings and Outgo

Figures in ₹ crore

Particulars - Standalone	FY21	FY20
Foreign Exchange Earnings	809	125
Foreign Exchange Outflow mainly on account of:	843	1,301
• Fuel purchase	706	1,070
• Interest on foreign currency borrowings, NRI dividends	4	3
• Purchase of capital equipment, components and spares and other miscellaneous expenses	133	228

32. 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 for all the support rendered during the year.

The Directors are thankful to the Government of India, the various ministries of the State Governments, the central and state electricity regulatory authorities, communities in the neighbourhood of our operations, municipal authorities of Mumbai and local authorities in areas where we are operational in India; as also partners, governments and stakeholders in international geographies where the Company operates, for all the support rendered during the year.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety, to fight this pandemic.

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

On behalf of the Board of Directors,

N. Chandrasekaran
Chairman

Mumbai, 12th May 2021

(DIN: 00121863)

Annexure - I : POLICY ON BOARD DIVERSITY AND DIRECTOR ATTRIBUTES

(Ref.: Board's Report, Section 12)

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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 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.

Board's Report

Annexure - II : REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

(Ref.: Board's Report, Section 12)

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 Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). 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**
 - o 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.
 - o Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.

- o 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).
- o 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.
- o Overall remuneration practices should be consistent with recognized best practices.
- o Quantum of sitting fees may be subject to review on a periodic basis, as required.
- o 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.
- o 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.
- o 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**
 - o 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).
 - 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 recognized 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 optimization, where possible. The company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalisation through re-imbursing 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; and
- 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.

¹Excludes 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.

Board's Report

Annexure - III : CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

(Ref.: Board's Report, Section 14)

A. Conservation of Energy

The steps taken for impact on conservation of energy:

Your Company is a pioneer in cultivating energy conservation and operational efficiency with an ultimate goal to reduce emissions, pollutants and deliver cost effective and environment friendly energy solutions to customers.

In Mumbai License area, your Company has distributed more than 6,000 energy efficient appliances at discounted prices encouraging customers to save on their electricity consumption cost as well as fostering energy conservation measures in FY21. More than 4,000 Mwh of energy has been saved in the year in Mumbai as a result of various Demand Side Management (DSM) schemes of your Company.

One of the significant steps taken in Mumbai is introduction of the concept of "paperless office" through e-billing. During the year, around 1.5 lakh customers opted for e-billing in Mumbai resulting in saving of approximately 2,630 trees.

Your Company continues to strive for new avenues to improve operational efficiency across generation, renewables and transmission and distribution businesses leading to conservation of energy and optimization of resource consumption.

Generation Business

Major initiatives taken in Generation business is highlighted below:

1. Installation of Sonic Soot blower in Regenerative Air Preheater (RAPH) at Maithon Power Limited.
2. Optimisation of mill and Cold Work Pressure (CWP) operation in Jojobera.
3. Optimization under Reliability Centric Maintenance (RCM) approach and GE APM analytics in Trombay.
4. Coke-oven Gas (COG) burner modification in Industrial Energy Limited (Kalinganagar).
5. Laser based combustion & temperature optimization solution and power consumption optimization of Electrostatic Precipitators (ECP) in Coastal Gujarat Power Limited.

Renewables Business

Major initiatives taken in renewables business is highlighted below:

1. Re-conduiting & upliftment of DC power cables in solar sites.
2. Installation of inverters with reactive power compensation in solar sites to reduce auxiliary power.
3. Rooftop solar Arrangement for SCADA back-up.
4. Protection of Wind Turbine Generator (WTG) transformer and PM3000 in Inox Make WTG in wind sites.

Transmission and Distribution Business

Major initiatives taken in Transmission and Distribution business is highlighted below:

1. Introduced Smart Meter Reading and Bill Distribution (SMRD) for improving process efficiency in meter reading and bill dispatch activities.
2. Centralized monitoring of operational parameters of LT feeder helping in load balancing and stable voltages.
3. Battery storage with preferred bus arrangements for reducing asset stress during peak.
4. Installation of energy efficient Microgrid that can supply power to consumers in rural areas.
5. Introduction of SMART Meters for automated Meter reading.
6. Use of Artificial Intelligence (AI) model for auto segregation and auto email responses.
7. Use of Intelligent Voice Chat bot for customers.
8. Voice operated switchgear for safe operation.
9. Unmanned automated Substation.
10. 100% automated billing activity to avoid manual error.

11. Completed installation of 2,700 Smart meters in March 2021 in Mumbai license area out of which 930 Smart meters installed at M/s J P Elara, making it the first residential complex in Mumbai where supply released through 100% smart metering system.

Your Company has also initiated net metering for rooftop solar and integration of consumer solar plants with Tata Power grid in Mumbai facilitating customers to harness solar energy. Consumers are able to export excess generation to grid and get a set-off in their electricity bill. In Mumbai area 64 customers owned rooftop solar PV plants having a capacity of around 1.5 Mwp which have been integrated with grid in FY21.

Furthermore, your Company facilitated energy audits and walk down energy surveys for industrial and commercial consumers through energy auditors accredited by Bureau of Energy Efficiency (BEE) helping them to get precise and actionable recommendations for energy saving.

Your Company remains committed to deliver superior customer value by leveraging on digital technologies. In FY21, webchat integrated chatbot TINA were made live on customer portal enabling consumer to interact with the Company officers directly through live chat. Furthermore, your Company introduced availability of hourly, daily and monthly consumption graphs, peer consumption comparison, alerts for consumption slab cross overs and increase in daily consumptions by Smart Meter Analytics are few of the initiatives undertaken to enhance customer experience.

Your Company's mission of '*being the lead adopter of technology with a spirit of pioneering and calculated risk taking*' is geared to make the Company future ready for all technological disruption coming up in the near future.

Board's Report

B. Research and Development

1	Specific area in which R&D carried out by the Company	<ul style="list-style-type: none">a) Robotic applications for maintenance and inspection of plant equipment.b) Low-cost industrial safety products.c) Electric Vehicle charging stations.d) Wearable industrial thermal inspection device.e) Use of hydrogen as fuel for power generation.f) In association with IIT Bombay, different CO₂ Capture and storage solutions being developed at lab scale.g) Underwater inspection Device for leakage identification.h) Air Gap inspection BOT for large vertical generator.i) Deployment of energy storage/battery and EV charging station.
2	Benefits derived as a result of the above R&D	<ul style="list-style-type: none">a) Energy Conservation/improvement in Efficiency.b) Reduction in Carbon Footprint.c) Sustaining plant availability by reduction in equipment breakdown.d) Improvement in equipment and overall plant performance.e) Improvement in efficiency and reduced maintenance cost of Solar Panels.f) Good business potential by upscaling of low-cost customized products / devices.
3	Future Plan of Action	<ul style="list-style-type: none">a) Investments towards SMART grid technologies such as Smart Meters, Sensors, IOTs to make network more intelligent and efficient.b) Development and upgradation of energy storage and battery system specially to meet high energy demand due to EV charging solutions, etc.

C. Technology Absorption

1	Efforts, in brief, made towards Technology Absorption, adaptation and innovation	<ul style="list-style-type: none">a) Deployment of Unmanned Aerial Vehicles with customized payloads for industrial applications like, Switchyard Thermography, Hydro Penstock and DAM Inspection, Solar Plant Thermography, Structures and Chimney Inspections.b) Deployment of Remotely Operated Vehicle (ROV) for under water inspections and leakage identification.c) Deployment of robotics for large vertical generator air gap and tunnel inspection.d) Deployment of IoT based solution for home energy monitoring and remote site monitoring.
2	Benefits derived as a result of the above efforts	<ul style="list-style-type: none">a) Increased equipment availability by reducing downtime.b) Reduction in cost, time and efforts for preventive maintenance and inspection.c) Better planning of critical equipment outages.d) Digitization of inspected objects for future reference.e) Lowering the inspection time with quality output and enhanced safety.

3	In case of imported technology (imported during the last five years reckoned from the beginning of the financial year), the following information may be furnished:	
	a) Technology Imported	
	b) Year of Import	Nil
	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	
4	Expenditure on R & D (in ₹ crore)	a) Business Collaboration Pilot Project (Indigenization and digitalization) - ₹ 0.6 crore
	a) Capital	SED- ₹ 6.74 crore
	b) Revenue	b) ₹ 0.10 crore

On behalf of the Board of Directors,

N. Chandrasekaran
Chairman
(DIN: 00121863)

Mumbai, 12th May 2021

Board's Report

Annexure - IV : Secretarial Audit Report

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

FORM No. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year
Ended 31st March, 2021
[Pursuant to Section 204 (1) of the
Companies Act, 2013 and rule 9 of the
Companies (Appointment and Remuneration
of Managerial Personnel) Rules, 2014]

To,
The Members,
The Tata Power Company Limited,
Bombay House,
24 Homi Mody Street,
Mumbai - 400001

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 Company'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 authorized 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, 2021 (hereinafter called the '**Audit Period**') 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 maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (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 thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment; **(External Commercial Borrowings Not Applicable to the Company during the Audit Period);**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Take overs) Regulations, 2011;
 2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 3. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 4. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company during the Audit Period)**
 5. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 6. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 7. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the Company during the Audit Period)** and;
 8. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period).**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc mentioned above *except the Annual Performance Report (APR) for Itezhi Tezhi Power Corporation Limited which is still in the process of filing.*

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- (i) The Electricity Act, 2003
- (ii) The Indian Electricity Rules, 1956
- (iii) The rules, regulations and applicable order(s) under Central and State Electricity Regulatory Commissions/Authority
- (iv) The Energy Conservation Act, 2001

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. Further, there were no changes in the composition of the Board of Directors that took place during the Audit period.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that 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 has

- (i) the Company has issued and allotted 37,000 Unsecured, Redeemable, Taxable, Listed, Rated, Non-Convertible Debentures (NCDs) amounting to ₹ 3,700 crore.
- (ii) the company has increased Authorized Share Capital vide shareholders approval through postal ballot dated 24th June, 2020 from ₹ 5,79,00,00,000 to ₹ 7,79,00,00,000. Subsequently, the Company altered the provisions of Memorandum of Association.
- (iii) the Company has issued and allotted 49,05,66,037 Equity Shares at a price of ₹ 53/- per Equity Share to Tata Sons Private Limited aggregating to ₹ 26,00,00,00,000/- through preferential issue.

For Makarand M. Joshi & Co.
Practicing Company Secretaries

Makarand Joshi
Partner
FCS No. 5533
CP No. 3662
UDIN: F005533C000283140
Peer Review No: P2009MH007000

Place: Mumbai
Date: 12th May, 2021

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.

Board's Report

'Annexure A'

To,
The Members,
The Tata Power Company Limited,
Bombay House, 24 Homi Mody Street,
Fort, Mumbai - 400001

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 processes 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 processes 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 Accounts 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 procedures 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 Makarand M. Joshi & Co.
Practicing Company Secretaries

Makarand Joshi
Partner
FCS No. 5533
CP No. 3662
UDIN: F005533C000283140
Peer Review No: P2009MH007000

Place: Mumbai
Date: 12th May, 2021

Secretarial Audit Report of Tata Power Delhi Distribution Limited (The Unlisted Material Subsidiary)

FORM No. MR-3 SECRETARIAL AUDIT REPORT For the Financial Year Ended 31st March 2021 [Pursuant to Section 204 (1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Tata Power Delhi Distribution Limited
NDPL House,
Hudson Lines, Kingsway Camp,
Delhi 110 009

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Tata Power Delhi Distribution Limited** having **CIN U40109DL2001PLC111526** (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 my opinion thereon.

Based on our verification of **Tata Power Delhi Distribution 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 authorized 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 2021** 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 maintained by **Tata Power Delhi Distribution Limited** ("the Company") for the financial year ended on **31st March 2021** according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **Not Applicable**
- 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 thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
The Company has complied with the provisions, rules & regulations of FEMA to the extent applicable. The Company is not having any FDI, ODI and ECB.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') including any statutory modification or re-enactment thereof: -
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable**
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **Not Applicable**
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable**
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable**
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable**
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable** and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable**

We further report that, having regard to the compliance system prevailing in the Company and on the examination of relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the following laws applicable specifically to the Company

- The Electricity Act, 2003
- The Electricity (Supply) Act, 1948

Board's Report

- The Indian Electricity Rules, 1956
- The Rules, regulations and applicable order(s) under Central and State Electricity Regulatory Commission/Authority
- The Energy Conservation Act, 2001

The Company has also complied with various provisions of Labour Laws and Environment Laws to the extent applicable to the Company.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India: Secretarial Standard-1 on the Meetings of the Board of Directors and Secretarial Standard-2 on General Meetings.
- ii. The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable; **Not Applicable**

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. as aforesaid.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors, Women Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that 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 no specific events or actions which are having a major bearing on the Company's Affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above except as under:

Increase in Authorised Share Capital of the Company and amendment in the Capital Clause of the Memorandum of Association by Capitalization of reserves of the Company through issue and allotment of New Bonus Equity Shares at par amounting to ₹ 500 crore to the existing shareholders of the Company

The Company had increased its authorized share capital from the existing authorised share capital of ₹ 1,250,00,00,000/- (Rupees One Thousand Two Hundred and Fifty Crore only) divided into 75,00,00,000 (Seventy Five Crore) Equity Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 750,00,00,000 (Rupees Seven Hundred and Fifty Crore only) and 5,00,00,000 (Five Crore), 12% Cumulative Redeemable Preference Shares of ₹ 100/- (Rupees Hundred Only) each aggregating to ₹ 500,00,00,000 (Rupees Five Hundred Crore only) to ₹ 1,750,00,00,000/- (Rupees One Thousand Seven Hundred and Fifty Crore only) divided into 125,00,00,000 (One Hundred Twenty Five Crore) Equity Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 1,250,00,00,000 (Rupees One Thousand Two Hundred and Fifty Crore only) and 5,00,00,000 (Five Crore) 12% Cumulative Redeemable Preference Shares of ₹ 100/- (Rupees Hundred Only) each aggregating to ₹ 500,00,00,000 (Rupees Five Hundred Crore only) by creation of additional 50,00,00,000 (Fifty crore) Equity Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 500,00,00,000 (Rupees Five Hundred Crore only) ranking pari-passu with the existing equity shares of the Company.

The Company had capitalized a sum of ₹ 500 crore standing to the credit of the capital redemption reserve account of the Company for the purpose of issue and allotment of New Bonus Equity Shares (50 crore of ₹ 10/- each) at par, credited as fully paid-up equity shares to the holders of the existing equity shares of the Company in consideration of their shareholding i.e. 51% of total bonus equity shares to The Tata Power Company Limited, which holds 51% shares in the Company and 49% of total bonus equity shares to Delhi Power Company Limited, which holds 49% shares in the Company.

**For Siddiqui & Associates
Company Secretaries**

**Place: New Delhi
Date: 14th April 2021**

**K.O.SIDDIQUI
FCS 2229; CP 1284
UDIN:F002229C000087041**

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,
Tata Power Delhi Distribution Limited
NDPL House,
Hudson Lines, Kingsway Camp,
Delhi 110 009

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 processes 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 processes 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 Accounts of the Company.
4. Wherever 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 procedures 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 Siddiqui & Associates
Company Secretaries**

**Place: New Delhi
Date: 14th April 2021**

**K.O.SIDDIQUI
FCS 2229; CP 1284
UDIN: F002229C000087041**

Board's Report

ANNEXURE - V : ANNUAL REPORT ON CSR ACTIVITIES

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

1. Brief outline on CSR Policy of the Company:

Tata Power is committed to ensuring the social wellbeing of the communities in the vicinity of its business operations through Corporate Social Responsibility initiatives (CSR) in alignment with Tata Group Focus Initiatives.

Tata Power shall engage with the community by undertaking the following principles and activities:

- Consult pro-actively with the community and other key stakeholders for understanding needs and designing initiatives for the social wellbeing of the community.
- Undertake activities as per 5 major thrust areas, which include: -
 1. Education
 2. Health and Sanitation
 3. Livelihood & Skill Building
 4. Financial Inclusivity
 5. Water (Drinking and Irrigation)

The Company focussed on synergy, scale and simplification for process improvement. 15 key initiatives across locations helped to achieve scale and deliver sustainable results and change to the communities. Tata Power Community Development Trust (TPCDT) has internal capabilities to execute CSR programs effectively and efficiently. The Company's CSR policy, including overview of projects or programs undertaken or proposed to be undertaken, is provided on the Company's website.

2. Composition of CSR Committee:

Sl. No.	Name of the Director	Category of Directorship	No. of CSR Committee Meetings held during tenure	No. of CSR Committee Meetings attended
(i)	Ms. Anjali Bansal, Chairperson	Independent, Non-Executive	4	4
(ii)	Mr. K. M. Chandrasekhar	Independent, Non-Executive	4	4
(iii)	Dr. Praveer Sinha	Executive	4	4

3. Web-link where composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

<https://www.tatapower.com/corporate/board-committees.aspx>
<https://www.tatapower.com/pdf/aboutus/csr-policy.pdf>
<https://www.tatapower.com/sustainability/social-capital/thrust-areas.aspx>

4. Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set off for the financial year, if any (in ₹)
-----NA-----			

6. Average net profit of the company as per section 135(5): ₹ 172.63 crore

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 3.45 crore
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.: NA
 (c) Amount required to be set off for the financial year, if any: NA
 (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 3.45 crore
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 3.45 crore	-----NA-----				

- (b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District					Name	CSR Registration number
-----NA-----											

Board's Report

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in ₹ crore)	(7) Mode of Implementation - Direct (Yes/No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Education	Item (ii)	Yes	• Maharashtra • West Bengal	Pune Purba Medinipur	0.14	Yes	TPCDT	CSR00002946
2.	Health and Sanitation	Item (i)	Yes	• Maharashtra • West Bengal	Mumbai & Pune Purba Medinipur	0.54	Yes	TPCDT	CSR00002946
3.	Livelihood and Skill Building	Item (ii)	Yes	• Maharashtra • West Bengal	Mumbai, Pune & Palghar Purba Medinipur	2.21	Yes	TPCDT	CSR00002946
4	Financial Inclusivity	Item (i)	Yes	Maharashtra	Mumbai & Pune	0.28	Yes	TPCDT	CSR00002946
5	Others	Item (ii) (x)	Yes	Maharashtra	Mumbai & Pune	0.22	Yes	TPCDT	CSR00002946
TOTAL						3.39			

(d) Amount spent in Administrative Overheads: ₹ 0.06 crore

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 3.45 crore

(g) Excess amount for set off, if any: Nil

Sl. No.	Particular	Amount (in ₹ crore)
(i)	Two percent of average net profit of the company as per section 135(5)	3.45
(ii)	Total amount spent for the Financial Year	3.45
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding Financial Year (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
-----NA-----							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing
-----NA-----								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): NA

(a) Date of creation or acquisition of the capital asset(s): NA

(b) Amount of CSR spent for creation or acquisition of capital asset: NA

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc: NA

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA

Praveer Sinha
CEO & Managing Director
 (DIN: 01785164)

Anjali Bansal
Chairperson, CSR Committee
 (DIN: 00207746)

Mumbai
 12th May 2021

Board's Report

Annexure - VI : DISCLOSURE OF MANAGERIAL REMUNERATION

(Ref.: Board's Report, Section 28)

- 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 Director	Ratio of Director's remuneration to the median remuneration of the employees of the Company for the financial year
Mr. N. Chandrasekaran [§]	N.A.
Ms. Anjali Bansal	4.71
Ms. Vibha Padalkar	5.05
Mr. Sanjay V. Bhandarkar	5.05
Mr. K. M. Chandrasekhar	4.67
Mr. Hemant Bhargava	3.83
Mr. Saurabh Agrawal [#]	N.A.
Mr. Banmali Agrawala [#]	N.A.
Mr. Ashok Sinha	5.01
Dr. Praveer Sinha, CEO and Managing Director	50.90

- 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 Director and Key Managerial Personnel	Percentage increase in remuneration in the financial year
Mr. N. Chandrasekaran [§]	N.A.
Ms. Anjali Bansal	20.22
Ms. Vibha Padalkar	12.58
Mr. Sanjay V. Bhandarkar	18.82
Mr. K. M. Chandrasekhar	21.11
Mr. Hemant Bhargava	28.23
Mr. Saurabh Agrawal [#]	N.A.
Mr. Banmali Agrawala [#]	N.A.
Mr. Ashok Sinha	64.17
Dr. Praveer Sinha, CEO and Managing Director (KMP)	33.64
Mr. Ramesh N. Subramanyam, Chief Financial Officer (KMP)	(5.57)
Mr. Hanoz M. Mistry, Company Secretary (KMP)	0.01

[§] As a policy, Mr. N. Chandrasekaran, Chairman, has abstained from receiving Commission from the Company and hence, not stated.

[#] In line with the internal guidelines of the Company, no payment is made towards Commission to the Non-Executive Directors of the Company, who are in full time employment with another Tata Company and hence, not stated.

- c) The percentage increase in the median remuneration of employees in the financial year: (11.36%).
- d) The number of permanent employees on the rolls of the company: 2,673.
- e) 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 percentile increase in the salaries of employees other than managerial personnel was 7%.

- Average increase in remuneration of Managers (defined as MD and ED on the Board of your Company) was 33.64%.

- f) 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.

On behalf of the Board of Directors,

N. Chandrasekaran
Chairman

Mumbai, 12th May 2021

(DIN: 00121863)