

**TATA POWER**  
#futureready



# Future ready for smart choices

INTEGRATED ANNUAL REPORT 2019-20

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Solar Power Plant in Mithapur, Gujarat



Ultra Mega Power Project (based on super critical technology) implemented at Mundra in Gujarat



Developing assets to create long-term value for our stakeholders

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Addressing the needs and aspirations of our stakeholders

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# Future ready for smart choices

Energy is at the core of a nation's prosperity. It powers aspirations, propels society and fast forwards development in its true sense. Much like energy itself, its generation and consumption also are increasingly becoming more dynamic. Today, the world over, the conversation around energy is being shaped by the growing movement for sustainability.

The Tata Power Company Limited (Tata Power), India's largest integrated power company, is shaping this drive for India's power industry. Well established across the power value chain, we are cognisant of the energy needs of today and tomorrow. To this effect, we are establishing infrastructure and deploying resources that can mainstream smarter and sustainable energy, consistently powering the lives of our consumers.



## Highlights FY20



### ENVIRONMENT

**2,600**

Approximate number of trees saved through recycled paper billing in Mumbai distribution

**0.681 tCO<sub>2</sub>e/MWh**

Carbon intensity achieved

**~10.3 LAKH**

Trees planted under the 'Tree Mittra' initiative



### OPERATIONAL

**3,883 MW**

Clean and green energy capacity

**3,531 CKM**

Transmission

**1.95 LAKH**

Smart Meters installed by TPDDL



### FINANCIAL

**5.2**

Net Debt/ EBITDA ratio in FY20, an improvement from 6.2 in FY19

**61%**

Increase in net cash flow from operations in FY20 from FY19

**13%**

Increase in operating profit from FY19 to FY20



### PEOPLE

**30**

Senior executives undertook the Senior Leaders' Development Program

**4,27,420 HRS**

Of training provided to employees

**11%**

Of our workforce comprises women



### SOCIAL

**8,700**

Energy efficient appliances provided more than 6,000 MWh of energy saving in Mumbai distribution

**348**

Villages under the CSR outreach as well as 220 urban clusters

**27.1 LAKH**

Total beneficiaries of our CSR activities

# About this report

We, at The Tata Power Company Limited (Tata Power), are pleased to present our first Integrated Report 2019-20, prepared in accordance with the International Integrated Reporting Council (IIRC) - <IR> Framework. Stepping forward from our Annual Report 2018-19, the <IR> report aims to communicate our financial and non-financial information to our stakeholders, underlying the importance of our strategy towards value creation. With our strong commitment to sustainable innovation and energy transition, we continue to work towards implementing our vision of building a sustainable future.

## Frameworks referred

Our Integrated Report 2019-20 is guided by the principles of the <IR> Framework. The content of the report is in accordance with the Global Reporting Initiative (GRI) standards: Core option. Linkages to the National Voluntary Guidelines (NVG) have been provided on Social, Environmental and Economic responsibilities of the business as well as the United Nations Sustainable Development Goals (UNSDGs) and the United Nations Global Compact (UNGC) Principles. The financial and statutory information in this report is in accordance with the requirements of the Companies Act, 2013, Indian Accounting Standards, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards.

## Our approach to Integrated Reporting

Our Integrated Report showcases our performance for FY20 in the context of our enabling environment, value creation process and strategic intent. The initial section of this report introduces the reader to the organisation's business model, which clearly highlights how business inputs are transformed into value for each stakeholder group. This model also provides an understanding of how the Company's vision and strategy are actualised into business outcomes.

To further align our strategy to diverse stakeholder expectations and enhance relevance of the contents of this report, we conducted a Stakeholder Engagement and Materiality Assessment (SEMA). The main objective of this exercise was to understand the key issues that concern each stakeholder group. The outputs from a series of stakeholder interactions were overlaid to arrive at a list of 'material topics' or focus areas. These 'material topics' define the contours of this report. Further, the identified material topics have been categorised under the six capitals. Through these capitals, we draw emphasis on our approach to creating sustainable value.

## Report boundary and scope

This report covers the business activities of Tata Power and all its subsidiaries. It covers all our businesses of Renewables, Conventional Generation, Transmission and Distribution,

Next Gen Power Solutions, Trading as well as our Services Business for FY20 (1st April 2019 to 31st March 2020). Our detailed ownership structure has been given on [page 16](#) of this report. We have not made any material restatement in this report and we follow an annual reporting cycle.

## Responsibility statement

Our Board acknowledges the accountability for the integrity and completeness of this report and its contents. We have also ensured collective responsibility for the preparation and presentation of this report in accordance with the International Integrated Reporting Council (IIRC) - <IR> Framework.

## Assurance

Non-financial information in this report has been independently assured by Ernst & Young Associates LLP (EY). The statement from the assurance provider (Independent Assurance Statement) can be found on [page 483](#). The financial audit has been conducted by M/s. S R B C & CO. LLP (SRBC).

## Feedback

We encourage you to share your feedback and insights on this report to enable us to strengthen our future reporting initiatives. Your suggestions may be communicated to [tatapower@tatapower.com](mailto:tatapower@tatapower.com)

## Forward-looking statements

Certain elements of this report contain forward-looking statements. These may be typically identified by terminology used, such as 'believes', 'expects', 'may', 'will', 'could', 'should', 'intends', 'estimates', 'plans', 'assumes', and 'anticipates', or negative variations. These forward-looking statements are subject to particular risks and opportunities that could be beyond the Company's control or currently based on the Company's beliefs and assumptions of future events. There could be a possibility of the Company's performance differing from expected outcomes and performance implied in this report. With a varied range of risks and opportunities facing the Company, no assurance can be provided for future results to be achieved as the actual results may differ materially for the Company and its subsidiaries.

## Introducing our capitals

# Our resources and relationships



## MANUFACTURED CAPITAL

Our Company's assets that are available for organisational use and its business activities with a focus on growth in renewable and other energy-efficient new business opportunities.

Page 40



## SOCIAL AND RELATIONSHIP CAPITAL

Our relationships with our community, inclusive of our key institutions and initiatives to ensure the collective well-being of our society at large.

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## INTELLECTUAL CAPITAL

Our intangible value and knowledge-based assets. This is seen in terms of our strategic protocols and procedures.

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## NATURAL CAPITAL

Our responsible environmental stewardship culture as well as key initiatives to foster a balanced approach through use of renewable and non-renewable resources.

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## HUMAN CAPITAL

Our workforce, which includes our employees' knowledge and experience, and our initiatives to support an innovative work environment.

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## FINANCIAL CAPITAL

The funds utilised by our Company towards core business activities and our ability to create valued outcomes.

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*Thermal Power Plant, Mundra*

# Introducing Tata Power

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# Raising the bar in sustainable energy



Dear Readers,

It gives me immense pleasure to introduce to you our maiden Integrated Report 2019-20.

“Clean, cheap and abundant power is one of the basic ingredients for the economic progress of a city, state or country.” Almost a century before “sustainability” gained recognition as a subject, our Founder, Mr. Jamsetji Tata, gave this visionary message to the world. Tata Power is proudly committed to take that message as its guiding philosophy and support our country's energy independence and sustainability. As a pioneer in technology adoption, our journey over a century has been a fascinating saga of revolutionary initiatives and responsible business practices.

In our quest to deliver sustainable energy, we have been expanding our operational footprint nationwide and globally, setting new benchmarks for operational efficiencies, investing in global resources and redefining paradigms. Our focus on building long-lasting and trusted relationships with our customers, partners, employees and other stakeholders, and the legacy of caring for our communities, remains the bedrock of our long-term sustenance. We aim to energise consumer lifestyles by providing sustainable power.

As we strive to lead the reform process for sustainable power, we are also committed to safeguarding the environment for future generations and developing our business in a way that adds value to the local communities. We plan to set higher benchmarks in terms of development standards, and in the implementation of cutting-edge, eco-friendly technologies and processes of energy management.

Our commitment to sustainable supply of electric power has enabled us to be among the leaders in each sector of our value chain, including solar rooftop and value-added services. We have continued our migration towards renewable energy projects and, today, 30% of our total generation (domestic and international) comes from clean and green sources. We are poised to grow multi-fold on the back of latest business integrated solutions, focusing on mobility and lifestyle and powering emerging technologies for smart customers.

This year, we have taken significant strides towards achieving our key goals and targets. We have been awarded the Letter of Intent by Odisha Electricity Regulatory Commission and selected as the successful bidder to own the licence for the distribution and retail supply of electricity in Odisha's five circles that constitute the Central Electricity Supply Utility of Odisha.

National Thermal Power Corporation Limited (NTPC) has awarded us a 250 MW solar project under the Central Public Sector Undertaking (CPSU) scheme of ₹ 1,505 crore. It is our biggest single order from a third party so far and consolidates our commitment to the “Make in India” mission. It has also taken Tata Power Solar's order book to around 1,500 MW with value of approximately ₹ 7,500 crore. This underscores our competitive and quality offering as a leading Solar EPC player in the country, achieving leadership position among utility scale, rooftop solar and solar pump business.

Renasant Power Ventures Private Limited (Renasant), a 100% subsidiary of Resurgent Power Ventures Pte. Limited (Resurgent), completed the acquisition of 75.01% Equity ownership in Prayagraj Power Generation Company Limited (PPGCL). This has augmented our generation capacity by 1,980 MW. However, this is likely to be amongst the last investments in coal-based power plants as we turn our sights completely towards cleaner energy.

It is noteworthy that reviving the existing thermal power plants and augmenting their efficiency marginally reduces the carbon footprint of existing capacities.

With our extensive expertise and deep knowledge of the sector, Tata Power aims to transform the Indian power sector, particularly in our Distribution service. A variety of our service offerings has culminated into 26.2 lakh satisfied customers.

We have set up a new subsidiary – TP Renewable Microgrid Limited (TPRML), in partnership with the Rockefeller Foundation, to become the world's largest microgrid developer and operator. The aim is to provide access to affordable, clean and reliable power supply and also enable rural entrepreneurs to generate economic wealth and help eradicate energy poverty. TPRML has test charged 18 microgrids so far, while 25 more microgrids are in an advanced stage of project execution. Further, a pipeline of 30 projects has been created in Uttar Pradesh and Bihar.

Our cash flow from operations, on a consolidated basis, has increased by 61% this financial year from FY19 due to prudent working capital management. There has been an increase in operating profit by 13% due to optimisation of operating costs across Tata Power and its subsidiaries. This has resulted in higher realisation of cash in hand as on 31st March 2020.

We are proud to be associated with Jaguar Land Rover India Limited (JLR India) for end-to-end charging solutions for its range of electrified vehicles to be launched in India. As India's leading integrated player in the EV charging space, we will provide JLR India's EV customers with easy, universal and seamless charging experience at their homes, offices and public places. This partnership is also an endorsement of their faith in us and our ability to deal with the electrified range of vehicles that JLR will bring in India.

Club Enerji, our nationwide resource and energy conservation initiative with a strategic focus on nation-building, sensitised over 26.4 million people while saving more than 31.8 million units of energy across seven cities – New Delhi, Mumbai, Pune, Ahmedabad, Bengaluru, Kolkata and Ajmer since 2007.

The initiative also reached out to its digital audiences through its website, social media handles and an online module themed “Save water”. During the current financial year, the Company initiated four fresh campaigns, including 'I have the Power', 'I Live Simply', '#SwitchOff2SwitchOn' and 'I Can't' to further the success of Club Enerji among the youth of India. These campaigns were also promoted on popular social media platforms like Facebook, Instagram etc., and managed to reach a large number of young audiences. The Club now has created 3.6 lakh Energy Champions along with 4.1 lakh Energy Ambassadors across the country since its inception, reaching 533 schools in the process.

We believe that inculcating the value of sustainability and a broad understanding of our dependencies on scarce resources must start early in our children's lives. **Tata Power has been conferred the prestigious “Edison Award” for its “Club Enerji #Switchoff2SwitchOn” campaign under Social Innovation category and Social Energy Solutions subcategory.** Apart from India, Tata Power Club Enerji also has followers overseas in countries such as France, Germany, the United States, Ireland, Philippines, Bangladesh, United Arab Emirates, South Africa and Nepal. The Club is a case study in IIM-Ahmedabad and was showcased on the prestigious TEDx platform.

Our efforts have been recognised by the industry, with the Business Insider ranking us at the top of India's ‘Most Respected Companies’. As part of our plans to maintain leadership in renewable energy, our rooftop solar solutions are now available in 26 states and 7 Union territories, with our solar arm — Tata Power Solar Systems Limited — having an installed capacity of 421 MW under EPC contracts for customers as well as operating assets under PPA. Rooftop solar is an ideal solution for consumers who are looking for a sustainable source of clean energy that has the in-built capacity to pay for itself in the long run.

Furthermore, with the cost of diesel and electricity rising, solar powered water pumps can emerge as the perfect alternative for farmers as these have a low maintenance cost and a long product life. When combined with new distribution solutions like microgrid, solar rooftop and solar water pumps will play a big role in improving the energy access across the country, in both urban and rural areas. All these initiatives are poised to take our share of ‘clean and green’ energy from 30% in 2020 to around 50%-60% in 2025.

One of the biggest trials facing humanity today is that of fighting climate change. Mitigating the impacts of global warming requires reconciliation of economic growth with the decrease in GHG emissions. This will only be possible through the transition to a decarbonised energy model. To contribute our share in overcoming this challenge, we are continuously exploring green technology and its applicability for our customers. We are confident of being **#FutureReady** and continue lighting up lives of our consumers!

Yours sincerely,

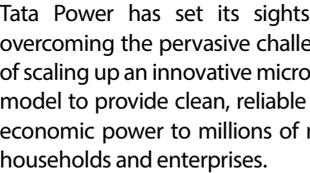
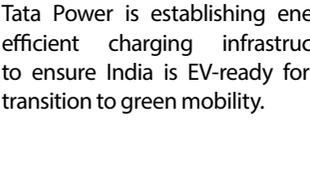
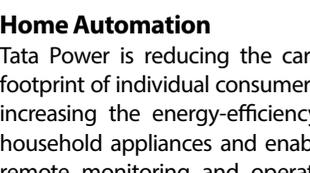
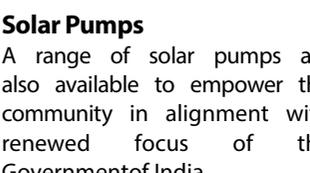
**Praveer Sinha**  
CEO & MD, Tata Power

# A leading market disruptor in sustainable energy

As India's largest Integrated Power Company, Tata Power continues to honour its 106-year old legacy by being committed to 'Lighting Up Lives' for generations to come. Bringing in competency, capturing new opportunities and driving innovation-led change, we have strengthened our position in the new phase of the power industry's dynamic growth.

Our diverse portfolio is suitably geared to enable India's green and smart transition. As an industry leader, we actively participate and regularly interact with government bodies, institutions, NGOs, industry players across several member platforms to stay in sync with the ever-changing business landscape, and we actively participate in policy advocacy.

**Note:** Details of our memberships are listed in Annexure 1. We currently have 54 subsidiaries (including 7 foreign based), 30 Joint Ventures (JV) and 5 associates, details of which are provided in Annexure 2.

Our Business	Our Inspiration	Our Mission	Value Generation	
 Renewable Energy Generation	<p><b>Vision</b> Our vision is to empower a billion lives through sustainable, affordable and innovative energy solutions.</p> <p><b>Values – SCALE</b></p> <p> <b>Safety</b> Safety is a core value over which no business objective can have a higher priority.</p> <p> <b>Care</b> Care for stakeholders – our environment, customers and shareholders – both existing and potential, our community and our people (our employees and partners).</p> <p> <b>Agility</b> Speed, responsiveness and being proactive, achieved through collaboration and empowering employees.</p> <p> <b>Learning</b> Building future ready skill sets through learning and training. Maximise usage of e-learning platform.</p> <p> <b>Ethics</b> Achieve the most admired standards of ethics, through integrity and mutual trust.</p>	<p>We aim to achieve our Vision through:</p> <p> Keeping the customer at the centre of all we do.</p> <p> Operating assets and executing projects at benchmark level through technology and innovation.</p> <p> Sustainable growth with a focus on profitability and market leadership.</p> <p> Creating an empowered workforce driven by passion and purpose.</p> <p> 'Leadership with Care' for all stakeholders.</p>	 <p><b>Power Supply</b> Along with supplying uninterrupted power, Tata Power provides beyond-the-meter services to ensure customer satisfaction.</p>	 <p><b>Solar Rooftop</b> Tata Power is maximising the utility of idle rooftop space by providing EPC solutions to residential, commercial/ industrial and institutional consumers across India.</p>
 Transmission				
 EV Charging Infrastructure			 <p><b>Solar Microgrids</b> Tata Power has set its sights on overcoming the pervasive challenge of scaling up an innovative microgrid model to provide clean, reliable and economic power to millions of rural households and enterprises.</p>	 <p><b>EV Charging</b> Tata Power is establishing energy-efficient charging infrastructure to ensure India is EV-ready for the transition to green mobility.</p>
 Manufacturing			 <p><b>Home Automation</b> Tata Power is reducing the carbon footprint of individual consumers by increasing the energy-efficiency of household appliances and enabling remote monitoring and operation, thereby enhancing user experience and satisfaction.</p>	 <p><b>Solar Pumps</b> A range of solar pumps are also available to empower the community in alignment with renewed focus of the Government of India.</p>
 Conventional Energy Generation				
 Distribution				
 Solar Water Pump				
 Solar Rooftop				
 Solar EPC Projects				

# An extensive power network

Tata Power, together with its subsidiaries and joint entities, is present across the entire power value chain of conventional and renewable energy and next-generation customer solution. We have a domestic footprint with a generation capacity of 12,264 MW. The changes in the Company's holding structure since the previous year has been documented in the Board's Report on page 132. No changes have occurred in the share capital structure and other capital formations/maintenance/ alteration operations since the past year. Similarly, the structure of and relationships within supply chain has remain unchanged.

## 12,264 MW

Total Generation

 **8,805 MW**  
Thermal

 **447 MW**  
Hydro

 **375 MW**  
Waste Heat/BFG

 **932 MW**  
Wind

 **1,705 MW**  
Solar

## Domestic footprint and Generation Capacity (MW)

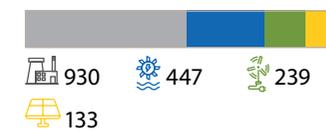
1. Gujarat | 4,444 MW



2. Uttar Pradesh | 1,981 MW



3. Maharashtra | 1,749 MW



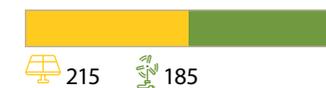
4. Jharkhand | 1,723 MW



5. Karnataka | 619 MW



6. Rajasthan | 400 MW



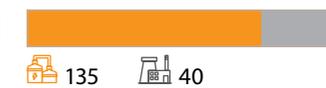
7. Tamil Nadu | 371 MW



8. Andhra Pradesh | 305 MW



9. Odisha | 175 MW



10. Madhya Pradesh | 174 MW



11. West Bengal | 120 MW



12. Delhi | 110 MW



13. Bihar | 41 MW



14. Punjab | 36 MW



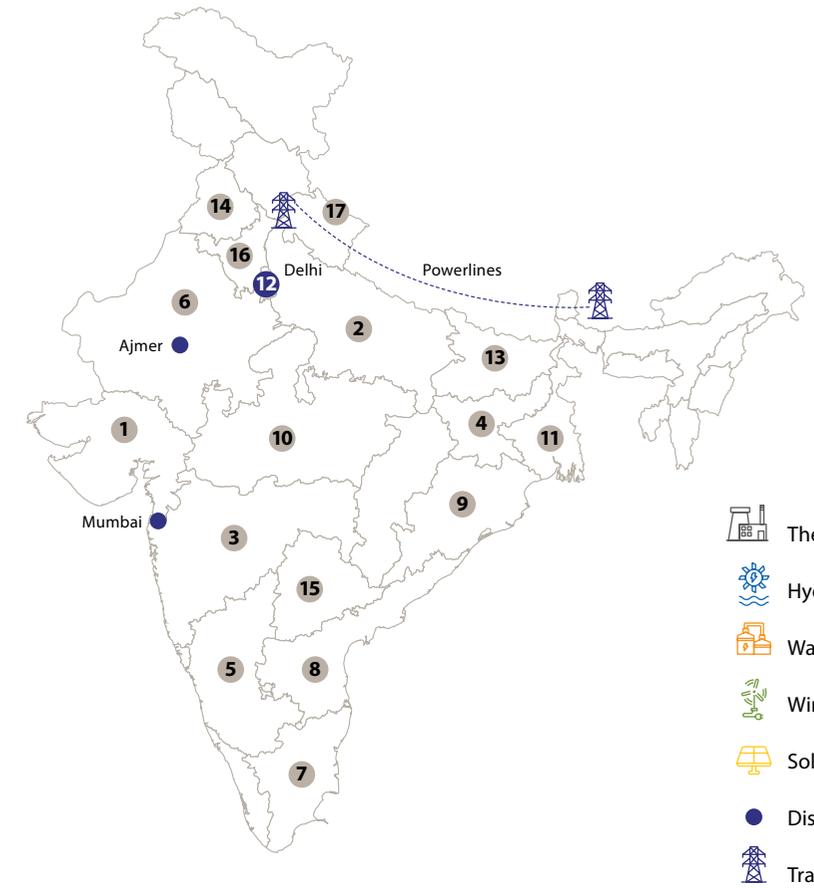
15. Telangana | 15 MW



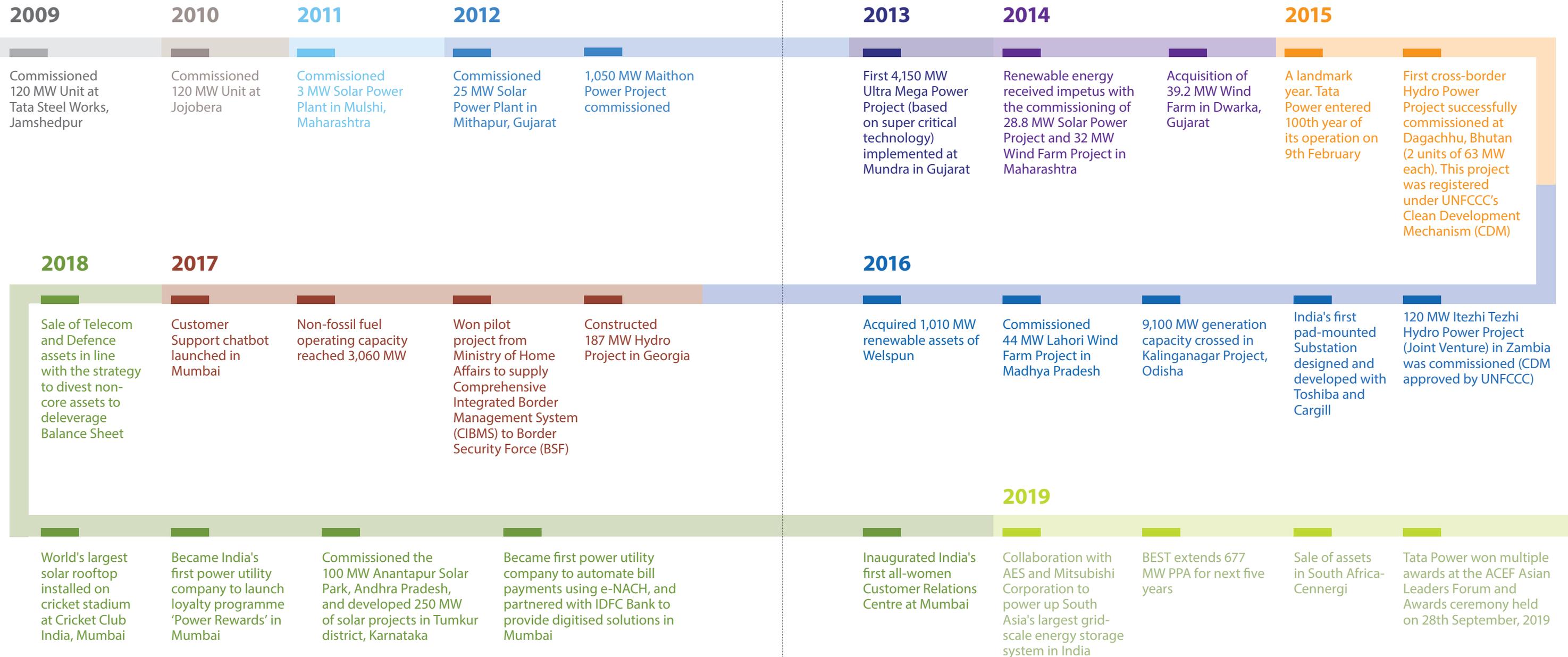
16. Haryana | 1 MW



17. Uttarakhand | 1 MW



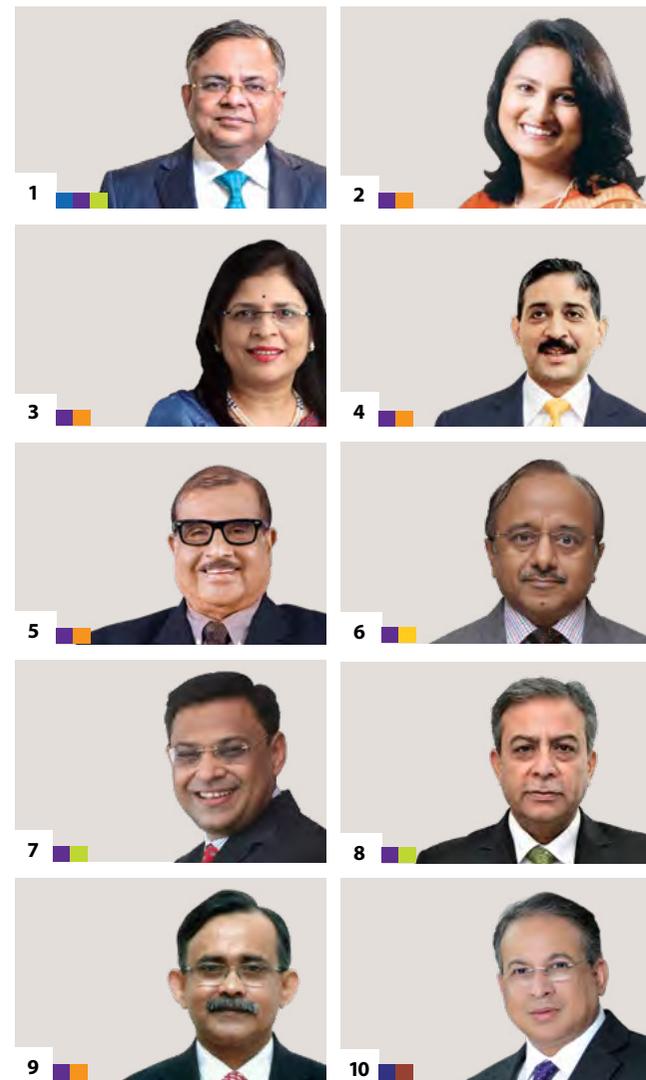
# A decade of growth and excellence



# Leadership with a difference

Tata Power's governance philosophy reflects the Tata Code of Conduct, the Tata Business Excellence Model, and other principles, standards and policies for practising "Leadership with Trust".

## Board of Directors



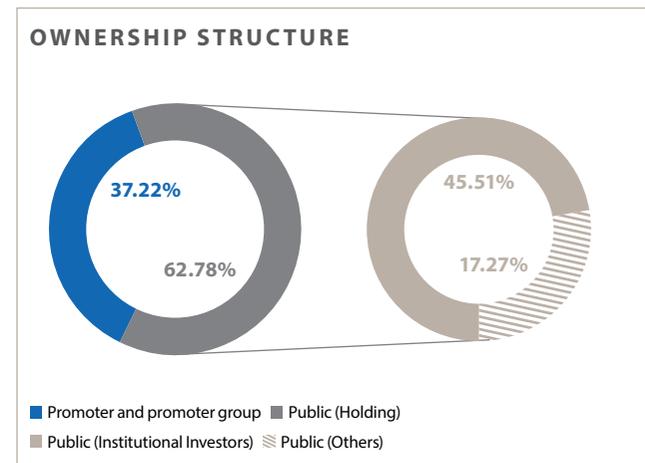
■ Chairperson 
 ■ Non-Executive 
 ■ Non-Independent 
 ■ Nominee 
 ■ Independent 
 ■ CEO & Managing Director 
 ■ Executive

We are committed to upholding integrity, social obligations and regulatory compliances in letter and in spirit. These values and principles are enshrined at all levels of the organisation and ensure our alignment on the path towards sustainable and profitable growth.

Ethical and inclusive Corporate Governance (CG) is a way of life at Tata Power. Our CG mechanism has been established to ensure sound management, transparency and trust to maximise long-term value for all stakeholders by maintaining the right balance between economic, environmental, individual and community goals.

Our Board of Directors is the highest authority in matters of governance and management of the Company. The Board members are some of the finest experts in their respective fields and have been hand-picked to ensure a balance of industry knowledge, expertise and diversity.

- |                                   |                         |
|-----------------------------------|-------------------------|
| 1. Mr. Natarajan Chandrasekaran   | 6. Mr. Hemant Bhargava  |
| 2. Ms. Anjali Bansal              | 7. Mr. Saurabh Agrawal  |
| 3. Ms. Vibha Padalkar             | 8. Mr. Banmali Agrawala |
| 4. Mr. Sanjay V. Bhandarkar       | 9. Mr. Ashok Sinha      |
| 5. Mr. Kesava Menon Chandrasekhar | 10. Mr. Praveer Sinha   |



The Board has devised the organisation's strategy around being a responsible member of the society. Additionally, Tata Power also has a sustainability model in place to establish a holistic governance structure and effectively address our stakeholders' requirements. The initiatives are carried out with respect to

our prioritised material issues and our long-standing support towards national thrust areas for development. Based on a holistic approach, several sustainability-related policies have been framed to govern the way business is conducted.

- Corporate Environment
- Health and Safety Policy
- Corporate Social Responsibility (CSR)
- Corporate Sustainability
- E-waste Management Policy
- Human Rights Policy
- Whistle Blower Policy
- Responsible Supply Chain Management Policy
- Corporate Customer Service Policy

[EXTERNAL LINK | More information on our policies](#)



■ Enablers 
 ■ Objective and its Elements 
 ■ Encompassing values

## Compliance in Letter and Spirit

Compliance is considered a matter of high priority at Tata Power. We are committed to creating a positive ecosystem in the industry and the respect and trust which the Company enjoys with its stakeholders is a testament to this commitment. There are no cases pending with regards to unfair trade practices, irresponsible advertising and/ or anti-competitive behaviour as on 31st March 2020. Similarly, we have no legal cases relating to corruption, attributable to either employees or our business partners, cited this year. Stakeholder complaints received during FY20 were:

Stakeholder	Received in FY20	Satisfactorily resolved by the management (%)
Employees*	41**	100
Vendor	7	100
Investor	20	95
Customer	1	100

\*Including 6 contract employees  
\*\*Inquiry is under progress for two concerns

We firmly support human rights and the rights of all our stakeholders. We are proud to declare that we have not received any complaints regarding violation of rights of indigenous people, child labour, forced labour, freedom of association, right of collective bargaining and discrimination based on gender or social vulnerability. Equally, we have been fully compliant with products and service regulations concerning health and safety impacts, marketing communication, information and labelling. There were no pending or unresolved show-cause notices issued during FY20 from the Central Pollution Control Board or State Pollution Control Board. Our robust compliance approach has led us to be free from any significant regulatory fines or sanctions for non-compliance with local and national laws.

We advocate competitiveness, effectiveness and positively contribute to the development of the Power sector in India. We achieve this by focussing on energy security, governance and administration, enhancing competition and transparency in the power sector, structural changes for facilitating capacity addition, overcoming coal-related challenges, electricity distribution reforms and promotion of renewable energy.

You can read further about our corporate governance structure, committees and mechanisms.

[Report on Corporate Governance, Page 200](#)



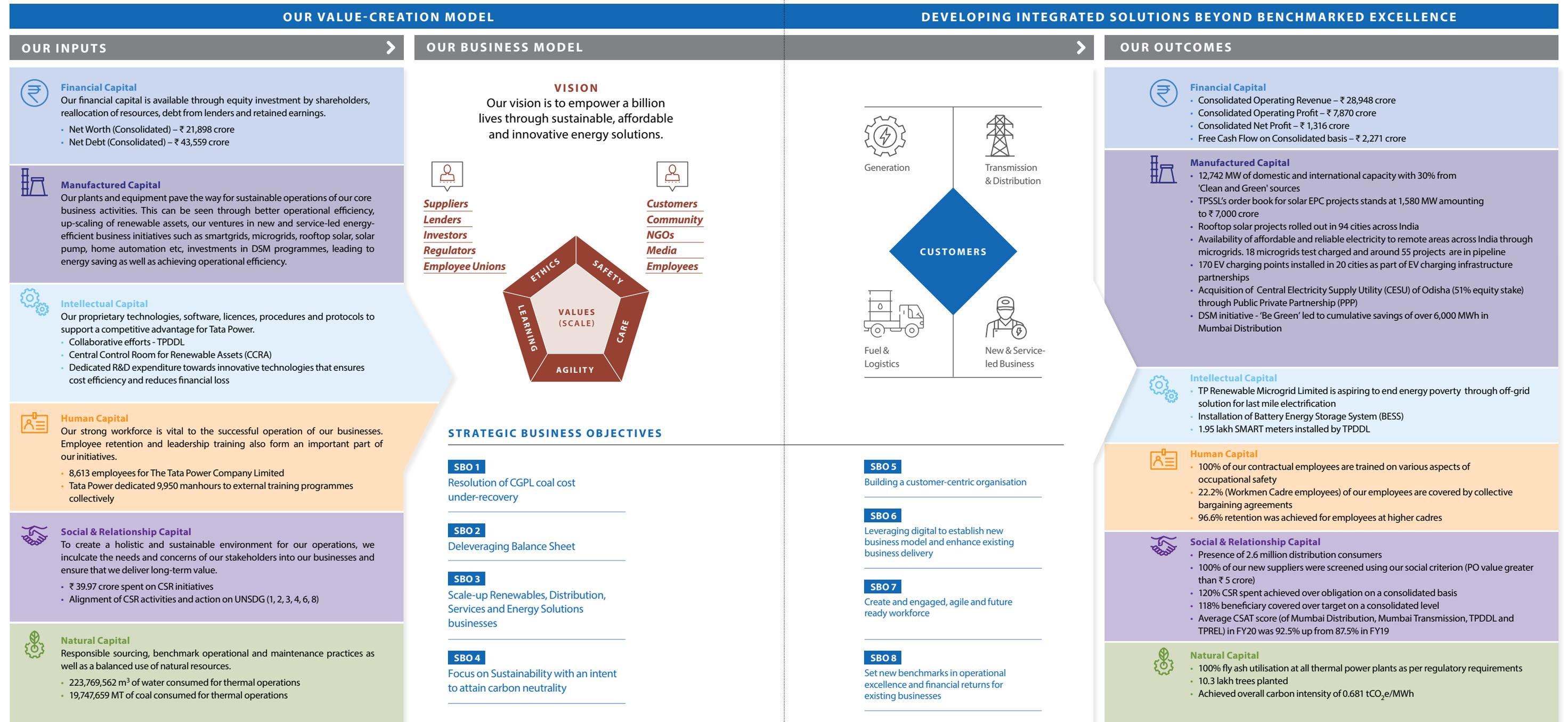
# Our emphasis on value

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*Executing stakeholder-centric,  
value-led operations*

# Creating value with excellence

Our business model is built on a customer-centric approach, along with sustainable value creation delivered to each and every one of our stakeholders.



# Our blueprint for the future

With the help of its value-creation model, Tata Power continues to take positive strides towards consolidating its position as India's largest integrated power company. FY20 witnessed steady progress across business lines enabled by a sound strategic plan. The business strategy is framed bearing in mind the Company's core focus areas.

**Fuel growth in renewables business, including solar rooftop solutions**



**Expand distribution presence and network, including microgrids**



**Invest in Next-Gen power solutions**

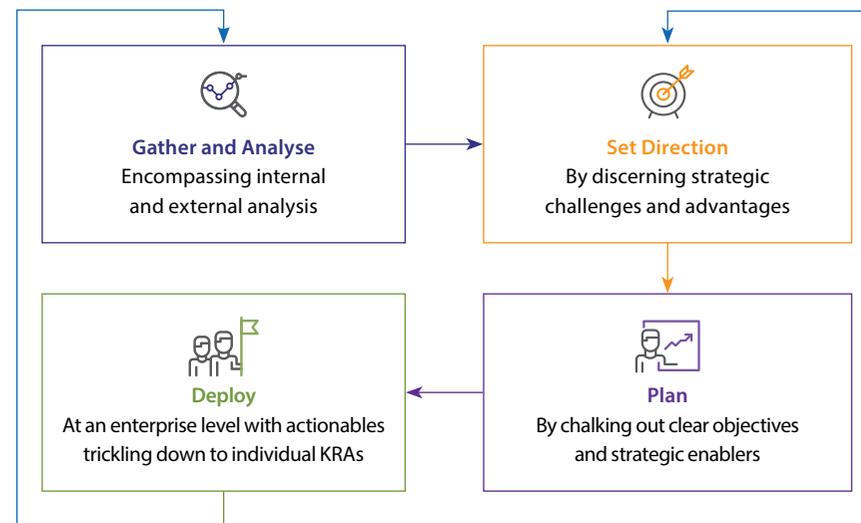


We adopt an integrated approach to cater to the evolving needs of our customers. A strategy review and planning is conducted annually, which enables effective assessment, evaluation and appraisal of our strategy and future roadmap.

We also undertake a detailed study to identify the interdependence of our business activities with external factors such as geo-political conflicts, market instability, innovation and legislative or regulatory requirements, among others.

These external factors are also considered during risk identification and strategy development. We have a programmatic approach that enables effective rollout of our strategy encompassing four key phases.

**FEEDBACK LOOP**



**Strategic Business Objectives**

In accordance with our leadership's intent to present a consolidated and holistic view of the Company's overall business performance and outlook, we have identified eight Strategic Business Objectives (SBOs).

**Set new benchmarks in operational excellence and financial returns for existing businesses**

- Targets**
- Operate thermal and hydro plants at optimum efficiency
  - Operate RE portfolio above design parameters to increase yield
  - AT&C loss reduction for TPDDL, TPADL and CESU
  - Maximise incentives in regulated business

**Resolution of CGPL coal cost under-recovery**

- Targets**
- Optimise coal blending to minimise impact of rise in coal benchmark price
  - Advocacy for quick implementation of High Power Committee recommendations
  - Optimisation of coal transportation and handling cost

**Deleveraging Balance Sheet**

- Targets**
- Reduce debt through divestment of non-core assets and strengthen balance sheet
  - Adopt debt-light models through innovative financial engineering and re-structuring

**Create an engaged, agile and future ready workforce**

- Targets**
- Culture and engagement
  - Workforce planning
  - Leadership and succession planning
  - Capability building

**Leverage digital to establish new business model and enhance existing business delivery**

- Targets**
- Improve asset performance
  - Enhance customer experience through use of data analytics
  - Productise current IT assets and services
  - Explore new business opportunities leveraging digital technology

**Building a customer-centric organisation**

- Targets**
- Roll out of value-added services for customer delight
  - Improve customer satisfaction
  - Building organisational capabilities to drive customer-centricity

**Scale-up Renewables, Distribution, Services and Energy Solutions businesses**

- Targets**
- Increase share of clean energy/ renewables to 50-60% of the generation portfolio by 2025
  - 1 crore+ customer base across business by 2025
  - More than 1 lakh EV Chargers across India by 2025

**Focus on Sustainability with an intent to attain carbon neutrality**

- Targets**
- Attain carbon neutrality by 2050
  - Reduce specific fuel consumption by improving operational efficiency
  - Benchmark in waste management (Gainful fly ash utilisation)



# Trust with transparent communications

In our endeavour to build a sustainable future, we, at Tata Power, aim to develop strategic partnerships with our stakeholders and increasingly engage them in the Company's activities and operations. Stakeholder inclusivity and prioritisation ensure the correct understanding and adequate response to stakeholder needs, interests and expectations. Our engagement approach has been curated to address the critical nature of our business scope and outcome.

## Tata Power's Stakeholder Engagement Strategy

Our stakeholder engagement strategy ensures a precise level of advocacy and transparent communication with our stakeholder groups on the challenges that Tata Power faces as well as the various opportunities and initiatives introduced to address stakeholder concerns. Accordingly, we formed strategic stakeholder groups based on specific criteria in accordance with the nature of each group. Our stakeholder engagement process has incorporated requisite channels of communication to build on our robust relationships as well as increase our understanding of stakeholder concerns and challenges. Our interaction with stakeholders also enabled us to develop a better perspective on relevant material matters for Tata Power. This, in turn, helps to improve the overall strategy and orientation of our businesses.



Stakeholder Groups	Why are they important	Engagement Mechanisms	Stakeholder Recommendations
<b>Investors</b>	Provision of financial capital that enables the sustainable growth of Tata Power	<ul style="list-style-type: none"> <li>Scheduled investor meets</li> <li>Quarterly results call</li> </ul>	<ul style="list-style-type: none"> <li>High Leverage</li> <li>CGPL Tariff resolution</li> <li>Growth and profitability of renewables</li> <li>Shift focus from R&amp;D to outsourcing technology</li> <li>Better communication about progress on Company targets</li> </ul>

Stakeholder Groups	Why are they important	Engagement Mechanisms	Stakeholder Recommendations
<b>Lenders</b>	Provision of debt capital to the expansion of Tata Power's business activities	<ul style="list-style-type: none"> <li>Periodic meetings</li> </ul>	<ul style="list-style-type: none"> <li>Financial status of Distribution Companies (Discoms)</li> <li>Increased disclosure on Environment, Social and Governance (ESG) aspects</li> </ul>
<b>Regulatory Authorities</b>	Access to operating licences and the imposition of regulatory measures	<ul style="list-style-type: none"> <li>Scheduled meetings</li> <li>Regular liaising</li> <li>Industry Forums</li> </ul>	<ul style="list-style-type: none"> <li>Colour coding underground cables of Municipal Corporation of Greater Mumbai (MCGM)- to ensure identification and avoid damage during civil work</li> <li>Consideration of micro tunnelling</li> <li>Climate change awareness and alignment to Nationally Determined Contributions (NDC)</li> <li>Reduce dependence on imported coal</li> </ul>
<b>Customers</b>	Bedrock for our growth as a Company	<ul style="list-style-type: none"> <li>Customer satisfaction surveys</li> <li>Formal and informal feedback</li> </ul>	<ul style="list-style-type: none"> <li>Quality and reliability of power supply</li> <li>Improved notifications of disruption, failures or maintenance for customer transparency</li> </ul>
<b>Board of Directors &amp; Leadership</b>	Ensures the prosperity of Tata Power through collective direction of the Company's affairs whilst meeting the appropriate interests of our stakeholders and shareholders	<ul style="list-style-type: none"> <li>Scheduled Board meetings</li> <li>Scheduled and special Board Committee meeting</li> </ul>	<ul style="list-style-type: none"> <li>Storage and trading of renewable energy, micro grid operations, and electric vehicle charging</li> <li>Focus on customer-centric policies and ethical billing</li> <li>Proactive interaction with investors for ESG initiatives and strategy</li> <li>Periodic review of perceived risks and impact of CSR activities</li> </ul>
<b>Employees</b>	Form the backbone of our business activities and play an important role in improving productivity, efficiency and boost our profits	<ul style="list-style-type: none"> <li>Training and seminars</li> <li>Meetings &amp; Reviews</li> <li>HR programmes</li> <li>Employee satisfaction surveys</li> <li>Departmental meetings</li> <li>Townhall meetings</li> <li>Quarterly Management communication</li> </ul>	<ul style="list-style-type: none"> <li>Work-life balance</li> <li>Transparent appraisal and promotion policy</li> <li>Stability of internal policy</li> <li>Fair remuneration structure</li> </ul>
<b>Suppliers/ Vendors</b>	Help us develop our business ecosystem, support our sustainability initiatives and create shared value	<ul style="list-style-type: none"> <li>Regular Supplier/ Vendor meets</li> <li>Contract revision and negotiation meetings</li> </ul>	<ul style="list-style-type: none"> <li>Formal supplier assessment to verify ESG performance</li> <li>Increased awareness for partnering in green initiatives</li> </ul>
<b>NGO</b>	Enable better implementation of our environment and social initiatives	<ul style="list-style-type: none"> <li>Project-based stakeholder meets</li> <li>Periodic meetings</li> </ul>	<ul style="list-style-type: none"> <li>Ethical business practices</li> <li>Increased community involvement</li> <li>Transparency in business practices and their impacts</li> </ul>
<b>Local Community</b>	Provides a better socio-economic context in our operating environment to ensure long-term viability of our business activities	<ul style="list-style-type: none"> <li>Project-based stakeholder meets</li> <li>Participation in CSR activities</li> </ul>	<ul style="list-style-type: none"> <li>Increased infrastructure for training community members</li> <li>Safety and security of facilities as well as electricity supply</li> </ul>
<b>Media</b>	Plays a vital role in keeping our stakeholders informed of business developments, new products and services as well as the impact of our business operations	<ul style="list-style-type: none"> <li>Media briefings</li> <li>Press releases</li> <li>Marketing communication</li> </ul>	<ul style="list-style-type: none"> <li>Increased transparency and clarity in shared information</li> </ul>
<b>Employee Unions</b>	Help set standards for education, skill-levels, wages, health and employee benefits and working conditions of our employees	<ul style="list-style-type: none"> <li>Scheduled meetings</li> <li>Dedicated surveys</li> </ul>	<ul style="list-style-type: none"> <li>Ethical and responsible business conduct</li> <li>Equal opportunities for all</li> </ul>

# Integrated smart and sustainable solutions

Our materiality assessment is a foundational aspect of our Integrated Report, allowing us to gather insights on the relative importance of specific Environmental, Social and Governance (ESG) issues and their impact on value creation. Topics that are considered material to Tata Power are taken into immediate consideration, given their influence on our business activities, stakeholders and their ability to create sustainable value. Our material topics also provide further insights into our stakeholders' expectations, and the challenges and risks our Company might face in the near future.

## Our materiality assessment influences are:

### Strategic Planning



### Operation Management



### Capital Investment Decisions



## Strengthening our materiality assessment

For FY20, we undertook a new materiality assessment methodology in accordance with the IIRC Framework to gain a nuanced understanding of the most relevant matters that could impact our business in the short, medium and long term. Our materiality process involved an assessment of the importance of topics through the evaluation of:

 <p><b>Magnitude of the effect</b> (for matters that have occurred, currently exist, or will occur with certainty)</p>
 <p><b>Likelihood of occurrence</b> (for matters where there is uncertainty about occurrence)</p>

The exercise provides detailed insight into the analyses of both positive and negative effects on present and future material issues. The robustness of this exercise also provides us with inputs to build a sustainable strategy, considering topics of importance to our Company from the Environment, Social and Governance (ESG) perspective.

## Materiality determination process

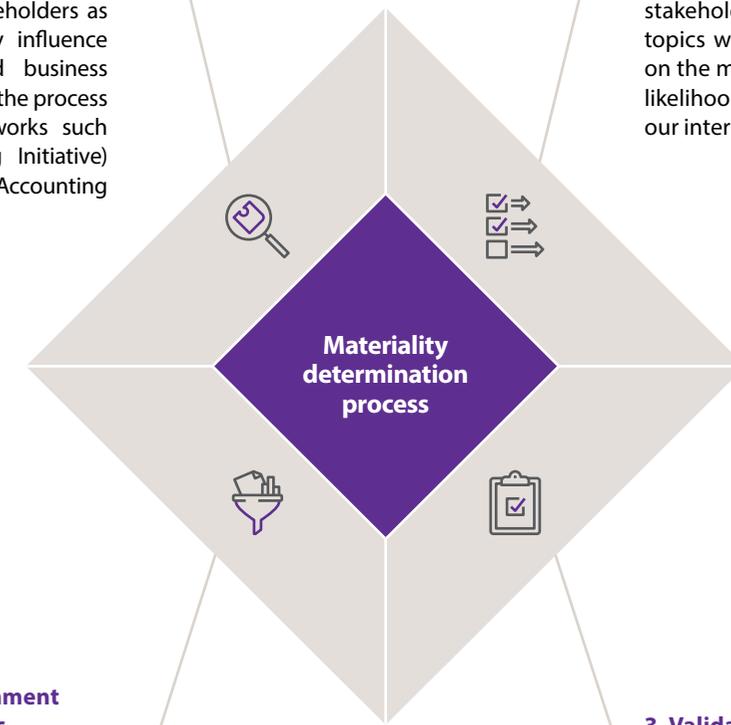
For our maiden Integrated Report 2019-20, we adopted a four-step process to determine our material topics:

### 1. Identification of Relevant Topics

The comprehensive list of material topics was collated based on business requirements, sectoral insights, stakeholder concerns, global issues and peer analysis, ensuring that we cover topics of most importance and relevance to our stakeholders as well as those which may influence our strategic intent and business activities. We also mapped the process to ESG disclosure frameworks such as GRI (Global Reporting Initiative) and SASB (Sustainability Accounting Standards Board).

### 2. Prioritisation of Material Topics

The identified material topics were then prioritised through collective inputs from key internal and external stakeholders. During our interactions, we used survey-based assessment forms to capture stakeholder responses. Our material topics were then categorised based on the magnitude of impact and the likelihood of occurrence to facilitate our internal strategy planning.



### 4. Refined strategic alignment with our material topic

Our prioritised material topics enabled us to better understand challenges that could be encountered in the future. With keen insight into what these challenges entail, we have a robust foundation to integrate sustainability parameters into our strategy. This process is also interlinked with strengthening our risk mitigation and management, and enhancing our decision-making processes.

### 3. Validation of material topics

Post prioritisation, our senior management validated the final list of material topics. This also enabled us to further refine our material topics and focus areas.

# Materiality

## TATA POWER'S MATERIAL TOPICS FOR FY20

Material Topics	Strategic Objective	Key Actions	SDGs	Capital Linkage
<b>Increase in renewables portfolio</b>	Scale-up Renewables, Distribution, Services and Energy Solutions businesses	<ul style="list-style-type: none"> <li>Developing an efficient structure to grow the business into industry leadership position</li> <li>Arranging capital for investments in renewable energy projects</li> <li>Maintain market leadership in the rooftop solar business by targeting both urban and semi-urban areas for expansion</li> <li>Focus on multi-fold growth in renewables EPC business</li> <li>Develop the Microgrid Business Model</li> </ul>	 	
<b>Customer relationship</b>	Building a customer-centric organisation	<ul style="list-style-type: none"> <li>Minimise customer complaints (reduction in complaint index) and achieve benchmark CSAT-Indicator of Customer Satisfaction</li> <li>Deployment of new technologies for enhanced customer experience (AI, ML, DA etc.)</li> <li>Enablement of customer life-cycle management for Renewable Energy (RE) customers</li> <li>Customise offerings (behind the meter BESS for C&amp;I customers, elevated structures micro inverters for residential and SME customers and different customer financing solutions for B2B and B2C customers)</li> <li>Seamless experience in every customer online touch-points</li> <li>Roll out of value-added services for customer delight</li> <li>Specialised services for specific customer segments like senior citizens etc.</li> </ul>		
<b>Future ready</b>	Deleveraging Balance Sheet	<ul style="list-style-type: none"> <li>Establish capital light structures to leverage on growth opportunities</li> <li>Monetise non-core assets to deleverage and strengthen balance sheet</li> <li>Continuously identify future opportunities</li> <li>Strengthen our annual strategy review and turnaround plan</li> <li>Adopt alternative business structure – debt light models through innovative financial structuring</li> </ul>	  	
<b>Human Rights</b>	Create an engaged, agile and future ready workforce	<ul style="list-style-type: none"> <li>Strengthening our labour management relations</li> <li>Ensuring diversity and equal opportunity and non-discrimination within the organisation</li> <li>Freedom of association and collective bargaining</li> <li>Strict opposition to child, forced and compulsory labour</li> <li>Establishing stringent security practices</li> <li>Conducting human rights assessments as well as supplier social assessments</li> </ul>	     	
<b>Waste Management</b>	Focus on Sustainability with an intent to attain carbon neutrality	<ul style="list-style-type: none"> <li>Increasing initiatives to responsibly manage waste by type and disposal</li> </ul>	 	
<b>Carbon emission management</b>	Focus on Sustainability with an intent to attain carbon neutrality	<ul style="list-style-type: none"> <li>Consistently building on our innovative initiatives to reduce GHG emissions and improve operational efficiency to reduce energy consumption</li> <li>Reducing carbon intensity by increasing investments in renewable portfolio</li> <li>Phase out plans for thermal projects and retire existing thermal assets without life extension</li> <li>Compensatory afforestation</li> <li>Aggressive growth in renewable energy-based capacity (Utility scale, Microgrids, Rooftop)</li> <li>Exit businesses which do not support sustainability targets</li> </ul>	 	
<b>Operational Efficiency</b>	Set new benchmark in operational excellence and financial return for existing businesses	<ul style="list-style-type: none"> <li>Deploy advanced technologies to manage assets</li> <li>Strengthening our approach to ensure short- and long-term electricity availability and reliability</li> <li>Technical interventions taken to enhance the efficiency of the power plants and renewable projects</li> <li>Increasing our initiatives to reduce transmission and distribution loss</li> </ul>	 	

Material Topics	Strategic Objective	Key Actions	SDGs	Capital Linkage
<b>Corporate Governance</b>	Set new benchmark in operational excellence and financial return for existing business	<ul style="list-style-type: none"> <li>Provision of trainings and awareness programmes on anti-corruption and anti-competitive behaviour at Tata Power</li> <li>Building awareness among stakeholders on change in regulatory norm</li> <li>Board-led architecture on high quality of governance and risk management</li> <li>Robust organisational structure to drive the culture of ethics (Tata Code of Conduct)</li> </ul>	 	
<b>Demand-side management</b>	Set new benchmark in operational excellence and financial returns for existing business	<ul style="list-style-type: none"> <li>Increasing initiatives towards Demand Side Management (DSM) programmes including residential, commercial, institutional and industrial</li> <li>Increasing net investment made in DSM programmes and corresponding MWh saved or MWh load shifted</li> </ul>	 	
<b>Resource availability</b>	Focus on Sustainability with an intent to attain carbon neutrality	<ul style="list-style-type: none"> <li>Building on our actions/future plans taken to ensure business continuity during periods of water scarcity and coal deficits</li> <li>Promote resource efficient technology</li> </ul>	 	
<b>Biodiversity</b>	Focus on Sustainability with an intent to attain carbon neutrality	<ul style="list-style-type: none"> <li>Improvement in operating parameters to reduce consumption of coal and water</li> <li>Ensure and implement responsible business practices in areas of high biodiversity value</li> </ul>		
<b>Training, education and development</b>	Create an engaged, agile and future ready workforce	<ul style="list-style-type: none"> <li>Increase value added trainings conducted for employees</li> <li>Ensure regular performance and career development reviews for employees</li> <li>Increase health and safety trainings for contractors and sub-contractors</li> <li>Leadership and succession planning</li> <li>Introducing integrated talent management system and leadership competency model</li> <li>Focus on E-learning and blended learning</li> <li>Build new competencies for growth</li> <li>Use of technologies like virtual and augmented reality for future learning</li> </ul>	 	
<b>Impact on business due to change in Coal tax or coal pricing</b>	Resolution of CGPL coal cost under-recovery	<ul style="list-style-type: none"> <li>Discussion with the respective state discoms for implementation of High Power Committee recommendation</li> <li>Ensure periodic review of tax governance, control, and risk management</li> <li>Ensure frequent review of stakeholder and management concerns related to tax</li> </ul>	 	
<b>Sustainable investing</b>	Scale-up Renewables, Distribution, Services and Energy Solutions businesses	<ul style="list-style-type: none"> <li>Investment decisions to increasingly encompass sustainability linked parameters</li> <li>No greenfield and brownfield thermal project going forward</li> </ul>	  	
<b>Innovation in process, service &amp; solutions</b>	Leveraging digital to establish new business model and enhance existing business delivery	<ul style="list-style-type: none"> <li>Enhancing partnerships and collaborations with new technology start-ups in the energy solutions and services domain</li> <li>Integrating digital technology to improve asset performance and enhance customer experience</li> </ul>	  	
<b>Occupational Health &amp; Safety</b>	Set new benchmark in operational excellence and financial return for existing businesses	<ul style="list-style-type: none"> <li>Ensure detailed coverage of health and safety topics in formal agreements with trade unions</li> <li>Increase initiatives towards the reduction of safety incidents and occupational hazards</li> <li>Consistently establish industry best practices on health and safety</li> </ul>	  	

### Capitals



# In alignment with global goals

We, at Tata Power, have committed to align our business activities with the United Nations Sustainable Development Goals (UNSDG). Additionally, our policies at Tata Power are also based on the UNSDG. We undertook a detailed SDG mapping study in FY18, where we prioritised the SDG focus areas, identified high impact initiatives and developed a roadmap to drive change. This was carried out through a detailed stakeholder engagement, interlinkage with our materiality assessment and sector-specific priorities with an understanding of the Company's strategic intent and national priorities. The key outcome of this exercise led to strategic bifurcation of business activities and CSR initiatives along with the mapping of the respective SDGs through a priority analysis. In developing our roadmap, we have adopted three-year targets for each prioritised business in alignment with the relevant UNSDG. Additionally, our initiatives under each thrust area have an impact across our prioritised SDGs.

## SUSTAINABLE DEVELOPMENT GOALS



### Our Company has prioritised 10 Sustainable Development Goals (SDGs):



# Building a future ready business

We endeavour to thrive in an ever-dynamic business landscape with myriad risks and opportunities. To ensure continuous value-creation for our stakeholders, we periodically update our understanding of risks and opportunities that can influence our business. We focus on identifying risks, understanding the magnitude of impact, and potential time horizon of occurrence. Once we gain this understanding, we build our mitigation strategies to enhance the resilience of our business against various potential risks.

We have devised a Risk Management Policy, which can be accessed on our website at <https://www.tatapower.com/corporate/policies.aspx>. Aligned with this policy, we have implemented a standardised Risk Management Process and System. The process of risk identification is guided by the Company's objectives, external environment, industry reports, internal stakeholders, among others. The risk identification process covers the whole gamut of risks, including strategic, tactical and operational. Once risks are identified, we designate a risk owner and risk champion, who is responsible for devising plans outlining mitigation actions for the assigned risks. The identified risks with mitigation actions are then mapped onto our internal system with details of allocation of responsibility and timelines for achieving the targets. The Risk Management System facilitates Cluster Risk Management Committees (CRMCs) to closely monitor and review the risk plans.

The mitigation strategy devised as part of the risk plan also encompasses the frequency of revision and is closely monitored at various levels. A measure called the Risk Mitigation Completion Index (RMCI) is used to determine and monitor the level of completion of each mitigation action area, where the RMCI percentage is lower than the target, is monitored with justifications sought for any deviation. Further, strategies are devised to improve the (RMCI) score. Learnings from mitigating a risk are also captured in the risk plan. This helps in cross-functional and experiential learning across the organisation, enabling effective and comprehensive risk management.

Our Risk Register clearly lays out details of mitigation plans. CRMCs are responsible for closely monitoring and reviewing the risk plans and mitigation action pertaining to various

business functions. As per the listing regulations, a Board Risk Management Committee (RMC) has been constituted which comprises three Independent Directors and two Non-Executive Directors. The RMC meetings are held regularly to review critical strategic risks. Key risks are monitored at the CRMC level. Corrective actions, if any, are discussed and the mitigation plans are revised accordingly.

Our risk management approach also focuses on ensuring compliance with all relevant legislations. Tata Power Group employs a proprietary software to run the Compliance Management System (CMS) to closely monitor the status of compliance with all the applicable laws and regulations. The Compliance department updates the compliance report to the senior management independently to ensure oversight on compliance practices. Currently, Tata Power and all material domestic subsidiaries are covered under the CMS umbrella. This software sends alerts informing us of any changes in regulations/laws and accordingly updates the database. Additionally, the legislations which are no longer applicable are disabled in the system.

For the remaining entities not under the CMS umbrella or an IT-enabled system, the Compliance Monitoring Cell of Tata Power seeks their status of compliance and reports to the respective Board, in accordance with the Compliance Monitoring and Reporting framework.

The present structure of governance and a uniform online reporting system through CMS enables the Tata Power Group to have an integrated reporting of compliance to its Management.



Senior Management

Apex Compliance Committee (ACC)

- Chief Legal Office (Chairman and Convener)
  - Chief - IA & RM
  - Chief - Thermal
  - Chief - Renewable
  - Chief - Transmission & Distribution
  - Chief - Corp F&A
  - Chief - Business HR
  - Chief - Digital & Info Technology
  - Chief - Compliance

Compliance Monitoring Cell (CMS)

# Risk management

## Internal Financial Controls and Systems

The Management has implemented robust processes to ensure that all Internal Financial Controls (IFCs) are effectively working. The Company has an in-house internal audit function which reviews the sustained effectiveness of IFCs by adopting a systematic approach to its work.

To fulfil the requirements of the Companies Act, 2013, the internal audit team has integrated IFCs into Risk Control Matrix (RCM) of enterprise processes which are tested as per the approved internal audit plan. Upon review of the internal audit observations

and corresponding actions taken, there remain no adverse observations which have a financial and commercial impact or material non-compliances which have not been acted upon.

Tata Power continues with the Control Self-Assessment (CSA) process, whereby responses of all process owners are used to assess internal controls in each process. This helps the Company to make process improvement plans, identify focus audit areas, design the audit plan and support CEO/CFO certifications for internal controls.

Sr. No.	Classification of risk	Description	Mitigation strategy	Strategic Linkage
1	<b>Sector specific risk</b>	<ul style="list-style-type: none"> <li>The poor financial performance of the state Discoms (collection of tariffs in accordance with PPAs)</li> <li>In renewables, creditworthiness and business continuity of the customer remains an issue</li> </ul>	<ul style="list-style-type: none"> <li>Close monitoring of financial health of the Discoms through Discom Ratings by Ministry of Power</li> <li>Sustained advocacy with distribution companies and regulatory bodies</li> <li>Diversification of renewable portfolio across various procurers, tariff structures and states</li> </ul>	<b>SBO 3</b> <b>SBO 8</b>
2	<b>Technology risk</b>	Cyber security risk threatening data privacy and having potential to impede operational transactions	<ul style="list-style-type: none"> <li>Continuous enhancement in automated detection and preventive solutions to address evolving threats</li> <li>Continued reinforcement of security policies and procedures</li> <li>Enterprise-wide training and awareness programmes on information security</li> <li>Inputs from Computer Emergency Response Team (CERT) and other private Cyber Intelligence agencies, and enhanced awareness of emerging cyber threats</li> <li>Periodic testing to validate effectiveness of controls through Vulnerability Assessment and Penetration Testing</li> <li>Regular internal and external audits</li> <li>Investment in Cyber Insurance</li> </ul>	<b>SBO 6</b>
3	<b>Regulatory risk</b>	<ul style="list-style-type: none"> <li>CGPL coal cost under-recovery delay in implementation of High Power Committee (HPC) recommendations</li> <li>Non-renewal of PPA for Trombay Power Plant beyond FY24</li> <li>Water securitisation of Hydro Plants- Risk of reduced generation in non-monsoon months due to eastward diversion of water</li> <li>Risk of violating environment norms</li> </ul>	<ul style="list-style-type: none"> <li>Continuous advocacy with procurers to execute revised PPA following HPC recommendations</li> <li>Advocacy with state ministry and regulatory bodies at various levels</li> <li>New avenues to utilise fly ash in ready mix concrete, slag cement, fertiliser, etc. for 100% fly ash utilisation, study for implementation of Flue Gas Desulphurisation plant (FGD) and advocacy measures for passthrough of that cost</li> </ul>	<b>SBO 1</b> <b>SBO 8</b>
4	<b>Commercial risk</b>	<ul style="list-style-type: none"> <li>Non-adherence of Government/ discoms to PPAs and opening up PPAs for renegotiations, especially for specific renewable assets</li> <li>Risk accumulation in large projects, EPC business and rooftop solar</li> <li>Moderation of solar and wind tariff putting pressure on margins in renewable sector</li> </ul>	<ul style="list-style-type: none"> <li>Policy advocacy at the central and state level and exploration of possibilities of legal remedial action, selective bidding and avoiding specific identified states</li> <li>Credit risk assessment of private customers during bidding, securitisation of payment through LC, advocacy for enforcement of payment security mechanism of LC</li> <li>Mitigation through prudent operations management, resource optimisation, leveraging upon diverse portfolio, correct forecasting of cost escalations at the time of bid, leveraging on presence across value chain from manufacturing to operations, stringent IRR criterion at the time of bidding, procurement of solar module from tier 1 suppliers or own manufacturing unit guaranteeing satisfactory yield</li> </ul>	<b>SBO 3</b> <b>SBO 4</b>

Sr. No.	Classification of risk	Description	Mitigation strategy	Strategic Linkage
5	<b>Financial risk</b>	<ul style="list-style-type: none"> <li>Availability of cost-effective capital: availability of debt in terms of current level exposure of the banking sector to stressed asset</li> <li>High leverage: Increased borrowings over last few years primarily due to losses in CGPL</li> <li>Renewal of license of KPC mine in Indonesia</li> </ul>	<ul style="list-style-type: none"> <li>Diversification of lenders base by reaching out to lenders who have not breached exposure limit, diversification to overseas borrowing, ECBs, ECAs, etc.</li> <li>Monetisation of non-core assets and other investments to deleverage</li> <li>Advocacy with Indonesian government along with JV partners</li> </ul>	<b>SBO 2</b>
6	<b>Business risk</b>	Availability of fuel for thermal plant at optimal cost	Exploration of alternative coal sources, liaise with coal companies to understand their production and dispatch plan, reduction of coal consumption through operational efficiency	<b>SBO 8</b>
7	<b>Climate change and Business continuity linked risks</b>	<ul style="list-style-type: none"> <li>Availability of fuel for thermal plant at optimal cost</li> <li>Climate change linked transitional risk: possibility of government capping the amount of carbon emissions generated</li> <li>Climate change linked Physical risks: operations located in coastal area may get affected with rise in sea level, fluctuations in weather conditions leading to rise in water temperature potentially affecting processes, extreme weather events such as floods and droughts, fuel and water scarcity</li> <li>Risk of pandemic and other natural disasters</li> </ul>	<ul style="list-style-type: none"> <li>Lowering of carbon intensity by focusing more on the renewable portfolio as well as venturing into energy efficient businesses like Rooftop Solar, EV charging, Microgrids, etc</li> <li>Improvement in operational efficiency for thermal power plants</li> <li>Installation of pollution control and energy efficient equipment</li> <li>Establishment of robust Business Continuity and Disaster Management Plan (BCDMP) evidenced through recertification on ISO 22301:2012 from the British Standards Institution (BSI)</li> </ul>	<b>SBO 4</b> <b>SBO 8</b>



# Track. Adapt. Transform. Achieve.

The advent of the global pandemic, COVID-19, has accentuated the need for sustainability to be ingrained at the heart of our business operations. Apart from the acute health impacts, COVID-19 has also severely affected business operations and the economy across the globe.

Leveraging our commitment to 'Responsible Growth', Tata Power has shown its strategic preparedness by analysing future risks the Company could face with respect to the causatum of the pandemic. A COVID-19 Apex Response Committee was formed to oversee organisational preparedness and management of the pandemic from a business continuity as well as employee safety perspective. In addition to segregation of essential and non-essential staff, location-wise Emergency Response Teams (ERTs) were formed and work from home or sites was assigned on a rotational basis.

We are humbled to state that all our business operations of Power Generation, Transmission & Distribution and Renewables were fully operational during the outbreak.

We worked tirelessly during the pandemic to set up COVID-19 guidelines and standard operating procedures (SOPs) across the organisation.

Apart from ensuring a safe strategy to combat the COVID-19 crisis in the short-term, we have also initiated long-term resilience mechanisms to strengthen our response to future risks or disasters.

This involved the upgradation of our Business Continuity Plans to a new normal condition post lockdown, handholding of various divisions to articulate site-specific scenarios and establish operating strategies for business continuity.

OUR STRATEGIC WAY FORWARD IS PROVIDED BELOW:

Pre-lockdown	During lockdown	Post-lockdown
<p><b>Pre-planning</b></p> <ul style="list-style-type: none"> <li>• Safe practices</li> <li>• Awareness drive</li> <li>• Emergency protocols and a guidelines for all</li> <li>• Essential services planning</li> <li>• Communication to employees and associates</li> </ul>	<p><b>SOP</b></p> <ul style="list-style-type: none"> <li>• Entry/Exit norms (social distancing, multilayered screening, self declaration etc.)</li> <li>• Work from home</li> <li>• ROTA for critical functions</li> <li>• Guidelines for works, offices and colonies</li> <li>• Communication drive</li> </ul>	<p><b>Long-term BCP</b></p> <ul style="list-style-type: none"> <li>• New-normal long-term business continuity preparedness</li> <li>• BCP template shared with divisions for assessment and feedback considering various scenarios</li> </ul>





# Our value-creation paradigm

- 40 Manufactured Capital
- 52 Intellectual Capital
- 58 Human Capital
- 70 Social and Relationship Capital
- 98 Natural Capital
- 114 Financial Capital

*Developing assets to create long-term  
value for our stakeholders*

# The future of energy infrastructure

Over the next decade, the Indian economy will continue to grow at a rapid pace and a key enabler of that will be India's ability to fulfil its energy needs. Our future growth would be to enhance customer experience of the energy consumer like never before by focusing on innovation and technology, with emphasis on renewable power, power distribution and service-led business. This will bring in greater value and help us align with emerging consumer needs.

Mr. Praveer Sinha, CEO and MD

Tata Power relies on developing assets to create long-term value for its stakeholders. We are committed to growing responsibly and delivering superior products and services to our consumers. Our growth is driven by our strategic objectives, which take into account the material issues that impact our business. We also factor in the inherent risks involved in asset development and address relevant stakeholder concerns. Our asset and product development significantly influence our performance across other capitals as well.

### Our asset portfolio

- Power generation facilities
- Power transmission facilities
- Distribution and substation facilities
- Solar cell and module manufacturing

### Our product portfolio

- Solar PV panels
- Microgrids
- Solar pumps
- Batteries
- Smart appliances
- EV Charging Infrastructure
- Solar RO systems

### PERFORMANCE HIGHLIGHTS

421 MW

Of Solar rooftop EPC business, including 28 MW of solar rooftop under PPA

1.9 GW

Solar PV modules shipped globally by Tata Power Solar Systems Limited

312 MW

Of solar power generation capacity added in FY20

700 MW

Solar projects under various stages of implementation under Tata Power Renewable Energy Limited

51%

Stake in Central Electricity Supply Company of Orissa Ltd

170

EV charging points in 20 cities in India

IMS COMPLIANT

Thermal stations

Strategic Objectives	Material Topics Addressed	Key Risks Considered	Stakeholder Recommendations Addressed	SDGs Focused
<b>SBO 3</b> Scale-up Renewables, Distribution, Services and Energy Solutions businesses	<ul style="list-style-type: none"> <li>• Increase in renewables energy portfolio</li> <li>• Operational efficiency</li> </ul>	<ul style="list-style-type: none"> <li>• Moderation of solar and wind tariff putting pressure on the margin</li> <li>• Credit worthiness and business continuity of the customer</li> </ul>	<ul style="list-style-type: none"> <li>• Prioritised focus towards renewables</li> <li>• Dependence on imported coal</li> <li>• Quality and reliability of power supply</li> <li>• Storage and trading of renewable energy, microgrid operations, and electric vehicle charging</li> </ul>	   
<b>SBO 8</b> Achieve benchmark operations, attain market leadership and outperform set targets				

### IMPACT ON OTHER CAPITALS

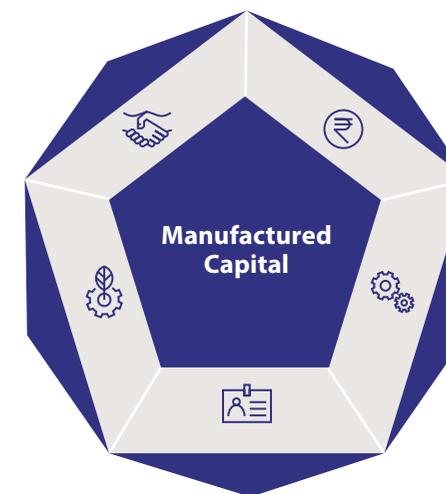
Our performance in Manufactured Capital has a significant influence across other capitals.

#### Social & Relationship Capital Impact

- Availability of affordable and reliable electricity to remote areas across India
- Promote rural entrepreneurship and improve quality of life
- Cost effective solutions through rooftop solar

#### Natural Capital Impact

- Reduction in carbon emissions due to initiatives like microgrid installation, solar rooftop, etc.
- Reduction in overall carbon intensity due to implementation of efficiency improvement measures as well as increased investment in renewable portfolio



#### Financial Capital Impact

- Increased revenue generation opportunities
- Reduced margins in renewable sector due to aggressive expansion

#### Intellectual Capital Impact

- Innovation to improve generation and transmission efficiencies
- Innovation in microgrid and solar rooftop domain

#### Human Capital Impact

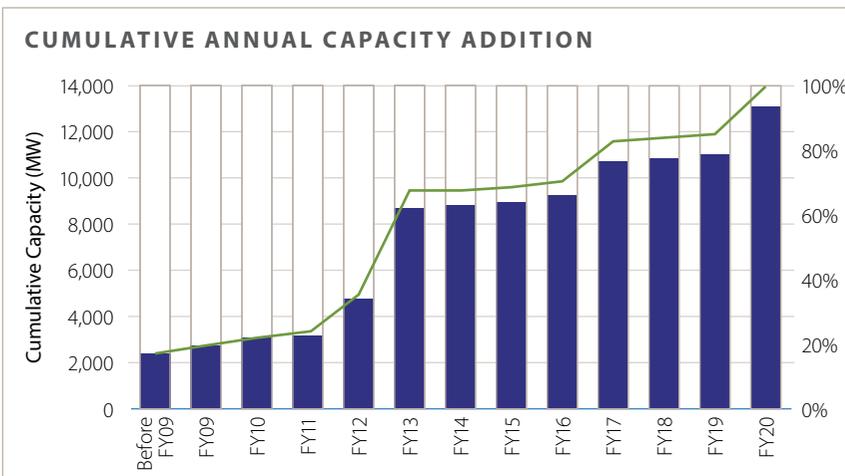
- Adequacy of competent manpower and safe working conditions during asset development



## Power generation

Over the past decade, we have increased our generation capacity by almost five-fold. Currently, the majority of our generation comes from coal-based thermal power plants. In an endeavour to drive resource conservation and increase sustainability of our business, we are focusing more on energy efficiency, renewable energy, and a shift in fuel mix towards non-fossil fuel.

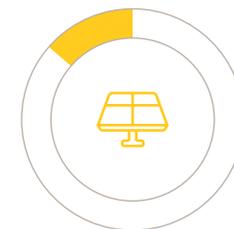
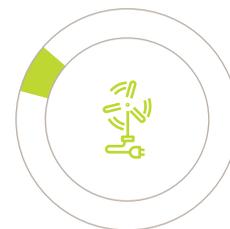
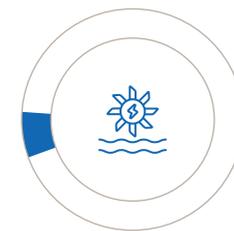
Furthermore, our Business Continuity and Disaster Management Plan is firmly in place to increase the resilience and reliability of our assets during disaster events and mitigate financial losses, thereby supporting our sustained growth in the sector.



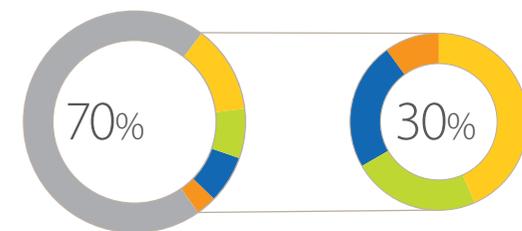
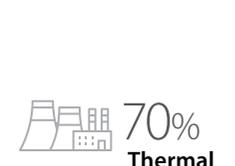
### FUEL MIX (MW) (DOMESTIC + INTERNATIONAL)

**12,742 MW**

Total



### DISTRIBUTION OF INSTALLED CAPACITY (DOMESTIC + INTERNATIONAL)(%)



TATA POWER HAD AN OPERATIONAL GENERATION CAPACITY OF 12,264 MW DOMESTICALLY AND 478 MW OVERSEAS FROM VARIOUS FUEL SOURCES:

Fuel Source	State	Location	Normative Capacity under Management (MW)	PPA Tenure	Return Profile	Category Total (MW)
<b>Thermal – Coal / Oil / Gas</b>	Gujarat	Mundra	4,150	Long term	Bid-based	<b>8,805</b>
	Mumbai	Mumbai	930 [additional 500 MW capacity (Unit #6) is classified as assets held for sale]	Medium term	Regulated	
	Jharkhand	Maithon	1,050	Long term	Regulated	
	Jharkhand	Jojobera	547	Long term	• Regulated returns • Bilaterally negotiated (captive)	
	Odisha	Kalinganagar	40	Long term PPA	Tolling / Fixed tariff	
	Uttar Pradesh	Prayagraj	1980	Long term PPA	Under Platform Management	
	New Delhi	Rithala (Gas based)	108	None	PPA is being pursued	
<b>Thermal – Waste Heat Recovery</b>	Jharkhand	Jamshedpur	120	Long term PPA	Bilaterally negotiated (captive)	<b>375</b>
	Odisha	Kalinganagar	135	Long term PPA	Bilaterally negotiated (captive)	
	West Bengal	Haldia	120	Short term PPA	Merchant sale and bilateral contracts	
<b>Hydro</b>	Maharashtra	Bhira	300	Medium term PPA	Regulated	<b>447</b>
	Maharashtra	Khopoli	72			
	Maharashtra	Bhivpuri	75			
<b>Renewables</b>	Maharashtra, Gujarat, Madhya Pradesh, Karnataka, Tamil Nadu, Rajasthan, and Andhra Pradesh	Wind Farms	932	Long term PPA	Feed-in tariff and bid-driven contracts	<b>2,637</b>
	Andhra Pradesh, Bihar, Delhi, Gujarat, Haryana, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Punjab, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh and Uttarakhand	Solar Photovoltaic (PV)	1,705	Long term PPA	Feed-in tariff and bid-driven contracts	
<b>Domestic Total</b>						<b>12,264</b>
<b>INTERNATIONAL ASSET</b>						
Fuel Source	Country	Location	Normative Capacity under Management (MW)	PPA Tenure	Return Profile	Category Total (MW)
<b>Thermal – Coal / Oil / Gas</b>	Indonesia	PT Citra Kusuma Perdana	54	Long term	Bilaterally negotiated (captive)	<b>54</b>
<b>Hydro</b>	Bhutan	Dagachhu	126	Short term	Merchant Sale	<b>246</b>
	Zambia	Itezhi Tezhi	120	Long term	Regulated	
	Georgia		178	Long term	Regulated	
<b>International Total</b>						<b>478</b>
<b>Grand Total</b>						<b>12,742</b>



## Transmission and distribution

Transmission and distribution loss is a cause for concern at Tata Power. Not only does it directly contribute to revenue loss, but it also increases greenhouse gas (GHG) emissions, cost to consumers and may even put public health and safety at risk. To address this, we have steadily enhanced our operational efficiency and reduced technical and commercial losses while expanding our transmission and distribution infrastructure.



### OUR INITIATIVES TO REDUCE TECHNICAL & COMMERCIAL LOSS PRIMARILY FOCUS ON:

 <b>Process Management</b>	 <b>Workforce Engagement</b>	 <b>Infrastructure</b>
<ul style="list-style-type: none"> <li>• Special electricity court for theft and electricity dues</li> <li>• Focus on reading and billing quality check</li> <li>• High-revenue customer data analysis</li> <li>• Mass enforcement raids in high-loss areas</li> <li>• Camp connections in slum areas</li> <li>• Optimising revenue billing cycle</li> <li>• Data Analytics – defaulter/ theft prediction</li> <li>• Utilisation of existing lightly loaded feeders through load balancing</li> <li>• Elimination of intermediate voltage ratio in phased manner to reduce technical loss involved in voltage transformation within the grid</li> </ul>	<ul style="list-style-type: none"> <li>• Outsourcing collection of outstanding amounts</li> <li>• Inclusion of ABHA for revenue collection from jhuggi jhopdi clusters</li> <li>• Customer counselling group leading the recovery</li> <li>• Disconnection drives along with zonal staff for recovery</li> <li>• Recovery of Disconnection with Due cases (DW) arrears</li> </ul>	<ul style="list-style-type: none"> <li>• Installation of electronic meters and automated meter reading for high-revenue customers</li> <li>• Revision of meter specifications</li> <li>• Increasing payment avenues</li> <li>• SMART metering</li> <li>• Increasing digital payment avenues</li> <li>• Reducing load on heavily loaded feeders and optimising circuit length by utilising new sources, i.e. grids and transformers</li> <li>• Optimising overall DT loss by adding new DTs at load centre to reduce the LT circuit length and for mitigation of overloaded DTs</li> <li>• Replacing sick assets, i.e., PILC cables, sick DTs, tampered service lines and energy meters which are damaged or worn down</li> </ul>

### OUR CURRENT T&D PORTFOLIO

Transmission (Regulated)	CKM	
<b>Mumbai Transmission</b>	1,206	
<b>Powerlinks (Joint Venture)</b>	2,325	
<b>Total</b>	<b>3,531</b>	

T&C losses	FY20	FY19
<b>Mumbai Distribution</b>	1.4%	0.7%
<b>Tata Power Delhi Distribution</b>	7.9%	8.0%
<b>Tata Power Ajmer Distribution</b>	10.0%	11.2%

Distribution (Regulated)	Consumers (in lakh) as on 31st March, 2020
<b>Mumbai Distribution Licence</b>	7.2
<b>Delhi Distribution Licence</b>	17.5
<b>Ajmer Distribution Franchises</b>	1.5
<b>Total</b>	<b>26.2</b>





## Our Renewables Story

India has immense Renewable Energy (RE) potential (ground mounted solar: 750 GW; wind: 300 GW and rooftop solar: 210 GW). Solar and wind energy resources could change the dynamics of the power sector. Currently, RE power is cost-competitive to fossil fuel power plants, and a transition from fossil fuel to RE sources is clearly underway. This is further reinforced by India's commitment at COP21 to reduce its GHG emissions intensity per unit GDP by 33-35% below 2005 levels, by 2030.

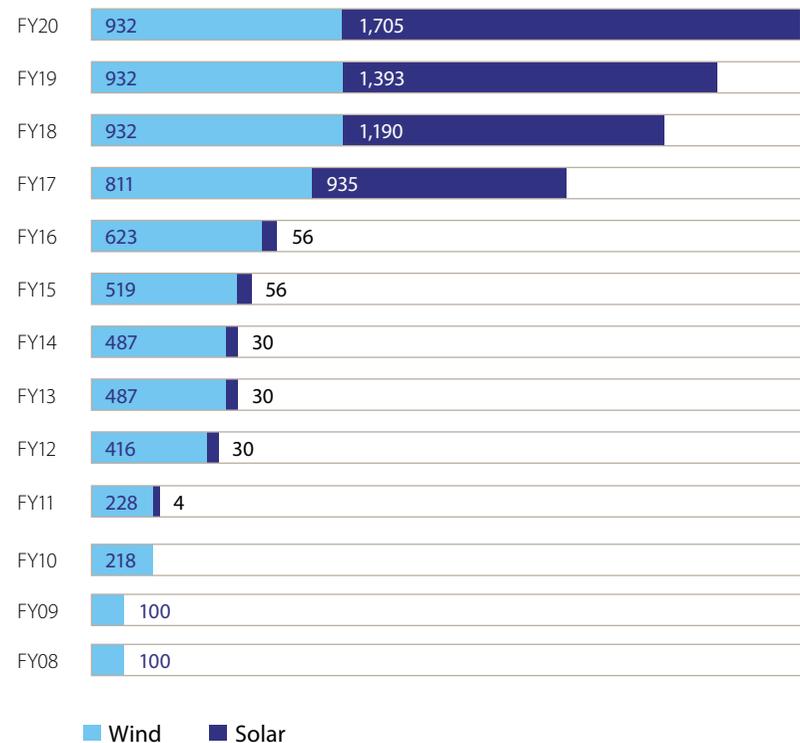
To meet its commitment, India has set an ambitious target of achieving an installed RE capacity of 175 GW by 2022. The target was further recalibrated in 2019 to 500 GW by 2030, with a set of favourable policies and framework in place which provided a fillip to the renewable industry in India.

Realising the potential and importance of RE, Tata Power had commissioned its first wind asset at Supa in Maharashtra in 2001 and its first Solar asset at Mulshi in Maharashtra in 2011. As an environmentally responsible business entity, Tata Power has steadily added renewable assets, both wind and solar, to its portfolio since then. To fast track its commitment to increasing renewables in its portfolio mix, Tata Power in 2016 acquired Welspun Energy, one of the largest renewable acquisitions at that time.

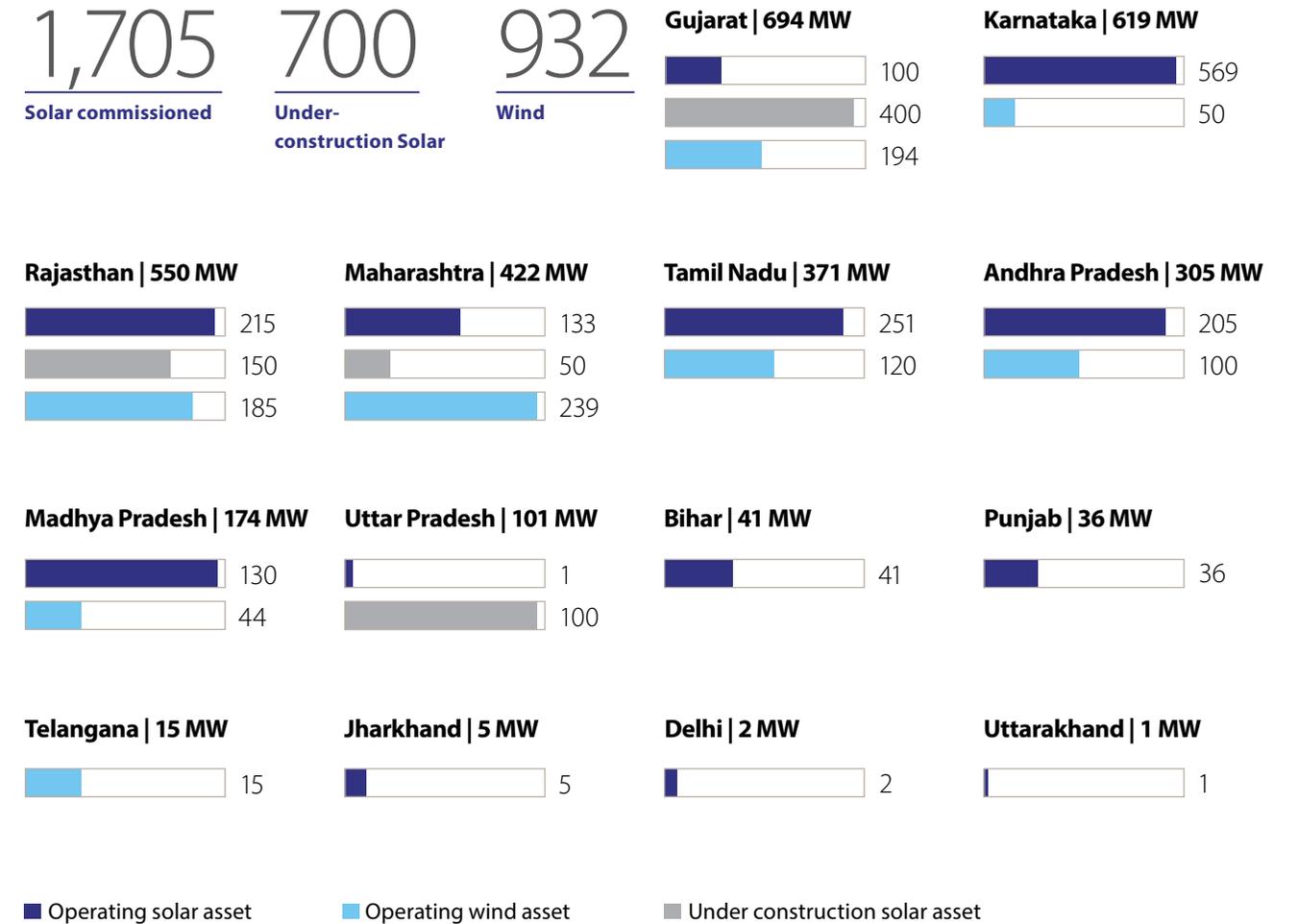
Currently, with 2,637 MW of operational wind and solar capacity in India, we are the third largest in the RE market. Today, we are adequately equipped to expand our RE footprint in India and select geographies overseas by using our expertise in project design and development, operations, maintenance, asset management, and safety. This expertise is being further leveraged to set operating benchmarks for every RE asset as well as create a robust capacity development pipeline.



INSTALLED CAPACITY OF RENEWABLE ENERGY - 2,637 MW



### TOTAL RENEWABLE PORTFOLIO (MW)



We have developed a strong portfolio of 1,705 MW solar generation capacity across 14 states and a Union territory. The aggregate wind energy capacity stands at 932 MW across seven states as on 31st March 2020.

Currently, five of our renewable projects are registered with the Clean Development Mechanism (CDM) programme of the United Nations Framework Convention on Climate Change (UNFCCC) – one wind project each in Gadag (Karnataka) and Khandke (Maharashtra), two in Saurashtra (Gujarat), and one solar project in Mithapur (Gujarat).

In FY20, we traded 1,28,196 Carbon Credits (CERs) from these projects, generating gross revenue of ₹ 6.36 crore. Walwhan Renewable Energy Limited (WREL) has eight CDM registered projects, but no CERs were issued or traded in FY20.

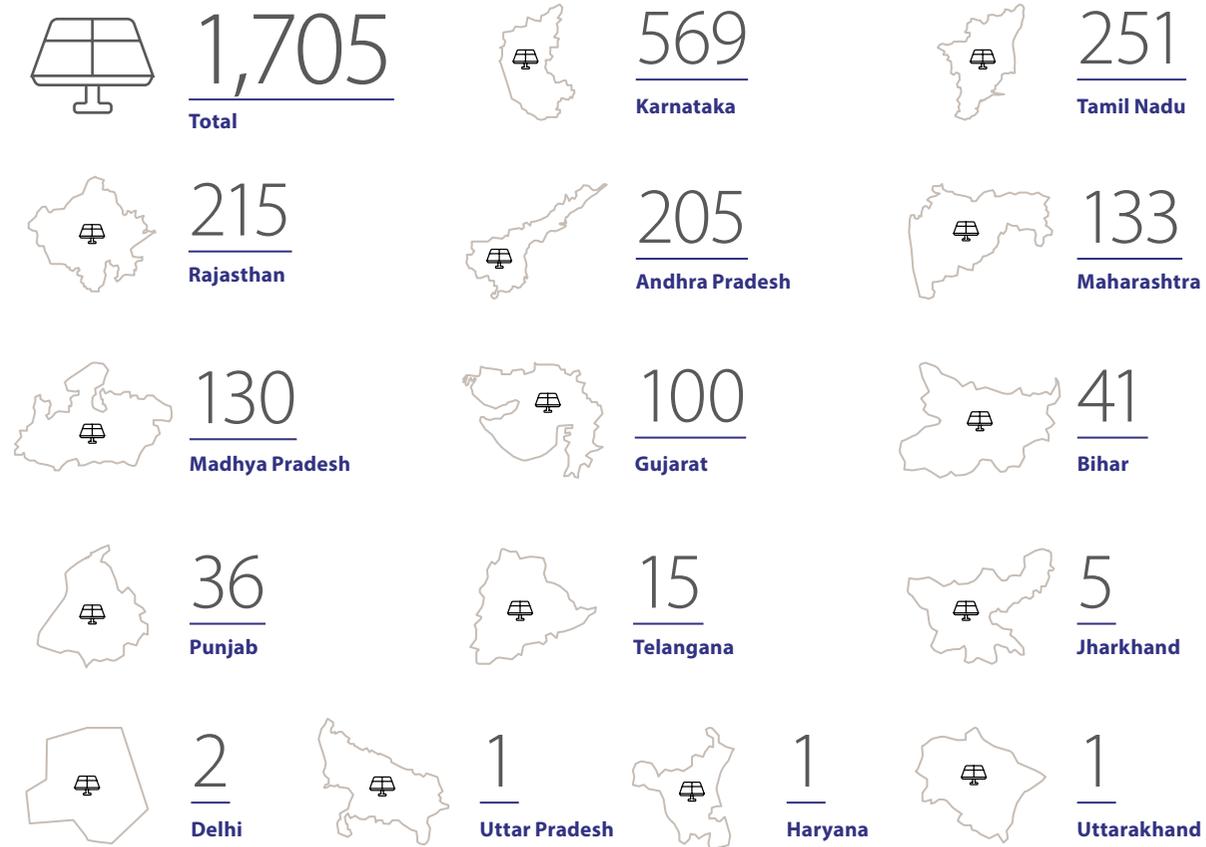
We constantly strive to improve the operational efficiency of our RE power plants to ensure maximum utilisation and increased generation to serve our customers. Few initiatives undertaken were:

- Drone-based thermal imaging to identify underperforming solar assets in large solar fields to reduce generation loss and improve efficiency
- Seasonal tilting of solar panels to reduce pointing error and enhance yield from solar PV plants, leading to efficiency improvement by 1-2%

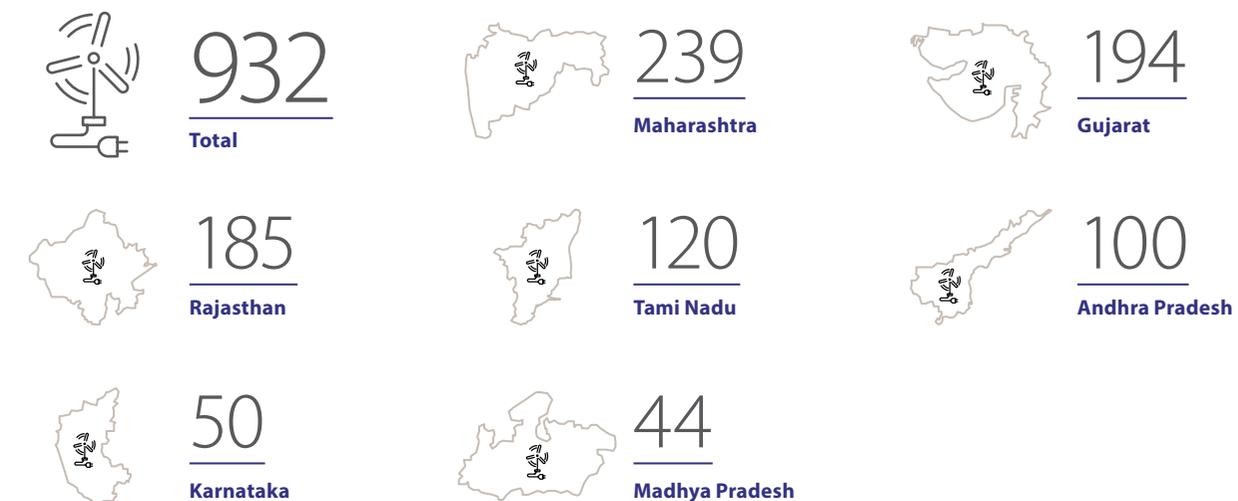
Power-up technology is being explored for implementation in FY21 to enhance the power output of wind turbines, as well as e-security integrated with drones



### DOMESTIC SOLAR PV PRESENCE (IN MW)



### DOMESTIC WIND ENERGY PRESENCE (IN MW)



### Microgrids – empowering every individual

In recent years, grid-electrification coverage and adoption have increased significantly among rural households. However, rural consumers at many places are still deprived of reliable power supply and continues to face outages, load shedding, and voltage fluctuations. These issues inhibit them from taking a grid supply, especially rural enterprises which rely on diesel generators. For these people, affordability is also one of the key barriers to exploiting electric power for economic growth.

Keeping those constraints in mind, TP Renewable Microgrid Limited (TPRMG) plans to set up the world's largest number of decentralised solar microgrids that will position India as the global leader in clean, decentralised, affordable and reliable power supply. We also aim to catalyse a wave of energy-enabled rural economic development driven by micro-entrepreneurs. We have a strategic plan to develop demand for mini and microgrids and set up 10,000 microgrids over the next six years catering to about five million households. Once at scale, TPRMG anticipates supporting 100,000 rural enterprises, creating 10,000 new green jobs, and providing irrigation for over 400,000 local farmers.

This venture will also ensure lowering effective electricity costs and carbon footprint and will amplify the Government of India's ongoing campaign to provide electricity to rural areas, unleashing the potential of renewable microgrids to serve households and businesses that suffer from poor reliability and coverage by traditional grid-based power.

Tata Power is currently looking at regions in Bihar and Uttar Pradesh, which are power starved or face issues of quality in power supply, for setting up microgrids. Microgrid projects are being executed in the adjoining villages of Muzaffarpur and Samastipur districts in Bihar, and Gonda and Bahraich district in Uttar Pradesh, with 18 microgrids commissioned and charged as on 31st March 2020. Further, we have created a healthy pipeline of 55 microgrid projects covering both the states. The microgrid installations could experience policy and regulatory hurdles, and legal and technological risks. Accordingly, we have identified mitigation measures for the key business risks linked with their wider implementation to ensure that our capacity enhancement is not impacted.





## Rooftop Solar

Tata Power Solar Systems Limited, TPSSL has been India's top solar rooftop EPC player since the past six years. Compelling economics, especially for the commercial and industrial segment, favourable government policies, and increased environmental awareness have been the key growth drivers. We serve customers across residential, commercial and industrial segments and institutions. Our approach to rooftop solar can be broadly classified into two categories – own and operate solar rooftop assets under PPA and build rooftop projects for other customers under EPC contract. Our total portfolio is about 421 MW (as on 31st March 2020), of which 28 MW is under PPA.

For 29 years, Tata Power, through its solar arm, TPSSL, has been manufacturing cells and modules by focusing on cutting-edge technology and world-class innovation. With over 1.9 GW of modules shipped globally, our cells and modules are recognised for their quality and reliability across the world. We offer bankable tier-1 solar modules to multiple customer segments, with a range of configurations, power outputs and module sizes. TPSSL became the first solar manufacturer in India to achieve the milestone of shipping 1 GW modules worldwide, cementing its position as a leading player in the global PV module manufacturing industry with in-house production capacity of 300 MW cell line and 400 MW module line.

### WORLD'S LARGEST SOLAR ROOFTOP INSTALLATION

**16 MW**

at Radha Soami Satsang  
Beas, Amritsar

**19,000**

tCO<sub>2</sub>e offset annually



### WORLD'S LARGEST SOLAR ROOFTOP INSTALLATION ON A CRICKET STADIUM

**82.8 kWp**

at Cricket Club of India,  
Mumbai

**840**

tCO<sub>2</sub>e offset annually



### WORLD'S LARGEST SOLAR CARPORT

**2.67 MW**

at Cochin International  
Airport, Kerala

**1,868**

tCo<sub>2</sub>e offset annually



## Solar Water Pumps

Solar water pumps has been a focus area for the Government of India, as it aligns with the twin priorities of agriculture and renewable energy. Through the Pradhan Mantri Kisan Urja Suraksha Evam Utthaan Mahabhiyan (PM KUSUM) scheme, the government plans to provide solar water pumps to 3.5 million farmers. Tata Power, with its strong brand, robust products and channel network, is well poised to reach out to rural India. Till date, we have built a portfolio of over 25,000 solar water pumps across India.

## EV Charging Infrastructure – towards greener mobility

We intend our state-of-the-art and customised EV charging solutions to form the infrastructure backbone for a growing EV ecosystem and provide customers access to this energy-efficient option with ease. Tata Power is a strong supporter of the government's National Electric Mobility Mission. Being part of the Tata Group enables us to derive synergies from other group companies, particularly Tata Motors' planned roll-out of electric cars. Starting from our first EV charging station set up in Mumbai, we have set up 170 EV charging points across 20 cities including Mumbai, Pune, Delhi, Bengaluru and Hyderabad as on 31st March, 2020. We are also located at Tata Motor dealerships and retail outlets of other Tata Group Companies like Croma, Star Bazaar, Titan among others.

As part of the customised solution, we have partnered Prakriti E-mobility Solutions, an app-based EV service provider, to provide charging infrastructure and support their EV taxi fleet in Delhi and NCR. As part of the agreement, Tata Power will design, procure, install and manage all charging infrastructure – which will see installation of about 50 charging stations near Delhi airport, Gurgaon and North Delhi. We have also joined hands with Jaguar Land Rover (JLR) to provide end-to-end EV charging solutions. We will facilitate the installation and management of chargers across JLR's retail network of 27 outlets in 24 cities and at their customers' residence or office. To enhance our portfolio and strengthen cross-industry partnerships, we have signed a memorandum of understanding for setting up commercial EV charging stations with Hindustan Petroleum Corporation Ltd., Indian Oil Corporation Ltd. and Indraprastha Gas Ltd.

### Highlights of Tata Power's EV charging infrastructure

- Diverse charging standards and specifications
- Different EV vehicle categories and manufacturers
- Variety of use-case scenarios — EV fleet solutions, commercial spaces and office charging, public charging etc.
- Charging infrastructure set up across 20 cities, including Mumbai, Pune, Delhi, Bengaluru and Hyderabad
- Smart charging with Tata Power Mobile
- Last-mile charging

We firmly believe in empowering communities from all walks of life and are in the process of increasing our generation, distribution and transmission portfolio as well as service offerings to power India's journey ahead reliably and responsibly. For detailed insight into some of our value-added services, please refer to the Social and Relationship Capital on [page 70](#).



# Driving change through innovation

India is at a cusp of a huge disruption in the energy market with utilities venturing into IoT and digital services backed by innovation. We, at Tata Power, are prepared to embrace this paradigm shift with our consumer-centric growth plan. These initiatives are a testament to Tata Power being the driving force of tomorrow's Smart Consumers.

Mr. Praveer Sinha, CEO and MD

At Tata Power, our intellectual capital primarily consists of our intellectual property such as patents, copyrights, software, rights and licences and our institutional knowledge which is embedded into our business activities. We aspire to become the "lead adopter of technology with a spirit of pioneering and calculated-risk taking," thus enabling the adoption of advanced and disruptive technologies. This supports the development of products and technological processes through a structured short-, medium- and long-term technological roadmap.

Our innovation projects are tailored to address stakeholder needs directly. We further aim to make the distribution grid robust and automated through technological interventions. Our performance in intellectual capital has a significant impact across our capitals as well as internal and external factors that have a certain degree of influence on the Company.

## PERFORMANCE HIGHLIGHTS

₹ 4 CRORE

Expenditure on installation of grid-scale, battery-based energy storage system in Rohini, New Delhi, by TPDDL

₹ 95 CRORE

Expenditure on Advance metering infrastructure and installation of smart meters in Radio Frequency (Mesh) network, by TPDDL

## INNOVATION COUNCIL

Formed in June 2018, first-of-its-kind

## NEW ADDITIONS

Solar Rooftop Services, Electric Vehicle infrastructure, Home Automation and Microgrids, SMART meters and battery based energy storage.

## ADDED EFFORTS

1. Collaborative efforts in TPDDL
2. Setting up the Central Control Room for Renewable Assets (CCRA)

Strategic Objectives	Material Topics Addressed	Key Risks Considered	Stakeholder Recommendations Addressed	SDGs Focused
<b>SBO 3</b> Scale-up Renewables, Distribution, Services and Energy Solutions businesses	<ul style="list-style-type: none"> <li>• Increase in renewables portfolio</li> <li>• Customer relationship</li> <li>• Carbon emission management</li> </ul>	<ul style="list-style-type: none"> <li>• Renewables and thermal capacity utilisation</li> <li>• Climate change and business continuity linked risks</li> </ul>	<ul style="list-style-type: none"> <li>• Prioritised focus on renewables</li> <li>• Quality and reliability of power supply</li> <li>• Storage and trading of renewable energy, microgrid operations, and electric vehicle charging</li> </ul>	
<b>SBO 5</b> Building a customer-centric organisation	<ul style="list-style-type: none"> <li>• Operational efficiency</li> </ul>			
<b>SBO 6</b> Leverage digital technology to establish new business model and enhance existing business delivery	<ul style="list-style-type: none"> <li>• Innovation in process, service and solutions</li> </ul>			

## IMPACT ON OTHER CAPITALS

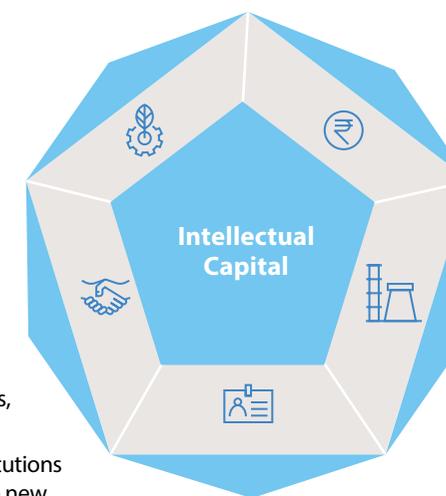
Our performance in Intellectual Capital has significant influence across all other capitals. This has further been elaborated in this chapter.

### Natural Capital Impact

- Home automation services to minimise electricity consumption
- Technological enhancement in business operations to enable waste and emission minimisation
- Replacing diesel generator with Multi-Fuel Biomass energy generator at Microgrid plant

### Social & Relationship Capital Impact

- Smart energy meters for rural customers, special invertors etc.
- Partnership with various academic institutions and businesses to develop and evaluate new sustainable technologies
- Demand side management schemes and offers for end customers for savings in energy cost
- Development of small micro enterprises — cost effective energy through microgrids
- 1.95 lakh Smart meters installed by TPDDL
- Battery energy storage system
- Home automations, IoT based solutions leading to energy savings and reduction of bills



### Financial Capital Impact

- Dedicated R&D expenditure towards innovative technologies that ensure cost efficiency and reduce financial loss

### Manufactured Capital Impact

- Innovative technologies to enhance the operational efficiency of our infrastructure and assets
- EV charging, microgrids and solar rooftop infrastructure

### Human Capital Impact

- Integration of technologies to digitally augment the efficiency of management systems and processes



## Tata Power's journey of Innovation

At Tata Power, we are guided by our four pillars of innovation. This enables us to develop projects around our core technological requirements and accordingly evolve a required timeframe. We follow a multi-step process for ideation, innovation and implementation.

Pillars of Innovation	Technological Initiatives and Progress Mapped
<b>Building Innovative Capabilities</b>	<ul style="list-style-type: none"> <li>Shortlisting of ideas followed by council reviews and periodic review by the MD to track project progress</li> <li>Through E-hackathon challenges and training programmes to encourage employee participation</li> <li>Innovation efforts recognised as part of the formal employee PMS</li> </ul>
<b>Assessing Market Needs</b>	<ul style="list-style-type: none"> <li>Long-term strategy planning with keen insights into emerging customer needs</li> <li>Technology roadmap exercise with plotting of short-term, medium-term and long-term (potential) technology developments and identification of areas to focus on</li> </ul>
<b>Leveraging Partnerships</b>	<ul style="list-style-type: none"> <li>Partnerships with academic institutions such as IIT Bombay as the industry partner in the Clean Coal Centre to look for long-term solutions to the issue of emissions from the power sector</li> <li>Clean Energy International Incubation Centre (CEIIC), a joint initiative of the Government of India and Tata Trusts, to encourage and create large-scale sustainable, commercially viable, high quality and affordable solutions</li> </ul>
<b>Evaluating R&amp;D Projects</b>	<ul style="list-style-type: none"> <li>Annual Business Planning exercise to track progress and improvement in projects across every division/function</li> <li>A separate budget is earmarked for undertaking work on innovation projects that have met a certain minimum criterion defined in the stage-gate process</li> </ul>

## Our approach to innovative transformation



Our innovation is not solely driven by the management, rather our employees form the foundation of our innovation culture. To build capability on innovation, the first innovation council was formed in June 2018. The members of this council were selected from the brightest of our employees, with a focus on diversity and inclusivity. The 40-member council was subdivided into six teams to push innovative ideas with a strong yet practical outlook towards implementation.

## Our Innovation Councils

The councils have an established objective to meet challenges, improve performance and create an environment of innovation in the organisation. They also give the necessary impetus for follow-through of ideas, culminating in the implementation of shortlisted projects. We also build a baseline of ideas received through various competitions and forums such as Shikhar, ACE, Idea Crucible, Ideation Hackathon and Cleantech. This process involves evaluation and selection of shortlisted ideas for current business priorities. The final investment decisions are made based on Board approval.

Innovation Council	Members	Initial and Shortlisted Ideas
<b>Corporate Innovation Council</b>	<b>43</b>	75 initial and 8 shortlisted
<b>Hydro Innovation Council</b>	<b>21</b>	145 initial and 5 shortlisted
<b>Trombay Innovation Council</b>	<b>13</b>	181 initial and 4 shortlisted
<b>T&amp;D Innovation Council</b>	<b>18</b>	21 initial and 6 shortlisted

## Our Innovation Hub

In addition to our innovation councils, we have a single database for the Tata Ideas Platform that integrates the entire employee database for a seamless sign-in process. The introduction of the Innovation Hub provides a go-to site for innovation at Tata Power.

Tata Innovation Management System (IMS) provides a platform for posting and tracking 'blue sky' ideas and addressing business challenges. This includes Tata Innovista to recognise breakthrough and step-change innovations. Other features are blogs, conversations via @Yammer page, news and updates, repository of intellectual property documents, quick links to the 'Innovation Council sub-site' and 'Tata IMS platform', and a photo and video gallery.

The benefits of having an integrated employee base results into an augmented amount of ideas on these platforms, complemented with diversity and 'out of the box' thinking.





## Our domains for core innovation

Our R&D expenditure is dedicated towards improving energy efficiency, renewable energy technologies, distributed energy, transmission and distribution technologies, advanced generation technologies and innovative sustainability-related services. Investments towards smart grid technologies such as smart meters, sensors, Internet of Things (IoT) in transmission and distribution aim to make the network more intelligent and efficient.

### 1. Building on Renewable Energy Technologies

- Grid-injected solar plants, which include the largest utility owned 1MWp grid-connected rooftop solar plant commissioned in 2010. This received recognition as an innovative approach at Innovista
- Robots for high rise painting and tunnel inspection
- Solar PV panels have been provided to replace diesel generators for 25 telecom towers. Thin film technology is able to overcome shadow effect of nearby structures and can augment power to local grids

### 2. Distributed Energy

- Demand response Hot Spot and Energy transition with renewables-based tariff for open access consumers
- First SAP ISU implementation in Rajasthan

### 3. Transmission and distribution technologies

- For FY20, installation of Battery Energy Storage System (BESS) – 10 MWh system at Rohini Grid Station
- The system addresses:
  - Peak Load Management
  - Deviation Settlement Charges
  - Congestion Management
  - Asset Life Enhancement
  - Investment Postponement
  - Enhancing Solar Grid Capacity
  - Support to Delhi Metro during exigencies
  - Implementing multi-fuel power and heat generation systems for rural microgrid applications

### 4. Driving Energy Efficiency

- Demand Side Management Schemes and offers for end customers
- These initiatives include:
  - AC replacement scheme
  - Super-efficient BLDC fan
  - LED lighting products
  - Ground fault neutraliser system in FY20 to help with earth fault without the need of any outage enhancing reliability
  - Community storage at DT level in FY20, a customised bus arrangement for battery storages to reduce asset stress during peak hours

### 5. Innovative sustainability related services

- Deployed Radio Frequency (RF) mesh canopy in areas of operation and introduced smart meters for customers
- Launched IoT-based Smart Consumer Substation, enabled by Tata Communications
- Utilisation of drones and Image Analytics for coal pile assessments, thermal imaging of PV farms and open switch yards

### 6. Technology absorption, adaptation and innovation

- Launch of web-based digital signage software, enabling self-healing features and a robust client-computing solution.
- Comprehensive adaptation of responsive and intuitive User Interface (UI) in multiple home-grown applications such as Training-Information-System-Dashboard, My-Companion-Short Notes and GYAN SANGAM discussion forum.
- Implementation of E-Security technology to be integrated with drones piloted at Solar PV sites.

### 7. Knowledge Based Platforms

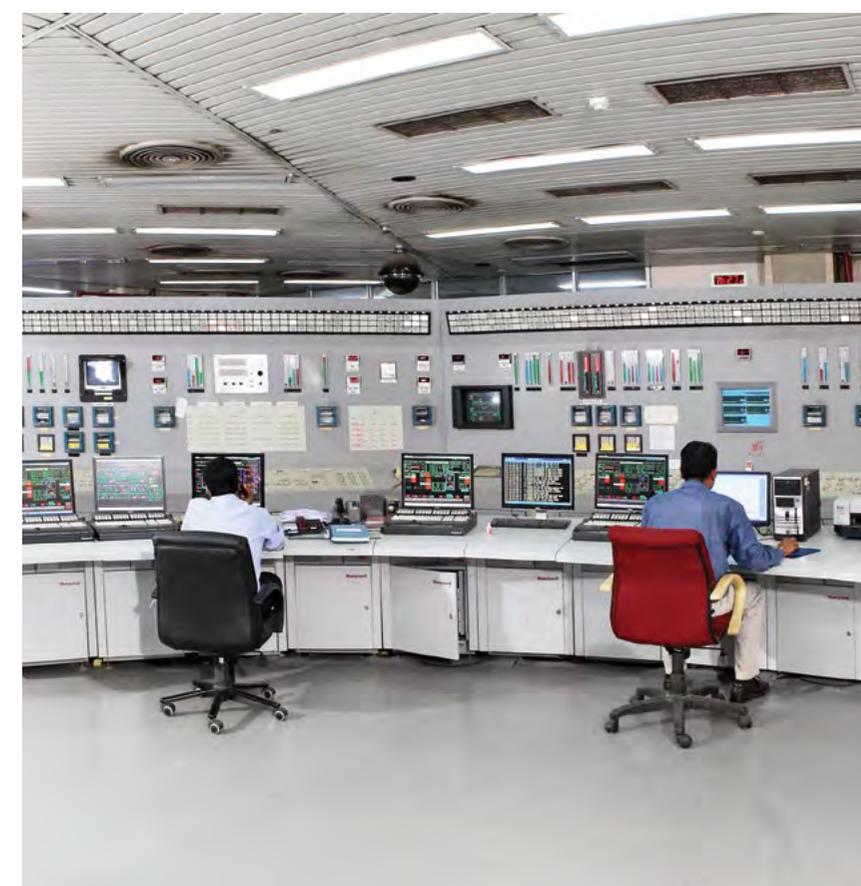
- Presence of group level knowledge-based platforms such as IdeaLogy, Tata Edge and Tata Innovista.
- Launched in-house portals for knowledge-based platforms such as:
  - SHINERGY (platform for registering of improvement projects)
  - Gyan Sangam (repository for SEEKH sessions organised throughout organisation)
  - IMS Process Approval and Document Availability
  - IMS and 6S Audit System
  - Business Excellence Maturity Index

### 8. Advanced generation and technologies

- Rural microgrids with two pilot projects in Tayabpur and Behlolpur villages of Vaishali District in Bihar to provide affordable power and electricity access in rural areas, funded by Tata Trusts and co-created by TPDDL with the Massachusetts Institute of Technology
- 70 households in Tayabpur and 85 households in Behlolpur given electricity connection through prepaid meters, in different packages of 5/12/24 hours

## Our collaborative projects in innovation and CCRA

The Central Control Room for Renewable Assets (CCRA) is currently deployed for 1.2 GW of renewable assets. The CCRA aims to augment upcoming and work-in-progress renewable assets. The monitoring and analysis of production level KPIs involve data acquisition, visualisation and a wide range of analytics. Supplementary to a data repository for renewables, the CCRA also helps improve operational efficiency and reduces downtime.



### TPDDL- COLLABORATIVE JOURNEY



In order to cater to futuristic and emerging customer requirements, TPDDL has partnered with technology providers, research institutes and funding agencies to build a diverse knowledge base of new products, services and solutions. Collaborations have taken place under specified categories:

- Enhancing operational efficiency, especially at the low tension level
- Development of low-cost and scalable solutions for the power sector
- Employee development and engagement
- TPDDL branding

At TPDDL, we conduct pilots for establishing Proof of Concept (PoC) and validating the business case for all identified opportunities. The pilots that present a business case are routed through a regulatory approval process and scaled up after obtaining concurrence.

Our other Digital Initiatives are described in Management Discussion and Analysis (MD&A) (Page 192-193).

# Engaged, agile, future ready workforce

Once you got the best people, the people who shared our values and ideals, we left them free to act on their own. We do not fetter them. We encourage them and give them opportunities for leadership.

J.R.D. Tata Chairman, Tata Sons (1938 – 1991)

Our employees are the primary enablers of our vision and are at the core of achieving our organisational objectives. Their passion, dedication and conscientious approach to work is at the crux of our organisational success and operational excellence.

Our Human Resource strategy focuses on a shared journey that facilitates continuous growth and development of each of our employees towards achievement of their full potential and thereby enriching their experience at Tata Power.

## PERFORMANCE HIGHLIGHTS

### CO-CREATION

Of HR policies based on regular crystallisation of feedback from employees

### GYANKOSH

An e-learning platform for all our employees to enable them to learn at their own pace

### YOUTH POWER CONFLUENCE

For new entrants to showcase their talent and accomplishments to fuel their growth in the Company

### INCREASE IN EMPLOYEE ENGAGEMENT SCORE IN FY20

Overall engagement score increased by 9% to 83% making our score one of the best within the Industry as well as Tata Group

### LEADERSHIP COMPETENCY MODEL - ASPIRE-MOTIVATE-PERFORM (AMP)

A competency building model to create a future ready workforce

Strategic Objectives	Material Topics Addressed	Key Risks Considered	Stakeholder Recommendations Addressed	SDGs Focused
<b>SBO 7</b> Create an engaged, agile and future ready workforce	<ul style="list-style-type: none"> <li>Human rights</li> <li>Training, education and development</li> <li>Occupational health and safety</li> </ul>	<ul style="list-style-type: none"> <li>Workplace health and safety</li> <li>Talent and succession</li> </ul>	<ul style="list-style-type: none"> <li>Work-life balance</li> <li>Appraisal and promotion policy</li> <li>Remuneration</li> <li>Equal opportunities for all</li> </ul>	

## IMPACT ON OTHER CAPITALS

Our performance in Human Capital has a significant influence across all other capitals.

### Social & Relationship Capital Impact

- Improved employee experience through increased participation in voluntary initiatives of Arpan

### Natural Capital Impact

- Increased awareness and efforts towards environmental conservation through voluntary employee participation



### Financial Capital Impact

- Investments made in training and development for knowledge and skill enhancement of employees

### Intellectual Capital Impact

- Increased employee participation at Tata Innovation forums
- Establishment of innovative technologies to ease manual intervention in system procedures

### Manufactured Capital Impact

- Exceptional resilience of sites to disasters with our Business Continuity and Disaster Management Plan (BCDMP)
- Timely and effective commissioning of projects, sustained operation at benchmark levels due to highly skilled and competent workforce

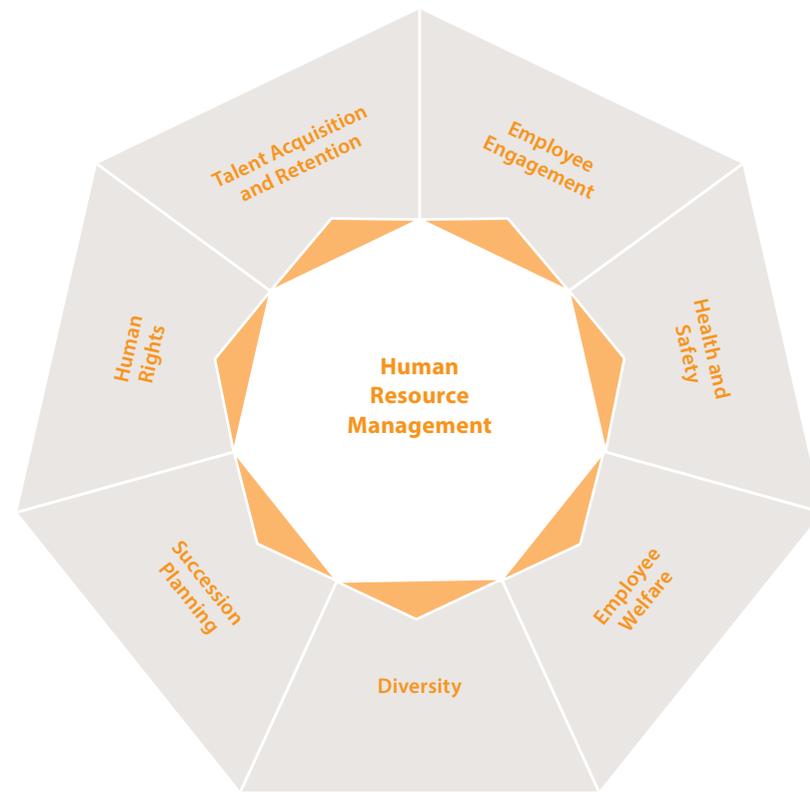


## Our Human Resource strategy

To enable employees to perform at their full potential, it is imperative to create a work environment that is collaborative, enriching and fosters a culture of learning and growth.

Our HR strategy adopts a multipronged approach touching seven key facets that enable employee development and organisational success.

The alignment of our employees' individual values and aspirations with the Company's ideals is a central pivot that enables value generation for our customers, the society and the environment.



Tata Power's workforce \*

Employee Category	Tata Power's workforce FY20					
	Female	Male	Aged <30 years	Aged 30-50 years	Aged >50 years	Total
Senior Management	18	353	0	137	234	371
Middle Management	60	1,048	3	748	357	1,108
Junior Management	741	4,222	1,370	2,914	679	4,963
Workmen**	66	1,844	118	1,062	730	1,910
FDA and SE***	49	212	137	113	11	261
<b>Total</b>	<b>934</b>	<b>7,679</b>	<b>1,628</b>	<b>4,974</b>	<b>2,011</b>	<b>8,613</b>
Contractual Workers	555	20,350	N/A	N/A	N/A	20,904
Permanent Employees with Disabilities****	3	29	N/A	N/A	N/A	32

\*NOTE: Includes only manpower numbers of Tata Power, TPREL, CGPL, TPSSL, TPRMG, PTL, WREL, MPL, IEL, TPTCL, TPADL, TERPL, TPCDT, FENR, SED, NELCO, TPDDL

\*\*Workmen includes Non-Management Employees

\*\*\*FDA and SE include employees and supervisory trainees on direct contract with the Company

\*\*\*\*Number of permanent employees with disabilities is included in the total workforce strength

## Employee Engagement at Tata Power

### Platforms that enhance qualitative employee engagement

Our work culture enables continuous dialogue with our employees. We actively listen to their needs, aspirations and ambitions, making their voices heard and their inputs valued, and thereby facilitating an open channel for two way communication. We consciously seek feedback on any organisational changes and keep our employees adequately informed to ensure smooth transition.

### Unique appraisals for enhanced performance

Our Performance Management is a key talent management process that drives a high performance culture and helps create excellence by enabling achievement of organisational plans. All our employees, across all levels, received regular performance appraisal and feedback during the reporting period. The process involves setting the individual's Key Result Areas (KRAs), which are cascaded from the strategic goals of the organisation, cluster and divisions/ functions.

### Competency building-AMP Model

We consider it equally critical to evaluate the potential of an employee in his/her current role as well as future growth. We define the Key Behavioural Attributes (KBAs) of an employee based on the competencies identified in Tata Power's new Leadership Competency Model called AMP (Aspire-Motivate-Perform). Recognising the need to evolve Tata Power's own talent framework that is more fit-for-purpose and more likely to address the business challenges, an in-house exercise was undertaken wherein the competencies were identified which were required for leaders to succeed in the future in the context of Tata Power's plans while retaining our core. The leadership competency model is the outcome of such research based approach involving the Board Members, MD, CFO and other senior leaders. The AMP model is highly contextual to Tata Power and is a mix of existing and future facing competencies.

### Employee Engagement Survey

We also conduct an annual Employee Engagement Survey (EES) to gain a clear understanding of various aspects of our workforce's functioning, the engagement level and areas of improvement in work environment. The EES 2020 was conducted by a reputed external partner, Kincentric and focused on understanding the role of three key stakeholders in influencing the work experience-the manager, the senior leadership and the HR. The survey saw a record participation rate of 98% and increase in the overall engagement score by a significant 9%.

### Integrating human inspiration with innovation

While we formally engage with our employees through the appraisal process, we also encourage them to actively participate in the forums of the Tata Group such as Tata Innoverve and Tata Innovista (annual celebration of innovation in the Tata Group).

We also use various innovative strategies to engage with our employees and support their growth within the Company. Some of our key programmes are:

- **Talent Next** : Through this programme, high-performing officers are given the opportunity to showcase their potential to the management and thereby fast track their career progression
- **Youth Power Confluence** : Newly joined cadre/trainees can showcase their talent and exceptional work through this platform to fuel their growth in the Company
- **Ullas**: Through this cultural platform, we enable our employees to showcase their talent



- **Gyankosh**: Tata Power's e-learning platform provides best-in-class learning and development opportunities for employees
- **Town Hall**: Organised regularly to facilitate conversation between employees and senior leaders
- **Employee Assistance Programme (EAP)**: Provides professional counselling services such as 24/7 e-counselling, telephonic, face-to-face counselling, wellness coaching, online health risk assessment tools, self-help library/self-assessment tests, e-workshops, among others. This programme also helps deal with issues such as personal development, work, relationships and marriage, parenting, physical and emotional wellness



## Talent acquisition and retention

### Building and retaining strong employee skills

Technological disruptions are redefining work paradigms across industries. At Tata Power, we empower our employees with requisite skill-sets to help them keep pace with these developments. We provide employees with various channels to express their creative energies. While we provide avenues for employees to tap into their innate talents, we enable their growth and development in new areas as well as invest in their health and safety. The training needs assessment and identification process for both functional and behaviour skillsets factors in:

#### 1. Business Strategy Plans

Training and development needs are derived from the organisation's strategy, growth plans, core competencies, emerging competencies and thrust areas.

#### 2. Individual Development Needs

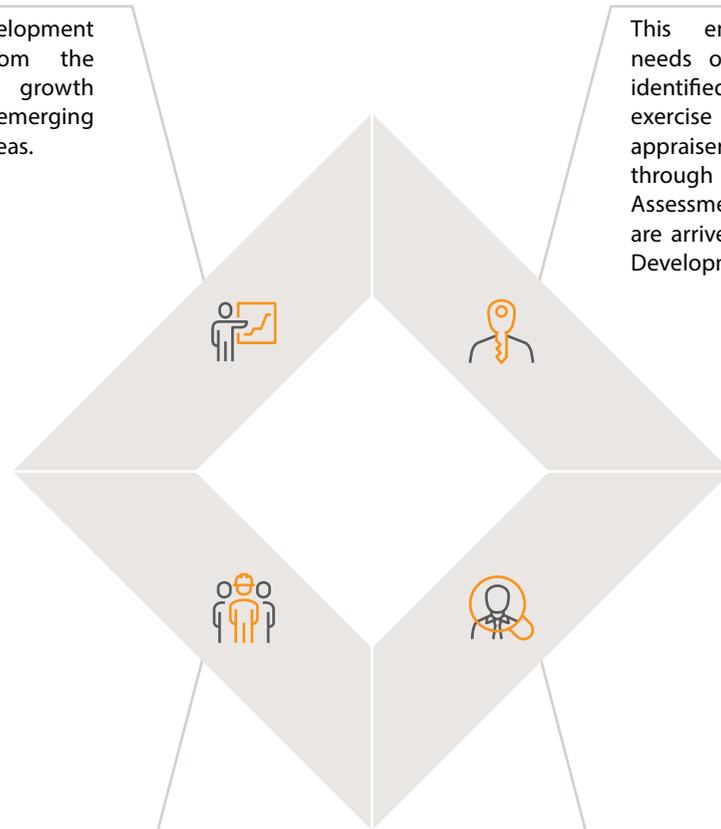
This encompasses the learning needs of all employees which are identified during the 'goal setting' exercise in consultation with their appraiser. Gaps are ascertained through Functional Competency Assessment and development needs are arrived at by the People Potential Development System.

#### 3. Focus Group Needs

Training needs are identified through an ongoing dialogue between the Capability Building Team, Business HR Heads and HODs, which captures emerging training and development needs of a Department/Team. Career stage linked (work level transition/promotion/transfer) developmental needs are identified for desired outcomes for each employee transitioning to a new role.

#### 4. Succession Management

Development needs are identified for successors (short/medium/long-term) to ensure business continuity.



## Our training modules and programmes

Training needs are also identified at the time of 'goal setting' during the appraisal process. Once identified, we impart training and development through various modes such as internal training, external training, focused group training and support for higher education.

### 9,950 MAN-HOURS

Tata Power covered 611 employees through external training programmes and dedicated man-hours

#### Our training modules cover:

1. Safety and job specific skills
2. Housekeeping
3. Contractor Safety Code of Conduct
4. CMG - documentation training
5. TCOC and POSH sessions
6. Protection and testing of electrical equipment
7. IMS external audit, among others

During FY20, we also nominated several employees for external training programmes. These are either open public programmes by leading institutions, agencies, conferences, seminars, certifications, or specialist programmes. Nominees are shortlisted based on their performance in the current role, identified high potential performers, identified successors, technical specialists, etc.

Tata Power also supports its officers to pursue higher education to build competencies and prepare them for future roles, as per the Higher Education Sponsorship Programme (HESP) policy. The policy team publishes and updates the list of courses at regular intervals.

An officer may choose to pursue higher education through one of the following modes:

- **Full time:** Courses for up to two years on study leave without pay
- **Part time:** Courses for a maximum duration of three years

We have covered 142 employees since the launch of this policy

Our Work Integrated Learning Programme in collaboration with BITS Pilani enables diploma-holders to get an engineering degree. In FY20, 43 employees were covered under this initiative.



#### Average hours of training per employee in FY20

Employee Category	Male	Female
Senior Management	19.48	19.56
Middle Management	24.17	20.63
Junior Management	24.47	29.14
Workmen	8.47	6.62
FDA	4.93	2.61
Contractual	12.20	5.58
<b>All employees and contractual workers</b>	<b>14.29</b>	<b>18.03</b>



### Nurturing future leaders

In order to have a secure pipeline of leaders to guide the Company towards further growth, we actively invest in providing dedicated training for leadership development. In addition, we sponsor consistently high performing leaders and managers in a critical role to open programmes at globally recognised institutions such as Harvard, Wharton and INSEAD. In FY20, we nominated one high performer for the Leadership Vanguard – Exchange Programme with Xynteo Limited.

We recognise that strong leadership acumen is imperative for business success and strategic growth. Our HR team has conceptualised, designed and launched interventions for Apex and Senior leaders to enable them to achieve their full potential towards fulfilling organisational objectives. Consequently, for top management and senior leaders an Integrated Senior Leaders' Development Program (SLDP) has been designed combining the "Advanced Management Program" at the Indian Institute of Management, Ahmedabad with coaching journey christened "mYCoach".

**30 senior leaders participated in a customised niche senior leaders' development programme, in FY20.**

We have also devised a leadership development programme, 'Achieving Your Leadership Potential', in collaboration with the Tata Management Training Centre (TMTTC). Catering to our high performance officers, this nine-day aspirational programme is delivered in three modules of three days each, with six-week gaps in between by the renowned faculty members of TMTTC using a blended learning pedagogy interspersed with action learning projects, including case studies on existing challenges of Tata Power. In FY20, two batches covering 43 participants completed this programme. As a result of these programmes, FY20 saw 96.6% retention of employees in the higher cadre.

### Safety Linked Training

Every employee at Tata Power, is trained and empowered to identify unsafe work environments and make proactive decisions to avoid accidents. We have a strong safety capability building process in place. Once we determine safety-linked training needs, we prepare detailed plans at corporate and divisional levels. Safety training is imparted through classrooms, practical demonstrations and e-learning modules.

#### Our safety-linked training covers:

1. Employee Safety Induction programme
2. Risk exposure-based safety programmes (working at height, electrical safety, lifting and slinging, etc.)
3. Behaviour-based safety programmes
4. General awareness programmes like firefighting, defensive driving and office safety, among others

**100%**

**of our contractual employees are trained on various aspects of occupational safety**

We train our employees to ensure they understand their rights and embrace a proactive safety approach. This takes place through the Tata Power Skill Development Institute (TPSDI) as well as through online modules on safety standards and procedures. The safety capability building of contract workers is integrated in the Contract Safety Management Process. They are trained during their induction and undergo specific trainings based on their area of work. These trainings are also conducted at the TPSDI with various levels of certifications (L1, L2, L3) awarded at the end of the process. In addition to certification training, prior to executing any job, 'Toolbox Talk' is conducted at the site through which work related risks and adequate control measures are highlighted once again.

Our permanent employees are also required to attend applicable trainings out of the following 13 Critical Safety Procedure programmes which can be completed through e-learning or classroom-based training platforms.

Safety Induction	Lockout and Tag Out Procedure	Excavation Safety (Shoring and Sloping) Procedure	Confined Space Entry Procedure
Working at Height Procedure	Scaffold Safety Procedure	Work Permit Procedure	Office Safety
Heavy Equipment Movement Procedure	Mobile Crane Safety Procedure	Job Safety Analysis Procedure	Electrical Safety Procedure

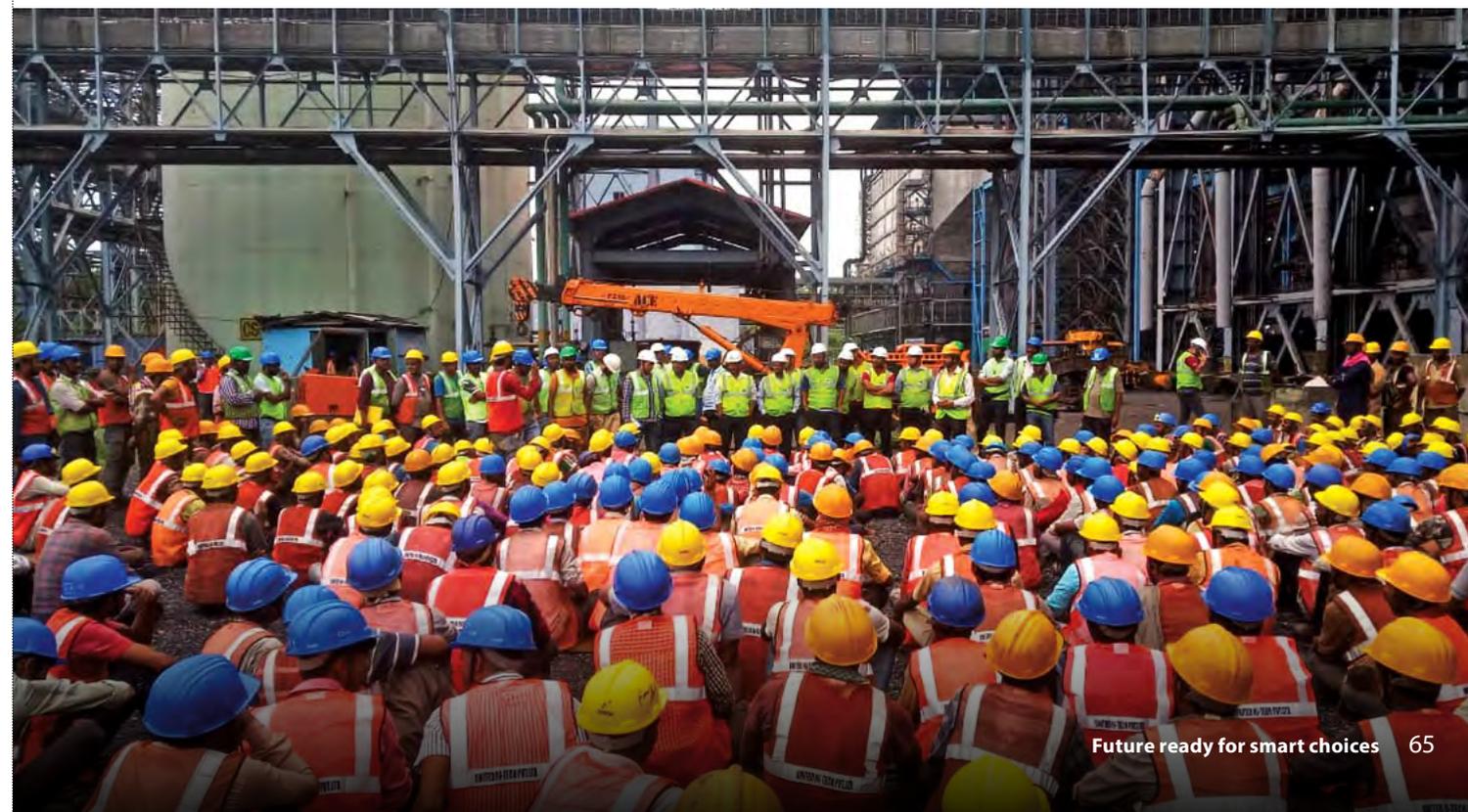
For enhanced engagement with safety-linked themes, we set safety-related targets for each of the operational sites and entrust the responsibility of achieving them with the top management of the site. This infuses accountability in our safety management system and encourages managers to make dedicated efforts to drive the safety agenda.

#### Permanent Employees

<b>Safety Induction Training</b>	9,744 man-hours
<b>Safety Capability Training</b>	82,532 man-hours

#### Casual/ Temporary/ Contractual Employees

<b>Safety Induction Training</b>	5,82,644 man-hours
<b>Safety Capability Training</b>	2,35,800 man-hours





## Our approach towards the protection of human rights

At Tata Power, we are committed to uphold the highest standards of human rights aligned to our organisational ethos. We have a dedicated Human Rights Policy, which is aligned to the principles of the International Labour Organisation and United Nations Global Compact.

### We emphasise

- Prohibition of child labour
- Prohibition of forced labour
- Freedom of association and right to collective bargaining
- Protection from discrimination

We have a zero-tolerance policy towards child labour and forced labour. Given our commitment to strictly prohibit child labour and forced labour across the value chain, we have been able to build our business in such a way that none of our operations or suppliers breach this Company policy. It is our responsibility to ensure an inclusive work environment where no employee is discriminated on the basis of age, gender, marital status, personal beliefs, religion and spiritual practices, political affiliation, sexual orientation and HIV/AIDS, among other distinctive individual attributes. We also have zero-tolerance towards harassment of any form and in FY20 we addressed all three cases registered for sexual harassment. Further, as of FY20, 22.2% (workmen cadre) of our employees are covered by collective bargaining agreements.

We sensitise our employees on various facets of human rights protection, ensuring our vision for the protection of human rights is realised each day at our workplace. The pre-induction training and periodic refresher modules also cover the tenets of soft skill ensuring conducive working conditions and protection of human rights. We ensure that all our security personnel and contractors adhere to the Tata Code of Conduct, which covers detailed aspects of human rights. We have had no instance of violation of any of the human rights and have not received any complaints in this regard, which showcases our commitment towards the protection of human rights.

### Celebrating equality and diversity at our workforce

At Tata Power, we celebrate and strive to enhance the diversity of our workforce. The unique blend of a multitude of perspectives and aspirations is key to infusing operational excellence in our service delivery. We are an equal opportunity employer, and we base our decisions – from talent acquisition to performance appraisal — exclusively on merit, competency and potential. Our policies clearly communicate our commitment to promoting diversity and equality in every aspect of work spanning employment terms, training and performance management. Further, our Gender Diversity and Inclusion Policy empowers women by promoting an inclusive and inspiring work environment.



### Our Health and Wellness Policy covers an employee and his or her close family, including support for chronic illness.

We also provide various benefits to promote diversity. This includes provisions to support employees at various stages of life from higher education, marriage, child rearing preferences, illness and old age. We started providing six months of maternity leave even before it was mandated by law. This is a testament to our organisational ethos of being inclusive and supportive to all our employees' needs.

At Tata Power, we are committed to ensuring the all-round well-being of employees. Our Health and Wellness Policy covers an employee's close family and includes support for chronic illness. Our medical fund provides coverage for medical expenses over and above the employee's eligibility under the Medisclaim scheme and is an industry benchmark for employee benefits.

**20% WOMEN**

leaders on our Board

**TPDDL**

has been recognised amongst India's Best Workplaces for Women in FY20

*Employee category	Ratio of basic salary of women to men	Ratio of total remuneration of women to men
Senior Management	1 : 1.02	1 : 1.06
Middle Management	1 : 0.91	1 : 0.92
Junior Management	1 : 1.11	1 : 1.12
Trainees	1 : 1	1 : 1

\*NOTE: Considers remuneration for employees of Tata Power, TPREL, CGPL, TPSSL, TPRMG, PTL, WREL, MPL, IEL, TPTCL, TPADL, TERPL, TPCDT, FENR only

*Employee category	Ratio of basic salary of women to men	Ratio of total remuneration of women to men
Senior Management	1 : 34.90	1 : 38.03
Middle Management	1 : 15.20	1 : 15.26
Junior Management	1 : 5.92	1 : 5.91
Trainees	1 : 4.0	1 : 4.0

\*NOTE: Considers remuneration for employees of SED

*Employee category	Ratio of basic salary of women to men	Ratio of total remuneration of women to men
Senior Management	1 : 21	1 : 21
Middle Management	1 : 11	1 : 13
Junior Management	1 : 06	1 : 05
Trainees	N/A	N/A

\*NOTE: Considers remuneration for employees of NELCO

*Employee category	Ratio of basic salary of women to men	Ratio of total remuneration of women to men
Senior Management	1 : 1.02	1 : 0.94
Middle Management	1 : 1.10	1 : 1.16
Junior Management	1 : 1.16	1 : 1.18
Trainees	1 : 1	1 : 1

\*NOTE: Considers remuneration for employees of TPDDL

Employee Category	FY20 Attrition					Total
	Female	Male	<30	30-50	>50	
Senior Management	2	11	0	7	6	13
Middle Management	2	45	0	38	9	47
Junior Management	83	220	194	106	3	303
Workmen	0	5	3	2	0	5
FDA	1	16	10	6	1	17
<b>Total</b>	<b>88</b>	<b>297</b>	<b>207</b>	<b>159</b>	<b>19</b>	<b>385</b>

\*NOTE: Includes attrition numbers of Tata Power, TPREL, CGPL, TPSSL, TPRMG, PTL, WREL, MPL, IEL, TPTCL, TPADL, TERPL, TPCDT, FENR, NELCO, TPDDL, SED



### Safety First: Our Approach to Achieving Safety Excellence

At Tata Power, we believe good health and safety of our people is one of our biggest assets. We strive to safeguard the health and safety of all our stakeholders, including employees, contractors, suppliers and partners who help us realise our organisational goal of excellence in service delivery. We adopt a proactive and pre-emptive approach to occupational health and safety within the organisation.

We have mandated use of Personal Protective Equipment (PPE) for all types of operations and maintenance jobs for Generation, Transmission and Distribution utilities. We embrace a beyond-the-curve approach to ensure that we are not just aligned to global best practices but also innovate and ideate to set new benchmarks through our safety-centric culture. We strive to achieve a track record of zero injuries and fatalities. Moreover, we ensure that each employee actively imbibes those safety-linked practices.

We have designed a programmatic approach with three key focus areas: organisation and culture, systems and processes, and equipment and facilities. This approach anchors our operational philosophy of "No Harm/No Injuries". We have aligned all our operations to international safety standards and procedures and have a safety management system that identifies hazards, monitors safety incidents and devises corrective strategies. We have also established a Business Continuity and Disaster Management Plan (BCDMP) to make our sites resilient to natural and manmade disasters. Further,

we have a Consequence Management Policy that sets out the general approach to managing safety deviations and establishes processes for corrective counselling.

Our standard operating procedures and systems are continuously reviewed to enhance their robustness and ensure all our contract workers and suppliers are in compliance with our operational principles of safety. We have designated safety officers, first aid personnel and emergency response teams for each operational site to effectively tackle any adversity. Further aligned to the Indian Factories Act, each operational site has a Central Safety Committee with representation from the major departments. These departments further have divisional sub-committees with representation from the workers.

## ORGANISATION AND CULTURE

"Be Proactive, Be Safe"

## SYSTEMS AND PROCESSES

Tata Power is the first TATA group company to implement the SAP-EHSM platform for Incident reporting

## EQUIPMENT AND FACILITIES

Adequate supply of Personal Protective Equipments and robust operations and maintenance practices



To be a leader in Safety Excellence in the global power and energy business

### Monitoring Our Safety Performance

Close monitoring of our safety performance has helped our safety procedures evolve over the years. Through effective monitoring, we have been able to identify hazard hotspots and avenues for improvement. To monitor safety-linked performance, we maintain records of safety-linked training and incident dashboards. These records are reviewed periodically at the cluster level and by the corporate Employee Health and Safety (EHS) team. All reported incidents are thoroughly investigated using root cause analysis. For high potential, high severity incidents and near-misses, a cross-functional team is formed to investigate causes and identify suitable corrective and preventive actions to avoid recurrence.

#### Key safety-linked metrics (permanent employees)

Description	Male Employees	Female Employees
Injuries	2	0
Occupational disease cases	0	0
Lost days	68	0
Man-Hours worked	16,261,937	1,774,997
Fatalities	0	0

#### Key safety-linked metrics (permanent employees)

Description	Unit	Total
Injury rate	per 100 workforce	0.11
Occupational disease rate	per 100 workforce	0.00
Lost day rate	per 100 workforce	3.77

#### Key safety-linked metrics (contract employees)

Description	Male Employees	Female Employees
Injuries	6	0
Occupational disease cases	0	0
Lost days	385	0
Man-Hours worked	48,138,020	3,450,566
Fatalities	0	0

#### Key safety-linked metrics (contract employees)

Description	Unit	Total
Injury rate	per 100 workforce	0.12
Occupational disease rate	per 100 workforce	0.00
Lost day rate	per 100 workforce	7.46

We have adopted a SAP-EHSM platform to enable effective incident reporting and investigation. This platform also provides details of audits and inspections. We have developed various innovative means to make it easier for employees to grasp the concepts of a proactive safety approach and participate in the Company's safety-linked endeavours. In addition, we have digitalised and consolidated our safety management system into a centralised safety communication system and dashboard that showcases KPIs. We have an online Fire Preparedness Index (FPI) that enables communication, monitoring, reviewing and decision-making around fire safety.

Our Suraksha mobile app is one such intervention that enables employees to conveniently report unsafe conditions.

# Strengthening our communities to build sustainable societies

In line with the Tata group ethos, we, at Tata Power, believe in improving the quality of life of our communities and being a neighbour of choice by implementing strategic CSR initiatives.

**Mr. Praveer Sinha, CEO and MD**

At Tata Power, we recognise our responsibility towards people and the planet, and thus strive to create long-term social and economic value. This commitment is aligned with the nature of our business and strategy to drive sustainable growth for our customers, suppliers and local communities.

## PERFORMANCE HIGHLIGHTS

**90%**  
CSAT score, Mumbai Distribution, for FY20

**98%**  
CSAT score, Mumbai Transmission, for FY20

**27.10 LAKH**  
Beneficiaries covered at Tata Power group level, as against annual target of 22.90 lakh

## EXCELLENCE IN TRAINING & DEVELOPMENT

TPSDI honoured at the 6<sup>th</sup> Global Training & Development Leadership Awards

**348**  
Villages covered under CSR outreach

**220**  
Urban clusters, in 16 states, covered under CSR outreach

**₹ 39.97 CRORE**  
Spent on CSR initiatives in FY20 on a consolidated basis

Strategic Objectives	Material Topics Addressed	Key Risks Considered	Stakeholder Recommendations Addressed	SDGs Focused
<p><b>SBO 4</b> Focus on sustainability with an intent to attain carbon neutrality</p> <p><b>SBO 5</b> Building a customer-centric organisation</p> <p><b>SBO 6</b> Leveraging digital technology to enhance business delivery</p>	<ul style="list-style-type: none"> <li>Customer relationship</li> <li>Demand side management</li> </ul>	<ul style="list-style-type: none"> <li>Cyber security and Data Privacy</li> <li>Climate Change</li> </ul>	<ul style="list-style-type: none"> <li>Quality and reliability of power supply</li> <li>Improved notifications of disruptions, failures or maintenance ensuring customer satisfaction</li> <li>Formal supplier assessment to verify ESG performance</li> <li>Increased awareness for partnering in "Green" initiatives</li> <li>Ethical business practices</li> <li>Community involvement</li> <li>Transparency in business practices</li> <li>Enhancement of infrastructure for training community members</li> <li>Safety and security of facilities as well as electricity supply</li> </ul>	

## IMPACT ON OTHER CAPITALS

Our performance in Social and Relationship Capital has a significant influence across all other capitals.

### Natural Capital Impact

- Reduction in emissions due to successful demand side management initiatives
- Voluntary initiatives leading to improved biodiversity and reduction in waste

### Intellectual Capital Impact

- Focus areas for technology development and service improvement
- Cutting-edge energy efficient technologies and "Be Green" initiatives



### Human Capital Impact

- Enhanced employee experience through increased participation in voluntary initiatives

### Financial Capital Impact

- Increased customer loyalty leading to enhanced business opportunities and revenues
- Goodwill among communities around areas of operations increasing viability of project, leading to better financing terms

### Manufactured Capital Impact

- Better customer insights to guide improvements in business efficiency and service offerings
- Social licence to build, own and operate new projects leveraging on goodwill built among communities and the Tata brand image



# Tata Power's customer relationship

Relationships with our customers play a crucial role in our value-creation journey. The focus of our operations revolves around our statement, "To earn the affection of customers by delivering superior value and superior experience, thereby making them our ambassadors".

We also have a 3D approach to incorporate our 'Customer Promise', which is communicated through our Corporate Customer Service Policy. This resonates with our commitment to continuously exceed customer expectations and be the most admired organisation in the power sector.

[EXTERNAL LINK | More about Corporate Customer Service Policy](#)

## Our 3D approach to inculcate 'customer promise'

### Develop



Insights into customer needs

### Deliver



Quality products and services

### Delight



Customers with great experience

## Developing insights into customer needs

We conduct Customer Satisfaction Surveys to systematically measure the satisfaction and dissatisfaction levels of our customers. These surveys are conducted through a third-party market research agency annually across all customer segments, i.e., commercial, industrial and residential. Feedback is captured in detail, collated, analysed and shared with respective Business Heads for implementation to enhance customer satisfaction.

Furthermore, this process also enables us to capture customer satisfaction levels on our value-added services like energy conservation measures, energy audits, safety audits, and demand responses. We arrive at our CSAT score by calculating the percentage of customers rating us 2 or higher (on a 5-point scale).

## Caring for our customers

Caring for our customers is engrained in our DNA and forms a bedrock of all our business endeavor. It starts with addressing our customers' data privacy concerns. We have a privacy policy (<https://www.tatapower.com/>) in place to address concerns about data storage and outline the measures taken to safeguard our customer information. Customers can also submit their complaints or concerns regarding data privacy through our various grievance redressal channels, which are regularly monitored. During the reporting period, we did not receive any complaints regarding customer privacy breach, or leak, theft or loss of customer data.

## Improving CSAT scores across clusters

Our satisfaction score has improved significantly from last year due to targeted initiatives taken by the organisation

### Mumbai Distribution



### Mumbai Transmission



### TPREL



### TPDDL



### Average



We also conduct mandatory annual health check ups. In addition, we ensure health and safety communication for 100% of our products and services through safety signage in and around our substations in customer premises and public places as a continuous procedure.

All our product and service categories are assessed for health and safety impacts across the lifecycle of electricity supply from generation to distribution. Safety signages are displayed at prominent locations, including the sub-stations. We also provide appropriate information to market and label our products and services with relevant regulations, laws and codes. For FY20, there have been no incidents of non-compliance with regulations or voluntary codes concerning product information and labelling as well as marketing communication.

## Valuing Health and Safety of Our Customers

With Safety being one of our core 'SCALE' values, we extend our value-added services to our key customers to improve their health and well-being as well as create awareness on safety at the workplace. We conducted a safety training for 13 technicians of CRISIL to improve safety skills and practices.

We organised a medical camp at the Vitrum Glass Factory, where 105 employees availed medical check-ups and consultation. The camp was customised to include Lung Function Tests specifically for workmen in the glass factory. A similar camp was organised for 85 personnel of Supreme Housing & Hospitality, in association with L. H. Hiranandani Hospital and Titan Eye Plus in Powai. The camps also included additional tests in consultation with doctors for specific ailments.





“ We earn the affection of customers by delivering superior value and superior experience, thereby making them our ambassadors.



### Deliver quality products and services

In order to enhance value creation with our customers, we are transitioning from a B2B or a B2G towards a B2C enterprise. With unique differentiation as well as value-added services, B2C businesses will enable direct interaction with our customers.

and offer customers a combination of power supply sources to minimise costs (e.g., providing solar rooftop EPC solutions to customers who draw power from the distribution grid), among others. We have also created a WhatsApp group with other utilities to swiftly communicate faults and outages.

### Working with customers to improve product and service delivery

We customise our product and service delivery according to customer needs (e.g., built an aesthetic substation aligned with the design and architecture of the Mumbai International Airport)

During our interactions with customers, the key issues raised were voltage fluctuations for HV customers, higher tariff and reliability, as well as power quality. Accordingly, technical solutions based on a study conducted by IIT, Mumbai were implemented to reduce voltage fluctuations. We also implemented measures to reduce cost, which was reflected in the reduced tariff in the Multi-Year Tariff (MYT) proposal.

### Our initiatives to improve product and service delivery

Issues/Concerns	Initiatives
<b>Network reliability</b>	<ul style="list-style-type: none"> <li>Implemented auto reclosing of high voltage transmission lines with protection modification</li> <li>Commissioned two 220 kV lines for interconnecting with Adani Electricity Mumbai Limited, in order to improve reliability of power supply to customers fed from Versova and Malad Receiving Stations</li> </ul>
<b>Availability of lines</b>	<ul style="list-style-type: none"> <li>Implemented hot line working and carried out hot line washing</li> <li>A remote operation of line isolators carried out from SCADA to reduce outage time</li> <li>Commissioning of new 220 kV Gas Insulated Switchgear at Versova Receiving Station and 125 MVA Transformer at Mahalaxmi Receiving Station to meet load growth</li> </ul>
<b>Tripping of transmission lines due to bird hits</b>	<ul style="list-style-type: none"> <li>3,000 bird-repelling contraptions installed on transmission towers</li> <li>Ensured line patrolling, thermal vision scanning and sensitisation of people regarding hazards due to high voltage transmission lines</li> </ul>
<b>Failures and tripping of lines; quality of power</b>	<ul style="list-style-type: none"> <li>Replaced old insulators</li> <li>Implemented systems to reduce fault level and impact of voltage fluctuations at six Receiving Stations</li> <li>Old 220 kV Gas Insulated Switchgear at Carnac and Borivali have been replaced with new Gas Insulated Switchgears</li> </ul>
<b>Voltage fluctuations</b>	<ul style="list-style-type: none"> <li>Capacitor banks were added at four Receiving Stations</li> </ul>
<b>Clearances at metro crossings</b>	<ul style="list-style-type: none"> <li>For Mumbai's Metro 2A project, installed 18 monopoles for 110 kV Borivali- Malad lines</li> </ul>
<b>Electrical safety awareness among communities</b>	<ul style="list-style-type: none"> <li>Tata Power collaborated with SAAD (Social Awareness Advocacy &amp; Development) Foundation as a part of its 'Ghar Ghar Me Jan Jagruti Abhiyan' which involves street plays and interaction with the people in Mumbai, Maharashtra. The initiative aims to sensitise the community about the adoption of safety measures to be taken in the vicinity of transmission lines</li> <li>It also stressed upon the importance of using ISI marked electrical equipment, among others</li> </ul>



## Nurturing relationships through transformation

In our constant endeavour to transform the power sector, we aim to build our service business comprising distribution, rooftop, microgrids and solar pumps. We have launched several value-added services to improve energy efficiency and drive our sustainability objectives.



### EV Charging

We have made significant impact in developing the EV ecosystem and encouraging EV adoption in India. We are committed to playing a key role in the nation's transition to electric mobility.

In FY20, we partnered with Tata Motors and JLR for developing EV charging infrastructure for their customers and dealers, present in 20 cities across India. In FY20, we launched the Beta version of our software platform and mobile app which enable customers to locate EV charging stations, charge EVs and make bill payments. As on 31st March, 2020 we have installed 170 EV charging points in 20 cities. We expect to expand our network of EV charging points to 700 by 2021.



### ESCO

With the accreditation of Grade 1 ESCO by the Bureau of Energy Efficiency, Government of India, we have been providing energy services for more than 10 years to the Commercial, MSME and Industrial segments. In addition to enabling customers to lower their energy consumption, we provide an entire range of energy efficiency services – from investment grade energy audit to project management, financial support and operation of energy conservation measures.

This aids our strategy to reduce wastage of energy, ensure cost efficiency for our consumers by leveraging analytics, Internet of things (IoT) and installing energy-efficient systems such as Waste Heat Recovery. The ESCO vertical also helps to substantially reduce carbon footprint.

### Home Automation

Even with arrangements in place for adequate power, balancing the increasing gap between base load and peak load is very challenging for Discoms. The availability of power is uncertain due to the lack of fuel resources or congestion of the transmission network. This also results in tariff increase for customers to offset higher power purchase cost. To address this problem, we offer an IoT-based Demand Side Management (DSM) solution to both Discoms and customers for efficient management of electricity demand.

Our home automation business encourages customers to implement efficient and cost-effective solutions to minimise electricity consumption. We plan to launch the business in Delhi and Mumbai, starting with IoT devices for remote control and monitoring of home appliances like lights, fans, ACs, geysers, etc., through our mobile app, 'EZ Home'.



### Rooftop Solar and Other Customised Solutions

TPSSL, our solar manufacturing unit, expanded its Rooftop Solar portfolio to 421 MW as on 31st March 2020. We have undertaken awareness campaigns and influencer programmes, and have strengthened our digital presence to expand our outreach and Channel Partner Network.

We have also offered other customised solutions to utilise space to generate solar energy. One case in point is our panels on the facades of Dell building in Bengaluru.

Our '100 city Rooftop Awareness Campaign' initiated in FY19 aimed to cover 101 cities across Tier I, Tier II and Tier III with a focus on the residential segment. By FY20, we have covered around 94 cities. This campaign creates awareness among customers about the benefits of solar rooftop solutions, leading to greater savings and earning opportunities for customers from idle rooftop spaces. Financing for residential and MSME customers, launch of off-grid products, I-Taps and Floating Solar plants are some of the services we provide. These services also aim to address myriad challenges such as ease of availability, connecting remote areas and unreliable grid connectivity, addressing customer complaints, and generating cost-effective energy. Digitisation and customer satisfaction are at the core of our activities in this business.

Our influencer programme has identified 500+ influencers pan-India for reaching out to a larger population base. We also initiated engagement with State Association of Electrical Contractors to get more relevant people in the programme in order to spread the message on Green Energy effectively.



### Microgrids

In India, as on date, around 300 microgrids provide reliable services to rural consumers at affordable costs. At present, the cost of electricity from microgrids is lower than that from DG sets or other alternative sources. With economies of scale, the cost could further reduce, resulting in significant financial benefits for MSME and commercial customers. Rural micro-enterprises like agricultural services, rice husk mills, oil expellers can benefit substantially through reliable and economical supply in this route. Our short-term objective is to strengthen the microgrid and distribution network infrastructure to provide reliable, quality and affordable supply to rural customers. This would augment accessibility for millions.

The long-term objective is to create an entire ecosystem to eliminate energy poverty and drive economic development of the community. This is also in sync with the Government of India's continued thrust on providing electricity to rural areas, unlocking the potential of renewable microgrids to serve households and businesses that suffer from inadequate reliability and coverage through traditional grid-based power.



### Demand side management

Tata Power is a torchbearer in propagating energy conservation and efficiency, which results in substantial benefits for customers. To optimise utilisation of services provided, we proactively engage in Demand Side Management (DSM) initiatives. Together with the utility and customers, along with energy service companies or trade allies, we explore options to increase efficiency of energy utilisation and provide support for implementing appropriate solutions.

#### Our DSM initiatives

- DSM appliances programme (ceiling fans/ split ACs/ refrigerators/ LED tube lights)
- DSM energy audit programme
- Net metering facility for customers with installed Rooftop Solar PV in their premises (within the regulatory framework)
- Safety awareness programmes

### Benefits across domains

Customers	Utility	Social
Reduces energy expenditure	Reduces cost of service	Conserves resources
Improves productivity	Improves operational efficiency	Reduces environmental degradation
Meets electricity demand	Improves customer service	Maximises customer welfare
Improves value of service	Improves value of service	Mitigates climate change impact
Encourages safe behaviour	Reduces capital needs	

Under the 'Be Green' initiative, we offer Mumbai customers an opportunity to purchase energy-efficient appliances at a discount along with extended warranty and doorstep delivery. More than 8,700 such appliances were provided to consumers in FY20 with the Maharashtra Electricity Regulatory Commission (MERC)-approved rebate of ₹ 85 lakh. This led to cumulative energy savings of more than 6,000 MWh.

Additionally, 93 customer-owned rooftop solar plants, with 5.4 MWp capacity, were integrated with the grid. For bulk consumers, energy audits are carried out by the Bureau of Energy Efficiency (BEE) accredited auditors to provide actionable recommendations for energy savings. For FY20, energy saving recommendations of more than 3,900 MWh were provided with MERC-approved rebate of ₹ 12 lakh.

## ₹ 12 LAKH

MERC-approved rebate as a result of giving energy saving recommendations of more than 3,900 MWh in FY20





## Delight customers with a great experience

### Customer engagement and feedback

At Tata Power, we have numerous touchpoints for customers to raise their queries and concerns as well as a structured process of tracking complaints and ensuring resolution within pre-defined timelines. A mechanism of obtaining feedback post-transaction and upon complaint closure has also been established.

Our systematic complaint management process ensures that corrective action is taken on priority basis and the complaint is resolved within 24 hours.

We also have an Internal Grievance Redressal Cell, which can be approached if the customer finds the resolution unsatisfactory through the regular channels. All complaints are captured in the SAP-CRM system and are routed to appropriate departments for resolution. The stages of the complaint are also monitored with automated system generated reminders and escalation mechanisms. As of 31st March 2020, there were no customer complaints or consumer cases pending beyond the turnaround time.



### Our Customer Engagement Platforms

- **Customer Relation Centre (CRC) (24/7 support):** List available on [https://cp.tatapower.com/sap/bc/ui5\\_ui5/sap/ztatapowerserv/index.html#/Writetocustomer/CP](https://cp.tatapower.com/sap/bc/ui5_ui5/sap/ztatapowerserv/index.html#/Writetocustomer/CP)
- **Email:** [customer@tatapower.com](mailto:customer@tatapower.com)
- **Customer Web Portal:** [https://cp.tatapower.com/sap/bc/ui5\\_ui5/sap/ztatapowerserv/index.html](https://cp.tatapower.com/sap/bc/ui5_ui5/sap/ztatapowerserv/index.html)
- **Customer Support Chatbot:** <https://cp.tatapower.com/>
- **Call Centre:** 1800-209-5161 / 19123 (Short Code for Mumbai Consumers)
- **Mobile App:** Android: <https://apps.apple.com/in/app/tata-power-mumbai-app/id1479983897>  
<https://play.google.com/store/apps/details?id=com.tatapower.cp.fiori>
- **SMS:** Send NS<12 digit Consumer No> to 9223170707; Few more Commercial in nature services available.
- **WhatsApp:** 7045116237
- **Twitter:** <https://twitter.com/TataPower>
- **Facebook:** <https://www.facebook.com/tatapower/>
- **Communication by letter:** Dharavi Receiving Station, Near Shalimar Industrial Estate, Matunga, Mumbai 400 019
- **Microsoft Kaizala:** <https://aka.ms/tatapower>

### Customer-centric technology development

Innovation and digitalisation are vital to sustainable growth in the power sector as well as to address our customers' key issues and challenges. Technology also provides us a competitive edge by integrating customer centricity in our business activities. From this perspective, we have developed and implemented various initiatives.

Revamped Customer Portal	Power Rewards
VoiceBOT TINA	E-Payment
All Women Customer Relations Centre	E-NACH
WhatsApp Service	Know Your Energy Consumption (KYE)
Mobile Application	QR Code
E-Wallets	

## Strategic partnerships with our suppliers

Our Responsible Supply Chain Management (RSCM) Policy (<https://www.tatapower.com/corporate/policies.aspx>) is an important indicator of our commitment to sustainable and responsible growth. It is another indicator of our commitment to uphold key ESG parameters while striving for sustainable and responsible growth. Our suppliers and contractors, both domestic and international, are required to comply with the RSCM policy, covering Environment, Health & Safety, Human Rights, and Ethics & Compliance parameters. We ensure that they adhere to our policies on emission, environmental regulations, provisioning a safe and healthy work environment, and prohibiting child labour, among others.

The Tata Code of Conduct also covers our relationships with our stakeholders, including our suppliers. It acts as a guiding principle ensuring fair and transparent selection of suppliers and the criteria that govern their selection. Supply chain management at Tata Power is also governed by a procurement policy which caters to multiple business requirements.

These processes are implemented by distinctive structuring of verticals for Fuel Sourcing, Material & Services Procurement, Material Management and Inventory Management. We follow a stringent selection process of business associates based on credentials and past services and/or material quality. For FY20, there were no significant changes to the organisation's size, structure, ownership or supply chain.

### Our supplier screening/assessment process

We, at Tata Power, recognise that our customers, employees and partners have a subsequent impact on the environment and community. Our ESG evaluation ensures that our suppliers endorse the need for adherence to environmental, social and governance policies that are also consistent with the values of Tata Power. In order to implement this, we make sure that our vendors/contractors/suppliers are on the same platform and undertake sustainable practices in their business activities.

Vendors are assessed based on specific ESG parameters with a preferred above average score greater than 50 eligible for onboarding. For FY20, 100% of our new suppliers, with a purchase order (PO) value above ₹ 5 crore were screened through these ESG criteria. These vendors represent 83% of the total value of POs issued in FY20. None of the suppliers were found to have significant actual and/or potential negative social impacts.

### Sustainable and local sourcing

Tata Power practises responsible sourcing with respect to environment, safety, human rights and ethics, apart from economic considerations. Strict conformation to labour principles and related laws are mandatory requirements for all our suppliers to qualify. Work method and standards, along with performance of supply and services, form a critical part of our technical evaluation. In addition, safety evaluation and qualification are an integral part for the award and online vendor registration process.

We also take initiatives to enhance skill and capacity development of the local workforce and community that are present in our supply chain. For example, the contract workforce is trained at TPSDI on multiple industrial vocations and safety aspects to enhance their skill and efficiency in work practices. We thus contribute to the capability building of our contractors and their workforce, so that they are adequately trained to safely perform the job along with a higher level of productivity and quality standards.

As part of our Affirmative Action (AA), we ensure inclusion of vendors from SC/ST communities in business opportunities, which is driven by the Corporate Contracts department with a single point of contact at the corporate level as well as division/site level. The AA process for vendor enlistment and ordering was primarily deployed to encourage and evolve entrepreneurship skill among the communities and enable them to be part of the ecosystem.

# 22,858

TPSDI trainees in FY20, with 2,113 unemployed youth, of which 38.6% were from SC/ST communities; 91% of the eligible youth were provided employment opportunities



## Strengthening our communities to build sustainable societies

At Tata Power, we have always undertaken initiatives with an aim to improve the quality of life and ensure holistic development of our surrounding communities. Our initiatives focus on diverse, community-based projects and interventions in our effort to build a better and sustainable society through the Tata Power Community Development Trust (TPCDT). Our primary goal is to transform the lives of the community through a result-oriented participatory approach. The Company's programmes and impact assessments are guided by our core CSR strategic objectives of:

Alignment and action on UNSDG (1, 2, 3, 4, 6, 8)

Encouraging employees to commit 15 hours of volunteering per year

Excellence in programme management leading to sustainable interventions

Learning and benchmarking for driving positive outcomes

Fostering sustainable partnership with civil societies, corporates, governments and academia

Focus on Affirmative Action to cover at least 30% of overall beneficiaries' coverage

### Contributing towards building a sustainable society

Thrust areas	CSR Mission 2025	Programmes
Financial Inclusivity	<ul style="list-style-type: none"> <li>100% coverage of marginalised and deprived communities to access government entitlements and schemes</li> </ul>	ADHIKAAR
Education	<ul style="list-style-type: none"> <li>100% enrolment and zero dropout up to secondary level</li> <li>At least 80% academic performance</li> </ul>	VIDYA
Health and Sanitation	<ul style="list-style-type: none"> <li>100% villages open defecation free with access to basic sanitation</li> <li>100% immunisation and institutional delivery</li> </ul>	MAMTA SAMMAAN
Water	<ul style="list-style-type: none"> <li>100% access to safe drinking water and irrigation (tanker free villages)</li> <li>Increase in ground water level to ensure water availability</li> </ul>	AMRUTDHARA
Livelihood and Skill-Building	<ul style="list-style-type: none"> <li>At least 80% youth gainfully engaged/ placed to address migration</li> <li>Achieve 5x daily per capita income (\$10 against SDG target of \$2)</li> </ul>	DHAAGA ABHA ROSHNI DAKSH



### OUR CSR VISION

To make Tata Power the neighbour of choice of communities and earning the right to co-exist and co-create by working jointly for social well-being and improvement in quality of life.

At Tata Power Group level, ₹ 39.97 crore was spent in FY20 against annual CSR obligation of ₹ 33.30 crore.



### Tata Power's CSR programmes and impact assessments

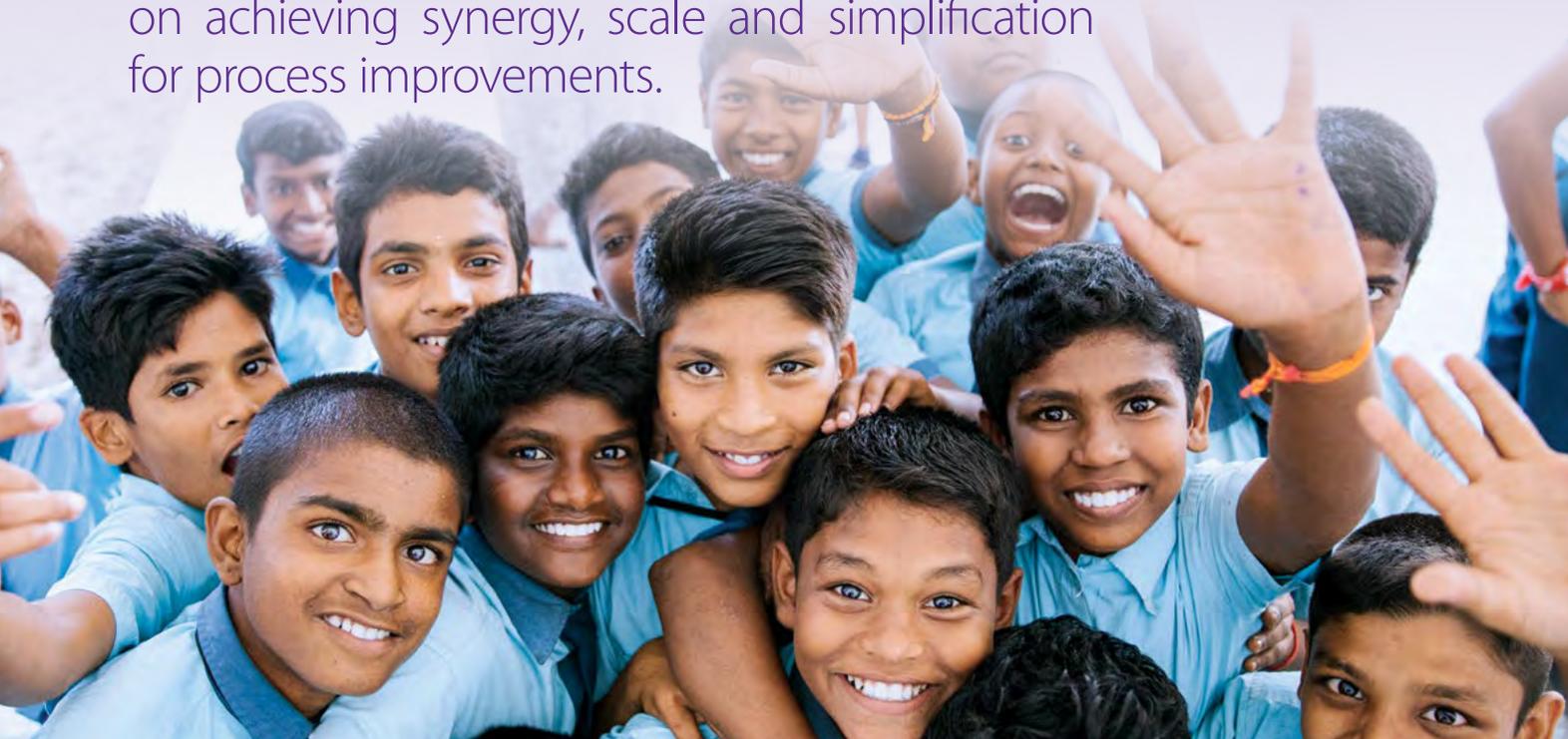
Our Corporate Social Responsibility policy guides our CSR activities. Feedback on our CSR programmes are incorporated through independent monitoring and evaluation frameworks that have been adopted to ensure refinement of our initiatives. The overall impact of our CSR initiatives is measured through the Community Engagement Index (CEI) tool, which is used to determine engagement levels of various stakeholders across the stages of CSR intervention. The CEI survey conducted in FY19 showed 84% achievement against the score of 82% in the previous year. Additionally, we have also conducted an Independent Social Return on Investment study for three flagship initiatives, and year-on-year trend analysis indicated an increase in return by ₹ 5.04 on every rupee spent (70% improvement on y-o-y basis). The methodology used was based on the global framework of Social Value – The SROI Network, UK.

Our CSR initiatives are categorised into five thrust areas through which we also aim to improve the quality of life at the household level. These programmes reach out to 27.10 lakh beneficiaries across 348 villages and 220 urban clusters spanning 15 states. We focus on achieving synergy, scale and simplification for process improvements.

" We at Tata Power ensure that all our community development projects work with the concept of 'Leadership with Care' at our heart, which translates as 'Care for Community'.



Our CSR initiatives are categorised into five thrust areas through which we also aim to improve the quality of life at the household level. We focus on achieving synergy, scale and simplification for process improvements.



### Financial inclusivity: ADHIKAAR

Financial inclusion forms an essential aspect of our vision to augment inclusive growth. The initiatives under this thrust area are aligned with various government schemes for benefits towards communities below poverty line (BPL).

The Adhikaar programme is an interlinked socio-economic and scheme-based initiative that aims to inform, enable and empower marginalised communities. The programme also involves self-help groups (SHGs).

#### BENEFITS

**3.12 LAKH**

Beneficiaries in FY20



### Education: VIDYA

For FY20, our first objective was to encourage enrolment and increase our reach to rural and urban schools in locations and communities near our operations.

Our second objective aimed to control and, improve the quality of academics in rural and urban schools, primarily in slum areas and locations of our operations. To ensure qualitative implementation of our initiatives, our projects are partnered with various NGOs that work on interventions in this area. Our employees also participate in numerous projects and interventions.



Under this thrust area, our initiatives include:

- Digital learning
- Teachers' training
- Academic coaching and counselling up to primary level
- Stakeholder sensitisation

The Vidya initiative focuses on remedial coaching for school children as well as digital education and training of teachers. This has also strengthened the transformation of school management committees.

#### BENEFITS

**60%**

Improvement in academic performance

**APP-BASED**

Learning

**2.68 LAKH**

Beneficiaries in Education in FY20

#### Case Study of Tata Power's Education Impact



Amit saw something interesting happening in 8th grade. One of Tata Power's volunteers was teaching electrical circuits. He listened to the entire session, and during class break, requested the resource person to explain it to him again.

After a month, he came up with a speed boat that runs on a motor and uses a plastic bottle head as its propeller.



## Health and Sanitation: MAMTA & SAMMAAN

We, at Tata Power, aim to improve the level of immunisation, increase health awareness as well as improve access to government health services. Our initiatives are carried forward through partnerships with NGOs and government health machineries for communicating behavioural change, community mobilisation and spreading awareness on mother and child healthcare.

Under this thrust area, our initiatives include:

- MAMTA – Maternal and child health
- SAMMAAN – Health and sanitation



Tata Power was recognised for promoting maternal and child health initiatives as part of the World Breastfeeding Week (August 2019) by the World Agency on Breastfeeding Alliance (WABA). We also observed the National Nutrition Week across locations at Anganwadi centres for promoting local food models.

### BENEFITS

**12,000+**

Sanitation units (household toilets) built through government partnership; behaviour change communication sessions held for usage

**5.41 LAKH**

Beneficiaries under Behavior Change Communication (BCC) maternal and child health and integrated health care



### Community Led Total Sanitation (CLTS)

CLTS is a behavioural change programme that follows an integrated approach to enabling and sustaining an open defecation free (ODF) status in villages. It focuses on behavioural change and community mobilisation, rather than on hardware/monetary support/subsidy approach. It brings about a change in the community thought process to analyse their sanitation and waste situation to influence collective decision-making and stop open defecation. Awareness is increased through sensitisation and strong messages on the negative outcomes and ill impacts of open defecation and unhygienic living conditions. This is communicated through art, street plays, storytelling as well as capacity building for masons.



## Water: AMRUTDHARA

Tata Power aims to improve service delivery through integrated development of water conservation. Our initiatives include innovation in irrigation practices across the farming sector as well as sustainable drinking water management systems. Water initiatives are often carried out through partnerships with various government schemes, thereby increasing our reach.



Our CSR programme has adopted a dual approach to address water availability for drinking and household purposes. It also aims to undertake demand and supply-side management for agriculture through Participatory Ground Water Management (PGWM) and efficient use of water through innovative conservation techniques.

The PGWM system deals with water management and supply with programmes to harvest rainwater and maintain water level, which is scaled across eight locations in seven states. We utilised funds worth ₹ 2.5 crore from NABARD and Win Watsan Foundation to demonstrate PGWM at the Kankavati Sandstone Aquifer of coastal Kutch in collaboration with ACT, Coastal Gujarat Power Limited (CGPL), and Geo Science Services (GSS).

### BENEFITS

**32.59 LAKH**

Cubic metres increase in ground water through recharging techniques

**11.85 LAKH**

Beneficiaries covered under PGWM and drinking water initiatives

### INCREASED

Community and youth knowledge of geo-hydrological knowhow

### STRATEGIC

Use of water by farmers with a strong scientific basis and ecologically sensitive methods

### PGWM

Won Bronze medal in Asian Customer Engagement Forum (ACEF) CSR excellence Award in 2019

### Case study of transformation



Water initiatives at Ahmednagar resulted in sustainable impact and ground water availability enhancement in collaboration with NABARD funding of ₹ 1.25 crore for four years.

The impact and benefit spanned four villages of Agadgaon, Devgaon, Ranjni, and Mehekari. Water availability was ensured throughout the year to make tanker free villages and 250 hectares of land was covered as catchment area.



## Livelihood and skill-building

Our objectives under this programme include microenterprise-based capacity building initiatives, income generation training for women, and income generation for self-help groups (SHGs). Another important aspect is imparting and facilitating vocational skills and training to youth as well as building social development and leadership skills among women on various governance aspects. We have taken a collaborative approach with our partners to help augment income generation.

### BENEFITS

# 1.63 LAKH

Beneficiaries as part of our outreach in FY20



Under this thrust area, our initiatives include:

- SAMRIDDHI – livelihood (farm and non-farm) for farmers/fishermen
- ABHA – Skill building for women
- DAKSH – Skill building for youth
- ROSHNI – SHG formation and strengthening
- DHAAGA – Garment and handicraft making
- POWER OF SPORTS – Sports

### Initiative in focus: DHAAGA

Dhaaga is a women-based micro-enterprise initiative of Tata Power. This initiative has led to the promotion of local talent and conservation of traditional art form. It also facilitates skilling for garment and handicraft making to augment household income. The Rabari women artisan and tribal Santhal women of Gujarat and Jharkhand, respectively, are engaged in this initiative. We also launched Dhaaga retail outlets in November 2019 in Delhi and Pune and formed market linkages with Okhai Indian Hotels, Tata Motors, Amar Kutir Society, Kalaraksha, and other corporate offices. We have augmented the outreach digitally via Amazon Saheli and the Dhaaga Instagram page.



### IMPACT CREATED

## ₹ 60 LAKH

Order value generated by Dhaaga in FY20

## 50+

Exhibitions across Delhi, Mumbai, Bengaluru, Pune, Thane and Kolkata

## ₹ 20.92 LAKH

Revenue generated in FY20

### DHAAGA

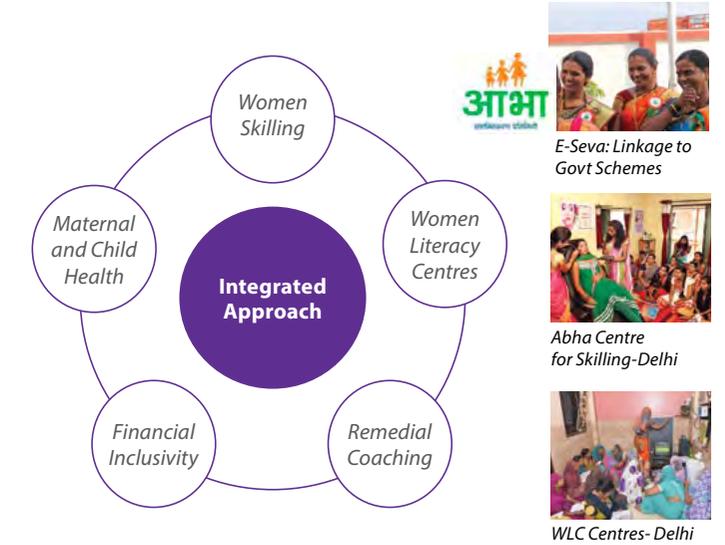
Won gold medal in Asian Customer Engagement Forum (ACEF) CSR excellence award in 2019

### Initiative in focus: ABHA

Abha is an initiative to encourage skill development and empowerment for girls through the 'earn while you learn' approach in JJ clusters of Delhi. The initiative covers 2,246 beneficiaries in collaboration with the UNDP and Urban Clap across Maharashtra and Delhi.

Under Abha, we have established:

- 300 Women Literacy Centres (WLC) covering 25,000+ women
- 24 vocational centres (Roshni) for women empowerment in Delhi, Maharashtra and Jharkhand.
- A Maha E-Seva centre for inclusivity (government scheme linkages)
- Maternal child health sessions by ASHA workers
- Paper bag making, beautician courses and tailoring sessions for income augmentation



### Initiative in focus: DAKSH

The initiative aims to augment skill building among the unskilled youth who represent a substantial number of dropouts. Various vocational courses such as beauticians, industrial trading and nursing, among others, are imparted. Daksh covers 11 locations primarily focusing on girl trainees. Post-training placement is at 80% with an average salary of ₹ 8,000 - ₹ 10,000 a month.

## 80%

Placed post training with an average monthly salary of ₹ 8,000-10,000

### Initiative in focus: SAMRIDDHI

The initiative creates opportunities for communities, particularly farmers, to build assets, adopt new livelihoods and seek new opportunities for themselves and their families. These opportunities are provided through agricultural practices and employability for farmers and fishermen.

Delight Mushroom and X-Compost address farm-based livelihoods. The objective of Delight Mushroom is to increase mushroom cultivation. The objective of X-Compost is to empower farmers and SHGs by scaling up vermicompost practices for better agri yield.

With focus on skill building to meet job market needs, promoting sustainable agriculture and fishery practices, and channelling energy through sports, the initiative has had significant beneficial impact on the livelihood of youth, farmers and fishermen.

## ₹ 8,000

Average rise in monthly income of farmers/fishermen



## Livelihood and skill-building

### Initiative in focus: Tata Power Skill Development Institute (TPSDI)

TPSDI helps develop employable skills, especially in the power and allied sectors. It also aims to address the skill gap faced by the Indian power sector. The institute provides modular training and certifications. TPSDI operates five training centres and has trained 40,000+ youth on various trades with safety and soft skills as an integral part of the modules.

In alignment with the programme's vision, we launched TPSDI Skills on Wheels to make skill training accessible to people and provide Recognition for Prior Learning (RPL), Motor Rewinding, and Solar Skills, among others.



### A paradigm shift in power sector skilling: ABHA at TPSDI

A special initiative of TPSDI is to enhance employability of women. Currently, training is provided on 10 trades such as domestic wiring, power systems, solar skills, among others. More than 75% women trainees opt for higher education. More than 300 women were trained under this initiative, enabling them to generate a monthly income of ₹ 8,000 on average.



### TCS – Tata Power Youth Employability Programme

This is a collaborative effort between TCS and Tata Power. The programme aims to increase employability of unemployed youth in organised sectors. The training covers soft skills, business communication and etiquette. On completion, the trainees undergo a written test, and those qualifying go through three rounds of interview with the HR department of TCS, Kolkata. Further, they are then directly placed in the BPS/KPO services of TCS. The programme was started in Naraj Marthapur and is now available in Maithon and Kalinganagar.

### ISO 29990:2010

Certification awarded to TPSDI by the Bureau Veritas, a certification body accredited by the National Accreditation Board

### HONOURED

At the 6<sup>th</sup> Global Training and Development Leadership Awards for 'Excellence in Training & Development'

### ISO 9001:2015

Certification awarded to TPSDI by the Bureau Veritas, a certification body accredited by the National Accreditation Board

"In a free enterprise, the community is not just another stakeholder in business, but is in fact the very purpose of its existence.

Jamsetji Tata, Chairman, Tata Sons (1868 – 1904)

### Initiative in focus: Maval Dairy

To support women empowerment, we established an all women dairy-based enterprise with about 1,500 members from 26 villages of Maval. The Dairy 10000 LPD Plant was successfully commissioned in December 2019. It is Maharashtra's first and India's second all women dairy farm. We are now scaling the membership base to 3,000 across 41 villages. The dairy provides 1 lakh litres of bulk supply with a turnover of around ₹ 1 crore.



### Initiative in focus: Creating employability through microgrids

The programme primarily targets micro-entrepreneurs to sustain demand for microgrids. Teaming up with the Rockefeller Foundation, we set up Tata Power Renewable Microgrid Limited (TPRMG) to enable access to reliable and renewable electricity for 25 million Indians. On an average, two micro-entrepreneurs with two associates each will be supported by our proposed microgrid of 30 kW. With 10,000 microgrids, 5,000 micro-entrepreneurs will be created, who will, in turn, employ 10,000 associates. To achieve this, adult literacy centres, self-help group centres and vocational training centres are being explored to enable gainful employment.



### TPRMG's three-pronged approach to develop capacity

#### On-ground demand creation team

- Deploy a demand creation team on ground to work in collaboration with TPRMG team
- Work towards mutually agreed targets
- Monitor performance and suggest course correction

#### Create long-term demand partner ecosystem

- On-board MED partners for different demand activities
- Develop capacity of partners to work independently with the TPRMG team

#### Sourcing and training the TPRMG workforce

- Create training modules and different delivery mechanisms (online, classroom, on-site)
- Engage with NGOs/ foundations for sourcing trained manpower
- Training delivery to TPRMG employees for demand creation and operation and maintenance



### Our CSR performance

FY20 coverage of 27.10 lakh beneficiaries against annual target of 22.90 lakh in FY20

#### Education



#### Financial Inclusivity



#### Health and Sanitation



#### Livelihood & Skill Building



#### AA and Others



#### Water



#### Grand Total



■ Annual Target FY20  
 ■ Achievement FY20

### Responding to the COVID-19 crisis

Awareness building on prevention measures	Face mask making and distribution through Dhaaga women members
Enabling mobility of basic items to villages (water and fodder)	Government scheme linked essential items distribution for migrants and vulnerable communities

The following actions were taken to ensure active awareness of our people and help communities during the COVID-19 pandemic:

1. Awareness generation on social distancing and distribution of hygiene kits to villagers and migrant workers across 13 states
2. Uninterrupted water supply through water ATM run by community
3. Facilitation of 53 Hunger Relief Support Centres to ensure provision of essential items and food packets
4. Two mobile dispensary vans deployed to create awareness among slum clusters
5. Uninterrupted supply of drinking water for transient fishermen and other migrants
6. Coordination with local authorities for converting academic institutes into quarantine and isolation centres
7. Supply and spray of disinfectant in peripheral villages of Jharkhand
8. Distribution of grocery items (flour, salt, sugar, tea, spices, lentils and potatoes) for daily wage workers

**65,600**

People supported with foodgrain (one food packet ensures five meals)

**1,00,000+**

Face masks supplied by Dhaaga members

**5,000**

Migrant workers surveyed for essential services benefit

**3,600**

Cattle supported with 43,000 kgs of uninterrupted fodder supply

**3,00,000**

People linked with PDS to get 50 kgs of foodgrain

**30,000 KG**

Vegetables supplied by SHG members to local 'mandis'



## Affirmative Action Policy

As part of our Affirmative Action (AA) policy, we work with the marginalised and disadvantaged communities. It covers tribal villages, vulnerable children who need care as well as communities in need of protection and improvement in the quality of life. Tata Power works towards upholding rights and entitlements through various initiatives for the socio-economic development of communities. The initiatives under this policy are in addition to the five thrust areas of the CSR programme and focus on the five prime areas of Education, Employability, Employment, Entrepreneurship and Essential Amenities.

Stakeholder Engagement for Leveraging Resources	Promoting Tribal Education
Organic Farming for Better Yield	Mushroom Cultivation for Livelihood

Reaching beyond its neighbourhood, Tata Power implemented an integrated community empowerment programme in Kadachimate village of Jawhar Block (Palghar district). Being primarily a Tribal dominated area with poor development indicators, we undertook the following initiatives:

- Designed and executed specific long term and short term interventions to address the needs of 130 families to augment the income of these marginalised communities
- Aimed to improve socio-economic indicators and quality of life of people through community participation and building community institutes for self-sustainable growth. This involved promoting formation of village development committees, empowering women through formation of Self-Help Groups and organising youth groups.
- Promoted sports development to channelise youth energy and enhance engagement
- Conducted employability training for youth through local Industrial Training Institutes and Tata Power Skill Development Institute
- Successfully executed a Public Private Partnership model (Government, Tata Power and Community) for construction of farm ponds

**2.41 LAKH**

Beneficiaries coverage under AA initiatives

**24.55%**

Coverage of beneficiaries achieved in FY20 against target of 18.05%

- Received five awards at the Tata Group level for promoting volunteering across locations as well as for highest per employee volunteering hours
- 86 tonnes of plastic waste were collected by 9800+ volunteers in the SHS campaign
- Launched Tree Mittra drive at Dharavi with our customers as well as senior leadership; planted around 10.3 lakh saplings across locations
- Adhikaar Champions enrolled 500+ beneficiaries in Health, Right to Food (RTF) campaign, Senior Citizens and Income Certificate schemes

**1.7 LAKH**

Volunteering hours in FY20

## Volunteerism at the heart of our community welfare

At Tata Power, we encourage volunteers in our CSR initiatives. We launched an employee volunteering portal, ARPAN, which resulted in a 250% increase in volunteering hours. ARPAN was launched with the objective of providing our employees an avenue to actively participate and contribute to social causes across all locations.

### FY20 volunteering highlights

- Clocked 1.7 lakh volunteering hours
- Received National Volunteering Award from iVolunteer in Best Corporate for Promoting Employee Participation in Volunteering category



## Beyond our thrust areas: Club Enerji

The Tata Power Club Enerji, launched 12 years ago, is a sustainability initiative that aims to create awareness among school students on energy and resource conservation.

The programme is based on the four-stage model of Educate (sensitise school children about energy conservation practices), Engage (empower energy champions to spread awareness among peers and the community), Enhance (enthuse schools to participate and contribute to Club Enerji initiatives), and Empower (create self-sustaining mini clubs to lead the movement).

The initiative also reached out to digital audiences through its website, social media and online module themed 'Save water'. In FY20, we initiated four new campaigns – 'I have the Power', 'LiveSimply', '#SwitchOff2SwitchOn' and 'I Can' – to further the success of Club Enerji among the youth. These campaigns were also promoted on popular social media platforms to reach to a larger section of the targeted audience.

**533**

Schools covered under Club Enerji

**26.4 MN**

Citizens sensitised

**31.8 MN**

Units saved, with a total of 3.64 lakh Energy Champions as well as 4.1 lakh Energy Ambassadors

### Club Enerji in Limelight

- Won the highest accolade in the field of innovation – the Edison award
- Won gold and silver for the best environmental behaviour change campaign with the new Club Enerji anthem winning award for the best social media campaign
- Won an award in the 'Cause Branding' category at Global CSR Excellence & Leadership Awards 2019
- Awarded for its website under the 'digital newsletter category' at the PRCI (Public Relations Council of India) Excellence awards
- Club Enerji along with Tata Power's customer initiative 'Be Green' won an award for 'Overall Content' at CMS (Content Marketing Summit) Asia Awards 2019, South Asia Edition



## Our accomplishments and recognitions

Excellence is at the core of Tata Power's operations, which has been regularly recognised by the market and industry globally. Tata Power and its subsidiaries have excelled in a range of domains like Health & Safety, Employee Well-being, Gender Diversity, CSR, Quality, Energy Conservation, Risk Management, Procurement, and Skill Training.

1. Tata Power won multiple awards at the ACEF Asian Leaders Forum and Awards ceremony held on 28th September 2019. The awards were won for CSR, Branding and Marketing activities and took home three gold, two silver and one bronze category awards for several of our campaigns such as #ThisIsTATAPower, Tata Power Club Enerji, #SwitchOff2SwitchOn and more
2. Civil & Estate Division of Tata Power won gold at the International Convention for Quality Concepts 2019, Tokyo, Japan
3. TPDDL has been recognised amongst India's Top 75 Workplaces for Women 2019
4. Tata Power's Chief Sustainability Officer, Shalini Singh, named Asia's Top Sustainability Superwoman for 2019
5. Tata Power was awarded at the 10<sup>th</sup> CII ENCON Awards for energy conservation
6. Tata Power was awarded for 'Procurement Excellence' at SAP ARIBA Customer Success Day, Mumbai
7. Tata Power was honoured with The CSR Journal Excellence Award for Education & Skill Training
8. Tata Power's Mumbai Distribution team won the theme of "Digitisation" Practices in the sector of " Services" at the 7<sup>th</sup> CII National Excellence Practice Competition 2019
9. Tata Power won the platinum award for Occupational Health & Safety from the Indian Chamber of Commerce
10. Directorate of Vocational Education & Training, Government of Maharashtra felicitated Tata Power for its efforts in vocational education and training
11. Tata Power recognised for addressing challenges of open defecation by Government of Netherlands
12. TPSDI was honoured at the 6<sup>th</sup> Global Training & Development Leadership Awards for 'Excellence in Training & Development'
13. Tata Power won two awards at the Global CSR Excellence & Leadership Awards 2019
14. Tata Power was ranked among the top 10 companies in 2019's Indian Corporate Governance Scorecard, which is developed jointly by BSE Limited, the International Finance Corporation and Institutional Investor Advisory Services India Limited (IIAS), with the financial support of the Government of Japan
15. Tata Power won two awards - the 'Best Risk Management Framework & Systems - Power' and 'Business Continuity' – the 5th Edition of The India Risk Management Awards 2019
16. Tata Power won two awards at the 58th Annual Association of Business Communicators of India Awards
17. Tata Power won twin honours at the Central Board of Irrigation and Power (CBIP) Awards, 2019
18. Tata Power won the prestigious Global Edison Awards under "Social Innovation (Social Energy Solutions)" category for its 'Club Enerji - #SwitchOff2SwitchOn' campaign
19. Tata Power was ranked as One of India's Most Respected Companies by Business World
20. Coastal Gujarat Private Limited awarded Environment Excellence Award by the Indian Chamber of Commerce



21. TPSSL won the Gold Award for "Rooftop Solar EPC Company of the year" at the India Rooftop Solar Congress 2020
22. "Best asset management team - EPC "Utility Award" given to Tata Power Solar at the RE Asset Management Awards 2020
23. TPSSL was adjudged No. 1 Rooftop EPC Company six times in a row by BTI, a leading cleantech consulting and knowledge services provider
24. Tata Power was recognised as the Best Corporate in Promoting Employee Volunteering at National Volunteer Conclave, organised by iVolunteer, a national platform for promoting volunteering. It also bagged five awards at Tata Group Volunteering Recognition platform



# Leading the New Energy World

Sustainability being our core philosophy, Tata Power leads the way in generation of non-emitting sources of energy that provide low-cost electricity and help reduce carbon emissions. With a 30% clean energy portfolio, aiming to be 50-60% by 2025, Tata Power comprises the entire gamut of alternate sources to power the world.

Mr. Praveer Sinha, CEO and MD

Tata Power strongly believes in resource conservation, energy efficiency, habitat protection and enrichment and development of local communities in and around its areas of operations. We are working to set standards in the development and implementation of cutting-edge eco-friendly technologies and processes for reducing our carbon footprint.

This effort is augmented by collaboration with policymakers and regulators to standardise technology, strengthen the renewable energy portfolio, accelerate the development of cost-effective energy-efficient programmes while managing consumer demand for electricity. We understand that we must function in partnership with our stakeholders to make significant progress on our strategic objectives and grow sustainably. Our track record of over a century of innovation and leadership in the energy industry gives us confidence to find ways that address sustainability issues in a manner that will deliver benefits to our customers, shareholders and society.

## PERFORMANCE HIGHLIGHTS

100%

Fly ash utilisation in all thermal plants as per applicable guidelines

10.3 LAKH

Saplings planted in FY20

0.681 tCO<sub>2</sub>e/MWh

Carbon intensity achieved in FY20

Strategic Objectives	Material Topics Addressed	Key Risks Considered	Stakeholder Recommendations Addressed	SDGs Focused
<b>SBO 4</b> Focus on sustainability with an intent to attain carbon neutrality	<ul style="list-style-type: none"> <li>Carbon emission management</li> <li>Waste management</li> <li>Resource availability</li> <li>Biodiversity</li> </ul>	<ul style="list-style-type: none"> <li>Climate change linked "transitional risks" due to enforcement of mitigation measures, e.g., emission caps</li> <li>Resource scarcity, e.g., fuel, water</li> </ul>	<ul style="list-style-type: none"> <li>Increased disclosure on Environment, Social and Governance (ESG) performance</li> <li>Increased disclosure on environment aspects</li> <li>Reduce depletion and pollution of natural resources from business activities</li> <li>Climate change awareness and alignment to NDC</li> </ul>	

## IMPACT ON OTHER CAPITALS

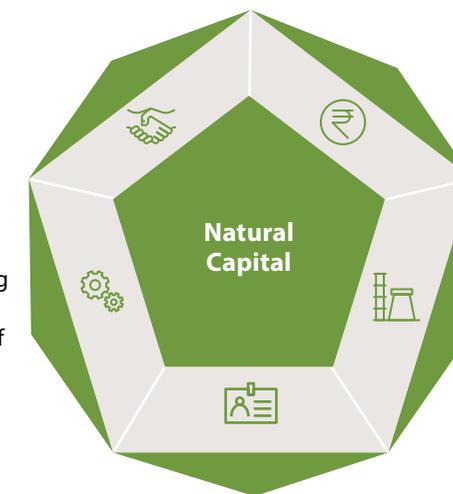
Our performance in Natural Capital has a significant influence across all other capitals.

### Social & Relationship Capital Impact

- Improved health and well-being due to reduced pollution
- Improved water security
- Reduction of carbon footprint leading to cleaner environment
- Mitigating impacts of climate change
- Rural electrification through microgrids, delivering unique customer experience by leveraging technology as well as social engagement leading to creation of entire ecosystem

### Intellectual Capital Impact

- Opportunities to improve operational efficiency of thermal plants to reduce emissions and stress on resources
- Innovation to maximise efficiency of wind and solar plants
- Innovative low cost yet reliable product such as Smart energy meter, multi-fuel biomass energy generator etc.



### Human Capital Impact

- Opportunities to volunteer for initiatives to improve the environment and bio-diversity, enabling a sense of togetherness in the organisation

### Financial Capital Impact

- Difficulty in financing thermal assets with capital moving to renewables
- Distribution companies avoiding long-term PPAs for thermal assets

### Manufactured Capital Impact

- Installation of pollution control and energy efficient equipment
- Gradually phasing out our thermal assets
- Opportunity for expanding portfolio in renewables-linked services, renewables and new energy efficient businesses



Since the start of the Industrial Revolution, our planet's natural equilibrium has been progressively disturbed which, among other factors has accelerated the global warming process, restricted natural habitats and put a strain on available resources. This will impact our future generations in ways that will be hard to mitigate if we do not act and continue business as usual. As a responsible member of the society, Tata Power is committed to play a leadership role in combating adverse climate change while achieving sustainable growth. We are aligning our interventions with the United Nations Sustainable Development Goals (SDGs) and India's Nationally Determined Contributions to translate the world's needs and ambitions into sustainable business solutions. These solutions will enable us to better manage our risks, anticipate consumer demand, build positions in growth markets, secure access to needed resources, and strengthen our supply chains, while moving towards a sustainable and inclusive development path.

Embodying this spirit, we have introduced the SDG dashboard for monitoring business-related parameters on four prioritised

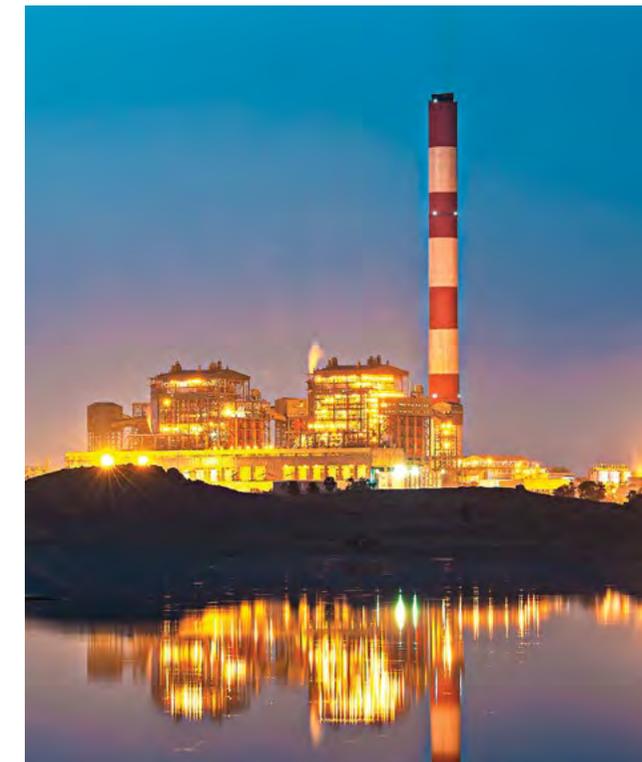
SDGs. This covers environmental, operational, innovation or technology-linked, and growth-related parameters for our operating divisions and supporting functions. The dashboard includes key performance indicators from the erstwhile Green Manufacturing Index (GMI). Tata Power has a dedicated Environmental Policy, along with policies on energy conservation, sustainability, e-waste management etc. These policies encourage the Company to conserve resources, reduce environmental impact, seek to enhance awareness among employees and make business decisions. We are fully compliant with prescribed permissible limits as per the Central Pollution Control Board (CPCB) and respective state pollution control boards (SPCBs) for air emissions, effluent discharge, and solid and hazardous waste generation and disposal. In addition to the statutory parameters, the beyond compliance parameters, like CO<sub>2</sub> intensity, efficiency of the operating plant, water conservation and waste recycling are also monitored.



## Our efforts at reducing emissions

### Emission management

The impact of pollution from burning fossil fuels are being keenly felt across the globe. To mitigate the impact, Tata Power is in the process of transitioning to less-polluting sources of energy with minimal adverse impact on climate change and biodiversity. We are steadily building up our green portfolio. The acquisition of Welspun Energy (1,010 MW) in 2016 was a step in this direction. We are also developing an exit plan to phase out our existing thermal power plants and have pledged not to pursue greenfield or brownfield projects in that sector. An increased share of renewables in the total energy portfolio, coupled with increased energy efficiency, is projected to consistently reduce our total CO<sub>2</sub> emission intensity in the near future.



### SUMMARY OF GHG EMISSIONS (SCOPE 1, SCOPE 2 AND SCOPE 3)

Description	Unit
Scope I (tCO <sub>2</sub> e)	34,952,981
Scope II (tCO <sub>2</sub> e)	22,051
Scope III (tCO <sub>2</sub> e)*	1,226
<b>Total</b>	<b>34,976,258</b>

\*The source of emission factors used for the calculation of Scope III emissions is IPCC tool version 2.6.

Along with GHG emissions, release of air pollutants is a major source of concern for our stakeholders. While the former has long-term impacts on our climate, the latter has immediate health impacts for our community, leading to acute and chronic respiratory ailments as well as other serious health disorders. We aim to control air pollution at source by utilising efficient generation technology, efficient controllers and tall stacks for wider dispersal.

#### Measures undertaken to control air pollution:

- Improved efficiency of boilers by implementing sub-critical technology at Trombay, Jojobera and Maithon units, while CGPL became the first plant in India to implement super-critical technology
- Use of bag filters to minimise dust at coal junction towers and bunker galleries
- Use of low-ash coal and electrostatic precipitators to reduce PM10 and PM2.5 emissions
- Adopted seawater-based Flue Gas Desulphurisation (FGD) at Trombay unit for SO<sub>2</sub> control, predating government stipulation

#### FOUR MAJOR THERMAL POWER PLANTS — JOJOBERA, TROMBAY, CGPL AND MAITHON

Description	Unit
Particulate Matter (PM)	4,254 MT
Oxides of Nitrogen (NOx)	76,105 MT
Oxides of Sulphur (SOx)	111,553 MT



## Energy consumption

In the present scenario of deteriorating climate conditions, energy conservation is an effective tool towards the mitigation of CO<sub>2</sub> emissions. We, at Tata Power, believe that energy conservation is the most economical solution to energy shortages faced by India. Tata Power strives to be efficient in its operations by utilising auxiliary energy conservatively and installing energy efficient devices.

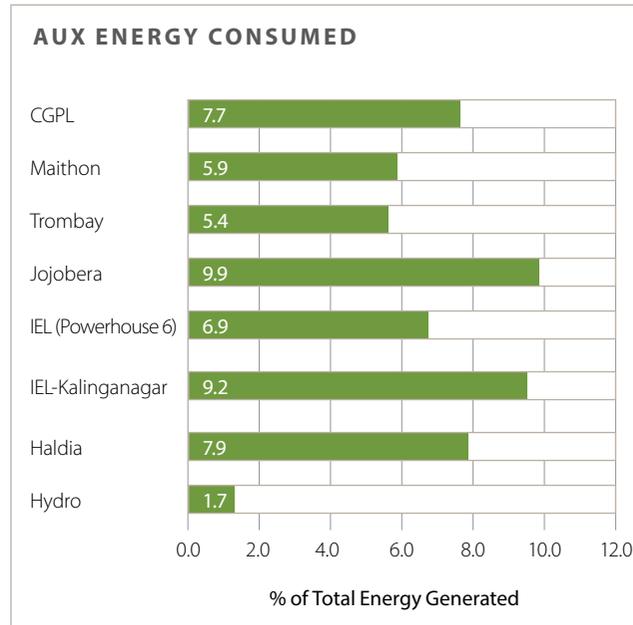
### Our energy-saving initiatives in generation

- Switchover to Variable Frequency Drive from constant speed drive in large pumps across various power plants operated by us
- Standardising AC temperatures to 24°C
- Replacing electric water heaters with solar water heaters at canteens
- Solar-based LED lighting in selected areas, including streets
- EVs for movement within plant premises

Currently, Trombay leads the way in least auxiliary (aux) energy consumption among thermal power plants.

### Initiatives implemented in Trombay to optimise auxiliary consumption:

- Arresting air infiltration and replacing RAPH seals and baskets at Unit 8
- Refurbishing cartridge of BFP 8C main pump
- Reducing pressure set point for air compressors at Unit 5 and Unit 8 and optimising usage of non-essential air



# 3,350,469 MWh

Total auxiliary energy consumed in FY20



## Improving operational efficiency

To further achieve operational excellence, several initiatives have been planned or already commissioned to enhance the efficiency of our power plants.

### MAITHON POWER LIMITED (THERMAL)

Based on System Integration study and minimum parameters required for reliable full load operation of the plant, Condensate Extraction Pump (CEP) de-staging assembly has been incorporated at Maithon Power Limited, with a view to achieve the best possible auxiliary power reduction, without affecting the reliability of the plant operation. Auxiliary power saving by CEP de-staging with 90% station availability was about 1.58 MUs for FY20.

### JOJOBERA (THERMAL)

During winter, under favourable weather conditions and low Plant Load Factor, we established an interconnection at the Circulating Water (CW) system. This enabled us to stop one CW pump, which saved auxiliary power without affecting the required vacuum for the unit. In FY20, 0.60 MUs of auxiliary power was saved through this approach.

### KALINGANAGAR (THERMAL)

Energy performance of HT drives was improved by undertaking CW interconnection, optimisation of boiler feed pump during partial load, optimisation of cooling tower fans during winter and night, reduction in feed water header pressure, etc.

### KODIHALLI (SOLAR PV)

A Robot has been deployed to clean solar panels, which helped bring down operating expenses, and increase generation efficiency of the solar plant.

### COASTAL GUJARAT POWER LIMITED (THERMAL)

#### VFD for Condensate Extraction Pump (CEP)

Variable Frequency Drive (VFD) for CEP was installed to achieve reduction in Auxiliary Power by decreasing the frequency of the pump below design considerations and keeping deaerator control in open condition. In FY20, 11.74 MUs of auxiliary power was saved through this initiative, reducing CGPL's total auxiliary consumption by 0.04%.

#### Reduction of clean up cycle time

The clean-up process at start-up was reviewed and benchmarked with other utilities. Major recommendations were implemented in the area of clean-up process, as well as operational and chemistry aspect of start-ups. These measures reduced auxiliary consumption by 0.2 MUs and saved 1,000 m<sup>3</sup> of De-mineralised (DM) water in FY20.

#### Improvement of Hot Re-Heat (HRH) temperature and adjustment of Yaw mechanism

This approach is used to fine tune the Yaw setting, thereby minimising flue gas maldistribution in the upper furnace. This led to an improvement in HRH steam temperature and in the heat rate by 3.5 kcal/kWh in FY20.

### IYYERMALAI (SOLAR PV)

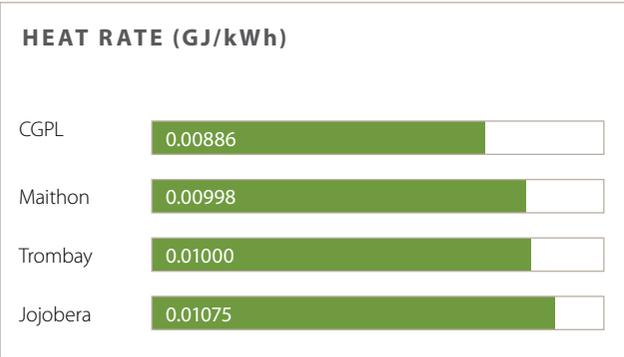
In the monsoon season, isolated modules and strings caused ground faults leading to 0.42 GWh of generation loss, notwithstanding the major steps taken to correct it. In FY20, re-conduiting of cables was done to avoid ground faults and increase generation. Around 0.42 MUs of generation loss was avoided in FY20 by re-conduiting the cables





Heat Rate is calculated for all thermal power plants by comparing the energy consumed by each plant and the corresponding energy generated. The Energy intensity Ratio (Heat Rate) for thermal plants is represented below, with CGPL leading the way, on account of various innovative measures undertaken.

Building on these accomplishments, we have further plans to implement more initiatives to bring down the station heat rate at our various power plants.



#### MAITHON POWER LIMITED (THERMAL)

An Artificial Intelligence (AI) and Machine Learning (ML) model-based project has been implemented for overall Station Heat Rate (SHR) improvement and moving towards autonomous power plant. Digital twins at Unit 1 and 2 will recommend heat rate optimisation for steady state (full load or partial load), which will, in turn, help run the plant automatically at optimum level.

#### COASTAL GUJARAT POWER LIMITED (THERMAL)

Laser-based technology (SPPA-P3000 Combustion Optimisation Technology) has been planned for implementation at one unit of CGPL Mundra. It involves measuring and homogenising the combustion process to avoid local emission and temperature peaks. This gives room for the optimisation of excess air level, which is beneficial for both emissions and efficiency.

### Resource conservation

We take cognisance of the perils of over-consumption of natural resources in the short- and long-run. Currently, majority of the coal for thermal power plants is sourced from coal mines in Indonesia. The ongoing transition to renewable energy is enabling us to reduce our dependence on non-renewable resources, especially imported coal, and drastically reduce the associated impacts from mining of these raw materials. We are focusing on energy efficiency, renewable energy, and shift in fuel mix to more sustainable options in order to drive resource conservation and sustainable business operations.

Power station	Coal consumption (MT)	Light Diesel Oil (kL)	Heavy Furnace Oil (kL)	Natural Gas (MT)
<b>CGPL</b>	11,010,596	624	4,232	N/A
<b>Maithon</b>	3,870,977	678	1,367	N/A
<b>Trombay</b>	2,345,432	124	556	234,505
<b>Jojobera</b>	2,520,655	2,102	N/A	N/A
<b>IEL (Powerhouse 6)</b>	N/A	1,483	N/A	N/A

## Water management

We appreciate the importance of sustainable water management in our operations. Water is a critical natural resource for thermal power plants, which still constitute 72% of Tata Power's domestic electricity generation portfolio. Best management practices are implemented across stations to minimise specific water consumption.

All the plants have implemented various water saving initiatives, resulting in a significant decrease in the specific water consumption.

- Demineralisation (DM) plant - backwash water recovery
- Cell overflow recovery

- Rinse water recovery
- Reduction of service water consumption by continuous replacements of corrugated service water and fire water line
- Utilisation of Sewage Treatment Plant (STP) water for gardening
- Installation of flow meters in service water system to identify consumption pattern
- Installation of isolation control valves before fire water line replacement

**Case study: At CGPL, Specific water consumption has improved from 0.193 m<sup>3</sup>/MWh in FY19 to 0.157 m<sup>3</sup>/MWh in FY20 with the following initiatives:**

#### This has been achieved by:

- Corroded Fire and Service water line (made of mild steel) has been replaced by carbon steel pipelines with corrosion protection coating.
- Fire Line configuration has been changed from underground to above ground for early detection of leakages and ease of maintenance.
- DM water consumption has been optimised through various operational practices.
- Clean up cycle time has been reduced to minimise DM water consumption.



CGPL received the 1st runner up award in the "Best Water Efficient Power Plant over 500 MW" category at Water Optimisation-2019 event organised by Mission Energy Foundation on 3rd May 2019.

**Case study: At IEL Kalinganagar, our customer had formally requested for the reduction of specific water consumption as it was contributing to their overall cost of product. After exploring several possibilities, it was decided to recover seepage water from cable trenches.**



We were able to recover 13,500 m<sup>3</sup> of water, reducing our specific water consumption by 0.033 m<sup>3</sup>/MWh. In FY21, it is estimated that 45,000 m<sup>3</sup> of water will be recovered amounting to significant savings for the customer. We are also exploring options to recover water from GIS cable vault and other neighbouring trenches.



Further, all the major effluents (service water effluents, coal handling plant effluents, ash pond overflow) are treated in Effluent Treatment Plant (ETP) as per statutory norms of the respective state pollution control boards before reusing, recycling or disposing. Along with these initiatives, many plants and select receiving stations have initiated rainwater harvesting to ease the strain on existing water sources. Additionally, all the other effluents, including the boiler blowdown, are treated in the ETP, and the treated water is utilised subsequently for horticulture or green belt development, and for control of fugitive emissions from coal yard.

The cooling tower blowdown is cooled further and used as make-up for the service water system, coal handling plant water system, ash water system, firefighting, etc. The treated water is reused internally for horticulture/plantation/green belt development, as well as used for control of fugitive emissions from coal yards.

All power plants are operating with a “minimum water requirement and minimum effluent generation” system. All thermal power plants have cooling towers, except Trombay and CGPL, which have sea water-based once-through cooling system.

Process water required for thermal and hydro power plants forms the bulk of our water consumption.



### Water source for power plants

- **Trombay Thermal Power Station** – Fresh water (supplied by Brihanmumbai Municipal Corporation) for processes and services, Seawater for cooling processes
- **CGPL** – Desalinated water for processes and cooling purpose. It is the only power plant in India which generates fresh water for itself
- **Haldia** – Hooghly River
- **Kalinganagar** – Kharsua river
- **Maithon** – Maithon dam
- **Jojobera** - Subarnarekha River

### WATER CONSUMPTION BY POWER PLANTS IN FY20



\*includes Municipal water supply

As part of the water sustainability strategy for being future ready, we are taking efforts in all our operations to recycle and reuse wastewater. Currently, Jojobera and Maithon power stations have achieved zero-liquid discharge. Further, all wastewater generated at the captive power plants at Kalinganagar and Haldia are sent to our customer's ETP for recycling and reusing in their processes.

### WATER RECYCLED, REUSED ACROSS OUR THERMAL AND HYDRO POWER STATIONS

Power station	Water withdrawn (m³)	Wastewater recycled/ reused (m³)	Wastewater discharged (m³)
<b>CGPL</b>	4,439,035,230*	52,327	4,248,927,880*
<b>Maithon</b>	15,043,816	686,561	0
<b>Trombay</b>	737,333,846*	52,252	736,604,404*
<b>Jojobera</b>	10,112,521	509,795	0
<b>IEL (Powerhouse 6)</b>	2,243,502	47,701	0
<b>IEL Kalinganagar</b>	3,095,877	0	380,829#
<b>Haldia</b>	2,437,053	0	548,241#
<b>Bhira Hydro</b> <sup>^</sup>	694,586,200	440	694,586,200
<b>Bhivpuri Hydro</b> <sup>^</sup>	267,902,200	33	267,902,200
<b>Khopoli Hydro</b> <sup>^</sup>	266,487,700	692	266,487,700

\*Figures for Trombay and CGPL include sea water withdrawn and discharged for once-through cooling system.

#Wastewater generated at Kalinganagar and Haldia is sent to customer for recycling and reuse.

<sup>^</sup>Hydros use water collected in catchment area for power generation and release it entirely outside the project boundary for downstream consumption. These stations don't consume any surface water in process of generating electricity.

Further, the transition towards RE projects is expected to substantially decrease water requirements, thereby reducing the cost and water footprint of our customers, as well as immensely benefiting the community and the environment.





## Waste management

We manage our generated waste in an environment friendly, socially responsible and techno-commercially viable manner. The single largest form of solid waste generated from Tata Power's thermal power plants is coal ash (from combustion of coal), besides other types of wastes such as municipal or domestic wastes, hazardous wastes, biomedical wastes and e-wastes.

There are no significant solid wastes associated with generation of electricity from oil and gas-fired plants. Hydropower, wind and solar power produce insignificant, if any, amount of solid waste. We ensure that the best waste management practices are implemented to reduce, reuse and recycle the waste generated. In addition to recycling, a strong focus is placed on identifying opportunities to prevent waste or bring new life to materials that might otherwise be discarded.



**Tata Power has implemented several initiatives to responsibly manage the waste**

- Compost produced by waste converter at Maithon plant and township minimises emissions and waste used for gardening and plantation (1,285 kg compost produced in FY20)
- Fly ash generated at Jojobera is reutilised in the manufacturing of bricks
- Fly ash from the main silo of Maithon is directed to cement plants
- Fly ash-based paint developed in-house by using fly ash from Jojobera plant and ingredients of cement paint; 15-20% fly ash is used in overall composition of this paint
- Horticultural waste converted into wood chips to make raw material for particle board/paper making

Thermal power station	Fly-ash utilised* (MT)
CGPL	545,048
Maithon	1,596,653
Trombay	47,775
Jojobera	1,240,671

\* 100% fly-ash utilisation achieved in FY20 as per norm

The majority of our non-hazardous waste comprises fly ash and bottom ash. This is redirected towards construction (RMC as per fly ash notification) and quarry filling (as per SPCB NOC). All the generated waste is channelled to authorised recyclers only. Additional non-hazardous waste at generating stations generally comprises of metal scraps and scrap wood. For distribution and transmission utilities, it primarily includes oil drums, scrap cable and metal pieces, meter boxes and assorted iron mix.

### SUMMARY OF NON-HAZARDOUS WASTE GENERATED

Non-hazardous waste	Waste quantity (MT)
CGPL	805,297
Maithon	1,597,172
Trombay	55,808
Jojobera	1,240,671
IEL (Powerhouse 6)	33
IEL Kalinganagar	12
Haldia	113
Bhira Hydro	85
Bhivpuri Hydro	6
Khopoli Hydro	5
Mumbai Transmission	538
Mumbai Distribution	120
TPDDL	1,604
TPSSL	750

Small quantities of hazardous wastes are generated in Tata Power, which are stored in suitably identified locations. As per the regulations, hazardous wastes (non-recyclable) are required to be sent to the respective State Pollution Control Board (SPCB)-approved common Treatment, Storage and Disposal Facility (TSDF), and is adhered to by all our units.

For distribution and transmission companies, hazardous material typically includes used transformer oil, scrap lead batteries, lead sheathed cable pieces, spent oil etc. For thermal power generating companies, it comprises used oil, waste residue containing oil, spent ion-exchange resins etc, while sets of battery primarily constitute the hazardous waste for Hydros.

**Case study: An Integrated waste management programme has been implemented at CGPL to ensure environment friendly and safe disposal of waste as well as gainful utilisation of resources.**



The programme focuses on three aspects

- **Wood chippings:** With the help of a local vendor, 3,000 MT of waste wood chips were handled, thereby saving 3,000 m<sup>3</sup> of water on account of stoppage of controlled fire.
- **Ash utilisation:** In collaboration with several partners (cement companies, brick manufacturers, ready-mix concrete etc), we were able to gainfully utilise around 5.2 lakh MT of fly ash in FY20, resulting in income of ₹ 9 crore in the financial year; 100% of generated fly ash in FY20 was utilised within the year as per regulatory norms.
- **Common wastes:** With support of our waste management partner NEPRA, we were able to effectively manage 3,800 MT of waste, thereby saving 1,000 MT of CO<sub>2</sub>e in FY20.

### SUMMARY OF HAZARDOUS WASTE GENERATED

Hazardous waste	Solid (MT)	Liquid
CGPL	5.8	15.3 MT
Trombay	7.1	26.6 MT
Jojobera		47.2 MT
IEL Kalinganagar *		350.2 MT
Haldia		2.1 MT
Mumbai Distribution	11.2	25.6 kL
TPDDL		105.4 kL
TPSSL	15.3	4.9 kL

\* 338 MT of the hazardous liquid waste at IEL Kalinganagar comprises of drip pit water which contains small amounts of corrosive chemicals. This water is treated and reused.

We are conscious of the other waste types generated at our power stations, and manage it diligently in accordance with regulations. Bio-medical wastes are segregated and are placed in buckets of different colours as per the notification for Bio-Medical Waste (Management and Handling) Rules and are disposed of through authorised vendors, across all locations. For the reporting period, 1.15 kg of Biomedical waste was generated at Tata Power (at the Jojobera power station). E-wastes are disposed through authorised vendors for reuse or reprocessing in a responsible manner. Similarly, scrap lead batteries are disposed of in accordance with Batteries (Management and Handling) Rules.

Power stations	E-waste (MT)	Batteries (MT)
CGPL	16.4	
Trombay	8.3	
Jojobera	6.7	13.6
IEL Kalinganagar	0.4	
Haldia	0.1	
Bhivpuri Hydro		1.5
Mumbai Transmission	2.7	6.1
TPDDL	21.9	
TPSSL	4.8	

We are pleased to report that there were no incidents of significant spills during the year under review. A spill is considered significant when it results in financial liability from regulatory bodies or any other organisations. Tata Power does not transport any hazardous wastes categorised under the Basel Convention. There were no discharges of untreated water to any water body and no water bodies were affected by discharges and/or run-off.



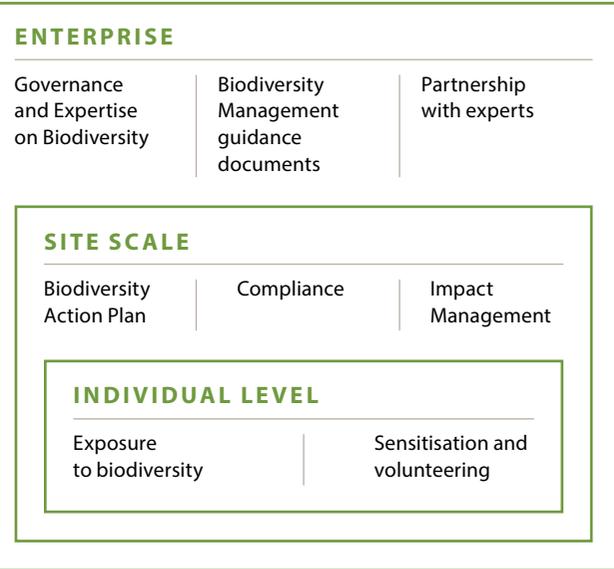
## Biodiversity management

Tata Power's commitment to nature conservation and strengthening biodiversity is well known. A formal governance structure is in place that allows for systematic biodiversity management across the organisation.

### Principles guiding our biodiversity management practices:

- Integrating biodiversity into Company operations
- 'Beyond the Fence' projects – i.e. outside the area of impact
- Creating a culture of care for biodiversity

All Tata Power locations have planned their layout for ensuring compliance with regulatory green belt requirements as stated in the Environmental Clearance for individual locations.



Native/local species are selected for plantation in the identified area. Horticulture expert is engaged for ensuring plantation and its survival. When new transmission line projects are being chosen, route selection is done to minimise disturbance to sensitive areas. Wherever necessary, compensatory afforestation is done. For operational transmission lines, only trimming of trees, to the extent of maintaining safe distance, is carried out. The Area adjacent to the corridor (Right of Way) remains untouched, except for occasional maintenance requirement. This helps in natural conservation and sustenance of the biodiversity and habitat in and around the transmission lines.

Before starting projects involving thermal discharge, we carry out Marine Environmental Impact Assessment studies through reputed organisations like National Institute of Oceanography (NIO). Adverse impacts, if any, are identified and suitable mitigation measures are accordingly built into the project itself. This ensures that there is no major impact on the marine environment.

Trombay and CGPL, both use once-through sea water cooling system. Adequate length of pre-cooling channels for cooling the hot water discharge from condensers are provided at both the plants. This ensures that the thermal discharge temperature is below the regulatory prescribed limits for the same all the time. This ensures there is no adverse impact on marine environment in the surrounding.

## Conservation Initiatives – Preserving Western Ghat Biodiversity Hotspot

Our hydro power operations are located in the northern part of the Western Ghats, which is an important biodiversity hotspot in the world. Rajmachi sanctuary, Thamini sanctuary, and Sudhagad sanctuary are in close proximity to our areas of operations. As the Western Ghats are known for being a biodiversity hotspot, preserving the catchments has become a national priority that we have extended our wholehearted support to. Over the past 40 years, we have planted saplings of fast-growing tree species, native to the Western Ghats, on hill slopes of the lake catchments. The afforestation programme was intensified in 1991 and continues till date. Today, the total area under forest cover is around 1,200 hectares. During the last decade, the focus has been on growing indigenous local tree species found in the Western Ghats. These plants are nurtured at the nurseries of Tata Power in Lonavala. This process is necessary to promote the biological diversity in the eco-forest system and, in turn, restore the habitat for selected fauna.

Due to our diligent efforts, over 100 lakh saplings have been planted across different locations in the hydro catchments in Maval and Mulshi areas. Through this effort, we aim to make the area scenic with a healthy ecosystem, in the hope that this will attract several species of animals, birds and butterflies, thus ensuring that the Western Ghats continue to be known as a biodiversity hotspot across the globe. For better planning and implementation, the aqua diversity of few lakes have been studied, measured and appropriate steps towards conservation have been taken. Habitat and breeding grounds of fishes, birds, reptiles and important grasslands are being protected. Scientific studies on birds, reptiles and wild orchids have also been carried out and documented in the form of books.

### Case study: Tree Mittra



Tree Mittra is a flagship volunteering initiative of Tata Power under the "Be Green" theme, which aims to encourage employees and their families to adopt a plant and nurture it to ensure its survival. The initiative was launched at selected Hydros and rolled out across other locations of Tata Power. So far, we have planted and nurtured around 10.3 lakhs trees across Tata Power under our Tree Mittra initiative, thereby creating a positive impact on the environment.



### Case study: Mahseer conservation

The Mahseer are a species of freshwater fish most of which face the threat of extinction in the wild. They are important cultural and biological icons of the rivers of India, linking livelihoods and biodiversity conservation to each other. The survival of the magnificent Mahseer, one of the 20 mega fishes of the world, is important for the preservation of our eco-system. The health of this fish is linked to the health of India's big rivers, including the Ganges. With the 'Save Ganga Movement' picking up over the last few years, one expects the Mahseer to be able to reap the benefits of this high-profile programme. Clean rivers certainly help the 'Act for Mahseer' initiative, as polluted and toxic waters are one of the main reasons for the depletion of its numbers. Tata Power has taken up the conservancy programme of the Mahseer in right earnest. Efforts are being made to convince the local people about the loss on lucrative tourism market if the programme does not succeed. There is an endeavour to sensitise and encourage the people to 'Act for Mahseer' and work towards a common goal of ensuring the survival of the Mahseer. The Mahseer is known to be tough and has always shown an inclination to travel upstream in fast flowing waters and against the tide – ironically it is also fighting an uphill battle against extinction.



**Holistic conservation and management strategies were devised to sustain and replenish the local population of Mahseer, which encompassed:**

- **Site/area protection** – Habitats outside of 'Protected Area' to be managed along with local communities and NGOs
- **Habitat protection** – Large pools harbouring large-sized individuals, including potential broodstock
- **Control of invasive species** – Introduction of competing species to be stopped
- **Ex-situ conservation** – Captive breeding and reintroduction
- **Fishery management** – Education and awareness among local communities

The mighty Mahseer fish species is recorded in the IUCN Red list species. Although not affected by our operations, for almost six decades we have strived to conserve this legendary fish. In line with its core pillars of sustainability, 'Care for the Environment' and 'Care for the Community', Tata Power has pledged its commitment to conserving the Mahseer. We have done a lot of research on Deccan Mahseer, which originates from Western India, and Golden Mahseer, which is from Northern India. Tata Power's Hatchery is the only hatchery in India which breeds Mahseer on a large scale. The hatchery breeds around 4 to 5 lakh Mahseer fries every year which are then handed over to the respective state fisheries department as part of our conservation programme.



### Hump-backed Mahseer

The first documented record of the Hump-backed Mahseer in the scientific literature dates back to 1849, when British naturalist Thomas Jerdon mentioned collecting in the River Cauvery, a juvenile specimen of a mahseer that grows to enormous sizes. There had been no comprehensive assessment of the distribution, threats or conservation-needs of this iconic species. A study was funded by Tata Power and implemented by the Mahseer Trust, Bournemouth University Global Environmental Solutions (UK) and Kerala University of Fisheries and Ocean Studies (KUFOS), to inform future conservation and policy actions. The earlier research conducted by the project team helped establish the taxonomy of Humpbacked Mahsheer as *Tor remadevii*, which also facilitated its first IUCN Red List assessment, making this the first Mahseer to be declared as Critically Endangered. The major threats to Mahseer identified included illegal fishing, pollution and introduction of exotic species, among others.

We have also been instrumental in rescuing wild animals and releasing them back in the wild. So far, we have rescued pangolins, sambars, wild boars, red spurfowls etc. Certain

endemic and endangered species of trees are also planted in our areas of operations as part of our biodiversity conservation programme.

Tata Power's inception a century ago is a unique saga of the Founder's vision to provide clean energy to the city of Mumbai with minimal impact on the environment. Today, in our quest to deliver clean energy globally, we are focusing on building a robust renewable energy portfolio, scouting for clean sources of power, reducing our carbon footprint and investing in cleaner technologies and global resources. Our pledge to being Carbon Neutral by 2050 is indicative of the fact that, while having ambitious growth plans, we are committed to 'responsible growth'.

Tata Power, in association with Ela Foundation, launched the third book of its biodiversity series – 'Reptiles of the Northern Western Ghats' - a compilation of over 123 endangered species of reptiles in the biodiversity of the Western Ghats.

# Creating shared economic value

Our legacy is built on the vision of the Company's founders, who looked at financial capital as a means of gainfully creating wealth as a custodian of the community's resources and return it back to the stakeholders. This adds a lot of responsibility on the management to ensure capital allocation does not focus on only financial returns but overall stakeholder return.

**Ramesh Subramanyam, CFO**

Tata Power endeavours to invest in businesses capable of generating returns in line with expectations of our stakeholders. We seek to optimise returns from business operations as well as from monetisation of non-core assets and investments. Our growth strategy includes investments in renewables, new emerging businesses, including EV charging, home automation and microgrids in remote areas.

We continue to raise funds in line with the prevailing market conditions at an optimal cost. With a century old legacy, Tata Power has remained committed to driving sustainable value creation based on strong business fundamentals, driven by a diversified and growth-oriented business model with a strong focus on efficient capital allocation. Business model realignment and significant improvement in the renewable portfolio has contributed 14% of the total revenue of the Company in FY20.

## PERFORMANCE HIGHLIGHTS

₹ 28,948 CRORE

Consolidated Operating Revenues

₹ 7,870 CRORE

Consolidated Operating Profit

₹ 1,316 CRORE

Consolidated Net PAT

₹ 2,271 CRORE

Positive Free Cash Flow generation

2.0

Net Debt/Equity in FY20, an improvement from 2.2 in FY19

5.2

Net Debt/EBITDA in FY20, an improvement from 6.2 in FY19

Strategic Objectives	Material Topics Addressed	Key Risks Considered	Stakeholder Recommendations Addressed	SDGs Focused
<b>SBO 1</b> Resolution of CGPL coal cost under-recovery  <b>SBO 2</b> Deleveraging balance sheet	<ul style="list-style-type: none"> <li>• Future ready</li> <li>• Impact on business due to change in Coal tax or coal pricing</li> <li>• Sustainable investing</li> </ul>	<ul style="list-style-type: none"> <li>• Availability of cost-effective capital</li> <li>• High leverage – increased borrowings over last few years primarily due to losses in CGPL</li> <li>• Renewal of licence of KPC mine in Indonesia</li> </ul>	<ul style="list-style-type: none"> <li>• Sale of non-core assets</li> <li>• Exit from international joint venture to deleverage balance sheet</li> <li>• CGPL turned EBITDA positive in FY20</li> </ul>	   

## IMPACT ON OTHER CAPITALS

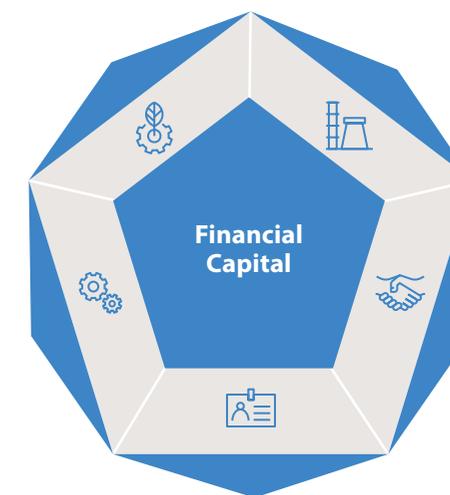
Our performance in Financial Capital has a significant influence across all other capitals.

### Natural Capital Impact

- Deployment of robots to clear solar panels, thereby reducing maintenance capex

### Intellectual Capital Impact

- Installation of grid-scale, battery-based energy storage system in Rohini, New Delhi (capex of ₹ 4 crore by TPDDL)
- Advance metering infrastructure and installation of Smart meters in Radio Frequency (Mesh) network (₹ 95 crore capex by TPDDL)



### Manufactured Capital Impact

- ₹ 692 crore investment in Renewable Energy Capex in FY20

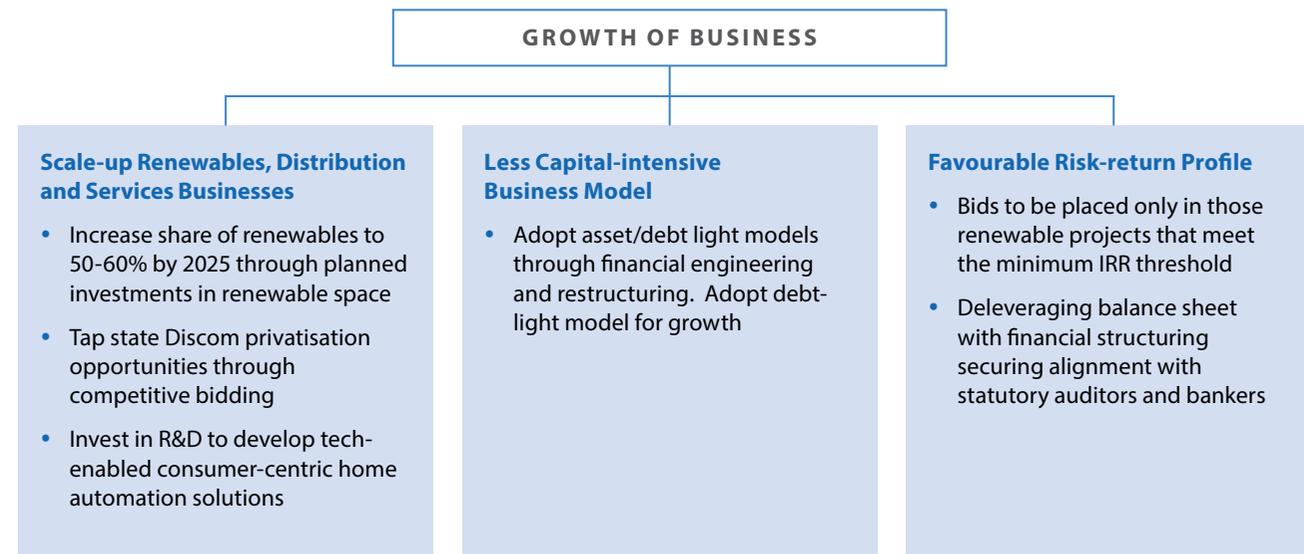
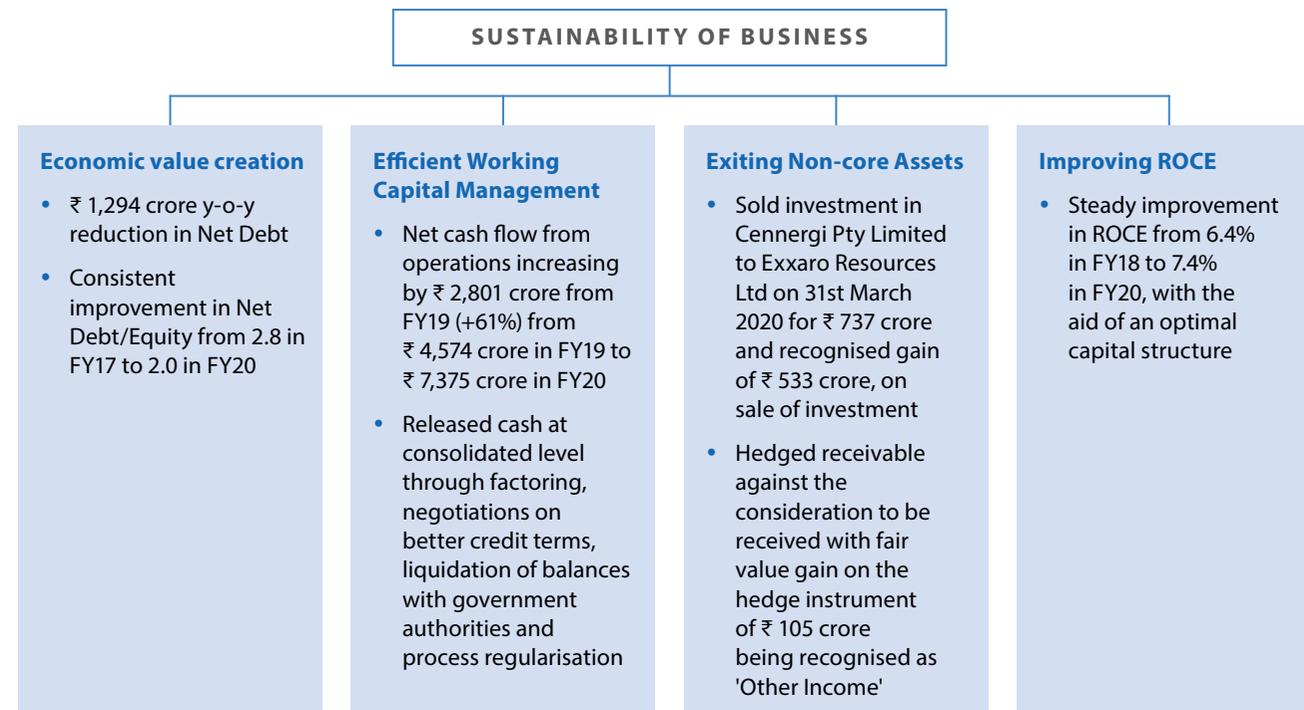
### Social & Relationship Capital Impact

- ₹ 39.97 crore spent on CSR activities in FY20

### Human Capital Impact

- ₹ 7.25 crore invested in human resource upskilling, training and development in FY20

## Strategic focus areas



## Economic value creation

Tata Power generated a positive economic value retained figure in FY20 with the reduction in operating costs, aided by the successful implementation of robust cost control measures. The payment to providers of capital was also lower compared to the level witnessed in FY18. Tata Power continues to meet its financial obligations towards suppliers, employees, lenders and shareholders, governments and communities, in a timely manner.

Particulars (in ₹ crore)	FY18	FY19	FY20
<b>Direct economic value generated<sup>1</sup></b>	26,863	30,370	29,510
<b>Economic value distributed</b>	28,673	30,592	29,110
<b>Operating costs<sup>2</sup></b>	21,492	24,151	22,352
<b>Employee wages &amp; benefits</b>	1,382	1,339	1,441
<b>Payment to providers of capital<sup>3</sup></b>	5,158	4,557	4,674
<b>Payments to governments<sup>4</sup></b>	602	506	609
<b>Community Investments (CSR)</b>	40	39	34
<b>Economic value retained = Direct economic value generated less economic value distributed</b>	(1,810)	(222)	400

Notes:

1. Revenue generated including other income and movement in regulatory deferral balance

2. Operating cost including Cost of power purchased, Cost of Fuel, Transmission charges, Raw material consumed, Purchase of finished goods, increase/decrease in WIP, depreciation & other expenses excluding CSR

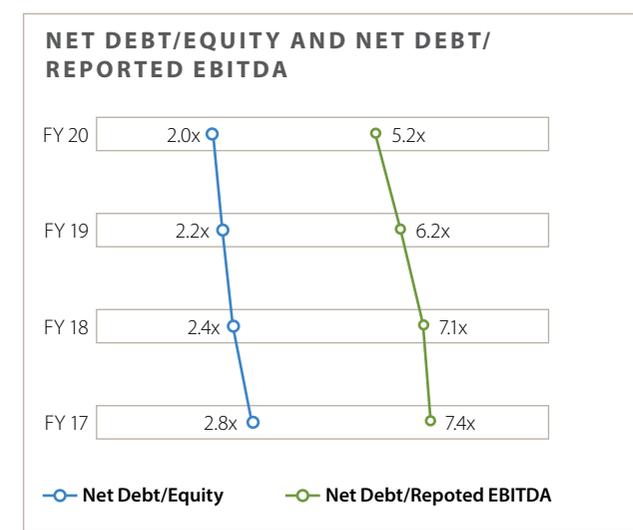
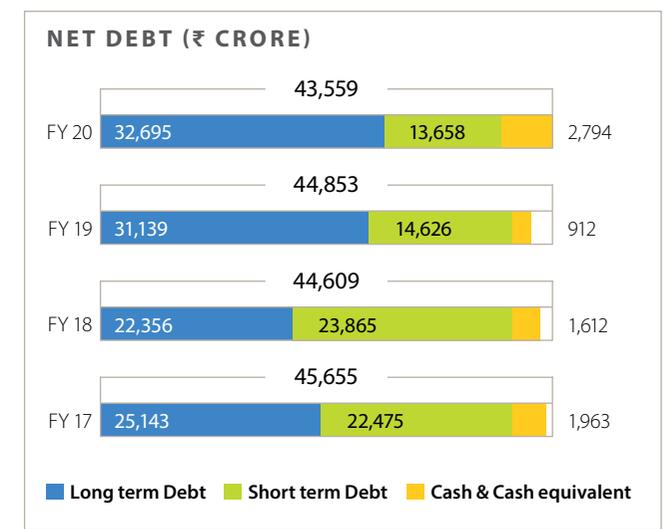
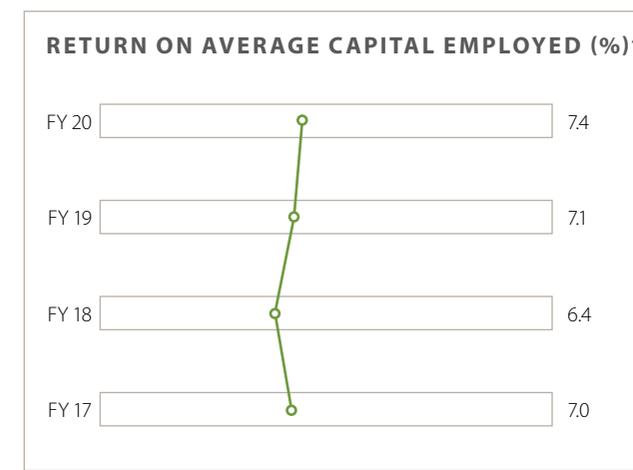
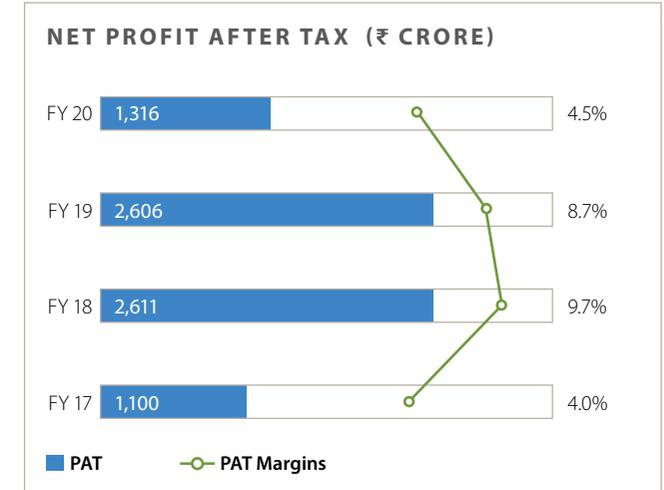
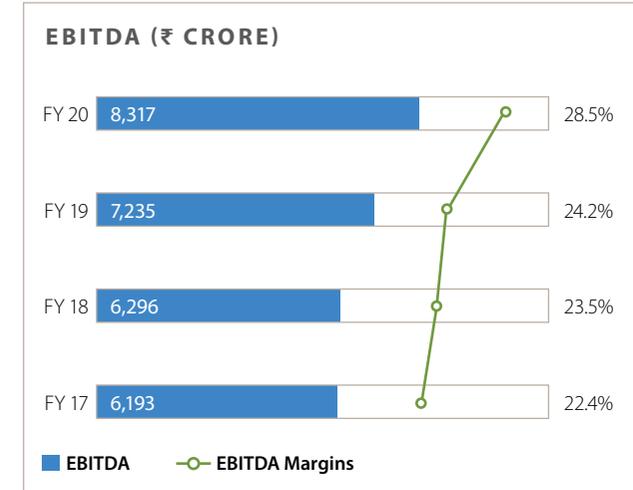
3. Payment to providers of capital includes finance cost paid, dividend paid to shareholders & Distribution on Unsecured Perpetual Securities

4. Payments to government by country include income tax paid (net of refund received)





## Key financial trends and ratios



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	103-3 Evaluation of the management approach		61
<b>Human Rights</b>			
GRI 402: Labour management relations	402-1 Minimum notice periods regarding operational changes		61
GRI 405: Diversity and equal opportunity	405-1 Diversity of governance bodies and employees		16 & 60
	405-2 Ratio of basic salary and remuneration of women to men	Engaged, agile, future ready workforce - Human Capital	67
GRI 410: Security Practices	410-1 Security personnel trained in human rights policies or procedures		66
GRI 412: Human Rights Assessment	412-2 Employee training on human rights policies or procedures		66

GRI Standard	Disclosure Title	Report Reference	Page Number
<b>Training, Education and Development</b>			
GRI 404: Training and Development	GRI 404-1: Average hours of training per year per employee	Engaged, agile, future ready workforce - Human Capital	63
	GRI 404-2: Programs for upgrading employee skills and transition assistance programs		64
	GRI 404-3: Percentage of employees receiving regular performance and career development reviews		61
EU: Employment	EU 14: Programs and processes to ensure the availability of a skilled workforce		62 & 63
	EU 18: Percentage of contractor and subcontractor employees that have undergone relevant health and safety training		64
<b>Occupational Health &amp; Safety</b>			
GRI 403: Occupational Health & Safety	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Engaged, agile, future ready workforce - Human Capital	69
	403-3 Workers with high incidence or high risk of diseases related to their occupation		69
	403-4 Health and safety topics covered in formal agreements with trade unions		64
<b>Social &amp; Relationship Capital</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Strengthening our communities to build sustainable societies- Social & Relationship Capital	70, 72, 73 & 81
	103-2 The management approach and its components		72, 73 & 81
	103-3 Evaluation of the management approach		72 & 73
GRI 414: Supplier social assessment	414-1 New suppliers that were screened using social criteria	Strengthening our communities to build sustainable societies- Social & Relationship Capital	81
	414-2 Negative social impacts in the supply chain and actions taken		81

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GRI Standard	Disclosure Title	Report Reference	Page Number
<b>Customer relationship</b>			
GRI 416: Customer Health and Safety	GRI 416-1: Assessment of the health and safety impacts of product and service categories	Strengthening our communities to build sustainable societies - Social & Relationship Capital	72 & 73
	GRI 416-2: Incidents of non-compliance concerning the health and safety impacts of products and services		17 & 73
GRI 417: Marketing and Labelling	GRI 417-1 Requirements for product and service information and labelling		73
	GRI 417-2 Incidents of non-compliance concerning product and service information and labelling		17 & 73
	GRI 417-3 Incidents of non-compliance concerning marketing communications		17 & 73
GRI 418: Customer Privacy	GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data		72
<b>Demand-side management</b>			
G4 DMA	Demand-side management programs including residential, commercial, institutional and industrial programs Net Investment made in the DSM Programs & corresponding MWh saved or MW load shifted	Strengthening our communities to build sustainable societies - Social & Relationship Capital	78 & 79
	Details of progress achieved on initiatives such as; i. Club Enerji ii. Be Green"		95
<b>Natural Capital</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Leading the New Energy World - Natural Capital	98, 100, 110
	103-2 The management approach and its components		98, 100, 110
	103-3 Evaluation of the management approach		98, 100, 110
<b>Resource availability</b>			
GRI 301: Materials	GRI 301-1 Materials used by weight or volume	Leading the New Energy World - Natural Capital	104

GRI Standard	Disclosure Title	Report Reference	Page Number
<b>Carbon emission management</b>			
GRI 302: Energy	GRI 302-1 Energy consumption within the organisation	Leading the New Energy World - Natural Capital	102
	GRI 302-3 Energy intensity		104
	GRI 302-4 Reduction of energy consumption		103
GRI 305: Emissions	GRI 305-1 Direct (Scope 1) GHG emissions		101
	GRI 305-2 Energy indirect (Scope 2) GHG emissions		101
	GRI 305-3 Other indirect (Scope 3) GHG emissions		101
	GRI 305-4 GHG emissions intensity		101
	GRI 305-5 Reduction of GHG emissions		101 & 103
GRI 305-7 Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emission	101		
<b>Water</b>			
GRI 303: Water and Effluents	GRI 303-1 Water withdrawal	Leading the New Energy World - Natural Capital	106 & 107
	GRI 303-2 Water sources significantly affected		106 & 107
	GRI 303-3 Water recycled and reused		105 & 107
<b>Waste Management</b>			
GRI 306: Effluents and Waste	GRI 306-1 Water discharge by quality and destination	Leading the New Energy World - Natural Capital	107
	GRI 306-2 Waste by type and disposal method		108 & 109
	GRI 306-3 Significant spills		109
	GRI 306-4 Transport of hazardous waste		108 & 109
<b>Biodiversity</b>			
GRI 304: Biodiversity	GRI 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Leading the New Energy World - Natural Capital	111
	GRI 304-3 Habitats protected or restored		111, 112, 113
	GRI 304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations		112, 113

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GRI Standard	Disclosure Title	Report Reference	Page Number
<b>Financial Capital and MDA</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Management Discussion & Analysis	179-184
	103-2 The management approach and its components		184-185
	103-3 Evaluation of the management approach		185-193
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Creating shared economic value - Financial Capital	117
<b>Future ready</b>			
Non-GRI	Frequency of strategy review and planning	Our blueprint for the future - Our strategy	22
<b>Sustainable investing</b>			
Non-GRI	Reallocation of capital by divestment of coal business to transition to more sustainable fuels	Our blueprint for the future - Our strategy The future of energy infrastructure - Manufactured Capital	23 46, 47, 50
<b>Impact on business due to change in Coal tax or coal pricing</b>			
Non-GRI	Investments in renewable energy to reduce impact from changes in coal tax	Creating shared economic value - Financial Capital	116
<b>Corporate Governance</b>			
GRI 205: Anti-Corruption	GRI 205-2 Communication and training about anti-corruption policies and procedures	Report on Corporate Governance	200, 227
	GRI 205-3 Confirmed incidents of corruption and actions taken	Leadership with a difference - Corporate governance	17
GRI 206: Anti-competitive Behaviour	GRI 206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Leadership with a difference - Corporate governance	17
GRI 307: Environmental Compliance 2016	307-1: Non-compliance with environmental laws and regulations	Leadership with a difference - Corporate governance	17
GRI 419: Socioeconomic Compliance 2016	419-1: Non-compliance with laws and regulations in the social and economic area	Leadership with a difference - Corporate governance	17

GRI Standard	Disclosure Title	Report Reference	Page Number
GRI 406: Non Discrimination	406-1 Incidents of discrimination and corrective actions taken	Leadership with a difference - Corporate governance Engaged, agile, future ready workforce - Human Capital	17 & 66
GRI 407: Freedom of Association and Collective Bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Leadership with a difference - Corporate governance	17
GRI 408: Child Labour	408-1 Operations and suppliers at significant risk for incidents of child labour	Leadership with a difference - Corporate governance Engaged, agile, future ready workforce - Human Capital	17 & 66
GRI 409: Forced and Compulsory labour	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Leadership with a difference - Corporate governance Engaged, agile, future ready workforce - Human Capital	17 & 66
GRI 411: Rights of Indigenous Peoples	411-1 Incidents of violations involving rights of indigenous peoples	Leadership with a difference - Corporate governance	17

# Integrated Report Annexures

## Annexure 1 - Our Industry Associations<sup>1</sup>

The Tata Power Company Limited - Memberships		
National Safety Council	Electrical Research and Development Association	Association of Power Producer
Confederation of Indian Industry	IMC Chambers of Commerce and Industry	The Institute of Internal Auditors
Indian Energy Exchange	Indian Wind Power Association	Central Power Research Institute

## Annexure 2 - Our Subsidiaries/Joint Ventures/Associates<sup>2</sup>

The Tata Power Company Limited - Domestic subsidiaries		
Af-Taab Investment Company Limited	Chirasthayee Saurya Limited	Clean Sustainable Solar Energy Private Limited
Coastal Gujarat Power Limited	Dreisatz Mysolar24 Private Limited	Dugar Hydro Power Limited <sup>#</sup>
Indo Rama Renewables Jath Limited	Industrial Energy Limited <sup>#</sup>	Maithon Power Limited
MI Mysolar24 Private Limited	NDPL Infra Limited	NELCO Limited
Nelco Network Products Limited	Nivade Windfarms Limited	Northwest Energy Private Limited
Poolavadi Windfarms Limited	Powerlinks Transmission Limited <sup>#</sup>	Solarsys Renewable Energy Private Limited
Supa Windfarms Limited	TCL Ceramics Limited (formerly known as Tata Ceramics Ltd)	Tata Power Delhi Distribution Limited
Tata Power Green Energy Limited	Tata Power Jamshedpur Distribution Limited	Tata Power Renewable Energy Limited
Tata Power Solar Systems Limited	Tata Power Trading Company Limited	Tatanet Services Limited
TP Ajmer Distribution Limited	TP Kirnali Limited	TP Renewable Microgrid Limited (Formerly known as Industrial Power Utility Limited)
TP Solapur Limited	Vagarai Windfarm Limited	Walwhan Renewable Energy Limited
Walwhan Energy RJ Limited	Walwhan Solar AP Limited	Walwhan Solar BH Limited
Walwhan Solar Energy GJ Limited	Walwhan Solar KA Limited	Walwhan Solar MH Limited
Walwhan Solar MP Limited	Walwhan Solar PB Limited	Walwhan Solar Raj Limited
Walwhan Solar RJ Limited	Walwhan Solar TN Limited	Walwhan Urja Anjar Limited
Walwhan Urja India Limited	Walwhan Wind RJ Limited	

<sup>1</sup>GRI 102-13

<sup>2</sup>GRI 102-45

<sup>#</sup>Classified as Joint Ventures as per Indian Accounting Standards (Ind AS)

### The Tata Power Company Limited - Foreign Subsidiaries

Bhira Investments Pte Limited (Formerly known as Bhira Investments Limited)	Bhivpuri Investments Limited	Far Eastern Natural Resources LLC
Trust Energy Resources Pte. Limited	Tata Power International Pte. Limited	Khopoli Investments Limited
PT Sumber Energi Andalán Tbk		

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**The Tata Power Company Limited - Joint Ventures**

Adjaristsqali Georgia LLC	Adjaristsqali Netherlands B.V	Candice Investments Pte. Limited
IndoCoal KPC Resources (Cayman) Limited	IndoCoal Resources (Cayman) Limited	Itezhi Tezhi Power Corporation Limited
Koromkheti Georgia LLC	Koromkheti Netherlands B.V	LTH Milcom Pvt. Limited
Mandakini Coal Company Limited	Prayagraj Power Generation Company Limited	PT Antang Gunung Meratus
PT Arutmin Indonesia	PT Baramulti Sukessarana Tbk	PT Citra Kusuma Perdana
PT Citra Prima Power	PT Dwikarya Prima Abadi	PT Guruh Agung
PT Indocoal Kalsel Resources	PT Indocoal Kaltim Resources	PT Kalimantan Prima Power
PT Kaltim Prima Coal	PT Marvel Capital Indonesia	PT Mitratama Perkasa
PT Mitratama Usaha	PT Nusa Tambang Pratama	Renascent Ventures Private Limited.
Resurgent Power Ventures Pte. Limited	Solace Land Holding Limited	Tubed Coal Mines Limited

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**The Tata Power Company Limited - Associates**

Brihat Trading Pte. Limited	Dagachhu Hydro Power Corporation Limited	Tata Projects Limited
The Associated Building Co. Limited	Yashmun Engineers Limited	

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# Board's Report

To the Members,

The Directors are pleased to present to you the Integrated Report [prepared as per the framework set forth by the International Integrated Reporting Council (IIRC)] and One Hundred and First Annual Accounts on the business and operations of your Company along with the audited Financial Statements of Account for the financial year ended 31st March 2020.

## 1. Financial Results

Figures in ₹ crore

Sl. No.	Particulars	Standalone		Consolidated	
		FY20	FY19	FY20	FY19#
(a)	Net Sales / Income from Other Operations*	7,075	8,109	28,948	29,984
(b)	Less: Operating Expenditure	4,794	5,302	21,078	22,995
(c)	<b>Operating Profit</b>	<b>2,281</b>	<b>2,807</b>	<b>7,870</b>	<b>6,989</b>
(d)	Less: Forex Loss	11	11	116	141
(e)	Add: Other Income	583	516	563	386
(f)	Less: Finance Cost	1,510	1500	4,494	4,170
(g)	<b>Profit before Depreciation and Tax</b>	<b>1,343</b>	<b>1,812</b>	<b>3,823</b>	<b>3,064</b>
(h)	Less: Depreciation / Amortisation / Impairment	686	633	2,634	2,393
(i)	<b>Profit Before Share of Profit of Associates and Joint Ventures</b>	<b>657</b>	<b>1,179</b>	<b>1,189</b>	<b>671</b>
(j)	Add: Share of Profit of Associates and Joint Ventures	NIL	NIL	953	1,402
(k)	<b>Profit Before Exceptional Item</b>	<b>657</b>	<b>1,179</b>	<b>2,142</b>	<b>2,073</b>
(l)	Add/(Less): Exceptional Item	(306)	1,168	226	1,746
(m)	<b>Profit/ (Loss) before Tax</b>	<b>351</b>	<b>2,347</b>	<b>2,368</b>	<b>3,819</b>
(n)	Add/(Less): Tax Expenses or Credit	(208)	452	641	1,087
(o)	<b>Net Profit after Tax from Continuing Operations</b>	<b>559</b>	<b>1,895</b>	<b>1,727</b>	<b>2,732</b>
(p)	Profit/ (Loss) before Tax from Discontinued Operations	(443)	(192)	(443)	(192)
(q)	Add/(Less): Tax Expenses or Credit from Discontinued Operations	32	66	32	66
(r)	<b>Net Profit/(Loss) after Tax from Discontinued Operations</b>	<b>(411)</b>	<b>(126)</b>	<b>(411)</b>	<b>(126)</b>
(s)	<b>Net Profit for the year</b>	<b>148</b>	<b>1,769</b>	<b>1,316</b>	<b>2,606</b>
(t)	<b>Net Profit for the year attributable to –</b>				
	- Owners of the Company	148	1,769	1,018	2,356
	- Non-controlling interests	NIL	NIL	299	250
(u)	Other Comprehensive income (Net of Tax)	(53)	(45)	836	164
(v)	<b>Total Comprehensive Income for the year</b>	<b>95</b>	<b>1,724</b>	<b>2,153</b>	<b>2,770</b>
(w)	<b>Total Comprehensive Income attributable to –</b>				
	- Owners of the Company	95	1,724	1,856	2,521
	- Non-controlling interests	NIL	NIL	297	249

\*Including rate regulatory income/(expense)

#Restated - Refer notes to consolidated financial statements

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

### 2.1. Consolidated

On a consolidated basis, the Operating Revenue was at ₹ 28,948 crore in FY20 compared to ₹ 29,984 crore in FY19. The decrease was mainly due to delay in solar EPC projects on account of COVID-19, lower power demand and lower Free On Board (FOB) price of coal. The operating profit for FY20 recorded 13% growth over FY19 mainly due to lower fuel under recovery in Mundra on account of lower

FOB price of coal, higher coal blending and better coal sourcing. Finance costs increased from ₹ 4,170 crore to ₹ 4,494 crore mainly due to impact of IND-AS 116 and capacity addition in the renewables business. The profits from Joint Ventures (JV) and Associates were lower mainly on account of lower profits from Indonesian coal mines due to lower coal prices.

The Consolidated Profit after tax in FY20 was at ₹ 1,316 crore compared to ₹ 2,606 crore in FY19 mainly due to exceptional items of ₹ 226 crore in FY20 as compared to

₹ 1,746 crore in FY19. The current year exceptional items includes gain on sale of investment in joint venture in South Africa ("Cennergi"), reversal of impairment provision pertaining to Georgia investment partly offset by the adverse impact of the standby order passed by the Supreme Court and impairment provisions in Strategic Engineering Division (SED). The exceptional item for previous year includes gain on sale of investments in associate companies viz. Tata Communications Limited (TCL) and Panatone Finvest Limited (PFL) partially offset by impairment provisions of Rithala plant. Detailed description of exceptional items is provided in Standalone and Consolidated Financial Section of Management Discussion & Analysis (MD&A).

## 2.2. Standalone

On a standalone basis, the Operating Revenue stood at ₹ 7,075 crore in FY20 compared to ₹ 8,109 crore in FY19. The decrease was mainly due to lower generation on account of lower demand from procurers, lower transmission charges as per the MERC tariff order and impact of the truing up order passed by MERC. The profit in FY20 was ₹ 148 crore as compared to ₹ 1,769 crore in FY19. The decrease in the profit was mainly due to gain on sale of investment in TCL and PFL in FY19.

Refer to Management Discussion and Analysis 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 the 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-20.pdf>.

## 2.4. Integrated Report

In keeping with the Company's commitment to society, your Company this year transitioned from compliance based reporting to governance based reporting by adopting the Integrated Reporting framework developed by International Integrated Reporting Council.

We present to you our First Integrated Report which highlights the Company's efforts during the year which contribute to long term sustainability and value creation, paving the way for a better tomorrow.

## 3. Improvement in Leverage Ratios and Cash from Operations

In line with the strategic intent of the Company to deleverage the Balance Sheet, your Company's Net Debt/Reported EBITDA ratio has shown marked improvement from 6.2 to 5.2 from FY19 to FY20 on a consolidated level. Net Debt/Equity on a consolidated level has improved from 2.2 to 2.0 from FY19 to FY20. This year saw a good performance in terms of cash generated from operations with an increase of 61% from FY19 (FY20-₹ 7,375 crore vis-à-vis FY19-₹ 4,574 crore) due to prudent working capital management employed by your Company along with robust operating performance. As a result, reported EBITDA of your Company has also increased by 15% (FY20-₹ 8,317 crore compared to FY19- ₹ 7,235 crore) on a consolidated basis. A brief discussion on the highlights of financial performance of your Company and financial and return ratios is presented in the financial capital section of Integrated Report (pages 114-119) as well as page 3 of the Integrated Report.

## 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

Based on the Company's performance, the Directors of your Company recommend a dividend of 155% (₹ 1.55 per share of ₹ 1 each) (previous year - 130%), subject to the approval of the Members.

The Board recommended dividend based on the parameters laid down in the Dividend Policy.

Pursuant to the Finance Act, 2020, dividend income will be 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 Thursday, 16th July 2020 to Thursday, 30th July 2020 (both days inclusive) for the purpose of payment of the dividend for the financial year ended 31st March 2020.

According to Regulation 43A of the Listing Regulations, the top 500 listed entities based on market capitalisation, calculated as on 31st March of every financial year, are required to formulate a dividend distribution

## Board's Report

policy which shall be disclosed in their annual reports and on their websites. Accordingly, the Dividend Policy of the Company is provided in Annexure-I.

The Dividend Policy of the Company can also be accessed using the following link: <https://www.tatapower.com/pdf/aboutus/dividend-policy.pdf>.

### 6. Current Business

Your Company has presence 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 Engineering, Procurement and Construction services (EPC), new business initiatives like solar rooftop, solar pumps, EV charging, home automation and microgrid.

As on 31st March 2020, your Company has an installed capacity of 12,742 MW, out of which 3,883 MW is from 'Clean and Green sources' (Hydro, waste heat recovery, wind and solar) which constitute about 30% of the total portfolio.

Your Company has decided to move 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 and focus on renewable generation, foraying into new business initiatives 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. Another important venture is Microgrids where it has test charged around 18 microgrid projects as on 31st March 2020 with another 55 projects in pipeline in line with its commitment to provide the rural population with affordable, clean and reliable power.

Focussing on achieving growth in an environmentally responsible and sustainable manner, your Company has commissioned around 312 MW of solar PV and rooftop projects through Tata Power Renewable Energy Limited (TPREL) and Tata Power Solar Systems Limited (TPSSL) in FY20 while commissioning another 178 MW hydro project overseas in Georgia. Your Company's subsidiary TPSSL has achieved a portfolio of 421 MW of solar rooftop projects with an order book of another 1,580 MW EPC projects amounting to a value of ₹ 7,000 crore as on 31st March 2020. In the solar products domain, your Company is one of the leading players, with a portfolio of 25,000 solar agricultural pumps in seven states. Details of your Company's business portfolio has been discussed in a greater detail in the section on Manufactured Capital of Integrated Report (pages 40-51).

### 7. Reserves

As per Standalone Financials, the net movement in the reserves of the Company for FY20 and FY19 is as follows:

Particulars	Figures in ₹ crore	
	As at	As at
	31st	31st
	March	March
	2020	2019
Capital Redemption Reserve	2	2
Capital Reserve	62	62
Securities Premium	5,635	5,635
Debenture Redemption Reserve	297	422
General Reserve	3,854	3,854
Retained Earnings	3,027	2,954
Equity Instruments through OCI	(45)	331
Statutory Reserve	660	660

The Board of Directors has decided to retain the entire amount of profits for FY20 in P&L account.

### 8. Subsidiaries/Joint Ventures/Associates

As on 31st March 2020, the Company had 54 subsidiaries (40 are wholly owned subsidiaries), 30 Joint Ventures (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:

- Energy Eastern Pte. Limited (subsidiary) merged with Trust Energy Resources Pte. Limited.
- The entire shareholding in erstwhile JV i.e. Cennergi Pty. Limited and its 2 subsidiaries was sold during the year under review. The proceeds of the divestment will be utilised towards reducing the debt in consolidated Tata Power in FY21 in line with the strategic objective of your Company to deleverage the Balance Sheet.
- Gamma Land Holdings Limited, Beta Land Holdings Limited and Ginger Land Holdings Limited are three JVs which ceased to exist during the year under review.
- Renascent Power Ventures Private Limited, an associate of your Company, acquired 75.01% equity stake in Prayagraj Power Generation Company Limited.
- TP Kirnali Limited was incorporated as wholly owned subsidiary of TPREL.
- TP Solapur Limited was incorporated as wholly owned subsidiary of TPREL.

A report on the performance and financial position of each of the subsidiaries, JVs and Associates has been provided in Form AOC-1 as per Section 129(2) of the Companies Act, 2013 (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 <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 FY20.

Pursuant to Section 134(5) of the Companies Act, 2013 (the 'Act'), the Board of Directors, to the best of its knowledge and ability, confirm 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 judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- 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

### Change in Board Composition

Mr. Ashok S. Sethi superannuated as COO & Executive Director of the Company effective close of business hours on 30th April 2019.

Mr. Ashok Sinha was appointed as Additional Director and Independent Director of the Company effective 2nd May 2019. His appointment was approved by the Members at the 100th AGM of the Company held on 18th June 2019.

Mr. Deepak M. Satwalekar and Mr. Nawshir H. Mirza completed their tenure as Independent Directors of the Company on 12th August 2019. The Board places on record its deep sense of appreciation of the valuable contribution made to the Company by them during their respective tenures.

In accordance with the requirements of the Act and the Company's Articles of Association, Mr. Hemant Bhargava retires by rotation and is eligible for re-appointment. Members' approval is being sought at the ensuing 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, commission and reimbursement of expenses incurred by them, if applicable, for the purpose of attending Board/Committee meetings of the Company.

### Independent Directors

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's Report

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.

A declaration on compliance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, along with a declaration as provided in the Notification dated October 22, 2019, issued by the Ministry of Corporate Affairs (MCA), regarding the requirement relating to enrollment in the Data Bank for Independent Directors, has been received from all the Independent Directors, along with declaration made under Section 149(6) of the Act.

### Number of Board Meetings

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

### Key Managerial Personnel

In terms of Section 203 of the Act, the following are the Key Managerial Personnel (KMP) of the Company as on 31st March 2020:

- Mr. Praveer Sinha, CEO & 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 on the basis of 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 on the basis of criteria such as the composition of committees, effectiveness of committee 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 January 5, 2017.

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 Nomination and Remuneration Committee (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.

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 formulating the criteria for determining 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-II to this Report and Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company, which is reproduced in Annexure - III 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 composition, terms of reference and number of meetings held for respective committees are given in the Report on Corporate Governance, which forms a part of this 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>.

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 is committed to Conservation of Energy through various Demand Side Management initiatives as well as fostering energy efficient appliances at highly discounted prices among your customers. In FY20, more than 6000 Mwh of energy savings have occurred due to Energy Saving programme in FY20 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 - IV 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 is annexed to this 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 (CEC)/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 (IFC) by adopting a systematic approach to its work. The development and implementation of risk management policy has been covered in the Integrated Report (pages 32-33).

### Internal Financial Control Systems and their Adequacy

The 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. Refer Integrated Report (page 34).

## 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 company's operations in future.

## 19. Statutory and Branch Auditors

M/s. S R B C & CO. LLP (SRBC) (ICAI Firm Registration Number: 324982E/E300003), who is the statutory auditor of your Company, holds office until the conclusion of 103rd AGM to be held in the year 2022.

The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away with by the Companies (Amendment) Act, 2017 with effect from 7th May 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM.

The Company has in its Notice sought approval from the Members for passing a resolution vide Item No. 6 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 Indian Accounting Standards (Ind AS) notified under Section 133 of the Act.

## Board's Report

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, Cost Accountants (Firm Registration No.000212), as Cost Auditors of the Company for conducting cost audit for the FY21. The Company has in its Notice sought approval from the Members for passing a resolution vide Item No. 7 for ratifying the remuneration payable to the Cost Auditors for FY21. 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 FY20. 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.

The Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks or disclaimers. The Secretarial Audit Report is provided in Annexure-V to this Report.

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.

As per the requirements of Listing Regulations, Practicing Company Secretaries of the respective material subsidiaries of the Company have undertaken secretarial audits of the material subsidiaries for FY20. The Audit Report confirms that the material subsidiaries have complied with the provisions of the Act, Rules, Regulations, and Guidelines and that there were no deviations or non-compliances.

### 23. Loans, Guarantees, Securities And Investments

The 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 provided.

### 24. 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, all transactions entered into with related parties were approved by the Audit Committee. Details of Related Party Transactions as per AOC-2 are provided in Annexure-VI to this Report.

### 25. Sustainability

The Company has continued its journey of practising sustainability through its core value of Leadership with Care for the environment, customers and shareholders, community and for our people.

The Company's efforts on sustainability were recognized at various platforms and a testimony to this were the various awards bestowed upon it. Your Company was ranked 1st among power sector companies in Futurescape National Responsible Business Ranking for Sustainability and Corporate Social Responsibility (CSR) released in November 2019 and won National Volunteering Award for promoting Employee Volunteering in February 2020. The Company also bagged the prestigious global Edison Award for promoting Energy and Resource Conservation under Club Enerji.

#### 25.1 Care For Our Community/Community Relations

Your Company actively worked on five thrust areas viz. education, health and sanitation, livelihood and skill building, water and financial inclusivity in which key flagship interventions were undertaken in the vicinity of the Company's business presence and beyond, while maintaining focus on Affirmative Action (AA) initiatives of the Tata group impacting 27.10 lakh beneficiaries across Tata Power group companies in FY20 (including around 14.06 lakh beneficiaries on a Standalone basis).

The CSR policy of the Company has been provided on the Company's website at <https://www.tatapower.com/pdf/aboutus/csr-policy-14.pdf>.

The Company's standalone CSR spend for FY20 stood at ₹ 3.80 crore against the 2% CSR obligation of ₹ 3.04 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 82-93) as well as in the Business Responsibility Report (BRR). The annual report on CSR activities (standalone) is provided in Annexure-VII to this Report. On overall basis, the Tata Power group entities' expenditure on CSR activities stood at ₹ 39.97 crore against the CSR obligation of ₹ 33.30 crore (calculated as per Section 135 of the Act) in FY20.

#### 25.2 Affirmative Action

Under its AA program, your Company continued to focus on upliftment of Dalit and tribal communities through the

defined Es under AA viz. Employment, Entrepreneurship, Employability, Education and Essential Amenities around its operating sites. As part of the enhanced focus, Tata Power Skill Development Institute (TPSDI) inducted 25% trainees from AA communities and achieved remarkable placements post-training. In total, 4 lakh beneficiaries were covered under AA initiatives. Besides this, your Company also engaged in nurturing vendors and suppliers from AA communities to help with job creation. This has been further described in the section on Social and Relationship Capital of Integrated Report (Page 94).

### 25.3 Sustainability Reporting

Your Company has adopted the International Integrated Reporting Council IR Framework to prepare its first Integrated Report 2019-20. 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 Sustainable Development Goals (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.

#### 1. Environment

Your Company aims to be a pioneer for environmental stewardship in the power industry through reduction in greenhouse gas emissions and release of air pollutants by continuously striving for efficiency in its operations and maintenance and following best practices to optimize the efficiency parameters like heat rate and auxiliary consumption of power generating stations. Your Company also has been consistently focussing on scaling up Renewables business as part of its stated strategic intent and also venturing into new energy efficient green business initiatives like Microgrids, EV charging, Home Automations, Solar Rooftop and exploring new opportunities in distribution businesses, thereby working towards its commitment of sustainable 'Green' growth. A brief outline of your Company's ventures on these businesses and growth of renewables is given in the Manufactured Capital section of Integrated Report (pages 40-51).

#### 2. Health and Safety

Health and Safety management is one of your Company's topmost priority 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 are committed to actively drive the agenda through the length and breadth of the organisation. Consequently, 100% of your contractual workforce are trained on various aspects of Occupational health and safety. Close monitoring of safety performance has also helped your Company to achieve desired goal of zero injuries and fatalities. The Suraksha mobile app is one such intervention that enables employees to conveniently report unsafe conditions. A detailed description of Health and Safety initiatives taken by your Company is outlined in Human Capital section of Integrated Report (pages 58-69).

#### 3. Customer Relationship

Your Company is steadily transitioning from a B2B or a B2G company to a B2C company with enhanced focus on value creation for customers. Foraying into various new business initiatives as a part of your sustainable growth strategies like rural electrification (microgrids), solar rooftop solutions, Electric Vehicle charging etc. are posing new customer service challenges. Your Company has numerous touchpoints for customers to raise their queries and a structured process of tracking complaints and ensuring resolution within pre-defined timelines. Your Company has also been a pioneer in developing customer centric technology through innovation and digitisation. Few of such initiatives are Know Your Energy Consumption (KYE), VoiceBot TINA, e-Nach, all women customer relations centre etc. Furthermore, your Company has been instrumental in raising energy conservation awareness as well as reducing the energy cost for the consumers through various initiatives such as "Be Green", solar rooftop off-grid solutions etc. A detailed description of your customer relation measures is given in the Social and Relationship Capital section in the Integrated Report (pages 70-81).

#### 4. Human Resource Management

Your Company considers it imperative to create a work environment which is collaborative as well as learning and growth oriented to enable employees to perform at their full potential. Your 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 endeavour to develop competencies to rise to new challenges especially posed by changing strategies of foraying into new business areas and coming out of growth through conventional coal based thermal power generating assets. Some of the key Human Resource programmes of your Company are Talent Next, Ullhas, Youth Power

## Board's Report

Confluence, Gyankosh, Long-Service Award, etc. A detailed description is given in the Human Capital section of the Integrated Report (pages 58-69).

### 25.4 Business Responsibility Report (BRR)

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 Ministry of Corporate Affairs (MCA), Government of India, in July 2011. Your Company reported its performance for FY20 as per the BRR framework, describing initiatives taken from an environmental, social and governance perspective.

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

### 25.5 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.

### 26. Extract of Annual Return

Pursuant to Section 92 of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return in Form MGT-9 is provided in Annexure - VIII to this Report and also available on <https://www.tatapower.com/investor-relations/annual-return.aspx>.

### 27. 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 - IX.

The information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in the Annexure forming part of this Report. In terms of the first provision to Section 136 of the Act, the Report and Accounts are being sent to the Members excluding the aforesaid Annexure. Any Member interested in obtaining the same may write to the Company Secretary at [investorcomplaints@tatapower.com](mailto:investorcomplaints@tatapower.com). None of the employees listed in the said Annexure are related to any Director of the Company.

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.

### 28. 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 that such systems are adequate and operating effectively.

### 29. 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.

### 30. Foreign Exchange - Earnings and Outgo

Figures in ₹ crore

Particulars - Standalone	FY20	FY19
Foreign Exchange Earnings	125	116
Foreign Exchange Outflow mainly on account of:	1,301	1,336
• Fuel purchase	1,070	1,222
• Interest on foreign currency borrowings, NRI dividends	3	4
• Purchase of capital equipment, components and spares and other miscellaneous expenses	228	110

### 31. 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.

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

(DIN: 00121863)

Mumbai, 19th May 2020

## ANNEXURE - I : DIVIDEND POLICY

(Ref.: Board's Report, Section 5)

### 1. Context

1.1 In July 2016, SEBI has inserted Regulation 43A with respect to Dividend Distribution Policy in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, whereby the top 500 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 in their annual reports and on their websites and the dividend distribution policy shall also include certain stated parameters. Tata Power being one of the top 500 companies needs to frame such policy as per the SEBI regulations.

### 2. Background

2.1 The Company's overarching objective is to strike the right balance between adequately rewarding shareholders through dividend and providing enough funds to drive future growth both organic and inorganic to maximize long term sustainable shareholder value.

2.2 In order to be compliant with various statutes, the Company has to appropriate the following out of PAT earned each financial year:

- Transfer to Debenture Redemption Reserves as per guidelines stated in Companies Act.
- Transfer to Contingencies Reserve as per Electricity Act.
- Servicing of Unsecured Perpetual Securities.
- Transfer to General Reserves.
- Dividend Distribution to shareholders including dividend distribution tax.
- Any adjustments to Other Comprehensive Income (OCI) as per Ind AS guidelines.

2.3 Each financial year end, the Company management viz. the CFO in consultation with CEO & Managing Director recommends the amount to be declared as dividend to the Board along with all relevant workings, ratios, payouts, trends etc. As per the existing laws and rules, Interim dividends are confirmed by the shareholders and final dividends recommended by the Directors to shareholders for approval at the Annual General Meeting of the Company.

**[a] Circumstances under which the shareholders of the listed entities may or may not expect dividend:**

For the purposes of dividend distribution, the Company's shareholders may expect the following broad criteria to be followed by the Company -

- Dividends may be expected from the Company only after all required appropriations have been made and the resultant profit after

the appropriations is positive and sufficient distribution of dividends as per the parameters - financial or otherwise mentioned below in point no.(b).

- A lower dividend may be proposed in the years that the Company has not made sufficient profits.
- Any dividend arising from negative profits would not be expected to be made up through plough back from the Company's accumulated Reserves. However, in exceptional cases, considering the reasons for which the profits are negative for the year, the Board may recommend dividends out of accumulated profits.

**[b] Financial Parameters would ideally include:**

- Distributable profits adequacy after appropriating to all Reserves and making all adjustments but before providing for dividends and tax thereon.
- Special adjustments (upsides/downsides) which have affected the profits for the year in consideration.
- Historical trend of dividend declared rate per share for past 10 years.
- Total payout of dividend and dividend tax on the same in ₹ crore.
- Payout ratio on PAT and distributable profits.
- Earnings per share on distributable profits.
- Cash availability for paying the proposed dividend.

**[c] Internal and External factors to be viewed:**

- Profits projected for the ensuing financial year.
- Consolidated profits of Tata Power group.
- State of the economy.
- Change in rules, regulations and compliances.
- Restrictions under applicable laws including tax laws.
- Working capital needs of the Company.
- Projects in hand and support required to complete the projects from Parent Company.
- Adequacy of the Company's current and projected Cash flows and strain on the existing cash reserves on account of declaration of dividends.
- Dividend pay-out ratios of the companies in same Industry.
- Debt reduction plans of the Company.
- Securities buy-back plan, if any.

## Board's Report

- Mode of funding of the dividends proposed to be declared and cost of borrowings/internal accruals.
- Necessity to maintain adequate Reserves for future Contingencies which have not yet materialized and are thus not currently accounted for.

### [d] Utilisation of Retained Earnings:

- Prime objective of retained earnings is to use it judiciously and invest either in existing projects of the Company, modernization not funded by consumers, new projects or growth areas approved by the Board, retiring high cost debt etc.
- The Company, on behalf of the shareholders, shall strive to grow its retained earnings at a rate which would be higher than the risk free rate of return that can be earned alternatively.
- The Company would also check its retained earnings vis-à-vis the debt-equity profile and ROE levels for the long-term investors of the Company.
- Based on the Company's projected Investment Opportunity balance, compared with the existing and projected debt-equity structure as well as the cost of external borrowings, the enhanced or reduced retained earnings need would be ascertained and the funds would be accordingly deployed for the same.

### [e] Parameters that shall be adopted with regard to various classes of shares:

- Any current or future preference treatment shares, as per the rights mentioned therein, would be accorded preferential dividend distribution.
- Balance distribution would be effected by the Company for the equity share component.
- As and when Company issues other kind of shares, the Board may suitably amend this policy.

### [f] Others:

- This policy may be disclosed as per Regulations applicable.
- This policy may be subject to revision/amendment as per MCA/SEBI guidelines issued from time to time.
- Company may modify the policy by adding, deleting or altering some provisions as deemed fit.

- If revision/amendments are not consistent with the existing practice followed then such revision/amendments will supersede and the provisions will be modified accordingly.
- The Company proposes to limit the distribution of dividend in the range of 30% to 60% of distributable profits unless this policy is reviewed by the Board again.
- Any payout of Dividend below 20% of distributable profits and above 60% would need be specifically approved by the Board as an exception to the policy.

## 3. Subsidiary Companies - Draft Dividend Policy

Subsidiary companies may consider the following aspects whilst dealing with their surplus profits and determining the best possible use for the same:

Investments made by Parent Company in the Subsidiary have been approved based on IRR and cash flows reflected in the financial model used for investment approvals.

- As a majority shareholder, the Parent Company would be concerned about mode of distribution of the surplus cash earned by the Subsidiaries particularly because dividend is the only way to get returns on the investments made in that subsidiary.
- Subsequent to the initial investment in the subsidiary, any capex, growth or diversification plan of the Subsidiaries need to be placed to Tata Power Board for approval as per current practice due to the immediate decision required on providing equity funding and in some cases support to lenders.
- The Parent Company's Board would convey to the Subsidiary concerned, its ability (or otherwise) to support the requirements keeping in mind the overall leverage ratios and the specific equity raising plans at the parent level. It could also advise other suggested modes of funding the requirements.
- Subsidiary companies are expected to be familiar with the overall strategy set by the Parent Company and align itself to the strategic intent.
- All Subsidiaries/JV are expected to follow the principle of maximising the dividend payout unless specific purpose for retaining the funds is identified and agreed to with the Parent in its capacity as shareholder.
- As far as foreign Subsidiaries of the Parent Company are concerned, the Parent Company Board would play the role of advising the concerned Subsidiary of the usage of surplus funds of course the basic principles underlying remaining the same as above.

## Annexure - II : 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 – III : 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

- Independent directors ("ID") and non-independent non-executive directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits.
- Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
- Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the company (taking into consideration the challenges faced by the company and its future growth imperatives).
- Overall remuneration should be reflective of size of the company, complexity of the sector/industry/company's operations and the company's capacity to pay the remuneration.

- Overall remuneration practices should be consistent with recognized best practices.
- Quantum of sitting fees may be subject to review on a periodic basis, as required.
- The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
- The NRC will recommend to the Board the quantum of commission for each director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by directors other than in meetings.
- In addition to the sitting fees and commission, the company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his/her role as a director of the company. This could include reasonable expenditure incurred by the director for attending Board/Board committee meetings, general meetings, court convened meetings, meetings with shareholders/creditors/management, site visits, induction and training (organised by the company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/her duties as a director.

#### Remuneration for managing director ("MD")/ executive directors ("ED")/KMP/rest of the employees<sup>1</sup>

- 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.

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

- 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.

## Annexure - IV : CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

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

### A. Conservation Of Energy

- i. The steps taken for impact on conservation of energy: Your Company is a pioneer in propagating energy conservation and efficiency resulting in substantial benefits for customers. One of the noteworthy initiatives is "Know Your Electricity Consumption" (KYEC) a daily energy management online tool designed for HT Consumers to monitor their daily energy consumption primarily by comparing with half-yearly energy consumption for previous month. This service is also being extended to LT Consumers in a phased manner. This scheme also enables the customers to plan energy consumption plan for a particular period and also provides an alert system in case of breach of consumption from budgeted amount. One of the unique features is alerts for energy consumption during periods of no occupancy.

Your Company launched a unique consumer initiative called 'Be Green' for residential customers in Mumbai to purchase energy efficient appliances at highly discounted prices along with extended warranty and doorstep delivery which, in turn, help consumers in reduction of their energy cost and energy consumption.

In FY 20, more than 8,700 energy efficient appliances like Ceiling Fans, Refrigerators, Split ACs, LED Tube lights have been provided to Mumbai consumers under this scheme.

Your company has also facilitated rooftop solar PV Net Metering and integration of consumer solar plants with Tata Power grid in Mumbai area., thereby helping consumers to harness solar energy. Consumers are also able to export the excess generation to grid and get a setoff in their electricity bill. 93 consumer owned rooftop solar PV plants having capacity of 5.4 Mwp have been integrated with grid in FY 20.

In FY 20, a 20 kw rooftop solar system installed in the customer call centre in Mumbai making it a solar power call centre from 27th December, 2019.

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.

More than 6,000 MWh of energy savings have occurred due to energy savings programs in FY 20 & energy savings recommendations of more than 3,900 MWh have been given in the year.

All the DSM programs were launched after due and prior approval of the Maharashtra Electricity Regulatory Commission (MERC).

Your Company serves around 7 lakh consumers on a monthly basis in Mumbai. These bills are printed using recycled paper without harming the environment, which is equivalent to saving 2,600 trees annually. One of the significant steps taken in FY 20 is introduction the concept of "Paperless Office" focussing on majorly reducing usage of paper.as well as reducing cost of photocopying and courier. This initiative has led to reduction in turnaround time also. Your company also is instrumental in encouraging consumers to opt for paperless e-billing. During FY 20, around 34,065 consumers opted for e-billing in Mumbai.

Further, in the Generation business, various initiatives for optimization/reduction of auxiliary power consumption at multiple operating plants included de-staging of CEPs at MPL, optimisation of mill operation and CWPs operation in Jojobera, optimising usage of non-essential air in Trombay, improvement of energy performance of HT drives in IEL (Kalinganagar ),installation of variable frequency drive in CEP area and reduction of clean up cycle time in CGPL. Additionally Robotic cleaning of module, re-conduiting of DC power cable, Drone based thermal imaging of solar assets, implementation of seasonal tilting are few measures implemented in the solar sites improving the efficiency in FY 20.

## B. Research And Development

1 Specific area in which R&D carried out by the Company	<ul style="list-style-type: none"> <li>• In partnership with IIT Mumbai, development of technologies for Carbon Capture for Indian Coal (Department of Science and Technology Funded Project).</li> <li>• Development of technologies for value added products from Fly and Bottom Ash, a waste in our thermal plants, in partnership with Council of Scientific and Industrial Research labs across India.</li> <li>• Development of a white paper in partnership with IIT Mumbai for utilization of Industrial Bi-products.</li> <li>• Development low voltage high -intensity lighting system for illumination of confined spaces.</li> <li>• Developed a Technology road map focussing on usage of hydrogen as fuel.</li> <li>• Deployment of energy storage/battery and EV charging station.</li> <li>• Advanced fine line double printing process for manufacturing silicon wafer solar cells.</li> <li>• Enhancement of the spider framework to support newer generation of sensors.</li> </ul>
2 Benefits derived as a result of the above R&D	<ul style="list-style-type: none"> <li>• Reduction in emissions on combustion of Indian Coal in power plants.</li> <li>• Better waste disposal in line with environmental commitment in line with our strategic objective.</li> <li>• Aiding the commitment of Circular Economy.</li> <li>• Conservation of energy and reduction in Carbon Footprint.</li> <li>• Hydrogen being a cleaner fuel will help reduce our Carbon Footprint.</li> <li>• Commitment towards greener economy and utility scale storage at prevailing tariffs.</li> <li>• Improvement in efficiency of Solar generation.</li> <li>• Deployment of Border Management capability with SPIDER framework as part of CIBMS program of MHA and in IPSS trials of Indian Air Force.</li> </ul>
3 Future Plan of Action	<ul style="list-style-type: none"> <li>• Investments towards SMART grid technologies such as Smart Meters, Sensors, Internet of Things (IOT) to make network more intelligent and efficient.</li> <li>• Development and upgradation of energy storage and battery system especially to meet high energy demand due to EV charging solutions etc.</li> </ul>

## C. Technology Absorption

1 Efforts, in brief, made towards Technology Absorption, adaptation and innovation	<ul style="list-style-type: none"> <li>• Bottom Ash and waste plastic-based bricks for heavy load applications.</li> <li>• Adoption of Artificial Intelligence &amp; Machine Learning (ML) for load forecasting for the Power System Control Centre.</li> <li>• Deployment of Unmanned Aerial Vehicle (UAV) to do thermal imaging of open switch yards to identify hotspots.</li> <li>• Deployment of robotics in generator inspection, painting of exterior walls, maintenance of solar farms.</li> <li>• Function specific robots for application in hydros and CW pipelines.</li> </ul>
2 Benefits derived as a result of the above efforts	<ul style="list-style-type: none"> <li>• Devising methods for ash utilisation.</li> <li>• Better planning of generation leading to optimization of fuel inventory.</li> <li>• Safe operations and maintenance in open switchyards.</li> <li>• Increase in operational and maintenance efficiency.</li> </ul>

## Board's Report

- 
- 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   | a) Inertial Navigation System (INS) from Honeywell, USA            |
| b) Year of Import  | b) FY15  |
| c) Has technology been fully absorbed?   | c) Technology was validated in pilot projects during FY16 and FY17 |
| d) If not fully absorbed, areas where this has not taken place, reasons thereof and future plans of action | d) Technology to go for manufacturing                              |
- 
- 4 Expenditure on R & D
- |            |  |
|------------|--|
| a) Capital | a) Business Collaboration Pilot Project (Indigenization and digitalization) - ₹ 1.05 crore<br>SED- ₹ 10.02 crore |
| b) Revenue | b) Nil   |
- 

### Generation Business

- Effective utilization of Fly Ash in Manufacturing of bricks, gainful utilization in cement plants, development of paints etc.
- Roll out of GE-APM IoT platform for on-line digitalized O&M performance monitoring and intervention.
- Cell overflow recovery, service water and fire water line replacements, early identification and rectification of DM water and steam losses options has enabled better utilization of water resources.

### Transmission And Distribution Business

- Introduced Smart Meter Reading & Bill Distribution (SMRD) for improving process efficiency in meter reading and bill dispatch activities.
- Centralized monitoring of operational parameters of LT feeder helping in load balancing and stable voltages.
- Battery storage with preferred bus arrangements for reducing asset stress during peak.
- Efficient Micro Grid that is able to supply power in consumer in rural areas.

On behalf of the Board of Directors,

**N. Chandrasekaran**  
**Chairman**  
(DIN: 00121863)

Mumbai, 19th May 2020

## Annexure - V : Secretarial Audit Report

Ref.: Board's Report, Section 22)

**FORM No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**For the Financial Year**  
**Ended 31st March, 2020**  
**[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,  
Fort, 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, 2020 (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, 2020 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'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable to the Company during the Audit Period)
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the Audit Period)
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (Not Applicable to the Company during the Audit Period)
  - (h) 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;
  - (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period) and
  - (j) 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

## Board's Report

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc.

**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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors 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) modified its Scheme of Arrangement for transfer of its Strategic Engineering Division to Tata Advanced Systems Limited
- (ii) issued and allotted unsecured, Non-Cumulative, Redeemable, Taxable, Listed, Rated Non-Convertible Debentures of ₹ 1,500 Crore.
- (iii) issued and allotted secured, Non-cumulative, Redeemable, Taxable, Unlisted, Rated Non-Convertible Debentures of ₹ 220 Crore.

For Makarand M. Joshi & Co.  
Practicing Company Secretaries

**Makarand Joshi**  
**Partner**

FCS No. 5533

CP No. 3662

UDIN: F005533B000231913

Peer Review No: P2009MH007000

Place: Mumbai

Date: 12th May, 2020

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

## 'Annexure A'

To,  
The Members,  
**The Tata Power Company Limited,**  
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 Account of the Company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Makarand M. Joshi & Co.  
Practicing Company Secretaries

**Makarand Joshi**  
**Partner**

FCS No. 5533

CP No. 3662

UDIN: F005533B000231913

Peer Review No: P2009MH007000

Place: Mumbai  
Date: 12th May, 2020

# Board's Report

## Annexure - VI : Related Party Transactions

Ref.: Board's Report, Section 24)

### FORM No. AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto [Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

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

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188
Tata Consultancy Services Limited	Addendum No.1 to TCS Board App and Service Agreement for use of Board App software for Board and Committee meetings and for Directors evaluation.	For a period of 5 years from 27th May 2018 to 26th May 2023	Addendum dated 5th February 2020 to TCS Board App and Service Agreement for use of Board App software for Board and Committee meetings and for Directors evaluation. Consideration value approx. ₹ 26 lakh p.a. excluding taxes.	For use of Board App software for Board and Committee meetings and for Directors evaluation.	08.11.2019	Nil	N.A.

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

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
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There are no material contracts or arrangements or transactions at arm's length basis

On behalf of the Board of Directors,

**N. Chandrasekaran**  
Chairman  
(DIN: 00121863)

Mumbai, 19th May 2020

## ANNEXURE - VII : ANNUAL REPORT ON CSR ACTIVITIES

(Ref.: Board's Report, Section 25)

1. A brief outline of the company's CSR policy, including an overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	<p>Tata Power CSR Policy outlines five thrust areas for community development:</p> <ul style="list-style-type: none"> <li>• Education (VIDYA)</li> <li>• Livelihood &amp; Skill Building (DAKSH &amp; SAMMRIDDHI)</li> <li>• Water (for drinking &amp; irrigation) (AMRUTDHARA)</li> <li>• Health and Sanitation (AROGYA)</li> <li>• Financial Inclusivity (ADHIKAAR)</li> </ul> <p>The Company focussed on replication, innovation and scalable initiatives with long term sustainability. Key flagship initiatives across locations helped achieve 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 is provided on the Company's website.</p>
2. The composition of the CSR Committee	<p>Ms. Anjali Bansal- Chairperson and Independent Director            Mr. K.M. Chandrasekhar-Independent Director            Mr. Praveer Sinha- CEO and Managing Director</p>
3. Average net profit of the company for last three financial years	₹ 152.17 crore
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	₹ 3.04 crore
5. Details of CSR spend during the financial year	<p>(a) Total amount spent for the financial year ₹ 3.80 crore</p> <p>(b) Amount unspent, if any Nil</p> <p>(c) Manner in which the amount spent during the financial year Detailed overleaf</p>

## Board's Report

Sl. No	CSR project or activity identified	Sector in which the Project is covered	Project or Programs (1) Local area or other (2) Specify the State and district where projects or programs were under taken	Amount outlay (budget) project or programs wise (₹ in lakh)	Amount spent on the projects or programs Sub-heads: (1) Direct Expenditure on projects or Programs (2) Overheads (₹ in lakh)	Cumulative expenditure upto the reporting period (as on 31.03.2020) (₹ in lakh)	Amount spent: Direct or through implementing agency
I	Education	Promotion of Education	Local Areas <ul style="list-style-type: none"> <li>• Maval, Mulshi (Hydros)</li> <li>• Trombay, Distribution License Area</li> <li>• Mundra</li> </ul> State: <ul style="list-style-type: none"> <li>• Maharashtra</li> <li>• Gujarat</li> </ul> District: <ul style="list-style-type: none"> <li>• Pune</li> <li>• Mumbai</li> <li>• Kutch</li> </ul>	59	59	1,486	Direct: Tata Power
II	Livelihood & Skill Building (Focus Areas: Skill Development, Vocational training, Promote Livelihood practices among farmers/ fishermen, Income Generation activities for Women Self Help Groups)	Livelihood enhancement projects; Promoting gender equality, empowering women and measures for reducing inequalities faced by socially and economically backward groups		160	165	5,514	Implementation Agency (internal): <ul style="list-style-type: none"> <li>• Tata Power Community Development Trust (TPCDT)</li> <li>• Employee Volunteers</li> </ul>
III	Water (Drinking & Irrigation)			21	21	174	
IV	Health & Sanitation	Livelihood enhancement projects; Promoting gender equality, empowering women and measures for reducing inequalities faced by socially and economically backward groups		36	35	1,340	
V	Financial Inclusivity			16	15	89	
VI	Affirmative Action (AA) Sports and Others	Education, Employability, Entrepreneurship, Essential Amenities, Sports, and Community Engagement		12	85	2,861	
VII	Total			304	380	11,464	

## Key Highlights of the CSR Program

Tata Power (on a standalone basis) CSR Initiatives covered 14.06 lakh beneficiaries across 165 locations in Maharashtra and Gujarat. Thrust area-wise details are as follows:

### Details of Education Initiatives (VIDYA):

- 89,282 students were covered under e-Vidya (Digital Learning) and Vidya Sagar (Remedial Coaching) across all locations.
- 60% overall academic performance improved through various education initiatives from Digital learning to teachers training.

### Details of Health and Sanitation Initiatives (MAMTA & SAMMAAN):

- 2.37 lakh women and children were covered under maternal and child health initiatives.
- Focus was on adolescent girls and youth to enhance awareness on life skill education and anaemia control.
- Collaboration with stakeholders and government to promote sanitation resulted in improvement in adoption of best sanitation practices by the community.
- This year 1,169 camps are organised and approximately 21,625 patients are treated through MMU services.

### Details of Livelihood (SAMRIDDI) and Skill Building (DAKSH) Initiatives:

- 1.01 lakh impacted through farmed and non-farmed based livelihood initiatives.
- Under Samriddhi, farm based agriculture initiatives under across locations with focus on vermi-compost, mushroom cultivation, shrimp and Bombay duck farming, horticulture promotion sustainable agri practices and establishment of knowledge dissemination centre for farmers across all locations covering farmers/fishermen.
- Tata Power Skill Development Institute ("TPSDI") has also adopted and rolled out skill training exclusively for women replicating ABHA model in Mumbai
- In FY20, the total number of TPSDI trainees were 22,858 out of which, 2,113 were unemployed youth. 38.6 % of the unemployed youth were from SC/ST communities. 91 % of eligible youth were provided placement.
- Dhaaga (Women Micro-Enterprise) covered 1,170 members across 19 locations in 8 states. 50+ Exhibition cum sales organized with order value exceeding R 60 lakh across Mumbai, Bengaluru, Pune, Delhi, Thane and Kolkata in collaboration with major corporates including TCS, Titan, Axis Bank, HDFC Bank, Phillips, Godrej, Capgemini etc.
- Collaboration with Amazon India led to Dhaaga products available in Amazon Saheli platform resulting in online sales and marketing.

- Focus on Youth skilling under Daksh led to youth training under various vocational courses and TPSDI initiatives with 25% from Affirmative Action community.
- Maval Dairy- Women centre dairy based enterprise witnessed the successful launch of 10,000 Litres per day Milk processing Plant covering 1,500 women members across 41 villages. This Initiative was dedicated to socio economic empowerment of women and had the pride of being Maharashtra's 1st and All India 2nd All Women Dairy Farmer Producer Company.

### Details of Water Initiatives (AMRUTDHARA):

- Water Initiatives resulted in coverage of 5.91 lakh beneficiaries under Participatory Ground Water Management and Drinking Water initiatives.
- Initiative like water ATM is a sustainable solution and in future community take the responsibility.

### Details of Financial Inclusivity (ADHIKAAR):

- 2.9 lakh beneficiaries covered with resources accessed under various Govt. Schemes by communities.

### Volunteering (ARPAN):

- This year marked 1.7 lakh volunteering hours. Highest ever in Tata Power's history.
- Tata Power also received the National recognition for Best Corporate in Promoting Employee Volunteering at National Volunteer Conclave organized by IVolunteer-national platform for promoting volunteering.
- It also bagged 5 awards at Tata Group Volunteering Recognition platform.

### COVID-19 Response: (Till 31st March 2020):

- Nearly 3 lakh people linked with PDS shops to get 50 Kg. of food grains.
- List of 5,000 migrant workers across Mumbai surveyed and submitted to Government for necessary essential support
- Ensuring uninterrupted water supply through Water ATM run by community.
- Facilitation of supply of green fodder for the 3,600 cattle daily amounting to 43 MT.
- Uninterrupted supply of drinking water for the transient fishermen and other migrant population.
- Supply and distribution of more than 1.8 lakh face masks by Dhaaga Women members in Jharkhand, Odisha and Maharashtra.
- Supply and Spray of disinfectant in the peripheral villages of Jharkhand.
- Awareness generation on social distancing and distribution of hygiene kits to villagers and migrant workers.

## Board's Report

### CSR Awards and Recognition received in FY19

- Tata Power recognized for promoting Skill upgradation at ITI Jawhar on World Youth Skills day by Hon'ble Governor and Hon'ble Minister for Skill Development, Maharashtra.
- Tata Group TVW 11 Volunteering Award for Most Unique Activity (out of the box) intervention and Best Collaboration in TVW 12.
- Maithon wins CSR Award from Govt. of Netherlands for promoting Sanitation Practices under 1 Million Toilet Campaign.
- TPSDI received Asia's Training & Development Excellence Awards.
- CGPL received Certificate of Appreciation for PGWM from Govt of Gujarat.
- Two of the Company's flagship CSR initiatives Dhaaga and Participatory Ground Water Management (PGWM) won Gold and Bronze medal respectively in Asian Customer Engagement Forum (ACEF) CSR Excellence Awards 2019.
- The CSR Journal Award 2019 to TPSDI for Skill Building Initiatives .
- WABA (Global) 2019 recognition to Trombay and Mulshi for promoting Maternal and Child Health consecutively for 6th year.
- Breastfeeding Promotion Network of India (BPNI) 2019 recognizes Tata Power for promoting Maternal and Child Health.
- Tata Power has won the I-Volunteer Awards for Leader in Employee Volunteering category 2020.
- Tata Power won 5 awards at Tata volcon 2020.

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7. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report. Not Applicable

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8. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the Company. The implementation and monitoring of the CSR Policy is in compliance with CSR objectives and Policy of the Company.

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**Anjali Bansal**  
**Chairperson, CSR Committee**  
(DIN: 00207746)

**Praveer Sinha**  
**CEO & Managing Director**  
(DIN: 01785164)

## Annexure - VIII : Extract of Annual Return

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

**FORM No.MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended on 31st March 2020**  
**[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1)**  
**of the Companies (Management and Administration) Rules, 2014]**

### I. Registration And Other Details:

- i) CIN: L28920MH1919PLC000567
- ii) Registration Date: 18th September 1919
- iii) Name of the Company: The Tata Power Company Limited
- iv) Category/Sub-Category of the Company: Public Company limited by shares
- v) Address of the Registered office and contact details:  
Bombay House, 24, Homi Mody Street, Mumbai - 400 001.  
Tel.: 022 6665 8282 Fax: 022 6665 8801  
E-mail: [tatapower@tatapower.com](mailto:tatapower@tatapower.com) Website: [www.tatapower.com](http://www.tatapower.com)
- vi) Whether listed company: Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:  
TSR Darashaw Consultants Private Limited (formerly known as TSR Darashaw Limited)  
6-10, Haji Moosa Patrawala Industrial Estate,  
20, Dr. E. Moses Road, Mahalaxmi, Mumbai - 400 011.  
Tel.: 022 6656 8484 Fax.: 022 6656 8494.  
E-mail: [csg-unit@tsrdarashaw.com](mailto:csg-unit@tsrdarashaw.com) Website: [www.tsrdarashaw.com](http://www.tsrdarashaw.com)

### II. Principal Business Activities Of The Company

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

Sl.No.	Name and Description of main products/services	NIC Code of the product/service	% to total turnover of the company
1	Power Supply & Transmission charges	3510	94

### III. Particulars Of Holding, Subsidiary And Associate Companies

Sl. No.	Name and Address of the Company *	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held *	Applicable Section
1	Af-Taab Investment Co. Ltd. Corporate Center, B Block, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U65990MH1979PLC021037	Subsidiary	100	Section 2(87)
2	Tata Power Trading Co. Ltd. Carnac Receiving Station, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40100MH2003PLC143770	Subsidiary	100	Section 2(87)
3	Powerlinks Transmission Ltd.# 10th Floor, DLF Tower-A, District Center-Jasola, New Delhi 110025	U40105DL2001PLC110714	Subsidiary	51	Section 2(87)
4	Maithon Power Ltd. Corporate Center, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U74899MH2000PLC267297	Subsidiary	74	Section 2(87)
5	NELCO Ltd. MIDC, Plot No. EL 6, TTC Industrial Area, Electronics Zone, Mahape, Navi Mumbai 400710	L32200MH1940PLC003164	Subsidiary	50.04	Section 2(87)
6	Tatanet Services Ltd. MIDC, Plot No. EL 6, TTC Industrial Area, Electronics Zone, Mahape, Navi Mumbai 400710	U67120MH1987PLC044351	Subsidiary	50.04	Section 2(87)

## Board's Report

Sl. No.	Name and Address of the Company *	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held *	Applicable Section
7	Nelco Network Products Ltd. EL-6, TTC Industrial Area, MIDC, Mahape, Navi Mumbai 400710	U32309MH2016PLC285693	Subsidiary	50.04	Section 2(87)
8	Industrial Energy Ltd. # c/o The Tata Power Co. Ltd., Corporate Center, A Block, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U74999MH2007PLC167623	Subsidiary	74	Section 2(87)
9	TP Renewable Microgrid Ltd. (Formerly known as Industrial Power Utility Ltd.) c/o The Tata Power Co. Ltd., Corporate Center, A Block, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40100MH2007PLC168291	Subsidiary	100	Section 2(87)
10	Tata Power Delhi Distribution Ltd. NDPL House, Hudson Lines, Kingsway Camp, Delhi 110009	U40109DL2001PLC111526	Subsidiary	51	Section 2(87)
11	NDPL Infra Ltd. Jeevan Bharati Tower #1, 10th Floor, 124, Connaught Circus, New Delhi 110001	U40106DL2011PLC223982	Subsidiary	51	Section 2(87)
12	Coastal Gujarat Power Ltd. 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40102MH2006PLC182213	Subsidiary	100	Section 2(87)
13	Tata Power Renewable Energy Ltd. c/o The Tata Power Co. Ltd., Corporate Center, A Block, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40108MH2007PLC168314	Subsidiary	100	Section 2(87)
14	Tata Power Green Energy Ltd. B Block, Corporate Center, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40108MH2011PLC211851	Subsidiary	100	Section 2(87)
15	Supa Windfarm Ltd. c/o The Tata Power Co. Ltd., Corporate Center, A Block, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40300MH2015PLC270878	Subsidiary	100	Section 2(87)
16	Nivade Windfarm Ltd. c/o The Tata Power Co. Ltd., Corporate Center, A Block, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40300MH2015PLC271114	Subsidiary	100	Section 2(87)
17	Poolavadi Windfarm Ltd. c/o The Tata Power Co. Ltd., Corporate Center, A Block, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40300MH2016PLC271899	Subsidiary	74	Section 2(87)
18	Indo Rama Renewables Jath Ltd. c/o The Tata Power Co. Ltd., Corporate Center, A Block, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40300MH2012PLC316963	Subsidiary	100	Section 2(87)
19	Vagarai Windfarm Ltd. c/o The Tata Power Co. Ltd., Corporate Center, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40106MH2017PLC291708	Subsidiary	72	Section 2(87)
20	TP Kirnali Ltd. c/o The Tata Power Co. Ltd., Corporate Center B, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40100MH2020PLC337950	Subsidiary	100	Section 2(87)
21	TP Solapur Ltd. c/o The Tata Power Co. Ltd., Corporate Center B, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40108MH2020PLC338268	Subsidiary	100	Section 2(87)

Sl. No.	Name and Address of the Company *	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held *	Applicable Section
22	Walwhan Renewable Energy Ltd. c/o The Tata Power Co. Ltd., Corporate Center B, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40103MH2009PLC197021	Subsidiary	100	Section 2(87)
23	Clean Sustainable Solar Energy Pvt. Ltd. c/o The Tata Power Co. Ltd., Corporate Center B, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40300MH2014PTC254371	Subsidiary	99.99	Section 2(87)
24	Dreisatz Mysolar24 Pvt. Ltd. c/o The Tata Power Co. Ltd., Corporate Center B, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400 009	U40102MH2009PTC326890	Subsidiary	100	Section 2(87)
25	MI Mysolar24 Pvt. Ltd. c/o The Tata Power Co. Ltd., Corporate Center B, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400 009	U40106MH2009PTC326791	Subsidiary	100	Section 2(87)
26	Northwest Energy Pvt. Ltd. c/o The Tata Power Co. Ltd., Corporate Center B, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40108MH2008PTC182762	Subsidiary	100	Section 2(87)
27	Solarsys Renewable Energy Pvt. Ltd. c/o The Tata Power Co. Ltd., Corporate Center B, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400 009	U74999MH2004PTC325049	Subsidiary	100	Section 2(87)
28	Walwhan Solar Energy GJ Ltd. c/o The Tata Power Co. Ltd., Corporate Center B, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40104MH2008PLC184134	Subsidiary	100	Section 2(87)
29	Walwhan Solar Raj Ltd. c/o The Tata Power Co. Ltd., Corporate Center B, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40105MH2010PLC202097	Subsidiary	100	Section 2(87)
30	Walwhan Solar BH Ltd. c/o The Tata Power Co. Ltd., Corporate Center B, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40106MH2010PLC209615	Subsidiary	100	Section 2(87)
31	Walwhan Solar MH Ltd. c/o The Tata Power Co. Ltd., Corporate Center B, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40108MH2006PLC165673	Subsidiary	100	Section 2(87)
32	Walwhan Wind RJ Ltd. c/o The Tata Power Co. Ltd., Corporate Center B, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40108MH2006PLC325050	Subsidiary	100	Section 2(87)
33	Walwhan Solar AP Ltd. c/o The Tata Power Co. Ltd., Corporate Center B, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40109MH2008PLC178769	Subsidiary	100	Section 2(87)
34	Walwhan Solar KA Ltd. c/o The Tata Power Co. Ltd., Corporate Center B, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40300MH2012PLC233418	Subsidiary	100	Section 2(87)
35	Walwhan Solar MP Ltd. c/o The Tata Power Co. Ltd., Corporate Centre B, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40106MH2010PLC206275	Subsidiary	100	Section 2(87)

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Sl. No.	Name and Address of the Company *	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held *	Applicable Section
36	Walwhan Solar PB Ltd. c/o The Tata Power Co. Ltd., Corporate Center B, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40300MH2010PLC326052	Subsidiary	100	Section 2(87)
37	Walwhan Energy RJ Ltd. c/o The Tata Power Co. Ltd., Corporate Center B, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40105MH2010PLC206475	Subsidiary	100	Section 2(87)
38	Walwhan Solar TN Ltd. c/o The Tata Power Co. Ltd., Corporate Center B, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40106MH2010PLC326794	Subsidiary	100	Section 2(87)
39	Walwhan Solar RJ Ltd. c/o The Tata Power Co. Ltd., Corporate Center B, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40300MH2011PLC213470	Subsidiary	100	Section 2(87)
40	Walwhan Urja Anjar Ltd. c/o The Tata Power Co. Ltd., Corporate Center B, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40300MH2010PLC326888	Subsidiary	100	Section 2(87)
41	Walwhan Urja India Ltd. c/o The Tata Power Co. Ltd., Corporate Center B, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40109MH2006PLC165964	Subsidiary	100	Section 2(87)
42	Dugar Hydro Power Ltd. # Santosh Bhavan, 1st Floor, Near Govt. Middle School, Mehli, PO Kasumpti, Shimla 171009	U40101HP2011PLC031626	Subsidiary	50.001	Section 2(87)
43	Tata Power Solar Systems Ltd. c/o The Tata Power Co. Ltd., Corporate Center B, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40106MH1989PLC330738	Subsidiary	100	Section 2(87)
44	Chirasthaayee Saurya Ltd. c/o The Tata Power Co. Ltd., Corporate Center B, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U4010MH2016PLC330252	Subsidiary	100	Section 2(87)
45	Tata Power Jamshedpur Distribution Ltd. c/o The Tata Power Co. Ltd., Corporate Center, A Block, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40300MH2012PLC237581	Subsidiary	100	Section 2(87)
46	TCL Ceramics Ltd. (formerly known as Tata Ceramics Limited), 26 Cochin Special Economic Zone, Kakkanad, Ernakulam 682037	U26933KL1991PLC006018	Subsidiary	57.07	Section 2(87)
47	TP Ajmer Distribution Ltd. c/o The Tata Power Co. Ltd., 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40100MH2017PLC293914	Subsidiary	100	Section 2(87)
48	Bhira Investments Pte. Ltd. 78 Shenton Way, 17-01/02, Singapore 07912	Not applicable, foreign company	Subsidiary	100	Section 2(87)
49	Bhivpuri Investments Ltd. IFS Court, Bank Street, Twenty-Eight, Cybercity Ebene 72201, Republic of Mauritius	Not applicable, foreign company	Subsidiary	100	Section 2(87)
50	Khopoli Investments Ltd. IFS Court, Bank Street, Twenty-Eight, Cybercity Ebene 72201, Republic of Mauritius	Not applicable, foreign company	Subsidiary	100	Section 2(87)
51	Trust Energy Resources Pte. Ltd. 78 Shenton Way, 17-01/02, Singapore 079120	Not applicable, foreign company	Subsidiary	100	Section 2(87)

Sl. No.	Name and Address of the Company *	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held *	Applicable Section
52	Tata Power International Pte. Ltd. 78 Shenton Way, 17-01/02, Singapore 079120	Not applicable, foreign company	Subsidiary	100	Section 2(87)
53	Far Eastern Natural Resources LLC, Russian Federation, 683024, Kamchatka Krai, Petropavlovsk-Kamchatsky city, 49 Zerkalnaya str., office 327.	Not applicable, foreign company	Subsidiary	100	Section 2(87)
54	PT Sumber Energi Andalan Tbk. Prince Centre 8th Floor, Jl. Jend. Sudirman Kav 3-4, Jakarta 10220, Indonesia	Not applicable, foreign company	Subsidiary	92.50	Section 2(87)
55	Tubed Coal Mines Ltd. Century Bhavan, 3rd Floor, Dr. Annie Besant Road, Worli, Mumbai 400030	U10100MH2007PLC174466	Associate	40	Section 2(6)
56	Mandakini Coal Company Ltd. Plot No.12, Sector B-1, Local Shopping Complex, Vasant Kunj, New Delhi 110070	U10100DL2008PLC175417	Associate	33.33	Section 2(6)
57	Solace Land Holding Ltd. Plot No.12, Sector B-1, Local Shopping Complex, Vasant Kunj, New Delhi 110070	U70109DL2012PLC242177	Associate	33.33	Section 2(6)
58	Yashmun Engineers Ltd. Dharavi Road, Next to MSEB, Matunga, Mumbai 400019	U29100MH1966PLC006109	Associate	27.27	Section 2(6)
59	Tata Projects Ltd. Mithona Towers-1, 1-7-80 to 87, Prenderghast Road, Secunderabad, Hyderabad 500003	U45203TG1979PLC057431	Associate	47.78	Section 2(6)
60	The Associated Building Co. Ltd. Bombay House, 24, Homi Mody Street, Mumbai 400001	U45200MH1921PLC000866	Associate	33.14	Section 2(6)
61	Brihat Trading Pvt. Ltd. Bank of Baroda Building, Bombay Samachar Marg, Mumbai 400001	U51900MH1988PTC049926	Associate	33.21	Section 2(6)
62	PT Mitratama Perkasa Menara Anugrah Lantai 10, Kantor Taman E3.3, Lot 8.6-8.7, Jl DR Ide Anak Agung Gde Agung- Kawasan Mega Kuningan, Jakarta 12950, Indonesia	Not applicable, foreign company	Associate	28.38	Section 2(6)
63	PT Mitratama Usaha Menara Anugrah Lantai 10, Kantor Taman E3.3, Lot 8.6-8.7, Jl DR Ide Anak Agung Gde Agung- Kawasan Mega Kuningan, Jakarta 12950, Indonesia	Not applicable, foreign company	Associate	28.38	Section 2(6)
64	PT Arutmin Indonesia 14th Floor, Bakrie Tower Complex, Rasuna Epicentrum, Jalan H.R. Rasuna Said, Jakarta 12940, Indonesia	Not applicable, foreign company	Associate	30	Section 2(6)
65	PT Kaltim Prima Coal Bakrie Tower, 15th Floor, Jl. H.R. Rasuna Said, Kel. Karet Kuningan Kec. Setiabudi, Jakarta Selatan, Indonesia 12940	Not applicable, foreign company	Associate	30	Section 2(6)
66	Indocoal Resources (Cayman) Ltd. P.O. Box 309GT, Uglan House, South Church Street, George Town, Grand Cayman, Cayman Islands	Not applicable, foreign company	Associate	30	Section 2(6)
67	Indocoal KPC Resources (Cayman) Ltd. Citco Trustees (Cayman) Limited, 89 Nexus Way, Camana Bay, P.O. Box 31106, Grand Cayman KY1- 1205, Cayman Islands	Not applicable, foreign company	Associate	30	Section 2(6)

## Board's Report

Sl. No.	Name and Address of the Company *	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held *	Applicable Section
68	PT Indocoal Kalsel Resources M&C Corporate Service Limited PO BOX 309 GT Ugland House, South Church Street, George Town, Grand Cayman, Cayman Island	Not applicable, foreign company	Associate	30	Section 2(6)
69	PT Indocoal Kaltim Resources Bakrie Tower, 12th floor, Rasuna Epicentrum Jl. H.R. Rasuna Said, Jakarta, Indonesia 12940	Not applicable, foreign company	Associate	30	Section 2(6)
70	Dagachhu Hydro Power Corporation Ltd. Khebisa, Dzongkhang: Dagana, Bhutan	Not applicable, foreign company	Associate	26	Section 2(6)
71	Candice Investments Pte. Ltd. 60 Paya Lebar Road, #08-43 Paya Lebar Square, Singapore 409051	Not applicable, foreign company	Associate	30	Section 2(6)
72	PT Nusa Tambang Pratama Menara Anugrah Lantai 10, Kantor Taman E3.3, Lot 8.6-8.7, Jl DR Ide Anak Agung Gde Agung- Kawasan Mega Kuningan, Jakarta 12950, Indonesia	Not applicable, foreign company	Associate	30	Section 2(6)
73	PT Marvel Capital Indonesia Menara Anugrah Lantai 10, Kantor Taman E3.3, Lot 8.6-8.7, Jl DR Ide Anak Agung Gde Agung- Kawasan Mega Kuningan, Jakarta 12950, Indonesia	Not applicable, foreign company	Associate	30	Section 2(6)
74	PT Dwikarya Prima Abadi Menara Anugrah Lantai 10, Kantor Taman E3.3, Lot 8.6-8.7, Jl DR Ide Anak Agung Gde Agung- Kawasan Mega Kuningan, Jakarta 12950, Indonesia	Not applicable, foreign company	Associate	30	Section 2(6)
75	PT Kalimantan Prima Power Gd. Menara Duta Lt. 2 Wing A Jl. H. R. Rasuna Said Kav. B-9 Setibudi, Jakarta Selatan 12910	Not applicable, foreign company	Associate	30	Section 2(6)
76	PT Guruh Agung Gd. Graha Kapital Lt. 2, Jl. Kemang Raya No. 4, Bangka, Jakarta Selatan	Not applicable, foreign company	Associate	30	Section 2(6)
77	PT Citra Prima Buana Gd. Menara Duta Lt. 2 Wing A, Jl. H. R. Rasuna Said Kav. B-9 Setibudi, Jakarta Selatan 12910	Not applicable, foreign company	Associate	30	Section 2(6)
78	PT Citra Kusuma Perdana Gd. Menara Duta Lt. 2 Wing A, Jl. H. R. Rasuna Said Kav. B-9 Setibudi, Jakarta Selatan 12910	Not applicable, foreign company	Associate	30	Section 2(6)
79	PT Baramulti Sukessarana Tbk Sahid Sudirman Center, 56C, Jl. Jendral Sudirman Kav. 86, Jakarta 10220, Indonesia	Not applicable, foreign company	Associate	26	Section 2(6)
80	PT Antang Gunung Meratus Sahid Sudirman Center, 56C, Jl. Jendral Sudirman Kav. 86, Jakarta 10220, Indonesia	Not applicable, foreign company	Associate	26	Section 2(6)
81	Adjaristsqali Netherlands B.V. Luna Arena, Herikerbergweg 238, 1101 CM Amsterdam, P.O. Box 23393, 1100 DW Amsterdam, The Netherlands	Not applicable, foreign company	Associate	40	Section 2(6)
82	Adjaristsqali Georgia LLC 6, I. Abashidze Str., Ap 2-3, Batumi, 6010, Georgia	Not applicable, foreign company	Associate	40	Section 2(6)
83	Koromkheti Netherlands B.V. Luna Arena, Herikerbergweg 238, 1101 CM Amsterdam, P.O. Box 23393, 1100 DW Amsterdam, The Netherlands	Not applicable, foreign company	Associate	40	Section 2(6)

Sl. No.	Name and Address of the Company *	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held *	Applicable Section
84	Koromkheti Georgia L.L.C 6, I. Abashidze Str., Ap 2-3, Batumi, 6010, Georgia	Not applicable, foreign company	Associate	40	Section 2(6)
85	Itezhi Tezhi Power Corporation Ltd. Unit No. 13D, 2nd Floor, Pangaea Office Park Plot 2374, Great East Road, Show grounds Area Postnet 239, Private Bag E891 Mandahill Lusaka	Not applicable, foreign company	Associate	50	Section 2(6)
86	Resurgent Power Ventures Pte. Ltd. 1 Raffles Place, #13-01, One Raffles Place, Singapore 048616	Not applicable, foreign company	Associate	26	Section 2(6)
87	Renasant Power Ventures Pvt. Ltd. Corporate Centre, B Block, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009	U40300MH2018FTC315149	Associate	26	Section 2(6)
88	Prayagraj Power Generation Company Ltd. Shatabdi Bhawan, B 12 & 13, Sector 4, Noida Gautam Buddha Nagar 201301	U40101UP2007SGC032835	Associate	19.50	Section 2(6)
89	LTH Milcom Pvt. Ltd. L & T House, Ballard Estate, Mumbai 400001	U74999MH2015PTC267502	Associate	33.33	Section 2(6)

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

# Classified as Joint ventures as per Indian Accounting Standards.

#### IV. Shareholding Pattern (Equity Share Capital Breakup as percentage of Total Equity):

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2019)				No. of Shares held at the end of the year (as on 31.03.2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters (including Promoter Group)</b>									
<b>(1) Indian</b>									
a) Individuals / HUF	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	89,25,44,226	0	89,25,44,226	33.00	100,66,91,528	0	100,66,91,528	37.22	4.22
e) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other (Trust)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (A) (1):</b>	<b>89,25,44,226</b>	<b>0</b>	<b>89,25,44,226</b>	<b>33.00</b>	<b>100,66,91,528</b>	<b>0</b>	<b>100,66,91,528</b>	<b>37.22</b>	<b>4.22</b>
<b>(2) Foreign</b>									
a) NRIs -Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (A) (2):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoters (A) =(A) (1)+(A)(2)</b>	<b>89,25,44,226</b>	<b>0</b>	<b>89,25,44,226</b>	<b>33.00</b>	<b>100,66,91,528</b>	<b>0</b>	<b>100,66,91,528</b>	<b>37.22</b>	<b>4.22</b>

# Board's Report

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2019)				No. of Shares held at the end of the year (as on 31.03.2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds / UTI	28,79,25,778	1,28,880	28,80,54,658	10.65	35,69,36,614	1,09,060	35,70,45,674	13.20	2.55
b) Bank/FI	2,13,28,182	4,23,122	2,17,51,304	0.80	1,84,14,577	4,23,122	1,88,37,699	0.70	-0.11
c) Central Govt.	66,63,070	0	66,63,070	0.25	2,53,18,383	0	2,53,18,383	0.94	0.69
d) State Govt.(s)	44,300	2,47,120	2,91,420	0.01	44,300	2,47,120	2,91,420	0.01	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Alternate Investment Funds	23,65,000	0	23,65,000	0.09	1,48,32,479	0	1,48,32,479	0.55	0.46
g) Insurance Companies	35,46,58,303	29,100	35,46,87,403	13.11	33,65,49,995	29,100	33,65,79,095	12.44	-0.67
h) FIs	82,67,700	50,480	83,18,180	0.31	4,34,048	17,800	4,51,848	0.02	-0.29
i) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
j) Others (specify)									
j-i) Foreign Portfolio Investors (Corporate)	71,03,88,567	0	71,03,88,567	26.26	50,31,63,143	0	50,31,63,143	18.60	-7.66
j-ii) Foreign Nationals - DR	0	0	0	0.00	0	0	0	0.00	0.00
j-iii) Foreign Bodies - DR	0	0	0	0.00	12,21,000	0	12,21,000	0.05	0.05
j-iv) Foreign Institutional Investors - DR	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (B) (1):</b>	<b>139,16,40,900</b>	<b>8,78,702</b>	<b>139,25,19,602</b>	<b>51.48</b>	<b>125,69,14,539</b>	<b>8,26,202</b>	<b>125,77,40,741</b>	<b>46.50</b>	<b>-4.98</b>
<b>(2) Non-Institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	4,00,04,666	10,51,534	4,10,56,200	1.52	4,20,60,475	9,84,460	4,30,44,935	1.59	0.07
ii) Overseas	4,000	400	4,400	0.00	4,000	0	4,000	0.00	0.00
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	29,61,86,146	4,26,14,185	33,88,00,331	12.53	31,29,96,849	3,70,44,592	35,00,41,441	12.94	0.42
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	2,80,09,351	12,34,100	2,92,43,451	1.08	3,19,49,144	11,18,100	3,30,67,244	1.22	0.14
<b>c) Others (specify)</b>									
NBFCs registered with RBI	65,737	0	65,737	0.00	81,950	0	81,950	0.00	0.00
Trust	18,11,560	21,900	18,33,460	0.07	25,25,074	3,240	25,28,314	0.09	0.03
Directors & their relatives	36,862	0	36,862	0.00	2,16,262	0	2,16,262	0.01	0.01
IEPF Suspende A/C	68,36,941	0	68,36,941	0.25	80,38,303	0	80,38,303	0.30	0.04
QIB-Insurance Co. Regd. with IRDA	0	0	0	0.00	28,96,492	0	28,96,492	0.11	0.11
Foreign Bodies	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B) (2):</b>	<b>37,29,55,263</b>	<b>4,49,22,119</b>	<b>41,78,77,382</b>	<b>15.45</b>	<b>40,07,68,549</b>	<b>3,91,50,392</b>	<b>43,99,18,941</b>	<b>16.26</b>	<b>0.81</b>
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>176,45,96,163</b>	<b>4,58,00,821</b>	<b>181,03,96,984</b>	<b>66.93</b>	<b>165,76,83,088</b>	<b>3,99,76,594</b>	<b>169,76,59,682</b>	<b>62.77</b>	<b>-4.17</b>
<b>TOTAL (A)+(B)</b>	<b>265,71,40,389</b>	<b>4,58,00,821</b>	<b>270,29,41,210</b>	<b>99.93</b>	<b>266,43,74,616</b>	<b>3,99,76,594</b>	<b>270,43,51,210</b>	<b>99.98</b>	<b>0.05</b>
C. Shares held by Custodians for GDR & ADRs	18,31,000	1,300	18,32,300	0.07	4,21,000	1,300	4,22,300	0.02	-0.05
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>265,89,71,389</b>	<b>4,58,02,121</b>	<b>270,47,73,510</b>	<b>100.00</b>	<b>266,47,95,616</b>	<b>3,99,77,894</b>	<b>270,47,73,510</b>	<b>100.00</b>	<b>0.00</b>

## ii) Shareholding of Promoters (including Promoter Group)

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 01.04.2019)			Shareholding at the end of the year (as on 31.03.2020)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Tata Sons Private Limited (Promoter)	83,97,99,682	31.05	1.43	95,39,46,984	35.27	1.43	4.22
2	Tata Steel Limited *	3,91,22,725	1.45	0.00	3,91,22,725	1.45	0.00	0.00
3	Tata Investment Corporation Limited *	68,47,842	0.25	0.00	68,47,842	0.25	0.00	0.00
4	Tata Industries Limited *	45,35,200	0.17	0.00	45,35,200	0.17	0.00	0.00
5	Ewart Investments Limited *	22,29,657	0.08	0.00	22,29,657	0.08	0.00	0.00
6	Tata Motors Finance Limited *	9,120	0.00	0.00	9,120	0.00	0.00	0.00
7	Sir Dorabji Tata Trust *	0	0.00	0.00	0	0.00	0.00	0.00
8	Sir Ratan Tata Trust *	0	0.00	0.00	0	0.00	0.00	0.00
9	JRD Tata Trust *	0	0.00	0.00	0	0.00	0.00	0.00
	<b>Total</b>	<b>89,25,44,226</b>	<b>33.00</b>	<b>1.43</b>	<b>1,00,66,91,528</b>	<b>37.22</b>	<b>1.43</b>	<b>4.22</b>

\* Part of Promoter Group

## iii) Changes in Promoter's (including Promoter Group) Shareholding (please specify, if there is no change)

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (as on 1.04.2019)		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Tata Sons Private Limited (Promoter)	83,97,99,682	31.05					83,97,99,682	31.05
				05.09.2019	Purchase of Shares	4,12,110	0.02	84,02,11,792	31.06
				06.09.2019	Purchase of Shares	41,49,245	0.15	84,43,61,037	31.22
				09.09.2019	Purchase of Shares	80,69,169	0.30	85,24,30,206	31.52
				11.09.2019	Purchase of Shares	27,65,374	0.10	85,51,95,580	31.62
				12.09.2019	Purchase of Shares	2,73,12,754	1.01	88,25,08,334	32.63
				13.09.2019	Purchase of Shares	39,25,216	0.15	88,64,33,550	32.77
				16.09.2019	Purchase of Shares	17,06,894	0.06	88,81,40,444	32.84
				17.09.2019	Purchase of Shares	65,64,845	0.24	89,47,05,289	33.08
				18.09.2019	Purchase of Shares	35,23,320	0.13	89,82,28,609	33.21
				19.09.2019	Purchase of Shares	1,74,82,316	0.65	91,57,10,925	33.86
				20.09.2019	Purchase of Shares	38,69,699	0.14	91,95,80,624	34.00
				23.09.2019	Purchase of Shares	70,87,581	0.26	92,66,68,205	34.26
				12.03.2020	Purchase of Shares	1,38,78,964	0.51	94,05,47,169	34.77
13.03.2020	Purchase of Shares	1,33,99,815	0.50	95,39,46,984	35.27				
	<b>31.03.2020 At the end of the year</b>			-	-	<b>95,39,46,984</b>	<b>35.27</b>		
2	Tata Steel Limited *	3,91,22,725	1.45					3,91,22,725	1.45
				-	No change	0	0.00	3,91,22,725	1.45
					<b>31.03.2020 At the end of the year</b>			-	-

## Board's Report

Sl. No	Name of the Shareholder	Shareholding at the beginning of the year (as on 1.04.2019)		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	Tata Investment Corporation Limited *	68,47,842	0.25					68,47,842	0.25
				-	No change	0	0.00	68,47,842	0.25
					<b>31.03.2020</b>	<b>At the end of the year</b>	-	-	<b>68,47,842</b>
4	Tata Industries Limited *	45,35,200	0.17					45,35,200	0.17
				-	No change	0	0.00	45,35,200	0.17
					<b>31.03.2020</b>	<b>At the end of the year</b>	-	-	<b>45,35,200</b>
5	Ewart Investments Limited *	22,29,657	0.08					22,29,657	0.08
				-	No change	0	0.00	22,29,657	0.08
					<b>31.03.2020</b>	<b>At the end of the year</b>	-	-	<b>22,29,657</b>
6	Tata Motors Finance Limited *	9,120	0.00					9,120	0.00
				-	No change	0	0.00	9,120	0.00
					<b>31.03.2020</b>	<b>At the end of the year</b>	-	-	<b>9,120</b>
7	Sir Dorabji Tata Trust *	0	0.00					0	0.00
				-	No change	0	0.00	0	0.00
					<b>31.03.2020</b>	<b>At the end of the year</b>	-	-	<b>0</b>
8	Sir Ratan Tata Trust *	0	0.00					0	0.00
				-	No change	0	0.00	0	0.00
					<b>31.03.2020</b>	<b>At the end of the year</b>	-	-	<b>0</b>
9	JRD Tata Trust *	0	0.00					0	0.00
				-	No change	0	0.00	0	0.00
					<b>31.03.2020</b>	<b>At the end of the year</b>	-	-	<b>0</b>

\* Part of Promoter Group

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

Sl. No	Name of the Shareholder	Shareholding at the beginning of the year (as on 01.04.2019)		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ICICI Prudential Value Discovery Fund	11,38,29,237	4.21					11,38,29,237	4.21
				05.04.2019	Purchase of Shares	1	0.00	11,38,29,238	4.21
				19.04.2019	Sale of Shares	-1,606	0.00	11,38,27,632	4.21
				26.04.2019	Purchase of Shares	8,030	0.00	11,38,35,662	4.21
				03.05.2019	Purchase of Shares	8,030	0.00	11,38,43,692	4.21
				10.05.2019	Purchase of Shares	13,37,433	0.05	11,51,81,125	4.26
				17.05.2019	Purchase of Shares	5,075	0.00	11,51,86,200	4.26
				24.05.2019	Sale of Shares	-1,606	0.00	11,51,84,594	4.26
				24.05.2019	Purchase of Shares	930	0.00	11,51,85,524	4.26
				31.05.2019	Purchase of Shares	20,878	0.00	11,52,06,402	4.26
				06.06.2019	Purchase of Shares	1,606	0.00	11,52,08,008	4.26
				14.06.2019	Purchase of Shares	4,821	0.00	11,52,12,829	4.26
				18.06.2019	Purchase of Shares	4,821	0.00	11,52,17,650	4.26
				28.06.2019	Purchase of Shares	11,40,257	0.04	11,63,57,907	4.30
				05.07.2019	Purchase of Shares	4,147	0.00	11,63,62,054	4.30
				12.07.2019	Purchase of Shares	1,608	0.00	11,63,63,662	4.30
				19.07.2019	Purchase of Shares	4,826	0.00	11,63,68,488	4.30
				26.07.2019	Purchase of Shares	17,23,736	0.06	11,80,92,224	4.37
				02.08.2019	Purchase of Shares	39,48,803	0.15	12,20,41,027	4.51
				09.08.2019	Purchase of Shares	15,63,580	0.06	12,36,04,607	4.57
				16.08.2019	Purchase of Shares	51,66,143	0.19	12,87,70,750	4.76
				23.08.2019	Sale of Shares	-8,01,000	-0.03	12,79,69,750	4.73
				23.08.2019	Purchase of Shares	60,77,480	0.22	13,40,47,230	4.96
				30.08.2019	Purchase of Shares	5,35,640	0.02	13,45,82,870	4.98
				06.09.2019	Purchase of Shares	33,15,173	0.12	13,78,98,043	5.10
				13.09.2019	Sale of Shares	-1,32,47,736	-0.49	12,46,50,307	4.61
				13.09.2019	Purchase of Shares	1,617	0.00	12,46,51,924	4.61
				20.09.2019	Sale of Shares	-31,12,000	-0.12	12,15,39,924	4.49
				20.09.2019	Purchase of Shares	1,617	0.00	12,15,41,541	4.49
				27.09.2019	Purchase of Shares	2,359	0.00	12,15,43,900	4.49
				30.09.2019	Purchase of Shares	920	0.00	12,15,44,820	4.49
				04.10.2019	Purchase of Shares	8,825	0.00	12,15,53,645	4.49
				11.10.2019	Purchase of Shares	2,501	0.00	12,15,56,146	4.49
				18.10.2019	Purchase of Shares	509	0.00	12,15,56,655	4.49
				25.10.2019	Sale of Shares	-3,162	0.00	12,15,53,493	4.49
				25.10.2019	Purchase of Shares	5,76,921	0.02	12,21,30,414	4.52
				01.11.2019	Purchase of Shares	4,34,619	0.02	12,25,65,033	4.53
				08.11.2019	Purchase of Shares	23,01,770	0.09	12,48,66,803	4.62
				15.11.2019	Purchase of Shares	62,33,142	0.23	13,10,99,945	4.85
				22.11.2019	Sale of Shares	-1,582	0.00	13,10,98,363	4.85
				22.11.2019	Purchase of Shares	1,44,921	0.01	13,12,43,284	4.85
				29.11.2019	Purchase of Shares	9,89,025	0.04	13,22,32,309	4.89
				06.12.2019	Sale of Shares	-4,746	0.00	13,22,27,563	4.89
				06.12.2019	Purchase of Shares	23,35,817	0.09	13,45,63,380	4.98
				13.12.2019	Purchase of Shares	42,39,229	0.16	13,88,02,609	5.13

## Board's Report

Sl. No	Name of the Shareholder	Shareholding at the beginning of the year (as on 01.04.2019)	Date	Reason	Increase/ Decrease in Shareholding	Cumulative Shareholding during the year
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
			20.12.2019	Purchase of Shares	65,08,985	5.37
			27.12.2019	Purchase of Shares	2,346	5.37
			31.12.2019	Purchase of Shares	24,12,000	5.46
			03.01.2020	Purchase of Shares	1,80,000	5.47
			10.01.2020	Purchase of Shares	45,67,182	5.64
			17.01.2020	Sale of Shares	-7,13,779	5.61
			17.01.2020	Purchase of Shares	32,07,160	5.73
			24.01.2020	Purchase of Shares	1,71,43,448	6.36
			31.01.2020	Sale of Shares	-9,000	6.36
			31.01.2020	Purchase of Shares	44,90,632	6.53
			07.02.2020	Purchase of Shares	67,93,672	6.78
			14.02.2020	Sale of Shares	-17,737	6.78
			14.02.2020	Purchase of Shares	19,95,139	6.85
			21.02.2020	Sale of Shares	-8,668	6.85
			21.02.2020	Purchase of Shares	37,67,574	6.99
			28.02.2020	Sale of Shares	-27,567	6.99
			28.02.2020	Purchase of Shares	1,09,61,272	7.40
			06.03.2020	Sale of Shares	-1	7.40
			06.03.2020	Purchase of Shares	1,20,53,965	7.84
			13.03.2020	Sale of Shares	-39,51,000	7.70
			13.03.2020	Purchase of Shares	32,16,759	7.81
			20.03.2020	Sale of Shares	-90,000	7.81
			20.03.2020	Purchase of Shares	2,36,930	7.82
			27.03.2020	Purchase of Shares	18,72,323	7.89
			31.03.2020	Purchase of Shares	49,17,065	8.07
			<b>31.03.2020</b>	<b>At the end of the year</b>	<b>-</b>	<b>8.07</b>
2	Matthews Pacific Tiger Fund	18,03,16,487	6.67			6.67
				No change	0	6.67
			<b>31.03.2020</b>	<b>At the end of the year</b>	<b>-</b>	<b>6.67</b>
3	Life Insurance Corporation of India	20,97,31,735	7.75			7.75
			05.04.2019	Sale of Shares	-9,55,000	7.72
			12.04.2019	Sale of Shares	-84,09,922	7.41
			19.04.2019	Sale of Shares	-61,39,070	7.18
			26.04.2019	Sale of Shares	-51,30,428	6.99
			03.05.2019	Sale of Shares	-4,80,000	6.97
			10.05.2019	Sale of Shares	-22,47,486	6.89
			17.05.2019	Sale of Shares	-32,96,306	6.77
			24.05.2019	Sale of Shares	-47,16,055	6.59
			31.05.2019	Sale of Shares	-49,92,000	6.41
			06.06.2019	Sale of Shares	-18,71,810	6.34
			14.06.2019	Sale of Shares	-15,47,035	6.28
			18.06.2019	Sale of Shares	-2,71,301	6.27
			28.06.2019	Sale of Shares	-17,73,000	6.21
			05.07.2019	Sale of Shares	-4,35,000	6.19
			17.01.2020	Purchase of Shares	4,00,000	6.21
			24.01.2020	Purchase of Shares	13,915	6.21

Sl. No	Name of the Shareholder	Shareholding at the beginning of the year (as on 01.04.2019)		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
				07.02.2020	Purchase of Shares	26,97,747	0.10	17,05,78,984	6.31
				14.02.2020	Purchase of Shares	10,02,253	0.04	17,15,81,237	6.34
				<b>31.03.2020</b>	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>17,15,81,237</b>	<b>6.34</b>
4	The New India Assurance Company Limited	5,41,93,839	2.00					5,41,93,839	2.00
				05.04.2019	Sale of Shares	-2,75,000	-0.01	5,39,18,839	1.99
				12.04.2019	Sale of Shares	-7,25,000	-0.03	5,31,93,839	1.97
				20.09.2019	Sale of Shares	-10,00,000	-0.04	5,21,93,839	1.93
				<b>31.03.2020</b>	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>5,21,93,839</b>	<b>1.93</b>
5	Reliance Capital Trustee Co. Ltd.- A/C Nippon India Growth Fund	3,34,67,627	1.24					3,34,67,627	1.24
				05.04.2019	Purchase of Shares	16,865	0.00	3,34,84,492	1.24
				12.04.2019	Purchase of Shares	12,42,688	0.05	3,47,27,180	1.28
				19.04.2019	Purchase of Shares	9,84,712	0.04	3,57,11,892	1.32
				26.04.2019	Sale of Shares	-63,175	0.00	3,56,48,717	1.32
				26.04.2019	Purchase of Shares	13,74,577	0.05	3,70,23,294	1.37
				03.05.2019	Sale of Shares	-5,13,000	-0.02	3,65,10,294	1.35
				03.05.2019	Purchase of Shares	15,44,100	0.06	3,80,54,394	1.41
				10.05.2019	Sale of Shares	-1,25,830	0.00	3,79,28,564	1.40
				10.05.2019	Purchase of Shares	1,59,000	0.01	3,80,87,564	1.41
				17.05.2019	Purchase of Shares	5,70,080	0.02	3,86,57,644	1.43
				24.05.2019	Purchase of Shares	17,19,171	0.06	4,03,76,815	1.49
				31.05.2019	Purchase of Shares	2,17,374	0.01	4,05,94,189	1.50
				06.06.2019	Purchase of Shares	82,442	0.00	4,06,76,631	1.50
				07.06.2019	Sale of Shares	-31,980	0.00	4,06,44,651	1.50
				07.06.2019	Purchase of Shares	4,00,454	0.01	4,10,45,105	1.52
				11.06.2019	Sale of Shares	-50,718	0.00	4,09,94,387	1.52
				14.06.2019	Sale of Shares	-4,50,000	-0.02	4,05,44,387	1.50
				14.06.2019	Purchase of Shares	5,448	0.00	4,05,49,835	1.50
				18.06.2019	Sale of Shares	-605	0.00	4,05,49,230	1.50
				18.06.2019	Purchase of Shares	5,98,454	0.02	4,11,47,684	1.52
				21.06.2019	Purchase of Shares	16,21,806	0.06	4,27,69,490	1.58
				28.06.2019	Sale of Shares	-4,32,752	-0.02	4,23,36,738	1.57
				28.06.2019	Purchase of Shares	5,19,222	0.02	4,28,55,960	1.58
				05.07.2019	Sale of Shares	-44,87,442	-0.17	3,83,68,518	1.42
				05.07.2019	Purchase of Shares	30,14,364	0.11	4,13,82,882	1.53
				12.07.2019	Sale of Shares	-1,08,000	0.00	4,12,74,882	1.53
				12.07.2019	Purchase of Shares	5,837	0.00	4,12,80,719	1.53
				19.07.2019	Sale of Shares	-4,86,000	-0.02	4,07,94,719	1.51
				19.07.2019	Purchase of Shares	12,880	0.00	4,08,07,599	1.51
				26.07.2019	Purchase of Shares	31,26,745	0.12	4,39,34,344	1.62
				02.08.2019	Sale of Shares	-5,94,000	-0.02	4,33,40,344	1.60
				02.08.2019	Purchase of Shares	36,60,263	0.14	4,70,00,607	1.74
				09.08.2019	Sale of Shares	-3,51,966	-0.01	4,66,48,641	1.72
				09.08.2019	Purchase of Shares	6,84,849	0.03	4,73,33,490	1.75
				16.08.2019	Purchase of Shares	2,02,245	0.01	4,75,35,735	1.76
				23.08.2019	Sale of Shares	-17,82,000	-0.07	4,57,53,735	1.69
				23.08.2019	Purchase of Shares	38,04,333	0.14	4,95,58,068	1.83

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Sl. No	Name of the Shareholder	Shareholding at the beginning of the year (as on 01.04.2019)	Date	Reason	Increase/ Decrease in Shareholding	Cumulative Shareholding during the year		
		No. of shares			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
			30.08.2019	Purchase of Shares	39,74,831	0.15	5,35,32,899	1.98
			06.09.2019	Sale of Shares	-5,22,000	-0.02	5,30,10,899	1.96
			06.09.2019	Purchase of Shares	12,01,350	0.04	5,42,12,249	2.00
			13.09.2019	Purchase of Shares	3,150	0.00	5,42,15,399	2.00
			20.09.2019	Sale of Shares	-5,00,000	-0.02	5,37,15,399	1.99
			20.09.2019	Purchase of Shares	3,150	0.00	5,37,18,549	1.99
			27.09.2019	Sale of Shares	-7,29,051	-0.03	5,29,89,498	1.96
			27.09.2019	Purchase of Shares	1,09,386	0.00	5,30,98,884	1.96
			04.10.2019	Purchase of Shares	2,369	0.00	5,31,01,253	1.96
			11.10.2019	Purchase of Shares	46,728	0.00	5,31,47,981	1.96
			18.10.2019	Purchase of Shares	38,682	0.00	5,31,86,663	1.97
			25.10.2019	Purchase of Shares	18,000	0.00	5,32,04,663	1.97
			01.11.2019	Purchase of Shares	4,023	0.00	5,32,08,686	1.97
			08.11.2019	Purchase of Shares	46,817	0.00	5,32,55,503	1.97
			15.11.2019	Sale of Shares	-5,528	0.00	5,32,49,975	1.97
			15.11.2019	Purchase of Shares	6,57,000	0.02	5,39,06,975	1.99
			22.11.2019	Sale of Shares	-5,504	0.00	5,39,01,471	1.99
			22.11.2019	Purchase of Shares	8,10,000	0.03	5,47,11,471	2.02
			29.11.2019	Sale of Shares	-1,16,049	0.00	5,45,95,422	2.02
			06.12.2019	Sale of Shares	-21,475	0.00	5,45,73,947	2.02
			06.12.2019	Purchase of Shares	5,06,000	0.02	5,50,79,947	2.04
			13.12.2019	Sale of Shares	-18,000	0.00	5,50,61,947	2.04
			13.12.2019	Purchase of Shares	2,273	0.00	5,50,64,220	2.04
			20.12.2019	Purchase of Shares	275	0.00	5,50,64,495	2.04
			27.12.2019	Sale of Shares	-975	0.00	5,50,63,520	2.04
			27.12.2019	Purchase of Shares	6,471	0.00	5,50,69,991	2.04
			31.12.2019	Purchase of Shares	2,16,422	0.01	5,52,86,413	2.04
			03.01.2020	Purchase of Shares	12,720	0.00	5,52,99,133	2.04
			10.01.2020	Purchase of Shares	1,563	0.00	5,53,00,696	2.04
			17.01.2020	Purchase of Shares	21,624	0.00	5,53,22,320	2.05
			24.01.2020	Sale of Shares	-23,90,579	-0.09	5,29,31,741	1.96
			24.01.2020	Purchase of Shares	15,19,536	0.06	5,44,51,277	2.01
			31.01.2020	Sale of Shares	-20,15,126	-0.07	5,24,36,151	1.94
			07.02.2020	Purchase of Shares	22,457	0.00	5,24,58,608	1.94
			14.02.2020	Purchase of Shares	2,968	0.00	5,24,61,576	1.94
			21.02.2020	Sale of Shares	-12,80,504	-0.05	5,11,81,072	1.89
			28.02.2020	Sale of Shares	-10,02,066	-0.04	5,01,79,006	1.86
			28.02.2020	Purchase of Shares	4,77,000	0.02	5,06,56,006	1.87
			06.03.2020	Sale of Shares	-548	0.00	5,06,55,458	1.87
			06.03.2020	Purchase of Shares	16,81,147	0.06	5,23,36,605	1.93
			13.03.2020	Sale of Shares	-17,10,000	-0.06	5,06,26,605	1.87
			13.03.2020	Purchase of Shares	72,560	0.00	5,06,99,165	1.87
			20.03.2020	Sale of Shares	-2,59,158	-0.01	5,04,40,007	1.86
			27.03.2020	Sale of Shares	-2,961	0.00	5,04,37,046	1.86
			31.03.2020	Purchase of Shares	22,419	0.00	5,04,59,465	1.87
			<b>31.03.2020</b>	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>5,04,59,465</b>	<b>1.87</b>

Sl. No	Name of the Shareholder	Shareholding at the beginning of the year (as on 01.04.2019)		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6	General Insurance Corporation of India	5,19,62,960	1.92					5,19,62,960	1.92
				05.04.2019	Sale of Shares	-1,00,000	0.00	5,18,62,960	1.92
				27.09.2019	Sale of Shares	-50,00,000	-0.18	4,68,62,960	1.73
				<b>31.03.2020</b>	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>4,68,62,960</b>	<b>1.73</b>
7	First State Investments Icvc - Stewart Investors Global Emerging Markets Leaders Fund	9,00,17,492	3.33					9,00,17,492	3.33
				27.09.2019	Sale of Shares	-36,88,702	-0.14	8,63,28,790	3.19
				30.09.2019	Sale of Shares	-4,73,090	-0.02	8,58,55,700	3.17
				15.11.2019	Sale of Shares	-32,77,864	-0.12	8,25,77,836	3.05
				29.11.2019	Sale of Shares	-62,28,069	-0.23	7,63,49,767	2.82
				06.12.2019	Sale of Shares	-4,83,796	-0.02	7,58,65,971	2.80
				20.12.2019	Sale of Shares	-27,02,412	-0.10	7,31,63,559	2.70
				24.01.2020	Sale of Shares	-54,70,986	-0.20	6,76,92,573	2.50
				14.02.2020	Sale of Shares	-21,22,663	-0.08	6,55,69,910	2.42
				21.02.2020	Sale of Shares	-1,99,112	-0.01	6,53,70,798	2.42
				13.03.2020	Sale of Shares	-8,51,547	-0.03	6,45,19,251	2.39
				20.03.2020	Sale of Shares	-1,23,45,246	-0.46	5,21,74,005	1.93
				27.03.2020	Sale of Shares	-34,49,563	-0.13	4,87,24,442	1.80
				31.03.2020	Sale of Shares	-28,95,760	-0.11	4,58,28,682	1.69
				<b>31.03.2020</b>	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>4,58,28,682</b>	<b>1.69</b>
8	Franklin India Equity Advantage Fund	1,33,69,849	0.49					1,33,69,849	0.49
				11.06.2019	Purchase of Shares	11,79,645	0.04	1,45,49,494	0.54
				18.06.2019	Purchase of Shares	11,83,921	0.04	1,57,33,415	0.58
				12.07.2019	Purchase of Shares	5,00,000	0.02	1,62,33,415	0.60
				26.07.2019	Purchase of Shares	5,00,000	0.02	1,67,33,415	0.62
				02.08.2019	Purchase of Shares	15,00,000	0.06	1,82,33,415	0.67
				09.08.2019	Purchase of Shares	7,50,000	0.03	1,89,83,415	0.70
				16.08.2019	Purchase of Shares	10,00,000	0.04	1,99,83,415	0.74
				23.08.2019	Purchase of Shares	20,00,034	0.07	2,19,83,449	0.81
				30.08.2019	Purchase of Shares	14,99,966	0.06	2,34,83,415	0.87
				27.09.2019	Purchase of Shares	25,00,000	0.09	2,59,83,415	0.96
				04.10.2019	Purchase of Shares	6,84,300	0.03	2,66,67,715	0.99
				11.10.2019	Purchase of Shares	9,23,468	0.03	2,75,91,183	1.02
				18.10.2019	Purchase of Shares	20,76,532	0.08	2,96,67,715	1.10
				25.10.2019	Purchase of Shares	5,00,000	0.02	3,01,67,715	1.12
				13.12.2019	Sale of Shares	-2,50,51,911	-0.93	51,15,804	0.19
				13.12.2019	Purchase of Shares	2,53,01,911	0.94	3,04,17,715	1.12
				20.12.2019	Sale of Shares	-51,15,804	-0.19	2,53,01,911	0.94
				20.12.2019	Purchase of Shares	51,15,804	0.19	3,04,17,715	1.12
				31.01.2020	Purchase of Shares	10,00,000	0.04	3,14,17,715	1.16
				07.02.2020	Purchase of Shares	4,00,000	0.01	3,18,17,715	1.18
				28.02.2020	Purchase of Shares	30,00,000	0.11	3,48,17,715	1.29
				20.03.2020	Purchase of Shares	11,29,397	0.04	3,59,47,112	1.33
				27.03.2020	Purchase of Shares	3,70,603	0.01	3,63,17,715	1.34
				<b>31.03.2020</b>	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>3,63,17,715</b>	<b>1.34</b>

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Sl. No	Name of the Shareholder	Shareholding at the beginning of the year (as on 01.04.2019)		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9	HDFC Life Insurance Company Limited	6,06,551	0.02					6,06,551	0.02
				12.04.2019	Purchase of Shares	2,908	0.00	6,09,459	0.02
				19.04.2019	Purchase of Shares	40,00,000	0.15	46,09,459	0.17
				26.04.2019	Purchase of Shares	40,00,000	0.15	86,09,459	0.32
				10.05.2019	Purchase of Shares	9,99,019	0.04	96,08,478	0.36
				17.05.2019	Purchase of Shares	15,00,000	0.06	1,11,08,478	0.41
				06.06.2019	Sale of Shares	-28,000	0.00	1,10,80,478	0.41
				07.06.2019	Purchase of Shares	5,00,000	0.02	1,15,80,478	0.43
				11.06.2019	Purchase of Shares	5,01,390	0.02	1,20,81,868	0.45
				05.07.2019	Sale of Shares	-5,840	0.00	1,20,76,028	0.45
				12.07.2019	Purchase of Shares	5,00,000	0.02	1,25,76,028	0.46
				19.07.2019	Sale of Shares	-32,434	0.00	1,25,43,594	0.46
				26.07.2019	Purchase of Shares	10,00,000	0.04	1,35,43,594	0.50
				02.08.2019	Purchase of Shares	20,13,395	0.07	1,55,56,989	0.58
				09.08.2019	Purchase of Shares	7,44,363	0.03	1,63,01,352	0.60
				16.08.2019	Purchase of Shares	26,34,816	0.10	1,89,36,168	0.70
				23.08.2019	Purchase of Shares	15,79,064	0.06	2,05,15,232	0.76
				30.08.2019	Sale of Shares	-1,29,508	0.00	2,03,85,724	0.75
				06.09.2019	Purchase of Shares	9,94,897	0.04	2,13,80,621	0.79
				20.09.2019	Sale of Shares	-20,807	0.00	2,13,59,814	0.79
				27.09.2019	Sale of Shares	-2,108	0.00	2,13,57,706	0.79
				04.10.2019	Purchase of Shares	8,84,274	0.03	2,22,41,980	0.82
				11.10.2019	Purchase of Shares	1,11,126	0.00	2,23,53,106	0.83
				18.10.2019	Purchase of Shares	2,71,146	0.01	2,26,24,252	0.84
				25.10.2019	Purchase of Shares	1,45,472	0.01	2,27,69,724	0.84
				01.11.2019	Purchase of Shares	2,01,350	0.01	2,29,71,074	0.85
				08.11.2019	Sale of Shares	-7,437	0.00	2,29,63,637	0.85
				15.11.2019	Purchase of Shares	8,65,655	0.03	2,38,29,292	0.88
				22.11.2019	Sale of Shares	-2,101	0.00	2,38,27,191	0.88
				29.11.2019	Sale of Shares	-11,414	0.00	2,38,15,777	0.88
				06.12.2019	Purchase of Shares	17,51,640	0.06	2,55,67,417	0.95
				13.12.2019	Purchase of Shares	6,20,311	0.02	2,61,87,728	0.97
				20.12.2019	Sale of Shares	-85,574	0.00	2,61,02,154	0.97
				27.12.2019	Purchase of Shares	6,20,526	0.02	2,67,22,680	0.99
				31.12.2019	Sale of Shares	-12,570	0.00	2,67,10,110	0.99
				03.01.2020	Purchase of Shares	2,91,663	0.01	2,70,01,773	1.00
				10.01.2020	Sale of Shares	-52,959	0.00	2,69,48,814	1.00
				17.01.2020	Sale of Shares	-95,137	0.00	2,68,53,677	0.99
				24.01.2020	Sale of Shares	-4,580	0.00	2,68,49,097	0.99
				31.01.2020	Sale of Shares	-856	0.00	2,68,48,241	0.99
				07.02.2020	Purchase of Shares	7,41,609	0.03	2,75,89,850	1.02
				14.02.2020	Purchase of Shares	716	0.00	2,75,90,566	1.02
				21.02.2020	Purchase of Shares	2,77,430	0.01	2,78,67,996	1.03
				28.02.2020	Purchase of Shares	800	0.00	2,78,68,796	1.03
				06.03.2020	Purchase of Shares	8,37,468	0.03	2,87,06,264	1.06
				13.03.2020	Purchase of Shares	19,41,076	0.07	3,06,47,340	1.13

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		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
				20.03.2020	Purchase of Shares	14,40,233	0.05	3,20,87,573	1.19
				27.03.2020	Purchase of Shares	5,95,738	0.02	3,26,83,311	1.21
				31.03.2020	Purchase of Shares	3,200	0.00	3,26,86,511	1.21
				<b>31.03.2020</b>	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>3,26,86,511</b>	<b>1.21</b>
10	Postal Life Insurance Fund A/C Sbifmpl	48,41,587	0.18					48,41,587	0.18
				05.07.2019	Purchase of Shares	11,17,302	0.04	59,58,889	0.22
				19.07.2019	Purchase of Shares	15,69,857	0.06	75,28,746	0.28
				23.08.2019	Purchase of Shares	10,06,442	0.04	85,35,188	0.32
				06.03.2020	Purchase of Shares	43,97,770	0.16	1,29,32,958	0.48
				20.03.2020	Purchase of Shares	34,05,685	0.13	1,63,38,643	0.60
				27.03.2020	Purchase of Shares	23,94,557	0.09	1,87,33,200	0.69
				<b>31.03.2020</b>	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>1,87,33,200</b>	<b>0.69</b>
11	Stewart Investors Global Emerging Markets Leaders Fund	5,01,16,888	1.85					5,01,16,888	1.85
				27.09.2019	Sale of Shares	-21,56,032	-0.08	4,79,60,856	1.77
				30.09.2019	Sale of Shares	-2,76,519	-0.01	4,76,84,337	1.76
				18.10.2019	Sale of Shares	-78,78,376	-0.29	3,98,05,961	1.47
				25.10.2019	Sale of Shares	-64,29,628	-0.24	3,33,76,333	1.23
				01.11.2019	Sale of Shares	-11,52,995	-0.04	3,22,23,338	1.19
				08.11.2019	Sale of Shares	-15,00,630	-0.06	3,07,22,708	1.14
				15.11.2019	Sale of Shares	-51,51,802	-0.19	2,55,70,906	0.95
				22.11.2019	Sale of Shares	-27,96,420	-0.10	2,27,74,486	0.84
				29.11.2019	Sale of Shares	-23,90,493	-0.09	2,03,83,993	0.75
				06.12.2019	Sale of Shares	-16,16,843	-0.06	1,87,67,150	0.69
				13.12.2019	Sale of Shares	-34,78,201	-0.13	1,52,88,949	0.57
				20.12.2019	Sale of Shares	-7,32,732	-0.03	1,45,56,217	0.54
				14.02.2020	Sale of Shares	-11,24,909	-0.04	1,34,31,308	0.50
				21.02.2020	Sale of Shares	-4,43,015	-0.02	1,29,88,293	0.48
				27.03.2020	Sale of Shares	-7,37,811	-0.03	1,22,50,482	0.45
				31.03.2020	Sale of Shares	-7,59,736	-0.03	1,14,90,746	0.42
				<b>31.03.2020</b>	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>1,14,90,746</b>	<b>0.42</b>
12	SBI Large & Midcap Fund	4,70,23,060	1.74					4,70,23,060	1.74
				05.04.2019	Purchase of Shares	29,97,000	0.11	5,00,20,060	1.85
				19.04.2019	Sale of Shares	-29,97,028	-0.11	4,70,23,032	1.74
				19.04.2019	Purchase of Shares	1,60,000	0.01	4,71,83,032	1.74
				26.04.2019	Sale of Shares	-33	0.00	4,71,82,999	1.74
				10.05.2019	Purchase of Shares	12,51,937	0.05	4,84,34,936	1.79
				17.05.2019	Purchase of Shares	30,49,147	0.11	5,14,84,083	1.90
				31.05.2019	Sale of Shares	-47	0.00	5,14,84,036	1.90
				06.06.2019	Sale of Shares	-1,066	0.00	5,14,82,970	1.90
				11.06.2019	Sale of Shares	-1,60,000	-0.01	5,13,22,970	1.90
				21.06.2019	Purchase of Shares	1,887	0.00	5,13,24,857	1.90
				28.06.2019	Sale of Shares	-191	0.00	5,13,24,666	1.90
				19.07.2019	Sale of Shares	-3,65,000	-0.01	5,09,59,666	1.88
				26.07.2019	Sale of Shares	-1,17,45,523	-0.43	3,92,14,143	1.45
				26.07.2019	Purchase of Shares	22,77,004	0.08	4,14,91,147	1.53
				02.08.2019	Sale of Shares	-6,00,000	-0.02	4,08,91,147	1.51

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		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
				02.08.2019	Purchase of Shares	10	0.00	4,08,91,157	1.51
				09.08.2019	Purchase of Shares	9	0.00	4,08,91,166	1.51
				16.08.2019	Purchase of Shares	6	0.00	4,08,91,172	1.51
				23.08.2019	Purchase of Shares	2,61,011	0.01	4,11,52,183	1.52
				30.08.2019	Sale of Shares	-6,30,000	-0.02	4,05,22,183	1.50
				30.08.2019	Purchase of Shares	18,007	0.00	4,05,40,190	1.50
				06.09.2019	Sale of Shares	-4	0.00	4,05,40,186	1.50
				06.09.2019	Purchase of Shares	20	0.00	4,05,40,206	1.50
				13.09.2019	Sale of Shares	-89,94,000	-0.33	3,15,46,206	1.17
				20.09.2019	Sale of Shares	-2,05,15,460	-0.76	1,10,30,746	0.41
				27.09.2019	Sale of Shares	-60,00,168	-0.22	50,30,578	0.19
				30.09.2019	Purchase of Shares	2,79,000	0.01	53,09,578	0.20
				04.10.2019	Purchase of Shares	5	0.00	53,09,583	0.20
				11.10.2019	Sale of Shares	-4	0.00	53,09,579	0.20
				25.10.2019	Purchase of Shares	10	0.00	53,09,589	0.20
				01.11.2019	Purchase of Shares	2	0.00	53,09,591	0.20
				22.11.2019	Purchase of Shares	6	0.00	53,09,597	0.20
				29.11.2019	Sale of Shares	-4,05,000	-0.01	49,04,597	0.18
				29.11.2019	Purchase of Shares	5	0.00	49,04,602	0.18
				20.12.2019	Purchase of Shares	63,000	0.00	49,67,602	0.18
				27.12.2019	Sale of Shares	-107	0.00	49,67,495	0.18
				31.12.2019	Sale of Shares	-19	0.00	49,67,476	0.18
				10.01.2020	Purchase of Shares	13,01,000	0.05	62,68,476	0.23
				17.01.2020	Sale of Shares	-15	0.00	62,68,461	0.23
				07.02.2020	Sale of Shares	-2	0.00	62,68,459	0.23
				14.02.2020	Purchase of Shares	1,011	0.00	62,69,470	0.23
				21.02.2020	Purchase of Shares	5	0.00	62,69,475	0.23
				28.02.2020	Purchase of Shares	1,025	0.00	62,70,500	0.23
				06.03.2020	Sale of Shares	-40,00,042	-0.15	22,70,458	0.08
				06.03.2020	Purchase of Shares	1	0.00	22,70,459	0.08
				20.03.2020	Sale of Shares	-5,22,853	-0.02	17,47,606	0.06
				31.03.2020	Purchase of Shares	14	0.00	17,47,620	0.06
				<b>31.03.2020</b>	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>17,47,620</b>	<b>0.06</b>
13	Mahout Global Emerging Markets Leaders Fund, A Sub-Fund of The Mahout Delaware Statutory Trust	2,71,66,790	1.00					2,71,66,790	1.00
				27.09.2019	Sale of Shares	-10,95,337	-0.04	2,60,71,453	0.96
				30.09.2019	Sale of Shares	-1,40,481	-0.01	2,59,30,972	0.96
				08.11.2019	Sale of Shares	-20,32,972	-0.08	2,38,98,000	0.88
				15.11.2019	Sale of Shares	-53,72,257	-0.20	1,85,25,743	0.68
				06.12.2019	Sale of Shares	-35,41,966	-0.13	1,49,83,777	0.55
				20.12.2019	Sale of Shares	-5,02,914	-0.02	1,44,80,863	0.54
				03.01.2020	Sale of Shares	-29,91,572	-0.11	1,14,89,291	0.42
				24.01.2020	Sale of Shares	-16,31,955	-0.06	98,57,336	0.36
				28.02.2020	Sale of Shares	-7,54,467	-0.03	91,02,869	0.34
				06.03.2020	Sale of Shares	-67,79,433	-0.25	23,23,436	0.09
				13.03.2020	Sale of Shares	-8,69,303	-0.03	14,54,133	0.05
				20.03.2020	Sale of Shares	-14,54,133	-0.05	0	0.00
				<b>31.03.2020</b>	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>0.00</b>

## v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Director/ Key Managerial Personnel	Shareholding at the beginning of the year (as on 01.04.2019)		Date	Reason	Increase/ Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. N. Chandrasekaran	0	0.00					0	0.00
				16.03.2020	Purchase of Shares	2,00,000	0.01	2,00,000	0.01
				<b>31.03.2020</b>	<b>At the end of the year</b>	-	-	<b>2,00,000</b>	<b>0.01</b>
2	Ms. Anjali Bansal	0	0.00		- No change	0	0.00	0	0.00
				<b>31.03.2020</b>	<b>At the end of the year</b>	-	-	<b>0</b>	<b>0.00</b>
3	Ms. Vibha Padalkar	0	0.00		- No change	0	0.00	0	0.00
				<b>31.03.2020</b>	<b>At the end of the year</b>	-	-	<b>0</b>	<b>0.00</b>
4	Mr. Sanjay V. Bhandarkar #	16,262	0.00		- No change	0	0.00	16,262	0.00
				<b>31.03.2020</b>	<b>At the end of the year</b>	-	-	<b>16,262</b>	<b>0.00</b>
5	Mr. K. M. Chandrasekhar	0	0.00		- No change	0	0.00	0	0.00
				<b>31.03.2020</b>	<b>At the end of the year</b>	-	-	<b>0</b>	<b>0.00</b>
6	Mr. Hemant Bhargava	0	0.00		- No change	0	0.00	0	0.00
				<b>31.03.2020</b>	<b>At the end of the year</b>	-	-	<b>0</b>	<b>0.00</b>
7	Mr. Saurabh Agrawal	0	0.00		- No change	0	0.00	0	0.00
				<b>31.03.2020</b>	<b>At the end of the year</b>	-	-	<b>0</b>	<b>0.00</b>
8	Mr. Banmali Agrawala	0	0.00		- No change	0	0.00	0	0.00
				<b>31.03.2020</b>	<b>At the end of the year</b>	-	-	<b>0</b>	<b>0.00</b>
9	Mr. Ashok Sinha (w.e.f 02.05.2019)	0	0.00		- No change	0	0.00	0	0.00
				<b>31.03.2020</b>	<b>At the end of the year</b>	-	-	<b>0</b>	<b>0.00</b>
10	Mr. Praveer Sinha, CEO & Managing Director	0	0.00		- No change	0	0.00	0	0.00
				<b>31.03.2020</b>	<b>At the end of the year</b>	-	-	<b>0</b>	<b>0.00</b>
11	Mr. Nawshir H. Mirza (upto 12.08.2019)	0	0.00		- No change	0	0.00	0	0.00
				<b>12.08.2019</b>	<b>At the end of the period</b>	-	-	<b>0</b>	<b>0.00</b>
12	Mr. Deepak M. Satwalekar (upto 12.08.2019)	0	0.00		- No change	0	0.00	0	0.00
				<b>12.08.2019</b>	<b>At the end of the period</b>	-	-	<b>0</b>	<b>0.00</b>
13	Mr. Ashok S. Sethi (upto 30.04.2019)	20,600	0.00		- No change	0	0.00	20,600	0.00
				<b>30.04.2019</b>	<b>At the end of the period</b>	-	-	<b>20,600</b>	<b>0.00</b>
14	Mr. Ramesh Subramanyam, Chief Financial Officer	0	0.00		- No change	0	0.00	0	0.00
				<b>31.03.2020</b>	<b>At the end of the year</b>	-	-	<b>0</b>	<b>0.00</b>
15	Mr. Hanoz M. Mistry, Company Secretary	27,005	0.00					* 27,005	0.00
				22.11.2019	Sale of Shares	@ -8,560	0.00	18,445	0.00
				22.11.2019	Purchase of Shares	@ 8,560	0.00	27,005	0.00
				29.11.2019	Sale of Shares	@ -2,853	0.00	24,152	0.00
				13.12.2019	Sale of Shares	@ -2,854	0.00	21,298	0.00
	<b>31.03.2020</b>	<b>At the end of the year</b>	-	-	<b>21,298</b>	<b>0.00</b>			

# All the 16,262 shares are held as second holder.

\* Out of 27,005 shares, 15,286 shares are held as second holder.

@ 8,560 shares as second holder have been distributed in family as per devolution of assets.

# Board's Report

## V. Indebtedness

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

Figures in ₹ crore

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	6,041.78	11,410.74	-	17,452.52
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	41.96	147.13	-	189.09
<b>Total (i+ii+iii)</b>	<b>6,083.74</b>	<b>11,557.87</b>	<b>-</b>	<b>17,641.61</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	1,470.00	33,250.65	-	34,720.65
• Reduction	(1,753.34)	(32,605.03)	-	(34,358.37)
<b>Net Change</b>	<b>(283.34)</b>	<b>645.62</b>	<b>-</b>	<b>362.28</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	5,757.43	12,044.23	-	17,801.66
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	42.97	159.26	-	202.23
<b>Total (i + ii + iii)</b>	<b>5,800.40</b>	<b>12,203.49</b>	<b>-</b>	<b>18,003.89</b>

## VI. Remuneration Of Directors And Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Director and/or Manager:

(₹)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. Praveer Sinha, CEO & Managing Director	Mr. Ashok S. Sethi, COO & Executive Director (upto 30.04.2019)*	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,11,71,818	16,82,600	2,28,54,418
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	20,34,499	1,31,073	21,65,572
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission <sup>&amp;</sup>			
	- as % of profit	-	-	-
	- others, specify... (performance based)	2,75,00,000	Nil	2,75,00,000
5.	Others, Retirement Benefits	26,24,400	3,36,00,667	3,62,25,067
	<b>Total</b>	<b>5,33,30,717</b>	<b>3,54,14,340</b>	<b>8,87,45,057</b>
	Ceiling as per Act (@ 10% of profit calculated under Section 198 of the Companies Act, 2013)			₹ 40.21 crore

\* As Mr. Ashok S. Sethi superannuated on 30th April 2019, no commission is payable to him for FY20.

<sup>&</sup> Commission relates to the financial year ended 31st March 2020, which will be paid during FY21.

**B. Remuneration to other directors:**

(₹)

Sl. No.	Name of Directors	Particulars of Remuneration			Total Amount
		Fee for attending board / committee meetings*	Commission payable for FY20&	Others, please specify	
<b>I. Independent Directors</b>					
1.	Ms. Anjali Bansal	3,90,000	51,00,000	Nil	54,90,000
2.	Ms. Vibha Padalkar	4,80,000	58,00,000	Nil	62,80,000
3.	Mr. Sanjay V. Bhandarkar	4,50,000	55,00,000	Nil	59,50,000
4.	Mr. K. M. Chandrasekhar	3,00,000	51,00,000	Nil	54,00,000
5.	Mr. Ashok Sinha (w.e.f. 02.05.2019)	2,70,000	40,00,000	Nil	42,70,000
6.	Mr. Nawshir H. Mirza (upto 12.08.2019)	1,50,000	24,00,000	Nil	25,50,000
7.	Mr. Deepak M. Satwalekar (upto 12.08.2019)	1,20,000	19,00,000		20,20,000
<b>Total (I)</b>		<b>21,60,000</b>	<b>2,98,00,000</b>	<b>Nil</b>	<b>3,19,60,000</b>
<b>II. Other Non-Executive Directors</b>					
1.	Mr. N. Chandrasekaran §	2,40,000	Nil	Nil	2,40,000
2.	Mr. Hemant Bhargava @	1,80,000	40,00,000	Nil	41,80,000
3.	Mr. Saurabh Agrawal #	2,40,000	Nil	Nil	2,40,000
4.	Mr. Banmali Agrawala #	2,40,000	Nil	Nil	2,40,000
<b>Total (II)</b>		<b>9,00,000</b>	<b>40,00,000</b>	<b>Nil</b>	<b>49,00,000</b>
<b>Total Managerial Remuneration (I + II)</b>		<b>30,60,000</b>	<b>3,38,00,000</b>	<b>Nil</b>	<b>3,68,60,000</b>
Ceiling as per Act (@ 1% of profit calculated under Section 198 of the Companies Act, 2013)					₹ 4.02 crore

\* Excludes GST

&amp; Commission relates to the financial year ended 31st March 2020, which will be paid to the eligible Directors during FY21.

§ As a policy, Mr. N. Chandrasekaran, Chairman, has abstained from receiving Commission from the Company.

@ The Sitting Fees for attending meetings are paid to Mr. Bhargava and the Commission will be paid to LIC.

# 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.

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

(₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. R. N. Subramanyam, Chief Financial Officer	Mr. H. M. Mistry, Company Secretary	
1.	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,38,20,340 *	1,13,08,939 *	4,51,29,279 *
(b)	Value of perquisites u/s 17(2) of the Income-tax Act, 1961	37,82,857	9,28,414	47,11,271
(c)	Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission	Nil	Nil	Nil
	- as % of profit			
	- others			
5.	Others, Retirement Benefits	8,79,365	10,17,107	18,96,472
<b>Total</b>		<b>3,84,82,562</b>	<b>1,32,54,460</b>	<b>5,17,37,022</b>

\* Includes Performance Pay for FY19 paid in FY20.

# Board's Report

## VII. Penalties / Punishment/ Compounding Of Offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty					
Punishment			None		
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment			None		
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment			None		
Compounding					

On behalf of the Board of Directors,

**N. Chandrasekaran**  
Chairman  
(DIN: 00121863)

Mumbai, 19th May 2020

## Annexure - IX : DISCLOSURE OF MANAGERIAL REMUNERATION

Ref.: Board's Report, Section 27)

- 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 <sup>§</sup>	-
Ms. Anjali Bansal	3.48
Ms. Vibha Padalkar	3.98
Mr. Sanjay V. Bhandarkar	3.77
Mr. K. M. Chandrasekhar	3.42
Mr. Hemant Bhargava	2.65
Mr. Saurabh Agrawal <sup>#</sup>	-
Mr. Banmali Agrawala <sup>#</sup>	-
Mr. Ashok Sinha <sup>^</sup>	N.A.&
Mr. Praveer Sinha, CEO and Managing Director	33.76
Mr. Nawshir H. Mirza <sup>*</sup>	N.A.&
Mr. Deepak M. Satwalekar <sup>*</sup>	N.A.&
Mr. Ashok S. Sethi, COO & Executive Director <sup>@</sup>	N.A.&

- 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 <sup>§</sup>	-
Ms. Anjali Bansal	1.29
Ms. Vibha Padalkar	15.23
Mr. Sanjay V. Bhandarkar	-1.49
Mr. K. M. Chandrasekhar	23.85
Mr. Hemant Bhargava	100.00
Mr. Saurabh Agrawal <sup>#</sup>	-
Mr. Banmali Agrawala <sup>#</sup>	-
Mr. Ashok Sinha <sup>^</sup>	N.A.!
Mr. Praveer Sinha, CEO and Managing Director (KMP)	19.96
Mr. Nawshir H. Mirza <sup>*</sup>	N.A.!
Mr. Deepak M. Satwalekar <sup>*</sup>	N.A.!
Mr. Ashok S. Sethi, COO & Executive Director (KMP) <sup>@</sup>	N.A.!
Mr. Ramesh N. Subramanyam, Chief Financial Officer (KMP)	12.31
Mr. Hanoz M. Mistry, Company Secretary (KMP)	11.72

<sup>§</sup> As a policy, Mr. N. Chandrasekaran, Chairman, has abstained from receiving Commission from the Company and hence not stated.

<sup>#</sup> 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.

<sup>^</sup> Mr. Ashok Sinha was appointed as an Independent Director with effect from 2nd May 2019.

<sup>\*</sup> Mr. Mirza and Mr. Satwalekar ceased to be directors with effect from close of business hours on 12th August 2019, consequent upon completion of their term as Independent Directors.

<sup>@</sup> Mr. Sethi superannuated as COO & Executive Director of the Company with effect from close of business hours on 30th April 2019.

<sup>&</sup> Since the remuneration is only for part of the year, ratio of their remuneration to median remuneration is not comparable and hence, not stated.

<sup>!</sup> Since the remuneration is only for part of the year, percentage increase is not comparable and hence, not stated.

## Board's Report

- c) The percentage increase in the median remuneration of employees in the financial year: 45.19%.
- d) The number of permanent employees on the rolls of the company: 3,156.
- 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 4%.
  - Average increase in remuneration of Managers (defined as MD and ED on the Board of your Company) was 19.96%.
- 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**  
(DIN: 00121863)

Mumbai, 19th May 2020

*As Mr. Ashok S. Sethi superannuated as COO & Executive Director of the Company with effect from close of business hours on 30th April 2019, his remuneration is not comparable for the purpose of calculating aforesaid increase in remuneration.*

# Management Discussion & Analysis

## 1. Industry Developments Global Power Sector

The global power sector is witnessing a rapid change with the influx of renewable energy in the power portfolio mix as all nations rise to the challenge of climate change. In addition, Electric vehicles, Digitalisation, Grid scale energy storage, Cyber Security, Big Data Analytics, Energy Access to all and Demand Side Management are going to create a visible impact on the sector and the way it operates in the coming years. With energy sources moving to the edge of the grid, the role of players in the sector is also undergoing a change, necessitating a move from conventional methods to service delivery to becoming energy solution providers for the end consumers.

Amidst a changing energy landscape, global power utilities are capitalising on the growth opportunities presented by clean energy. Power market developments are likely to undergo further transformation with changes in policy actions and technological advancements. Focus on environmental sustainability on the back of climate change, customer demand for clean energy sources and commitment to help customers optimise energy consumption and enable savings, are driving power utility companies in the U.S. and Europe to increasingly adopt green energy solutions and raise the bar on climate change. A U.S. utility was the first to commit to a '100% carbon-free' initiative by 2050, and 80% by 2030. Several European nations have formulated renewable energy targets which include increasing share of renewables portfolio in the power generation mix by 2030, while also planning to phase out coal by that time. Similar announcements have gathered pace worldwide.

Renewables have become the preferred mode for energy generation and sourcing. The gradual reduction in costs supported by favourable Government policies are bringing about a positive change in the electricity generation mix. As per the International Energy Agency (IEA), the share of renewables is expected to be 44% by 2040, from the current level of 26%. The resulting impact of this would be the decline in coal-based power generation from 38% to 25% during the same period. Natural gas enabled generation is set to increase by 50% by 2040, driven by low-cost availability of shale gas. However, as rural and semi-urban electrification continues in most developing economies, affordability and ease-of-access are at the core of consumer demand, and these continue to be met by coal-based generation, especially in the developing markets of Africa and Asia. Global coal prices are stabilising as a result of increasing demand of certain developing economies, off-set by declining requirements of advanced economies. The global coal prices fell from a high of USD 120/MT (Newcastle FOB) in July 2018 to USD 66/MT in March 2020.

With the changing scenario in the global energy market in terms of oil prices and renewable power generation costs, the oil-exporting Middle-East countries have devised economic diversification plans. As a means of diversifying its power mix, the MENA (Middle East and North Africa) region is increasingly shifting its focus towards renewables and setting long-term targets for clean energy development. While Morocco's target is to generate 52% energy through renewable energy sources by 2030, the same for Dubai stands at attaining 75% level by 2050. Saudi Arabia is host to the largest programme of planned projects. The country set an ambitious target of developing 60 GW (60,000 MW) of Renewable Energy (RE) capacity by 2030, scaling up manifold from the current capacity of 100 MW. The region has witnessed large investments in renewables, driving some of the economically viable solar PV and onshore wind projects globally.

With coal-based generation unlikely to wane away, a balanced approach aligned to the environmental responsibility is being explored. Technologies including blended power, carbon capture utilisation and storage (CCUS), or biomass co-firing equipment, are being explored depending upon the markets and economic viability and implications, given the high cost associated with such an approach.

Electricity access in Africa is the biggest concern, with half of the population in sub-Saharan Africa having no access to power. The region is making progress and with that the rising demand needs have to be met with corresponding increase in supply, requiring significant expansion of the power system. Electricity output in the region is expected to increase from 225 TWh to 900 TWh by 2040, mainly supplied by on-grid power, though decentralised solutions are also being adopted, as declining costs of solar PV and battery storage technologies make these solutions more competitive and economically viable.

Electricity access is also one of the core focus areas of ASEAN countries, and Southeast Asia is making steady progress towards achieving universal electricity access by 2030. The region's electricity demand is growing at a rapid rate of 6% per annum and this demand is primarily met by thermal power, given its lower generation costs and abundant supply of fuel source. Although dominance of coal in power generation mix is expected to continue, the declining costs of renewables, concerns over emissions and pollution accompanied by financing difficulties of coal projects, have started tilting the scales in favour of RE projects. Recent revisions to policy planning documents have been made to boost the long-term share of renewables, backed by private finance and policy incentives.

## Management Discussion & Analysis

Given the focus on electricity access to all, microgrids is another area that is garnering attention. The demand for microgrids too is gaining momentum with the backing of the need for resiliency, energy security and electrification of rural and under-penetrated areas in a cost-effective manner without the requirement to extend the conventional grids.

Another major global focus has been the adoption of Electric Vehicles (EV). EV deployment targets are witnessing upticks globally, thereby encouraging industry participants to invest in the EV supply chain. Large power utilities in Europe have been investing in EV charging infrastructure. Oil majors are also participating through acquisitions.

With power generation through decentralised renewable energy sources gaining prominence, the same has also created requirement for deployment of storage solutions to accommodate the heightened demand. Many countries including the U.S., China, Germany and India are investing in energy storage projects to support power sector transformation and the cost of energy storage has been witnessing a downward trend with increasing advancements in technology.

The power industry is transforming into a technology business as the utilities adapt to the evolving diverse needs of the customers and invest resources in development and adoption of new technologies. With more and more systems getting intelligent and connected, Cyber Security has emerged as an area of interest and concern in the power sector and most of the utilities are investing heavily in making their system robust and secure. Data Analytics is another area that is gaining prominence in the current scenario, with the increasing requirements of customised service delivery and improvement in operational excellence. Further, with the increasing infusion of decentralised generation, EVs, the demand supply scenario has become dynamic and requires accurate load and supply forecasting (including weather forecasting) to ensure stability and robustness of the grid.

All the aforementioned factors, coupled with the need for affordable, sustainable and modern energy systems, is shaping the global power sector and opening business service opportunities for power utilities. This wave of change is not just limited to the power companies, but is also opening-up business opportunities for other industry groups like automobile and oil majors, which have been actively participating in this transition through business diversification, acquisition and collaboration with power utilities.

### Indian Power Sector

India's demand for power is expected to grow at an average rate of 6% (as per the Ministry of Power's Five Year Vision Document), led by industrial and residential consumers. This is, however, expected to take a hit in FY21, on account of the COVID-19 pandemic that has put the entire nation under lockdown, affecting power demand from high paying industrial and commercial segments. Power demand already witnessed a decline of more than 20% during the lockdown period. Moving ahead, the revival of economic activity coupled with the Government's push towards 24x7 power for all, should provide the impetus to electricity demand growth in the country. While coal is expected to remain a significant fuel source in the country's quest to provide power to every citizen, its growth would diminish in the coming years. The Government will focus on limited thermal capacity additions to be undertaken only by the Central and State utilities, primarily against retirements. It is focussing on RE growth in alignment to the sustainability and carbon emission reduction targets with an intent to increase the RE capacity 3-fold from the targeted level of 175 GW in 2022 to 500 GW by 2030. Measures to curb emissions by thermal power plants are also in place. These include installation of Flue Gas Desulphurisation (FGD) to reduce SO<sub>2</sub> from exhaust flue-gas. The deadline for the same has been extended to December 2022. Actions are being taken to shut down coal-fired plants that fail to meet emission standards.

The Government's focus in the transmission and distribution space has been on private sector participation. Fund inflows by private players in Transmission is through the TBCB (tariff based competitive bidding) route. The distribution segment is also witnessing entry of private players through Public Private Partnerships (PPP) or franchisee models, in a bid to reduce high AT&C losses across India. The financial stress of Distribution companies (Discoms) is limiting their ability to make payments to the generation companies, thus adding on to the stress in the sector. The sector has Non-Performing Assets (NPAs) to the tune of ₹ 2 trillion, resulting in cautious lending to the sector by banks and financial institutions. However, a lot of efforts have been made to resolve this issue through various Government interventions. Out of the total 40 GW of stressed capacity, around 10 GW have been resolved – the recent acquisition of Prayagraj Power Generation Company Limited (PPGCL) by Resurgent Power Ventures Pte. Limited (Resurgent) being one such example. Emphasis now lies on the remaining assets.

## Generation

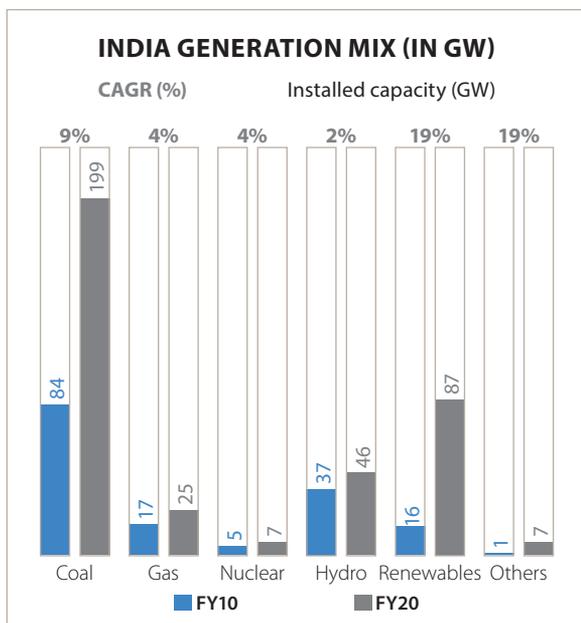
India's installed generation capacity stands at 370 GW as on 31st March 2020, which excludes 55 GW of captive generation capacity. Grid connected capacity addition during FY20 was 14 GW vis-à-vis 12 GW in FY19.

### Thermal Generation

Coal-based capacities have accounted for more than half of India's total installed capacity over the last 10 years (FY20 vs FY10), while that of renewables has risen from 9% to 23%. The PLF of thermal plants have witnessed a declining trend in the last decade, falling to 56.08% in FY20 from 77.5% in FY10.

### Renewable Generation

The Government's commitment towards carbon reduction accompanied by declining costs of renewables, have provided the impetus for rapid increase in renewable based capacities. The overall renewables addition during FY20 was 9 GW as against 8.6 GW during the previous year. Issues like safeguard duty, renegotiation of contracts, land availability, financing constraints and delayed payments by Discoms, have impacted RE projects. The tariffs have also risen from the lows of ₹ 2.44/unit to the range of ₹ 2.8-2.9/unit, with the rise in ceiling tariffs.

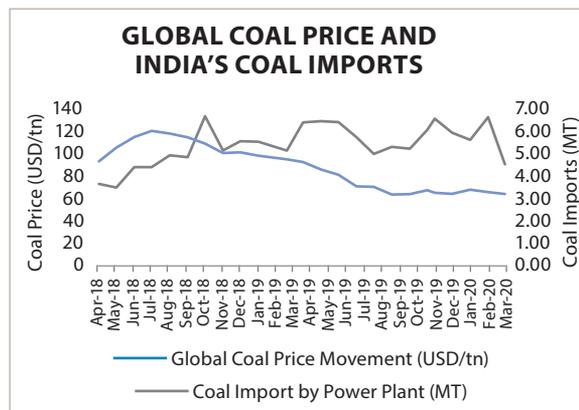


(Source: MoP, Gol, CEA)

### Fuel

Coal produced by Coal India Limited (CIL) and its subsidiaries declined by 0.8% during FY20 to 602 MT from 607 MT in the previous fiscal. Extended monsoons posed challenges for supporting growth in domestic coal production, which might have necessitated coal imports

by power utilities. Thermal coal imports grew by 3% y-o-y in FY20, supported by declining international coal prices in 2019.



(Source: World Bank, CEA)

### Transmission

The backbone transmission system in India is mainly through 765 kV, 400 kV and 220 kV AC networks, with the highest transmission voltage level being 800 kV (HVDC). Total transmission lines and substation capacity reached nearly 4.23 lakh Ckms and 9.62 MVA respectively, reflecting an increase of about 10,226 Ckms and 62,760 MVA over the previous year.

With the changing power generation mix on account of increase in renewables, the Government is emphasising on augmenting the transmission infrastructure to support demand growth. In order to expedite the development of transmission lines for solar parks under Green Corridor-II (Under Green Corridor-I, Power Grid Corporation of India Limited (PGCIL) is responsible for strengthening transmission networks and constructing inter-state transmission network for connecting RE-rich states) and open-up private participation, which is still limited to 7%, the Government has decided to award these projects to private players through tariff based competitive bidding (TBCB).

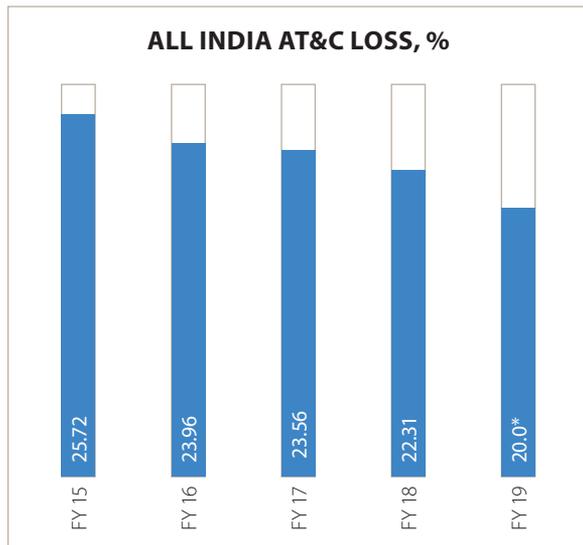
The National Electricity Plan (Volume II-Transmission) i.e. NEP-Trans, has been notified to review the development of the transmission system during the 12th Plan Period, the current planning period 2017-22 and the subsequent period 2022-27.

### Distribution

The distribution segment has been plagued by a host of issues resulting in its deteriorating financial health. The sector has been at the forefront of major power sector reforms and policy developments in the country. The current outstanding debt of ₹ 4.3 lakh crore is largely due to delayed payments, issues around tariff rationalisation and subsidy disbursement constraints. UDAY scheme is yet to yield the desired results

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both in terms of financial and operational parameters and meet the objective and intent behind its launch. The AT&C loss level stands at about 20%, which is on the higher side compared to the FY19 target of 15% set by the scheme.



\*This is provisional

(Source: PFC Report on Performance of State Power Utilities 2017-18, UDAY portal)

The outstanding dues of Discoms to generation companies crossed the ₹ 90,000 crore level in February 2020, indicating stress in the sector. The Government is working towards addressing these issues and helping improve the financial situation of the power sector through various measures. It introduced the Letter of Credit (LoC) in August 2019 to ensure payment security. This has led to some improvements in receivables.

As per the 7th Annual Integrated Rating, a methodology formulated by the Ministry of Power for evaluation of performance of the State Power Distribution utilities on a range of parameters covering operational, financial, regulatory and reform measures, 16 out of 41 Discoms were rated as A+ or A as against 7 Discoms in the previous rating.

While a few state Discoms have started considering a distribution franchisee route in certain areas to help reduce the AT&C losses, many Discoms like Rajasthan, Uttar Pradesh, Madhya Pradesh and Odisha are evaluating options of privatisation through the PPP model. Central Electricity Supply Utility (CESU), Odisha has been privatised and the process of privatisation of the remaining Discoms of the state (WESCO, NESCO and SOUTHCO) are at advanced stages. The distribution sector is expected to pave the way for opportunities in the services segment like smart meters, smart grids, LED street lighting and advisory services projects.

The Government of India has made steadfast progress towards universal electricity access by covering 99.93% households through the Saubhagya scheme. The focus is now on penetrating deeper into the isolated regions of the country and ensuring 24x7 power supply for all. The microgrids will play a crucial role in enabling this.

### Power Trading

Around 140 billion units (BUs) of electricity were traded in the short-term power market during FY20, as compared to a total of 145.2 BUs traded during FY19. Out of this, about 35% of trading took place using power exchange platforms. The trading margins were under immense pressure due to high competition amongst traders. The competition grew fierce due to an increase in the number of CERC licensed traders – from 11 in FY05 to 37 in FY19.

At ₹ 3.005 per unit, the average clearing price for spot markets in FY20 decreased by 22% as compared to the previous fiscal. The decrease in spot price is largely attributable to lower demand, primarily because of the downward impact of COVID-19 in March 2020 on the economy and the manufacturing sector, and the availability of higher merchant capacity for power sale on exchange platforms.

### Regulatory And Policy Developments

Regulatory and policy reforms in the sector are critical, given the current challenges across the value chain. The Ministry of Power released a revised draft of the Electricity Amendment Bill 2020 that seeks privatisation of Discoms through franchisees or sub-licencing, recommends formation of Electricity Contract Enforcement Authority (ECEA) for enforcement of contractual obligation and proposes the National Renewable Energy Policy for promotion of RE generation. It also proposes retail tariff determination to be without subsidy and introduced the Direct Benefit Transfer (DBT) scheme for any subsidy disbursement.

The following are some of the important regulatory and policy changes introduced in FY20:

#### Maharashtra:

- Maharashtra Electricity Regulatory Commission (MERC) notified the Multi Year Tariff (MYT) Regulations, 2019, applicable for the Control Period from FY21 to FY25, wherein the Commission has linked the recovery of additional Return on Equity (RoE), in addition to the base RoE to improvement in efficiency in actual performance of the Generating Company, Transmission Licensee and Distribution Wires Business. Additionally, the Regulations provide that rate of RoE, including additional rate of RoE, shall be grossed up with the effective tax rate of respective financial year instead of the earlier approach of reimbursement of tax on income computed on Profit Before Tax (PBT).

In addition, the most prominent impact of this Regulation includes no reduction of equity for older plants, incentives on making higher power generation during peak hours.

For Hydro generating stations, incentive on excess generation from saleable Design Energy has been increased from existing 90 paise/unit to 120 paise/unit and rate of depreciation on batteries has been increased from existing 5.28% to 18%.

- MERC notified the **Deviation Settlement Mechanism (DSM) Regulations, 2019**. As per the said Regulations, the energy accounting and deviation settlement will no longer be as per the Final Balancing and Settlement Mechanism (FBSM) and the provisions under the DSM Regulations will override the FBSM. The Commission vide the said Regulations has set the Deviation Volume Limit for each utility and the consequential penalty for under-drawing or over-drawing beyond the defined limit. Further, a pass through of such penalty as part of the Annual Revenue Requirement (ARR) of the utility will not be allowed.
- MERC notified the **Guidelines for operation of Merit Order Despatch under Availability Based Tariff Order** applicable from 1st April 2019 onwards wherein the Distribution Utility wise Merit Order Despatch (MOD) stack shall be prepared by Maharashtra State Load Despatch Centre (MSLDC) as compared to the state-wise MOD stack being prepared before the notification of the aforesaid guidelines. Hence, a Distribution Utility can now have access to the lowest variable cost generator tied up with another Distribution Utility only through an independent commercial arrangement. The guideline also put in place 'zero schedule' and 'Reserve Shut Down (RSD)' for generating stations in addition to specifying technical minimum for their operation.
- In June 2019, MERC **amended the MERC Distribution Open Access Regulations, 2016**. MERC has introduced conditions of Notional Contract Demand and levy of incremental Demand Charges in cases where consumers, who do not opt for reduction in Contract Demand up to Open Access Capacity. In addition, the duration of the term of open access has been redefined. Further, repeated Short Term Open Access applications will be levied with additional transmission charges. Deviation Charges have been brought in line with the DSM Regulations (from its effective date). The Commission has also permitted banking of energy on a monthly basis.

MERC has also made similar amendments in the MERC Transmission Open Access Regulations, 2016.

- All generating companies and utilities in Maharashtra submitted tariff petitions to MERC seeking approval of True-up of Aggregate Revenue Requirement (ARR) for FY18 and FY19, Provisional True-up of Aggregate Revenue Requirement for FY20, and approval of ARR and Tariff for the MYT 4th Control Period from FY21 to FY25 for its Generation, Distribution and Transmission Business in November 2019. Subsequently, public notices were issued followed by public hearings seeking suggestions and objections from the public at large. After prudence check of the respective tariff petitions, **the MERC has issued the Orders for the Generation, Distribution and Transmission Business approving the tariff largely in line with the tariff applications submitted by the Company. The new tariffs are applicable from 1st April 2020 onwards.**

#### Renewables

- MERC issued **Grid Interactive Rooftop Renewable Energy Generating Systems Regulations, 2019**. The Regulations apply to Net Metering Arrangements, Net Billing Arrangements and Grid Connected Renewable Energy Generating Systems connected behind the Consumer's meter, for those who have not opted either for Net Metering Arrangement or Net Billing Arrangement. The purpose of the said Regulation is to introduce modifications in certain clauses vis-à-vis the clauses specified in the MERC Net Metering Regulations, 2015 based on the experiences in implementation of the Net Metering Regulations, and in order to simplify/clarify/amend certain provisions as considered reasonable.
- MERC issued **Terms and Conditions for Determination of Renewable Energy Tariff Regulations, 2019 and Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework Regulations, 2019**.

#### CERC & JSERC

- CERC (Sharing of Revenue Derived from Utilisation of Transmission Assets for Other Business) Regulations, 2020  
CERC issued the above Regulation, which is applicable to the inter-state transmission licensees who are proposing to undertake other business. This Regulation defines the manner of sharing of revenue from other business and the consequential reduction of transmission charges payable by the long-term customers of the transmission assets in proportion to the transmission charges payable by them to the transmission licensee. In case the transmission licensee engages in telecommunication business, an amount equal to 10% of the gross revenue from such business in a given financial year shall be shared with the long-term customers. In case the other business is not a telecommunication business, the

## Management Discussion & Analysis

sharing of revenue shall be decided by the Commission on a case-to-case basis based on transmission assets utilised for such other business.

- **Jharkhand State Electricity Regulatory Commission (JSERC) (Operation of Parallel Licensees) Regulations, 2019**

The Commission, through this Regulation, aims to enable the consumer, in those areas, to avail electricity

from any of the Distribution Licensees as per the choice of the consumer. This will also foster competition and may improve the utilisation of the existing assets. In cases where the distribution system of one Distribution Licensee already exists, the other Distribution Licensee may provide electricity to consumers by using the wires of the other licensee on payment of wheeling charges to the Licensee, whose wire is being used.

## 2. Tata Power Business Portfolio, Opportunities and Outlook

Your Company's generation business operates under various business models across divisions in the domestic as well as international markets, with the PPA/Fixed Tariff model contributing to the largest share of the generation segment. The following is a summary of the different business models under which various generation assets of your Company operate.

Model	Returns	Project	Capacity (MW)	% Overall Capacity
Regulated Tariff	Regulated return on equity	Mumbai operations (Trombay and Hydro), Maithon, Jojobera (Unit 2 and 3) TPDDL-Rithala	2,775	21.8
PPA/Fixed Tariff (Renewables)	Feed In Tariff + Bid Driven	Wind and Solar Projects (Domestic)	2,637	20.7
PPA/Fixed Tariff (Bid/ Others)	Bilateral Agreement + Bid Driven	Jojobera (Unit 1 and 4), CGPL, Itezhi-Tezhi, Hydro projects, Georgia hydro, Kalinganagar-IEL-40 MW	4,676	36.7
Captive	Bilateral Captive Agreement	IEL (Unit 5, PH6, KPO), CKP (Indonesia)	429	3.4
Merchant	Market Driven	Haldia, Dagachhu	246	1.9
Under platform management	PPA Based	Prayagraj	1,980	15.5
<b>Total</b>			<b>12,742</b>	<b>100</b>

The Indian market continues to remain the primary focus of business for your Company with domestic markets accounting for more than 90% of generation capacity. As highlighted earlier, your Company has put in place well-defined plans to grow in the areas of renewable generation, distribution as well as new and service-led businesses.

### Renewables Generation

Your Company is a leading player in the renewable generation space, having a presence across the value chain. Significant growth opportunities in renewables (both organic and inorganic) are expected to arise in the future and your Company plans to increase its footprint by capitalising on those opportunities through value-accretive projects. Significant emphasis has been laid on rooftop solar, and your Company has already rolled it out in 94 cities till March 2020. In the microgrids space, your Company intends to install 10,000 microgrids to service and meet the electricity requirements of customers in remote areas with unstable grid networks.

### Thermal and Hydro Generation

Your Company plans to limit its exposure to thermal projects and does not intend to expand its coal based power plant portfolio beyond the current size. Your

Company does not have any greenfield or brownfield expansion plans in the near term, but would continue to maintain the existing thermal and hydro operations in a sustainable manner. However, your Company has explored the inorganic route to acquire a few stressed thermal assets through Resurgent and has acquired PPGCL, a super critical Thermal plant (1,980 MW) in Uttar Pradesh.

Your Company has been granted a long-term coal mining license for the Krutogorovskya coal deposit located in Sobolevo District, Kamchatka of the Russian Federation under competitive bidding, to explore cheaper and sustainable coal supply for its subsidiary, Coastal Gujarat Power Limited (CGPL). The project feasibility is being studied.

Your Company is also evaluating growth opportunities in services for thermal and hydro plants by leveraging its technical and operation expertise.

### Transmission

Your Company is significantly focusing on augmenting transmission infrastructure in Mumbai operations. In addition, your Company will also look for suitable opportunities for acquiring few assets through M&A.

## Distribution

With growing focus on improving the state of the distribution business, more states have been adopting the Distribution Franchisee (DF) model, while a few have invited bids through the PPP route. Your Company has already acquired CESU in Odisha and will evaluate similar opportunities in future to be a leading player in this space. Your Company will also explore services business opportunities in both, domestic and international markets.

## New and Service-Led Businesses

Your Company is looking to scale-up its service businesses, i.e. businesses with little or no capital investment (EV Charging, Home Automation, Distribution services, Thermal O&M services and solar EPC) and is also evaluating opportunities in emerging business areas such as microgrids, rooftop solar, energy efficiency solutions and EV charging stations.

It has collaborated with Tata Motors Limited to roll-out EV charging infrastructure and aims to expand its presence further in high EV adoption cities in India. Your Company is also working on developing a robust software platform for customers of EV charging and has released a mobile based application towards the same effect. With the increase in EV adoption, your Company plans to cover the segments of home, workplace and captive charging through different models and approaches.

Your Company has collaborated with the Rockefeller Foundation to roll out 10,000 microgrids to provide innovative solutions for the under-served communities and expand the global microgrid footprint.

Your Company has also identified eight business wide Strategic Business Objectives (SBO). You may refer to page number 23 of the Integrated Report for a detailed explanation of these SBOs, along with goals and action plans to achieve these objectives.

## 3. Business Performance

Consolidated operations of your Company are categorised into four segments: Generation, Transmission & Distribution, Renewables and Others. Report on the performance and financial position of each of the subsidiaries, joint ventures and associate companies has been provided in Form AOC-1.

Your Company's business performance in FY20 was mainly driven by lower losses in CGPL, capacity addition in renewables and strong operational performance across all businesses. The large section of the portfolio being under the regulated framework demonstrates the strong and reliable fundamentals of your Company's finances. Also, the balance between regulated return businesses and market-linked businesses in its portfolio aids your

Company in capitalising on favourable market conditions, while ensuring stable returns.

Highlights of operational performance of key entities are listed below:

## Renewables

### Tata Power Renewable Energy Limited - TPREL (1,187 MW)

Type of entity: Wholly owned subsidiary

Particulars	FY20	FY19
Generation Sales (MUs)	2,162	1,450
Net sales (₹ crore)	975	774
PAT (₹ crore)	(51)	89

TPREL's higher sales were due to addition of solar capacity during the year. During FY20, the company has added 300 MW Solar PV assets in operating portfolio and 9 MW of Rooftop Solar assets. The company has commissioned two new solar projects during the year – 150 MW at Karnataka (3 blocks of 50 MW each in Pavagada Solar Park), 150 MW at Pokharan in Rajasthan.

The PAT for the year has reduced due to lower dividend income from Walwhan Renewable Energy Limited (WREL), increased O&M costs due to end of free O&M period at its wind sites located in Andhra Pradesh, Gujarat, Madhya Pradesh, curtailment of power offtake in Andhra Pradesh, one time impact of adoption of new tax regime and increased finance charges due to higher borrowings drawn to fund projects. During the year, the company evaluated the option given under the New Tax Ordinance and found that it would be beneficial to opt for the new tax regime. Based on this decision, the company reversed the MAT credit amount of ₹ 48 crore during the year resulting in lower profit for the year.

The company is executing 650 MW solar PV projects under long term PPAs in Gujarat, Uttar Pradesh and Rajasthan. 400 MW of this capacity will be based out of solar parks located in Gujarat with long term power tie up with Gujarat Urja Vikas Nigam Limited (GUVNL). The Company has also signed PPA with Tata Power-Distribution for supply of 150 MW long term Solar power for which it is proposing to develop the project in Rajasthan. It has also signed a 100 MW PPA with Uttar Pradesh Power Corporation Limited and Noida Power Corporation Limited, awarded through a bid process conducted by the Uttar Pradesh New and Renewable Energy Development Agency. The company has planned commissioning of 650 MW capacity by Q4 of FY21. The company is also developing a 50 MW solar project in Maharashtra through its subsidiary, Poolavadi Windfarms Limited which will sell power to Netmagic IT Services Limited for their captive consumption.

The commissioned capacity at the end of FY20 was 1,187 MW which included Vagarai Wind Farm Limited (21 MW)

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and Indorama Renewable Jath Limited (30 MW). The carve out of 379 MW of RE assets from Tata Power to TPREL through National Company Law Tribunal approved process is under review.

### Walwhan Renewable Energy Limited – WREL (Consolidated Financial statement) (1,010 MW)

Type of entity: Wholly owned subsidiary (through TPREL)

WREL is a wholly owned subsidiary of TPREL. It has an operating capacity of 1,010 MW, out of which 864 MW is solar and 146 MW is wind power. A major part of the capacity is in Tamil Nadu, followed by Rajasthan, Madhya Pradesh, Karnataka and Andhra Pradesh.

The generation achieved by WREL in FY20 was 1,639 MUs as against 1,745 MUs in FY19. The lower generation was mainly on account of change in weather pattern this year with extended monsoon, higher cloud cover and lower wind speed till February 2020. The availability of generation assets of WREL has improved from 98.6% in FY19 to 98.8% in FY20 through various initiatives taken during the year.

Particulars	FY20	FY19
Generation Sales (MUs)	1,639	1,745
Net Sales (₹ crore)	1,203	1,272
PAT (₹ crore)	183	300

The PAT decreased due to adoption of the new tax regime, the impact of which was ₹ 110 crore and lower generation. During the year, the company evaluated the option given under the New Tax Ordinance and found that it would be beneficial to opt for the new tax regime as this will result in significant reduction in the tax outgo for the company. Based on this decision, the company reversed the MAT credit amount to ₹ 110 crore during the year resulting in lower profit for the year.

### Tata Power Solar Systems Limited – TPSSL

Type of entity: Wholly owned subsidiary

Particulars	FY20	FY19
Net sales (₹ crore)	2,141	3,175
PAT (₹ crore)	123	90

The sales are lower during the year mainly due to delay in the solar EPC projects on account of COVID-19. However, the sales from Rooftop and Products segments increased by 32% and 88% respectively. During the year, the company implemented various cost reduction initiatives, which resulted in increase in PAT by 36% over the previous year.

During the financial year, 1,280 MW of utility-scale solar projects have been executed or are currently under execution. The company commissioned three blocks of the Karnataka Renewable Energy Development Limited

Pavagada project, i.e. 150 MW of the total 250 MW project capacity about five months before the scheduled date, 150 MW for Maharashtra State Electricity Distribution Company Limited at Chhayan, 200 MW for Softbank in Pavagada and 90 MW for Greenko in Shivpuri. TPSSL has won 1,580 MW orders during this financial year and currently has the highest ever order book value of around ₹ 7,000 crore.

TPSSL further fortified its manufacturing capabilities this year and produced over 180 MW cells and 240 MW of modules. It has now attained module wattages of 335 Wp using its own cells. In the solar products domain, the company was declared as a market leader, with over 12,500 solar agricultural pumps installed in seven states in FY20, a growth of more than 180% from the previous year.

During the financial year, the company continued to be a pioneer in the rooftop solar domain with projects of 66 MWp capacity executed and of 48 MWp capacity under execution. The Rooftop Focus City Launch campaign targeting 100 cities across India kicked off in September 2018 in New Delhi and covered 94 cities by the end of FY20.

The company recorded solar module export revenue of over ₹ 105 crore to clients in the United States.

### Renewables Division on The Balance-Sheet of the Parent Company (379 MW)

Type of entity: Division

Particulars	FY20	FY19
Generation Sales (MUs)	643	632

The portfolio comprises 376 MW of wind assets and 3 MW of solar assets at Mulshi. The carve-out process for said assets from Tata Power to TPREL is under review.

### Tata Power Hydros (447 MW)

Type of entity: Division

Particulars	FY20	FY19
Generation Sales (MUs)*	1,493	1,548

\*Includes sales to company's distribution division

During the year, generation sales was marginally lower than that of the previous year on account of lower demand. Lake levels have been maintained to meet the requirement of peak power till next monsoon (i.e. till June-July 2020). Availability for the year at 96% was lower compared to the previous year on account of planned major overhauls of 24 MW units at Khopoli and Bhivpuri and 150 MW BPSU at Bhira. These overhauls were completed as per the scheduled timelines.

## CGPL, Coal and Related Infrastructure Companies Coastal Gujarat Power Limited - CGPL (4,150 MW)

Type of entity: Wholly owned subsidiary

Particulars	FY20	FY19
Generation Sales (MUs)	24,463	24,752
Net sales (₹ crore)	7,017	7,064
PAT (₹ crore)	(891)	(1,654)

Loss in FY20 was lower as compared to FY19 mainly due to lower under-recovery on account of lower coal benchmark prices, optimized blending, effective coal procurement strategy and lower finance cost mainly due to re-financing of ECB loan partly offset by impact of Ind-AS 116.

Under-recovery of fuel cost is listed below:

Particulars	FY20	FY19
Total Revenue* (₹ crore)	7,037	7,137
EBITDA (₹ crore)	810	(194)
Fuel under-recovery**		
(in ₹ crore)	(1,066)***	(2,080)
(in ₹ per kWh)	(0.44)***	(0.84)

\* Total revenue consists of Revenue from Operations and other income

\*\* Fuel under-recovery consists of total coal cost under recovery (Fuel revenue net of coal costs).

\*\*\* Fuel under-recovery includes ₹ 230 crore Ind-AS 116 non-cash positive impact for FY20.

It is pertinent to note that the increase in EBITDA in CGPL is due to lower fuel under-recovery on account of lower benchmark coal price and optimised blending and lower forex loss pertaining to coal and freight exposures in FY20. CGPL continues to engage with the procuring states to find a solution for long-term viability of the plant.

CGPL is also making efforts to improve profitability through initiatives like sourcing of low-cost coal from other geographies and increasing blending of low calorific value coal.

### Mundra (CGPL) Tariff Relief matter

A 'High Power Committee' (HPC) was constituted by the Government of Gujarat (GoG) for suggesting relief to stressed thermal plants arising out of the issue of change in coal law in Indonesia. This HPC re-looked, reviewed, analysed and re-evaluated the overall situation afresh and made reasoned recommendations on 3rd October 2018 along with a draft Supplemental PPA to be executed between the parties to PPA.

The Supreme Court passed an order allowing the parties to approach CERC for amendments in the PPAs in response to application filed by GoG and State Bank of India. Subsequently, based on the recommendation and acceptance of GoG for HPC recommendation, GUVNL

has finalised Supplemental PPA and circulated to other Procurers (four states) seeking their approval. CGPL is pursuing the matter with other Procuring States for a consensus on Supplemental PPA circulated by GUVNL. As per the legal opinion received, even if UMPP Mundra supplies power as per the tariff discovered through the competitive bidding process to five states under single PPA, in order to implement HPC recommendations, CGPL can enter into separate Supplemental PPAs with each Procurer. CGPL is pursuing with Gujarat and Maharashtra to sign separate supplemental PPAs and once Supplemental PPAs are signed, parties will approach CERC for approval of the same. Once HPC recommendation is implemented in these two states, the matter will be taken up with other Procuring States.

### Russian Coal Mine Development Project

The Company has acquired a long-term coal mining license for the Krutogorovskya coal deposit located in the Sobolevo District, Kamchatka of the Russian Federation under competitive bidding, to explore cheaper and sustainable coal supply for its subsidiary CGPL. The Far East Natural Resources LLC (FENR) is a registered local subsidiary entity of Tata Power International Pte Limited (TPIPL) and Bhira Investments Pte Limited (Bhira) incorporated in Russia to develop this coal mine. The Company also signed the TOR-I agreement with Far East Development Corporation (FEDC) Russia to become a resident of Advanced Special Economic Zone (ASEZ) and avail benefits/grants extended to the resident companies. Firm estimates of reserves and resource are being assessed through detailed drilling and exploration activities, which are presently under progress.

### Regulatory matters

Ministry of Environment, Forest and Climate Change (MOEF&CC) vide its notification dated 7th December 2015 mandated all thermal power plants to comply with new environmental norms. Implementation of such revised environmental norms requires huge Capex and Opex. Therefore, CGPL filed a petition seeking in-principle Capex and Opex approval to secure finance from the lending institution. CERC passed an order in September 2018 holding that new/revised environmental norms qualify as change in law under the provision of PPA. Further, the company approached the CERC for determination of increase in cost or/and revenue expenditure on account of implementation of revised norms in accordance with the guidelines to be issued by CEA and the mode of recovery of the same through the monthly tariff. CGPL had a series of meetings and discussion with CEA and finalised the technology, based on which it filed a petition in June 2019 seeking approval of capital expenditure and annual operating expenditure. The matter has been heard on merit and reserved for order.

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### Coal & Infrastructure Companies

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

Your Company has signed an agreement to sell its 30% stake in PT Arutmin Indonesia and associated companies in coal trading and infrastructure. The aggregate consideration for the stake is \$ 401 million, subject to certain closing adjustments and restructuring actions. The Company received \$ 214.9 million till March 2020 and expects to receive periodic payments in future. The Company is pursuing steps to conclude this transaction.

The mining license for KPC is due for renewal in December 2021. KPC team has initiated the process of application for renewal of license and has submitted preliminary documents to the mining department. Indonesian Government is in process of making amendment in Mining Law. The parliamentary committee has conducted hearings and deliberations with the Ministry of Energy and Mines on the revision of this law. The revised Mining Law is expected to be passed in the first quarter of FY21 by Indonesia's Parliament. The proposed changes, a few being extension in license area, auto renewal of mining contracts, etc., in the revised bill will benefit the mining companies operating in the region. Once implemented, this will also help KPC in its process of license renewal.

#### PT Kaltim Prima Coal, Indonesia

Particulars	FY20	FY19
Coal Production (Million Tons)	61.2	58.5
Net sales* (₹ crore)	24,628	25,997
PAT* (₹ crore)	1,206	2,462

\*Figures are on 100% basis. The Company's share is 30%.

The coal price realisation for the year was at \$ 55.22/tonne as compared to \$ 63.56/tonne in the previous year. KPC's profitability was adversely affected due to a drop in the international coal price index.

#### PT Baramulti Suksessarana Tbk, and PT Antang Gunung Meratus Indonesia

Particulars	FY20	FY19
Coal Production (Million Tons)	11.7	11.7
Net sales* (₹ crore)	2,936	3,169
PAT* (₹ crore)	277	354

\*Figures are on 100% basis. The Company's share is 26%.

PAT is lower mainly due to lower average price realisation at \$ 35.11/tonne as compared to \$ 38.98/tonne in the previous year.

The status of infrastructure company at Indonesia, PT Nusa Tambang Pratama was as under:

#### PT Nusa Tambang Pratama, Indonesia

Particulars	FY20	FY19
Net sales* (₹ crore)	1,065	1,019
PAT* (₹ crore)	639	632

\*Figures are on 100% basis. The Company's share is 30%.

#### Trust Energy Resources Pte. Limited – Trust Energy

Type of entity: Wholly owned subsidiary

Particulars	FY20	FY19
Net sales (₹ crore)	1,086	1,298
PAT (₹ crore)	185	168

PAT and sales for FY20 includes Energy Eastern Pte Limited as well. The three ships owned by Trust Energy maintained an overall availability of more than 99% with no major safety incidents. Coal shipments for Mundra Power Plant were performed as per plan in FY20. The company continued to undertake several measures to improve the operating efficiencies and reduced operating expenditure by optimising insurance premium and ensuring a lean structure to manage overhead costs. The daily operating expenses for all three ships are at benchmark levels as per industry standards.

### Thermal Generation

#### Maithon Power Limited – MPL (1,050 MW)

Type of entity: Subsidiary (Tata Power: 74%, Damodar Valley Corporation: 26%)

Particulars	FY20	FY19
Generation Sales (MUs)	6,340	6,858
Net sales* (₹ crore)	2,741	2,776
PAT* (₹ crore)	338	273

\*Figures are on 100% basis. The Company's share is 74%.

PAT has improved mainly due to the impact of favourable CERC orders and additional revenue generated due to participation in the RRAS/SCED Scheme introduced during the year. MPL maintained its strong financial position as evident by the ratings given by CARE and CRISIL for the long term (CARE AA) and short-term (CRISIL A1+) bank facilities.

In principle approval has been obtained from Central Electricity Regulatory Commission (CERC) for setting up of Flue Gas Desulphurisation system.

### Industrial Energy Limited – IEL (415 MW)

Type of entity: Subsidiary (Tata Power: 74%, Tata Steel: 26%) (Joint Venture under Ind AS)

Particulars	FY20	FY19
Generation Sales (MUs)	2,829	2,992
Net sales* (₹ crore)	301	300
PAT* (₹ crore)	149	111

\*Figures are on 100% basis. The Company's share is 74%.

IEL operates a 120 MW tolling coal-based plant in Jojobera. It also operates a 120 MW co-generation plant (Power House #6) in Jamshedpur, inside the Tata Steel plant, which is based on blast furnace and coke oven gas. 2 out of 3 units of 67.5 MW each of co-generation plant at Kalinganagar, Odisha, are also under operation by deploying production gases from Tata Steel's plant.

The company has started executing the third turbine of 67.5 MW co-generation plant at Kalinganagar, Odisha, based on discussions with Tata Steel for Phase Two of the steel plant.

During the year, the company evaluated the option given under the New Tax Ordinance and found that it would be beneficial to opt for the new tax regime from FY32 since MAT credit will be fully utilised by FY31. This resulted in reversal of the deferred tax liability amounting to ₹ 48 crore, which improved the profitability for the year.

Jamshedpur Unit 5 achieved highest monthly generation since inception in the month of December 2019, surpassing its previous best in May 2018.

MoU have been signed with Tata Steel for multiple captive projects, including Captive Power Plant # 2, various CDQs, TRT projects, DG Projects and Thermal Projects.

### Trombay (930 MW)

Type of entity: Division

Particulars	FY20	FY19
Generation Sales (MUs)*	5,576	6,092

\*Includes sales to Company's distribution division.

The plant achieved an availability of 94% in FY20 (compared to last year's availability of 95%). Unit 5 and Unit 7 overhauling were successfully completed within the stipulated time frame. The plant had undertaken several operational improvement measures including reduction in auxiliary consumption, optimisation of operational expenses and reduction of store inventory etc.

### Jojobera (428 MW)

Type of entity: Division

Particulars	FY20	FY19
Generation Sales (MUs)	2,681	2,604

Jojobera plant achieved availability of 97% in FY20 improving from the previous year level of 92%. The plant had also achieved maximum continuous running days of Unit 3 (327 days) and Unit 4 (352 days) in FY20 since inception.

The Jojobera Division secured 4.6 lakh MT coal from Shakti B (ii) coal linkage auction in May 2019.

### Haldia (120 MW)

Type of entity: Division

Particulars	FY20	FY19
Generation Sales (MUs)	693	704

Generation sales in FY20 were marginally lower than the previous year. However, lower flue gas availability from Tata Steel continues to remain a challenge for enhancing generation sales. The plant availability in FY20 is 97%, which is significantly higher than the FY19 achievement of 90%.

### Transmission

#### Mumbai Transmission

The transmission assets, which are a part of the Mumbai license area, had a grid availability of 99.75% in FY20 as against the MERC norm of 98%. Availability was maintained at high levels by proactive actions taken based on preventive maintenance practices, effective condition monitoring and judicious planning and execution of planned outages.

Particulars	FY20	FY19
Grid Availability (%)	99.75	99.50
Transmission Capacity (MVA)	9,838	9,803

### Powerlinks Transmission Limited – PTL

Type of entity: Subsidiary (Tata Power: 51%, Power Grid Corporation of India Limited: 49%) (Joint Venture under Ind AS)

Particulars	FY20	FY19
Net sales* (₹ crore)	92	146
PAT* (₹ crore)	121	113

\*Figures are on 100% basis. The Company's share is 51%.

The availability of the lines was maintained at 99.97% for Eastern Region in FY20 (previous year availability stood at 99.97%) and 99.95% for Northern Region (previous year availability was 99.89%), as against the minimum stipulated availability of 98.50%. PAT for FY20 is higher mainly because of one-time impact due to change in MAT rate from 18.5% to 15% as per the New Tax Ordinance.

# Management Discussion & Analysis

## Distribution

### Mumbai Distribution

The highlights of the Mumbai Distribution business are as follows:

Particulars	FY20	FY19
Sales (MUs)	4,573	4,521
Consumer Base (Nos.)	7,20,310	7,01,438

Mumbai Distribution has added about 20,000 customers in FY20. The overall MUs sales has remained constant over the last year. The Multi-Year Tariff (MYT) order for Tata Power Mumbai Distribution was rolled out for FY21 to FY25 by MERC in FY20.

Some key highlights of the Mumbai Distribution business including certain initiatives to improve customer experience are:

- Mumbai Distribution is now IMS certified (ISO 9001:2015 for Quality Management system, ISO 14001:2015 for Environmental Management system, ISO 45001:2018 for Occupational Health and Safety Management system).
- Won Platinum Award at ISGF Innovation Awards 2020 for 'Most Reliable Supply of Electricity by Utility in India'.
- Introduced a real-time tracking solution, where customers can track the real-time location of the complaint management crew.
- Smart Meter Reading and Dispatch app (SMRD) was rolled out for meter reading activities, online spot billing and collection.
- Became the first power utility to launch 'Kaizala', in collaboration with Microsoft, a one-stop window for information/alert-sharing, billing and meter related information and complaint management for consumers.
- Added another all-women Customer Relations Centre at Ghatkopar, Mumbai, taking the total number to 4.
- Know Your Electricity Consumption (KYEC) launched as part of Value-Added Services, which helps consumers monitor and analyse energy usage, made available in intervals of 15 minutes, to help consumers take decisions.

### Tata Power Delhi Distribution Limited – TPDDL

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

Particulars	FY20	FY19
Distribution Sales (MUs)	9,051	8,870
Net sales (₹ crore)	7,888	7,600
PAT (₹ crore)	414	336

The profit during the year increased due to one-time impact of impairment of ₹ 106 crore for Rithala Plant in the previous year.

In FY20, TPDDL had a registered customer base of 17.56 lakh spanning across an area of 510 sq. km. in North and North-West parts of Delhi. The AT&C losses for the year stood at 7.89% as against 7.93% last year.

TPDDL met a peak demand of 2,069 MW in FY20 as compared to 1,967 MW during the last year. TPDDL was able to reduce the System Average Interruption Duration Index (SAIDI) to a level of 26.97 hours against the 38.43 hours in the previous financial year.

TPDDL has given paramount importance to quality in all aspects of service delivery while at the same time focusing on optimising costs and meeting increasingly stringent regulatory guidelines. TPDDL has adopted TQM framework for taking operational excellence to the next higher level. TPDDL took several initiatives during the year:

- Furthered the implementation of Advanced Metering Infrastructure (AMI) and rolled-out Smart Meter for its customers. During the financial year, 1.94 lakh Smart Meters were installed within the licensed area. To increase transparency and customer satisfaction, the data generated from the Smart Meters has been integrated with the TPDDL Mobile app.
- Launched an interactive bill service through WhatsApp with the feature of audio description of bill, 6 months bill history details, nearby payment avenues along with existing offers and schemes.
- Launched various energy efficiency programmes like 5-star AC Replacement Scheme, Super-Efficient BLDC Fan and LED Lighting Products, which helped reduce the Peak Load by 65 MW, with 99 MUs energy saving, leading to 32,531 MT CO<sub>2</sub> reduction since FY15.
- TPDDL is exploring innovative technology adoption to improve its overall performance and enhance customer experience.

Under the Horizon 2020 programme, funded by the European Union, TPDDL is carrying out a pilot exercise of deploying an Energy Islanding System at one of its distribution sub-stations with the aim of creating a model for individual community-based storage systems. The project has deployed a holistic approach including community engagement and technology deployment to create a successful model.

## TP Ajmer Distribution Limited – TPADL

Type of entity: Wholly owned subsidiary

Particulars	FY20	FY19
Distribution Sales (MUs)	483	465
Net sales (₹ crore)	401	376
PAT (₹ crore)	1.02	0.40

TPADL has been operating as a franchisee for the supply and distribution of power in Ajmer city over the past three years.

The total area under the franchisee is around 190 sq. km. The total consumer base in FY20 is 1.51 lakh and total peak demand is 128.64 MW, higher by 14.5% compared to that of last year.

In FY20, PAT increased due to strong operational performance and AT&C loss reduction from 11.2% in FY19 to 9.96% in FY20.

For enhancing consumer centricity and reliability, various initiatives were implemented resulting in improvement in business performance, which were manifested by 60% reduction in commercial complaints compared to previous year, zero meter faulty pendency within 30 days, reduction in provisional billing from 3.8% in FY19 to 1.8% in FY20, increase in digital payment from 19.0% in FY19 to 33.4% in FY20. The average restoration time of tripping also improved from 6.40 minutes in FY19 to 4.22 minutes in FY20 (34.1% reduction).

## Other Businesses

### Services

In FY20, the Services division provided O&M management services for 3,180 MW capacity, complete O&M services for 99 MW, Project Management Services for 120 MW, Corporate Management Services for 1,425 MW and Asset Management Services for 692 MW of wind and solar assets. In addition, the division provided services such as training for Asset Management and Safety Management systems etc. to various clients.

## Tata Power Trading Company Limited – TPTCL

Type of entity: Wholly owned subsidiary

Particulars	FY20	FY19
Generation Sales (MUs)	10,155	10,442
Net sales (₹ crore)	248	262
PAT (₹ crore)	41	37

TPTCL's PAT improved over that of last year owing to higher realisation for sale of power from Dagachhu Hydro Power Corporation Limited (DHPC) in Bhutan, improvement in working capital cycle, efficient receivables management and lower tax expenses on account of shifting to the new tax regime in the current year.

## New Businesses – EV Charging

In line with its larger aim of being a change agent towards green and sustainable development, your Company has made a significant impact in developing EV ecosystem and encouraging EV adoption in the country. Your Company is committed to play a key role along with other stakeholders in achieving the national goal of transition to electric mobility. In FY20, Tata Power partnered with Tata Motors and Jaguar Land Rover for developing EV Charging Infrastructure for their customers and dealers. In Q4 FY20, your Company rolled out Beta Version of its Software Platform and Mobile App that plays a crucial role in the customer journey of EV charging, by helping customers in locating EV charging stations, charging EVs and making bill payments online. Tata Power EV charging points are now present in 20 cities including Delhi, Mumbai, Bengaluru, Pune, Hyderabad, Kolkata, Chennai, Ahmedabad and Lucknow, under various business models and market segments. Your Company aims to increase its presence both in terms of a greater number of charging stations and larger geographical presence across the country. As on 31st March 2020, your Company has set up 170 EV charging points in 20 cities.

## International Businesses

### Cennergi Pty Limited – Cennergi (230 MW)

Type of entity: Joint Venture (Tata Power (through Khopoli Investments Limited) 50%, Exxaro Resources Limited 50%)

Cennergi is an independent power producer jointly owned by Tata Power (50%) and Exxaro Resources Limited (Exxaro) (50%). The 134 MW Amakhala Emoyeni wind farm was commissioned on 28th July 2016 with the 95 MW Tsitsikamma Community Wind Farm reaching COD on 18th August 2016. The Company sold its entire stake in Cennergi to Exxaro on 31st March 2020 for ₹ 842 crore including hedging gain.

### Dagachhu Hydro Power Corporation Limited – DHPC (126 MW)

Type of entity: Associate (Tata Power 26%, Druk Green Power Corporation Limited & Affiliates: 74%)

Particulars	FY20	FY19
Generation Sales (MUs)	513	495
Net sales* (₹ crore)	143	124
PAT* (₹ crore)	(43)	(25)

\*Figures are on 100% basis. The Company's share is 26%.

While the generation sales increased from 495 MUs in FY19 to 513 MUs in FY20, foreign exchange variations resulted in increase of loss to ₹ (43) crore.

# Management Discussion & Analysis

## Adjaristsqali Georgia LLC - AGL

Type of entity: Joint Venture (Tata Power (through TPIPL): 50%, Clean Energy Invest: 50%)

AGL is developing a 187 MW hydropower project (Shuakhevi and Skhalta projects) on the Adjaristsqali River and its tributaries in Georgia. This is one of the largest infrastructure investments in Georgia.

The plant operations were suspended in October 2017 on account of collapses experienced in certain sections of the tunnels. The company received insurance claims proceeds from its insurers, which were used towards restoration and repair of the tunnels. The Company also negotiated a restructuring package with the project lenders to sustain the viability of the project. AGL had engaged experts from Austria and Brazil in tandem with the Owner's Engineer team (Mott MacDonald UK) to identify the root cause of the collapses and understand the inconsistent geological behaviour in these tunnels to undertake the remedial work design required in the affected sections.

Further, the company held discussions with the Government of Georgia for negotiating a Power Purchase Agreement (PPA) for the sale of power generated from the Shuakhevi Project. The same has been concluded and the amended BOO Agreement was executed in December 2019 for a 15-year PPA.

The repair work has been completed and the tunnels have been put back in service. Further, both 89 MW Units of Shuakhevi HPP have been tested and re-commissioned and have commenced commercial operations in March 2020. The 9 MW Skhalta HPP, which is also a component of the overall project is expected to be commissioned in Q1 FY21.

## Digital Initiatives

Your Company has implemented digital technologies and solutions across various business segments in order to enhance customer experience, improve operational efficiencies, create competitive differentiation and support business growth. Tata Power has implemented Integrated Management System (IMS) for Digital and IT and secured ISO 27001:2013 and ISO 9001:2015 Certification, that puts Tata Power Digital & IT service aligned with the accepted global benchmark.

Some of the key initiatives across business/functions during the year are summarised as follows:

### Initiatives to enhance customer experience

- Redesigning of customer mobile application, keeping focus on simplicity and user friendliness.
- Simplification of online New Connection Application form resulting in significant reduction of average time taken to fill up the form from 15 min to 2 min.

- Implementation of Voice of Customer module for automatic capture of customer's feedback/suggestions and assignment through CRM to appropriate stakeholders for prompt resolution.
- Launch of 'Kaizala' App for Mumbai customers for variety of customer communications, including matters related to meter reading, billing, payment, discounts, complaints, etc.
- AI assisted system to analyse the feedback received from the customers through email, automatically classify, create tickets and forward it to appropriate group of people for further action.

### Initiatives to enhance employee productivity, experience and learning

- Implementation of O365 product suite for enhancing collaboration and productivity, and 24x7 availability and secured access to organisational data.
- Setting up of the Data Analytics and Insights Academy, to build analytical capability across business clusters and functions, helping in enhancing business delivery outcomes by leveraging statistical, ML&AI methods.

### Initiative for business growth

- EV – Mobile App for EV charging, developed in collaboration with other Tata group companies contributing to the development of the EV ecosystem.

### Initiatives to enhance Operational Efficiency (Asset performance and digitisation of process)

- SAP footprint further extended to PPGCL to enhance business processes in terms of productivity, better inventory management, effective human resource management, etc.
- Implementation of Project Management tool, Wrench for Roof Top Solar, to help TPSSL manage the real time status of various Roof Top Solar Projects.
- Implementing Sales Force for Lead Management.
- CCRA Infrastructure and platform integration – to help in near real-time monitoring of distributed generation assets (Solar and Wind) from a central location with the aid of automated system alerts, predictive analysis and reports.
- Sankalp (RCM) – Implementation of APM tool in various generation plants including Trombay, Jojobera, MPL and CGPL to optimise the Preventive Maintenance (PM) cycle, improvement of reliability and utilisation of assets.
- EKPI dashboards have been implemented for all major business verticals for monitoring and review of cluster and department level critical KPIs. As of now, around 140+ KPIs are deployed in various dashboards of T&D,

Generation, Renewables, Finance and HR clusters. These KPIs are available to the Senior Management/ Cluster Heads for tracking and review of business performance at any point of time.

- Automation of the Related Party Transaction process, which led to significant reduction of cycle time required for month-end closing, freeing up resources from the repetitive job and ensured robust control and compliance of applicable norms.

#### Initiatives for communities

- Implementation of Roshni portal to help in tracking the beneficiaries of community initiatives, thereby improving the follow-up and transparency of such initiatives.

## 4. Financial Performance – Standalone

Your Company recorded a Profit After Tax of ₹ 148.12 crore during the financial year ended 31st March 2020 (the Profit After Tax was ₹ 1,768.70 crore in FY19). Both the basic and the diluted earnings per share were at ₹ (0.08) for FY20

The analysis of major items of the Standalone Financial Statements is shown below.

### Revenue

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Revenue from Operations	7,726	8,255	(529)	(6)
Regulatory Deferral Balances including deferred tax recoverable/(payable)	(651)	(146)	(505)	(343)
<b>Total</b>	<b>7,075</b>	<b>8,109</b>	<b>(1,034)</b>	<b>(13)</b>

The decrease in revenue was mainly due to lower generation on account of lower demand from procurers, lower transmission charges as per the MERC tariff order and the impact of the truing up order passed by MERC.

### Other Income

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Interest Income	120	85	35	41
Dividend Income	369	384	(15)	(4)
Gain/(Loss) on Investments	22	7	15	214
Other Non-operating Income	72	40	32	80
<b>Total</b>	<b>583</b>	<b>516</b>	<b>67</b>	<b>13</b>

Increase in Other Income was mainly due to higher interest receipt on delayed payment from BEST, interest income on take or pay order in Mumbai Licensed area, guarantee commission income recognised pursuant to Advance Pricing Agreement with Income Tax Department

and interest income from ICD given to subsidiaries, offset by the lower mutual fund and dividend income.

### Cost of Power Purchased and Cost of Fuel

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Cost of Power Purchased	458	457	1	Nil
Cost of Fuel	2,766	3,168	(402)	(13)

The cost of fuel was lower mainly due to lower generation and lower fuel price.

### Transmission Charges

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Transmission Charges	214	248	(34)	(14)

Transmission charges are lower in the Mumbai regulated business on account of MYT order issued by MERC.

### Employee Benefit Expenses

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Employee benefit expenses	611	638	(27)	(4)

Employee Benefit Expenses are lower mainly due to reversal of performance pay provision and lower capitalisation of employee cost to the projects offset by higher provisions for retiral as per actuarial valuation.

### Finance Costs

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Finance Costs	1,510	1,500	10	1

Finance Cost was higher mainly due to increased borrowings and impact of IND-AS 116 off-set by higher interest paid on entry tax order in Mumbai Licensed Area in the previous year.

### Depreciation and Amortisation

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Depreciation and Amortisation	686	633	53	8

Depreciation has increased mainly on account of Ind AS 116 and capitalisation during the year.

## Management Discussion & Analysis

### Operations and Other Expenses

Particulars	(₹ in crore)			
	FY20	FY19	Change	% Change
Repairs and maintenance	312	286	26	9
Others	444	516	(72)	(14)
<b>Total</b>	<b>756</b>	<b>802</b>	<b>(46)</b>	<b>6</b>

The repairs and maintenance expenses were higher mainly due to scheduled outages planned for the business. The Other Expenses are lower due to reduction in the consultancy fees and rates, legal expenses and cost of service procured.

### Exceptional Items – Continued Operation

Particulars	(₹ in crore)			
	FY20	FY19	Change	% Change
Reversal of Impairment of Non-current Investments and related obligation	235	Nil	235	100
Standby Litigation	(276)	Nil	(276)	(100)
Remeasurement of Deferred Tax Recoverable on account of New Tax Regime (net)	(265)	Nil	(265)	(100)
Provision for contingencies	Nil	(45)	45	100
Gain on sale of Investment in Associate	Nil	1,213	(1,213)	(100)
<b>Total</b>	<b>(306)</b>	<b>1,168</b>	<b>(1,474)</b>	<b>(126)</b>

#### Reversal of Impairment of Non-Current Investments and related obligation

Your Company holds investments in Adjaristsqali Netherlands B.V. (ABV) (a joint venture of the Company operating 187 MW hydro power plant in Georgia) through intermediate holding company TPIPL. During the year, your Company performed the impairment assessment and recognised a reversal of ₹ 235 crore in impairment charge mainly on account of change in assumptions due to signing of PPA and renegotiating interest rates with lenders.

#### Standby Litigation

In respect to the Standby Charges dispute with Adani Electricity Mumbai Limited (Adani Electricity) erstwhile Reliance Infrastructure Limited (R-Infra) for the period from 1st April 1999 to 31st March 2004, the Appellate Tribunal of Electricity (ATE) set aside the MERC Order dated 31st May 2004 and directed your Company to refund ₹ 354 crore (including interest of ₹ 15 crore) to Adani Electricity as on 31st March 2004, and pay interest at 10% per annum thereafter. During the year, the Supreme

Court (SC) has upheld Appellate Tribunal for Electricity's order directing the Company to pay ₹ 354 crore along with interest. Consequently, the Company has recognised an expense of ₹ 276 crore net of amount recoverable from customers including adjustment with consumer reserves.

#### Remeasurement of Deferred Tax Recoverable as per New Tax Regime

Pursuant to the Taxation Laws (Amendment) Act, 2019, which is effective from 1st April 2019, domestic companies have an option to pay income tax at 22% plus applicable surcharge and cess ('new tax regime') subject to certain conditions. Based on your Company's assessment of the expected year of transition to the new tax regime at each entity level, where the new tax regime is applicable, your Company has remeasured the deferred tax liabilities and also reassessed the recoverability of Minimum Alternate Tax ('MAT') credit. Based on the above, your Company has also remeasured its regulatory asset balance against deferred tax liabilities and has recognised expense of ₹ 265 crore (₹ 98 crore for distribution business and ₹ 167 crore for generation and transmission business).

#### Gain on sale of Investment in Joint Venture

During the year, your Company has sold its investment in Cennergi to Exxaro on 31st March 2020 for a consideration of ₹ 737 crore and recognised gain on sale of investment amounting to ₹ 533 crore. Further, your Company has hedged its receivable against the consideration to be received, fair value gain on the hedge instrument of ₹ 105 crore has been recognised as Other Income.

#### Exceptional Items- Discontinued Operation (Strategic Engineering Division)

Particulars	(₹ in crore)			
	FY20	FY19	Change	% Change
Impairment Loss on Remeasurement to Fair Value	(361)	Nil	(361)	(100)

In the earlier year, your Company has approved sale of its Strategic Engineering Division (SED) to Tata Advanced Systems Limited (TASL), subject to regulatory approvals, at an enterprise value of ₹ 2,230 crore (including contingent consideration of ₹ 1,190 crore) subject to certain adjustments as specified in the scheme. During the year, your Company has reassessed the fair value of contingent consideration and has recognised an impairment loss of ₹ 361 crore.

## Tax Expenses

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Current Tax	19	111	(92)	(83)
Deferred Tax	73	332	(259)	(78)
Deferred Tax relating to earlier Year	(25)	10	(35)	(350)
Remeasurement of deferred tax on account of new tax regime (net)	(275)	Nil	(275)	(100)
<b>Total</b>	<b>(208)</b>	<b>453</b>	<b>(661)</b>	<b>(146)</b>

In FY20, lower current tax on account of lower operating profit, reduced MAT rate and increase in exceptional expenses relating to standby litigation. Previous year had exceptional reversal of DTA on sale of asset.

Pursuant to the Taxation Laws (Amendment) Act, 2019 which is effective from 1st April 2019, domestic companies have an option to pay income tax at 22% plus applicable surcharge and cess ('new tax regime') subject to certain conditions. Based on your Company's assessment of the expected year of transition to the new tax regime at each entity level, where the new tax regime is applicable, it has remeasured the deferred tax liabilities and also reassessed the recoverability of Minimum Alternate Tax ('MAT') credit. Accordingly, your Company has recognised deferred tax income of ₹ 275 crore after adjusting the MAT credit write off.

## Property, Plant and Equipment, Investment Property & Intangible Assets

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Property, plant and equipment	7,974	7,546	428	6
Intangible Assets	62	84	(22)	(26)
Capital Work-in-Progress	403	368	35	10
<b>Total</b>	<b>8,439</b>	<b>7,998</b>	<b>441</b>	<b>6</b>

The above assets increased mainly due to higher capitalisation offset by the depreciation and amortisation for FY20.

## Non-Current Investments

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Investment in Subsidiary, JV and Associate	20,743	20,477	266	1
Statutory Investments	168	374	(206)	(55)
Others	416	420	(4)	(1)
<b>Total</b>	<b>21,327</b>	<b>21,271</b>	<b>56</b>	<b>0.3</b>

Non-Current Investments have increased mainly due to reclassification of Tata Project Investment from Assets held for sale, reversal of Georgia impairment provision offset by lower statutory investments in Government Securities.

## Current Investments

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Deferred Tax Liability Fund Investment	Nil	42	(42)	(100)
Mutual Funds (Unquoted)	20	Nil	20	100
<b>Total</b>	<b>20</b>	<b>42</b>	<b>(22)</b>	<b>(52)</b>

Current Investments are lower mainly due to reclassification from current to non-current offset by the higher investment in mutual funds during the year.

## Trade Receivables

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Non-current	Nil	186	(186)	(100)
Current	1,109	1,256	(147)	(12)
<b>Total</b>	<b>1,109</b>	<b>1,442</b>	<b>(333)</b>	<b>(23)</b>

Decrease in Trade Receivables is mainly due to recovery of dues from BEST in the Mumbai operation area and final settlement of standby order.

## Loans

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Non-current	42	51	(9)	(18)
Current	550	119	431	362
<b>Total</b>	<b>592</b>	<b>170</b>	<b>422</b>	<b>248</b>

Increase in loans was mainly due to higher Inter-Corporate loans given to related parties.

## Finance Lease Receivable

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Non-current	553	554	(1)	NIL
Current	32	38	(6)	(16)
<b>Total</b>	<b>585</b>	<b>592</b>	<b>(7)</b>	<b>(1)</b>

Finance Lease Receivable reduced due to recovery of lease rentals during the year.

## Management Discussion & Analysis

### Other Financial Assets

Particulars	(₹ in crore)			
	FY20	FY19	Change	% Change
Non-current	223	3	220	7,333
Current	236	96	140	146
<b>Total</b>	<b>459</b>	<b>99</b>	<b>360</b>	<b>363</b>

Other Financial Assets increased mainly due to higher advance to the Orissa Electricity Regulatory Commission towards Equity for the distribution license, which your Company won during the year, lease money receivable from Jojobera and receivable from consumers.

### Other Assets

Particulars	(₹ in crore)			
	FY20	FY19	Change	% Change
Non-current	1,010	977	33	3
Current	146	952	(806)	(85)
<b>Total</b>	<b>1,156</b>	<b>1,929</b>	<b>(773)</b>	<b>(40)</b>

Non-Current Assets increased mainly due to increase in recoverable from consumers offset by decrease in security deposit due to settlement of standby litigation and reclassification of unamortised premium on leasehold land to right of use assets as per Ind-AS 116.

Current Assets decreased mainly due to decrease in recoverable from consumers.

### Assets Classified as Held for Sale

Particulars	(₹ in crore)			
	FY20	FY19	Change	% Change
Land	302	310	(8)	(3)
Building	9	14	(5)	(36)
Investments	299	399	(100)	(25)
Loan and other receivables (including interest accrued)	23	19	4	21
Transmission Lines	128	Nil	128	100
Assets of Discontinued Operations	1,880	2,064	(184)	(9)
<b>Total</b>	<b>2,641</b>	<b>2,806</b>	<b>(165)</b>	<b>(6)</b>

Assets held for sale has reduced during the year mainly due to impairment of SED and reclassification of Tata Projects Investment offset by inclusion of Vikhroli Project under held for sale as your Company lost the bid for project.

### Regulatory Deferral Account – Asset/ (Liability)

Particulars	(₹ in crore)			
	FY20	FY19	Change	% Change
Regulatory Deferral – Asset	258	999	(741)	(74)
Less: Regulatory Deferral – Liability	Nil	Nil	NIL	NIL
<b>Total</b>	<b>258</b>	<b>999</b>	<b>(741)</b>	<b>(74)</b>

Regulatory Deferral Asset (Net) pertains to regulatory receivables in the distribution business. The same has reduced on account of recovery during the year.

### Total Equity

Particulars	(₹ in crore)			
	FY20	FY19	Change	% Change
Equity Share Capital	271	271	Nil	Nil
Unsecured Perpetual Securities	1,500	1,500	Nil	Nil
Other Equity	13,491	13,919	(428)	(3)
<b>Total</b>	<b>15,262</b>	<b>15,690</b>	<b>(428)</b>	<b>(3)</b>

Total Equity of the your Company decreased due to dividend pay-out, which increased with profits of the year.

### Non-Current Borrowings

Particulars	(₹ in crore)			
	FY20	FY19	Change	% Change
Secured Loans	4,910	4,896	14	0.3
Unsecured Loans	4,915	3,854	1,061	28
<b>Total</b>	<b>9,825</b>	<b>8,750</b>	<b>1,075</b>	<b>12</b>

Non-current borrowings increased mainly due to issue of Non-Convertible Debentures partially offset by repayment of term loans from the bank.

### Current Borrowings

Particulars	(₹ in crore)			
	FY20	FY19	Change	% Change
Secured Loans	60	Nil	60	100
Unsecured Loans	6,152	6,732	(580)	(9)
<b>Total</b>	<b>6,212</b>	<b>6,732</b>	<b>(520)</b>	<b>(8)</b>

Current Borrowings decreased mainly due to redemption of Commercial Papers, repayment of term loans payables on demand offset by higher Bank Overdraft.

## Lease Liability

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Non-current	237	Nil	237	100
Current	42	Nil	42	100
<b>Total</b>	<b>279</b>	<b>Nil</b>	<b>279</b>	<b>100</b>

During the year, your Company has recognised Lease Liability based on the requirement of the Ind-AS 116.

## Trade Payables

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Non-current	Nil	23	(23)	(100)
Current	1,002	1,102	(100)	(9)
<b>Total</b>	<b>1,002</b>	<b>1,125</b>	<b>(123)</b>	<b>(11)</b>

Trade payables decreased due to payment to the vendor as per the payment terms.

## Other Financial Liabilities

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Non-current	15	43	(28)	(65)
Current	2,622	2,895	(273)	(9)
<b>Total</b>	<b>2,637</b>	<b>2,938</b>	<b>(301)</b>	<b>(10)</b>

Other Financial Liabilities decreased mainly due to reduction in current maturity of non-current borrowings & lower financial guarantee obligation.

## Other Liabilities

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Non-current	161	184	(23)	(13)
Current	503	849	(346)	(41)
<b>Total</b>	<b>664</b>	<b>1,033</b>	<b>(369)</b>	<b>(36)</b>

Other Liabilities decreased mainly due to reduction in statutory consumers reserves offset by higher liability towards consumers.

## Provisions

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Non-current	222	196	26	13
Current	62	15	47	313
<b>Total</b>	<b>284</b>	<b>211</b>	<b>74</b>	<b>35</b>

Provision for FY20 is higher due to compensated absences and other defined benefit plans.

## Liabilities Directly Associated With Assets Classified as Held for Sale

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Liabilities classified as held for sale	1,036	966	70	7
<b>Total</b>	<b>1,036</b>	<b>966</b>	<b>70</b>	<b>7</b>

The liabilities increased mainly due to liabilities of SED business classified as 'Discontinued Operations', and accordingly, assets and liabilities were classified as held for sale.

## 5. Financial Performance – Consolidated

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Total Income*	29,510	30,370	(860)	(3)
Depreciation & Amortisation Expenses	2,634	2,393	241	10
Finance Costs	4,494	4,170	324	7
Exceptional Item	226	1,746	(1,520)	(87)
Profit Before Taxes	2,368	3,819	(1,451)	(38)
<b>Profit for the year</b>	<b>1,316</b>	<b>2,606</b>	<b>(1,290)</b>	<b>(49)</b>

\*Includes Regulatory Income/(Expenses)

- Total Income decreased primarily on account of lower revenue in Tata Power, TPTCL, TPDDL and MPL.
- Depreciation increased marginally with increased capitalisation and assets recognised as right of use as per Ind-AS 116.
- Finance costs were higher mainly due to interest component on lease liability in CGPL and Trust Energy as per Ind-AS 116.
- Exceptional items in FY20 included gain on sale of investments in Cennergi and reversal of impairments, offset by Remeasurement of Deferred Tax Recoverable and regulatory deferral balance on account of New Tax Regime.
- Exceptional items in FY19 included gain on sale of investments in (Tata Communications Limited and Panatone Finvest Limited) offset by provision for contingencies related to entry tax provision and impairment of plant, property and equipment in the Rithala plant.

## Management Discussion & Analysis

### Property, Plant and Equipment, Investment Property & Intangible Assets

Particulars	(₹ in crore)			
	FY20	FY19	Change	% Change
Property, plant and equipment	44,663	41,102	3,561	9
Intangible Assets	1,362	1,562	(200)	(13)
Capital Work-in-Progress	1,612	2,576	(964)	(38)
<b>Total</b>	<b>47,637</b>	<b>45,240</b>	<b>2,397</b>	<b>5</b>

The above assets increased mainly on account of higher capitalisation in Tata Power, TPREL, TPDDL, MPL, reclassification of operating lease to right of use as per Ind-AS 116 offset by depreciation and amortisation for FY20 and assets reclassified as held for sale.

### Goodwill

Particulars	(₹ in crore)			
	FY20	FY19	Change	% Change
Goodwill	1,642	1,642	Nil	Nil

There is no change in goodwill during the year.

### Non-Current Investments

Particulars	(₹ in crore)			
	FY20	FY19	Change	% Change
Investments in Joint Ventures & Associates	13,203	12,513	690	6
Statutory Investments	168	374	(206)	(55)
Others	465	487	(22)	(5)
<b>Total</b>	<b>13,836</b>	<b>13,374</b>	<b>462</b>	<b>5</b>

Increase in Non-Current Investments was mainly due to increase in investments in Resurgent for acquisition of PPGCL, profit from joint ventures for the year net of dividend received and reclassification of Tata Projects Limited to investment from assets held for sale.

### Current Investments

Particulars	(₹ in crore)			
	FY20	FY19	Change	% Change
Statutory Investments	Nil	42	(42)	(100)
Investments in Mutual Funds	700	125	575	460
<b>Total</b>	<b>700</b>	<b>167</b>	<b>533</b>	<b>319</b>

Increase in current Investments was mainly on account of increase in mutual fund investments in Af-Taab Investment Company Limited, MPL, TPDDL, TPREL and Tata Power, offset by decrease in statutory investments in Tata Power.

### Trade Receivables

Particulars	(₹ in crore)			
	FY20	FY19	Change	% Change
Non-current	30	193	(163)	(84)
Current	4,426	4,445	(19)	(1)
<b>Total</b>	<b>4,456</b>	<b>4,638</b>	<b>(182)</b>	<b>(4)</b>

Decrease in Trade Receivables was mainly due to decrease in receivables in Tata Power, CGPL and MPL offset by increase in receivables in TPSSL, TPTCL, WREL and TPREL.

### Loans

Particulars	(₹ in crore)			
	FY20	FY19	Change	% Change
Non-current	81	91	(10)	(11)
Current	33	87	(54)	(62)
<b>Total</b>	<b>114</b>	<b>178</b>	<b>(64)</b>	<b>(36)</b>

Decrease in Loans is mainly due to repayment of loans in TPIPL.

### Finance Lease Receivable

Particulars	(₹ in crore)			
	FY20	FY19	Change	% Change
Non-current	589	566	23	4
Current	33	38	(5)	(12)
<b>Total</b>	<b>622</b>	<b>604</b>	<b>18</b>	<b>3</b>

Finance Lease Receivable increased due to reduction in unearned finance income during the year.

### Other Financial Assets

Particulars	(₹ in crore)			
	FY20	FY19	Change	% Change
Non-current	579	317	262	83
Current	1,412	242	1,170	483
<b>Total</b>	<b>1,991</b>	<b>559</b>	<b>1,432</b>	<b>256</b>

Other Financial Assets increased mainly due to receivables on sale of investment in Cennergi, increase in fair valuation gain on derivative contracts and other advances.

### Other Assets

Particulars	(₹ in crore)			
	FY20	FY19	Change	% Change
Non-current	1,185	1,358	(173)	(13)
Current	770	1,882	(1,112)	(59)
<b>Total</b>	<b>1,955</b>	<b>3,240</b>	<b>(1,285)</b>	<b>(40)</b>

Other Assets decreased mainly due to decrease in recoverable from consumers in Tata Power and MPL,

reclassification of unamortised premium on leasehold land to right of use assets as per Ind-AS 116, decrease in security deposit in Tata Power on account of settlement of standby dispute and decrease in power banking receivables of TPDDL.

### Assets Classified as Held for Sale

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Assets classified as held for sale	6,253	5,103	1,150	23

Increase in the above assets is mainly due to reclassification of shipping assets in Trust Energy as held for sale offset by the reclassification of Tata Projects Limited to Investment.

### Total Equity

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Equity Share Capital	271	271	NIL	NIL
Unsecured Perpetual Securities	1,500	1,500	NIL	NIL
Other Equity	17,796	16,535	1,261	7
<b>Total</b>	<b>19,567</b>	<b>18,306</b>	<b>1,261</b>	<b>7</b>

The equity of your Company increased by 7% during the year on account of profits for the year, net of distribution on perpetual securities and dividend pay-out.

### Non-Current Borrowings

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Secured Loans	21,084	20,085	999	5
Unsecured Loans	11,612	11,055	557	5
<b>Total</b>	<b>32,696</b>	<b>31,140</b>	<b>1,556</b>	<b>5</b>

Non-Current Borrowings increased mainly due to increase in loan in Tata Power, TPREL, TPDDL and CGPL partially offset by reduction in loan in MPL and WREL.

### Current Borrowings

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Secured Loans	1,075	896	179	20
Unsecured Loans	10,770	12,980	(2,210)	(17)
<b>Total</b>	<b>11,845</b>	<b>13,876</b>	<b>(2,031)</b>	<b>(15)</b>

Current Borrowings decreased mainly due to decrease of loan in Tata Power, Bhira, CGPL, MPL, TPTCL and TPSSL offset by increase in TPREL, Trust Energy and WREL.

### Trade Payables

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Non-current	Nil	23	(23)	(100)
Current	5,095	5,481	(386)	(7)
<b>Total</b>	<b>5,095</b>	<b>5,504</b>	<b>(409)</b>	<b>(7)</b>

Trade Payables decreased mainly in Tata Power, TPSSL and CGPL.

### Other Financial Liabilities

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Non-current	722	687	35	5
Current	7,503	6,481	1,022	16
<b>Total</b>	<b>8,225</b>	<b>7,168</b>	<b>1,057</b>	<b>15</b>

Other Financial Liabilities increased due to increase in current maturities of long-term debts and advance received for sale of investment in Bhira and Trust Energy.

### Other Liabilities

(₹ in crore)				
Particulars	FY20	FY19	Change	% Change
Non-current	2,085	1,874	211	11
Current	1,453	1,500	(47)	(3)
<b>Total</b>	<b>3,538</b>	<b>3,374</b>	<b>164</b>	<b>5</b>

Other Liabilities increased mainly due to increase in deferred revenue liability as per Ind AS-115 and increase in Deferred Revenue towards Service line contribution from consumers.

Refer Notes to the Consolidated Ind AS Financial Statements for the restatements.

# Report On Corporate Governance

***“The Tata philosophy of management has always been, and is today more than ever, that corporate enterprises must be managed not merely in the interests of their owners, but equally in those of their employees, of the consumers of their products, of the local community and finally the country as a whole.”***

**- Jamsetji N. Tata**

## Company’s Philosophy on Corporate Governance

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

For your Company, good corporate governance is a synonym for sound management, transparency and adequate disclosure, encompassing good corporate practices, procedures, standards and implicit rules which propel a company to take sound decisions. As a Company with a strong sense of values and commitment, Tata Power believes that profitability must go hand in hand with a sense of responsibility towards all stakeholders. This is an integral part of Tata Power’s business philosophy. The cardinal principles such as independence, accountability, responsibility, transparency, trusteeship and disclosure serve as means for implementing the philosophy of Corporate Governance.

This philosophy is reflected and practised through the Tata Code of Conduct (TCoC), the Tata Business Excellence Model and the Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices. Further, these codes allow the Board to make decisions that are independent of the management. The Company is committed to focus its energies and resources in creating and positively leveraging shareholders’ wealth and, at the same time, safeguarding the interests of all stakeholders. This is our path to sustainable and profitable existence and growth.

The Company has adopted Governance Guidelines to help fulfil its corporate responsibility towards its stakeholders. The Governance Guidelines cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, director’s term, retirement age and committees of the Board. It also covers aspects relating to nomination, appointment, induction of directors, director’s remuneration, subsidiary oversight, Board effectiveness review.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time, including relaxations granted by the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI) from time to time on account of the COVID-19 pandemic, with regard to corporate governance.

The various material aspects of corporate governance and the Company’s approach to them are discussed in the table below:

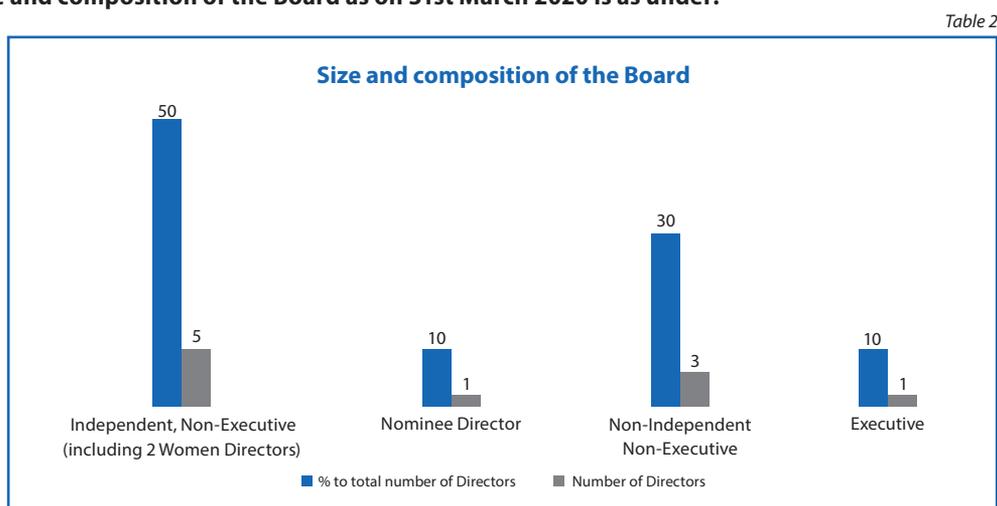
Table 1

Material Aspect	Company’s Approach
Avoidance of conflict of interest	Chairmanship of the Board is a non-executive position and separate from that of the Chief Executive Officer and Managing Director (CEO & Managing Director). The Code of Conduct for Non-Executive Directors (NEDs), and for Independent Directors (IDs), carries explicit clauses covering avoidance of conflict of interest. Likewise, there are explicit clauses in the TCoC prohibiting any employee - including the Managing Director (MD) and Executive Directors (EDs) - from accepting any position of responsibility, with or without remuneration, with any other organisation without Company’s prior written approval. For MD and EDs, such approval must be obtained from the Board.
Board independence and minority shareholders’ interests	The TCoC, which defines the governance philosophy at Tata Power, emphasizes fairness and transparency to all stakeholders. Shareholders can communicate any grievance to the Company Secretary’s office through a well-publicized channel, where complaints are tracked to closure. The Stakeholders’ Relationship Committee oversees the redressal of these complaints. The Annual General Meeting (AGM) is another forum where they can interact with the Board.
Values, Ethics and compliance	Tata Power consistently adheres to the highest principled conduct and has earned its reputation for trust and integrity in the course of building a highly successful global business. The Company’s core values are SCALE viz. Safety, Care, Agility, Learning and Ethics.  TCoC, which every employee signs at the time of joining the Company, serves as a moral guide and a governing framework for responsible corporate citizenship. Periodic refresher courses are conducted to ensure continued awareness of the code, and employee communications from the leadership reiterate the importance of our values and the TCoC.  Customers and suppliers are made aware of the TCoC principles in contract discussions, and through inclusion of specific clauses in proposals and contracts. The Tata Power Supplier Code of Conduct is shared with suppliers as part of the procurement process and is published on the Tata Power website.  Changes to legislation are closely monitored, risks are evaluated and effectively managed across our operations. Avenues have been provided for all employees and stakeholders to report concerns or non-compliance which are investigated and addressed by following due process. At the apex level, the Audit Committee oversees compliance to internal policies and external regulations.

Material Aspect	Company's Approach
Succession planning	Succession planning is an integral part of the operations of the Company. Succession planning of senior management is reviewed by the Board. Business and Unit Heads are invited to present on specific topics at Board meetings from time to time, offering an opportunity for the Directors to assess their values, regional and industry experience, background, gender and other distinctions between directors. These differences will be considered in determining the optimum composition of the Board and when possible, will be balanced appropriately.

## Board of Directors

- i. The Board is the focal point and custodian of corporate governance for the Company. The Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, gender and other distinctions between directors. These differences will be considered in determining the optimum composition of the Board and when possible, will be balanced appropriately.
- ii. **The size and composition of the Board as on 31st March 2020 is as under:**



As on 31st March 2020, the Company has 10 (ten) Directors. Out of 10, 5 (five) (i.e. 50%) are Independent, Non-Executive, 4 (four) (i.e. 40%) are Non-Independent, Non-Executive (including a Nominee Director) and 1 (one) (i.e. 10%) is Executive.

None of the Directors held Directorship in more than 7 (seven) listed companies. Further, none of the IDs of the Company served as an ID in more than 7 (seven) listed companies. None of the IDs serving as a whole-time director/managing director in any listed entity serves as an ID of more than 3 (three) listed entities. None of the Directors held directorship in more than 20 (twenty) Indian companies, with not more than 10 (ten) public limited companies.

None of the Directors is a member of more than ten committees or chairperson of more than five committees across all the public limited companies in which he/she is a Director.

All IDs of the Company have been appointed as per the provisions of the Companies Act, 2013 (the Act) and Listing Regulations. Formal letters of appointment have been issued to the IDs. The Chairman of the Company is a NED and not related to the CEO & Managing Director.

- iii. The composition of the Board is in compliance with the requirements of the Act and Regulation 17 of the Listing Regulations. The profile of the Directors can be accessed on our website at <https://www.tatapower.com/corporate/board-of-directors.aspx>.
- iv. Four Board meetings were held during the year under review and the gap between two meetings did not exceed 120 days. The said Meetings were held on 2nd May 2019, 1st August 2019, 8th November 2019 and 29th January 2020.
- v. Audio Visual conferencing facilities are used to facilitate directors travelling or present at other locations, to participate in meetings.

## Report on Corporate Governance

- vi. There are no inter-se relationships between the Board members. The Company has not issued any convertible instruments.
- vii. **The details of each member of the Board during the year ended as on 31st March 2020 and their attendance at Board Meetings and the last AGM are provided hereunder:**

Table 3

Sl. No.	Name of the Director	Category of Directorship	Number of Board Meetings attended during FY20	Whether attended last AGM held on 18th June 2019	No. of other Directorships*		No. of Committee positions held**		No. of shares held in the Company	Directorship in other listed entities (category of directorship)
					Chair-person	Member	Chair-person	Member		
1.	Mr. N. Chandrasekaran, Chairman DIN: 00121863	Non-Independent, Non-Executive	4	Yes	5	0	0	0	2,00,000	Tata Consultancy Services Limited (Non-Independent, Non-Executive) Tata Steel Limited (Non-Independent, Non-Executive) Tata Motors Limited (Non-Independent, Non-Executive) The Indian Hotels Company Limited (Non-Independent, Non-Executive) Tata Consumer Products Limited (Formerly known as 'Tata Global Beverages Limited') (Non-Independent, Non-Executive)
2.	Mr. Nawshir H. Mirza# DIN: 00044816	Independent, Non-Executive	2	Yes	NA	NA	NA	NA	NA	NA
3.	Mr. Deepak M. Satwalekar\$ DIN: 00009627	Independent, Non-Executive	2	Yes	NA	NA	NA	NA	NA	NA
4.	Ms. Anjali Bansal DIN: 00207746	Independent, Non-Executive	4	Yes	0	7	0	4	Nil	Apollo Tyres Limited (Independent, Non-Executive) Voltas Limited (Independent, Non-Executive) Bata India Limited (Independent, Non-Executive) Siemens Limited (Independent, Non-Executive) Tata Power Renewable Energy Limited (Debt listed) (Independent, Non-Executive)
5.	Ms. Vibha Padalkar DIN: 01682810	Independent, Non-Executive	4	Yes	0	3	1	2	Nil	HDFC Life Insurance Company Limited (CEO & Managing Director)
6.	Mr. Sanjay V. Bhandarkar DIN: 01260274	Independent, Non-Executive	4	Yes	0	6	5	4	16,262 (As a joint holder)	HDFC Asset Management Company Limited (Independent, Non-Executive) S Chand and Company Limited (Independent, Non-Executive) Walwhan Renewable Energy Limited (Debt listed) (Independent, Non-Executive) Tata Power Renewable Energy Limited (Debt listed) (Independent, Non-Executive)

Sl. No.	Name of the Director	Category of Directorship	Number of Board Meetings attended during FY20	Whether attended last AGM held on 18th June 2019	No. of other Directorships*		No. of Committee positions held**		No. of shares held in the Company	Directorship in other listed entities (category of directorship)
					Chair-person	Member	Chair-person	Member		
7.	Mr. K. M. Chandrasekhar DIN: 06466854	Independent, Non-Executive	4	No	0	4	0	3	Nil	Coastal Gujarat Power Limited (Debt listed) (Independent, Non-Executive)
8.	Mr. Ashok Sinha® DIN: 00070477	Independent, Non-Executive	3	Yes	0	6	4	2	Nil	Cipla Limited (Independent, Non-Executive) J. K. Cement Limited (Independent, Non-Executive) Coastal Gujarat Power Limited (Debt listed) (Independent, Non-Executive) Maithon Power Limited (Debt listed) (Independent, Non-Executive)
9.	Mr. Hemant Bhargava (Nominee of Life Insurance Corporation of India (LIC) as an equity investor) DIN: 01922717	Non-Independent Non-Executive	3	No	0	3	0	1	Nil	Voltas Limited (Nominee Director) Larsen & Toubro Limited (Nominee Director) ITC Limited (Nominee Director)
10.	Mr. Saurabh Agrawal DIN: 02144558	Non-Independent Non-Executive	4	Yes	4	2	0	2	Nil	Tata Steel Limited (Non-Independent, Non-Executive) Tata AIG General Insurance Company Limited (Debt listed) (Non-Independent, Non-Executive)
11.	Mr. Banmali Agrawala DIN: 00120029	Non-Independent Non-Executive	3	Yes	4	1	1	0	Nil	Nil
12.	Mr. Praveer Sinha\$, CEO & Managing Director DIN: 01785164	Executive	4	Yes	4	0	0	0	Nil	Tata Power Renewable Energy Limited (Debt listed) (Non-Independent, Non-Executive)
13.	Mr. Ashok S. Sethi^, COO & Executive Director DIN: 01741911	Executive	NA	NA	NA	NA	NA	NA	NA	NA

\* Excludes directorship in the Company, private companies, foreign companies and companies under Section 8 of the Act.

\*\* Pertains to memberships/chairpersonships of the Audit Committee and Stakeholders' Relationship Committee of Indian public companies (excluding the Company) as per Regulation 26(1)(b) of the Listing Regulations.

# Consequent upon the completion of his term as an ID, Mr. Mirza ceased to be a Director effective 12th August 2019.

\$ Consequent upon the completion of his term as an ID, Mr. Satwalekar ceased to be a Director effective 12th August 2019.

@ Appointed as an Additional and Independent Director effective 2nd May 2019. His appointment was approved by the Members at the AGM held on 18th June 2019.

& Mr. Praveer Sinha, CEO & Managing Director is not an ID of any other listed company.

^ Mr. Ashok S. Sethi superannuated as COO & Executive Director of the Company effective 30th April 2019.

viii. Necessary disclosures regarding committee positions in other public companies as on 31st March 2020 have been made by the Directors.

ix. IDs are NEDs as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair

or impact their ability to discharge their duties. Based on the declarations received from the IDs, 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. Further, declaration on compliance with Rule 6(3) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 as amended by MCA Notification dated 22nd October 2019 regarding the

## Report on Corporate Governance

requirement relating to the enrolment in the Data Bank created by MCA for IDs, has been received from all the IDs.

### x. Skills/expertise/competencies of the Board of Directors

The Board is satisfied that the current composition reflects a mix of knowledge, skills, experience, diversity and independence. The Board provides leadership, strategic guidance, objective and an independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and

disclosure. The Board periodically evaluates the need for change in its composition and size.

The Company requires skills/expertise/competencies in the areas of strategy, finance, leadership, technology, governance, mergers and acquisitions, human resources, etc. to efficiently carry on its core businesses such as generation, distribution and transmission of thermal/renewables/hydro power, power trading, solar photovoltaic (PV) manufacturing and associated engineering, procurement and construction (EPC) services, coal mines and logistics.

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Table 4

Name of the Director	Area of skills/expertise/competence							
	Strategy	Finance	Leadership	Technical	HR	Governance	M&A	Government/Regulatory
Mr. N. Chandrasekaran	√	√	√	√	√	√	√	√
Ms. Anjali Bansal	√	√	√	-	√	√	-	-
Ms. Vibha Padalkar	√	√	√	-	√	√	√	-
Mr. Sanjay V. Bhandarkar	√	√	√	-	-	√	√	-
Mr. K. M. Chandrasekhar	√	√	√	-	√	√	-	√
Mr. Ashok Sinha	√	√	√	√	√	√	√	√
Mr. Hemant Bhargava	√	√	√	-	√	√	√	√
Mr. Saurabh Agrawal	√	√	√	-	-	√	√	√
Mr. Banmali Agrawala	√	-	√	√	√	√	-	√
Mr. Praveer Sinha	√	-	√	√	√	√	√	√

### xi. Changes in Board composition

Changes in board composition during FY20 are tabled hereunder:

Table 5

Sl. No.	Name of the Director	Nature of change	Date of change
1.	Mr. Ashok S. Sethi	Superannuated as COO & Executive Director of the Company	30th April 2019
2.	Mr. Ashok Sinha	Appointed as an Additional and Independent Director. His appointment was approved by the Members at the AGM held on 18th June 2019	2nd May 2019
3.	Mr. Nawshir H. Mirza	Consequent upon the completion of his term as an ID, Mr. Mirza ceased to be a Director.	12th August 2019
4.	Mr. Deepak M. Satwalekar	Consequent upon the completion of his term as an ID, Mr. Satwalekar ceased to be a Director.	12th August 2019

None of the IDs have resigned before the expiry of their respective tenures during FY20.

### xii. Term of Board membership

The Nomination and Remuneration Committee (NRC) determines the appropriate characteristics, skills and experience required for the Board as a whole and for individual members. Board members are expected to possess the required qualifications, integrity, expertise and experience for the position. They also possess expertise and insights in sectors/areas relevant to the Company and have ability to contribute to the Company's growth. As per the existing Guidelines, the retirement age for MD/ EDs is 65 years, NEDs is 70 years and IDs is 75 years.

### xiii. Selection and appointment of new directors

The Board is responsible for the appointment of new directors. The Board has delegated the screening and selection process for new directors to the NRC. Considering the existing composition of the Board and requirement of new domain expertise, if any, the NRC reviews potential candidates. The assessment of members to the Board is based on a combination of criteria that include ethics, personal and professional stature, domain expertise, gender diversity and specific qualification required for the position. The potential Board member is also assessed on the basis

of independence criteria defined in Section 149(6) of the Act read with rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. If the Board approves, the person is appointed as an Additional Director whose appointment is subject to the approval of the Members at the Company's general meeting.

**xiv. Letter of appointment issued to Independent Directors**

The IDs on the Board of the Company are given a formal appointment letter *inter alia* containing the term of appointment, role, duties and responsibilities, time commitment, remuneration, insurance, code of conduct, training and development, performance evaluation process, disclosure, confidentiality, etc. The terms and conditions of appointment of IDs are available on the Company's website at <https://www.tatapower.com/pdf/investor-relations/Terms-&-conditions-of-IDs-appointment.pdf>.

**xv. Information provided to the Board**

During FY20, information as mentioned in Part A of Schedule II of the Listing Regulations, has been placed before the Board for its consideration.

**xvi. Meeting of Independent Directors**

During the year under review, a separate meeting of the IDs was held on 18th March 2020. At the said meeting, the IDs reviewed the performance of the NEDs, of the Board as a whole and the Chairman, after considering the view of the ED and the NEDs. They also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board.

**xvii. Details of familiarisation programmes for Directors including Independent Directors**

All Board members of the Company are accorded every opportunity to familiarize themselves with the Company, its management, its operations and above all, the Industry perspective and issues. They are made to interact with senior management personnel and proactively provided with relevant news, views and updates on the Company and sector. All the information/documents sought by them are also shared with them for enabling a good understanding of the Company, its various operations and the industry of which it is a part.

Details of the familiarisation program on cumulative basis are available on the Company's website at <https://www.tatapower.com/pdf/investor-relations/familiarisation-programme-for-directors.pdf>.

**xviii. Code of Conduct**

The Company has adopted the Code of Conduct for NEDs including IDs which provides for details as laid

down in Schedule IV to the Act, as may be applicable. The Company has also adopted a Code of Conduct for all its employees including EDs. All Board members and senior management personnel have affirmed compliance with their respective Code of Conduct. The CEO & Managing Director has also confirmed and declared the same. The declaration is reproduced at the end of this Report and marked as Annexure I.

**xix. Tata Code of Conduct for Prevention of Insider Trading & Code of Corporate Disclosure Practices**

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Board of Directors of the Company has adopted the Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices (the Code). All the Promoters, Directors, Employees of the Company and its material subsidiaries, who are Designated Persons and their Immediate Relatives and other Connected Persons such as auditors, consultants, bankers, etc. who could have access to the unpublished price sensitive information of the Company, are governed under this Code.

Mr. Ramesh N. Subramanyam, Chief Financial Officer (CFO) of the Company is the 'Compliance Officer' in terms of this Code.

**xx. Remuneration to Directors**

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

(Gross Amount in ₹) Table 6

Sl. No.	Name of the Director	Sitting Fees paid during FY20	Commission for FY20*
1.	Mr. N. Chandrasekaran <sup>§</sup> Chairman	2,40,000	-
2.	Mr. Nawshir H. Mirza <sup>^</sup>	1,50,000	24,00,000
3.	Mr. Deepak M. Satwalekar <sup>^</sup>	1,20,000	19,00,000
4.	Ms. Anjali Bansal	3,90,000	51,00,000
5.	Ms. Vibha Padalkar	4,80,000	58,00,000
6.	Mr. Sanjay V. Bhandarkar	4,50,000	55,00,000
7.	Mr. K. M. Chandrasekhar	3,00,000	51,00,000
8.	Mr. Ashok Sinha <sup>&amp;</sup>	2,70,000	40,00,000
9.	Mr. Hemant Bhargava <sup>@</sup>	1,80,000	40,00,000
10.	Mr. Saurabh Agrawal <sup>#</sup>	2,40,000	-
11.	Mr. Banmali Agrawala <sup>#</sup>	2,40,000	-

\* Commission relates to the financial year ended 31st March 2020, which was approved by the Board on 19th May 2020, to be paid during FY21.

<sup>§</sup> As per the policy, Mr. N. Chandrasekaran has abstained from receiving commission from the Company.

<sup>^</sup> Ceased to be Directors of the Company on account of completion of their term of appointment as IDs effective 12th August 2019.

## Report on Corporate Governance

& Appointed as an Additional and Independent Director effective 2nd May 2019. His appointment was approved by the Members at the AGM held on 18th June 2019.

© Sitting fees for attending meetings are paid to Mr. Bhargava and the Commission is paid to LIC.

# In line with the internal guidelines, no payment is made towards Commission to Mr. Saurabh Agrawal and Mr. Banmali Agrawala, NEDs of the Company, who are in full-time employment with another Tata company.

The NEDs are paid remuneration by way of Commission and Sitting Fees. The distribution of Commission amongst the NEDs is placed before the NRC and the Board. The Commission

payment for the financial year ended 31st March 2020 was distributed based on the Company's performance and keeping the attendance of Directors at Board and Committee meetings and their contribution at these meetings.

None of the NEDs had any pecuniary relationship or transactions with the Company other than the Directors' sitting fees and commission, as applicable, received by them. The Company reimburses the out-of-pocket expenses, if any, incurred by the Directors for attending meetings.

### Details of remuneration and perquisites paid to the CEO & Managing Director and COO & Executive Director during FY20:

(Gross Amount in ₹) Table 7

Sl. No.	Name of the Director	Salary & allowances	Commission for FY20 <sup>©</sup>	Perquisites & Benefits	Retirement Benefits	Total
1.	Mr. Praveer Sinha CEO & Managing Director	2,11,71,818	2,75,00,000	20,34,499	26,24,400	5,33,30,717
2.	Mr. Ashok S. Sethi <sup>#</sup> COO & Executive Director	16,82,600	-	1,31,073	3,36,00,667	3,54,14,340
	<b>Total</b>	<b>2,28,54,418</b>	<b>2,75,00,000</b>	<b>21,65,572</b>	<b>3,62,25,067</b>	<b>8,87,45,057</b>

© Commission (variable component) relates to the financial year ended 31st March 2020, which was approved by the Board on 19th May 2020, to be paid during FY21.

# Mr. Sethi superannuated as COO & Executive Director of the Company effective 30th April 2019.

### Salient features of the agreement executed by the Company with CEO & Managing Director:

Table 8

Terms of Agreement	Mr. Praveer Sinha, CEO & Managing Director
Period of appointment	01.05.2018 to 30.04.2023
Remuneration	Basic salary upto a maximum of ₹ 15,00,000 p.m.
Commission	Within the limits stipulated under the Act.
Incentive Remuneration	Not exceeding 200% of basic salary.
Benefits, perquisites and allowances (excluding Company's contribution to Provident Fund, Superannuation, Gratuity, Leave Encashment)	As may be determined by the Board from time to time.
Notice period	The Agreement may be terminated by either party giving to the other party six months' notice or the Company paying six months' remuneration in lieu thereof.
Severance fees	There is no separate provision for payment of severance fees.
Stock Option	Nil

### Board Committees

The Committees constituted by the Board focus on specific areas and take informed decisions within the framework designed by the Board and make specific recommendations to the Board on matters in their areas or purview. All decisions and recommendations of the Committees are placed before the Board for information or for approval, if required. To enable better and more focused attention on the affairs of the Company, the Board has delegated particular matters to the Committees of the Board set up for the purpose.

The Board has seven committees as on 31st March 2020, comprising five statutory committees and two non-statutory committees that have been formed considering the needs of the Company. Details of the statutory and non-statutory committees are as follows:

#### ❖ Statutory Committees

The Board has the following statutory Committees as on 31st March 2020:

- Audit Committee of Directors (AC)
- Nomination and Remuneration Committee (NRC)

- Corporate Social Responsibility Committee (CSR)
- Stakeholders Relationship Committee (SRC)
- Risk Management Committee (RMC)

### Audit Committee of Directors

The Committee comprises the following as on 31st March 2020:

- Mr. Ashok Sinha, Chairman
- Ms. Vibha Padalkar
- Mr. Sanjay V. Bhandarkar
- Mr. Saurabh Agrawal
- Ms. Anjali Bansal
- Mr. K. M. Chandrasekhar

All members are financially literate and bring in expertise in the fields of finance, accounting, development, strategy and management.

The Committee met 5 times during the year under review. These meetings were held on 1st May 2019, 31st July 2019, 7th November 2019, 3rd December 2019 and 27th January 2020, with the requisite quorum.

The attendance details of meetings of this Committee are as follows:

Table 9

Name of the Director	No. of Meetings held during tenure	No. of Meetings attended
Mr. Ashok Sinha*	3	3
Mr. Nawshir H. Mirza®	2	2
Ms. Vibha Padalkar	5	5
Mr. Sanjay V. Bhandarkar	5	5
Mr. Saurabh Agrawal	5	4
Ms. Anjali Bansal*	3	3
Mr. K. M. Chandrasekhar*	3	3

\* Appointed as the Members of the Committee effective 13th August 2019. Mr. Ashok Sinha was designated as the Chairman effective 13th August 2019.

® Consequent upon completion of his term as an ID, he ceased to be the Chairman and member of the Committee effective 12th August 2019.

The CFO assists the Committee in discharge of its responsibilities. The Committee invites such employees or advisors as it considers appropriate to attend. The CFO, the head of internal audit and statutory auditors are generally invited to attend meetings unless the Committee considers otherwise. Quarterly Reports are sent to the members of the Committee on matters relating to the Insider Trading Code. The Company Secretary acts as the Secretary of the Committee.

The Internal Auditors and Statutory Auditors of the Company discuss their audit findings and updates with the Committee and submit their views directly to the Committee. Separate discussions are held with the Internal Auditors to focus on

compliance issues and to conduct detailed reviews of the processes and internal controls in the Company. The permissible non-audit related services undertaken by the Statutory Auditors are also pre-approved by the Committee.

The Board has approved the Charter of the Audit Committee defining *inter alia* its composition, role, responsibilities, powers and processes.

The terms of the Charter broadly include:

- Oversee the processes that ensure the integrity of financial statements.
- Oversee the adequacy and effectiveness of the processes and controls for compliance with laws and regulations.
- Oversee the adequacy and effectiveness of the process by which confidential or anonymous complaints or information regarding financial or commercial matters are received and acted upon. This includes the protection of whistle-blowers from victimization and the provision of access by whistle-blowers to the Chairman of the Committee.
- Approval/modification of the transactions with related parties.
- Enquiry into reasons for any default by the Company in honouring its obligations to its creditors and members.
- Oversee the quality of internal accounting controls and other controls.
- Oversee the system for storage (including back-up).
- Oversee the quality of the financial reporting process, including the selection of the most appropriate of permitted accounting policies.
- Ensure the independence of the auditor.
- Recommend to the Board the appointment and remuneration of the auditors (including cost auditors).
- Framing of rules for the hiring of any current or former employee of the audit firm.
- Scrutinize inter-corporate loans and investments.
- Monitor the end use of funds raised through public offers.
- Conducting the valuation of any undertaking or asset of the Company.
- Oversee the internal audit function and approve the appointment of the Chief Internal Auditor.
- Bring to the notice of the Board any lacunae in the TCoc and the vigil mechanism (whistle blowing process) adopted by the Company.
- Reviewing with the CEO and the CFO of the Company the underlying process followed by them in their annual certification to the Board of Directors.
- Approving the appointment of the CFO.

# Report on Corporate Governance

All the recommendations made by the AC during the year under review were accepted by the Board.

Mr. Nawshir H. Mirza, then Chairman of the AC, was present at the last AGM held on 18th June 2019.

## Nomination and Remuneration Committee

The Committee comprises the following as on 31st March 2020:

- Mr. Sanjay V. Bhandarkar, Chairman
- Mr. N. Chandrasekaran
- Ms. Vibha Padalkar

The Committee met 4 times during the year under review. These meetings were held on 2nd May 2019, 3rd October 2019, 8th November 2019 and 18th March 2020 with the requisite quorum.

The attendance details of meetings of this Committee are as follows:

Table 10

Name of the Director	No. of Meetings held during tenure	No. of Meetings attended
Mr. Sanjay V. Bhandarkar *	3	3
Mr. Deepak M. Satwalekar ®	1	1
Mr. N. Chandrasekaran	4	4
Ms. Vibha Padalkar*	3	3
Ms. Anjali Bansal <sup>§</sup>	1	1

\* Appointed as Members of the Committee effective 13th August 2019. Mr. Sanjay V. Bhandarkar was designated as the Chairman effective 13th August 2019.

® Consequent upon completion of his term as an ID, he ceased to be the Chairman and member of the Committee effective 12th August 2019.

§ Consequent upon re-constitution of the Committee effective 13th August 2019, she ceased to be a member of the Committee.

In terms of the provisions of Section 178(3) of the Act and Regulation 19(4) read with Part D of Schedule II to the Listing Regulations, the Committee is responsible for *inter alia* formulating the criteria for determining qualification, positive attributes and independence of a Director. The Committee is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Board has adopted the Policy on Board Diversity & Director Attributes and Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company, which are attached as Annexures II and III respectively to the Board's Report. The Company does not have any Employee Stock Option Scheme.

The Board has also approved the Charter of the NRC defining its composition, powers, responsibilities, reporting, evaluation, etc. The terms of the Charter broadly include Board composition and succession planning, evaluation, remuneration, board development and review of HR Strategy, Philosophy and Practices.

Mr. Deepak Satwalekar, then Chairman of the NRC, was present at the last AGM held on 18th June 2019.

## Corporate Social Responsibility Committee

The Committee comprises the following as on 31st March 2020:

- Ms. Anjali Bansal, Chairperson
- Mr. K. M. Chandrasekhar
- Mr. Praveer Sinha

The Committee met twice during the year under review. These meetings were held on 23rd July 2019 and 7th November 2019 with the requisite quorum.

The attendance details of meetings of this Committee are as follows:

Table 11

Name of the Director	No. of Meetings held during tenure	No. of Meetings attended
Ms. Anjali Bansal	2	2
Mr. Deepak M. Satwalekar *	1	1
Mr. K. M. Chandrasekhar **	1	1
Mr. Praveer Sinha	2	2

\* Consequent upon completion of his term as an ID, he ceased to be a member of the Committee effective 12th August 2019.

\*\* Appointed as a member of the Committee effective 13th August 2019.

The Company has adopted a CSR policy which indicates the activities to be undertaken by the Company as specified in Schedule VII to the Act. The policy, including overview of projects or programs proposed to be undertaken, is provided on the Company's website at <https://www.tatapower.com/pdf/aboutus/csr-policy-14.pdf>.

Brief Terms of Reference/Roles and Responsibilities:

- Formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act.
- Recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy.
- Monitor the CSR Policy.

Ms. Anjali Bansal, Chairperson of the CSR Committee, was present at the last AGM held on 18th June 2019.

## Stakeholders Relationship Committee

The Committee comprises the following as on 31st March 2020:

- Mr. Banmali Agrawala, Chairman
- Mr. Hemant Bhargava
- Ms. Anjali Bansal

The Committee met twice during the year under review. These meetings were held on 17th January 2020 and 11th March 2020 with the requisite quorum.

The attendance details of meetings of this Committee are as follows:

Table 12

Name of the Director	No. of Meetings held during tenure	No. of Meetings attended
Mr. Banmali Agrawala*	2	2
Ms. Anjali Bansal**	2	2
Mr. Sanjay V. Bhandarkar®	NA	NA
Mr. Hemant Bhargava#	2	1
Mr. Ashok S. Sethi§	NA	NA

\* Mr. Banmali Agrawala who was earlier a member of the Committee was designated as the Chairman effective 13th August 2019.

\*\* Appointed as a member of the Committee effective 13th August 2019.

® Consequent upon re-constitution of the Committee effective 13th August 2019, he ceased to be a member of the Committee.

# Appointed as a member of the Committee effective 2nd May 2019.

§ Consequent upon his superannuation as COO & Executive Director of the Company effective 30th April 2019, he ceased to be a member of the Committee.

The Committee specifically discharges duties of servicing and protecting the various aspects of interest of shareholders, debenture holders and other security holders.

The Board has approved the Charter of the Committee defining its composition, powers, responsibilities, etc.

The terms of the Charter broadly include:

- Review statutory compliances relating to all security holders.
- Resolve the grievances of all security holders.
- Oversee compliances in respect of dividend payments and transfer of unclaimed amounts to the Investor Education and Protection Fund.
- Oversee and review of all matters related to the transfer of securities of the Company.
- Ensure setting of proper controls and oversight of performance of the Registrar and Share Transfer Agent (RTA).
- Approve issuance of duplicate share certificates of the Company.
- Approve transmission of securities.
- Review movements in shareholding and ownership structure of the Company.
- Recommend measures for overall improvement of the quality of investor services.
- Conduct a Shareholder Satisfaction Survey to judge the level of satisfaction amongst shareholders.
- Suggest and drive implementation of various shareholder-friendly initiatives.

- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/ amendment or modification as may be applicable.

#### Name, designation and address of the Compliance Officer:

Mr. H. M. Mistry, Company Secretary  
Bombay House, 24, Homi Mody Street, Mumbai 400 001  
Tel: 022 6665 8282

In accordance with Regulation 6 of the Listing Regulations, the Board has appointed Mr. H. M. Mistry, Company Secretary as the Compliance Officer. He is authorised to approve share transfers/transmissions, in addition to the powers with the members of the Committee. Share transfer formalities are regularly attended to and at least once a fortnight. All investor complaints which cannot be settled at the level of the Compliance Officer, are placed before the Committee for final settlement.

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

Table 13

Sl. No.	Description	Total		
		Received	Replied	Pending
<b>A. Letters received from Statutory Bodies</b>				
	Securities & Exchange Board of India	17	16	1
	Stock Exchanges	2	2	0
	Depositories (NSDL/CDSL)	1	1	0
	Ministry of Corporate Affairs	0	0	0
	Consumer Forum	0	0	0
<b>B. Dividends</b>				
	Non-receipt of dividend/ interest warrants (pending reconciliation at the time of receipt of letters)	0	0	0
	<b>Total</b>	<b>20</b>	<b>19</b>	<b>1</b>

For the 1 unresolved complaint received through the SEBI SCORES System (System), the Action Taken Report (ATR) has been uploaded on the System and the same is pending for closure as on 31st March 2020.

- There were no pending transfers/demats as on 31st March 2020.

Mr. Sanjay V. Bhandarkar, then Chairman of the SRC, was present at the last AGM held on 18th June 2019.

#### Risk Management Committee

The Committee comprises the following as on 31st March 2020:

- Ms. Vibha Padalkar, Chairperson
- Mr. Banmali Agrawala
- Mr. Sanjay V. Bhandarkar
- Mr. Hemant Bhargava
- Mr. Ashok Sinha

# Report on Corporate Governance

The Committee met thrice during the year under review. These meetings were held on 9th July 2019, 13th December 2019 and 17th March 2020 with the requisite quorum.

The attendance details of meetings of this Committee are as follows:

Table 14

Name of the Director	No. of Meetings held during tenure	No. of Meetings attended
Ms. Vibha Padalkar	3	3
Mr. Nawshir H. Mirza*	1	1
Mr. Sanjay V. Bhandarkar**	2	2
Mr. K. M. Chandrasekhar@	1	1
Mr. Ashok Sinha**	2	2
Mr. Hemant Bhargava**	2	2
Mr. Banmali Agrawala	3	3
Mr. Ashok S. Sethi#	NA	NA

\* Consequent upon completion of his term as an ID effective 12th August 2019, he ceased to be a member of the Committee.

\*\* Appointed as members of the Committee effective 13th August 2019.

@ Consequent upon re-constitution of the Committee effective 13th August 2019, he ceased to be a member of the Committee.

# Consequent upon his superannuation as COO & Executive Director of the Company effective 30th April 2019, he ceased to be a member of the Committee.

The Board has adopted Risk Management Strategy Document which specifies the objective, benefits of Risk Management, Risk Management Policy, Risk Management Process, Risk Organization Structure, Risk Culture, etc. The Board has also approved the Charter of the committee defining its composition, powers, responsibilities, etc.

The terms of the Charter broadly include:

- Reviewing the Company's risk governance structure, risk assessment and risk management practices and guidelines, policies and procedures for risk assessment and risk management including the risk management plan.
- Reviewing and approving Enterprise-wide Risk Management (ERM) framework.
- Review the alignment of the ERM framework with the strategy of the Company.
- Monitor the Company's risk appetite and strategy relating to key risks, including credit risk, liquidity and funding risk, market risk, cyber security risk, forex risk, commodity risk, product risk and reputational risk, as well as the guidelines, policies and processes for monitoring and mitigating such risks.

- Oversee Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels.
- Review and analyse risk exposure related to specific issues, concentrations and limit excesses, and provide oversight of risk across organisation.
- Review compliance with risk policies, monitor breaches / trigger trips of risk tolerance limits and direct action.
- Nurture a healthy and independent risk management function in the Company.
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/ amendment or modification as may be applicable.

Ms. Vibha Padalkar, Chairperson of the RMC, was present at the last AGM held on 18th June 2019.

## ❖ Non-statutory Committees

The Board has also constituted the following non-statutory Committees:

- Executive Committee of the Board
- Committee of Directors

## Executive Committee of the Board

The Committee comprises the following as on 31st March 2020:

- Mr. N. Chandrasekaran, Chairman
- Mr. Sanjay V. Bhandarkar
- Mr. Praveer Sinha

### Notes:

Consequent upon completion of his term as an ID effective 12th August 2019, Mr. Deepak M. Satwalekar ceased to be a member of the Committee.

Consequent upon his superannuation as COO & Executive Director of the Company effective 30th April 2019, Mr. Ashok S. Sethi ceased to be a member of the Committee.

## Terms of Reference

The Committee covers a detailed review of the following matters before they are presented to the Board:

- Business and strategy review.
- Long-term financial projections and cash flows.
- Capital and revenue budgets and capital expenditure programmes.
- Acquisitions, divestments and business restructuring proposals.
- Any other item as may be decided by the Board.

No Meeting was held during the year under review and the relevant matters from the above scope were discussed at various Board meetings held during the year with the intent to avail expertise of all the Board members.

## Committee of Directors

The Committee comprises the following as on 31st March 2020:

- Mr. Sanjay V. Bhandarkar, Chairman
- Mr. Banmali Agrawala
- Mr. Praveer Sinha

## Terms of Reference

The role of this Committee is as follows:

- Borrowings of the Company subject to outstanding facilities not exceeding an amount of ₹ 12,500 crore of term loans and ₹ 8,000 crore of working capital facilities.
- Create security on the assets of the Company to secure the borrowings of the Company subject to these being within the limit approved by the shareholders of the Company under Section 180(1)(a) of the Act.
- Issue of corporate guarantees to secure the borrowings of wholly owned subsidiaries / step-down subsidiaries of wholly owned subsidiaries of the Company.
- Change in authorised signatories for the existing borrowings including working capital facilities of the Company.
- Commitment to capex item exceeding ₹ 200 crore (within Board approved Annual Business Plan) in a financial year.
- Enter into any coal, fuel and freight contracts having tenure above 5 years.
- Write off of receivables exceeding ₹ 10 crore in a financial year.
- Claim settlement and dispute exceeding ₹ 25 crore per instance and ₹ 50 crore in aggregate in a financial year.
- Waiver of delayed payment surcharge exceeding ₹ 50 crore in a financial year.
- Approve investments and recommend investment proposals to Tata Power group companies within overall Board approved framework.
- Framing of Investment Guidelines outlining prudential norms for investing in Mutual Funds, Fixed Deposits, Inter-Corporate Deposits with approved corporates, Central and State Government securities and any subsequent amendments.
- Modification/addition/deletion of authorised signatory list to give effect to investments within the Prudential Investment Norms.
- Reconstitution of the Boards of Trustees of The Tata Power Consolidated Provident Fund, The Tata Power Company Limited Staff Superannuation Fund and Tata Power Gratuity Fund.
- Change in operating instructions involving the Company's bank accounts.
- Submit Request for Qualification for any project and authorise execution of all documents, including Powers of Attorney, in connection with the same.
- All other matters earlier delegated by the Board/ Committee thereof, to a Committee comprising the CEO & Managing Director and COO & Executive Director.

No Meeting was held during the year under review but the relevant matters in the above scope were passed through circular resolutions and the same were noted at various Board meetings held during the year.

## General Body Meetings

### a) The details of the last three AGMs of the Company:

Table 15

Year ended	Day, Date & Time	Venue	Special Resolutions passed
31st March 2019	Tuesday, 18th June 2019 at 3 p.m. (IST)	Birla Matushri Sabhagar, Sir Vithaldas Thackersey Marg, 19, New Marine Lines, Mumbai	• Nil
31st March 2018	Friday, 27th July 2018 at 3 p.m. (IST)	400 020	• Private placement of Non-Convertible Debentures/ Bonds
31st March 2017	Wednesday, 23rd August 2017 at 3 p.m. (IST)		• Private placement of Non-Convertible Debentures/ Bonds

## Report on Corporate Governance

### b) Extraordinary General Meeting:

No extraordinary general meeting of the Members was held during FY20.

### c) Postal Ballot:

#### (i) Details of special resolutions passed by postal ballot:

During the year under review, no special resolution was passed by means of Postal Ballot.

#### (ii) Details of Voting Pattern: Not Applicable

#### (iii) Person who conducted the aforesaid postal ballot exercise: Not Applicable

#### (iv) Whether any special resolution is proposed to be conducted through postal ballot: No

#### (v) Procedure for Postal Ballot:

In compliance with Regulation 44 of the Listing Regulations and Sections 108, 110 and other applicable provisions of the Act, read with applicable Rules, the Company provides an electronic voting facility to all its shareholders, to enable them to cast their votes electronically. The Company engages the services of National Securities Depository Limited (NSDL) for the purpose of providing e-voting facility to all its shareholders. The shareholders have the option to vote either by physical ballot or e-voting.

The Company dispatches the postal ballot notices and forms along with self-addressed business reply envelope to its shareholders whose names appear on the Register of Members/ list of beneficiaries as on a cut-off date. The postal ballot notice is sent to the shareholders in electronic form to the e-mail IDs registered with the Depository Participants (DPs)/RTA.

Voting rights are reckoned on the paid-up value of the shares registered in the names of the shareholders as on the cut-off date. Shareholders desiring to exercise their votes by physical postal ballot forms are requested to return the forms duly completed and signed, to the scrutinizer on or before the closing of the voting period. Shareholders desiring to exercise their votes by electronic mode are requested to vote before close of business hours on the last day of e-voting. The last date specified by the Company for receipt of duly completed postal ballot forms or e-voting is deemed to be the date of passing of the resolution.

The scrutinizer submits his report to the Chairman of the Board of Directors or any person authorized by him, after the completion of scrutiny, and the consolidated results of the voting by postal ballot are then announced. The results are also displayed on the Company's website, besides being communicated to the stock exchanges, depository and RTA.

### Means of Communication to the shareholders

#### a) Calendar of financial year ended 31st March 2020

The Company follows April-March as the financial year. The meetings of Board of Directors for approval of quarterly financial results for the financial year ended 31st March 2020 were held on the following dates:

Table 16

Particulars	Date
Quarter ended 30th June 2019	1st August 2019
Quarter/half-year ended 30th September 2019	8th November 2019
Quarter/ nine months ended 31st December 2019	29th January 2020
Quarter/ year ended 31st March 2020	19th May 2020

### b) Quarterly, Half-yearly and Annual Results

Quarterly, Half-yearly and Annual Results of the Company are published in widely circulated national newspapers, as per the details given below:

Table 17

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

Post results, an Investor Conference call is held where members of the financial community are invited to participate in the Q&A session with the Company's management. The key highlights are discussed and investor/analyst queries are resolved in this forum. The quarterly, half-yearly and annual financial results are also uploaded on the Company's website at <https://www.tatapower.com/investor-relations/quarterly-results.aspx>.

- c) Annual Reports and Annual General Meetings:** The Annual Reports are emailed/posted to Members and others entitled to receive them. The Annual Reports are also available on the Company's website at <https://www.tatapower.com/investor-relations/annual-reports-archive.aspx> in a user-friendly downloadable form. The Company also provides live webcast facility of its AGM in co-ordination with NSDL. In line with the MCA Circular dated 5th May 2020 and SEBI Circular dated 12th May 2020, the Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories.
- d) News Releases, Presentations etc.:** Official news releases, detailed presentations made to media, analysts, institutional investors, etc. are displayed on the Company's website at <https://www.tatapower.com/investor-relations/analyst-presentation-archive.aspx>. Official media releases, sent to the Stock Exchanges, are given directly to the press.
- e) Website:** Comprehensive information about the Company, its business and operations, Press Releases and investor information can be viewed at the Company's website at [www.tatapower.com](http://www.tatapower.com). The 'Investor Relations' section serves to inform the investors by providing key and timely information like financial results, annual reports, shareholding pattern, presentations made to analysts, etc.
- f) NSE Electronic Application Processing System (NEAPS) and BSE Online Portal:** NSE has provided online platform NEAPS wherein the Company submits all the compliances/disclosures to the Exchange in the SEBI prescribed format. Similar filings are made with BSE on their online Portal viz. BSE Corporate Compliance & Listing Centre.
- g) eXtensible Business Reporting Language (XBRL):** XBRL is a standardized and structured way of communicating business and financial data in an electronic form. XBRL provides a language containing various definitions (tags) which uniquely represent the contents of each piece of financial statements or other kinds of compliance and business reports. BSE and NSE provide XBRL based compliance reporting featuring identical and homogeneous compliance data structures between Stock Exchanges and MCA. XBRL filings are done on the NEAPS portal as well as the BSE online portal.

- h) Web-based Query Redressal System:** Members also have the facility of raising their queries/complaints on share related matters through an option provided on the Company's website at <https://www.tatapower.com/investor-relations/investor-queries.aspx>.
- i) SEBI Complaints Redressal System (SCORES):** A centralised web-based complaints redressal system which serves as a centralised database of all complaints received, enables uploading of Action Taken Reports (ATRs) by the concerned company and online viewing by the investors of actions taken on the complaint and its current status.
- j) Dedicated email ID for communication with Investor Education and Protection Fund Authority:** The Company has a dedicated e-mail id [iepf@tatapower.com](mailto:iepf@tatapower.com) for communication with the IEPF Authorities. Stakeholders are requested to send their IEPF claim documents at [iepfclaim@tsrdarashaw.com](mailto:iepfclaim@tsrdarashaw.com).
- k) Reminder to investors:** Reminders to collect unclaimed dividend on shares or debenture redemption/interest are sent to the concerned shareholders and debenture holders.

### General Shareholder Information

- (a) Details of AGM:** Thursday, 30th July 2020 at 3:00 p.m. (IST)
- In accordance with the General Circular issued by the MCA on 5th May 2020, the AGM will be held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) only. For details, please refer to the Notice of the AGM.
- As required under Regulation 36(3) of the Listing Regulations and Secretarial Standard 2, particulars of a Director seeking re-appointment at this AGM are given in the Annexure to the Notice of AGM.
- (b) Financial Year :** 1st April to 31st March
- (c) Dividend :** Dividend of ₹ 1.55 per Equity share fully paid up (155%) for the financial year 2019-20 has been recommended by the Board of Directors to Members for their approval. If approved by the Members, payment will be made on and from Monday, 3rd August 2020. For the Members who are unable to receive the dividend directly in their bank accounts, the Company shall dispatch the dividend warrant to them, upon normalisation of postal services and other activities.
- (d) Book Closure :** From Thursday, 16th July 2020 to Thursday, 30th July 2020 (both days inclusive).

## Report on Corporate Governance

**(e) E-voting Dates:** The cut-off date for the purpose of determining the shareholders eligible for e-voting is 23rd July 2020.

The e-voting commences on Monday, 27th July 2020 at 9.00 a.m. (IST) and ends on Wednesday, 29th July 2020 at 5.00 p.m. (IST).

**(f) International Securities Identification Number (ISIN):**  
INE245A01021

**(g) Corporate Identity Number (CIN):**  
L28920MH1919PLC000567

**(h) Listing on Stock Exchanges:**

**Listing of Equity Shares:** The Company's Equity Shares are listed on two Stock Exchanges in India viz. (a) BSE Limited (Regional Stock Exchange), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 and (b) National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai 400 051.

**Listing of GDS and GDRs:** In February 1994, the Company jointly with the erstwhile The Tata Hydro-Electric Power Supply Company Limited and The Andhra Valley Power Supply Company Limited issued Global Depository Shares (GDS) in the International Market which have been listed on Luxembourg Stock Exchange, 35 Boulevard Joseph II, 1840, Luxembourg and have been accepted for clearance through Euroclear and Cedel. They have also been designated for trading in the PORTAL System of the National Association of Securities Dealers, Inc.

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

Number of outstanding GDS as on 31st March 2020:

- 436 (Issued in 1994 to Citibank NA)
- 2,980 (Issued in 2009 to Bank of New York, Mellon)

**Listing of Debt Securities:** The various series of Debentures issued by the Company are listed as under:

Table 18

Sl. No.	Series	Amount outstanding as on 31st March 2020 (₹ in crore)	Listed on	Name of the Debenture trustee with full contact details
1.	9.15% Secured, Non-Convertible, Non-Cumulative, Redeemable, Taxable Debentures with Separately Transferable Redeemable Principal Parts	125	NSE	Centbank Financial Services Limited, Central Bank of India, MMO Bldg., 3rd Floor (East Wing), 55, Mahatma Gandhi Road, Fort, Mumbai 400 001. Tel : 022 2261 6217 Fax : 022 2261 6208 E-mail : <a href="mailto:info@cfsl.in">info@cfsl.in</a>
2.	9.15% Secured, Non-Convertible, Non-Cumulative, Redeemable, Taxable Debentures with Separately Transferable Redeemable Principal Parts	106	NSE	
3.	9.40% Redeemable, Transferable, Secured, Non-Convertible Debentures	210	NSE	
4.	10.75% Unsecured Debentures	1,500	NSE	
5.	11.40% Perpetual Bonds	1,500	BSE & NSE	
6.	7.99% Unsecured, Redeemable, Non-Convertible Debentures	1,500	BSE	IDBI Trusteeship Services Limited, Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai 400 001. Tel : 022 4080 7000 Fax : 022 6631 1776 E-mail : <a href="mailto:itsl@idbitrustee.com">itsl@idbitrustee.com</a>
7.	9% Series I Unsecured, Redeemable, Taxable, Listed, Rated, Non-Convertible Debentures	250	NSE	
8.	8.84% Series II Unsecured, Redeemable, Taxable, Listed, Rated, Non-Convertible Debentures	500	NSE	
9.	8.84% Series III Unsecured, Redeemable, Taxable, Listed, Rated, Non-Convertible Debentures	750	NSE	

During the year, the Company redeemed 9.48% Unsecured, Non-cumulative, Redeemable, Taxable, Listed, Rated, Non-Convertible Debentures.

**(i) Listing and Custodial Fees:**

The Company has paid the requisite Annual Listing and Custodial Fees to the Stock Exchanges and Depositories viz. Central Depository Services (India) Limited (CDSL) and NSDL, respectively for the financial years 2019-20 and 2020-21.

**(j) Listing Details:**

Table 19

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

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

Table 20

Stock Exchange	BSE			NSE		
	Month	High (₹)	Low (₹)	No. of shares traded	High (₹)	Low (₹)
April 2019	74.02	67.50	2,08,82,981	74.40	67.70	14,74,10,750
May 2019	70.65	61.20	1,67,84,998	70.80	61.35	14,72,61,127
June 2019	69.00	63.55	1,07,78,854	69.00	63.50	10,51,61,102
July 2019	73.90	58.90	1,30,84,995	73.85	58.90	16,33,13,005
August 2019	59.90	51.10	1,39,93,133	59.75	51.10	19,28,11,950
September 2019	67.25	53.85	4,59,75,279	67.20	53.85	22,87,86,254
October 2019	61.50	57.65	2,17,94,800	61.60	57.60	14,93,60,352
November 2019	59.60	54.50	2,28,30,597	59.70	54.50	19,32,29,456
December 2019	56.50	51.40	87,11,872	56.50	51.40	16,36,80,713
January 2020	61.50	56.25	78,64,450	61.55	56.25	17,33,72,170
February 2020	57.95	46.65	88,29,109	58.00	46.70	17,68,76,778
March 2020	44.65	32.35	1,65,74,652	44.75	32.30	28,05,10,315

**(l) The market share price in comparison to broad-based indices like BSE Sensex and Nifty are given below:**

**(i) Comparison of the Company's Share Price with BSE Sensex and BSE Power Sensex in FY20:**

Table 21

Months	Tata Power closing price at BSE	BSE Sensex	BSE Power Sensex
April 2019	67.75	39,031.55	1,969.54
May 2019	68.85	39,714.20	2,010.12
June 2019	69.00	39,394.64	2,093.86
July 2019	60.55	37,481.12	1,966.31
August 2019	56.75	37,332.79	1,887.96
September 2019	62.50	38,667.33	1,934.40
October 2019	59.30	40,129.05	1,986.56
November 2019	57.40	40,793.81	1,924.80
December 2019	56.50	41,253.74	1,926.25
January 2020	58.05	40,723.49	1,899.25
February 2020	46.65	38,297.29	1,716.78
March 2020	32.85	29,468.49	1,377.95

**(ii) Comparison of the Company's Share Price with NSE Nifty and NSE Nifty Energy in FY20:**

Table 22

Months	Tata Power closing price at NSE	Nifty	Nifty Energy
April 2019	67.80	11,748.15	16,500.00
May 2019	68.80	11,922.80	16,560.35
June 2019	69.00	11,788.85	16,046.80
July 2019	60.55	11,118.00	14,559.45
August 2019	56.75	11,023.25	14,382.25
September 2019	62.50	11,474.45	15,501.60
October 2019	59.30	11,877.45	16,486.15
November 2019	57.35	12,056.05	16,232.15
December 2019	56.50	12,168.45	15,908.20
January 2020	58.10	11,962.10	14,838.80
February 2020	46.70	11,201.75	13,651.00
March 2020	32.85	8,597.75	11,124.15

# Report on Corporate Governance

## (iii) Performance in comparison to broad-based indices:

Table 23

Company's Share Price	BSE	NSE
As at 01.04.2019	74.20	74.40
As at 31.03.2020	32.85	32.85
Change (%)	-55.72	-55.85

Table 24

Indices	Sensex	Nifty
As at 01.04.2019	38,871.87	11,669.15
As at 31.03.2020	29,468.49	8,597.75
Change (%)	-24.19	-26.32

(m) None of the Company's securities have been suspended from trading.

(n) (i) **Registrars and Share Transfer Agents:** TSR Darashaw Consultants Private Limited (TSRD) (Formerly known as TSR Darashaw Limited), 6-10, Haji Moosa Patrawala Industrial Estate (Near Famous Studio), 20, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011. Tel.: 022 6656 8484, Fax : 022 6656 8494, Email: [csg-unit@tsrdarashaw.com](mailto:csg-unit@tsrdarashaw.com) Website: [www.tsrdarashaw.com](http://www.tsrdarashaw.com)

### (ii) Branches of TSRD

- 503, Barton Centre, 5th floor, 84, Mahatma Gandhi Road, Bengaluru 560 001.  
Tel : 080 2532 0321, Fax : 080 2558 0019;  
E-mail : [tsrdlbbang@tsrdarashaw.com](mailto:tsrdlbbang@tsrdarashaw.com)
- Bungalow No.1, 'E' Road, Northern Town, Bistupur, Jamshedpur 831 001.  
Tel : 0657 242 6616, Fax : 0657 242 6937;  
E-mail: [tsrdljsr@tsrdarashaw.com](mailto:tsrdljsr@tsrdarashaw.com)
- Tata Centre, 1st Floor, 43, Jawaharlal Nehru Road, Kolkata 700 071.  
Tel : 033 2288 3087, Fax : 033 2288 3062;  
E-mail : [tsrdlcal@tsrdarashaw.com](mailto:tsrdlcal@tsrdarashaw.com)

## (p) Shareholding details of the Company:

### i. Distribution of Shareholding by range of shareholding as on 31st March 2020:

Table 26

Range of Holdings	Number of shares				Number of shareholders					
	Physical	Demat	Total	%	Physical	%	Demat	%	Total	%
1 - 5000	2,07,48,004	14,19,41,235	16,26,89,239	6.02	16,374	90.87	3,37,305	96.03	3,53,679	95.78
5001 - 10000	81,78,786	5,44,29,312	6,26,08,098	2.31	1,186	6.58	7,688	2.19	8,874	2.40
10001 - 20000	43,91,017	4,97,76,081	5,41,67,098	2.00	314	1.74	3,583	1.02	3,897	1.06
20001 - 30000	17,99,267	2,55,01,823	2,73,01,090	1.01	75	0.42	1,040	0.30	1,115	0.30
30001 - 40000	12,78,500	1,58,25,667	1,71,04,167	0.63	36	0.20	456	0.13	492	0.13
40001 - 50000	5,24,580	1,19,20,221	1,24,44,801	0.46	12	0.07	264	0.07	276	0.07
50001 - 100000	10,83,400	3,16,57,084	3,27,40,484	1.21	17	0.09	450	0.13	467	0.13
100001 and above	19,74,340	2,33,37,44,193	2,33,57,18,533	86.36	6	0.03	472	0.13	478	0.13
<b>Total</b>	<b>3,99,77,894</b>	<b>2,66,47,95,616</b>	<b>2,70,47,73,510*</b>	<b>100.00</b>	<b>18,020</b>	<b>100.00</b>	<b>3,51,258</b>	<b>100.00</b>	<b>3,69,278</b>	<b>100.00</b>

\* Excluding 28,32,060 shares not allotted but held in abeyance, 44,02,700 shares cancelled pursuant to a Court Order and 4,80,40,400 shares of the Company held by the erstwhile The Andhra Valley Power Supply Co. Ltd. cancelled pursuant to the Scheme of Amalgamation sanctioned by the High Court of Judicature at Bombay.

4. Plot No.2/42, Sant Vihar, Ansari Road, Darya Ganj, New Delhi 110 002.

Tel : 011 2327 1805, Fax : 011 2327 1802;

E-mail : [tsrdldel@tsrdarashaw.com](mailto:tsrdldel@tsrdarashaw.com)

### (iii) Agent of TSRD

Shah Consultancy Services Pvt. Ltd.

3, Sumatinath Complex, Pritam Nagar, Akhada Road, Ellisbridge, Ahmedabad - 380 006

Telefax : 079 2657 6038

E-mail : [shahconsultancy8154@gmail.com](mailto:shahconsultancy8154@gmail.com)

For the convenience of Members, all communications/ documents are also accepted at the abovementioned branches/ agency of TSRD between 10.00 a.m. to 3.30 p.m. (Monday to Friday except bank holidays).

### (o) Share transfer system:

All the transfers are processed by the RTA and are approved by the Stakeholders' Relationship Committee. All share transfer and other communications regarding share certificates, change of address, dividends, etc. should be addressed to the RTA.

### Compliance of Share Transfer formalities

As per the requirement of Regulation 40(9) of the Listing Regulations, the Company has obtained half-yearly certificates from the Company Secretary in practice for due compliance of share transfer formalities.

The number of shares transferred/transmitted in physical form during the last two financial years are given below:

Table 25

Shares transferred/transmitted in physical form	FY20	FY19
Number of transfers/transmissions	1,046	5,601
Number of shares	22,40,811	69,35,646

ii. **Shareholding pattern of the Company as on 31st March 2020:**

Table 27

Particulars	Equity Shares of ₹ 1 each	
	No. of Shares	%
Promoters (including Promoter Group)	1,00,66,91,528	37.22
Directors and their relatives	36,862	0.00
Insurance Companies	33,65,79,095	12.44
Financial Institutions/Banks	1,68,62,117	0.62
Mutual Funds / UTI	35,70,45,674	13.20
Clearing Members	90,20,989	0.33
Corporate Bodies	3,32,00,613	1.23
Body Corporate-NBFC	81,950	0.00
Limited Liability Partnership-LLP	8,23,333	0.03
Alternate Investment Fund	1,48,32,479	0.55
Trusts	25,28,314	0.09
Resident Individuals & HUF	35,88,42,229	13.27
Central / State Governments	2,56,09,803	0.95
Foreign Institutional Investors	4,51,848	0.02
Foreign Portfolio Investors - Corporate	50,31,63,143	18.60
Foreign Banks	19,75,582	0.07
OCBs	4,000	0.00
OCBs-DR	12,21,000	0.05
Global Depository Receipts	4,22,300	0.02
Non-Resident Indians	2,44,45,856	0.90
QIB-Insurance Co. Regd. with IRDA	28,96,492	0.11
IEPF Suspense A/c	80,38,303	0.30
<b>Total</b>	<b>2,70,47,73,510</b>	<b>100.00</b>

iii. **Top 10 Shareholders of the Company as on 31st March 2020**

Table 28

Sl. No.	Name of Shareholder	Total holdings	% to capital
1	Tata Sons Private Limited	95,39,46,984	35.27
2	ICICI Prudential Value Discovery Fund	21,83,11,309	8.07
3	Matthews Pacific Tiger Fund	18,03,16,487	6.67
4	Life Insurance Corporation of India	17,15,81,237	6.34
5	The New India Assurance Company Limited	5,21,93,839	1.93
6	Reliance Capital Trustee Co Ltd-A/C Nippon India Growth Fund	5,04,59,465	1.87
7	General Insurance Corporation of India	4,68,62,960	1.73
8	First State Investments Icv- Stewart Investors Global Emerging Markets Leaders Fund	4,58,28,682	1.69
9	Tata Steel Limited	3,91,22,725	1.45
10	Franklin India Equity Advantage Fund	3,63,17,715	1.34
<b>Total</b>		<b>1,79,49,41,403</b>	<b>66.36</b>

## Report on Corporate Governance

### (q) Details of Equity Shares in dematerialised and physical form as on 31st March 2020:

The Company's shares are compulsorily traded in dematerialised form and are available for trading through both the Depositories in India viz. NSDL and CDSL. The details of number of equity shares of the Company which are in dematerialised and physical form are given below:

Table 29

Particulars of Shares	Shares of ₹ 1 each		Shareholders	
	Number	% to total	Number	% to total
<b>Dematerialised form</b>				
NSDL* (A)	2,57,71,12,853	95.28	2,10,840	57.10
CDSL (B)	8,76,82,763	3.24	1,40,418	38.02
<b>Sub-total (A+B)</b>	<b>2,66,47,95,616</b>	<b>98.52</b>	<b>3,51,258</b>	<b>95.12</b>
Physical form	3,99,77,894	1.48	18,020	4.88
<b>Total</b>	<b>2,70,47,73,510</b>	<b>100.00</b>	<b>3,69,278</b>	<b>100.00</b>

\* includes shares held by Tata Sons and promoter group representing 37.22% of the total shareholding.

### (r) Commodity price risk or foreign exchange risk and hedging activities:

The Company has adopted the Commodity Price Risk Management Policy to manage its risks associated with commodity imports (presently only Coal) from international markets. The objective of this policy is to ensure protection from risk arising out of adverse and volatile movement in commodity prices by proper monitoring of the exposures and taking timely actions to keep risks to acceptable levels. In terms of SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15th November 2018, the required information is provided as under:

- i) Risk management policy of the Company with respect to commodities including through hedging: The Commodity Price Risk Management Policy is available on the Company's website at <https://www.tatapower.com/pdf/aboutus/commodity.pdf>.
- ii) Exposure of the Company to commodity and commodity risks faced by the Company throughout the year:
  - Total exposure of the listed entity to commodities in ₹: Total coal exposure of the Company in FY 2019-20 is approx. ₹ 2,213.69 crore.
  - Exposure of the listed entity to various commodities:

Table 30

Commodity Name	Exposure in ₹ towards the particular commodity	Exposure in quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Coal	<ul style="list-style-type: none"> <li>• Trombay Plant - ₹ 1,347.31 crore</li> <li>• Jojobera Plant - ₹ 866.38 crore</li> </ul>	<ul style="list-style-type: none"> <li>• Trombay Plant - 2.38 Million MT (imported)</li> <li>• Jojobera Plant - 2.02 Million MT (domestic)</li> </ul>	Nil	Nil	Nil	Nil	Nil

- Commodity risks faced by the Company during the year and how they have been managed are given below: The Company has its coal based power generation plants situated at Trombay, Mumbai and Jojobera, Jamshedpur (Jharkhand). The Trombay Plant imports coal from Indonesia under long term index linked contract in accordance with Indonesian price regulation, while Jojobera Plant imports domestic coal (indigenous coal) which is governed by notified price declared by Coal India Limited.

The Company, therefore, inherently faces commodity price risk from use of coal for its power generation facilities. However, as both the aforesaid plants are regulated business and the cost of coal is pass-through, the Company does not have any risk towards fluctuation of price of coal being sourced for these plants. Therefore, the price risk on imported as well as domestic coal is not hedged.

To address short term price volatility and assure supply, the Company has entered into long term coal procurement agreements. Further, to manage sourcing, the Company has a dedicated Fuel Procurement team with strong understanding of coal markets. This team works closely with coal suppliers and the Company's operations team to plan and source its coal supplies through reliable and lowest cost supply chain.

The foreign exchange variation on the imported coal is allowed as a full cost pass-through in the tariff of the two regulated businesses and is therefore not hedged.

**(s) Plant locations of the Company and Group Companies:**

Table 31

Type of plants	Address of plants
Thermal Power Generating Plants	Trombay Generating Station, Mahul Road, Chembur, Mumbai, Maharashtra
	Jojobera Power Plant, Jojobera, Jamshedpur, Jharkhand
	Haldia Power Plant, HFC Complex, Patikhali Haldia, District Purb, East Medinipur, West Bengal
	Coastal Gujarat Power Limited, Mundra Ultra Mega Power Plant, Tunda-Vandh Road, Village Tunda, Taluka Mundra, Kutch, Gujarat
	Maithon Power Limited, Village Dambhui, P.O. Barbindia, P.S. Nirsa, District Dhanbad, Jharkhand
	Industrial Energy Limited, Inside of Tata Steel Limited, Kalinganagar, Jajpur, Jajpur Road, Dubri, Odisha
	Rithala CCGT Power Plant, 2/9, Substation Building, Behind Char Dham Apartment, Sector 9, Rohini, New Delhi
Hydro Generating Stations	Generating Station, Bhira P.O. Bhira, Taluka Mangaon, District Raigad, Maharashtra
	Generating Station, Bhivpuri, P.O. Bhivpuri Camp, Taluka Karjat, District Raigad, Maharashtra
	Generating Station, Khopoli, P.O. Khopoli Power House, District Raigad, Maharashtra
	Generating Station, Itezhi Tezhi Power Corporation, Plot 3039, Makishi Road, Fairview, Post Net 239, Private Bag E891, Manda Hill, Lusaka, Zambia
	Dagachhu Hydro Power Corporation Limited, Dagapela, Dagana, Bhutan
	Adjaristaqali Georgia LLC, Shuakhevi Hydro Power Plant, Adjara Region Shuakhevi Municipality, Village Akhaldaba, Georgia
Wind Farms	Supa Wind Farm, Kauda Dongar, Village Shahjahanpur & Pimpalgaon Kauda, Taluka - Parner, District Ahmednagar, Maharashtra
	Khandke Wind Farm, Village Ranjani Agadgaon, Deogaon & Mehkari, District Ahmednagar, Maharashtra
	Bramanvel Wind Farm, Village Valve, Taluka Sakri, District Dhulia, Maharashtra
	Sadawaghapur Wind Farm, Village Sadawaghapur, Taluka Patan, District Satara, Maharashtra
	Agaswadi Wind Farm, Village Kannarwadi, Hiwarwadi & Agaswadi, Taluka Khatav, District Satara, Maharashtra
	Nivade Wind Farm, Village Sawarghar and Niwade, Taluka Patan, District Satara, Maharashtra
	Visapur Wind Farm, Village Kokrale, Visapur, Girijashankarwadi & Rajachekurle, Taluka Khatav, District Satara, Maharashtra
	Agaswadi Wind Farm, Taluka Maan, District Satara, Maharashtra
	Visapur Girijashankar Wadi, District Satara, Maharashtra
	Jath, Indorama, Maharashtra
	Samana Wind Farm, Village Mota Panchdevda, Taluka Kalavad, District Jamnagar, Gujarat
	Rojmal Phase I & II Wind Farm, Village Sukhpur, Taluka Babra, District Amreli, Gujarat
	Dwarka Wind Farm, Village Bhatiya, District Khambhalia, Gujarat
	Gadag Wind Farm, Hosur, Kanavi, Mulgund, Shiroland Harti, District Gadag, Karnataka
	Poolavadi Wind Farm, Villages: Anikaduvu, Mongilphuluvu, Illupunagaram, Taluka Madathukulam, District Tripur, Tamil Nadu
	Dalot Wind Farm, Village Raipur, Jungle, Khanpur, Talabkheda, Karaikheda, Taluka Arnod, District Pratapgarh, Rajasthan
	Vagarai Wind Farm Limited, Appayampatti Village, Oddan Chatram Taluk, District Dindigul, Tamil Nadu
	Inox Wind Infrastructure Limited, 220 KV Pooling Substation Dangri, Teh Fatehgarh, District, Jaisalmer, Rajasthan
	Tata Power Renewable Energy Limited, Dangri Wind Farm, Village Dangri, District Jaisalmer, Rajasthan
	Walwhan Wind RJ Limited, 132 KV Dhalmoos Substation, Village Dhalmoos, Tehsil Pratapgarh, District Pratapgarh, Rajasthan
Walwhan Energy Rajasthan Limited, Dangri Wind Farm, Village Dangri, District Jaisalmer, Rajasthan	
Lahori Wind Farm, Village Lahori, District Shajapur, Madhya Pradesh	
Nimbagallu Wind Project, Nimbagallu Village, Uravakonda (Mandal), District Anantapur, Andhra Pradesh	
Amakhala Emoyeni Wind Farm, Bedford 5780, Eastern Cape, South Africa	
Tsitsikama (TCWF) Wind Farm, Humansdorp 6300, Eastern Cape, South Africa	
Solar Plants	Mulshi Solar Plant, Mulshi (Khurd), Post Male, Taluka Mulshi, District Pune, Maharashtra

## Report on Corporate Governance

Type of plants	Address of plants
	Roof top Solar, Delhi
	Bidar, Srinivasapura, Kanakagiri, Karnataka
	Noamundi Solar Power Plant, Jharkhand
	Palsawade Solar Plant, Palsawade, Taluka Maan, District Satara, Maharashtra
	Sastra University, Maharashtra
	Mithapur Solar Plant, Plot B, Survey No. 78, Mithapur, District Jamnagar, Gujarat
	Tata Power Solar Plant, Belampalli Village, Ankepalli and Venkapalli, Mandal, Tandur, District Mancherial, Telangana
	Plot No.6, Gujarat Solar Park Charanka, District Patan, Gujarat
	400 MW TPREL Solar Power Plants (blocks # 15,17, 18, 19, 21, 27, 32 and 34) @ 2000 MW Solar Park, Thirumani Village, Pavagada Taluka, Tumkur District, Karnataka
	Plot - P4&P5, Ananthapuramu Ultra Mega Solar Park, Thumkunta Village, Galiveedu Mandal, Raychoti Taluka, Kadapa, Andhra Pradesh
	Walwhan Urja Anjar Limited, Village Khirasara, Taluka Anjar, District Kutch, Gujarat
	Walwhan Solar Energy GJ Limited, Village Khirasara, Taluka Anjar, District Kutch, Gujarat
	MI MySolar 24 Private Limited, Village Fatepur, Taluka Dasada, District Surendranagar, Gujarat
	Dreisatz MySolar 24 Private Limited, Village Fatepur, Taluka Dasada, District Surendranagar, Gujarat
	Walwhan Solar Raj Limited, Khasra No. 44, Village Rawra, Tehsil Bap, Phalodi District, Jodhpur, Rajasthan
	Northwest Energy Private Limited, Khasra No. 240/1, Village Rawra, Tehsil Bap, Phalodi District, Jodhpur, Rajasthan
	Walwhan Solar AP Limited, Village Shrimandrup Nagar and Rawra, Phalodi District, Jodhpur, Rajasthan
	Walwhan Solar RJ Limited, Village Deh, Tahsil Kolayat, District Bikaner, Rajasthan
	Walwhan Solar MP Limited:
	- 105 MW Solar Power plant, Village Bhagwanpura, Diken Area, Tehsil Jawad, District Neemuch, Madhya Pradesh
	- 25 MW Solar Power plant, Village Padaliya, Ratangarh Area, Tehsil Singoli, District Neemuch, Madhya Pradesh
	Walwhan Solar MH Limited, MIDC Mangalwedha (G.C.), Taluka Mangalwedha, Maharashtra
	Walwhan Renewable Energy Limited, C/o Clean Sustainable Solar Energy Private Limited, Village Shirshuphal, Baramati, Pune, Maharashtra
	Walwhan Solar AP Limited., Plot No- 5A, 6A & 6B., IDC Park, APIIC, Pulivendula, Kadapa District, Andhra Pradesh
	Walwhan Renewable Energy Limited
	- 30 MW Site, Survey No. 863 & 864, Near Lomada Village, Shimadripuram Mandal, Pulivendula Taluka, District Kadapa, Andhra Pradesh
	- 70 MW Site Vermalapudu, Owk - Mandal Tq., Kurnool District, Andhra Pradesh
	- 16 MW Site Rajapura Village, Molakalmuru Tq., Chitradurga District, Karnataka
	- 34 MW Site, Kodihalli Village, Hiriyuru Tq., Chitradurga District, Karnataka
	- 50 MW Site Bedareddyhalli Village, Challakere Tq., Chitradurga District, Karnataka
	- 50 MW Solar Site, Panchapatti, Veeriyapalayam Village, Krishnarayauram Taluk, Karur District
	- 50 MW Solar Site, Iyermai, Karupathur & Vayalur Village, Krishnarayauram Taluk, Karur District
	- Kaithar, Metupirancheri Village, Manur Taluk, Tirunelveli
	- Noida, Uttar Pradesh
	- Bhiwadi, Rajasthan
	Walwhan Solar KA Limited, Villages Nagasamudra & Heruru Taluka Molakalmuru, District Chitradurga, Karnataka
	Walwhan Solar PB Limited, Villages Jagaram Tirath & Teona Pujarian, Tehsil Talwandi Sabo, Bhatinda, Punjab
	Walwhan Solar TN Limited, Musri & TT PET - 100MW, Krishnapuram Village, Valaiyeduppu Post, Musiri Taluk, Trichy District, Tamil Nadu
	Walwhan Solar BH Limited:
	- Bahera, Block: Dobhi, P.O.: Barachatti Anchal, Gaya, Bihar
	- Savkala & amp, Khaira Khurd, Block Amas, P.O.: Sherghati Anchal, Sherghati, Gaya, Bihar
	Walwhan Solar MH Limited, Village Dhalmu, Pratapgarh, Rajasthan
	150 MW TPREL MSEDCL Chhayan Solar PV Plant, Chhayan I, Pokhran, District Jaisalmer, Rajasthan
Transmission and Distribution Division	Kalyan Receiving Station, Shil Road, Netivli, Kalyan, District Thane, Maharashtra

Type of plants	Address of plants
	Dharavi Receiving Station, Matunga, Near Shalimar Industrial Estate, Dharavi, Mumbai, Maharashtra
	Ambernath Receiving Station, Murbad Road, Varap, P.O. (Via) Kalyan, District Thane, Maharashtra
	Backbay Receiving Station, 148, Lt. Gen. J. Bhonsle Marg, Nariman Point, Mumbai, Maharashtra
	Bhokarpada Receiving Station, Hiranandani Business Park, Opposite Maharashtra Jeevan Pradhikaran, At - Bhokarpada Village, Post Poyanje, Panvel, Raigad, Maharashtra
	Carnac Receiving Station, 34, Sant Tukaram Road, Carnac Bunder, Mumbai, Maharashtra
	Chembur Receiving Station, P.O. Box HO 18801, RCF Premises, Near Gate No.2 Chembur, Mumbai, Maharashtra
	Kolshet Substation, Ghodbunder Road, Manpada, District Thane, Maharashtra
	Kurla Receiving Station, Tata Power, Kirol Road, Kamani, (Inside HDIL Premier Compound), Kurla (West), Mumbai, Maharashtra
	Malad Substation, Malad Marve Road, Malad (West), Mumbai, Maharashtra
	Mankhurd Substation, Near Mankhurd - Ghatkopar Highway, Mumbai Pune Road, Mankhurd, Mumbai, Maharashtra
	Parel Receiving Station, G D Ambekar Marg (Parel Tank Road), Parel, Mumbai, Maharashtra
	Panvel Receiving Station, Old Mumbai Pune Road, Behind MSEDCL Bhingari Substation, Bhingari Panvel, District Raigad, Maharashtra
	Sahar Receiving Station, Near Hotel Leela, Sahar T2 Airport Road, Andheri East, Mumbai, Maharashtra
	Salsette Receiving Station, Lake Road, Bhandup, Mumbai, Maharashtra
	Versova Substation, Off Andheri - Malad Link Road, Andheri (West), Mumbai, Maharashtra
	Vikhroli Substation, Godrej Soap Premises, Vikhroli (East), Mumbai, Maharashtra
	Mahalaxmi Substation, Senapati Bapat Marg, Lower Parel, Mumbai, Maharashtra
	BKC Receiving Station, Near Asian Heart Hospital, Opposite Bharat Diamond Bourse, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra
	Borivali Receiving Station, Tata Power House Road, Borivali (East), Mumbai, Maharashtra
	Saki Receiving Station, 42, Saki Vihar Road, Andheri (East), Mumbai, Maharashtra
	Powai Receiving Station, Near MTNL, Hiranandani Kailas Complex Road, Powai, Mumbai, Maharashtra
Strategic Engineering Division	42/43, Electronic City, Electronic City Post Office, Hosur Road, Bengaluru, Karnataka

- (t) Address for correspondence:** The Tata Power Company Limited,  
Bombay House, 24, Homi Mody Street, Mumbai 400 001.  
Tel.: 022 6665 8282 Fax: 022 6665 8801,  
E-mail: [tatapower@tatapower.com](mailto:tatapower@tatapower.com); Website: [www.tatapower.com](http://www.tatapower.com)

**(u) Credit Rating:**

During the year under review, the Company has sustained its long-term bank facility credit rating of CRISIL AA- (Positive) which has been reaffirmed by CRISIL Limited (CRISIL). The rating of AA- (Positive) awarded by CRISIL reflects high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. Further, CRISIL has reaffirmed the rating of Non-Convertible debentures (NCD) programme (including perpetual and subordinated Non-convertible debentures) of the Company as AA-/Positive. The Company's short-term bank facility credit rated as A1+ by CRISIL, has been reaffirmed. The rating of A1+ for Commercial Paper has also been reaffirmed by CRISIL. This highest rating of A1+ indicates a very strong degree of safety with regard to timely payment of interest and principal. Such instrument carry lowest credit risk.

Further, ICRA Limited (ICRA) has reaffirmed the rating on NCD programme of the Company as AA- (Stable). The rating indicates highest degree of safety regarding timely servicing of financial obligation. The rated instrument reflects high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. The outlook on the long-term rating is stable. The rating of A1+ for Commercial Paper has also been reaffirmed by ICRA. This highest rating of A1+ indicates a very strong degree of safety with regard to timely payment of interest and principal. Such instruments carry lowest credit risk.

CARE Ratings Limited has reaffirmed the rating on NCD programme (including perpetual bonds) of the Company, as CARE - AA. The outlook is Stable.

India Ratings & Research Private Limited (Ind-Ra), a Fitch Group Company affirmed the rating on NCD programme of the Company as IND AA /Stable.

# Report on Corporate Governance

## Other Disclosures

Table 32

Particulars	Regulations	Details	Website link for details/policy
Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large and Web link for policy on dealing with related party transactions	Regulation 23 of the Listing Regulations and Schedule V (C) 10(f) to the Listing Regulations	<p>There are no material related party transactions during the year under review that have conflict with the interest of the Company. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arms' length basis and were approved by the Audit Committee. Certain transactions which were repetitive in nature were approved through omnibus route.</p> <p>The Board has received disclosures from senior management relating to material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large.</p> <p>The policy on dealing with related party transactions adopted by the Company is uploaded on the Company's website.</p>	<a href="https://www.tatapower.com/pdf/aboutus/rpt-policy-framework-guidelines.pdf">https://www.tatapower.com/pdf/aboutus/rpt-policy-framework-guidelines.pdf</a>
Details of non - compliance by the Company, penalty, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets	Schedule V (C) 10(b) to the Listing Regulations	There were no instances of non-compliance, penalties, strictures imposed on the Company by the Stock Exchanges, the SEBI or any statutory authority, on any matter related to capital markets, during the last 3 years.	-
Details of establishment of Vigil Mechanism, Whistle Blower policy, and affirmation that no personnel has been denied access to the Audit Committee	Regulation 22 of the Listing Regulations and Schedule V (C) 10(c) to the Listing Regulations	The Company has adopted a Whistle Blower Policy & Vigil Mechanism for directors, employees and stakeholders to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The said policy has been posted on the Company's website. The Company affirms that no personnel have been denied access to the Chairman of Audit Committee of Directors.	<a href="https://www.tatapower.com/pdf/aboutus/whistle-blower-policy-and-vigil-mechanism.pdf">https://www.tatapower.com/pdf/aboutus/whistle-blower-policy-and-vigil-mechanism.pdf</a>

Particulars	Regulations	Details	Website link for details/policy
Details of mandatory requirements and adoption of the non-mandatory requirements	Schedule II Part E of the Listing Regulations	<p>All mandatory requirements of the Listing Regulations have been complied with by the Company. The status of compliance with the discretionary requirements, as stated under Part E of Schedule II to the Listing Regulations, are as under:</p> <ul style="list-style-type: none"> <li>• <b>The Board:</b> As on date, the positions of the Chairman and the CEO are separate. Mr. N. Chandrasekaran, Non-Executive Chairman of the Company maintains a separate office for which the Company is not required to reimburse expenses. The Board has appointed Mr. Praveer Sinha as the CEO &amp; Managing Director of the Company. All policy and strategic decisions of the Company are taken through a majority decision of the Board.</li> <li>• <b>Shareholder Rights:</b> The half-yearly financial performance of the Company is sent to all the Members possessing email IDs. The results are also posted on the Company's website.</li> <li>• <b>Modified opinion(s) in Audit Report:</b> The auditors have expressed an unmodified opinion in their report on the financial statements of the Company.</li> <li>• <b>Reporting of Internal Auditor:</b> The Internal Auditor reports to the Audit Committee of Directors.</li> </ul>	-
Web link where policy for determining material subsidiaries is disclosed	Regulation 16 (1)(c) of the Listing Regulations and Schedule V (C) 10(e) to the Listing Regulations	The policy for determining material subsidiaries adopted by the Board is uploaded on the Company's website.	<a href="https://www.tatapower.com/pdf/aboutus/policy-for-determining-material-subsidiaries.pdf">https://www.tatapower.com/pdf/aboutus/policy-for-determining-material-subsidiaries.pdf</a>
Disclosures of commodity price risks and commodity hedging activities	Schedule V (C) 10(g) to the Listing Regulations	The disclosure of commodity price risks and hedging activities is provided under section 'General Shareholder Information'. The policy on Commodity Price Risk Management adopted by the Company is uploaded on the Company's Website.	<a href="https://www.tatapower.com/pdf/aboutus/commodity.pdf">https://www.tatapower.com/pdf/aboutus/commodity.pdf</a>
Details of utilisation of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32(7A)	Schedule V (C) 10(h) to the Listing Regulations	The Company did not raise any funds through preferential allotment or qualified institutions placement during the year under review.	-
A certificate from Company Secretary in practice for non-debarment/ disqualification	Schedule V (C) 10(i) to the Listing Regulations	A certificate from the Practicing Company Secretaries has been received stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/MCA or any such statutory authority and the same is reproduced at the end of this report and marked as Annexure IV.	-
Disclosure with respect to non-acceptance of any recommendation of any Committee of the Board which is mandatorily required, along with reasons thereof	Schedule V (C) 10(j) to the Listing Regulations	All the recommendations of the various mandatory committees were accepted by the Board.	-

# Report on Corporate Governance

Particulars	Regulations	Details	Website link for details/policy
Subsidiary Companies	Regulation 24 of the Listing Regulations	The Audit Committee reviews the financial statements of subsidiaries of the Company. It also reviews the investments made by such subsidiaries, the statement of all significant transactions and arrangements entered into by the subsidiaries, if any, and the compliances of each materially significant subsidiary on a periodic basis. The minutes of board meetings of the unlisted subsidiary companies are placed before the Board. Composition of the Board of material subsidiaries is in accordance with the Regulation 24(1) of the Listing Regulations.	-
Policy on Archival and Policy on Preservation of Documents	Regulation 30 and Regulation 9 of the Listing Regulations	The Policy on Archival and Policy on Preservation of Documents, duly adopted by the Board, are uploaded on the Company's website.	<a href="https://www.tatapower.com/pdf/aboutus/archival-policy.pdf">https://www.tatapower.com/pdf/aboutus/archival-policy.pdf</a> <a href="https://www.tatapower.com/pdf/aboutus/preservation-policy-documents.pdf">https://www.tatapower.com/pdf/aboutus/preservation-policy-documents.pdf</a>
Policy on Determination of Materiality for Disclosures	Regulation 30 of the Listing Regulations	The Policy on determination of materiality for disclosures adopted by the Board is uploaded on the Company's website.	<a href="https://www.tatapower.com/pdf/aboutus/determining-policy.pdf">https://www.tatapower.com/pdf/aboutus/determining-policy.pdf</a>
Code of Conduct	Regulation 17 of the Listing Regulations	The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them. A certificate by the CEO & Managing Director, on the compliance of same, is reproduced at the end of this report and marked as Annexure I.	-
Dividend Policy	Distribution Regulation 43A of the Listing Regulations	The Dividend Policy adopted by the Board is uploaded on the Company's website.	<a href="https://www.tatapower.com/pdf/aboutus/dividend-policy.pdf">https://www.tatapower.com/pdf/aboutus/dividend-policy.pdf</a>
Terms and conditions of Appointment of IDs	Regulation 46 of the Listing Regulations	Terms and conditions of appointment/re-appointment of IDs are available on the Company's website.	<a href="https://www.tatapower.com/pdf/investor-relations/Terms-&amp;-conditions-of-IDs-appointment.pdf">https://www.tatapower.com/pdf/investor-relations/Terms-&amp;-conditions-of-IDs-appointment.pdf</a>
Familiarisation Program	Regulation 25(7) read with Regulation 46 of the Listing Regulations	Details of familiarisation program imparted to IDs are available on the Company's website.	<a href="https://www.tatapower.com/pdf/investor-relations/familiarisation-programme-for-directors.pdf">https://www.tatapower.com/pdf/investor-relations/familiarisation-programme-for-directors.pdf</a>

## Other Disclosures:

- The Company has maintained an integrated compliance dashboard which provides assurance to the Management and the Board of Directors regarding effectiveness of timely compliances. All the compliances applicable to the Company have been captured in the dashboard and are mapped amongst the respective users. The timelines are fixed based on the legal requirement and the system is aligned in such a manner that it alerts the users in a timely manner.
- In terms of Regulation 17(8) of the Listing Regulations, the CEO & Managing Director and the CFO made a certification to the Board of Directors in the prescribed format for the year under review, which has been reviewed by the Audit Committee and taken on record by the Board. The same is reproduced at the end of this report and marked as Annexure II.

- The Company has obtained compliance certificate from the Practising Company Secretaries on corporate governance. The same is reproduced at the end of this report and marked as Annexure III.
- Details of fees paid/payable to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditor is a part, by the Company and its subsidiaries during the year, are given below:

(₹ in crore) Table 33

Particulars	By the Company*	By Subsidiaries*	Total Amount
Statutory Audit	3.63	2.66	6.29
Other Services	0.58	0.98	1.56
Out-of-pocket expenses	0.15	0.24	0.39
<b>Total</b>	<b>4.36</b>	<b>3.88</b>	<b>8.24</b>

\* The above fees are exclusive of applicable tax.

5. **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has always believed in providing a safe and harassment-free workplace for every individual working in the Company. The Company has complied with the applicable provisions of the aforesaid Act, and the rules framed thereunder, including constitution of the Internal Complaints Committee. The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the same is available on the Company's website at <https://www.tatapower.com/pdf/aboutus/Sexual-harass-policy.pdf>. All employees (permanent, contractual, temporary and trainees, etc.) are covered under this Policy.

**Status of complaints as on 31st March 2020:**

Table 34

Sl. No.	Particulars	Number of Complaints
1.	Number of complaints filed during the financial year	3
2.	Number of complaints disposed off during the financial year	2
3.	Number of complaints pending at the end of the financial year	1*

\* the case was received in the last week of March 2020.

6. The Company has complied with all the requirements of Corporate Governance Report as stated under sub-paras (2) to (10) of section (C) of Schedule V to the Listing Regulations.
7. The Company has complied with all the requirements of corporate governance as specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.
8. The Company follows Indian Accounting Standards (Ind-AS) in the preparation of its financial statements.
9. As required under Regulation 36(3) of the Listing Regulations and the secretarial standards, particulars of a Director seeking re-appointment at the forthcoming AGM are given in the Notice of the AGM to be held on 30th July 2020.
10. **Directors and Officers Liability Insurance:**  
As per the provisions of the Act and in compliance with Regulation 25(10) of the Listing Regulations, the Company has taken a Directors and Officers Liability Insurance (D&O) on behalf of all Directors including IDs, Officers, Managers

and Employees of the Company for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

**Other Shareholder Information:**

➤ **Transfer of unclaimed/unpaid amounts to Investor Education and Protection Fund:**

In accordance with the provisions of Sections 124, 125 and other applicable provisions, if any, of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as 'IEPF Rules') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the Unpaid Dividend Account is required to be transferred to the Investor Education and Protection Fund (IEPF) maintained by the Central Government. In pursuance of this, the dividend remaining unclaimed or unpaid in respect of dividends declared upto the financial year ended 31st March 2012 have been transferred to the IEPF. The details of the unclaimed dividends so transferred are available on the Company's website at <https://www.tatapower.com/investor-relations/unclaimed-dividends.aspx> and on the website of the MCA at <http://www.iepf.gov.in/>.

In accordance with Section 124(6) of the Act, read with the IEPF rules, all the shares in respect of which dividend has remained unclaimed/unpaid for a period of seven consecutive years or more from the date of transfer to the unpaid dividend account are required to be transferred to the demat account of the IEPF Authority. Accordingly, all the shares in respect of which dividends were declared upto the financial year ended 31st March 2012 and remained unpaid or unclaimed are transferred to the IEPF. The Company had sent notices to all such Members in this regard and published a newspaper advertisement and, thereafter, transferred the shares to the IEPF during financial year 2019-20. The details of such shares transferred have been uploaded in the Company's website at <https://www.tatapower.com/investor-relations/unclaimed-dividends.aspx>.

The details of unclaimed dividends and equity shares transferred to IEPF during the year 2019-20 are as follows:

Table 35

Amount of unclaimed dividend transferred	Number of Equity shares transferred
₹ 1,54,60,564.70	12,22,452

## Report on Corporate Governance

The below table gives information relating to various outstanding dividends and the dates by which they can be claimed by the Members from the Company's RTA:

(Amount in ₹) Table 36

Date of dividend declaration	Unclaimed Dividend (As on 31st March 2020)	Last date for claiming payment from TSRD
16.08.2013	1,79,27,750.20	19.09.2020
13.08.2014	2,14,96,290.48	15.09.2021
05.08.2015	2,33,54,239.41	07.09.2022
21.09.2016	2,76,93,326.70	24.10.2023
24.08.2017	2,74,62,986.20	20.09.2024
27.07.2018	2,23,50,690.70	20.08.2025
18.06.2019	2,11,27,505.10	17.05.2026

It may be noted that the unclaimed dividend for the financial year 2012-13 declared on 16th August 2013, is due to be transferred to the IEPF. The same can, however, be claimed by the Members by 19th September 2020. Members who have not encashed the dividend warrant(s) from the financial year ended 31st March 2013 onwards may forward their claims to TSRD before they are due to be transferred to the IEPF.

The Members whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in e-Form IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in). No claim shall lie against the Company in respect of the dividend/shares so transferred.

- **Shares held in electronic form:** Members holding shares in electronic form may please note that:
  - i) For the purpose of making cash payments to the investors through Reserve Bank of India approved electronic mode of payment (such as ECS, NECS, NEFT, RTGS etc.), relevant bank details available with the depositories will be used. Members are requested to update their bank details with their DPs.
  - ii) Instructions regarding change of address, nomination and power of attorney should be given directly to the DPs.
- **Shares held in physical form:** To facilitate better servicing, Members holding shares in physical form are requested to notify/send to TSRD any change in their address/mandate/bank details in which they wish their dividend to be credited, in case they have not been furnished earlier.
- **Payment of dividend or interest or redemption or repayment:**

As required under Regulation 12 read with Schedule I to the Listing Regulations, companies are directed to use, either directly or through the depositories or through their RTA, electronic clearing services (local, regional or national),

direct credit, real time gross settlement, national electronic funds transfer, etc. for making payment of dividend/ interest on securities issued/redemption or repayment amount to the investors. For investors holding shares in demat mode, relevant bank details from the depositories will be sought. Investors holding shares in physical form, are requested to register instructions regarding their bank details with the RTA. Only in cases where either the bank details such as Magnetic Ink Character Recognition (MICR), Indian Financial System Code (IFSC) etc., that are required for making electronic payment, are not available or the electronic payment instructions have failed or have been rejected by the bank, physical payment instruments for making cash payments to the Investors may be used.

### ➤ **Investor contact:**

In compliance with Regulation 62 of the Listing Regulations, a separate e-mail ID [investorcomplaints@tatapower.com](mailto:investorcomplaints@tatapower.com) has been set up as a dedicated e-mail ID solely for the purpose of dealing with Members' queries/complaints.

The Company maintains a TOLL-FREE Investor Helpline No. 1800-209-8484 to give Members the convenience of one more contact point with TSRD, for redressal of grievances/responses to queries.

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

Contact Person: Mr. J. E. Mahernosh Tel.: 022 6665 7508

### ➤ **E-voting:**

E-voting is a common internet infrastructure that enables investors to vote electronically on resolutions of companies. The Company will also have the E-voting facility for the items to be transacted at this AGM. The MCA has authorised NSDL and CDSL for setting up electronic platform to facilitate casting of votes in electronic form. The Company has entered into agreements with NSDL and CDSL for availing E-voting facilities.

### ➤ **Nomination Facility:**

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

Form No. SH.13 can be obtained from TSRD or downloaded from the Company's website under the section 'Investor Relations' at <https://www.tatapower.com/pdf/nomination-form-14.pdf>

### ➤ **Depository Services:**

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

National Securities Depository Limited Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013 Tel. No. : 022 2499 4200 Fax Nos. : 022 2497 6351 e-mail : <a href="mailto:info@nsdl.co.in">info@nsdl.co.in</a> website : <a href="http://www.nsdl.co.in">www.nsdl.co.in</a>	Central Depository Services (India) Limited Marathon Futurex, A-Wing, 25th floor, N. M. Joshi Marg, Lower Parel, Mumbai 400 013 Tel. No. : 022 2272 3333 Fax Nos. : 022 2272 3199 e-mail : <a href="mailto:investor@cdslindia.com">investor@cdslindia.com</a> website : <a href="http://www.cdslindia.com">www.cdslindia.com</a>
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### ➤ **Secretarial Audit:**

In terms of the Act, the Company appointed M/s. Makarand M. Joshi & Co, Practising Company Secretaries, to conduct Secretarial Audit of records and documents of the Company for FY20. The Secretarial Audit Report is provided as Annexure V to the Board's Report.

### ➤ **Description of voting rights:**

All Equity shares issued by the Company carry equal voting rights.

### ➤ **Awareness Sessions/Workshops:**

Employees across the Company as well as those forming part of the Tata Power group are being sensitized about the various policies and governance practices of the Company. The Company had developed a system of keeping its employees educated about TCoC, Vigil Mechanism and Whistle Blower Policy, Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, SEBI Insider Trading Regulations, etc. through emails, presentations and workshops.

### ➤ **Stakeholder Engagement:**

The Company has a dedicated department which facilitates an on-going dialogue between the Company and its stakeholders. The communication channels include:

**For external stakeholders** - Analyst/investors meet, meeting with key stakeholders, factory visits for shareholders, online service and dedicated e-mail service for grievances, corporate website and access to business media to respond to queries, etc.

**For internal stakeholders** - Employee satisfaction surveys, employee engagement surveys for improvement in employee engagement processes, circulars and messages from management, corporate social initiatives, welfare initiatives for employees and their families, online updates for conveying topical developments, helpdesk facility, etc.

### ➤ **Investor safeguards:**

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

- i) **Open Demat Account and dematerialise your shares**  
Members are requested to convert their physical holdings into electronic holdings.
- ii) **Consolidate your multiple folios**  
Members are requested to consolidate their shareholdings held under multiple folios. This facilitates one-stop tracking of all corporate benefits on the shares and would reduce time and efforts required to monitor multiple folios. It will also help in avoidance of multiple mailing.
- iii) **Confidentiality of security details**  
Folio Nos./DP ID/Client ID should not be disclosed to any unknown persons. Signed delivery instruction slips should not be given to any unknown persons.
- iv) **Dealing with Registered Intermediaries**  
Members should transact through a registered intermediary. In case the intermediary does not act professionally, Members can take up the matter with SEBI.
- v) **Obtain documents relating to purchase and sale of securities**  
A valid Contract Note/Confirmation Memo should be obtained from the broker/sub-broker, within 24 hours of execution of the trade. It should be ensured that the Contract Note/Confirmation Memo contains order no., trade no., trade time, quantity, price and brokerage.
- vi) **Prevention of Frauds**  
There is a possibility of fraudulent transactions relating to folios which lie dormant. Hence, we urge you to exercise diligence and notify the Company of any change in address, as and when required.
- vii) Weblinks of Corporate policies and Charters are available on the Company's website at <https://www.tatapower.com/corporate/policies.aspx>.

# Report on Corporate Governance

**Annexure I**

## **DECLARATION**

As required by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I affirm that Board Members and the Senior Management Personnel have confirmed compliance with the Codes of Conduct, as applicable to them, for the year ended 31st March 2020.

For **The Tata Power Company Limited**

**Praveer Sinha**

**CEO & Managing Director**

DIN: 01785164

Mumbai, 19th May 2020

**Chief Executive Officer (CEO) & Chief Financial Officer (CFO) Certification**

To  
The Board of Directors  
**The Tata Power Company Limited**

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of The Tata Power Company Limited ("the Company"), to the best of our knowledge and belief certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March 2020 and to the best of our knowledge and belief, we state that:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) There are no transactions entered into by the Company during the financial year, which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
  - (i) significant changes, if any, in the internal control over financial reporting during the year;
  - (ii) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Mumbai, 19<sup>th</sup> May 2020

**Praveer Sinha**  
**CEO & Managing Director**  
(DIN:01785164)

**R. N. Subramanyam**  
**Chief Financial Officer**

# Report on Corporate Governance

Annexure III

## Practicing Company Secretaries' Certificate on Corporate Governance

### CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To  
The Members,  
**The Tata Power Company Limited**

We have examined the compliance of conditions of Corporate Governance by The Tata Power Company Limited ("the Company") for the year ended on March 31, 2020, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and representations made by the management, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Makarand M. Joshi & Co.**

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

**Place:** Mumbai  
**Date:** 15th May 2020

## Practicing Company Secretaries' Certificate on Independent Directors

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34 (3) and Schedule V Para C Clause (10) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

**To,**  
**The Members**  
**THE TATA POWER COMPANY LIMITED**

We have examined the relevant disclosures provided by the Directors (as enlisted in Table A) to **THE TATA POWER COMPANY LIMITED** having CIN L28920MH1919PLC000567 and having registered office at **Bombay House, 24, Homi Mody Street, Mumbai, Maharashtra, 400001** (hereinafter referred to as '**the Company**') for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para C clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and based on the disclosures of the Directors, we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as Directors of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority for the period ended as on March 31, 2020.

**Table A**

Sl. No.	Name of the Directors	Director Identification Number	Date of appointment in the Company
1.	Mr. Chandrasekaran Natarajan	00121863	11/02/2017
2.	Ms. Anjali Bansal	00207746	14/10/2016
3.	Ms. Vibha Padalkar	01682810	14/10/2016
4.	Mr. Sanjay Bhandarkar	01260274	14/10/2016
5.	Mr. Kesava Chandrasekhar	06466854	04/05/2017
6.	Mr. Hemant Bhargava	01922717	24/08/2017
7.	Mr. Saurabh Agrawal	02144558	17/11/2017
8.	Mr. Banmali Agrawala	00120029	17/11/2017
9.	Mr. Ashok Sinha	00070477	02/05/2019
10.	Mr. Praveer Sinha	01785164	01/05/2018

**For Makarand M. Joshi & Co.**  
**Practicing Company Secretaries**

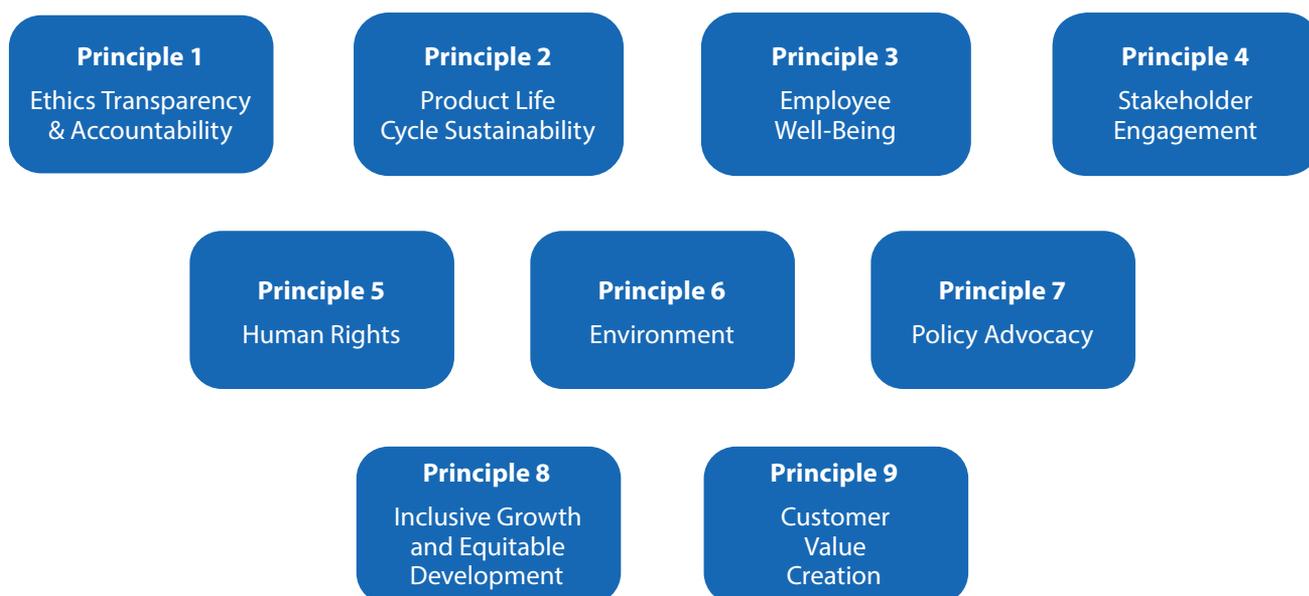
**Kumudini Bhalerao**  
**Partner**  
**FCS No. 6667**  
**CP No. 6690**

**Place:** Mumbai  
**Date:** 19th May 2020  
**UDIN:** F006667B000258952

# Business Responsibility Report

Tata Power believes in conducting its business activities in an environmentally and socially responsible manner. Your commitment to sustainability is showcased through a robust foundation of Corporate Governance, which strengthens social and environmental stewardship of your Company. Tata Power's vision is to **'Empower a billion lives through sustainable, affordable and innovative energy solutions'**. This clearly showcases the interdependence of your Company's business activities with the environment and community. Your Company's practice towards social responsibility and environmental stewardship also incorporates **SCALE (Safety, Care, Agility, Learning and Ethics) values**, along with key elements and principles of the National Voluntary Guidelines (NVG). The Business Responsibility Report (BRR) is aligned with National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business, issued by Ministry of Corporate Affairs, and is in accordance with clause (f) of sub regulation (2) of regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your Company's Business Performance and Impacts are disclosed based on the 9 Principles as mentioned in the NVGs



## Section A: General Information about the Company

1.	Corporate Identity Number (CIN) of the company	L28920MH1919PLC000567
2.	Name of the company	The Tata Power Company Limited
3.	Registered address	Bombay House, 24, Homi Mody Street, Mumbai – 400 001
4.	Website	<a href="http://www.tatapower.com">www.tatapower.com</a>
5.	E-mail ID	<a href="mailto:tatapower@tatapower.com">tatapower@tatapower.com</a>
6.	Financial Year reported	2019-20
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	ITC Code: N/A Sector Description: Power, Electronic Products and Technical Services
8.	List three key products/services that the Company manufactures/ provides (as in Balance Sheet)	<ol style="list-style-type: none"> <li>1. Power through Conventional and Renewable Generation</li> <li>2. Transmission and Distribution of electricity</li> <li>3. Next Generation Power Solutions - Solar Rooftop, EV Charging infrastructure, Home Automation and Microgrids</li> </ol>

## 9. Total number of locations where business activity is undertaken by the Company

a. Number of International Locations (Provide details of major 5): Singapore, Georgia, Zambia, Indonesia and Bhutan

b. Number of National Locations: Tata Power has 117 locations. The operational status as on 31st March 2020 are given below:

States	No. of Project locations	Hydros	Wind	Solar	Thermal	Transmission	Distribution
Maharashtra	4		1	3			
Delhi	2			2			
Gujarat	18			15	1	1	1
Karnataka	13		6	6	1		
Rajasthan	1			1			
Tamil Nadu	6			3	3		
Jharkhand	11		1	10			
Andhra Pradesh	2		1	1			
Madhya Pradesh	33	3	9	18	1	1	1
West Bengal	2				1		1
Odisha	1			1			
Bihar	10		4	5			1
Haryana	6		2	4			
Punjab	3			3			
Telangana	2			1	1		
Uttar Pradesh	2			2			
Uttarakhand	1				1		

## 10. Markets served by the Company:

	Local/ State/ National	International
Delhi License Area	Mumbai License Area	Ajmer License Area
Andhra Pradesh	Jharkhand (Jamshedpur Circle)	Odisha Dist.
Bihar	Madhya Pradesh	Karnataka
Delhi	Maharashtra	Tamil Nadu
Gujarat	Odisha	Telangana
Haryana	Punjab	Uttar Pradesh
Jharkhand	Rajasthan	West Bengal
Uttarakhand		

## Section B: Financial Details of the Company

1. Paid up capital (INR)	₹ 271 crore
2. Total Turnover (INR)	₹ 7,075 crore
3. Total profit after taxes (INR)	₹ 148 crore
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after taxes (%)	2%*

\*Calculated as per Section 135 of the Companies Act, 2013

### List of activities in which expenditure in the above has been incurred

Tata Power undertook CSR initiatives in alignment with the 5 Thrust areas as outlined in the CSR Policy. Tata Power (Standalone) CSR Initiatives covered 14.06 lakh beneficiaries across 225 locations in Maharashtra, Gujarat, Jharkhand and West Bengal. The Initiatives are aligned to 6 UNSDGs and MCA Schedule VII of Companies Act 2013.

Thrust Areas	% Spend
Education	16
Health and Sanitation	9
Livelihood and Skill Building	43
Water	6
Financial Inclusivity	4
Misc. & Club Enerji	22

The highlights of Tata Power Group Entities CSR Interventions are reported in Social and Relationship Capital section of Integrated Report (Reference Pg. 82)

# Business Responsibility Report

## Section C: Other Details

### 1. Does the Company have any Subsidiary Company/ Companies?

As on 31st March 2020, the Company had 54 subsidiaries (40 are wholly owned subsidiaries), 30 Joint Ventures (JVs) and 5 Associates. Of the subsidiaries, 3 companies have been classified as JVs under Indian Accounting Standards (Ind AS).

### 2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

All the Company's subsidiaries are guided by Tata Code of Conduct (TCoC) to conduct their business in an ethical, transparent and accountable manner. The Company positively influences and encourages its subsidiaries to adopt Business Responsibility (BR) initiatives as recommended by their respective CSR Committees. All subsidiaries are aligned to the CSR Strategy and CSR Policy and implement activities under the 5 thrust areas.

### 3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, more than 60%]

#### 2. a. Principle-wise (as per NVGs) BR Policy/ policies (Reply in Y/N)

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for....	Yes								
2	Has the policy been formulated in consultation with relevant stakeholders?	Yes								
3	Does the policy conform to any national / international standards? If yes, specify.	Yes								
4	Has the policy been approved by the Board? If yes, has it been signed by the MD /owner/CEO/ appropriate Board Director?	Policies are designed to ensure employee feedback, industry norms and legal norms are met in true spirit. The policies have been developed as per the need and are duly signed by the CEO & Managing Director.								
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	The policies at Tata Power strengthen internal governance structures on compliance and beyond compliance efforts. All the policies are mapped to the respective business functions and their implementation is based on the commitment framework. The Company has set various processes to monitor the effectiveness of these policies.								
6	Indicate the link to view the policy online?	<a href="https://www.tatapower.com/corporate/policies.aspx">https://www.tatapower.com/corporate/policies.aspx</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes								
8	Does the Company have in-house structure to implement its policy/policies?	Yes								
9	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to policy/policies?	Yes								
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Policies are reviewed periodically for their implementation based on the commitment framework and related risk controls are set in place. Policies related to workforce benefits and wellbeing are co-created, in which employees' inputs are taken and incorporated in the policy building process. These inputs along with internal and external benchmarking, form the pillars of policy								

Tata Power collaborates with all relevant stakeholders for sustainability initiatives. The Company's suppliers/ vendors are critical for operations and are engaged through the Responsible Supply Chain Management (RSCM) policy which covers guidance on Health & Safety, Environment, Human Rights and Ethics & Compliance. The suppliers/ vendors are required to ensure conformance to the RSCM policy in addition to the Tata Code of Conduct (TCoC).

## Section D: Business Responsibility (BR) Information

### 1. Details of Director/ Directors responsible for BR

#### a. Details of the Director/ Directors responsible for implementation of the BR policy/ policies

DIN Number 01785164

Name Mr. Praveer Sinha

Designation CEO & Managing Director

#### b. Details of BR Head

DIN No. 07252909

Name Ms. Shalini Singh

Designation Chief-Corp. Communications & Sustainability

Contact 022 67171666

### 3. Governance related to BR

- a. **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.** Sustainability performance at Tata Power represents a long-standing Board agenda, consistently monitored by the Board CSR Committee and Apex Leadership. With established quarterly meetings, the CSR committee also recommends the activities to be undertaken by the Company as specified in Schedule VII to the Act or prescribed by the rules.



Fig. Sustainability Governance Structure

- b. **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

Yes, Tata Power is publishing an Integrated Annual Report for FY20 based on the IIRC framework. The Company also published Sustainability Reports in previous years in accordance with Global Reporting Initiative (GRI) standards annually. These reports can be viewed at <https://www.tatapower.com>

### Section E: Principle-Wise Performance

#### Principle 1 (P1): Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

- Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?**  
Leadership with a difference - Corporate Governance (Reference Pg. 16)
- How many stakeholders' complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**  
Leadership with a difference - Corporate Governance (Reference pg. 17)

#### Principle 2 (P2): Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

- List up to 3 products or services whose design has incorporated social or environmental concerns, risks, and/or opportunities.**

The future of energy infrastructure – Manufactured Capital (Reference Pg. 46, 49, 51)

Strengthening our communities to build sustainable societies – Social & Relationship Capital (Reference Pg. 75, 95)

- For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

Leading the New Energy World – Natural Capital (Reference Pg. 101, 102, 105, 108)

ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Strengthening our communities to build sustainable societies – Social & Relationship Capital (Reference Pg. 78, 95)

- Does the Company have procedures in place for sustainable sourcing (including transportation)?**

Strengthening our communities to build sustainable societies – Social & Relationship Capital (Reference Pg. 81)

- Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

Strengthening our communities to build sustainable societies – Social & Relationship Capital (Reference Pg. 81, 90, 94)

- Does the Company have mechanism to recycle products and waste? If yes, what is the percentage of recycling waste and products?**

Leading the New Energy World – Natural Capital (Reference Pg. 108)

#### Principle 3 (P3): Businesses should promote the wellbeing of all employees

- Please indicate the total number of employees.**  
Engaged, agile, future ready workforce – Human Capital (Reference Pg. 60)

# Business Responsibility Report

**2. Please indicate the total number of employees hired on temporary/ contractual/casual basis.**

Engaged, agile, future ready workforce – Human Capital (Reference Pg. 60)

**3. Please indicate the number of permanent women employees.**

Engaged, agile, future ready workforce – Human Capital (Reference Pg. 60)

**4. Please indicate the number of permanent employees with disability.**

Engaged, agile, future ready workforce – Human Capital (Reference Pg. 60)

**5. Do you have an employee association that is recognised by management?**

Engaged, agile, future ready workforce – Human Capital (Reference Pg. 66)

Stakeholder Engagement (Reference Pg. 25)

**6. What percentage of your permanent employees are a member of this recognised employee association?**

Engaged, agile, future ready workforce – Human Capital (Reference Pg. 66)

**7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Engaged, agile, future ready workforce – Human Capital (Reference Pg. 66)

Leadership with a difference - Corporate Governance (Reference Pg. 17)

**8. What percentage of your employees were given safety & skill up-gradation training in the last year?**

Engaged, agile, future ready workforce – Human Capital (Reference Pg. 63, 64, 65)

**Principle 4 (P4): Businesses should respect the interests of, and be responsive to the needs of all stakeholders, especially those who are disadvantaged, vulnerable, and marginalised.**

**1. Has the Company mapped its internal and external stakeholders?**

Trust with transparent communications – Stakeholder Engagement (Reference Pg. 24, 25)

**2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders?**

Strengthening our communities to build sustainable societies – Social & Relationship Capital (Reference Pg. 94)

**3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable, and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.**

Strengthening our communities to build sustainable societies – Social & Relationship Capital (Reference Pg. 94)

**Principle 5 (P5): Businesses should respect and promote human rights.**

**1. Does the policy of the company on human rights cover only the Company or extend to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/Others?**

Engaged, agile, future ready workforce – Human Capital (Reference Pg. 66)

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

Engaged, agile, future ready workforce – Human Capital (Reference Pg. 66)

**Principle 6 (P6): Business should respect, protect, and make efforts to restore the environment**

**1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?**

Leading the New Energy World – Natural Capital (Reference Pg. 100)

Strengthening our communities to build sustainable societies – Social & Relationship Capital (Reference Pg. 81)

**2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.?**

In alignment with global goals – Tata Power's Commitment to UNSDGs (Reference Pg. 30, 31)

Our blueprint for the future – Our Strategy (Reference Pg. 23)

The future of energy infrastructure – Manufactured Capital (Reference Pg. 46, 49, 50)

Strengthening our communities to build sustainable societies – Social & Relationship Capital (Reference Pg. 78, 79, 95)

Leading the New Energy World – Natural Capital (Reference Pg. 101)

**3. Does the Company identify and assess potential environmental risks?**

Building a future ready business – Risk Management (Reference Pg. 35)

**4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

The future of energy infrastructure – Manufactured Capital (Reference Pg. 47)

**5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N.**

Driving change through innovation – Intellectual Capital (Reference Pg. 56)

**6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Leading the New Energy World – Natural Capital (Reference Pg. 100)

**7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

Leadership with a difference - Corporate Governance (Reference Pg. 17)

**Principle 7 (P7): Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

**1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

A leading market disruptor in sustainable energy – Business at a glance (Reference Pg. 10)  
Annexure I – Our Industry Associations (Reference Pg. 128)

**2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

Leadership with a difference - Corporate Governance (Reference Pg. 17)

**Principle 8 (P8): Businesses should support inclusive growth and equitable development**

**1. Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

Strengthening our communities to build sustainable societies – Social & Relationship Capital (Reference Pg. 90)

**2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ Government structures/any other organisation?**

Strengthening our communities to build sustainable societies – Social & Relationship Capital (Reference Pg. 82)

**3. Have you done any impact assessment of your initiative?**

Strengthening our communities to build sustainable societies – Social & Relationship Capital (Reference Pg. 83)

**4. What is your Company's direct contribution to community development projects-Amount in INR and the details of the projects undertaken?**

Strengthening our communities to build sustainable societies – Social & Relationship Capital (Reference Pg. 82)

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?**

Strengthening our communities to build sustainable societies – Social & Relationship Capital (Reference Pg. 83)

**Principle 9 (P9): Businesses should engage with and provide value to their customers and consumers in a responsible manner**

**1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?**

Strengthening our communities to build sustainable societies – Social & Relationship Capital (Reference Pg. 72, 80)

**2. Does the Company display product information on the product label, over and above what is mandated as per local laws?**

Strengthening our communities to build sustainable societies – Social & Relationship Capital (Reference Pg. 73)

**3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year?**

Leadership with a difference - Corporate Governance (Reference Pg. 17)

**4. Did your Company carry out any consumer survey/ consumer satisfaction trends?**

Strengthening our communities to build sustainable societies – Social & Relationship Capital (Reference Pg. 72, 73)

# Independent Auditor's Report

## To the Members of The Tata Power Company Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone Ind AS financial statements of The Tata Power Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial

Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<b>Revenue recognition and accrual of regulatory deferrals</b> (as described in Note 19 and Note 30 of the standalone financial statements)	
<p>In the regulated generation, transmission and distribution business of the Company, the tariff is determined by the regulator on cost plus return on equity basis wherein the cost is subject to prudential norms. The Company invoices its customers on the basis of pre-approved tariff which is based on budget and is subject to true up.</p> <p>The Company recognizes revenue on the basis of tariff invoiced to customers. As the Company is entitled to a fixed return on equity, the Company recognizes accrual for the shortage / excess compared to the entitled return on equity. The Company has recognized ₹ 1,121.53 crore for generation and transmission business and ₹ 258.32 crore for distribution business as accruals as at March 31, 2020.</p> <p>Accruals are determined based on tariff regulations and past tariff orders and are subject to verification and approval by the regulators. Further the costs incurred are subject to prudential checks and prescribed norms. Significant judgements are made in determining the accruals including interpretation of tariff regulations. Further certain disallowances of claims have been litigated by the Company before higher authorities.</p> <p>Revenue recognition and accrual of regulatory deferrals is a key audit matter considering the significance of the amount and significant judgements involved in the determination.</p>	<p>Our procedures included, amongst others, the following:</p> <ul style="list-style-type: none"> <li>• Considered the Company's accounting policies with respect to accrual of regulatory deferrals and assessing compliance with Ind AS 114 "Regulatory Deferral Accounts" and Ind AS 115 "Revenue from Contract with Customers".</li> <li>• Performed test of controls over revenue recognition and accrual of regulatory deferrals through inspection of evidence of performance of these controls.</li> <li>• Performed the tests of details including the following key procedures: <ul style="list-style-type: none"> <li>• Evaluated the key assumptions used by the Company by comparing it with prior years, past precedents and the opinion of management's expert.</li> <li>• Considered the independence, objectivity and competence of management's expert.</li> <li>• For tariff orders received by the Company, assessed the impact recognized by the Company and for matters litigated by the Company, also assessed the management's evaluation of the likely outcome of the dispute based on past precedents and / or advice of management's expert.</li> </ul> </li> <li>• Assessed the disclosures in accordance with the requirements of Ind AS 114 "Regulatory Deferral Accounts" and Ind AS 115 "Revenue from Contract with Customers".</li> </ul>
<b>Recognition and Measurement of Deferred Tax</b> (as described in Note 35 of the standalone financial statements)	
<p>The Company has recognized Minimum Alternate Tax (MAT) credit receivable of ₹ 437.51 crores as at March 31, 2020. The Company also has recognized deferred tax assets of ₹ 379.97 crores on long term capital loss on sale of investments.</p> <p>Further, pursuant to the Taxation Laws (Amendment) Act, 2019 (new tax regime), the Company has remeasured its deferred tax balances expected to reverse after the likely transition to new tax regime, at the rate specified in the new tax regime and has recognized a net gain of ₹ 275.00 crores.</p> <p>The recognition and measurement of MAT credit receivable and deferred tax balances; is a key audit matter as the recoverability of such credits within the allowed time frame in the manner prescribed under tax regulations and estimation of year of transition to the new tax regime involves significant estimate of the financial projections, availability of sufficient taxable income in the future and significant judgements in the interpretation of tax regulations and tax positions adopted by the Company.</p>	<p>Our procedures included, amongst others, the following:</p> <ul style="list-style-type: none"> <li>• Considered Company's accounting policies with respect to recognition and measurement of tax balances in accordance with Ind AS 12 "Income Taxes"</li> <li>• Performed test of controls over recognition and measurement of tax balances through inspection of evidence of performance of these controls.</li> <li>• Performed the tests of details including the following key procedures: <ul style="list-style-type: none"> <li>• Involved tax specialists who evaluated the Company's tax positions basis the tax law and also by comparing it with prior years and past precedents.</li> <li>• Discussed the future business plans and financial projections with the management.</li> <li>• Assessed the management's long term financial projections and the key assumptions used in the projections by comparing it to the approved business plan, projections used for estimation of likely year of transition to the new tax regime and projections used for impairment assessment where applicable.</li> </ul> </li> <li>• Assessed the disclosures in accordance with the requirements of Ind AS 12 "Income Taxes".</li> </ul>

## Independent Auditor's Report

<b>Impairment of assets</b> (as described in Note 5 and Note 7 of the standalone financial statements)	
<p>At the end of every reporting period, the Company assesses whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or CGU.</p> <p>The determination of recoverable amount, being the higher of fair value less costs to sell and value-in-use involves significant estimates, assumptions and judgements of the long term financial projections.</p> <p>The Company is carrying impairment provision amounting to ₹ 3,555.00 crores with respect to Mundra CGU (comprising of investment in companies owning Mundra power plant, coal mines and related infrastructure), ₹ 446.09 crores for investment in company owning hydro power plant in Georgia and ₹ 100.00 crores with respect to a generating unit in Trombay. During the year, as the indication exists, the Company has reassessed its impairment assessment with respect to the specified CGUs.</p> <p>Impairment of assets is a key audit matter considering the significance of the carrying value, long term estimation and the significant judgements involved in the impairment assessment.</p>	<p>Our procedures included, amongst others, the following:</p> <ul style="list-style-type: none"> <li>• Considered the Company's accounting policies with respect to impairment in accordance with Ind AS 36 "Impairment of assets".</li> <li>• Performed test of controls over impairment process through inspection of evidence of performance of these controls.</li> <li>• Performed the tests of details including the following key procedures:               <ul style="list-style-type: none"> <li>• Obtained the management's impairment assessment.</li> <li>• Evaluated the key assumptions including projected generation, coal prices, exchange rate, energy prices post power purchase agreement period and weighted average cost of capital by comparing them with prior years and external data, where available.</li> <li>• Obtained and evaluated the sensitivity analysis.</li> </ul> </li> <li>• Assessed the disclosures in accordance with Ind AS 36 "Impairment of assets".</li> </ul>
<b>Going Concern Assessment</b> (as described in Note 42.4.3 of the standalone financial statements)	
<p>The Company has current liabilities of ₹ 10,550.18 crores and current assets of ₹ 2,989.86 crores as at March 31, 2020.</p> <p>Current liabilities exceeds current assets as at the year end. Given the nature of its business i.e. contracted long term power supply agreements and a significant composition of cost plus contracts leading to significant stability of cashflows and profitability, management is confident of refinancing and consider the liquidity risk as low and accordingly, the Company uses significant short term borrowings to reduce its borrowing costs.</p> <p>Management has made an assessment of the Company's ability to continue as a Going Concern as required by Ind AS 1 Presentation of Financial Statements considering all the available information and has concluded that the going concern basis of accounting is appropriate.</p> <p>Going Concern assessment has been identified as a key audit matter considering the significant judgements and estimates involved in the assessment and its dependence upon management's ability to complete the planned divestments, raising long term capital and / or successful refinancing of certain current financial obligations.</p>	<p>Our procedures included, amongst others, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the process and tested the internal controls associated with the management's assessment of Going Concern assumption.</li> <li>• Discussed with management and assessed the assumptions, judgements and estimates used in assessment having regards to past performance and current emerging business trends affecting the business and industry.</li> <li>• Assessed the Company's ability to refinance its obligation based on the past trends, credit ratings, ability to generate cash flows and access to capital.</li> <li>• Assessed the adequacy of the disclosures in the standalone Ind AS financial statements.</li> </ul>

## Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive loss, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the

## Independent Auditor's Report

disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133

of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 38 to the standalone Ind AS financial statements;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 18 to the standalone financial statements;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

per Abhishek Agarwal  
Partner

Mumbai  
Date: May 19, 2020

Membership Number: 112773  
UDIN: 20112773AAAACW7931

**Annexure 1 to the Independent Auditor's Report referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date on the standalone financial statements of The Tata Power Company Limited**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (i) (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (i) (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company, except for:
  - a. immovable properties aggregating to ₹ 0.88 crore acquired during merger of Chemical Terminal Trombay Limited in the earlier year for which registration of title of deeds is in progress;
  - b. immovable properties aggregating to ₹ 8.01 crore acquired in earlier years for which registration of title of deeds is in progress;
  - c. immovable properties aggregating to ₹ 27.57 crore for which the title deed is in dispute and pending resolution as at March 31, 2020;

Further registration of title deed is in progress in respect of leasehold land classified under Asset held for sale aggregating to ₹ 215.56 crore (Gross value ₹ 225.65 crore).

According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are pledged with the banks and not available with the Company as described in note 22 of standalone financials statements. The same has not been independently confirmed by the bank and hence we are unable to comment on the same.

- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii) (a) The Company has granted loans to thirteen companies covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the Company's interest.

(iii) (b) The Company has granted loans to thirteen companies covered in the register maintained under section 189 of the Companies Act, 2013. The schedule of repayment of principal and payment of interest has been stipulated for the loans granted and the repayment/receipts are regular.

(iii) (c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made, guarantees and securities given have been complied with by the Company.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal, Reserve Bank of India or any Court or any other Tribunal.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to generation of electricity and arms and ammunitions, electricals or electronic machinery and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

## Independent Auditor's Report

- (vii) According to the information and explanations given to us in respect of statutory dues:
- (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of custom, cess and other statutory dues applicable to it.
- (b) No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, service tax, sales tax, custom duty, excise duty, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues of income tax, sales tax, service tax, custom duty, excise duty, value added tax and cess on account of any dispute are as follows:

Name of Statute	Nature of dues	(₹ Crores)	Period to which amount relates	Forum where the dispute is pending
The Customs Act, 1962	Customs Duty	34.43	2011-12 and 2012-13	The Customs Excise and Service Tax Appellate Tribunal (CESTAT)
		3.60	2004-05 to 2005-06	CESTAT
		1.37	2004-05 to 2005-06 and 2009-10	Principal Commissioner of Customs
The Central Excise Act, 1944	Excise Duty	0.81	1993-94 to 1995-96	CESTAT
The Water (Prevention & Control of Pollution) Cess Act, 1977	Cess	1.13	2009-10	Chairman, Maharashtra Pollution Control Board (MPCB)
Income Tax Act, 1961	Income Tax	8.99	2008-09	Income Tax Appellate Tribunal
		1.08	2009-10	
		100.19	2011-12 – 2014-15	
	Tax deducted at source	50.19	2016-17	Commissioner of Income Tax (Appeals)
The Finance Act, 1994	Service Tax	375.29	July 2012 to June 2017	High Court
		5.86	2011-12 to 2014-15	CESTAT
		0.25	2007-08	Joint Commissioner (Appeals)

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- (ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of debt instruments in the nature of debentures and term loans for the purposes for which they were raised. According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone Ind AS financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone Ind AS financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

per Abhishek Agarwal  
Partner  
Membership Number: 112773  
UDIN: 20112773AAAACW7931

Mumbai  
Date: May 19, 2020

# Independent Auditor's Report

## Annexure 2 to the Independent Auditor's Report of even date on the Standalone Financial Statements of The Tata Power Company Limited

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013, as amended ("the Act")

We have audited the internal financial controls over financial reporting of The Tata Power Company Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under Act.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls

over financial reporting with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements.

#### Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial Statements

A company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be

detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2020, based on the

internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

per Abhishek Agarwal  
Partner  
Membership Number: 112773  
UDIN: 20112773AAAACW7931

Mumbai  
Date: May 19, 2020

# Standalone Balance Sheet

as at 31st March, 2020

	Notes	Page	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>ASSETS</b>				
<b>Non-current Assets</b>				
(a) Property, Plant and Equipment	5	262	7,974.07	7,545.96
(b) Capital Work-in-Progress			402.87	368.10
(c) Intangible Assets	6	265	62.22	83.89
(d) Financial Assets				
(i) Investments	7	267	21,327.20	21,270.77
(ii) Trade Receivables	8	272	Nil	185.76
(iii) Loans	9	273	42.10	51.35
(iv) Finance Lease Receivables	10	275	553.03	554.27
(v) Other Financial Assets	11	276	222.77	2.89
(e) Non-current Tax Assets (Net)	12	277	135.00	68.65
(f) Other Non-current Assets	13	277	1,009.64	977.10
<b>Total Non-current Assets</b>			<b>31,728.90</b>	<b>31,108.74</b>
<b>Current Assets</b>				
(a) Inventories	14	279	635.01	579.51
(b) Financial Assets				
(i) Investments	15	279	20.00	42.00
(ii) Trade Receivables	8	272	1,108.68	1,256.44
(iii) Unbilled Revenue			83.41	41.56
(iv) Cash and Cash Equivalents	16	280	158.54	75.94
(v) Bank Balances other than (iv) above	17	281	20.40	19.85
(vi) Loans	9	273	550.09	119.20
(vii) Finance Lease Receivables	10	275	31.89	37.58
(viii) Other Financial Assets	11	276	235.58	96.06
(c) Other Current Assets	13	277	146.26	952.11
<b>Total Current Assets</b>			<b>2,989.86</b>	<b>3,220.25</b>
Assets Classified as Held For Sale	18a.	281	2,639.40	2,806.59
<b>Total Assets before Regulatory Deferral Account</b>			<b>37,358.16</b>	<b>37,135.58</b>
<b>Regulatory Deferral Account - Assets</b>	19	284	<b>258.32</b>	<b>999.00</b>
<b>TOTAL ASSETS</b>			<b>37,616.48</b>	<b>38,134.58</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital	20a.	285	270.50	270.50
(b) Unsecured Perpetual Securities	20b.	286	1,500.00	1,500.00
(c) Other Equity	21	287	13,491.47	13,919.10
<b>Total Equity</b>			<b>15,261.97</b>	<b>15,689.60</b>

# Standalone Balance Sheet

as at 31st March, 2020 (Contd.)

	Notes	Page	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>Liabilities</b>				
<b>Non-current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	22	289	9,825.33	8,749.72
(ii) Lease Liabilities	23	292	237.03	Nil
(iii) Trade Payables				
(a) Total outstanding dues of micro enterprises and small enterprises	36	314	Nil	Nil
(b) Total outstanding dues of trade payables other than micro enterprises and small enterprises			Nil	22.75
(iv) Other Financial Liabilities	24	293	14.60	42.76
(b) Deferred Tax Liabilities (Net)	25	293	307.25	583.49
(c) Provisions	26	294	222.46	195.55
(d) Other Non-current Liabilities	27	302	161.34	183.54
<b>Total Non-current Liabilities</b>			<b>10,768.01</b>	<b>9,777.81</b>
<b>Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	28	302	6,212.31	6,731.80
(ii) Lease Liabilities	23	292	41.82	Nil
(iii) Trade Payables				
(a) Total outstanding dues of micro enterprises and small enterprises	36	314	7.72	3.96
(b) Total outstanding dues of trade payables other than micro enterprises and small enterprises			994.15	1,098.18
(iv) Other Financial Liabilities	24	293	2,621.62	2,895.43
(b) Current Tax Liabilities (Net)	29	302	107.67	107.67
(c) Provisions	26	294	62.02	14.74
(d) Other Current Liabilities	27	302	502.87	849.12
<b>Total Current Liabilities</b>			<b>10,550.18</b>	<b>11,700.90</b>
Liabilities directly associated with Assets Classified as Held For Sale	18b.	282	1,036.32	966.27
<b>Total Liabilities before Regulatory Deferral Account</b>			<b>22,354.51</b>	<b>22,444.98</b>
<b>Regulatory Deferral Account - Liability</b>	19	284	<b>Nil</b>	<b>Nil</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>37,616.48</b>	<b>38,134.58</b>

See accompanying notes to the Standalone Financial Statements

As per our report of even date

**For S R B C & CO LLP**

**Chartered Accountants**

ICAI Firm Registration No.324982E/E300003

**per ABHISHEK AGARWAL**

**Partner**

Membership No. 112773

Mumbai, 19th May, 2020.

For and on behalf of the Board,

**PRAVEER SINHA**

**CEO & Managing Director**

DIN 01785164

**RAMESH SUBRAMANYAM**

**Chief Financial Officer**

Mumbai, 19th May, 2020.

**BANMALI AGRAWALA**

**Director**

DIN 00120029

**H. M. MISTRY**

**Company Secretary**

# Standalone Statement of Profit and Loss

for the year ended 31st March, 2020

	Notes	Page	For the year ended 31st March, 2020	For the year ended 31st March, 2019	
			₹ crore	₹ crore	
<b>I</b>	Revenue from Operations	30	303	7,726.39	8,255.25
<b>II</b>	Other Income	31	307	582.62	516.35
<b>III</b>	<b>Total Income</b>			<b>8,309.01</b>	<b>8,771.60</b>
<b>IV</b>	<b>Expenses</b>				
	Cost of Power Purchased			457.59	457.02
	Cost of Fuel	39b.	316	2,765.61	3,168.27
	Transmission Charges			214.00	248.23
	Employee Benefits Expense (Net)	32	308	610.71	637.57
	Finance Costs	33	308	1,510.38	1,500.35
	Depreciation and Amortisation Expenses	5 & 6	262	685.75	632.70
	Other Expenses	34	309	756.69	801.87
	<b>Total Expenses</b>			<b>7,000.73</b>	<b>7,446.01</b>
<b>V</b>	<b>Profit/(Loss) Before Movement in Regulatory Deferral Balance, Exceptional Items and Tax</b>			<b>1,308.28</b>	<b>1,325.59</b>
	Add/(Less): Net Movement in Regulatory Deferral Balances	19	284	(792.24)	(519.03)
	Add/(Less): Net Movement in Regulatory Deferral Balances in respect of earlier years	19	284	(21.32)	274.26
	Add/(Less): Deferred Tax Recoverable/(Payable)	3.11.3	261	162.16	98.19
				<b>(651.40)</b>	<b>(146.58)</b>
<b>VI</b>	<b>Profit/(Loss) Before Exceptional Items and Tax</b>			<b>656.88</b>	<b>1,179.01</b>
	Add/(Less): Exceptional Items				
	Reversal of Impairment of Non-current Investments and related obligation	7	267	235.00	Nil
	Standby Litigation	39a.	316	(276.35)	Nil
	Remeasurement of Deferred Tax Recoverable on account of New Tax Regime (Net)	35	310	(265.00)	Nil
	Provision for Contingencies	39b.	316	Nil	(45.00)
	Gain on Sale of Investment in Associates	18a.	281	Nil	1,212.99
				<b>(306.35)</b>	<b>1,167.99</b>
<b>VII</b>	<b>Profit/(Loss) Before Tax</b>			<b>350.53</b>	<b>2,347.00</b>
<b>VIII</b>	<b>Tax Expense/(Credit)</b>				
	Current Tax	35	310	18.61	110.88
	Deferred Tax	35	310	73.08	331.58
	Deferred Tax relating to earlier years	35	310	(24.51)	10.00
	Remeasurement of Deferred Tax on account of New Tax Regime (Net)	35	310	(275.00)	Nil
				<b>(207.82)</b>	<b>452.46</b>
<b>IX</b>	<b>Profit/(Loss) for the Year from Continuing Operations</b>			<b>558.35</b>	<b>1,894.54</b>
<b>X</b>	<b>Profit/(Loss) before tax from Discontinued Operations</b>	18c.	282	(81.64)	(191.82)
	Impairment Loss related to Discontinued Operations on remeasurement to Fair Value	18c.	282	(361.00)	Nil
<b>XI</b>	<b>Tax Expense/(Credit) of Discontinued Operations</b>				
	Current Tax			Nil	(71.92)
	Deferred Tax			(32.41)	5.94
	<b>Tax Expense/(Credit) of Discontinued Operations</b>			<b>(32.41)</b>	<b>(65.98)</b>
<b>XII</b>	<b>Profit/(Loss) for the Year from Discontinued Operations</b>	18c.	282	<b>(410.23)</b>	<b>(125.84)</b>
<b>XIII</b>	<b>Profit/(Loss) for the Year</b>			<b>148.12</b>	<b>1,768.70</b>

# Standalone Statement of Profit and Loss

for the year ended 31st March, 2020 (Contd.)

	Notes	Page	For the year ended 31st March, 2020	For the year ended 31st March, 2019
			₹ crore	₹ crore
<b>XIV Other Comprehensive Income/(Expenses) - Continuing Operations</b>				
<i>Add/(Less):</i> (i) Items that will not be reclassified to profit or loss				
(a) Remeasurement of the Defined Benefit Plans	26	294	(51.79)	(20.00)
(b) Equity Instruments classified at FVTOCI			(3.50)	0.17
(c) Gain on sale of Investment classified at FVTOCI			Nil	0.01
(d) Assets Classified as Held For Sale - Equity Instruments classified at FVTOCI			(15.84)	(31.05)
(ii) Tax relating to items that will not be reclassified to profit or loss				
(a) Current Tax	35	310	0.77	6.99
(b) Deferred Tax	35	310	17.40	(0.02)
			<b>(52.96)</b>	<b>(43.90)</b>
<b>XV Other Comprehensive Income/(Expenses) - Discontinued Operations</b>				
<i>Add/(Less):</i> (i) Items that will not be reclassified to profit or loss	26	294	0.20	(1.14)
(ii) Income tax relating to items that will not be reclassified to profit or loss			Nil	0.40
			<b>0.20</b>	<b>(0.74)</b>
<b>Other Comprehensive Income/(Expenses) For The Year (Net of Tax)</b>			<b>(52.76)</b>	<b>(44.64)</b>
<b>XVI Total Comprehensive Income for the Year (XIII + XIV+XV)</b>			<b>95.36</b>	<b>1,724.06</b>
<b>XVII Basic and Diluted Earnings Per Equity Share (of ₹ 1/- each) (₹)</b>	40	317		
(i) From Continuing Operations before net movement in regulatory deferral balances			3.23	6.72
(ii) From Continuing Operations after net movement in regulatory deferral balances			1.44	6.36
(iii) From Discontinued Operations			(1.52)	(0.46)
(iv) Total Operations after net movement in regulatory deferral balances			(0.08)	5.90

## See accompanying notes to the Standalone Financial Statements

As per our report of even date

**For S R B C & CO LLP**

**Chartered Accountants**

ICAI Firm Registration No.324982E/E300003

**per ABHISHEK AGARWAL**

**Partner**

Membership No. 112773

Mumbai, 19th May, 2020.

For and on behalf of the Board,

**PRAVEER SINHA**

**CEO & Managing Director**

DIN 01785164

**RAMESH SUBRAMANYAM**

**Chief Financial Officer**

Mumbai, 19th May, 2020.

**BANMALI AGRAWALA**

**Director**

DIN 00120029

**H. M. MISTRY**

**Company Secretary**

# Standalone Statement of Cash Flows

for the year ended 31st March, 2020

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore
<b>A. Cash Flow from Operating Activities</b>		
Profit/(loss) before tax from continuing operations	350.53	2,347.00
Profit/(loss) before tax from discontinued operations	(442.64)	(191.82)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	685.75	632.70
Interest income	(107.44)	(84.91)
Interest on income-tax refund	(10.96)	Nil
Delayed payment charges	(6.61)	(6.34)
Dividend income	(368.81)	(383.91)
Finance cost (Net of capitalisation)	1,546.53	1,536.68
(Gain)/loss on disposal of property, plant and equipment (Net)	(0.35)	(10.81)
(Gain)/loss on sale/fair value of current investment measured at fair value through profit and loss	(13.41)	(6.29)
(Gain)/loss on sale of non-current investments (including fair value change)	(9.06)	(0.88)
Amortisation of premium paid on leasehold land	Nil	2.64
Guarantee commission from subsidiaries and joint ventures	(60.63)	(20.95)
Amortisation of service line contributions	(7.99)	(7.46)
Transfer to Statutory Consumer Reserve	17.00	16.00
Bad debts	6.05	Nil
Allowance for doubtful debts and advances (Net)	2.85	19.11
Gain on sale of investment in associates	Nil	(1,212.99)
Reversal of impairment of non-current investments and related obligation	(235.00)	Nil
Impairment Loss on Remeasurement to Fair Value related to discontinued operations	361.00	Nil
Effect of exchange fluctuation (Net)	(2.44)	4.54
	<b>1,796.48</b>	<b>477.13</b>
	<b>1,704.37</b>	<b>2,632.31</b>
Working Capital adjustments:		
Adjustments for (increase) / decrease in assets:		
Inventories	(34.65)	(107.14)
Trade receivables	(10.04)	(251.20)
Finance lease receivables	6.93	17.18
Loans - current	(2.39)	(0.41)
Loans - non-current	9.25	4.09
Other current assets	141.11	(646.61)
Other non-current assets	123.64	270.34
Unbilled revenue	(26.24)	66.23
Other financial assets - current	1.18	(0.40)
Other financial assets - non-current	(41.15)	1.10
Regulatory deferral account - assets	740.68	796.37
	<b>908.32</b>	<b>149.55</b>
	<b>2,612.69</b>	<b>2,781.86</b>

# Standalone Statement of Cash Flows

for the year ended 31st March, 2020 (Contd.)

		For the year ended 31st March, 2020	For the year ended 31st March, 2019
		₹ crore	₹ crore
Adjustments for increase / (decrease) in liabilities:			
Trade payables		(277.60)	(34.77)
Other current liabilities		139.56	(382.37)
Other non-current liabilities		0.70	(66.98)
Current provisions		(12.66)	(40.72)
Non-current provisions		25.03	24.62
Other financial liabilities - current		(80.47)	(13.37)
Other financial liabilities - non current		(24.05)	1.38
Regulatory deferral account - liability		Nil	(485.00)
		<b>(229.49)</b>	<b>(997.21)</b>
Cash flow from/(used in) operations		2,383.20	1,784.65
Income tax paid (Net of refund received)		(74.40)	(101.31)
<b>Net Cash Flows from/(used in) Operating Activities</b>	<b>A</b>	<b>2,308.80</b>	<b>1,683.34</b>
<b>B. Cash Flow from Investing Activities</b>			
Capital expenditure on property, plant and equipment (including capital advances)		(705.05)	(522.39)
Proceeds from sale of property, plant and equipment (including property, plant and equipment classified as held for sale)		26.53	32.35
Purchase of non current investments		(284.11)	(3,450.99)
Proceeds from sale of non-current investments (including investments classified as held for sale)		271.28	2,412.77
(Purchase)/proceeds from/ to sale of current investments (Net)		35.41	16.29
Interest received		107.83	122.36
Delayed payment charges received		6.61	6.34
Loans given		(3,259.41)	(2,361.61)
Loans repaid		2,824.04	2,623.97
Dividend received		449.97	548.55
Guarantee commission received		56.16	18.76
Bank balance not considered as cash and cash equivalents		(0.25)	(2.95)
<b>Net Cash Flow from/(used in) Investing Activities</b>	<b>B</b>	<b>(470.99)</b>	<b>(556.55)</b>
<b>C. Cash Flow from Financing Activities</b>			
Proceeds from non-current borrowings		3,403.59	3,337.09
Repayment of non-current borrowings		(2,568.35)	(4,729.41)
Proceeds from current borrowings		30,776.85	22,729.91
Repayment of current borrowings		(31,295.20)	(20,231.28)
Interest and other borrowing costs		(1,524.17)	(1,591.08)
Dividends paid		(351.99)	(351.99)
Distribution on unsecured perpetual securities		(171.00)	(171.00)
Increase in capital/service line contributions		7.03	11.49
Payments of Lease liability (including interest)		(29.34)	Nil
<b>Net Cash Flow from/(used in) Financing Activities</b>	<b>C</b>	<b>(1,752.58)</b>	<b>(996.27)</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents</b>	<b>(A + B + C)</b>	<b>85.23</b>	<b>130.52</b>
<b>Cash and Cash Equivalents as at 1st April (Opening Balance)</b>		<b>79.86</b>	<b>(50.66)</b>
<b>Cash and Cash Equivalents as at 31st March (Closing Balance)</b>		<b>165.09</b>	<b>79.86</b>

## Standalone Statement of Cash Flows

for the year ended 31st March, 2020 (Contd.)

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
Cash and Cash Equivalents include:		
(a) Balances with banks		
In current accounts	158.54	75.94
(b) Bank overdraft	(1.05)	(2.19)
<b>Cash and Cash Equivalents related to Continuing Operations</b>	<b>157.49</b>	<b>73.75</b>
(a) Balances with banks		
In current accounts	7.62	6.13
(b) Book overdraft	(0.02)	(0.02)
<b>Cash and Cash Equivalents related to Discontinued Operations</b>	<b>7.60</b>	<b>6.11</b>
<b>Total of Cash and Cash Equivalents</b>	<b>165.09</b>	<b>79.86</b>

See accompanying notes to the Standalone Financial Statements

As per our report of even date

**For S R B C & CO LLP**

**Chartered Accountants**

ICAI Firm Registration No.324982E/E300003

**per ABHISHEK AGARWAL**

**Partner**

Membership No. 112773

Mumbai, 19th May, 2020.

For and on behalf of the Board,

**PRAVEER SINHA**

**CEO & Managing Director**

DIN 01785164

**RAMESH SUBRAMANYAM**

**Chief Financial Officer**

Mumbai, 19th May, 2020.

**BANMALI AGRAWALA**

**Director**

DIN 00120029

**H. M. MISTRY**

**Company Secretary**

# Standalone Statement of Change in Equity

for the year ended 31st March, 2020

## A. Equity Share Capital

	No. of Shares	₹ crore
<b>Balance as at 1st April, 2018</b>	<b>270,47,73,510</b>	<b>270.50</b>
Issued during the year	Nil	Nil
<b>Balance as at 31st March, 2019</b>	<b>270,47,73,510</b>	<b>270.50</b>
Issued during the year	Nil	Nil
<b>Balance as at 31st March, 2020</b>	<b>270,47,73,510</b>	<b>270.50</b>

## B. Unsecured Perpetual Securities

	No. of Securities	₹ crore
<b>Balance as at 1st April, 2018</b>	<b>15,000</b>	<b>1,500.00</b>
Issued during the year	Nil	Nil
<b>Balance as at 31st March, 2019</b>	<b>15,000</b>	<b>1,500.00</b>
Issued during the year	Nil	Nil
<b>Balance as at 31st March, 2020</b>	<b>15,000</b>	<b>1,500.00</b>

## C. Other Equity (Refer Note 21)

₹ crore

Description	Reserves and Surplus					Retained Earnings	Equity Instrument through Other Comprehensive Income	Total
	General Reserve	Securities Premium	Debt Redemption Reserve	Capital Redemption Reserve	Capital Reserve			
<b>Balance as at 1st April, 2018</b>	<b>3,853.98</b>	<b>5,634.98</b>	<b>1,000.61</b>	<b>1.85</b>	<b>61.66</b>	<b>1,878.99</b>	<b>(374.12)</b>	<b>12,718.03</b>
Profit/(Loss) for the year	Nil	Nil	Nil	Nil	Nil	1,768.70	Nil	1,768.70
Other Comprehensive Income/(Expenses) for the year (Net of Tax)	Nil	Nil	Nil	Nil	Nil	(13.75)	(30.89)	(44.64)
<b>Total Comprehensive Income</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>1,754.95</b>	<b>(30.89)</b>	<b>1,724.06</b>
Dividend paid (including tax on dividend)	Nil	Nil	Nil	Nil	Nil	(351.99)	Nil	(351.99)
Transfer to/(from) Debt Redemption Reserve	Nil	Nil	(578.66)	Nil	Nil	578.66	Nil	Nil
Transfer to Retained Earnings on Sale of Shares	Nil	Nil	Nil	Nil	Nil	(735.49)	735.49	Nil
Distribution on Unsecured Perpetual Securities	Nil	Nil	Nil	Nil	Nil	(171.00)	Nil	(171.00)
<b>Balance as at 31st March, 2019</b>	<b>3,853.98</b>	<b>5,634.98</b>	<b>421.95</b>	<b>1.85</b>	<b>61.66</b>	<b>2,954.12</b>	<b>330.48</b>	<b>13,919.10</b>
<b>Balance as at 1st April, 2019</b>	<b>3,853.98</b>	<b>5,634.98</b>	<b>421.95</b>	<b>1.85</b>	<b>61.66</b>	<b>2,954.12</b>	<b>330.48</b>	<b>13,919.10</b>
Profit/(Loss) for the year	Nil	Nil	Nil	Nil	Nil	148.12	Nil	148.12
Other Comprehensive Income/(Expenses) for the year (Net of Tax)	Nil	Nil	Nil	Nil	Nil	(33.42)	(19.34)	(52.76)
<b>Total Comprehensive Income</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>114.70</b>	<b>(19.34)</b>	<b>95.36</b>
Dividend paid (including tax on dividend)	Nil	Nil	Nil	Nil	Nil	(351.99)	Nil	(351.99)
Transfer to/(from) Debt Redemption Reserve	Nil	Nil	(125.00)	Nil	Nil	125.00	Nil	Nil
Transfer to Retained Earnings on Sale of Shares	Nil	Nil	Nil	Nil	Nil	356.25	(356.25)	Nil
Distribution on Unsecured Perpetual Securities	Nil	Nil	Nil	Nil	Nil	(171.00)	Nil	(171.00)
<b>Balance as at 31st March, 2020</b>	<b>3,853.98</b>	<b>5,634.98</b>	<b>296.95</b>	<b>1.85</b>	<b>61.66</b>	<b>3,027.08</b>	<b>(45.11)</b>	<b>13,491.47</b>

See accompanying notes to the Standalone Financial Statements

As per our report of even date

**For SRB C & CO LLP**

Chartered Accountants

ICAI Firm Registration No.324982E/E300003

per **ABHISHEK AGARWAL**

Partner

Membership No. 112773

Mumbai, 19th May, 2020.

For and on behalf of the Board,

**Praveer Sinha**

CEO & Managing Director

DIN 01785164

**Ramesh Subramanyam**

Chief Financial Officer

Mumbai, 19th May, 2020.

**Banmali Agrawala**

Director

DIN 00120029

**H. M. Mistry**

Company Secretary

# Notes to the Standalone Financial Statements

## 1. Corporate Information:

The Tata Power Company Limited (the 'Company') is a public limited company domiciled and incorporated in India under the Indian Companies Act, VII of 1913. The registered office of the Company is located at Bombay House, 24, Homi Mody Street, Mumbai 400001, India. The Company is listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The principal business of the Company is generation, transmission and distribution of electricity.

The Company was amongst the pioneers in generation of electricity in India more than a century ago.

The Company has an installed generation capacity of 2,304 MW in India and a presence in all the segments of the power sector viz. Fuel and Logistics, Generation (thermal, hydro, solar and wind), Transmission and Distribution.

## 2. Significant Accounting Policies:

### 2.1 Statement of compliance

The Standalone Ind AS financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 (as amended from time to time).

### 2.2 Basis of preparation and presentation

The Standalone Ind AS Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value

- derivative financial instruments;
- certain financial assets and liabilities measured at fair value (Refer accounting policy regarding financial instruments);
- employee benefit expenses (Refer Note 26 for accounting policy)

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

## 3. Other Significant Accounting Policies

### 3.1 Foreign Currencies

The functional currency of the Company is Indian Rupee (₹).

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

### 3.2 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- expected to be realised or intended to be sold or consumed in normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realised within twelve months after the reporting period, or

### 3. Other Significant Accounting Policies (Contd.)

- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in normal operating cycle,
- it is held primarily for the purpose of trading,
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

#### 3.3 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities measured at fair value through profit or loss are recognised immediately in the statement of profit and loss.

#### 3.4 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### 3.5 Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest rate method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### 3.5.1 Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Equity Instruments through Other Comprehensive Income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

# Notes to the Standalone Financial Statements

## 3. Other Significant Accounting Policies (Contd.)

### 3.5.2 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

### 3.5.3 Investment in Subsidiaries, Jointly Controlled Entities and Associates

Investment in subsidiaries, jointly controlled entities and associates are measured at cost less impairment as per Ind AS 27 - 'Separate Financial Statements'.

#### Impairment of investments:

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted in the statement of profit and loss.

### 3.5.4 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- the right to receive cash flows from the asset have expired, or
- the Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

### 3.5.5 Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

## 3.6 Financial liabilities and equity instruments

### 3.6.1 Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### 3.6.2 Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

### 3.6.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the Effective Interest Rate (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

### 3. Other Significant Accounting Policies (Contd.)

#### 3.6.4 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

#### 3.6.5 Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 - 'Financial Instruments' and the amount recognised less cumulative amortisation.

#### 3.7 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit and loss immediately.

#### 3.8 Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

#### 3.9 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### 3.10 Dividend distribution to equity shareholders of the Company

The Company recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at its discretion. A corresponding amount is recognised directly in equity.

#### 3.11 New and amended standards and interpretations

The Company applied for the first time certain amendments to the standards, which are effective for annual periods beginning on or after 1st April, 2019. The nature and the impact of each amendment is described below:

##### 3.11.1 Ind AS 116 'Leases'

Ind AS 116 - 'Leases' (Ind AS 116) was notified in March, 2019 and it replaces Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after 1st April, 2019. The Company has applied Ind AS 116 with a date of initial application of 1st April, 2019 using modified retrospective approach, under which the cumulative effect of initial application is recognized as at 1st April, 2019.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. As a lessee, the Company previously classified leases as operating or finance lease based on its assessment of whether the lease transferred significantly all of the risk and

## Notes to the Standalone Financial Statements

### 3. Other Significant Accounting Policies (Contd.)

rewards incidental to the ownership of the underlying asset of the Company. Under Ind AS 116, the Company recognizes the right-of-use assets and lease liabilities as stated in the Note 5B and 23.

On adoption of Ind AS 116, the Company has recognized 'Right-of-use' assets amounting to ₹ 406.99 crore (including reclassification of lease prepayment from other assets amounting to ₹ 206.00 crore) and 'Lease liabilities' amounting to ₹ 225.00 crore (including reclassification of lease liability from trade payables amounting to ₹ 24.00 crore) as at 1st April, 2019. There is no impact on retained earnings as at 1st April, 2019. The Company has applied Ind AS 116 only to the contracts that were previously identified as leases. As a practical expedient, contracts previously identified as lease under Ind AS 17 has not reassessed as to whether a contract is, or contains, a lease under Ind AS 116.

The Company has used the following practical expedients when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17:

- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Relied on its assessment of whether leases are onerous immediately before the date of initial application.
- Applied the exemption not to recognize right-of-use asset and liabilities for leases with remaining lease term of 12 months or less.
- Excluded initial direct costs from measuring the right-of-use asset at the date of application.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

The lease liabilities as at 1st April, 2019 can be reconciled to the operating lease commitments as of 31st March, 2019 as follows:

Particulars	₹ crore
Operating lease commitments (including cancellable and non-cancellable leases) as at 31st March, 2019.	462.20
Less: Commitments relating to short-term leases	(29.07)
Less: Commitments relating to leases of low-value assets	(0.38)
Net Operating lease commitments as at 31st March, 2019.	432.75
Weighted average incremental borrowing rate as at 1st April, 2019	9.15%
Lease liabilities as at 1st April, 2019	225.00

#### Accounting Policy for Leases till 31st March, 2019

##### Leasing arrangement

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

##### The Company as lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

#### 3.11.2 Ind AS 12 Income Taxes

Pursuant to the amendment in Ind AS 12 - 'Income Taxes' effective from 1st April, 2019, the Company has recognised the income tax consequence on interest on perpetual securities in the profit and loss which was earlier recognized directly in other equity and has restated the figures for previous year presented. Accordingly, the profit after tax for the year ended 31st March, 2019 is higher by ₹ 60.12 crore as compared to previous year Standalone Ind AS financial statements. There is no impact on the "Other Equity" of the Company.

### 3. Other Significant Accounting Policies (Contd.)

#### 3.11.3 Deferred Tax Recoverable / Payable

In the regulated operations of the Company where tariff recovered from consumers is determined on cost plus return on equity, the Income tax cost is pass through cost and accordingly the Company recognizes Deferred Tax Recoverable / Payable against any Deferred Tax Expense / Income. Until previous year, the same was presented under 'Tax Expenses' in the financial statements. During the year, pursuant to an opinion by the Expert Advisory Committee of The Institute of Chartered Accountants of India, the same has now been included in 'Revenue from Operations' in case of Generation and Transmission business and disclosed as 'Deferred Tax Recoverable / (Payable)' as Net Movement in Regulatory Deferral Balances in case of Distribution business. There is no impact in the Other Equity and Profit / (Loss) on account of such change in presentation. Impact of this restatement in the comparative year is as follows:

Particulars	₹ crore
	For the year ended 31st March, 2019
Revenue from Operations - Increase / (Decrease)	322.42
Movement in Net Regulatory Deferral Balances - Income / (Expense)	98.19
Tax (Expense) / Credit	420.61
Basic and diluted EPS from continuing operations before movement in regulatory deferral balances - Increase / (Decrease)	(0.23)

### 4. Critical accounting estimates and judgements

In the application of the Company's accounting policies, management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Standalone Ind AS financial statements.

The areas involving critical estimates or judgements are:

Estimations used for impairment assessment of property, plant and equipment of certain cash generating units (CGU) - Note 5

Estimations used for fair value of unquoted securities and impairment assessment of investments - Note 7

Estimation of defined benefit obligation - Note 26

Estimations used for determination of tax expenses and tax balances (including Minimum Alternate Tax credit) - Note 35

Estimates related to accrual of regulatory deferrals and revenue recognition - Note 19 and 30

Estimates and judgements related to the assessment of liquidity risk - Note 42.4.3

Judgement to estimate the amount of provision required or to determine required disclosure related to litigation and claims against the Company - Note 38

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

## Notes to the Standalone Financial Statements

### 5. Property, Plant and Equipment Accounting Policy

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price (net of trade discount and rebates) and any directly attributable cost of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalised in accordance with the Ind AS 23. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

The accounting policy related to Right of Use Assets has been disclosed in Note 23.

#### Depreciation

Depreciation commences when an asset is ready for its intended use. Freehold land and assets held for sale are not depreciated.

#### Regulated Assets:

Depreciation on Property, plant and equipment in respect of electricity business of the Company covered under Part B of Schedule II of the Companies Act, 2013, has been provided on the straight line method at the rates specified in tariff regulation notified by respective state electricity regulatory commission.

#### Non-Regulated Assets:

Depreciation is recognised on the cost of assets (other than freehold land and properties under construction) less their residual values over their estimated useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Estimated useful lives of the Regulated and Non-Regulated assets are as follows:

Type of Assets	Useful Lives
Leasehold Lands	95 years
Hydraulic Works	35 years
Buildings-Plant	5 to 35 years
Buildings-Others	25 to 60 years
Coal Jetty	25 years
Railway Sidings, Roads, Crossings, etc.	25 to 35 years
Plant and Equipment (excluding Computers and Data Processing units)	25 to 35 years
Plant and Equipment (Computers and Data Processing units)	3 years
Transmission Lines, Cable Network, etc.	25 to 35 years
Furniture and Fixtures	10 to 35 years
Office Equipment	5 years
Motor Cars	5 years
Motor Lorries, Launches, Barges etc.	25 to 35 years
Helicopters	25 years

#### Derecognition

An item of Property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipments is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

## 5. Property, Plant and Equipment (Contd.)

### Impairment

#### Impairment of tangible and intangible assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

Impairment losses of tangible and intangible assets are recognised in the statement of profit and loss.

# Notes To The Standalone Financial Statements

## 5. Property, Plant and Equipment (Contd.)

### A. Owned Assets

₹ crore

Description	Freehold Land	Leasehold Land	Hydraulic Works	Buildings- Plant	Buildings- Others@	Coal Jetty	Roads, Railway sidings, crossings	Plant and Equipment	Transmission lines and cable network	Furniture and Fixtures	Office Equipment	Motor Vehicles, Launches, Barges	Helicopters	Total
<b>Cost</b>														
Balance as at 1st April, 2019	143.63	Nil	536.46	937.09	217.35	106.10	46.51	9,583.14	3,163.18	65.47	27.09	42.44	37.01	14,905.47
Additions	Nil	Nil	0.04	64.24	24.41	Nil	0.53	333.45	251.57	1.97	0.84	0.94	Nil	677.99
Disposals	Nil	Nil	Nil	(0.58)	(0.93)	Nil	(0.05)	(49.02)	(0.10)	(5.66)	(2.05)	(7.19)	Nil	(65.58)
Reversal of held for sale (Refer Note 18a.)	0.04	Nil	Nil	0.97	0.34	Nil	Nil	29.23	Nil	0.01	0.01	Nil	Nil	30.60
Reclassified as held for sale (Refer Note 18a.)	(26.42)	Nil	(0.13)	(0.65)	(0.79)	Nil	(0.23)	(0.02)	(0.69)	Nil	(0.01)	Nil	(1.71)	(30.65)
<b>Balance as at 31st March, 2020</b>	<b>117.25</b>	<b>Nil</b>	<b>536.37</b>	<b>1,001.07</b>	<b>240.38</b>	<b>106.10</b>	<b>46.76</b>	<b>9,896.78</b>	<b>3,413.96</b>	<b>61.79</b>	<b>25.88</b>	<b>36.19</b>	<b>35.30</b>	<b>15,517.83</b>

### Accumulated depreciation and impairment

(Refer Note 1 below)	Freehold Land	Leasehold Land	Hydraulic Works	Buildings- Plant	Buildings- Others@	Coal Jetty	Roads, Railway sidings, crossings	Plant and Equipment	Transmission lines and cable network	Furniture and Fixtures	Office Equipment	Motor Vehicles, Launches, Barges	Helicopters	Total
<b>Cost</b>														
Balance as at 1st April, 2019	Nil	Nil	293.86	266.80	95.99	56.01	23.49	5,297.08	1,198.70	41.53	22.99	29.81	33.25	7,359.51
Depreciation Expense - Continuing Operations	Nil	Nil	12.37	30.22	6.64	5.60	1.30	404.16	137.79	4.20	1.52	4.67	0.01	608.48
Disposal of assets	Nil	Nil	Nil	(0.31)	(0.91)	Nil	(0.05)	(41.16)	(0.08)	(5.24)	(1.94)	(6.08)	Nil	(55.77)
Reversal of held for sale (Refer Note 18a.)	Nil	Nil	Nil	0.85	0.12	Nil	Nil	24.68	Nil	0.01	0.01	Nil	Nil	25.67
Reclassified as held for sale (Refer Note 18a.)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(1.53)
<b>Balance as at 31st March, 2020</b>	<b>Nil</b>	<b>Nil</b>	<b>306.23</b>	<b>297.56</b>	<b>101.84</b>	<b>61.61</b>	<b>24.74</b>	<b>5,684.76</b>	<b>1,336.41</b>	<b>40.50</b>	<b>22.58</b>	<b>28.40</b>	<b>31.73</b>	<b>7,936.36</b>
<b>Net carrying amount</b>														
As at 31st March, 2020	117.25	Nil	230.14	703.51	138.54	44.49	22.02	4,212.02	2,077.55	21.29	3.30	7.79	3.57	7,581.47

₹ crore

Description	Freehold Land	Leasehold Land	Hydraulic Works	Buildings- Plant	Buildings- Others@	Coal Jetty	Roads, Railway sidings, crossings	Plant and Equipment	Transmission lines and cable network	Furniture and Fixtures	Office Equipment	Motor Vehicles, Launches, Barges	Helicopters	Total
<b>Cost</b>														
Balance as at 1st April, 2018	145.20	225.65	536.68	883.94	231.70	106.10	46.58	9,439.02	2,962.64	68.04	28.70	46.68	37.01	14,757.94
Additions	Nil	Nil	1.56	56.88	7.64	Nil	0.66	244.09	200.82	1.42	0.37	0.70	Nil	514.14
Disposals	(1.45)	Nil	(1.78)	(1.62)	(0.39)	Nil	(0.73)	(70.75)	(0.28)	(3.98)	(1.97)	(4.94)	Nil	(87.89)
Reclassified (to)/from held for sale (Refer Note 18a.)	(0.12)	(225.65)	Nil	(2.11)	(21.60)	Nil	Nil	(29.22)	Nil	(0.01)	(0.01)	Nil	Nil	(278.72)
<b>Balance as at 31st March, 2019</b>	<b>143.63</b>	<b>Nil</b>	<b>536.46</b>	<b>937.09</b>	<b>217.35</b>	<b>106.10</b>	<b>46.51</b>	<b>9,583.14</b>	<b>3,163.18</b>	<b>65.47</b>	<b>27.09</b>	<b>42.44</b>	<b>37.01</b>	<b>14,905.47</b>

### Accumulated depreciation and impairment

(Refer Note 1 below)	Freehold Land	Leasehold Land	Hydraulic Works	Buildings- Plant	Buildings- Others@	Coal Jetty	Roads, Railway sidings, crossings	Plant and Equipment	Transmission lines and cable network	Furniture and Fixtures	Office Equipment	Motor Vehicles, Launches, Barges	Helicopters	Total
<b>Cost</b>														
Balance as at 1st April, 2018	Nil	7.73	283.00	246.10	97.32	50.39	22.71	4,985.80	1,070.70	40.23	22.76	26.87	30.78	6,884.39
Depreciation Expense - Continuing Operations	Nil	2.37	12.37	23.65	11.48	5.62	1.42	393.89	128.24	4.59	2.05	6.88	2.47	595.03
Disposal of assets	Nil	Nil	(1.51)	(1.45)	(0.36)	Nil	(0.64)	(57.93)	(0.24)	(3.28)	(1.81)	(3.94)	Nil	(71.16)
Reclassified (to)/from held for sale (Refer Note 18a.)	Nil	(10.10)	Nil	(1.50)	(12.45)	Nil	Nil	(24.68)	Nil	(0.01)	(0.01)	Nil	Nil	(487.5)
<b>Balance as at 31st March, 2019</b>	<b>Nil</b>	<b>Nil</b>	<b>293.86</b>	<b>266.80</b>	<b>95.99</b>	<b>56.01</b>	<b>23.49</b>	<b>5,297.08</b>	<b>1,198.70</b>	<b>41.53</b>	<b>22.99</b>	<b>29.81</b>	<b>33.25</b>	<b>7,359.51</b>
<b>Net carrying amount</b>														
As at 31st March, 2019	143.63	Nil	242.60	670.29	121.36	50.09	23.02	4,286.06	1,964.48	23.94	4.10	12.63	3.76	7,545.96

@ Buildings include cost of ordinary shares in co-operative housing societies.

Notes:

- During the earlier years, the Company had recorded an impairment charge of ₹ 100 crore in respect of Unit 6 generating station (Generation Segment) located at Trombay.
- Refer Note 22 for charge created on Property, Plant and Equipment.
- The title deeds of immovable properties included in property, plant and equipment are held in the name of the Company, except for:
  - immovable properties aggregating to ₹ 0.88 crore (31st March, 2019 - ₹ 0.88 crore) acquired during merger of Chemical Terminal Trombay Ltd. in the earlier year for which registration of title of deeds is in progress;
  - immovable properties aggregating to ₹ 8.01 crore (31st March, 2019 - ₹ 26.54 crore) acquired in earlier years for which registration of title of deeds is in progress;
  - land aggregating to ₹ 215.55 crore (Gross value ₹ 225.65 crore) (31st March, 2019 - ₹ 215.55 crore), taken on lease for which registration of title of deeds is in progress, classified as held for sale (Refer Note 18a.);
  - immovable properties aggregating to ₹ 27.57 crore (31st March, 2019 - ₹ 27.57 crore) for which the title deed is in dispute and pending resolution as at 31st March, 2020.
- The shareholders have approved schemes of arrangement for transfer of 499.5 MW clean energy assets of the company to wholly owned subsidiaries, as a "going concern" on a slump sale basis. The necessary documents have been filed with the National Company Law Tribunal (NCLT) for its final order. The effect of the schemes would be recognised on receipt of statutory approvals.

## 5. Property, Plant and Equipment (Contd.)

### B. Right of Use Assets (Refer Note 23)

Description	₹ crore		
	Leasehold Land and Sub-surface rights	Plant and Equipment	Total
<b>Cost</b>			
<b>Balance as on 1st April, 2019 (Refer Note 3.11.1)</b>	395.56	11.43	406.99
Additions during the year	69.31	Nil	69.31
Reclassified as held for sale (Refer Note 18a.)	(43.92)	Nil	(43.92)
<b>Balance as at 31st March, 2020</b>	<b>420.95</b>	<b>11.43</b>	<b>432.38</b>
<b>Accumulated depreciation and impairment</b>			
Balance as on 1st April, 2019	Nil	Nil	Nil
Depreciation Expense	35.21	4.57	39.78
<b>Balance as at 31st March, 2020</b>	<b>35.21</b>	<b>4.57</b>	<b>39.78</b>
<b>Net carrying amount</b>			
<b>As at 31st March, 2020</b>	<b>385.74</b>	<b>6.86</b>	<b>392.60</b>
<b>As at 31st March, 2019</b>	Nil	Nil	Nil

Description	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
<b>Net carrying amount</b>		
A. Owned Assets	7,581.47	7,545.96
B. Right of Use Assets	392.60	Nil
<b>Total</b>	<b>7,974.07</b>	<b>7,545.96</b>

## 6. Intangible Assets

### Accounting Policy

#### Intangible Assets acquired separately

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

#### Internally generated Intangible Assets

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

#### Derecognition of Intangible Assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is derecognised.

#### Useful lives of Intangible Assets

Intangible assets with finite lives are amortised over the useful economic life on straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period.

## Notes to the Standalone Financial Statements

### 6. Intangible Assets (Contd.)

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Estimated useful lives of the intangible assets are as follows:

Type of assets	Useful lives
Computer softwares	5 years
Copyrights, patents, other intellectual property rights, services and operating rights	5 years
Licences and franchises	5 years

Description	₹ crore			
	Computer softwares \$	Copyrights, patents, other intellectual property rights, services and operating rights #	Licences and franchises \$	Total
<b>Cost</b>				
<b>Balance as at 1st April, 2019</b>	233.97	0.57	0.26	234.80
Additions	15.82	Nil	Nil	15.82
<b>Balance as at 31st March, 2020</b>	<b>249.79</b>	<b>0.57</b>	<b>0.26</b>	<b>250.62</b>
<b>Accumulated amortisation and impairment</b>				
<b>Balance as at 1st April, 2019</b>	150.16	0.49	0.26	150.91
Amortisation expense	37.48	0.01	Nil	37.49
<b>Balance as at 31st March, 2020</b>	<b>187.64</b>	<b>0.50</b>	<b>0.26</b>	<b>188.40</b>
<b>Net carrying amount</b>				
<b>As at 31st March, 2020</b>	<b>62.15</b>	<b>0.07</b>	<b>Nil</b>	<b>62.22</b>

Description	₹ crore			
	Computer softwares \$	Copyrights, patents, other intellectual property rights, services and operating rights #	Licences and franchises \$	Total
<b>Cost</b>				
<b>Balance as at 1st April, 2018</b>	205.63	0.53	0.26	206.42
Additions	28.34	0.04	Nil	28.38
<b>Balance as at 31st March, 2019</b>	<b>233.97</b>	<b>0.57</b>	<b>0.26</b>	<b>234.80</b>
<b>Accumulated amortisation and impairment</b>				
<b>Balance as at 1st April, 2018</b>	112.50	0.48	0.26	113.24
Amortisation expense	37.66	0.01	Nil	37.67
<b>Balance as at 31st March, 2019</b>	<b>150.16</b>	<b>0.49</b>	<b>0.26</b>	<b>150.91</b>
<b>Net carrying amount</b>				
<b>As at 31st March, 2019</b>	<b>83.81</b>	<b>0.08</b>	<b>Nil</b>	<b>83.89</b>

Notes:

# Internally generated intangible assets.

\$ Other than internally generated intangible assets.

## 6. Intangible Assets (Contd.)

### Depreciation/Amortisation - Continuing Operations:

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore
Depreciation on tangible assets	608.48	595.03
Depreciation on Right of Use assets	39.78	Nil
Amortisation on intangible assets	37.49	37.67
<b>Total</b>	<b>685.75</b>	<b>632.70</b>

## 7. Non-current Investments

	As at 31st March, 2020	As at 31st March, 2019	Face Value (in ₹ unless stated otherwise)	As at 31st March, 2020	As at 31st March, 2019
	Quantity	Quantity		₹ crore	₹ crore
<b>I Investments carried at cost less accumulated impairment, if any</b>					
<b>(A) Investment in Subsidiaries</b>					
<b>(i) Investment in Equity Shares fully paid-up</b>					
<b>Quoted</b>					
NELCO Ltd.	1,10,99,630	1,10,99,630	10	11.07	11.07
				<b>11.07</b>	<b>11.07</b>
<b>Unquoted</b>					
Tata Power Trading Co. Ltd.	1,60,00,000	1,60,00,000	10	37.09	37.09
Maithon Power Ltd.	111,65,99,120	111,65,99,120	10	1,116.83	1,116.83
Coastal Gujarat Power Ltd. (Refer Note 7 below)	800,04,20,000	800,04,20,000	10	8,593.25**	8,593.25**
Bhira Investments Pte. Ltd.	10,00,000	10,00,000	USD 1	4.10	4.10
Bhivpuri Investments Ltd.	7,46,250	7,46,250	Euro 1	4.08	4.08
Tata Power Green Energy Ltd.	50,000	50,000	10	0.02	0.02
Khopoli Investments Ltd.	4,70,07,350	4,70,07,350	USD 1	255.20	255.20
Trust Energy Resources Pte. Ltd.	12,91,53,344	12,91,53,344	USD 1	607.95	607.95
Tata Power Delhi Distribution Ltd.	28,15,20,000	28,15,20,000	10	200.93	200.93
TP Ajmer Distribution Ltd.	10,000	10,000	10	10.00	10.00
Tata Power Jamshedpur Distribution Ltd.	80,50,000	80,50,000	10	8.05**	8.05**
TP Renewable Microgrid Ltd. (formerly Industrial Power Utility Ltd.)	1,10,000	1,10,000	10	0.11	0.11
TCL Ceramics Ltd. (formerly Tata Ceramics Ltd.) (Refer Note 6 below)	Nil	Nil	2	Nil *	Nil *
Tata Power Renewable Energy Ltd. (Refer Note 7 below)	104,51,07,715	104,51,07,715	10	1,054.03	1,054.03
Tata Power Solar Systems Ltd.	2,29,77,567	2,29,77,567	100	322.98	322.98
Tata Power International Pte. Ltd.	6,77,30,650	6,77,30,650	USD 1	577.55**	577.55**
Af-Taab Investment Co. Ltd.	10,73,000	10,73,000	100	68.68	68.68
				<b>12,860.85</b>	<b>12,860.85</b>
** Less: Impairment in the value of Investments (Refer Note 10 below)				4,009.14	4,140.60
				<b>8,851.71</b>	<b>8,720.25</b>
Carried forward.....				8,862.78	8,731.32

## Notes to the Standalone Financial Statements

### 7. Non-current Investments (Contd.)

	As at 31st March, 2020	As at 31st March, 2019	Face Value (in ₹ unless stated otherwise)	As at 31st March, 2020	As at 31st March, 2019
	Quantity	Quantity		₹ crore	₹ crore
Brought forward.....				8,862.78	8,731.32
<b>(ii) Investment in Perpetual Securities</b>					
<b>Unquoted</b>					
Tata Power Renewable Energy Ltd. (Refer Note 5 below)	N.A.	N.A.		3,895.00	3,895.00
Coastal Gujarat Power Ltd. (Refer Note 5 below)	N.A.	N.A.		7,035.89	6,985.89
				<b>10,930.89</b>	<b>10,880.89</b>
				<b>19,793.67</b>	<b>19,612.21</b>
<b>(B) Investment in Associates</b>					
<b>Investment in Equity Shares fully Paid-up</b>					
<b>Quoted</b>					
Tata Communications Ltd.	Nil	Nil	10	Nil	Nil *
<b>Unquoted</b>					
Yashmun Engineers Ltd.	19,200	19,200	100	0.01	0.01
The Associated Building Co. Ltd.	1,400	1,400	900	0.13	0.13
Tata Projects Ltd. (Refer Note 8 below)	9,67,500	Nil	100	85.01	Nil *
Dagachhu Hydro Power Corporation Ltd.	10,74,320	10,74,320	Nu 1,000	107.43	107.43
Panatone Finvest Ltd.	Nil	Nil	10	Nil	Nil *
				<b>192.58</b>	<b>107.57</b>
<b>(C) Investment in Joint Ventures</b>					
<b>Investment in Equity Shares fully Paid-up</b>					
<b>Unquoted</b>					
Tubed Coal Mines Ltd.	1,01,97,800	1,01,97,800	10	10.20**	10.20**
Itezhi Tezhi Power Corporation (Refer Note 7 below)	Nil	Nil	ZMW 1	Nil*	Nil*
Mandakini Coal Company Ltd. (Refer Note 7 below)	3,93,00,000	3,93,00,000	10	39.30**	39.30**
Powerlinks Transmission Ltd. (Refer Note 7 below)	23,86,80,000	23,86,80,000	10	238.68	238.68
Industrial Energy Ltd. (Refer Note 7 below)	49,28,40,000	49,28,40,000	10	492.84	492.84
LTH Milcom Pvt. Ltd.	Nil	Nil	10	Nil*	Nil*
Dugar Hydro Power Ltd.	4,34,25,002	4,34,25,002	10	43.42**	43.42**
				<b>824.44</b>	<b>824.44</b>
** Less: Impairment in the value of Investments				67.50	67.50
				<b>756.94</b>	<b>756.94</b>
Sub-total I (A) + I (B) + I (C)				<b>20,743.19</b>	<b>20,476.72</b>
Carried forward.....				20,743.19	20,476.72

## 7. Non-current Investments (Contd.)

	As at 31st March, 2020	As at 31st March, 2019	Face Value (in ₹ unless stated otherwise)	As at 31st March, 2020	As at 31st March, 2019
	Quantity	Quantity		₹ crore	₹ crore
Brought forward.....				20,743.19	20,476.72
<b>II Investments designated at Fair Value through Other Comprehensive Income (Refer Note 9)</b>					
<b>Investment in Equity Shares fully Paid-up</b>					
<b>Quoted</b>					
Voltas Ltd.	2,33,420	2,33,420	1	11.13	14.63
Tata Consultancy Services Ltd.	766	766	1	0.14	0.15
Tata Teleservices (Maharashtra) Ltd.	Nil	Nil	10	Nil *	Nil*
				<b>11.27</b>	<b>14.78</b>
<b>Unquoted</b>					
Tata Services Ltd.	1,112	1,112	1,000	Nil	Nil
Tata Industries Ltd. #	58,28,126	58,28,126	100	102.69	102.69
Tata Sons Pvt. Ltd. #	6,673	6,673	1,000	241.95	241.95
Haldia Petrochemicals Ltd.	2,24,99,999	2,24,99,999	10	56.48	56.48
Tata International Ltd. #	3,500	3,500	1,000	3.75	3.75
Tata Teleservices Ltd.	Nil	Nil	10	Nil *	Nil*
				<b>404.87</b>	<b>404.87</b>
				<b>416.14</b>	<b>419.65</b>
<b>III Investments carried at Amortised Cost</b>					
<b>(A) Investment in Subsidiaries</b>					
<b>Investment in Preference Shares fully Paid-up</b>					
TCL Ceramics Ltd. (formerly Tata Ceramics Ltd.) (Refer Note 6 below)	Nil	Nil	100	Nil *	Nil*
<b>(B) Government Securities (Unquoted) fully Paid-up</b>					
				40.00	Nil
<b>(C) Statutory Investments</b>					
<b>Contingencies Reserve Fund Investments</b>					
Government Securities (Unquoted) fully Paid-up				127.87	136.65
<b>Deferred Taxation Liability Fund Investments</b>					
Government Securities (Unquoted) fully Paid-up				Nil	237.75
				<b>127.87</b>	<b>374.40</b>
<b>Sub-total III (A) + III (B) + III (C)</b>				<b>167.87</b>	<b>374.40</b>
<b>Total</b>				<b>21,327.20</b>	<b>21,270.77</b>

\* Refer Asset Held For Sale (Refer Note 18a).

# The cost of these investments approximate their fair value because there is a wide range of possible fair value measurements and the cost represents the best estimate of fair value within that range.

## Notes to the Standalone Financial Statements

### 7. Non-current Investments (Contd.)

#### Notes:

1.	Aggregate Market Value of Quoted Investments	161.01	316.07
2.	Aggregate Carrying Value of Quoted Investments	22.34	25.85
3.	Aggregate Carrying Value of Unquoted Investments (Net)	21,304.86	21,244.92
4.	Aggregate amount of impairment in value of Investments	4,076.64	4,208.10

5. The Company has invested in unsecured subordinated perpetual securities issued by Tata Power Renewable Energy Ltd. and Coastal Gujarat Power Ltd., its subsidiary companies. These securities are redeemable at the issuer's option and carry non-cumulative interest coupon at the rate of dividend paid on the issuer's ordinary shares. The interest can be deferred if the issuer does not pay any dividend on its ordinary shares for the financial year. The issuer has classified this instrument as equity under Ind AS - 32 'Financial Instruments Presentation'. Accordingly, the Company has classified this investment as Equity Instrument and has accounted at cost as per Ind AS - 27 'Separate Financial Statements'.

6. The Company, along with its subsidiary, has 30.68% shareholding in TCL Ceramics Ltd. (formerly known as Tata Ceramics Ltd.). Further, TCL Ceramics Ltd. has issued Redeemable Cumulative Convertible Preference Shares which have been fully subscribed by the Company and its subsidiaries. As the dividend on the said Preference Shares has remained unpaid for more than two years, the preference shareholders have assumed voting rights along with the equity shareholders. The aggregate voting power (together with voting power on preference shares) with the Company along with its subsidiaries is at 57.07%. As the Company has sufficient dominant voting interest to direct TCL Ceramics Ltd.'s relevant activities, investment in the said Company has been considered as investment in subsidiary.

Pursuant to the Share Purchase Agreement ('Agreement') dated 4th January, 2020, the Company has transferred its Equity and Preference share to the purchasers as a part of the conditions mentioned in the Agreement subject to final closing. The said shares has been pledged back to the Company by the purchasers till the final closure. As all the conditions related to the closing has not been completed, the Company believes that it still controls TCL Ceramics Ltd. till all the conditions are fulfilled. Hence, no impact of sale of share has been accounted in the Standalone Ind AS financial statements. The impact of the sale on the Company's Standalone Ind AS financial statement will not be significant.

7. Shares pledged :

The Company has pledged shares of subsidiaries and joint ventures with the lenders for borrowings availed by the respective subsidiaries and joint ventures.

Details	Category	31st March, 2020	31st March, 2019
		Nos.	Nos.
Coastal Gujarat Power Ltd.	Subsidiary	310,25,44,200	310,25,44,200
Tata Power Renewable Energy Ltd.	Subsidiary	25,81,14,935	25,81,14,935
Itezhi Tezhi Power Corporation *	Joint Venture	4,52,500	4,52,500
Mandakini Coal Company Ltd.	Joint Venture	2,00,43,000	2,00,43,000
Powerlinks Transmission Ltd.	Joint Venture	23,86,80,000	23,86,80,000
Industrial Energy Ltd.	Joint Venture	25,13,48,400	25,13,48,400

\* Re-classified as Asset Held For Sale (Refer Note 18a).

Further till previous year, in respect of outstanding borrowings of Tata Power Delhi Distribution Limited (TPDDL), the Company has given an undertaking for non-disposal of equity shares in TPDDL to its lenders. The outstanding borrowings has been repaid during the current year against which the undertaking was given to the lender.

8. During the year ended 31st March, 2020, the Company has reassessed its plan for sale of investment in Tata Projects Ltd. and has reclassified its investment in Tata Projects from Assets held for sale to Investment in Associate.

9. Investments at Fair Value Through Other Comprehensive Income (FVTOCI) reflect investment in quoted and unquoted equity securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Company, thus disclosing their fair value change in profit and loss will not reflect the purpose of holding.

## 7. Non-current Investments (Contd.)

10. (a) The Company holds investments in Coastal Gujarat Power Ltd. (CGPL) (a wholly owned subsidiary of the Company operating 4,000 MW Mundra power plant), Indonesian mining companies PT Kaltim Prima Coal (KPC) and PT Baramulti Suksessarana TBK (BSSR) through intermediate holding companies (associates operating coal mines in Indonesia and supplying coal to CGPL) and Trust Energy Resources Pte. Ltd. (TERPL) (shipping company in Singapore providing freight services for coal shipment to CGPL). All these companies constitute a single cash generating unit (CGU) and form part of same segment due to interdependency of cash flows. CGPL is incurring significant losses on account of significant increase in coal prices due to change in Indonesian laws which is offset by the profits earned by the mining companies.

The Company has performed the impairment assessment and determined the value in use based on estimated cash flow projections over the life of the assets included in CGU. The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. For Mundra power plant, future cash flows is estimated based on remaining period of long term power purchase agreement (PPA) and thereafter based on management's estimate on tariff and other assumptions. Cash flow projection of Mines is derived based on estimated coal production considering the renewal of license for operating the Mines. In the past, the Company had recognised an impairment provision of ₹ 3,555 crore in CGU. A reassessment of the assumptions used in estimating the impact of impairment of the cash generating unit (CGU) comprising of Coastal Gujarat Power Ltd. and the Indonesian coal mines, combined with the significant impact of unwinding of a year's discount on the cash flows, would have resulted in a reversal of ₹ 1,200 crore of provision for impairment. Considering the significant uncertainties arising from ongoing renegotiation of the Mundra Power Purchase Agreement, as recommended by the High Powered Committee, and the pending renewal of the mining license at the Indonesian coal mines, the Company has not effected such a reversal. The reversal of impairment has not resulted from any significant improvement in the estimated service potential of the concerned CGU.

Key assumptions used for value in use calculation include coal prices, energy prices post the PPA period, discount rates and exchange rates. Short term coal prices and energy prices used in three to five years projections are based on market survey and expert analysis report. Afterwards increase in cost of coal and exchange rates are considered based on long term historical trend. Further, the Management strongly believes that mine licenses will be renewed post expiry. Discount rate represents the current market assessment of the risk specific to CGU taking into consideration the time value of money. Pre tax discount rate used in the calculation of value in use of investment in power plant is 10.87% p.a. (31<sup>st</sup> March, 2019: 10.61% p.a.) and investment in coal mines and related infrastructure companies is 12.68% p.a. (31<sup>st</sup> March, 2019: 11.06% p.a.).

- (b) Tata Power International Pte. Ltd. (TPIPL) (a wholly owned subsidiary of the Company) holds investments in Adjaristsqali Netherlands B.V. (ABV) (a joint venture of TPIPL) operating 187 MW hydro power plant in Georgia. In the past, the Company, in accordance with Ind AS 36 - 'Impairment of Assets' had recognized impairment provision on investment of ₹ 577.55 crore and financial guarantee obligation of ₹ 103.54 crore.

Pursuant to debt restructuring of the ABV, execution of long-term power purchase agreement (PPA) with Government of Georgia, receipt of insurance claims and start of commercial operations during the year ended 31st March, 2020, the Company performed the recoverability assessment and recognised the reversal of ₹ 235.00 crore comprising of reversal of ₹ 103.54 crore towards financial guarantee obligation and reversal of ₹ 131.46 crore towards its investment in TPIPL which has been disclosed as an exceptional item in the statement of profit and loss.

The Company has performed the recoverability assessment and determined the value in use based on estimated cash flow projections over the life of the assets included in CGU. Projected cash flows include cash flow projections approved by management covering 3 to 5 year period and the cash flows beyond that has been projected based on the long term forecast.

The following key assumptions were used for performing the valuation:

- Tariff post PPA period of 15 years.
- A pre-tax discount rate of 6.64 % was applied;

## Notes to the Standalone Financial Statements

### 8. Trade Receivables

(Unsecured unless otherwise stated)

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
<b>Non-current</b>		
Considered Good (Refer Note 39a.)	Nil	185.76
<b>Total</b>	<b>Nil</b>	<b>185.76</b>
<b>Current</b>		
Considered Good - Secured (Refer Note below)	234.48	216.72
Considered Good	886.82	1,059.18
Credit Impaired	30.09	27.29
	<b>1,151.39</b>	<b>1,303.19</b>
Less: Allowance for Doubtful Trade Receivables	42.71	46.75
<b>Total</b>	<b>1,108.68</b>	<b>1,256.44</b>

Note:

Company holds security deposits of ₹ 234.48 crore (31st March, 2019 - ₹ 216.72 crore) in respect of electricity receivables.

#### 8.1 Trade Receivables

As at 31<sup>st</sup> March, 2020, ₹ 639.18 crore (31st March, 2019 - ₹ 900.14 crore) is due from Brihanmumbai Electricity Supply & Transport Undertaking, Maharashtra State Electricity Transmission Company Ltd., Tamil Nadu Generation and Distribution Corporation and Tata Steel Ltd. which represents customers owing more than 5% of the total balance of trade receivables.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The expected credit loss allowance is not calculated on non current trade receivable on account of dispute. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Ageing of Receivables	Expected Credit Loss (%)	
	As at 31st March, 2020	As at 31st March, 2019
Within the credit period	0.00%	0.10%
1-90 days past due	0.03%	0.11%
91-182 days past due	0.10%	0.99%
More than 182 days past due	5.92%	9.30%

Age of Receivables	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
Within the credit period	550.31	734.72
1-90 days past due	340.41	343.87
91-182 days past due	50.04	30.61
More than 182 days past due	210.63	193.99

Movement in the allowance for doubtful trade receivables	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
Balance at the beginning of the year	46.75	36.66
Add: Expected credit loss allowance on trade receivables calculated at lifetime expected credit losses for the year	(4.04)	21.63
Less: Transferred to Assets Classified as Held For Sale (Refer Note 18a.)	Nil	(11.54)
<b>Balance at the end of the year</b>	<b>42.71</b>	<b>46.75</b>

The concentration of credit risk is very limited due to the fact that the large customers are mainly government entities and remaining customer base is large and widely dispersed and secured with security deposit

## 9. Loans

(Unsecured unless otherwise stated)

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
<b>Non-current - At Amortised Cost</b>		
<b>(i) Security Deposits</b>		
Considered Good	36.59	45.42
Credit Impaired	30.16	27.44
	<b>66.75</b>	<b>72.86</b>
<i>Less: Allowance for Doubtful Deposits</i>	30.16	27.44
	<b>36.59</b>	<b>45.42</b>
<b>(ii) Loans to Related Parties (Refer Note 41)</b>		
Considered Good	Nil	Nil *
Credit Impaired	55.66	55.52
	<b>55.66</b>	<b>55.52</b>
<i>Less: Allowance for Doubtful Loans</i>	55.66	55.52
	<b>Nil</b>	<b>Nil</b>
<b>(iii) Other Loans</b>		
Loans to Employees		
Considered Good	5.51	5.93
<b>Total</b>	<b>42.10</b>	<b>51.35</b>
<b>Current - At Amortised Cost</b>		
<b>(i) Security Deposits</b>		
Considered Good	3.47	1.08
	<b>3.47</b>	<b>1.08</b>
<b>(ii) Loans to Related Parties (Refer Note 41)</b>		
Considered Good	546.62	118.12
Credit Impaired	12.00	10.84
	<b>558.62</b>	<b>128.96</b>
<i>Less: Allowance for Doubtful Loans</i>	12.00	10.84
	<b>546.62</b>	<b>118.12</b>
<b>Total</b>	<b>550.09</b>	<b>119.20</b>

\* Reclassified as Held for Sale. (Refer Note 18a.)

## Notes to the Standalone Financial Statements

### 9. Loans (Contd.)

Disclosure under Regulation 53(f) and 34(3) read together with paragraph A Schedule V of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Loans and advances in the nature of loans given to Subsidiaries, Joint Ventures and Associates:

Name of the Company	Relationship	₹ crore			
		Amount Outstanding as at the year end		Maximum Principal Amount Outstanding during the year (excluding interest accrued)	
		31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019
Tata Power Renewable Energy Ltd.	Subsidiary	450.00	Nil	450.00	245.00
Coastal Gujarat Power Ltd.	Subsidiary	Nil	53.00	252.00	419.49
Maithon Power Ltd.	Subsidiary	Nil	Nil	200.00	47.04
Tata Power Jamshedpur Distribution Ltd. \$	Subsidiary	Nil	Nil	Nil	1.24
TCL Ceramics Ltd. (formerly Tata Ceramics Ltd.) \$	Subsidiary	12.00	10.84	17.69	10.84
TP Ajmer Distribution Ltd.	Subsidiary	95.00	25.00	190.00	25.00
Mandakini Coal Company Ltd. \$	Joint Venture	54.39	54.25	54.39	54.25
Nelito Systems Ltd. \$	Associate	1.27	1.27	1.27	1.27
Indo Rama Renewables Jath Ltd.	Subsidiary	Nil	Nil	Nil	35.00
TP Renewable Microgrid Ltd. (formerly Industrial Power Utility Ltd.)	Subsidiary	1.55	0.05	1.55	0.05
Walwhan Solar MP Ltd.	Subsidiary	Nil	10.00	15.09	10.00
Welspun Renewable Energy Pvt Ltd.	Subsidiary	Nil	30.00	200.00	30.00
Tata Power Green Energy Ltd.	Subsidiary	0.07	0.07	0.07	0.07
Tata Power Trading Company Ltd.	Subsidiary	Nil	Nil	80.00	100.00
Powerlinks Transmission Ltd.	Joint Venture	Nil	Nil	1.00	0.10
Walwhan Solar TN Ltd.	Subsidiary	Nil	Nil	81.00	165.00
Tata Power Solar Systems Ltd.	Subsidiary	Nil	Nil	100.00	Nil
Prayagraj Power Generation Company Ltd.	Joint Venture	Nil	Nil	13.43	Nil
Yashmun Engineers Ltd.	Associate	Nil	Nil	Nil	1.00
		<b>614.28</b>	<b>184.48</b>		
Itezhi Tezhi Power Corporation #	Joint Venture	18.59	16.51	18.59	15.56
<b>Total</b>		<b>632.87</b>	<b>200.99</b>		

Notes:

\$ Provided for.

# Reclassified as held for sale (including interest accrued).

## 10. Finance Lease Receivable - At Amortised Cost

(Unsecured unless otherwise stated)

### Accounting Policy

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating lease. Amount due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term.

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
Finance Lease Receivable - Non-current	553.03	554.27
Finance Lease Receivable - Current	31.89	37.58
<b>Total</b>	<b>584.92</b>	<b>591.85</b>

### 10.1 Leasing Arrangements

The Company has entered into Power Purchase Agreements (PPA) with a customer for its assets located at Jojobera. The assets relate to 30 years of take or pay agreements with the customer to supply electricity at a fixed plus variable charge. The customer, during the term of the PPAs has a right to purchase the assets and at the end of the contract is obligated to purchase the same on the basis of the valuation to be determined as per the PPAs. The Company has recognised an amount of ₹ 88.91 crore (31<sup>st</sup> March, 2019 - ₹ 86.70 crore) as income for finance lease during the year ended 31<sup>st</sup> March, 2020.

### 10.2 Amount receivable under Finance Lease

	Minimum Lease Payments as at 31st March, 2020	Minimum Lease Payments as at 31st March, 2019
	₹ crore	
Less than a year	111.96	108.64
One to two years	108.66	105.97
Two to three years	107.66	105.26
Three to four years	106.57	104.42
Four to five years	105.57	103.47
<b>Total (A)</b>	<b>540.42</b>	<b>527.76</b>
More than five years (B)	630.10	716.24
<b>Total (A +B)</b>	<b>1,170.52</b>	<b>1,244.00</b>
Unearned finance income	585.60	652.15
<b>Present Value of Minimum Lease Payments Receivable</b>	<b>584.92</b>	<b>591.85</b>

### Lessor - Operating Lease

The Company has entered into operating leases for its certain building, plant and machinery and other equipment. These typically have lease terms of between 1 and 10 years. The Company has recognized an amount of ₹ 11.16 crore (31<sup>st</sup> March, 2019 - ₹ 16.16 crore) as rental income for operating lease during the year ended 31<sup>st</sup> March, 2020.

## Notes to the Standalone Financial Statements

### 11. Other Financial Assets - At Amortised Cost

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>Non-current</b>		
<b>(i) Accruals</b>		
Doubtful		
Interest Accrued on Loans to Related Parties	1.24	1.24
	<b>1.24</b>	<b>1.24</b>
Less: Allowance for Doubtful Interest	1.24	1.24
	<b>Nil</b>	<b>Nil</b>
<b>(ii) Others</b>		
Unsecured, considered good		
Advance towards Equity (Refer Note 1 below)	178.50	Nil
Balances with Banks:		
In Deposit Accounts (with remaining maturity of more than twelve months) (Refer Note 2 below)	3.14	2.89
Other Advances	41.13	Nil
<b>Total</b>	<b>222.77</b>	<b>2.89</b>

Notes:

- Odisha Electricity Regulatory Commission ('OERC') had issued a request for proposal (RFP) for sale of controlling interest in distribution business of Central Electricity Supply Utility of Orissa. The Company had bid for it and has been identified as the successful bidder. As per the requirement of RFP, the Company has deposited ₹ 178.50 crore with OERC. Pending vesting order for the completion of sale, the amount deposited is disclosed as non-current financial assets and will be converted to equity after passing of the vesting order by OERC.
- Balances with Banks held as Margin Money Deposits against Guarantees.

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>Current</b>		
<b>(i) Accruals</b>		
Unsecured, considered good		
Interest Accrued on Inter-corporate/Bank Deposits	0.50	0.39
Interest Accrued on Investments	3.51	6.69
Interest Accrued on Finance Lease Receivable	6.85	6.96
Interest Accrued on Loans to Related Parties	3.09	0.19
Doubtful		
Interest Accrued on Loans to Related Parties	0.55	0.32
Interest Accrued on Inter-corporate Deposits	1.40	1.40
	<b>15.90</b>	<b>15.95</b>
Less: Allowance for Doubtful Interest	1.95	1.72
	<b>13.95</b>	<b>14.23</b>
<b>(ii) Others</b>		
Unsecured, considered good		
Recoverable from Consumers	221.45	Nil
Dividend Receivable	Nil	81.16
Other Receivables	0.18	0.67
	<b>221.63</b>	<b>81.83</b>
<b>Total</b>	<b>235.58</b>	<b>96.06</b>

## 12. Non-current Tax Assets

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
Advance Income-tax (Net)	135.00	68.65
<b>Total</b>	<b>135.00</b>	<b>68.65</b>

## 13. Other Assets

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
<b>Non-current</b>		
<b>(i) Capital Advances</b>		
Unsecured, considered good	5.06	17.56
Doubtful	0.12	0.12
	<b>5.18</b>	<b>17.68</b>
<i>Less: Allowance for Doubtful Advances</i>	0.12	0.12
	<b>5.06</b>	<b>17.56</b>
<b>(ii) Security Deposits</b>		
Unsecured, considered good	Nil	227.00
<b>(iii) Balances with Government Authorities</b>		
Unsecured, considered good		
Advances	0.90	50.10
Amount Paid Under Protest	16.22	16.22
VAT/Sales Tax Receivable	25.73	58.05
	<b>42.85</b>	<b>124.37</b>
<b>(iv) Unamortised Premium for Leasehold Land</b>		
Unsecured, considered good	Nil	202.39
<b>(v) Others</b>		
Unsecured, considered good		
Prepaid Expenses	0.89	0.99
Recoverable from Consumers	960.84	404.79
Doubtful	Nil	0.93
	<b>961.73</b>	<b>406.71</b>
<i>Less: Allowance for Doubtful Advances</i>	Nil	0.93
	<b>961.73</b>	<b>405.78</b>
<b>Total</b>	<b>1,009.64</b>	<b>977.10</b>

## Notes to the Standalone Financial Statements

### 13. Other Assets (Contd.)

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>Current</b>		
<b>(i) Balances with Government Authorities</b>		
Unsecured, considered good		
Advances	4.86	12.36
VAT/Sales Tax Receivable	Nil	3.69
Doubtful	0.46	Nil
	<b>5.32</b>	<b>16.05</b>
<i>Less: Allowance for Doubtful Advances</i>	0.46	Nil
	<b>4.86</b>	<b>16.05</b>
<b>(ii) Unamortised Premium for Leasehold Land</b>		
Unsecured, considered good	Nil	3.24
<b>(iii) Others</b>		
Unsecured, considered good		
Prepaid Expenses	38.58	22.67
Recoverable from Consumers	Nil	787.00
Advances to Vendors	102.07	122.53
Other Advances	0.75	0.62
Doubtful	0.13	0.13
	<b>141.53</b>	<b>932.95</b>
<i>Less: Allowance for Doubtful Advances</i>	0.13	0.13
	<b>141.40</b>	<b>932.82</b>
<b>Total</b>	<b>146.26</b>	<b>952.11</b>

## 14. Inventories

### Accounting Policy

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on moving weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Cost of inventory includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Unserviceable/damaged stores and spares are identified and written down based on technical evaluation.

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>Inventories</b>		
<b>(a) Fuel</b>	289.75	253.44
Fuel-in-Transit	60.62	56.97
<b>(b) Stores and Spares (Refer Note 2 below)</b>	133.80	149.19
<b>(c) Loose Tools</b>	0.27	0.35
<b>(d) Others</b>		
Property Under Development	150.57	119.56
<b>Total</b>	<b>635.01</b>	<b>579.51</b>

Notes:

1. Refer Note 22 for Inventories pledged as security for liabilities.
2. During the year ended 31st March, 2020, the Company has recognised ₹ 6.83 crore (31st March, 2019 - ₹ Nil) as an expense for the write down of unserviceable stores and spares inventory.

## 15. Current Investments

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>Investments carried at Amortised Cost</b>		
<b>Deferred Taxation Liability Fund Investments</b>		
Government Securities (Unquoted)	Nil	42.00
<b>Investments carried at Fair Value through Profit and Loss</b>		
Mutual Funds (Unquoted)	20.00	Nil
<b>Total</b>	<b>20.00</b>	<b>42.00</b>

Note:

Aggregate Carrying Value of Unquoted Investments.	20.00	42.00
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## Notes to the Standalone Financial Statements

### 16. Cash and Cash Equivalents - At Amortised Cost

#### Accounting Policy

Cash and cash equivalents in the balance sheet comprise cash at banks and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents include balances with banks which are unrestricted for withdrawal and usage.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash at banks and short-term deposits, as defined above, net of outstanding bank overdraft as they are considered an integral part of the Company's cash management.

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
(i) Balances with Banks:		
In Current Accounts	158.54	75.94
<b>Cash and Cash Equivalents as per Balance Sheet</b>	<b>158.54</b>	<b>75.94</b>
Bank Overdraft attributable to Continuing Operations (Refer Note 28)	(1.05)	(2.19)
<b>Cash and Cash Equivalents as per Statement of Cash Flows - Continuing Operations</b>	<b>157.49</b>	<b>73.75</b>
(ii) Balances with Banks:		
In Current Accounts	7.62	6.13
Book Overdraft	(0.02)	(0.02)
<b>Cash and Cash Equivalents as per Statement of Cash Flows - Discontinued Operations</b>	<b>7.60</b>	<b>6.11</b>
<b>Cash and Cash Equivalents as per Statement of Cash Flows</b>	<b>165.09</b>	<b>79.86</b>

#### Reconciliation of Liabilities from Financing Activities

Particulars	As at 1st April, 2019	Cash flows		Reclassified as part of Discontinued Operations	Non-cash Transactions	₹ crore
		Proceeds	Repayment			As at 31st March, 2020
Non-current Borrowings (including Current Maturities of Non-current Borrowings)	10,720.72	3,403.59	(2,568.35)	28.59	4.80	11,589.35
Current Borrowings (excluding Bank Overdraft)	6,729.61	30,776.85	(31,295.20)	Nil	Nil	6,211.26
Lease liabilities (Refer Note 3.11.1)	225.00	Nil	(11.78)	Nil	65.63	278.85
<b>Total</b>	<b>17,675.33</b>	<b>34,180.44</b>	<b>(33,875.33)</b>	<b>28.59</b>	<b>70.43</b>	<b>18,079.46</b>
						₹ crore
Particulars	As at 1st April, 2018	Cash flows		Reclassified as part of Discontinued Operations	Non-cash Transactions	As at
		Proceeds	Repayment			31st March, 2019
Non-current Borrowings (including Current Maturities of Non-current Borrowings)	12,244.97	3,337.09	(4,729.41)	(135.48)	3.55	10,720.72
Current Borrowings (excluding Bank Overdraft)	4,231.02	22,729.91	(20,231.28)	Nil	(0.04)	6,729.61
Lease liabilities	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total</b>	<b>16,475.99</b>	<b>26,067.00</b>	<b>(24,960.69)</b>	<b>(135.48)</b>	<b>3.51</b>	<b>17,450.33</b>

## 17. Other Balances with Banks - At Amortised Cost

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
(a) In Deposit Accounts (Refer Note below)	2.00	2.00
(b) In Earmarked Accounts-		
Unpaid Dividend Account	18.40	17.85
<b>Total</b>	<b>20.40</b>	<b>19.85</b>

**Note:**

Balances with banks held as margin money deposits against guarantees.

## 18a. Assets Classified as Held For Sale

### Accounting Policy

Non-current assets or disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset or disposal group and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. As at each balance sheet date, the management reviews the appropriateness of such classification.

Non-current assets or disposal group classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss. Additional disclosures are provided hereunder. All other notes to the Standalone Ind AS financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
Land (Refer Note (i) below)	301.66	309.99
Building and Plant and Equipment (Refer Note (i) and (v) below)	8.67	14.30
Investments carried at Fair Value through Other Comprehensive Income	22.81	38.65
Investments carried at Cost in Associates and Joint Ventures [Refer Note (ii) and (iii) below and 7(8)]	275.75	360.76
Loans and other receivables from Joint Venture (Refer Note (ii) below)	22.74	18.59
Transmission Lines - Capital Work in Progress (Refer Note (iv) below)	127.70	Nil
Assets of Discontinued Operations (Refer Note 18c.)	1,880.07	2,064.30
<b>Total</b>	<b>2,639.40</b>	<b>2,806.59</b>

**Notes:**

- (i) During the year, the Company has reclassified following assets from held for sale to Property, Plant and Equipment :
- (a) Building at Erangal ₹ 0.23 crore.
  - (b) Oil Tankage unit at Trombay (Land ₹ 0.04 crore, Building and Plant and Equipment ₹ 4.68 crore).
- During the year, the Company has classified Helicopter (Book Value ₹ 0.17 crore) from Property, Plant and Equipment to held for sale.

## Notes to the Standalone Financial Statements

### 18a. Assets Classified as Held For Sale

During the previous year the Company, has decided to sell/transfer following land and consequently classified as assets held for sale:

- Land at Hadapsar ₹ 0.08 crore.
- Land at Dehrand ₹ 215.56 crore.
- Land at Oil Tankage Unit, Trombay (CTTL) ₹ 0.04 crore.

During the previous year, land at Belgaum (Book value - ₹ 2.90 crore) has also been disposed off.

During the previous year the Company, had decided to sell/transfer following buildings and consequently classified as assets held for sale:

- Building at Erangal ₹ 0.23 crore.
  - Building at Panvel ₹ 0.48 crore.
  - Building at Peninsula ₹ 8.02 crore.
  - Building at Metropolitan ₹ Nil.
  - Building at Oil Tankage Unit, Trombay (CTTL) ₹ 0.13 crore.
- (ii) During the previous year, the Company decided to divest its investments in Itezhi Tezhi Power Corporation ('ITPC') of ₹ 275.75 crore along with loans and other receivables amounting to ₹ 22.74 crore. Accordingly, the said investments along with loans and other receivables have been classified as held for sale.
- (iii) During the previous year, the Company sold investments in Panatone Finvest Ltd. (₹ 600.00 crore) and Tata Communications Ltd. (₹ 343.81 crore) (Associate Companies) at the sale value of ₹ 1,542.62 crore and ₹ 614.18 crore respectively, which were classified as Assets Held for Sale. The resultant gain on sale of investments of ₹ 942.62 crore and ₹ 270.37 crore respectively, has been disclosed as an exceptional items in the statement of profit and loss.
- (iv) Maharashtra Electricity Regulatory Commission ('MERC') has ordered termination of Vikhroli Transmission Lines project carried out by the Company and decided to invite fresh bids for completion of the project. MERC has also ordered that cost incurred by the Company shall be reimbursed by the successful bidder. Accordingly, the Company reclassified the said project as held for sale.
- (v) During the year, the Company sold Metropolitan building at the sale value of ₹ 13.90 crore (Book Value ₹ 0.89 crore) which was classified as held for sale. The resultant gain on sale of land of ₹ 13.01 crore has been disclosed in the Statement of Profit and Loss.

### 18b. Liabilities directly associated with Assets Classified as Held For Sale

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
Liabilities of Discontinued Operations (Refer Note 18c.)	1,032.07	966.27
Other Liabilities	4.25	Nil
<b>Total</b>	<b>1,036.32</b>	<b>966.27</b>

### 18c. Assets Classified as Held For Sale - Discontinued Operations

During the earlier year, the Company approved sale of its Strategic Engineering Division (SED) to Tata Advanced Systems Ltd. (TASL) [a wholly owned subsidiary of Tata Sons Pvt. Ltd.] as a going concern on slump sale basis, subject to regulatory approvals at an enterprise value of ₹ 2,230 crore (out of which ₹ 1,040 crore payable at the time of closing and ₹ 1,190 crore payable on achieving certain milestones). Accordingly, defence business segment is presented as discontinued operations in the segment note. The date of completion of the transaction is subject to approval by National Company Law Tribunal (NCLT) and such other requisite approvals.

**Results of Strategic Engineering Division for the year are presented below**

Particulars	For the year ended 31st March, 2020 ₹ crore	For the year ended 31st March, 2019 ₹ crore
<b>Income</b>		
Revenue from Operations	343.77	143.59
<b>Expenditure</b>		
Cost of Components Consumed	244.22	138.10
Employee Benefits Expense	90.04	110.85
Finance Costs	36.15	36.33
Other Expenses	55.00	50.13
<b>Total Expenses</b>	<b>425.41</b>	<b>335.41</b>
<b>Profit/(Loss) before tax from Discontinued Operations</b>	<b>(81.64)</b>	<b>(191.82)</b>

## 18c. Assets Classified as Held For Sale - Discontinued Operations (Contd.)

Particulars	For the year ended	For the year ended
	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
<b>Impairment Loss on Remeasurement of Fair Value (Refer Note below)</b>	<b>(361.00)</b>	<b>Nil</b>
<b>Tax Expense/(Income)</b>		
Current Tax/(Credit)	Nil	(71.92)
Deferred Tax	(32.41)	5.94
	<b>(32.41)</b>	<b>(65.98)</b>
<b>Profit/(Loss) after tax from Discontinued Operations</b>	<b>(410.23)</b>	<b>(125.84)</b>
Other Comprehensive Income/(Expense)	0.20	(1.14)
Tax on Other Comprehensive Income	Nil	0.40
<b>Total Comprehensive Income/(Expense)</b>	<b>(410.03)</b>	<b>(126.58)</b>

**Major classes of Assets and Liabilities of Strategic Engineering Division classified as held for sale as at 31st March, 2020 are as follows:**

Particulars	As at	As at
	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
<b>Assets</b>		
Property, Plant and Equipment	382.27	302.06
Capital Work-in-Progress	422.58	418.75
Other Intangible Assets	124.13	123.42
Intangible Assets Under Development	356.71	347.10
Non-current Financial Assets	3.68	3.66
Other Non-current Assets	35.40	74.66
<b>Current Assets</b>		
Inventories	83.30	104.15
Current Financial Assets	663.67	261.96
Other Current Assets	169.33	428.54
<b>Assets Classified as Held For Sale</b>	<b>2,241.07</b>	<b>2,064.30</b>
Impairment Loss on Remeasurement of Fair Value	(361.00)	Nil
<b>Total Assets Classified as Held For Sale</b>	<b>1,880.07</b>	<b>2,064.30</b>
<b>Liabilities</b>		
<b>Non-current Liabilities</b>		
Financial Liabilities	594.76	679.31
Provisions	27.68	30.22
<b>Current Liabilities</b>		
Financial Liabilities	258.99	190.00
Provisions	9.76	17.91
Other Current Liabilities	140.88	48.83
<b>Total Liabilities directly associated with Assets Classified as Held For Sale</b>	<b>1,032.07</b>	<b>966.27</b>
<b>Net Assets directly associated with Discontinued Operations</b>	<b>848.00</b>	<b>1,098.03</b>

Note:

During the year, the Company has reassessed the fair value of consideration receivable from TASL and has recognised an impairment loss of ₹ 361.00 crore in the Standalone Ind AS financial statements. The fair value on consideration has been determined based on the expected value of the consideration using discounted present value technique. The fair value has been categorised under Level 3 inputs, the key assumption being achievement/non achievement of milestones as defined in the scheme of arrangement.

## Notes to the Standalone Financial Statements

### 18c. Assets Classified as Held For Sale - Discontinued Operations (Contd.)

Net cash flows attributable to Strategic Engineering Division are as follows:

Particulars	For the year ended	For the year ended
	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
Net Cash Flow from/(used in) Operating Activities	127.80	18.67
Net Cash Flow from/(used in) Investing Activities	(44.99)	(87.35)
Net Cash Flow from/(used in) Financing Activities	(81.32)	72.95
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>1.49</b>	<b>4.27</b>
<b>Cash and Cash Equivalents as at 1st April (Opening Balance)</b>	<b>6.11</b>	<b>1.84</b>
<b>Cash and Cash Equivalents as at 31st March (Closing Balance)</b>	<b>7.60</b>	<b>6.11</b>

1. During the year, the Company has incurred Research and Development expenditure including capital expenditure amounting to ₹ 10.02 crore (31st March, 2019 - ₹ 43.62 crore).
2. Estimated amount of Contracts remaining to be executed on capital account and not provided for is ₹ 66.22 crore (31st March, 2019 - ₹ 55.57 crore).
3. Contingent Liability of excise duty amounts to ₹ 14.28 crore (31st March, 2019 - ₹ 14.28 crore).

### 19. Regulatory Deferral Account

#### Accounting Policy

The Company determines revenue gaps (i.e. surplus/shortfall in actual returns over returns entitled) in respect of its regulated operations in accordance with the provisions of Ind AS 114 - 'Regulatory Deferral Accounts' read with the Guidance Note on Rate Regulated Activities issued by The Institute of Chartered Accountants of India (ICAI) and based on the principles laid down under the relevant Tariff Regulations/Tariff Orders notified by the Electricity Regulator and the actual or expected actions of the regulator under the applicable regulatory framework. Appropriate adjustments in respect of such revenue gaps are made in the regulatory deferral account of the respective year for the amounts which are reasonably determinable and no significant uncertainty exists in such determination. These adjustments/accruals representing revenue gaps are carried forward as Regulatory deferral accounts debit/credit balances (Regulatory Assets/Regulatory Liabilities) as the case may be in the Standalone Ind AS financial statements, which would be recovered/refunded through future billing based on future tariff determination by the regulator in accordance with the electricity regulations. The Company presents separate line items in the balance sheet for:

- i. the total of all regulatory deferral account debit balances and related deferred tax balances; and
- ii. the total of all regulatory deferral account credit balances and related deferred tax balances.

A separate line item is presented in the Statement of Profit and Loss for the net movement in regulatory deferral account.

	As at	As at
	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
<b>Regulatory Deferral Account - Liability - Current</b>		
Regulatory Liabilities	Nil	Nil
<b>Regulatory Deferral Account - Assets - Non-current</b>		
Regulatory Assets	258.32	999.00
<b>Net Regulatory Assets/(Liabilities)</b>	<b>258.32</b>	<b>999.00</b>

#### Rate Regulated Activities

- (i) As per the Ind AS-114 'Regulatory Deferral Accounts', the business of electricity distribution is a Rate Regulated activity wherein Maharashtra Electricity Regulatory Commission ('MERC'), the regulator determines Tariff to be charged from consumers based on prevailing regulations in place.

MERC Multi Year Tariff Regulations, 2015 ('MYT Regulations'), is applicable for the period beginning from 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2020. These regulations require MERC to determine tariff in a manner wherein the Company can recover its fixed and variable costs including assured rate of return on approved equity base, from its consumers. The Company determines the Revenue, Regulatory Assets and Liabilities as per the terms and conditions specified in MYT Regulations.

## 19. Regulatory Deferral Account (Contd.)

(ii) Reconciliation of Regulatory Assets/Liabilities of distribution business as per Rate Regulated Activities is as follows:

		As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
Opening Regulatory Assets (Net of Liabilities)	(A)	999.00	1,310.19
Regulatory Income/(Expenses) during the year			
(i) Power Purchase Cost		2,212.00	2,282.00
(ii) Other expenses as per the terms of Tariff Regulations including Return On Equity		779.00	901.00
(iii) Collected during the year as per approved Tariff		(3,460.00)	(3,382.00)
(iv) Amount Collected in respect of earlier years (Net)		(323.24)	(320.03)
Net Movement in Regulatory Deferral Balances (i + ii + iii + iv)	(B)	<b>(792.24)</b>	<b>(519.03)</b>
Regulatory Assets/(Liabilities) on carrying cost recognised as revenue	(C)	24.00	29.15
Recovery from Company's Generation Business	(D)	(15.28)	(193.76)
Net Movement in Regulatory Deferral Balances in respect of earlier years (Refer Note below)	(E)	(21.32)	274.26
Regulatory Assets/(Liabilities) on Deferred Tax Expense/(Income)	(F)	162.16	98.19
Regulatory Assets/(Liabilities) on Deferred Tax Expense/(Income) on account of New Tax Regime (Refer Note 35)	(G)	(98.00)	Nil
Closing Regulatory Assets (Net of Liabilities)	(A + B + C + D + E + F + G)	<b>258.32</b>	<b>999.00</b>

Note:

Pursuant to receipt of true-up tariff order from the Regulatory Commission for the years 2017-18 and 2018-19 (31st March, 2019 - 2014-15 to 2016-17), the Company had recognised net expenditure of ₹ 15.83 crore (31st March, 2019 net income of ₹ 91.95 crore) comprising of a credit of ₹ 5.49 crore (31st March, 2019 - ₹ 274.26 crore) in regulatory income and a charge of ₹ 21.32 crore (31st March, 2019 - ₹ 182.31 crore) to revenue from operations.

## 20a. Share Capital

	As at 31st March, 2020		As at 31st March, 2019	
	Number	₹ crore	Number	₹ crore
<b>Authorised</b>				
Equity Shares of ₹ 1/- each	350,00,00,000	350.00	350,00,00,000	350.00
Cumulative Redeemable Preference Shares of ₹ 100/- each	2,29,00,000	229.00	2,29,00,000	229.00
		<b>579.00</b>		<b>579.00</b>
<b>Issued</b>				
Equity Shares [including 28,32,060 shares (31st March, 2019 - 28,32,060 shares) not allotted but held in abeyance, 44,02,700 shares cancelled pursuant to a Court Order and 4,80,40,400 shares of the Company held by the erstwhile The Andhra Valley Power Supply Company Ltd. cancelled pursuant to the Scheme of Amalgamation sanctioned by the High Court of Judicature, Bombay]	276,17,00,970	276.17	276,17,00,970	276.17
<b>Subscribed and Paid-up</b>				
Equity Shares fully Paid-up [excluding 28,32,060 shares (31st March, 2019 - 28,32,060 shares) not allotted but held in abeyance, 44,02,700 shares cancelled pursuant to a Court Order and 4,80,40,400 shares of the Company held by the erstwhile The Andhra Valley Power Supply Company Ltd. cancelled pursuant to the Scheme of Amalgamation sanctioned by the High Court of Judicature, Bombay]	270,47,73,510	270.48	270,47,73,510	270.48
Less: Calls in arrears [including ₹ 0.01 crore (31st March, 2019 - ₹ 0.01 crore) in respect of the erstwhile The Andhra Valley Power Supply Company Ltd. and the erstwhile The Tata Hydro-Electric Power Supply Company Ltd.]		0.04		0.04
		<b>270.44</b>		<b>270.44</b>
Add: Equity Shares forfeited - Amount paid	16,52,300	0.06	16,52,300	0.06
<b>Total Subscribed and Paid-up Share Capital</b>		<b>270.50</b>		<b>270.50</b>

## Notes to the Standalone Financial Statements

### 20a. Share Capital (Contd.)

#### (i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

	As at 31st March, 2020		As at 31st March, 2019	
	Number	₹ crore	Number	₹ crore
<b>Equity Shares</b>				
At the beginning of the year	270,64,25,810	270.50	270,64,25,810	270.50
Issued during the year	Nil	Nil	Nil	Nil
Outstanding at the end of the year	270,64,25,810	270.50	270,64,25,810	270.50

#### (ii) Terms/rights attached to Equity Shares

The Company has issued only one class of Equity Shares having a par value of ₹ 1/- per share. Each holder of Equity Shares is entitled to one vote per share. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

#### (iii) Details of shareholders holding more than 5% shares in the Company

	As at 31st March, 2020		As at 31st March, 2019	
	Number	% Holding	Number	% Holding
<b>Equity Shares of ₹ 1/- each fully paid</b>				
Tata Sons Pvt. Ltd.	95,39,46,984	35.27	83,97,99,682	31.05
Life Insurance Corporation of India	17,15,81,237	6.34	20,97,31,735	7.75
ICICI Prudential Bharat Consumption Funds *	21,83,11,309	8.07	11,38,29,237	4.21
Matthews Pacific Tiger Fund	18,03,16,487	6.67	18,03,16,487	6.67

\* Shareholding has been reported based on common Permanent Account Number

### 20b. Unsecured Perpetual Securities

	As at	As at
	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
11.40% Unsecured Perpetual Securities	1,500.00	1,500.00
Add: Movement during the year	Nil	Nil
<b>Total</b>	<b>1,500.00</b>	<b>1,500.00</b>

In an earlier year, the Company raised ₹ 1,500 crore through issue of Unsecured Perpetual Securities (the "Securities"). These Securities are perpetual in nature with no maturity or redemption and are callable only at the option of the Company. The distribution on these Securities are 11.40% with a step up provision if the Securities are not called after 10 years. The distribution on the Securities may be deferred at the option of the Company, if during the six months preceding the relevant distribution payment date, the Company has made no payment on, or redeemed or repurchased, any securities ranking *pari passu* with, or junior to the instrument. As these Securities are perpetual in nature and ranked senior only to the Share Capital of the Company and the Company does not have any redemption obligation, these are considered to be in the nature of equity instruments.

## 21. Other Equity

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
General Reserve	3,853.98	3,853.98
Securities Premium	5,634.98	5,634.98
Capital Redemption Reserve	1.85	1.85
Capital Reserves	61.66	61.66
Statutory Reserve	660.08	660.08
<b>Debenture Redemption Reserve</b>		
Opening Balance	421.95	1,000.61
Add/(Less): Amount transferred from/(to) Retained Earnings (Net)	(125.00)	(578.66)
Closing Balance	<b>296.95</b>	<b>421.95</b>
<b>Retained Earnings (Refer Note 1 below)</b>		
Opening Balance	2,954.12	1,878.99
Add/(Less): Profit/(Loss) for the year (Refer Note 3.11.2)	148.12	1,768.70
Transfer from Debenture Redemption Reserve (Net)	125.00	578.66
Transfer from Equity Instrument through Other Comprehensive Income (Refer Note 3 below)	356.25	(735.49)
Other Comprehensive Income/(Expense) arising from Remeasurement of Defined Benefit Obligation (Net of Tax)	(33.42)	(13.75)
Payment of Dividend (Refer Note 2 below)	(351.99)	(351.99)
Distribution on Unsecured Perpetual Securities (Refer Note 3.11.2)	(171.00)	(171.00)
	<b>72.96</b>	<b>1,075.13</b>
Closing Balance	<b>3,027.08</b>	<b>2,954.12</b>
<b>Equity Instruments through Other Comprehensive Income</b>		
Opening Balance	330.48	(374.12)
Add/(Less): Transfer to Retained Earnings (Refer Note 3 below)	(356.25)	735.49
Change in Fair Value of Equity Instruments through Other Comprehensive Income	(3.50)	0.17
Change in Fair Value of Equity Instruments classified as held for sale	(15.84)	(31.05)
Gain on sale of Investment classified at Fair Value through other Comprehensive Income	Nil	0.01
Deferred Tax	Nil	(0.02)
Closing Balance	<b>(45.11)</b>	<b>330.48</b>
<b>Total</b>	<b>13,491.47</b>	<b>13,919.10</b>

### Notes:

- Includes gain on fair valuation of land which is not available for distribution ₹ 222.31 crore (31st March, 2019 - ₹ 222.31 crore).
- The shareholders of the Company in their meeting held on 18th June, 2019 approved final dividend of ₹1.30 per share aggregating ₹ 351.99 crore (excluding dividend distribution tax) for the financial year 2018-19. The said dividend was paid to the holders of fully paid equity shares on 20th June, 2019.
- Represents gain/(loss) on sale of certain investments carried at fair value through other comprehensive income transferred to Retained Earnings.
- In respect of the year ended 31st March, 2020, the directors have proposed a dividend of ₹ 1.55 per share (31st March, 2019 - ₹ 1.30 per share) to be paid on fully paid shares. This equity dividend is subject to approval at the annual general meeting and has not been included as a liability in the Standalone Ind AS financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 419.68 crore (31st March, 2019 - ₹ 351.99 crore).

## Notes to the Standalone Financial Statements

### 21. Other Equity (Contd.)

#### Nature and purpose of reserves:

##### General Reserve

General Reserve is used from time to time to transfer profits from Retained Earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be reclassified subsequently to statement of profit and loss.

##### Securities Premium

Securities Premium is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

##### Debenture Redemption Reserve

The Company was required to create a Debenture Redemption Reserve out of the profits which are available for payment of dividend for the purpose of redemption of debentures. Pursuant to Companies (Share Capital and Debentures) Amendment Rules, 2019 dated 16th August, 2019, the Company is not required to create Debenture Redemption Reserve (DRR). Accordingly, the Company has not created DRR during the year and DRR created till previous years will be transferred to retained earnings on redemption of debentures.

##### Capital Redemption Reserve

Capital Redemption Reserve represents amounts set aside on redemption of preference shares.

##### Capital Reserve

Capital Reserve consists of forfeiture of the amount received from Tata Sons Pvt. Ltd. on preferential allotment of convertible warrants in the Company, on the lapse of the period to exercise right to convert the said warrants and on forfeiture of amounts paid on Debentures.

##### Statutory Reserve

Statutory Reserve consists of Special Appropriation towards Project Cost, Development Reserve and Investment Allowance Reserve.

Special appropriation to project cost - Due to high capital investment required for the expansion in the electricity industry, the Maharashtra State Government permits part of the capital cost of approved projects to be collected through the electricity tariff and held as a special appropriation.

Development Reserve / Investment Allowance Reserve - Until 1978, the Companies made appropriations to a Development Reserve and an Investment Allowance Reserve as required by the Income Tax Act, 1956. New appropriations to these reserves are no longer required due to changes in Indian law.

##### Retained Earnings

Retained Earnings are the profits of the Company earned till date net of appropriations.

##### Equity Instruments through Other Comprehensive Income

This reserve represents the cumulative gains and losses arising on revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets are disposed off.

## 22. Non-current Borrowings - At Amortised Cost

	As at 31st March, 2020		As at 31st March, 2019	
	Non-current	Current* Maturities ₹ crore	Non-current	Current* Maturities ₹ crore
<b>(i) Unsecured</b>				
<b>Redeemable Non-Convertible Debentures</b>				
(a) 10.75% Series 2072	1,494.40	Nil	1,492.31	Nil
(b) 9.00% Series 2025	249.74	Nil	Nil	Nil
(c) 7.99% Series 2024	1,197.21	300.00	1,496.35	Nil
(d) 8.84% Series 2023	749.12	Nil	Nil	Nil
(e) 8.84% Series 2022	499.40	Nil	Nil	Nil
(f) 9.48% Series 2019	Nil	Nil	Nil	500.00
	<b>4,189.87</b>	<b>300.00</b>	<b>2,988.66</b>	<b>500.00</b>
<b>Term Loans from Banks</b>				
(g) ICICI Bank	223.56	337.50	523.55	150.00
(h) Axis Bank	166.58	166.67	333.06	166.67
(i) First Abu Dhabi Bank	132.54	67.00	Nil	Nil
(j) Sumitomo Mitsui Banking Corporation	199.70	100.00	Nil	Nil
	<b>722.38</b>	<b>671.17</b>	<b>856.61</b>	<b>316.67</b>
<b>Deferred Payment Liabilities</b>				
(k) Sales Tax Deferral	2.83	5.67	8.50	8.50
	<b>(A) 4,915.08</b>	<b>976.84</b>	<b>3,853.77</b>	<b>825.17</b>
<b>(ii) Secured</b>				
<b>Redeemable Non-Convertible Debentures</b>				
(a) 8.85% Series 2028	197.19	16.25	Nil	Nil
(b) 9.15% Series 2025	89.88	16.00	105.86	16.00
(c) 9.15% Series 2025	99.94	25.00	124.90	25.00
(d) 9.40% Series 2022	209.68	Nil	209.63	Nil
	<b>596.69</b>	<b>57.25</b>	<b>440.39</b>	<b>41.00</b>
<b>Term Loans from Banks</b>				
(e) HDFC Bank	1,590.27	74.37	917.81	395.00
(f) ICICI Bank	505.78	150.00	624.76	120.00
(g) Kotak Mahindra Bank	561.77	150.95	712.73	150.93
(h) State Bank of India	1,139.25	118.68	1,234.17	94.94
(i) IDFC Bank	Nil	Nil	623.44	158.75
(j) Axis Bank	516.49	226.66	333.38	166.67
	<b>4,313.56</b>	<b>720.66</b>	<b>4,446.29</b>	<b>1,086.29</b>
<b>Term Loans from Others</b>				
(k) Asian Development Bank	Nil	6.33	6.33	12.67
(l) Indian Renewable Energy Development Agency Ltd.	Nil	2.94	2.94	5.87
	<b>Nil</b>	<b>9.27</b>	<b>9.27</b>	<b>18.54</b>
	<b>(B) 4,910.25</b>	<b>787.18</b>	<b>4,895.95</b>	<b>1,145.83</b>
<b>Total</b>	<b>(A + B) 9,825.33</b>	<b>1,764.02</b>	<b>8,749.72</b>	<b>1,971.00</b>

\* Amount disclosed under Other Current Financial Liabilities (Refer Note 24)

## Notes to the Standalone Financial Statements

### 22. Non-current Borrowings (Contd.)

#### Security

- (i) The Debentures mentioned in (b) have been secured by a charge on movable properties and assets of the Company at Agaswadi and Visapur in Satara District of Maharashtra and Poolavadi in Tirupur District of Tamil Nadu.
- (ii) The Debentures mentioned in (c) have been secured by a *pari passu* charge on the assets of the wind farms situated at Samana in Gujarat, Gadag in Karnataka and immovable properties in Jamnagar, Gujarat.
- (iii) The Debentures mentioned in (d) have been secured by a charge on the land situated at Village Takve Khurd (Maharashtra) and movable fixed assets (except the Wind assets) including movable machinery, machinery spares, tools and accessories but excluding vehicles, launches and barges, present and future.
- (iv) The Loans mentioned in (a), (e), (g), (h), and (j) have been secured by *pari passu* charge on all movable Fixed Assets (excluding land and building), present and future (except assets of all wind projects both present and future) including movable machinery, machinery spares, tools and accessories, present and future, but excluding vehicles, launches and barges.
- (v) The Loans mentioned in (f) have also been secured by whole of current assets of the Company, present and future, in a first *pari passu* manner.
- (vi) The Loans mentioned in (g) is also secured by second charge on all movable fixed assets and current assets.
- (vii) The Loans from Asian Development Bank and Indian Renewable Energy Development Agency Limited mentioned in (k) and (l) respectively have been secured by a charge on the movable and immovable properties situated at Khandke, Brahmanvel and Sadawaghapur in Maharashtra including the projects' current and future receivables.

#### Terms of Repayment

Particulars	Amount Outstanding as at 31st March, 2020	Financial Year							₹ crore
		FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-30	FY 30-31 and onwards	
<b>(i) Unsecured - At Amortised Cost</b>									
<b>Redeemable Non-Convertible Debentures</b>									
(a) 10.75% Series 2072 (Refer Note 1 below)	1,500.00	-	-	-	-	-	-	-	1,500.00
(b) 9.00% Series 2025	250.00	-	-	-	-	250.00	-	-	-
(c) 7.99% Series 2024	1,500.00	300.00	300.00	300.00	300.00	300.00	-	-	-
(d) 8.84% Series 2023	750.00	-	-	750.00	-	-	-	-	-
(e) 8.84% Series 2022	500.00	-	-	500.00	-	-	-	-	-
<b>Term Loans from Banks (Refer Note 3 below)</b>									
(f) ICICI Bank	562.50	337.50	225.00	-	-	-	-	-	-
(g) Axis Bank	333.33	166.67	166.66	-	-	-	-	-	-
(h) First Abu Dhabi Bank	200.00	67.00	67.00	66.00	-	-	-	-	-
(i) Sumitomo Mitsui Banking Corporation	300.00	100.00	100.00	100.00	-	-	-	-	-
<b>Deferred Payment Liabilities</b>									
(j) Sales Tax Deferral (Refer Note 2 below)	8.50	5.67	2.83	-	-	-	-	-	-

## 22. Non-current Borrowings (Contd.)

Particulars	Amount Outstanding as at 31st March, 2020	Financial Year							₹ crore
		FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-30	FY 30-31 and onwards	
<b>(ii) Secured - At Amortised Cost</b>									
<b>Redeemable Non-Convertible Debentures</b>									
(a) 8.85% Series 2028	213.44	16.25	16.25	16.25	16.25	16.25	132.19	-	-
(b) 9.15% Series 2025	106.00	16.00	16.00	16.00	16.00	16.00	26.00	-	-
(c) 9.15% Series 2025	125.00	25.00	20.00	20.00	20.00	20.00	20.00	-	-
(d) 9.40% Series 2022	210.00	-	-	210.00	-	-	-	-	-
<b>Term Loans from Banks (Refer Note 3 below)</b>									
(e) HDFC Bank	1,667.83	74.38	140.00	140.00	140.00	140.00	717.82	315.63	-
(f) ICICI Bank	660.00	150.00	120.00	150.00	240.00	-	-	-	-
(g) Kotak Mahindra Bank	712.72	150.94	150.94	50.94	50.94	50.94	258.02	-	-
(h) State Bank of India	1,257.91	118.67	94.94	94.94	189.98	381.17	378.21	-	-
(i) Axis Bank	743.32	226.67	226.65	60.00	130.00	100.00	-	-	-
<b>Term Loans from Others (Refer Note 3 below)</b>									
(j) Asian Development Bank	6.34	6.34	-	-	-	-	-	-	-
(k) Indian Renewable Energy Development Agency Ltd.	2.93	2.93	-	-	-	-	-	-	-
	<b>11,609.82</b>	<b>1,764.02</b>	<b>1,646.27</b>	<b>2,474.13</b>	<b>1,103.17</b>	<b>1,274.36</b>	<b>1,532.24</b>	<b>1,815.63</b>	-
Less: Impact of recognition of borrowing at amortised cost using effective interest method.	20.47								
	<b>11,589.35</b>								

### Notes:

- The 10.75% Redeemable Non-Convertible Debentures are redeemable at par at the end of 60 years from the date of allotment viz. 21st August, 2072. The Company has the call option to redeem the same at the end of 10 years viz. 21st August, 2022 and at the end of every year thereafter.
- Sales Tax Deferral is repayable in 150 installments commencing from April, 2013 and repayable in full by March, 2022.
- The rate of interest for term loans from banks ranges from 7.25% to 9.25% and rate of interest for term loans from others is 9.36%.

## Notes to the Standalone Financial Statements

### 23. Lease Liabilities

#### Accounting Policy for leases from 1st April, 2019

At inception of contract, the Company assesses whether the Contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Company allocates consideration in the contract to each lease component on the basis of their relative standalone price.

#### As a Lessee

##### i) Right-of-use Assets

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Plant and Equipment - 2 years
- Leasehold land including Sub-surface rights - 2 to 25 years

The Company presents right-to-use assets that do not meet the definition of investment property in 'Property, Plant and Equipment'.

##### ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company generally uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

##### iii) Short term leases and leases of low value of assets

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

#### Leasing arrangement as Lessee

The Company has lease contracts for various items of plant, machinery, land, vehicles and other equipment used in its operations. Leases of Leasehold land including Sub-surface rights and Plant and Equipment generally have lease terms between 2 and 25 years. Generally, the Company is restricted from assigning and subleasing the leased assets.

	₹ crore
<b>Amount recognised in the Statement of Profit and Loss</b>	<b>For the year ended 31st March, 2020</b>
Depreciation of Right-of-use assets	39.78
Interest on lease liabilities	17.56
Expenses related to short term leases	29.07
Expenses related to leases of low value assets, excluding short term leases of low value assets	0.38

Refer Note 5A for additions to Right-Of-Use Assets and the carrying amount of Right-Of-Use Assets as at 31st March, 2020. Further, Refer Note 42.4.3 for maturity analysis of lease liabilities.

## 23. Lease Liabilities (Contd.)

Amount as per the Statement of Cash Flows	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2020	
Total cash outflow of leases	29.34	
	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>Non-current</b>		
(i) Lease Liabilities	237.03	Nil
<b>Total</b>	<b>237.03</b>	<b>Nil</b>
<b>Current</b>		
(i) Lease Liabilities	41.82	Nil
<b>Total</b>	<b>41.82</b>	<b>Nil</b>

## 24. Other Financial Liabilities - At Amortised Cost

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>Non-current</b>		
(a) Security Deposits from Customers	9.48	33.53
(b) Guarantee Commission Obligation	5.12	9.23
<b>Total</b>	<b>14.60</b>	<b>42.76</b>
<b>Current</b>		
(a) Current Maturities of Non-current Borrowings (Refer Note 22)	1,764.02	1,971.00
(b) Interest accrued but not due on Borrowings	202.23	189.09
(c) Interest accrued but not due on Borrowings from Related Party	Nil	0.38
(d) Investor Education and Protection Fund shall be credited by the following amounts namely: **		
Unpaid Dividend	22.56	22.01
Unpaid Matured Deposits	Nil	0.03
Unpaid Matured Debentures	0.09	0.09
(e) Other Payables		
Payables for capital supplies and services	350.18	252.33
Security deposits from electricity consumers	234.48	216.72
Security deposits from others	6.74	6.47
Financial Guarantee Obligation towards lenders of Jointly Controlled Entity [Refer Note 7(10)(b)]	Nil	103.74
Other Financial Liabilities	41.32	133.57
<b>Total</b>	<b>2,621.62</b>	<b>2,895.43</b>

\*\* Includes amounts outstanding aggregating ₹ 1.48 crore (31st March, 2019 - ₹ 1.25 crore) for more than seven years pending disputes and legal cases.

## 25. Deferred Tax Liabilities (Net)

(Refer Note 35)

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
Deferred Tax Assets	940.99	1,024.21
Deferred Tax Liabilities	1,248.24	1,607.70
<b>Net Deferred Tax Liabilities</b>	<b>307.25</b>	<b>583.49</b>

## Notes to the Standalone Financial Statements

### 26. Provisions

#### Accounting Policy

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Present obligations arising under onerous contracts are recognised and measured as provisions with charge to statement of profit and loss. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

#### Defined contribution plans

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

#### Defined benefits plans

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. Past service costs are recognised in the statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non routine settlements; and
- Net interest expense or income.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

## 26. Provisions (Contd.)

### Current and other non-current employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of current employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other non-current employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>Non-current</b>		
<b>Provision for Employee Benefits</b>		
Compensated Absences	87.99	80.71
Post-Employment Medical Benefits [Refer Note 26 (2.1) and (2.3)]	59.12	45.81
Other Defined Benefit Plans [Refer Note 26 (2.1) and (2.3)]	63.49	48.99
Other Employee Benefits	11.86	20.04
<b>Total</b>	<b>222.46</b>	<b>195.55</b>
<b>Current</b>		
<b>Provision for Employee Benefits</b>		
Compensated Absences	6.17	5.00
Post-Employment Medical Benefits [Refer Note 26 (2.1) and (2.3)]	2.09	1.80
Other Defined Benefit Plans [Refer Note 26 (2.1) and (2.3)]	53.21	6.09
Other Employee Benefits	0.55	1.85
<b>Total</b>	<b>62.02</b>	<b>14.74</b>

### Employee Benefit Plans

#### 1. Defined Contribution plan

The Company makes superannuation fund contributions to defined contribution plan for eligible employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs. The Company has no obligation, other than the contribution payable to the fund. The Company recognises contribution payable to the superannuation fund scheme as an expense, when an employee renders the related service.

The Company has recognised ₹ 9.32 crore (31<sup>st</sup> March, 2019 - ₹ 9.19 crore) for superannuation contribution in the Statement of Profit and Loss. The said amount is excluding of amounts recognised by the Strategic Engineering Division (SED) (Discontinued operations). The contribution payable to the plan by the Company is at rates specified in the rules of the scheme.

#### 2. Defined benefit plans

##### 2.1 The Company operates the following unfunded/funded defined benefit plans:

###### Funded:

###### Provident Fund

The Company makes Provident Fund contributions to defined benefit plans for eligible employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as

## Notes to the Standalone Financial Statements

### 26. Provisions (Contd.)

specified under the law are paid to the provident fund set up as a trust by the Company. The Company is generally liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contributions and shortfall, if any, as an expense in the year it is incurred. Having regard to the assets of the fund and the return on the investments, the Company expects shortfall of ₹ 10.52 crore which has been provided as an expenditure during the year.

In terms of guidance note issued by the Institute of Actuaries of India, the actuary has provided a valuation of Provident fund liability based on the assumptions listed and determined the short fall of ₹ 10.52 crore as at 31st March, 2020 (31st March, 2019 - ₹ 8.27 crore)

The significant assumptions used for the purpose of the actuarial valuations were as follows:

Particulars	31st March, 2020	31st March, 2019
Interest rate	8.50% p.a.	8.65% p.a.
Discount rate	6.50% p.a.	7.40% p.a.
Contribution during the year (₹ crore)	21.15	19.18
Short fall provided as expenditure for the year (₹ crore)	10.52	8.27

#### The movements in the net defined benefit obligations are as follows:

Funded Plan:	Present value of obligation	Fair value of plan assets	Net Amount
	₹ crore	₹ crore	₹ crore
<b>Balance as at 1<sup>st</sup> April, 2018</b>	<b>711.19</b>	<b>710.60</b>	<b>0.59</b>
Current service cost	20.75	Nil	20.75
Interest Cost/(Income)	57.37	50.70	6.67
<b>Amount recognised in Statement of Profit and Loss</b>	<b>78.12</b>	<b>50.70</b>	<b>27.42</b>
<u>Remeasurement (gains)/losses</u>			
Return on plan assets excluding amounts included in interest cost/(income)	Nil	10.83	(10.83)
Actuarial (gains)/losses arising from changes in demographic assumptions	Nil	Nil	Nil
Actuarial (gains)/losses arising from changes in financial assumptions	4.46	Nil	4.46
Actuarial (gains)/losses arising from experience	6.37	Nil	6.37
<b>Amount recognised in Other Comprehensive Income</b>	<b>10.83</b>	<b>10.83</b>	<b>Nil</b>
Employer contribution	Nil	19.74	(19.74)
Employee contribution	44.89	44.89	Nil
Benefits paid	(90.53)	(90.53)	Nil
Acquisitions credit/(cost)	5.81	5.81	Nil
<b>Balance as at 31<sup>st</sup> March, 2019</b>	<b>760.31</b>	<b>752.04</b>	<b>8.27</b>
<b>Balance as at 31st March, 2019</b>	<b>760.31</b>	<b>752.04</b>	<b>8.27</b>
Current service cost	22.02	Nil	22.02
Interest Cost/(Income)	56.34	57.21	(0.87)
<b>Amount recognised in Statement of Profit and Loss</b>	<b>78.36</b>	<b>57.21</b>	<b>21.15</b>
<u>Remeasurement (gains)/losses</u>			
Return on plan assets excluding amounts included in interest cost/(income)	Nil	(40.00)	40.00
Actuarial (gains)/losses arising from changes in demographic assumptions	(1.59)	Nil	(1.59)
Actuarial (gains)/losses arising from changes in financial assumptions	(3.30)	Nil	(3.30)
Actuarial (gains)/losses arising from experience	13.84	Nil	13.84

## 26. Provisions (Contd.)

Funded Plan:	Present value of obligation	Fair value of plan assets	Net Amount
	₹ crore	₹ crore	₹ crore
<b>Amount recognised in Other Comprehensive Income</b>	<b>8.95</b>	<b>(40.00)</b>	<b>48.95</b>
Employer contribution	Nil	21.13	(21.13)
Employee contribution	49.34	49.34	Nil
Benefits paid	(98.17)	(98.17)	Nil
Acquisitions credit/(cost)	8.97	8.97	Nil
<b>Balance as at 31st March, 2020</b>	<b>807.76</b>	<b>750.52</b>	<b>57.24</b>

### Gratuity

The Company has a defined benefit gratuity plan. The gratuity plan is primarily governed by the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the member's length of service and salary at the retirement date. The gratuity plan is funded plan. The fund has the form of a trust and is governed by Trustees appointed by the Company. The Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy in accordance with the regulations. The funds are deployed in recognised insurer managed funds in India.

### 2.2 The principal assumptions used for the purposes of the actuarial valuations were as follows:

Valuation as at	31st March, 2020	31st March, 2019
Discount Rate	6.50% p.a.	7.40% p.a.
Salary Growth Rate		
- Management	7% p.a.	7% p.a.
- Non-Management	5% p.a.	5% p.a.
Turnover Rate - Age 21 to 44 years		
- Management	6% p.a.	2.50% p.a.
- Non-Management	0.50% p.a.	0.50% p.a.
Turnover Rate - Age 45 years and above		
- Management	2% p.a.	1% p.a.
- Non-Management	0.50% p.a.	0.50% p.a.
Pension Increase Rate	3% p.a.	3% p.a.
Mortality Table	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult
Annual Increase in Healthcare Cost	8% p.a.	8% p.a.

## Notes to the Standalone Financial Statements

### 26. Provisions (Contd.)

#### 2.3 The amounts recognised in the Standalone Ind AS financial statements and the movements in the net defined benefit obligations over the year are as follows:

Funded Plan:	Present value of obligation ₹ crore	Fair value of plan assets ₹ crore	Net Amount ₹ crore
<b>Balance as at 1st April, 2018</b>	<b>237.80</b>	<b>(264.21)</b>	<b>(26.41)</b>
Current service cost	15.04	Nil	15.04
Interest Cost/(Income)	18.24	(20.34)	(2.10)
Less: Amount recognised in Statement of Profit and Loss - Discontinued Operations	(0.58)	Nil	(0.58)
<b>Amount recognised in Statement of Profit and Loss - Continuing Operations</b>	<b>32.70</b>	<b>(20.34)</b>	<b>12.36</b>
<u>Remeasurement (gains)/losses</u>			
Return on plan assets excluding amounts included in interest cost/(income)	Nil	4.26	4.26
Actuarial (gains)/losses arising from changes in demographic assumptions	Nil	Nil	Nil
Actuarial (gains)/losses arising from changes in financial assumptions	5.79	Nil	5.79
Actuarial (gains)/losses arising from experience	15.97	Nil	15.97
Add/(Less): Amount recognised in Other Comprehensive Income - Discontinued Operations	Nil	Nil	Nil
<b>Amount recognised in Other Comprehensive Income</b>	<b>21.76</b>	<b>4.26</b>	<b>26.02</b>
Benefits paid	(30.49)	Nil	(30.49)
Acquisitions credit/(cost)	(1.52)	Nil	(1.52)
Add: Amounts recognised in current year - Discontinued Operations	0.58	Nil	0.58
<b>Balance as at 31st March, 2019</b>	<b>260.83</b>	<b>(280.29)</b>	<b>(19.46)</b>
<b>Balance as at 31st March, 2019 *</b>	<b>260.83</b>	<b>(280.29)</b>	<b>(19.46)</b>
Current service cost	15.80	Nil	15.80
Interest Cost/(Income)	20.72	(20.74)	(0.02)
Less: Amount recognised in Statement of Profit and Loss - Discontinued Operations	1.30	Nil	1.30
<b>Amount recognised in Statement of Profit and Loss - Continuing Operations</b>	<b>37.82</b>	<b>(20.74)</b>	<b>17.08</b>
<u>Remeasurement (gains)/losses</u>			
Return on plan assets excluding amounts included in interest cost/(income)	Nil	(8.32)	(8.32)
Actuarial (gains)/losses arising from changes in demographic assumptions	(2.27)	Nil	(2.27)
Actuarial (gains)/losses arising from changes in financial assumptions	16.61	Nil	16.61
Actuarial (gains)/losses arising from experience	(0.95)	Nil	(0.95)
Less: Amount recognised in Other Comprehensive Income - Discontinued Operations	(0.21)	Nil	(0.21)
<b>Amount recognised in Other Comprehensive Income</b>	<b>13.18</b>	<b>(8.32)</b>	<b>4.86</b>
Benefits paid	(35.80)	Nil	(35.80)
Acquisitions credit/(cost)	(1.05)	Nil	(1.05)
Add: Amounts recognised in current year - Discontinued Operations	(1.08)	Nil	(1.08)
<b>Balance as at 31st March, 2020 *</b>	<b>273.90</b>	<b>(309.35)</b>	<b>(35.45)</b>

\* Net asset is classified as "Other Current Assets".

## 26. Provisions (Contd.)

### Unfunded:

#### Post Employment Medical Benefits

The Company provides certain post-employment health care benefits to superannuated employees at some of its locations. In terms of the plan, the retired employees can avail free medical check-up and medicines at Company's facilities.

#### Pension (including Director pension)

The Company operates a defined benefit pension plan for employees who have completed 15 years of continuous service. The plan provides benefits to members in the form of a pre-determined lumpsum payment on retirement. Executive Director, on retirement, is entitled to pension payable for life including HRA benefit. The level of benefit is approved by the Board of Directors of the Company from time to time.

#### Ex-Gratia Death Benefit

The Company has a defined benefit plan granting ex-gratia in case of death during service. The benefit consists of a pre-determined lumpsum amount along with a sum determined based on the last drawn basic salary per month and the length of service.

#### Retirement Gift

The Company has a defined benefit plan granting a pre-determined sum as retirement gift on superannuation of an employee.

<b>Unfunded Plan:</b>	<b>Amount</b>
	<b>₹ crore</b>
<b>Balance as at 1<sup>st</sup> April, 2018</b>	<b>96.47</b>
Current service cost	4.16
Past service cost	0.24
Past service cost - Plan amendments	4.58
Interest Cost/(Income)	7.78
<i>Add/(Less): Amount recognised in Statement of Profit and Loss - Discontinued Operations</i>	(0.44)
<b>Amount recognised in Statement of Profit and Loss - Continuing Operations</b>	<b>16.32</b>
<b>Remeasurement (gains)/losses</b>	
Actuarial (gains)/losses arising from changes in demographic assumptions	Nil
Actuarial (gains)/losses arising from changes in financial assumptions	3.17
Actuarial (gains)/losses arising from experience	(8.35)
<i>Add/(Less): Amount recognised in Other Comprehensive Income - Discontinued Operations</i>	0.30
<b>Amount recognised in Other Comprehensive Income</b>	<b>(4.88)</b>
Benefits paid	(2.85)
Acquisitions credit/(cost)	0.05
<i>Add: Amounts recognised in current year - Discontinued Operations</i>	0.44
<i>Less: Transferred to Assets/Liabilities held for sale - Discontinued Operations</i>	(2.86)
<b>Balance as at 31<sup>st</sup> March, 2019</b>	<b>102.69</b>
<b>Balance as at 31<sup>st</sup> March, 2019</b>	<b>102.69</b>
Current service cost	5.24
Past service cost	Nil
Past service cost - Plan amendments	13.21
Interest Cost/(Income)	9.15
<i>Add/(Less): Amount recognised in Statement of Profit and Loss - Discontinued Operations</i>	0.07
<b>Amount recognised in Statement of Profit and Loss - Continuing Operations</b>	<b>27.67</b>

## Notes to the Standalone Financial Statements

### 26. Provisions (Contd.)

Unfunded Plan:	Amount
	₹ crore
<u>Remeasurement (gains)/losses</u>	
Actuarial (gains)/losses arising from changes in demographic assumptions	(4.31)
Actuarial (gains)/losses arising from changes in financial assumptions	11.36
Actuarial (gains)/losses arising from experience	(9.48)
(Less): Amount recognised in Other Comprehensive Income - Discontinued Operations	0.41
<b>Amount recognised in Other Comprehensive Income</b>	<b>(2.02)</b>
Benefits paid	(7.19)
Acquisitions credit/(cost)	Nil
Add: Amounts recognised in current year - Discontinued Operations	(0.48)
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>120.67</b>

### Employee Benefit Plans

#### 2.4 Sensitivity analysis

The sensitivity of the defined benefit obligations to changes in the weighted principal assumptions is:

Change in assumption	31st		Increase in assumption		Decrease in assumption	
	March, 2020	March, 2019	31st March, 2020 ₹ crore	31st March, 2019 ₹ crore	31st March, 2020 ₹ crore	31st March, 2019 ₹ crore
Discount rate	0.50%	0.50%	Decrease by 15.83	15.23	Increase by 17.19	16.51
Salary/Pension growth rate	0.50%	0.50%	Increase by 11.32	11.91	Decrease by 10.70	11.22
Mortality rates	1 year	1 year	Decrease by 5.43	4.09	Increase by 5.35	4.00
Healthcare cost	0.50%	0.50%	Increase by 4.81	3.59	Decrease by 4.30	3.22

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

These plans typically expose the Company to actuarial risks such as: Investment Risk, Interest Risk, Longevity Risk and Salary Risk.

**Investment Risk** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

**Interest Risk** A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

**Longevity Risk** The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary Risk** The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

## 26. Provisions (Contd.)

### 2.5 The expected maturity analysis of undiscounted defined benefit obligation is as follows:

	Funded - Provident Fund		Funded - Gratuity		Unfunded	
	31st March, 2020 ₹ crore	31st March, 2019 ₹ crore	31st March, 2020 ₹ crore	31st March, 2019 ₹ crore	31st March, 2020 ₹ crore	31st March, 2019 ₹ crore
Within 1 year	67.02	53.15	20.87	21.75	8.85	8.58
Between 1 - 2 years	105.84	81.42	33.66	32.76	9.08	9.07
Between 2 - 3 years	96.20	85.81	32.08	34.02	9.16	9.11
Between 3 - 4 years	85.16	80.45	30.55	31.99	9.29	9.21
Between 4 - 5 years	84.05	71.29	34.41	31.86	9.15	9.41
Beyond 5 years	413.74	365.06	167.80	176.73	65.39	50.58

The weighted average duration of the defined benefit obligation is 7.4 years (31st March, 2019 - 8.1 years).

The contribution expected to be made by the Company during the financial year 2020-21 is ₹ 23.01 crore.

### 2.6 Risk exposure:

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility:

The plan liabilities are calculated using a discount rate set with reference to government bond yield. If plan assets underperform this yield, it will result in deficit. These are subject to interest rate risk. To offset the risk, the plan assets have been deployed in high grade insurer managed funds.

Inflation rate risk:

Higher than expected increase in salary and medical cost will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligations is not straight forward and depends upon the combination of salary increase, discount rate and vesting criterion.

### 2.7 Major categories of plan assets:

Plan assets are funded with the trust set up by the Company. The trust invests the funds in various financial instruments. Major categories of plan assets are as follows:

	Provident Fund				Gratuity			
	As at 31st March, 2020 ₹ crore	%	As at 31st March, 2019 ₹ crore	%	As at 31st March, 2020 ₹ crore	%	As at 31st March, 2019 ₹ crore	%
<b>Quoted</b>								
Equity Instruments	30.02	4%	13.57	2%	58.78	19%	56.07	20%
Debt Instruments	195.14	26%	276.99	37%	129.93	42%	60.07	21%
Government Securities	405.28	54%	339.32	45%	89.70	29%	103.77	37%
<b>Others</b>								
Cash & Cash Equivalents	120.08	16%	122.16	16%	30.94	10%	60.38	22%
	<b>750.52</b>	<b>100%</b>	<b>752.04</b>	<b>100%</b>	<b>309.35</b>	<b>100%</b>	<b>280.29</b>	<b>100%</b>

## Notes to the Standalone Financial Statements

### 27. Other Liabilities

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>Non-current</b>		
Consumers' Benefit Account (Refer Note 39a.)	Nil	21.94
Deferred Revenue - Service Line Contributions from Consumers	115.91	116.87
Deferred Rent Liability	45.43	44.73
<b>Total</b>	<b>161.34</b>	<b>183.54</b>
<b>Current</b>		
Statutory Liabilities	121.97	156.79
Advance from Customers/Public Utilities	149.68	117.16
Statutory Consumer Reserves (Refer Note 39a.)	168.00	561.76
Liabilities towards Consumers	60.76	11.50
Other Liabilities	2.46	1.91
<b>Total</b>	<b>502.87</b>	<b>849.12</b>

### 28. Current Borrowings - At Amortised Cost

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>Unsecured</b>		
<b>From Banks</b>		
(a) Term Loans		
(i) Repayable on Demand	500.00	800.00
(ii) Others	90.00	200.00
(b) Bank Overdraft - Repayable on Demand	1.05	2.19
<b>From Related Parties</b>	105.45	Nil
<b>From Others</b>		
Commercial Paper [maximum amount outstanding during the year is ₹ 6,700 crore (31 <sup>st</sup> March, 2019 - ₹ 6,550 crore)]	5,455.81	5,729.61
	<b>6,152.31</b>	<b>6,731.80</b>
<b>Secured</b>		
<b>From Banks</b>		
(a) Term Loans	60.00	Nil
	<b>60.00</b>	<b>Nil</b>
<b>Total</b>	<b>6,212.31</b>	<b>6,731.80</b>

Notes:

- The rate of interest for term loans from banks ranges from 8.00% to 9.40% and loan from others ranges from 5.56% to 8.04%.
- The term loan mentioned in (a) above have been secured by *pari passu* first charge over all current assets of the Company, present and future, except for specific wind assets.

### 29. Current Tax Liabilities

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
Income Tax Payable (Net)	107.67	107.67
<b>Total</b>	<b>107.67</b>	<b>107.67</b>

## 30. Revenue from Operations

### Revenue recognition

#### Accounting Policy

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Description of performance obligations are as follows :

- (i) **Sale of Power - Generation (Thermal and Hydro)**  
Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered. The Company as per the prevalent tariff regulations is required to recover its Annual Revenue Requirement ('ARR') comprising of expenditure on account of fuel cost, operations and maintenance expenses, financing costs, taxes and assured return on regulator approved equity with additional incentive for operational efficiencies. Accordingly, rate per unit is determined using input method based on the Company's efforts to the satisfaction of a performance obligation to deliver power. As per tariff regulations, the Company determines ARR and any surplus/shortfall in recovery of the same is accounted as revenue.
- (ii) **Sale of Power - Generation (Wind and Solar)**  
Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered at the contracted rate.
- (iii) **Transmission of Power**  
Revenue from transmission of power is recognised net of cash discount over time for transmission of electricity. The Company as per the prevalent tariff regulations is required to recover its Annual Revenue Requirement ('ARR') comprising of expenditure on account of operations and maintenance expenses, financing costs, taxes and assured return on regulator approved equity with additional incentive for operational efficiencies. Input method is used to recognize revenue based on the Company's efforts or inputs to the satisfaction of a performance obligation to deliver power.  
  
As per tariff regulations, the Company determines ARR and any surplus/shortfall in recovery of the same is accounted as revenue.
- (iv) **Sale of Power - Distribution**  
Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered at the pre determined rate.
- (v) **Rendering of Services**  
Revenue from a contract to provide services is recognised over time based on :  
  
Input method where the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of performance obligation. Revenue, including estimated fees or profits, are recorded proportionally based on measure of progress.  
  
Output method where direct measurements of value to the customer based on survey's of performance completed to date. Revenue is recognised net of cash discount at a point in time at the contracted rate.
- (vi) Consumers are billed on a monthly basis and are given average credit period of 30 to 45 days for payment. No delayed payment charges ('DPC') is charged for the initial 30 days from the date of receipt of invoice by customers. Thereafter, DPC is charged at the rate prescribed by the Power Purchase Agreement on the outstanding balance once the dues are received. Revenue in respect of delayed payment charges and interest on delayed payments leviable as per the relevant contracts are recognised on actual realisation or accrued based on an assessment of certainty of realization supported by either an acknowledgement from customers or on receipt of favourable order from regulator / authorities.
- (vii) In the regulated operations of the Company where tariff recovered from consumers is determined on cost plus return on equity, the Income tax cost is pass through cost and accordingly the Company recognizes Deferred tax recoverable/ payable against any Deferred tax expense/ income. The same is included in 'Revenue from Operations' in case of Generation and Transmission Divisions.

## Notes to the Standalone Financial Statements

### 30. Revenue from Operations (Contd.)

There is no significant judgement involved while evaluating the timing as to when customers obtain control of promised goods and services.

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore
<b>(a) Revenue from Power Supply and Transmission Charges</b>	6,410.55	6,479.75
Add/(Less): Income to be adjusted in future tariff determination (Net)	(198.98)	255.34
Add/(Less): Income to be adjusted in future tariff determination (Net) in respect of earlier years (Refer Note 19)	5.49	(182.31)
Add/(Less): Deferred Tax Recoverable / (Payable) (Refer Note 3.11.3)	31.41	322.42
	<b>6,248.47</b>	<b>6,875.20</b>
<b>(b) Revenue from Power Supply - Assets Under Finance Lease</b>	1,051.27	1,030.64
<b>(c) Project/Operation Management Services</b>	140.71	125.03
<b>(d) Income from Finance Lease</b>	88.91	86.70
<b>(e) Other Operating Revenue</b>		
Rental of Land, Buildings, Plant and Equipment, etc.	12.15	17.14
Income in respect of Services Rendered	97.60	62.72
Amortisation of Service Line Contributions	7.99	7.46
Income from Storage and Terminalling	15.22	15.39
Sale of Fly Ash	1.86	2.21
Sale of Carbon Credits	6.25	3.89
Sale of Renewable Energy Certificates	14.66	0.90
Miscellaneous Revenue	41.30	27.97
	<b>197.03</b>	<b>137.68</b>
<b>Total</b>	<b>7,726.39</b>	<b>8,255.25</b>

Note:

Revenue from operations for the year ended 31st March, 2019 includes Regulatory Assets on Deferred Tax Liability expected to be recovered from customers amounting to ₹ 272.00 crore recognised pursuant to extension of Power Purchase Agreement for its generating plants for five years w.e.f 1st April, 2019.

#### Details of Revenue from Contract with Customers

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore
Total Revenue from Contract with Customers	7,590.18	8,112.09
Add: Cash Discount/Rebates etc.	38.28	37.08
<b>Total Revenue as per Contracted Price</b>	<b>7,628.46</b>	<b>8,149.17</b>

#### Transaction Price - Remaining Performance Obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.

The aggregate value of performance obligations that are partially unsatisfied as at 31st March, 2020, other than those meeting the exclusion criteria mentioned above is ₹ 18.59 crore (31st March, 2019 - ₹ Nil). The Company expects to recognise it as revenue within next one year.

### 30. Revenue from Operations (Contd.)

Revenue is disaggregated by type and nature of product or services. The table also includes the reconciliation of the disaggregated revenue with the Company's reportable segment.

Nature of Goods/Services	Revenue from Contracts with Customers		Other than revenue from Contracts with Customers		Total	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore
<b>Generation of Power - Thermal and Hydro</b>						
Sale of Power	1,588.73	2,344.24	Nil	Nil	1,588.73	2,344.24
Sale of Power from Assets Under Lease	1,051.27	1,030.64	Nil	Nil	1,051.27	1,030.64
Project/Operation Management Services	100.94	109.59	Nil	Nil	100.94	109.59
Income from Finance Lease	Nil	Nil	88.91	86.70	88.91	86.70
Others	21.70	2.21	15.52	31.28	37.22	33.49
<b>Total (A)</b>	<b>2,762.64</b>	<b>3,486.68</b>	<b>104.43</b>	<b>117.98</b>	<b>2,867.07</b>	<b>3,604.66</b>
<b>Generation of Power - Wind and Solar</b>						
Sale of Power	95.24	99.24	Nil	Nil	95.24	99.24
Others	14.64	0.89	8.02	4.65	22.66	5.54
<b>Total (B)</b>	<b>109.88</b>	<b>100.13</b>	<b>8.02</b>	<b>4.65</b>	<b>117.90</b>	<b>104.78</b>
<b>Transmission and Distribution of Power</b>						
Transmission of Power	775.15	661.08	Nil	Nil	775.15	661.08
Distribution of Power	3,789.37	3,770.62	Nil	Nil	3,789.37	3,770.62
Net Movement in Regulatory Deferral Balances	Nil	Nil	(651.40)	(146.58)	(651.40)	(146.58)
Project/Operation Management Services	33.83	13.04	Nil	Nil	33.83	13.04
Others	44.45	5.21	20.76	16.96	65.21	22.17
<b>Total (C)</b>	<b>4,642.80</b>	<b>4,449.95</b>	<b>(630.64)</b>	<b>(129.62)</b>	<b>4,012.16</b>	<b>4,320.33</b>
<b>Others (D)</b>	<b>30.76</b>	<b>34.83</b>	<b>Nil</b>	<b>Nil</b>	<b>30.76</b>	<b>34.83</b>
<b>Unallocable Revenue (E)</b>	<b>44.10</b>	<b>40.50</b>	<b>3.00</b>	<b>3.57</b>	<b>47.10</b>	<b>44.07</b>
<b>Revenue from Continued Operations (A + B + C + D + E)</b>	<b>7,590.18</b>	<b>8,112.09</b>	<b>(515.19)</b>	<b>(3.42)</b>	<b>7,074.99</b>	<b>8,108.67</b>
<b>Revenue from Discontinued Operations</b>	<b>343.74</b>	<b>143.59</b>	<b>Nil</b>	<b>Nil</b>	<b>343.74</b>	<b>143.59</b>
<b>Reconciliation of Revenue</b>					<b>For the year ended 31st March, 2020</b>	<b>For the year ended 31st March, 2019</b>
					<b>₹ crore</b>	<b>₹ crore</b>
Revenue from Continued Operations as per above table					7,074.99	8,108.67
Net Movement in Regulatory Deferral Balances					(651.40)	(146.58)
<b>Total Revenue from Operations</b>					<b>7,726.39</b>	<b>8,255.25</b>

## Notes to the Standalone Financial Statements

### 30. Revenue from Operations (Contd.)

Contract Balances	As at	As at
	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
<b>Contract Assets</b>		
Recoverable from Consumers		
Non-current	960.84	404.79
Current	Nil	787.00
<b>Total Contract Assets</b>	<b>960.84</b>	<b>1,191.79</b>
<b>Contract liabilities</b>		
Liabilities towards Consumers		
Current	60.76	11.50
<b>Total Contract Liabilities</b>	<b>60.76</b>	<b>11.50</b>
<b>Receivables</b>		
Trade Receivables (Gross)	1,151.39	1,488.95
Unbilled Revenue for passage of time	83.41	41.56
Recoverable from Consumers	221.45	Nil
(Less): Allowances for Doubtful Debts	(42.71)	(46.75)
<b>Net Receivables</b>	<b>1,413.54</b>	<b>1,483.76</b>
<b>Total</b>	<b>2,435.14</b>	<b>2,687.05</b>

#### Contract Assets

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract assets are transferred to receivables when the rights become unconditional.

#### Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the performance obligation is satisfied.

Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

Particulars	As at	As at
	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
<b>Opening Balance</b>		
Recoverable from consumers	1,191.79	812.36
Liabilities towards consumers	(11.50)	(404.22)
	(A)	<b>408.14</b>
Income to be adjusted in future tariff determination (Net)	(198.98)	255.34
Income to be adjusted in future tariff determination in respect of earlier years (Net)	5.49	(182.31)
Revenue recognised during the year	Nil	100.00
Refund to customers (including Company's distribution business)	48.87	288.70
Deferred tax recoverable/(payable)	31.41	322.42
Deferred tax recoverable/(payable) on account of New Tax Regime [Refer Note 35(i)]	(167.00)	Nil
Others	Nil	(12.00)
	(B)	<b>772.15</b>
<b>Closing Balance</b>		
Recoverable from consumers	960.84	1,191.79
Liabilities towards consumers	(60.76)	(11.50)
	(A + B)	<b>1,180.29</b>

## 31. Other Income

### Accounting Policy

#### Dividend and Interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore
<b>(a) Interest Income</b>		
<b>(i) On Financial Assets carried at Amortised Cost</b>		
Interest on Banks Deposits	4.82	2.73
Interest on Overdue Trade Receivables	65.69	2.93
Interest on Non-current Investment - Contingency Reserve Fund	9.90	10.42
Interest on Non-current Investment - Deferred Tax Liability Fund	7.53	20.40
Interest on Financial Assets - Subsidiaries	18.58	44.39
Other Interest	Nil	4.01
	<b>106.52</b>	<b>84.88</b>
<b>(ii) Interest on income-tax Refund</b>	13.03	Nil
	<b>119.55</b>	<b>84.88</b>
<b>(b) Dividend Income</b>		
From Non-current Investments		
Subsidiaries	267.18	283.40
Joint Ventures	85.09	85.40
Associates	9.68	9.68
Others - Equity Investments Designated as FVTOCI	6.86	5.43
	<b>368.81</b>	<b>383.91</b>
<b>(c) Gain/(Loss) on Investments</b>		
Gain on Sale/Fair Value of current investment measured at FVTPL	13.41	6.29
Gain on Sale of Investment in non-current investment measured at Amortised cost	9.06	0.88
	<b>22.47</b>	<b>7.17</b>
<b>(d) Other Non-operating Income</b>		
Guarantee Commission from Subsidiaries and Joint Ventures (Refer Note below)	60.63	20.95
Gain/(Loss) on Disposal of Property, Plant and Equipment (Net)	3.52	12.72
Delayed Payment Charges	6.61	6.34
Other Income	1.03	0.38
	<b>71.79</b>	<b>40.39</b>
<b>Total</b>	<b>582.62</b>	<b>516.35</b>

Note:

During the year, pursuant to Advance Pricing Agreement with Income Tax Department, the Company has recognised guarantee commission income of ₹ 38.30 crore from its subsidiaries and joint ventures pertaining to earlier years.

## Notes to the Standalone Financial Statements

### 32. Employee Benefits Expense

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore
Salaries and Wages	468.42	500.72
Contribution to Provident Fund	21.15	27.42
Contribution to Superannuation Fund	9.32	9.19
Retiring Gratuities	17.08	12.36
Compensated Absences	24.96	22.15
Pension Scheme	10.78	13.23
Staff Welfare Expenses	93.58	88.51
	<b>645.29</b>	<b>673.58</b>
<i>Less:</i>		
Employee Cost Capitalised	24.59	26.96
Employee Cost Inventorised	9.99	9.05
	<b>34.58</b>	<b>36.01</b>
<b>Total</b>	<b>610.71</b>	<b>637.57</b>

### 33. Finance Costs

#### Accounting Policy

#### Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore
<b>(a) Interest Expense:</b>		
<b>On Borrowings - At Amortised Cost</b>		
Interest on Debentures	412.38	458.37
Interest on Loans - Banks, Financial Institutions and Commercial Papers	1,049.22	923.21
Interest on Loans - Subsidiaries	4.91	3.98
<b>Others</b>		
Interest on Consumer Security Deposits - At Amortised cost	21.99	20.12
Interest on Lease Liabilities - At Amortised cost	17.56	Nil
Other Interest and Commitment Charges (Refer Note 39b.)	0.48	92.53
	<b>1,506.54</b>	<b>1,498.21</b>
<i>Less: Interest Capitalised</i>	16.44	22.21
	<b>1,490.10</b>	<b>1,476.00</b>
<b>(b) Other Borrowing Costs:</b>		
Other Finance Costs	20.28	21.64
Foreign Exchange Loss/(Gain) on Borrowings (Net)	Nil	2.71
	<b>20.28</b>	<b>24.35</b>
<b>Total</b>	<b>1,510.38</b>	<b>1,500.35</b>

Note:

The weighted average capitalisation rate on the Company's general borrowings is 8.23 % p.a. (31st March, 2019 - 8.63 % p.a.).

## 34. Other Expenses

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore
Consumption of Stores and Oil	36.61	23.58
Rental of Land, Buildings, Plant and Equipment	3.89	29.62
Repairs and Maintenance -		
(i) To Buildings and Civil Works	96.09	81.52
(ii) To Machinery and Hydraulic Works	211.60	200.26
(iii) To Furniture and Vehicles	4.63	4.15
	<b>312.32</b>	<b>285.93</b>
Rates and Taxes	67.62	52.71
Insurance	29.37	21.48
Other Operation Expenses	86.58	106.10
Ash Disposal Expenses	16.84	13.42
Travelling and Conveyance Expenses	18.60	22.56
Consultants' Fees	10.38	19.65
Auditors' Remuneration [Refer Note (i) below]	5.14	5.09
Cost of Services Procured	93.71	106.24
Bad Debts	6.05	Nil
Net Loss on Foreign Exchange	10.59	11.40
Allowance for Doubtful Debts and Advances (Net)	(0.19)	19.11
Donations [Refer Note (iii) below]	Nil	20.00
Legal Charges	21.61	24.93
Corporate Social Responsibility Expenses [Refer Note (ii) below]	3.80	12.66
Transfer to Statutory Consumer Reserve	17.00	16.00
Miscellaneous Expenses	16.77	11.39
<b>Total</b>	<b>756.69</b>	<b>801.87</b>

### (i) Payment to the auditors

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore
For Statutory Audit	3.54	3.54
For Taxation Matters	0.12	0.13
For Other Services	0.55	0.48
For Reimbursement of Expenses	0.15	0.22
Goods and Service Tax on above	0.78	0.72
<b>Total</b>	<b>5.14</b>	<b>5.09</b>

### (ii) Corporate Social Responsibility Expenses

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore
Contribution to Tata Power Community Development Trust	3.16	12.05
Expenses incurred by the Company	0.64	0.61
<b>Total</b>	<b>3.80</b>	<b>12.66</b>

## Notes to the Standalone Financial Statements

### 34. Other Expenses (Contd.)

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore
Amount required to be spent as per section 135 of the Act	3.04	12.65
Amount spent during the year on:		
(a) Construction/Acquisition of asset	Nil	Nil
(b) On purposes other than (a) above	3.80	12.66

#### (iii) Donation

Donation of ₹ Nil was given to Progressive Electoral Trust (31<sup>st</sup> March, 2019 - ₹ 20.00 crore).

### 35. Income taxes

#### Accounting Policy

##### Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

##### Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Standalone Ind AS financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. For operations carried out under tax holiday period (Section 80IA benefits of Income Tax Act, 1961), deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

## 35. Income taxes (Contd.)

### (i) Income Tax Expenses

#### 1. Income taxes recognised in the statement of profit and loss (Continuing Operations)

	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
Current tax	18.61	110.88
Deferred tax	73.08	331.58
Deferred tax relating to earlier years	(24.51)	10.00
Remeasurement of Deferred Tax on account of New Tax Regime (Net) (Refer Note below)	(275.00)	Nil
<b>Total income tax expense</b>	<b>(207.82)</b>	<b>452.46</b>

Note:

Pursuant to the Taxation Laws (Amendment) Act, 2019 which is effective from 1<sup>st</sup> April, 2019, domestic companies have the option to pay income tax at 22% plus applicable surcharge and cess ('New Tax Regime') subject to certain conditions. Based on the Company's assessment of the expected year of transition to the New Tax Regime, the Company has remeasured the deferred tax liabilities and also reassessed the recoverability of Minimum Alternate Tax ('MAT'). Accordingly, the Company has recognised deferred tax income of ₹ 275.00 crore after adjusting the MAT credit write off. Further, the Company has also remeasured its regulatory asset balance against deferred tax liabilities and has recognised expense of ₹ 98.00 crore pertaining to distribution business and ₹ 167.00 crore for generation and transmission business.

#### 2. Income taxes recognised in the statement of profit and loss (Discontinued Operations)

	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
Current tax	Nil	(71.92)
Deferred tax	(32.41)	5.94
<b>Total income tax expense</b>	<b>(32.41)</b>	<b>(65.98)</b>

The income tax expense for the year can be reconciled to the accounting profit as follows:

	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
Profit/(Loss) before tax Continuing Operation	350.53	2,347.00
Profit/(Loss) before tax Discontinuing Operation	(442.64)	(191.82)
<b>Profit/(Loss) Before Tax</b>	<b>(92.11)</b>	<b>2,155.18</b>
Income tax expense (Refer Note 1 below)	(32.19)	753.11
<b>Add/(Less) tax effect on account of :</b>		
Provision for impairment and adjustment of earlier capital loss on sale of investments	122.63	(149.71)
Non-Deductible expenses	88.57	29.87
Reversal of deferred tax during tax holiday period	34.08	41.08
Unrecognised tax credit (MAT) for the current year	15.38	23.27
Remeasurement of deferred tax on account of New Tax Regime (Net)	(275.00)	Nil
Exempt income	(83.27)	(85.74)
Reversal of impairment of non-current investments and related obligations	(82.12)	Nil
True up impact basis income tax return	(24.51)	10.00
Income taxed at lower rate	(3.80)	(9.19)
Income not taxable during tax holiday period	Nil	(19.11)
Tax benefit on interest on perpetual securities recognised in other equity (Refer Note 3.11.2)	Nil	(60.12)
Change in presentation of deferred tax recoverable/payable	Nil	(146.98)
<b>Income tax expenses recognised in statement of profit and loss</b>	<b>(240.23)</b>	<b>386.48</b>
Tax expense for the Continuing Operations	(207.82)	452.46
Tax expense for the Discontinued Operations	(32.41)	(65.98)
<b>Income tax expense recognised in statement of profit and loss</b>	<b>(240.23)</b>	<b>386.48</b>

## Notes to the Standalone Financial Statements

### 35. Income taxes (Contd.)

Notes:

1. The tax rate used for the years 2019-20 and 2018-19 reconciliations above is the corporate tax rate of 34.944% payable by corporate entities in India on taxable profits under the Indian tax law.
2. The rate used for calculation of Deferred tax for 2019-20 is 34.944% and 25.17% for deferred tax expected to be reversed in the New Tax Regime and 34.944% for 2018-19, being statutory enacted rates at Balance Sheet date.

#### 3. Income tax recognised in other comprehensive income

	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
<b>Current Tax</b>		
Remeasurement of defined benefit obligation	(0.77)	(6.99)
	<b>(0.77)</b>	<b>(6.99)</b>
<b>Deferred tax</b>		
Remeasurements of defined benefit obligation	(17.40)	Nil
Net fair value gain on investments in equity shares at FVTOCI	Nil	0.02
	<b>(17.40)</b>	<b>0.02</b>
<b>Total income tax recognised in other comprehensive income</b>	<b>(18.17)</b>	<b>(6.97)</b>
Items that will not be reclassified to statement of profit and loss	(18.17)	(6.97)

#### 4. Income tax recognised in other comprehensive income (Discontinuing Operations)

	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
<b>Current Tax</b>		
Remeasurement of defined benefit obligation	Nil	(0.40)
	<b>Nil</b>	<b>(0.40)</b>

#### 5. Bifurcation of the total income tax recognised in other comprehensive income into:

	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
Items that will not be reclassified to statement of profit and loss	(18.17)	(7.37)
	<b>(18.17)</b>	<b>(7.37)</b>

#### (ii) Deferred Tax

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
Deferred Tax Assets	940.99	1,024.21
Deferred Tax Liabilities	1,248.24	1,607.70
<b>Deferred Tax Liabilities (Net)</b>	<b>307.25</b>	<b>583.49</b>

### 35. Income taxes (Contd.)

	₹ crore			
2019-20	Opening balance	Recognised in profit or loss (including discontinued operation)	Recognised in other comprehensive Income (including discontinued operation)	Closing balance
<b>Deferred tax assets in relation to</b>				
Allowance for Doubtful Debts, Deposits and Advances	29.24	(2.39)	Nil	26.85
Provision for Employee Benefits and Others	51.84	(2.87)	17.40	66.37
Minimum Alternate Tax Credit	517.51	(80.00)	Nil	437.51
Capital loss on sale of investments and indexation benefit available on investments	425.62	(45.65)	Nil	379.97
Lease Liability	Nil	12.40	Nil	12.40
Business Loss or Unabsorbed Depreciation	Nil	17.89	Nil	17.89
	<b>1,024.21</b>	<b>(100.62)</b>	<b>17.40</b>	<b>940.99</b>
<b>Deferred tax liabilities in relation to</b>				
Property, Plant and Equipment (including finance leases)	1,578.04	(344.56)	Nil	1,233.48
Right of use asset	Nil	10.00	Nil	10.00
Others	29.66	(24.90)	Nil	4.76
	<b>1,607.70</b>	<b>(359.46)</b>	<b>Nil</b>	<b>1,248.24</b>
<b>Deferred Tax Liabilities (Net)</b>	<b>583.49</b>	<b>(258.84)</b>	<b>(17.40)</b>	<b>307.25</b>

	₹ crore			
2018-19	Opening balance	Recognised in profit or loss (including discontinued operation)	Recognised in other comprehensive Income (including discontinued operation)	Closing balance
<b>Deferred tax assets in relation to</b>				
Allowance for Doubtful Debts, Deposits and Advances	23.96	5.28	Nil	29.24
Provision for Employee Benefits and Others	60.92	(9.08)	Nil	51.84
Minimum Alternate Tax Credit	517.51	Nil	Nil	517.51
Capital loss on sale of investments and indexation benefit available on investments	708.02	(282.40)	Nil	425.62
	<b>1,310.41</b>	<b>(286.20)</b>	<b>Nil</b>	<b>1,024.21</b>
<b>Deferred tax liabilities in relation to</b>				
Property, Plant and Equipment (including finance leases)	1,516.72	61.32	Nil	1,578.04
Others	29.68	Nil	(0.02)	29.66
	<b>1,546.40</b>	<b>61.32</b>	<b>(0.02)</b>	<b>1,607.70</b>
<b>Deferred Tax Liabilities (Net)</b>	<b>235.99</b>	<b>347.52</b>	<b>(0.02)</b>	<b>583.49</b>

Notes:

- During the year ended 31st March, 2020, the management has reassessed the recoverability of unrecognised MAT credit and MAT credit amounting to ₹ 97.52 crore (31st March, 2019 - ₹149.19 crore) has not been recognised.
- Considering the uncertainty over the realisability, the Company has not recognized deferred tax asset to the extent of ₹ 360.17 crore (31st March, 2019 - ₹ 306.94 crore) on capital loss on sale of investments and indexation benefits on investments classified as asset held for sale.
- The expiry of unrecognised deferred tax asset is as detailed below:

	₹ crore				Closing balance
As at 31st March, 2020	Within one year	Greater than one year, less than five years	Greater than five years	No expiry date	
<b>Unrecognised deferred tax assets</b>					
Capital Loss on sale of investment and indexation benefit	Nil	Nil	360.17	Nil	360.17
MAT credit	Nil	Nil	97.52	Nil	97.52
<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>457.69</b>	<b>Nil</b>	<b>457.69</b>

## Notes to the Standalone Financial Statements

### 35. Income taxes (Contd.)

As at 31st March, 2019 Unrecognised deferred tax assets	Within one year	Greater than one year, less than five years	Greater than five years	No expiry date	₹ crore Closing balance
Capital Loss on sale of investment and indexation benefit	Nil	Nil	306.94	Nil	306.94
MAT credit	Nil	Nil	149.19	Nil	149.19
<b>Total</b>	Nil	Nil	456.13	Nil	456.13

### 36. Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
(a) Principal amount remaining unpaid	7.72	3.96
(b) Interest due thereon <sup>®</sup>	Nil	Nil
(c) The amount of Interest paid along with the amounts of the payment made to the supplier beyond the appointed day <sup>®</sup>	Nil	Nil
(d) The amount of Interest due and payable for the year <sup>®</sup>	Nil	Nil
(e) The amount of Interest accrued and remaining unpaid <sup>®</sup>	Nil	Nil
(f) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid <sup>®</sup>	Nil	Nil

<sup>®</sup> Amounts unpaid to Micro and Small Enterprises vendors on account of retention money have not been considered for the purpose of interest calculation.

### 37. Commitments

	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
(a) Estimated amount of Contracts remaining to be executed on capital account and not provided for.	413.08	511.07
(b) Other Commitments		
(i) The Company has given an undertaking to the Bankers of Cennergi Pty. Ltd., wherein it would ensure that Cennergi Pty. Ltd. would satisfy its commitment to the Bank.	0.05	0.05

(ii) In terms of the Sponsor Support agreement entered into between the Company, Coastal Gujarat Power Ltd. (CGPL) and INR term lenders (SBI led consortium) of CGPL, the Company has undertaken to provide support by way of base equity contribution to the extent of 25% of CGPL's project cost and additional equity or subordinated loans to be made or arranged for, if required as per the financing agreements to finance the project. The Sponsor Support Agreement also includes support by way of additional financial support for any overrun in project costs, operational loss and Debt Service Reserve Guarantee as provided under the financing agreements. In terms of the conditions of the financing agreements, the Company has provided support through Unsecured Perpetual securities and Equity of ₹ 15,629.14 crore (31st March, 2019 - ₹ 15,579.14 crore) to CGPL.

(iii) The Company has undertaken to arrange for the necessary financial support to its subsidiaries Bhira Investments Pte. Ltd., Khopoli Investments Ltd., Bhivpuri Investments Ltd., Industrial Power Utility Ltd., Tata Power Jamshedpur Distribution Ltd. and Tata Power International Pte. Ltd.

(iv) In respect of Maithon Power Ltd. (MPL), the Company jointly with Damodar Valley Corporation (DVC) has undertaken to the lenders of MPL, to provide support by way of base equity contribution and additional equity or subordinated loans to meet the increase in Project Cost. Further, the Company has given an undertaking to MPL to fulfil payment obligations of Tata Power Trading Company Ltd. (TPTCL) and Tata Power Delhi Distribution Ltd. (TPDDL) in case of their default.

(v) In terms of pre-implementation agreement entered into with Government of Himachal Pradesh and the consortium consisting of the Company and SN Power Holding Singapore Pte. Ltd. (Company being the Lead Member of the consortium) for the investigation and implementation of Dugar Hydro Electric Project, the Company has undertaken as Lead Member to undertake/perform various obligations pertaining to Dugar Project.

## 38. Contingent liabilities

	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
<b>Contingent liabilities including:</b>		
<b>(a) Claims against the Company not probable and hence not acknowledged as debts consists of</b>		
(i) Demand disputed by the Company relating to Service tax on transmission charges received for July 2012 to June 2017.	375.29	375.29
(ii) (a) Disallowance of costs recoverable from consumers by Maharashtra Electricity Regulatory Commission in the tariff true up order.	359.85	261.00
(b) Disallowance of carrying cost and other costs by Appellate Tribunal for Electricity (ATE). The Company has filed Special Leave Petition (SLP) with the Supreme Court.	269.00	269.00
(iii) Way Leave fees (including interest) claims disputed by the Company relating to rates charged.	43.18	39.18
(iv) Interest and Penalty pertaining to Custom duty claims disputed by the Company relating to applicability and classification of coal.	34.49	34.49
(v) Access Charges demand for laying underground cables.	30.14	Nil
(vi) Rates, Cess, Excise and Custom Duty claims disputed by the Company.	26.63	24.97
(vii) Compensation disputed by private land owners on private land acquired under the provisions of Maharashtra Industrial Development Act, 1961.	22.00	22.00
(viii) Octroi claims disputed by the Company in respect of octroi exemption claimed by the Company.	5.03	5.03
(ix) Other claims against the Company not acknowledged as debts.	34.51	33.59
(x) Demand towards charges for unscheduled interchange (UI) of power [Refer Note (d) below]	Nil	215.02
	<b>1,200.12</b>	<b>1,279.57</b>

### Notes:

- Amounts in respect of employee related claims/disputes, regulatory matters is not ascertainable.
- Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.
- The above Contingent Liabilities include those pertaining to Regulated Business which on unfavourable outcome can be recovered from consumers.

	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
<b>(b) Other Contingent Liabilities:</b>		
Taxation matters for which liability is disputed by the Company and not provided for (computed on the basis of assessments which have been re-opened / remaining to be completed) including interest demanded ₹ Nil (31 <sup>st</sup> March, 2019 - ₹ Nil).	50.93	456.61

	31st March, 2020	31st March, 2019
	₹ crore*	₹ crore
<b>(c) Indirect exposures of the Company:</b>		
<b>Guarantees given:</b>		
(i) Coastal Gujarat Power Ltd.	7,544.17	7,836.54
(ii) Khopoli Investments Ltd.	1,676.21	1,683.52
	(equivalent to USD 221.89 million)	(equivalent to USD 243.42 million)
(iii) Bhira Investments Pte. Ltd.	1,462.64	1,502.18
	(equivalent to USD 193.62 million)	(equivalent to USD 217.20 million)
(iv) Trust Energy Resources Pte. Ltd.	348.31	624.53
	(equivalent to USD 46.11 million)	(equivalent to USD 90.30 million)
(v) Energy Eastern Pte. Ltd.	Nil	408.05
	(equivalent to USD Nil)	(equivalent to USD 59.00 million)

## Notes to the Standalone Financial Statements

### 38. Contingent liabilities (Contd.)

	31st March, 2020	31st March, 2019
	₹ crore*	₹ crore
(vi) Tata Power Renewable Energy Ltd.	1,612.53	2,075.00
(vii) Tata Power Solar Systems Ltd.	Nil	295.92
(viii) Chirasthaayee Saurya Ltd.	272.12	272.11
(ix) Walwhan Renewable Energy Ltd.	1,450.51	1,464.99
(x) Walwhan Solar TN Ltd.	126.56	Nil
(xi) Walwhan Wind RJ Ltd.	86.03	Nil

\* The exposure is considered to the extent of borrowings outstanding (including accrued interest) in the financial statements of the respective subsidiaries.

- (d) In the previous year, Maharashtra State Electricity Distribution Company Limited (MSEDCL) had raised a demand of ₹ 215.02 crore for determination of fixed charges for unscheduled interchange of power. The Company had filed a petition against the said demand. During the year, MERC has turned down methodology adopted by MSEDCL for determination of such charges and ordered MSEDCL to submit certain details to Maharashtra State Load Dispatch Centre (MSLDC) to determine the revised charges based on principles suggested in the Order. Considering the same, currently, the amount of charges payable is not ascertainable and hence, no provision has been recognized during the year. Further, in case of unfavourable outcome, the Company believes that it will be allowed to recover the same from consumers through future adjustment in tariff.
- (e) The proposed Social Security Code, 2019, when promulgated, would subsume labour laws including Employees' Provident Funds and Miscellaneous Provisions Act and amend the definition of wages on which the organisation and its employees are to contribute towards Provident Fund. The Company believes that there will be no significant impact on its contributions to Provident Fund due to the proposed amendments. There were many interpretative issues relating to the Supreme Court (SC) judgement dated 28th February, 2019 on Provident Fund (PF) as regards definition of PF wages and inclusion of certain allowances for the purpose of PF contribution, as well as effective date of its applicability. Having consulted and evaluated impact on its financial statement, the company has implemented the changes as per clarifications vide the Apex Court judgement dated 28th February, 2019, with effect from 1st March 2019 i.e., immediate after pronouncement of the judgement, as part of statutory compliance. The company will evaluate its position and act, in case there is any other interpretation of the same issued in future either in form of Social Security Code or by authorities concerned under the Employees' Provident Funds and Miscellaneous Provisions Act.

The Company, in respect of the above mentioned Contingent Liabilities has assessed that it is only possible but not probable that outflow of economic resources will be required.

### 39. Other settlement

- a. With respect to Standby litigation with Adani Electricity Mumbai Limited (Adani Electricity), the Hon'ble Supreme Court during the year ended 31st March, 2020 has upheld Appellate Tribunal for Electricity (APTEL) order dated 20th December, 2006 directing the Company to pay ₹ 354.00 crore along with the interest at 10% p.a. from 1st April, 2004 till the date of payment. In the past, in accordance with the Hon'ble Supreme Court directives the Company has deposited ₹ 227.00 crore with the Registrar General of the Court which was withdrawn by Adani Electricity on furnishing the required undertaking to the Court. Consequently, the Company has recognized an expense of ₹ 276.35 crore net of amount recoverable from customers including adjustment with consumer reserves.
- b. In the earlier years, the Company had received demands in respect of entry tax on imports of fuel for Trombay plant. During the year ended 31st March, 2019, the Company has recognised provision of ₹ 345.00 crore (including interest and provision for contingency of ₹ 78.00 crore and ₹ 45.00 crore respectively) towards settlement of entry tax demands under the Amnesty scheme notified by the Government of Maharashtra. Further during the year ended 31st March, 2020, the Company has received final settlement order under the said scheme and pursuant to the said order, the Company has reversed the excess provision related to entry tax under the head 'Cost of Fuel' and corresponding recovery from customers under the head 'Revenue from Operations' amounting to ₹ 68.78 crore.

## 40. Earnings Per Share

### Accounting Policy

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the Standalone Ind AS financial statements by the Board of Directors.

Particulars		For the year ended	For the year ended
		31st March, 2020	31st March, 2019
		₹ crore*	₹ crore*
<b>A. EPS - Continuing operations (before net movement in Regulatory Deferral Balances)</b>			
Net Profit/ (Loss) from Continuing Operations (Refer Note 3.11.2)	A	558.35	1,894.54
Net movement in Regulatory Deferral Balances (Refer Note 3.11.3)	B	(651.40)	(146.58)
Remeasurement of Deferred Tax Recoverable on account of New Tax Regime (Net) [Refer Note 35(i)]	C	(98.00)	Nil
Income-tax attributable to Regulatory Deferral Balances (Refer Note 3.11.3)	D	261.87	51.22
Net movement in Regulatory Deferral Balances (Net of tax)	E=(B+C+D)	(487.53)	(95.36)
Net Profit/ (Loss) (before net movement in Regulatory Deferral Balances)	F=(A-E)	1,045.88	1,989.90
Less: Distribution on Perpetual Securities (Refer Note 3.11.2)	G	(171.00)	(171.00)
<b>Profit/ (Loss) from Continuing Operations attributable to equity shareholders (before net movement in Regulatory Deferral Balances)</b>	H=(F+G)	874.88	1,818.90
<b>Weighted average number of equity shares for Basic and Diluted EPS</b>		270,76,05,570	270,76,05,570
<b>EPS - Continuing Operations (before net movement in Regulatory Deferral Balances)</b>			
- Basic and Diluted (In ₹)		3.23	6.72
<b>B. EPS - Continuing Operations (after net movement in Regulatory Deferral Balances)</b>			
Net Profit/ (Loss) from Continuing Operations (Refer Note 3.11.2)		558.35	1,894.54
Less: Distribution on Perpetual Securities (Refer Note 3.11.2)		(171.00)	(171.00)
<b>Profit/ (Loss) attributable to equity shareholders (after net movement in Regulatory Deferral Balances)</b>		387.35	1,723.54
<b>Weighted average number of equity shares for Basic and Diluted EPS</b>		270,76,05,570	270,76,05,570
<b>EPS - Continuing operations (after net movement in Regulatory Deferral Balances)</b>			
- Basic and Diluted (In ₹)		1.44	6.36
<b>C. EPS - Discontinued operations</b>			
Net Profit/ (Loss) from Discontinued Operations		(410.23)	(125.84)
<b>Weighted average number of equity shares for Basic and Diluted EPS</b>		270,76,05,570	270,76,05,570
<b>EPS - Discontinued Operations</b>			
- Basic and Diluted (In ₹)		(1.52)	(0.46)

## Notes to the Standalone Financial Statements

### 40. Earnings Per Share (Contd.)

Particulars	For the year ended	For the year ended
	31st March, 2020	31st March, 2019
	₹ crore*	₹ crore*
<b>D. EPS - Total Operations (after net movement in Regulatory Deferral Balances)</b>		
Net (Loss) / Profit from Total Operations (after net movement in Regulatory Deferral Balances) (Refer Note 3.11.2)	148.12	1,768.70
Less: Distribution on Perpetual Securities (Refer Note 3.11.2)	(171.00)	(171.00)
<b>Net Profit/ (Loss) from Total Operations attributable to equity shareholders (after net movement in Regulatory Deferral Balances)</b>	<b>(22.88)</b>	<b>1,597.70</b>
<b>Weighted average number of equity shares for Basic and Diluted EPS</b>	<b>270,76,05,570</b>	<b>270,76,05,570</b>
<b>EPS - Total Operations (after net movement in Regulatory Deferral Balances)</b>		
- Basic and Diluted (In ₹)	<b>(0.08)</b>	<b>5.90</b>

\* All numbers are in ₹ crore except weighted average number of equity shares and Basic and Diluted EPS

### 41. Related Party Disclosures

Disclosure as required by Ind AS 24 - "Related Party Disclosures" is as follows:

Names of the related parties and description of relationship:

(a) Related parties where control exists:

(i) Subsidiaries

- |   |  |
|---|--|
| 1) Af-Taab Investment Company Ltd.                                | 2) Tata Power Solar Systems Ltd.   |
| 3) Tata Power Trading Company Ltd.                                | 4) Tata Power Green Energy Ltd.  |
| 5) NELCO Ltd.   | 6) Tatanet Services Ltd. **  |
| 7) Maithon Power Ltd.   | 8) Coastal Gujarat Power Ltd.  |
| 9) Tata Power Renewable Energy Ltd.                               | 10) TP Renewable Microgrid Ltd. (Formerly Industrial Power Utility Ltd.)                             |
| 11) Bhira Investments Pte. Ltd. (Formerly Bhira Investments Ltd.) | 12) Bhivpuri Investments Ltd.  |
| 13) Khopoli Investments Ltd.                                      | 14) Tata Power International Pte. Ltd.   |
| 15) Trust Energy Resources Pte. Ltd.                              | 16) Energy Eastern Pte. Ltd.** (Merged with Trust Energy Resources Pte. Ltd. w.e.f. 10th June, 2019) |
| 17) NDPL Infra Ltd. **  | 18) Tata Power Jamshedpur Distribution Ltd.  |
| 19) PT Sumber Energi Andalan Tbk **                               | 20) Supa Windfarm Ltd. **  |
| 21) TCL Ceramics Ltd. (Formerly Tata Ceramics Ltd.)               | 22) Nivade Windfarm Ltd. **  |
| 23) Poolavadi Windfarm Ltd. **                                    | 24) Walwhan Renewable Energy Ltd. **   |
| 25) Indo Rama Renewables Jath Ltd. **                             | 26) Walwhan Solar AP Ltd. **   |
| 27) Walwhan Urja Anjar Ltd. **                                    | 28) Northwest Energy Pvt. Ltd. **  |
| 29) Walwhan Solar Raj Ltd. **                                     | 30) Dreisatz MySolar24 Pvt. Ltd. **  |
| 31) Walwhan Solar Energy GJ Ltd. **                               | 32) Walwhan Energy RJ Ltd. **  |
| 33) MI MySolar24 Pvt. Ltd. **                                     | 34) Walwhan Solar MH Ltd. **   |
| 35) Walwhan Solar MP Ltd. **                                      | 36) Walwhan Solar PB Ltd. **   |
| 37) Walwhan Solar KA Ltd. **                                      | 38) Walwhan Wind RJ Ltd. **  |
| 39) Walwhan Solar RJ Ltd. **                                      | 40) Walwhan Solar BH Ltd. **   |
| 41) Walwhan Solar TN Ltd. **                                      | 42) Walwhan Urja India Ltd. **   |

## 41. Related Party Disclosures (Contd.)

- |   |  |
|---|--|
| 43) Clean Sustainable Solar Energy Pvt. Ltd. ** | 44) Chirasthaayee Saurya Ltd. **         |
| 45) Solarsys Renewable Energy Pvt. Ltd. **      | 46) Vagarai Windfarm Ltd. **             |
| 47) Nelco Network Products Ltd. **              | 48) Far Eastern Natural Resources LLC ** |
| 49) TP Ajmer Distribution Ltd.                  | 50) Tata Power Delhi Distribution Ltd.   |
| 51) TP Solapur Ltd.**                           | 52) TP Kernali Ltd.**                    |

\*\* Through Subsidiary Companies

### (ii) Employment Benefit Funds

- |   |                             |
|---|-----------------------------|
| 1) Tata Power Superannuation Fund         | 2) Tata Power Gratuity Fund |
| 3) Tata Power Consolidated Provident Fund |                             |

(b) Other related parties (where transactions have taken place during the year or previous year / balances outstanding) :

#### (i) Associates

- |  |  |
|--|--|
| 1) Tata Projects Ltd.  | 2) Yashmun Engineers Ltd.  |
| 3) The Associated Building Co. Ltd.  | 4) Dagachhu Hydro Power Corporation Ltd.                                   |
| 5) Tata Communication Ltd. (ceased to be an Associate w.e.f. 28th May, 2018) | 6) Panatone Finvest Ltd. (ceased to be an Associate w.e.f. 28th May, 2018) |
| 7) Nelito Systems Ltd (ceased to be an Associate w.e.f. 6th June, 2019)      |  |

#### (ii) Joint Venture Companies

- |   |   |
|---|---|
| 1) Tubed Coal Mines Ltd.  | 2) Mandakini Coal Company Ltd.                                      |
| 3) Powerlinks Transmission Ltd.   | 4) Itezhi Tezhi Power Corporation                                   |
| 5) PT Baramulti Sukessarana Tbk**                                       | 6) PT Antang Gunung Meratus**                                       |
| 7) Adjaristsqali Netherlands BV**                                       | 8) PT Kaltim Prima Coal**   |
| 9) LTH Milcom Pvt. Ltd.   | 10) Industrial Energy Ltd.  |
| 11) Renascent Power Ventures Pvt. Ltd. **                               | 12) Dugar Hydro Power Ltd.  |
| 13) Prayagraj Power Generation Co. Ltd. ** (w.e.f. 12th December, 2019) | 14) Cennergi Pty. Ltd. ** (ceased to be JV w.e.f. 31st March, 2020) |
| 15) Adjaristsqali Georgia LLC **  |   |

\*\* Joint Venture of Subsidiaries

(c) (i) Promoters holding more than 20% - 'Promoter'

- 1) Tata Sons Pvt. Ltd.

(ii) Subsidiaries and Jointly Controlled Entities of Promoter - Promoter Group (where transactions have taken place during the year or previous year / balances outstanding) :

- |  |   |
|--|---|
| 1) Ewart Investments Ltd.  | 2) Tata AIG General Insurance Company Ltd.  |
| 3) Tata Industries Ltd. (ceased to be Subsidiary and became a Joint Venture w.e.f. 27th March, 2019) | 4) Tata Communications Ltd. (ceased to be an Associate and became a Subsidiary w.e.f. 28th May, 2018) |
| 5) Tata Investment Corporation Ltd.  | 6) Tata International Ltd.  |
| 7) Tata Consultancy Services Ltd.  | 8) Tata Ltd.  |
| 9) Tata Realty And Infrastructure Ltd.   | 10) Tata Sky Ltd.   |
| 11) Infiniti Retail Ltd.   | 12) Ecofirst Services Ltd.  |

## Notes to the Standalone Financial Statements

### 41. Related Party Disclosures (Contd.)

- |   |  |
|---|--|
| 13) Tata Consulting Engineers Ltd.  | 14) Tata Housing Development Co. Ltd.<br>Employees Provident Fund  |
| 15) Niskalp Infrastructure Services Ltd.<br>(Formerly Niskalp Energy Ltd.)            | 16) Tata Consultancy Services Employees Provident Fund   |
| 17) Tata Housing Development Company Ltd.   | 18) Tata Projects Provident Fund Trust   |
| 19) Tata Capital Financial Services Ltd.  | 20) Tata AIA Life Insurance Company Ltd.   |
| 21) Tata Teleservices (Maharashtra) Ltd.  | 22) Tata AG, Zug (ceased to be Subsidiary w.e.f. 21st<br>February, 2020)   |
| 23) Taj Air Ltd.  | 24) Tata Teleservices Ltd.   |
| 25) Progressive Electoral Trust   | 26) Tata Advanced System Ltd.  |
| 27) Tata Interactive Systems  | 28) Panatone Finvest Ltd.  |
| 29) THDC Management Services Ltd.<br>(Formerly THDC Facility Management Ltd.)         | 30) Tata Communications Payment Solutions Ltd. (w.e.f.<br>28th May, 2018)  |
| 31) Tata Advanced Materials Ltd. (ceased to be<br>Subsidiary w.e.f. 27th March, 2019) | 32) Tata Unistore Ltd. (Formerly Tata Industrial Services Ltd.)<br>(ceased to be a Subsidiary w.e.f. 27th March, 2019) |

(d) Key Management Personnel

- |  |   |
|--|---|
| 1) N. Chandrasekaran   | 2) Praveer Sinha CEO and Managing Director<br>(w.e.f. 1st May, 2018)                            |
| 3) Banmali Agrawala  | 4) Saurabh Agrawal  |
| 5) Kesava Menon Chandrasekhar  | 6) Ashok Sinha (w.e.f. 2nd May, 2019)   |
| 7) Vibha U. Padalkar   | 8) Anjali Bansal  |
| 9) Sanjay V. Bhandarkar  | 10) Hemant Bhargava   |
| 11) Ramesh N. Subramanyam - Chief Financial Officer                                  | 12) Hanoz Minoo Mistry - Company Secretary  |
| 13) Deepak M. Satwalekar (ceased to be Director w.e.f.<br>12th August, 2019)         | 14) Nawshir H. Mirza (ceased to be Director w.e.f.<br>12th August, 2019)                        |
| 15) Ashok Sethi (ceased to be COO and Executive Director<br>w.e.f. 30th April, 2019) | 16) Anil Sardana - CEO and Managing Director<br>(ceased to be Director w.e.f. 30th April, 2018) |

- (e) Relative of Key Managerial Personnel (where transactions have taken place during the year or previous year / balances outstanding) :
- |  |
|--|
| 1) Neville Minoo Mistry (Brother of Hanoz Minoo Mistry -<br>Company Secretary) |
|--|

(f) Details of Transactions:

Sr. No.	Particulars	Subsidiaries	Associates	Joint Ventures	Key Management Personnel & their relatives	Employee Benefit Funds / Trust	Promoter Group	₹ crore
								Promoter
1)	Purchase of goods/power (Net of Discount Received on Prompt Payment)	62.39	-	-	-	-	-	-
		62.80	-	58.74	-	-	0.02	-
2)	Sale of goods/power (Net of Discount on Prompt Payment)	221.60	0.01	-	-	-	33.70	-
		256.84	0.15	-	-	-	69.68	-
3)	Purchase of fixed assets	1.20	12.84	-	-	-	0.22	-
		0.06	9.69	-	-	-	3.01	-
4)	Sale of fixed assets	-	0.05	-	-	-	-	0.07
		0.09	0.08	-	-	-	-	-
5)	Rendering of services	102.33	7.17	39.76	-	-	8.58	1.25
		107.57	0.16	18.09	-	-	10.15	0.98

## 41. Related Party Disclosures (Contd.)

Sr. No.	Particulars	Subsidiaries	Associates	Joint Ventures	Key Management Personnel & their relatives	Employee Benefit Funds / Trust	Promoter Group	₹ crore
								Promoter
6)	Receiving of services	4.03	13.55	0.80	0.01	-	27.02	0.42
		6.98	10.85	0.08	-	-	27.07	0.08
7)	Brand equity contribution	-	-	-	-	-	-	0.87
		-	-	-	-	-	-	-
8)	Contribution to Employee Benefit Plans	-	-	-	-	34.04	-	-
		-	-	-	-	41.14	-	-
9)	Guarantee, collaterals etc. given	5,743.33 \$	-	-	-	-	-	-
		7,616.96 \$	-	-	-	-	-	-
10)	Guarantee, collaterals etc. cancelled	7,717.53 \$	-	-	-	-	-	-
		6,029.09 \$	-	-	-	-	-	-
11)	Remuneration paid - short term employee benefits	-	-	-	10.58 *	-	-	-
		-	-	-	23.91 *	-	-	-
12)	Long term employee benefits paid	-	-	-	2.80	-	-	-
		-	-	-	1.15	-	-	-
13)	Short term employee benefits paid	-	-	-	0.68	-	-	-
		-	-	-	0.55	-	-	-
14)	Interest income	18.57	-	0.01	-	-	0.01	-
		44.39	-	0.64	-	-	0.01	-
15)	Interest paid (including distribution on unsecured perpetual securities)	4.91	-	-	-	-	26.52	-
		3.98	-	-	-	-	26.70	-
16)	Dividend income	267.18	9.68	85.09	-	-	0.09	6.67
		283.40	9.68	85.40	-	-	- #	5.34
17)	Dividend paid	-	-	-	-	-	1.77	109.17
		-	-	-	-	-	1.77	109.17
18)	Guarantee commission earned	60.63	-	-	-	-	-	-
		19.77	-	1.18	-	-	-	-
19)	Loan Taken	5,400.65	-	-	-	-	-	-
		564.10	-	-	-	-	-	-
20)	Loans given	3,244.98	-	14.57	-	-	-	-
		2,358.66	1.00	1.00	-	-	-	-
21)	Reversal of Impairment of Investments and related obligation	131.46	-	-	-	-	-	-
		-	-	-	-	-	-	-
22)	Equity contribution (includes advance towards equity contribution and perpetual bonds)	50.00	-	-	-	-	-	-
		3,435.98	-	-	-	-	-	-

## Notes to the Standalone Financial Statements

### 41. Related Party Disclosures (Contd.)

Sr. No.	Particulars	Subsidiaries	Associates	Joint Ventures	Key Management Personnel & their relatives	Employee Benefit Funds / Trust	Promoter Group	₹ crore	
								Promoter	Promoter
23)	Loans provided for as doubtful advances (including interest)	6.85	-	0.14	-	-	-	-	-
		11.16	-	-	-	-	-	-	-
24)	Loans given written off	5.69	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
25)	Loans taken repaid (including loan converted into equity)	5,295.58	-	-	-	-	-	-	-
		689.10	-	-	-	-	-	-	-
26)	Loans repaid (including loan converted into equity)	2,809.63	-	14.43	-	-	-	-	-
		2,633.96	1.00	1.00	-	-	-	-	-
27)	Deposits taken	-	-	-	-	-	0.19	-	-
		-	0.01	-	-	-	0.21	-	-
28)	Deposits refunded	-	-	-	-	-	-	-	-
		-	-	-	-	-	1.51	-	-
29)	Liability written back	103.54	-	-	-	-	-	-	-
		-	-	-	2.03	-	-	-	0.64
30)	Sale of Investments	-	-	-	-	-	-	-	-
		-	-	-	-	-	614.18	-	1,542.61
31)	Donation given	-	-	-	-	-	-	-	-
		-	-	-	-	-	20.00	-	-
<b>Balances outstanding</b>									
1)	Unsecured Perpetual Securities	-	-	-	-	-	198.20	-	-
		-	-	-	-	-	199.00	-	-
2)	Redeemable Non-Convertible Debentures	-	-	-	-	-	36.50	-	-
		-	-	-	-	-	36.50	-	-
3)	Investments	23,802.81	192.58	1,100.19 @	-	-	129.39 @	241.95	-
		23,752.81	192.58 @	1,100.19 @	-	-	145.24	241.95	-
4)	Impairment in value of investments	4,009.14	-	67.50	-	-	-	-	-
		4,140.60	-	67.50	-	-	-	-	-
5)	Other receivables	27.21	4.17	32.91 @	-	35.45	4.59	1.73	-
		46.88	1.26	9.23	-	20.46	5.04	0.08	-
6)	Loans given (including interest thereon)	561.70	1.27	72.98 @	-	-	-	-	-
		130.70	1.27	72.84 @	-	-	-	-	-
7)	Loans taken (including interest thereon)	105.52	-	-	-	-	-	-	-
		0.38	-	-	-	-	-	-	-
8)	Loans provided for as doubtful advances (including interest thereon)	12.00	1.27	54.39	-	-	-	-	-
		12.40	1.27	54.25	-	-	-	-	-
9)	Deposits taken outstanding	-	-	-	-	-	0.21	2.00	-
		-	-	-	-	-	0.02	2.00	-
10)	Dividend receivable	-	-	-	-	-	-	-	-
		64.45	-	16.71	-	-	-	-	-

## 41. Related Party Disclosures (Contd.)

Sr. No.	Particulars	Subsidiaries	Associates	Joint Ventures	Key Management Personnel & their relatives	Employee Benefit Funds / Trust	Promoter Group	₹ crore
								Promoter
11)	Guarantees, collaterals etc. outstanding	14,658.57	-	-	-	-	-	-
		16,322.85	-	-	-	-	-	-
12)	Letter of comfort outstanding	-	-	0.05	-	-	-	-
		-	-	0.05	-	-	-	-
13)	Other payables	9.95	4.24	0.27	8.04	43.63	3.66	0.04
		22.37	7.58	60.81	12.93	13.56	0.51	19.20

### Notes:

The Company's principal related parties consist of Tata Sons Private Limited, its subsidiaries and joint ventures, its own subsidiaries, affiliates and key managerial personnel. The Company's material related party transactions and outstanding balances are with related parties with whom the Company routinely enter into transactions in the ordinary course of business.

All outstanding balances are unsecured.

§ Includes guarantees given and cancelled in foreign currency, converted in Indian currency by applying average exchange rates.

\* Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the Standalone Ind AS financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

# Denotes below ₹ 50,000.

@ Includes amount reclassified as held for sale.

## 42. Financial Instruments

### 42.1 Fair values

Set out below, is a comparison by class of the carrying amount and fair value of the financial instruments:

	₹ crore			
	Carrying value		Fair Value	
	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019
<b>Financial assets #</b>				
Cash and Cash Equivalents	158.54	75.94	158.54	75.94
Other Balances with banks	20.40	19.85	20.40	19.85
Trade Receivables	1,108.68	1,442.20	1,108.68	1,442.20
Unbilled Revenues	83.41	41.56	83.41	41.56
Loans	592.19	170.55	592.19	170.55
Finance Lease Receivables	584.92	591.85	584.92	591.85
FVTPL Financial Investments	20.00	Nil	20.00	Nil
FVTOCI Financial Investments (Refer Note below)	416.14	419.65	416.14	419.65
Amortised Cost financial investments	171.38	416.40	176.79	423.27
Other Financial Assets	454.84	98.95	454.84	98.95
Asset Classified as Held For Sale (Refer Note 18)				
- Strategic Engineering Division (SED)	667.35	265.62	667.35	265.62
- FVTOCI Financial Investments (Refer Note below)	22.81	38.65	22.81	38.65
- Loans and other receivables (including accrued interest)	22.74	18.59	22.74	18.59
<b>Total</b>	<b>4,323.40</b>	<b>3,599.81</b>	<b>4,328.81</b>	<b>3,606.68</b>
<b>Financial liabilities</b>				
Trade Payables	1,001.87	1,124.89	1,001.87	1,124.89
Floating rate borrowings (including current maturities)	6,579.58	7,752.86	6,579.58	7,752.86
Fixed rate borrowings (including current maturities)	11,386.65	9,699.66	11,397.63	9,774.02
Other financial liabilities	707.64	967.19	707.64	967.19
	<b>19,675.74</b>	<b>19,544.60</b>	<b>19,686.72</b>	<b>19,618.96</b>

# Other than investments in subsidiaries, associates and joint ventures accounted at cost in accordance with Ind AS 27 'Separate Financial Statements'.

## Notes to the Standalone Financial Statements

### 42. Financial Instruments (Contd.)

Note:

Certain unquoted investments are not held for trading, instead they are held for medium or long term strategic purpose. Upon the application of Ind AS 109 'Financial Instruments', the Company has chosen to designate these investments in equity instruments as at FVTOCI as the management believe this provides more meaningful presentation for medium and long term strategic investments, then reflecting changes in fair value immediately in profit or loss.

The management assessed that the fair value of cash and cash equivalents, other balances with banks, trade receivables, loans, finance lease receivables, unbilled revenues, trade payables, other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values.

- Fair value of the government securities are based on the price quotations near the reporting date. Fair value of the unquoted equity shares have been estimated using market comparable method. The valuation requires management to make certain assumptions about the marketability, active market price, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for those unquoted equity investments.
- The fair value of the remaining FVTOCI financial assets are derived from quoted market price in active markets.
- The fair value of debentures is determined by using the quoted prices. The own non-performance risk as on 31st March, 2020 was assessed to be insignificant.
- The cost of certain unquoted investments approximate their fair value because there is a wide range of possible fair value measurements and the cost represents the best estimate of fair value within that range.
- The fair value of loans from banks, other current financial liabilities and other non-current financial liabilities is estimated by discounting future cash flow using rates currently available for debt on similar terms, credit risk and remaining maturities.

#### Reconciliation of Level 3 fair value measurement of unquoted equity shares classified as FVTOCI:

	₹ crore	
Unlisted shares irrevocably designated as at FVTOCI (Refer Note below)	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Opening balance	404.87	404.87
Gain/(Loss)		
- in other comprehensive income	Nil	Nil
- in profit or loss	Nil	Nil
- changes on sale of equity shares	Nil	Nil
<b>Closing balance</b>	<b>404.87</b>	<b>404.87</b>

Note:

All gains and losses included in other comprehensive income related to unlisted shares held at the end of the reporting period and are reported under "Equity Instruments through Other Comprehensive Income".

The significant unobservable input used in the fair value measurement categorized within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31st March, 2020 and 31st March, 2019 are as shown below:

Description of significant unobservable inputs to valuation:

	Valuation techniques	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
Investments in unquoted equity shares	Price of recent transaction (PORT)	Transaction price	Varies on case to case basis	5% (31st March, 2019: 5%) increase (decrease) in the transaction price would result in increase (decrease) in fair value by ₹ 2.82 crore (31st March, 2019: ₹ 2.82 crore)

#### 42.2 Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

**Quoted prices in an active market (Level 1):** Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes quoted equity instruments, government securities and quoted borrowings (fixed rate) that have quoted price.

## 42. Financial Instruments (Contd.)

**Valuation techniques with observable inputs (Level 2):** Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This includes derivative financial instruments and unquoted floating and fixed rate borrowings.

**Valuation techniques with significant unobservable inputs (Level 3):** Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This includes unquoted equity shares.

The following table summarizes financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required) :

	Date of valuation	Fair value hierarchy as at 31st March, 2020			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
		₹ crore	₹ crore	₹ crore	
<b>Asset measured at fair value</b>					
FVTPL Financial Investments	31st March, 2020	20.00	Nil	Nil	20.00
FVTOCI Financial Investments:					
- Quoted equity shares	31st March, 2020	11.27	Nil	Nil	11.27
- Unquoted equity shares	31st March, 2020	Nil	Nil	404.87	404.87
- Assets classified as held for sale	31st March, 2020	22.81	Nil	Nil	22.81
<b>Asset for which fair values are disclosed</b>					
Amortised cost Financial Investments:					
- Government securities	31st March, 2020	176.79	Nil	Nil	176.79
		<b>230.87</b>	<b>Nil</b>	<b>404.87</b>	<b>635.74</b>
	Date of valuation	Fair value hierarchy as at 31st March, 2020			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
		₹ crore	₹ crore	₹ crore	
<b>Liabilities for which fair values are disclosed</b>					
Fixed rate borrowings	31st March, 2020	5,337.13	6,060.50	Nil	11,397.63
Floating rate borrowings	31st March, 2020	Nil	6,579.58	Nil	6,579.58
<b>Total</b>		<b>5,337.13</b>	<b>12,640.08</b>	<b>Nil</b>	<b>17,977.21</b>
	Date of valuation	Fair value hierarchy as at 31st March, 2019			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
		₹ crore	₹ crore	₹ crore	
<b>Asset measured at fair value</b>					
FVTOCI financial investments:					
- Quoted equity shares	31st March, 2019	14.78	Nil	Nil	14.78
- Unquoted equity shares	31st March, 2019	Nil	Nil	404.87	404.87
- Assets Classified as Held For Sale	31st March, 2019	38.65	Nil	Nil	38.65
<b>Asset for which fair values are disclosed</b>					
Amortised Cost financial investments:					
- Government securities	31st March, 2019	423.27	Nil	Nil	423.27
		<b>476.70</b>	<b>Nil</b>	<b>404.87</b>	<b>881.57</b>

## Notes to the Standalone Financial Statements

### 42. Financial Instruments (Contd.)

	Date of valuation	Fair value hierarchy as at 31st March, 2019			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
		₹ crore	₹ crore	₹ crore	
<b>Liabilities for which fair values are disclosed</b>					
Fixed rate borrowings	31st March, 2019	4,044.41	5,729.61	Nil	9,774.02
Floating rate borrowings	31st March, 2019	Nil	7,752.86	Nil	7,752.86
<b>Total</b>		<b>4,044.41</b>	<b>13,482.47</b>	<b>Nil</b>	<b>17,526.88</b>

There has been no transfer between level 1 and level 2 during the period.

### 42.3 Capital Management & Gearing Ratio

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the value for shareholders.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. From time to time, the Company reviews its policy related to dividend payment to shareholders, return capital to shareholders or fresh issue of shares. The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio around 50%. The Company includes within net debt, interest bearing loans and borrowings, less cash and bank balances, excluding discontinued operations as detailed in the notes below.

The Company's capital management is intended to create value for shareholders by facilitating the meeting of its long-term and short-term goals. Its Capital structure consists of net debt (borrowings as detailed in notes below) and total equity.

#### Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

	₹ crore	
	As at 31st March, 2020	As at 31st March, 2019
Debt (i)	18,003.89	17,641.99
Less: Cash and Bank balances	160.54	77.94
<b>Net debt</b>	<b>17,843.35</b>	<b>17,564.05</b>
Total Capital (ii)	15,261.97	15,689.60
<b>Capital and net debt</b>	<b>33,105.32</b>	<b>33,253.65</b>
Net debt to Total Capital plus net debt ratio (%)	53.90	52.82

(i) Debt is defined as Non-current borrowings (including current maturities) and Current borrowings (excluding derivative, financial guarantee contracts and contingent considerations) and interest accrued on Non-current and Current borrowings.

(ii) Equity is defined as Equity share capital, Unsecured perpetual securities and other equity.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no significant breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2020 and 31st March, 2019.

## 42. Financial Instruments (Contd.)

### 42.4 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables, financial guarantee contracts and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents, other bank balances, unbilled receivables, finance lease receivables and other financial assets that derive directly from its operations. The Company also holds FVTOCI/ FVTPL investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a risk committee that reviews the financial risks and the appropriate financial risk governance framework for the Company. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The risk management policies is approved by the board of directors.

#### 42.4.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: currency risk, interest rate risk and equity price risk. The impact of equity price risk is not significant. Financial instruments affected by market risk include loans and borrowings, derivative financial instruments and FVTOCI investments.

The sensitivity analysis in the following sections relate to the position as at 31st March, 2020 and 31st March, 2019.

The sensitivity analysis has been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant. The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets.

##### a. Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk through its operations in international projects and purchase of coal from Indonesia. The results of the Company's operations can be affected as the rupee appreciates/depreciates against these currencies.

The following table analyses foreign currency assets and liabilities on balance sheet dates:

Foreign Currency Liabilities	31st March, 2020		31st March, 2019	
	Foreign Currency (In Millions)	₹ crore	Foreign Currency (In Millions)	₹ crore
In USD	20.50	154.88	32.13	222.21
In EURO	0.31	2.60	0.07	0.54
In GBP	Nil	Nil	*	0.03
In JPY	300.78	20.92	124.51	7.78
In AUD	Nil	Nil	0.01	0.05
In CAD	0.02	0.08	0.01	0.05
In VND	790.21	0.25	Nil	Nil

Foreign Currency Assets	31st March, 2020		31st March, 2019	
	Foreign Currency (In Millions)	₹ crore	Foreign Currency (In Millions)	₹ crore
In USD	6.42	48.53	7.66	52.98
In ZAR	0.03	0.01	0.01	0.01
In SGD	0.08	0.41	Nil	Nil
In VND	35.88	0.01	Nil	Nil
In TAKA	0.21	0.02	0.20	0.02

\* Denotes figures below ₹ 50,000

## Notes to the Standalone Financial Statements

### 42. Financial Instruments (Contd.)

#### (i) Foreign currency sensitivity analysis

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's equity is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency forward and option contracts given as under.

		₹ crore
		Effect on profit before tax and consequential impact on equity
<b>As of 31st March, 2020</b>	Rupee depreciate by ₹ 1 against USD	(-) ₹ 1.41
	Rupee appreciate by ₹ 1 against USD	(+) ₹ 1.41
<b>As of 31st March, 2019</b>	Rupee depreciate by ₹ 1 against USD	(-) ₹ 2.45
	Rupee appreciate by ₹ 1 against USD	(+) ₹ 2.45

Notes:

- +/- Gain/Loss
- The impact of depreciation/appreciation on foreign currency other than USD on profit before tax of the Company is not significant.

#### b. Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings. The Company's policy is to keep between 40% and 60% of its borrowings at fixed rates of interest. To manage this, the Company enters into fixed rate borrowings, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

#### (i) Interest rate sensitivity:

The sensitivity analysis below have been determined based on exposure to interest rates for term loans and debentures that have floating rate at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period.

If the interest rates had been 50 basis points higher or lower and all the other variables were held constant, the effect on Interest expense for the respective financial years and consequent effect on Company's profit in that financial year would have been as below:

		₹ crore			
		31st March, 2020		31st March, 2019	
		50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest Expense on Loans		(+) ₹ 37.54	(-) ₹ 37.54	(+) ₹ 39.45	(-) ₹ 39.45
Effect on equity/profit before tax		(-) ₹ 37.54	(+) ₹ 37.54	(-) ₹ 39.45	(+) ₹ 39.45

#### 42.4.2 Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including loans and other financial instruments.

		₹ crore	
		31st March, 2020	31st March, 2019
Trade receivables		1,108.68	1,442.20
Loans		592.19	170.55
Finance lease receivables		584.92	591.85
Other financial assets		458.35	98.95
Unbilled Revenue		83.41	41.56
Financial Assets Held for Sale		712.90	322.86
<b>Total</b>		<b>3,540.45</b>	<b>2,667.97</b>

Refer Note 8 for credit risk and other information in respect of trade receivables. Other receivables as stated above are due from the parties under normal course of the business and as such the Company believes exposure to credit risk to be minimal.

The Company has not acquired any credit impaired asset.

## 42. Financial Instruments (Contd.)

### 42.4.3 Liquidity risk management

The current liabilities of the Company exceeds the current assets. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Company has access to a sufficient variety of sources of funding. Having regards to the nature of the business wherein the Company is able to generate fixed cash flows over a period of time and to optimize the cost of funding, the Company, from time to time, funds its long-term investment from short-term sources. The short-term borrowings can be rollforward or, if required, can be refinanced from long term borrowings. Hence, the Company considers the liquidity risk as low.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	Up to 1 year	1 to 5 years	5+ years	Total	₹ crore Carrying Amount
<b>31st March, 2020</b>					
<b>Non-Derivatives</b>					
Borrowings #	9,323.93	9,118.34	11,479.38	29,921.65	18,003.89
Trade Payables	1,001.87	Nil	Nil	1,001.87	1,001.87
Lease Liabilities	61.26	143.49	333.45	538.20	278.85
Other Financial Liabilities	655.37	14.60	Nil	669.97	669.97
<b>Total Non-Derivative Liabilities</b>	<b>11,042.43</b>	<b>9,276.43</b>	<b>11,812.83</b>	<b>32,131.69</b>	<b>19,954.58</b>
<b>31st March, 2019</b>					
<b>Non-Derivatives</b>					
Borrowings #	9,870.39	7,496.93	12,091.06	29,458.38	17,641.99
Trade Payables	1,102.14	22.75	Nil	1,124.89	1,124.89
Other Financial Liabilities	734.96	42.76	Nil	777.72	777.72
<b>Total Non-Derivative Liabilities</b>	<b>11,707.49</b>	<b>7,562.44</b>	<b>12,091.06</b>	<b>31,360.99</b>	<b>19,544.60</b>

# The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments, ignoring the call and refinancing options available with the Company. The amounts included above for variable interest rate instruments for non-derivative liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

The amount included in Note 38(c) for financial guarantee contracts are the maximum amounts the Company could be forced to settle under respective arrangements for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Company considers that it is more likely than not that such amount will not be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

## 43. Segment Reporting

From the current year, the Company has changed its organization structure into various operating verticals for efficient monitoring and pursuing growth. Consequently, reporting to Chief Operating Decision Maker (CODM) has been changed which has resulted into change in the composition of reportable segments. Accordingly, corresponding information for comparative year has been restated in the segment reporting.

Information reported to the CODM for the purpose of resource allocation and assessment of segment performance focuses on business segment which comprises of Generation, Renewables, Transmission and Distribution and Others. Specifically, the Company's reportable segments under Ind AS are as follows:

Generation: Comprises of generation of power from hydroelectric sources and thermal sources (coal, gas and oil) from plants owned and operated under lease arrangement and related ancillary services.

## Notes to the Standalone Financial Statements

### 43. Segment Reporting (Contd.)

Renewables: Comprises of generation of power from renewable energy sources i.e. wind and solar and related ancillary services

Transmission and Distribution: Comprises of transmission and distribution network, sale of power to retail customers through distribution network and related ancillary services.

Others: Comprises of project management contracts/infrastructure management services, property development and lease rent of oil tanks.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue/assets of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

#### (a) Segment Information:

Particulars	₹ crore	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Segment Revenue (Refer Note 3.11.3 and 30)		
Generation	4,456.33	5,263.76
Renewables	283.49	271.40
Transmission and Distribution	4,012.16	4,320.33
Others	30.76	34.83
	<b>8,782.74</b>	<b>9,890.32</b>
(Less): Inter Segment Revenue - Generation	(1,589.26)	(1,659.10)
(Less): Inter Segment Revenue - Renewables	(165.59)	(166.62)
<b>Total Segment Revenue</b>	<b>7,027.89</b>	<b>8,064.60</b>
Discontinued Operations- Others #	343.74	143.59
<b>Revenue / Income from Operations (including Net Movement in Regulatory Deferral Balances)</b>	<b>7,371.63</b>	<b>8,208.19</b>
Segment Results		
Generation	739.16	1,142.85
Renewables	102.43	82.71
Transmission and Distribution	825.29	1,049.88
Others	7.78	19.42
<b>Total Segment Results</b>	<b>1,674.66</b>	<b>2,294.86</b>
(Less): Finance Costs	(1,510.38)	(1,500.35)
Add/(Less): Exceptional Item - Generation [Refer Note 35(i) and 39a.]	(351.35)	(45.00)
Add/(Less): Exceptional Item - Transmission and Distribution [Refer Note 35(i)]	(190.00)	Nil
Add/(Less): Exceptional Item - Unallocable [Refer Note 7(10)(b)]	235.00	1,212.99
Add/(Less): Unallocable Income/(Expense) (Net)	492.60	384.50
<b>Profit/(Loss) Before Tax from Continuing Operations</b>	<b>350.53</b>	<b>2,347.00</b>
<b>Profit/(Loss) Before Tax from Discontinued Operations</b>	<b>(81.64)</b>	<b>(191.82)</b>
<b>Impairment Loss on Remeasurement to Fair Value (Refer Note 18)</b>	<b>(361.00)</b>	<b>Nil</b>
<b>Profit/(Loss) Before Tax from Discontinued Operations</b>	<b>(442.64)</b>	<b>(191.82)</b>

### 43. Segment Reporting (Contd.)

Particulars	₹ crore	
	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>Segment Assets</b>		
Generation	5,068.61	5,786.70
Renewables	779.56	857.35
Transmission and Distribution	6,123.68	6,427.64
Others	193.22	153.51
Unallocable*	23,571.34	22,845.08
Assets classified as held for sale # (Refer Note 18)	1,880.07	2,064.30
<b>Total Assets</b>	<b>37,616.48</b>	<b>38,134.58</b>
<b>Segment Liabilities</b>		
Generation	682.46	1,360.67
Renewables	21.97	18.50
Transmission and Distribution	1,599.16	1,365.92
Others	20.20	31.56
Unallocable*	18,998.65	18,702.06
Liabilities classified as held for sale #	1,032.07	966.27
<b>Total Liabilities</b>	<b>22,354.51</b>	<b>22,444.98</b>
<b>Capital Expenditure</b>		
Generation	75.22	59.71
Renewables	12.94	11.58
Transmission and Distribution	537.40	313.57
Others	4.04	2.26
Discontinued Operations	45.74	87.30
	<b>675.34</b>	<b>474.42</b>
<b>Depreciation/Amortisation (to the extent allocable to the segment)</b>		
Generation	223.61	213.08
Renewables	133.09	137.16
Transmission and Distribution	318.00	270.41
Others	2.51	0.78
	<b>677.21</b>	<b>621.43</b>

#### Reconciliation of Revenue

Particulars	₹ crore	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Revenue from Operations	7,726.39	8,255.25
Add/(Less): Net Movement in Regulatory Deferral Balances	(792.24)	(519.03)
Add/(Less): Net Movement in Regulatory Deferral Balances in respect of earlier years	(21.32)	274.26
Add/(Less): Deferred Tax Recoverable/(Payable) (Refer Note 3.11.3)	162.16	98.19
Add/(Less): Unallocable Revenue	(47.10)	(44.07)
<b>Total Segment Revenue</b>	<b>7,027.89</b>	<b>8,064.60</b>
Discontinued Operations- Others #	343.74	143.59
<b>Total Segment Revenue as reported above</b>	<b>7,371.63</b>	<b>8,208.19</b>

# Pertains to Strategic Engineering Division being classified as Discontinued Operations.

\* Includes amount classified as held for sale other than Strategic Engineering Division.

Notes:

1. Revenue from a DISCOM on sale of electricity with which Company has entered into a Power Purchase Agreement accounts for more than 10% of Total Revenue. Revenue from another customer (Industrial undertaking) pertaining to Finance lease accounts for more than 10% of Total Revenue.

## Notes to the Standalone Financial Statements

### 43. Segment Reporting (Contd.)

2. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

#### (b) Geographic Information:

The Company's operations is majorly confined within India and as such there are no reportable geographical segments.

### 44. Impact of COVID-19

India and other global markets experienced significant disruption in operations resulting from uncertainty caused by the worldwide coronavirus pandemic. Majority of Company's business includes generation, transmission and distribution of power in India. Further, Company also has significant investments in subsidiaries, joint ventures and associates involved in power supply and coal mining business in Indonesia. Considering power supply being an essential service, management believes that there is not much of an impact likely due to this pandemic on the business of the Company and its subsidiaries, joint ventures and associates except that there exists some uncertainty over impact of COVID-19 on future business performance of its coal mining companies which form part of Mundra CGU (comprising of investment in companies owning Mundra power plant, coal mine and related infrastructure). Based on the sensitivity analysis, management believes that the said uncertainty is not likely to impact the recoverability of Mundra CGU. The Company is also closely monitoring developments, its operations, liquidity and capital resources and is actively working to minimize the impact of this unprecedented situation.

### 45. Significant Events after the Reporting Period

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

### 46. Approval of Standalone Financial Statements

The Standalone financial statements were approved for issue by the Board of Directors on 19th May, 2020.

As per our report of even date

**For S R B C & CO LLP**

**Chartered Accountants**

ICAI Firm Registration No.324982E/E300003

**per ABHISHEK AGARWAL**

**Partner**

Membership No. 112773

Mumbai, 19th May, 2020

For and on behalf of the Board,

**PRAVEER SINHA**

**CEO & Managing Director**

DIN 01785164

**RAMESH SUBRAMANYAM**

**Chief Financial Officer**

Mumbai, 19th May, 2020

**BANMALI AGRAWALA**

**Director**

DIN 00120029

**H. M. MISTRY**

**Company Secretary**

# Independent Auditor's Report

## To the Members of The Tata Power Company Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated Ind AS financial statements of The Tata Power Company Limited (hereinafter referred to as “the Holding Company”), its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) its associates and joint ventures comprising of the consolidated Balance sheet as at March 31, 2020, the consolidated Statement of Profit and Loss, including Other Comprehensive Income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated Ind AS financial statements”).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2020, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Consolidated Ind AS Financial Statements’ section of our report. We are independent of the Group, associates, joint ventures in accordance with the

‘Code of Ethics’ issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

#### Emphasis of Matter

We draw attention to Note 45 of the consolidated Ind AS financial statements, wherein it is stated that there exists a material uncertainty about the impact of COVID-19 on the future operations of joint ventures and an associate of the Group. The auditors of respective companies have reported an Emphasis of Matter in this regard in their reports of the respective companies. Our opinion is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

## Independent Auditor's Report

Key audit matters	How our audit addressed the key audit matter
<p><b>Revenue recognition and accrual of regulatory deferrals (as described in Note 18 and 28 of the consolidated Ind AS financial statements)</b></p> <p>In the regulated generation, transmission and distribution business of the Group, the tariff is determined by the regulator on cost plus return on equity basis wherein the cost is subject to prudential norms. The Group invoices its customers on the basis of pre-approved tariff which is based on budget and is subject to true up.</p> <p>The Group recognizes revenue on the basis of tariff invoiced to customers. As the Group is entitled to a fixed return on equity, the Group recognizes accrual for the shortage / excess compared to the entitled return on equity. The Group has recognized ₹ 1,027.12 crore for generation and transmission business and ₹ 5,480.17 crore for distribution business as accruals as at March 31, 2020.</p> <p>Accruals are determined based on tariff regulations and past tariff orders and are subject to verification and approval by the regulators. Further the costs incurred are subject to prudential checks and prescribed norms. Significant judgements are made in determining the accruals including interpretation of tariff regulations. Further certain disallowances of claims have been litigated by the Group before higher authorities.</p> <p>In the renewables business of the Group, certain customers have raised dispute with respect to the tariff as per the executed power purchase agreement ('PPA') and are making part payment of invoices. Pending outcome of litigation, the Group continues to recognize revenue at PPA rate.</p> <p>Revenue recognition and accrual of regulatory deferrals is a key audit matter considering the significance of the amount and significant judgements involved in the determination.</p>	<p>Our audit procedures and procedures performed by component auditors, amongst others, included the following:</p> <ul style="list-style-type: none"> <li>• Considered the Group's accounting policies with respect to accrual of regulatory deferrals and assessing compliance with Ind AS 114 "Regulatory Deferral Accounts" and Ind AS 115 "Revenue from Contract with Customers".</li> <li>• Performed test of controls over revenue recognition and accrual of regulatory deferrals through inspection of evidence of performance of these controls.</li> <li>• Performed the tests of details including the following key procedures: <ul style="list-style-type: none"> <li>• Evaluated the key assumptions used by the Group by comparing it with prior years, past precedents and the opinion of management's expert.</li> <li>• Considered the independence, objectivity and competence of management's expert.</li> <li>• For tariff orders received by the Group, assessed the impact recognized by the Group and for matters litigated by the Group, also assessed the management's evaluation of the likely outcome of the dispute based on past precedents and/or advice of management's expert.</li> </ul> </li> <li>• Assessed the disclosures in accordance with the requirements of Ind AS 114 "Regulatory Deferral Accounts" and Ind AS 115 "Revenue from Contract with Customers".</li> </ul>
<p><b>Recognition and measurement of deferred tax (as described in Note 12 and 33 of the consolidated Ind AS financial statements)</b></p> <p>The Group has recognized Minimum Alternate Tax (MAT) credit receivable of ₹ 1,250.49 crore as at March 31, 2020. The Group also has recognized deferred tax assets of ₹ 297.97 crore on long term capital loss on sale of investments.</p> <p>Further, pursuant to the Taxation Laws (Amendment) Act, 2019 (new tax regime), the Group has remeasured its deferred tax balances expected to reverse after the likely transition to new tax regime, at the rate specified in the new tax regime and has recognized a net gain of ₹ 159.25 crore.</p> <p>The recognition and measurement of MAT credit receivable and deferred tax balances; is a key audit matter as the recoverability of such credits within the allowed time frame in the manner prescribed under tax regulations and estimation of year of transition to the new tax regime involves significant estimate of the financial projections, availability of sufficient taxable income in the future and significant judgements in the interpretation of tax regulations and tax positions adopted by the Group.</p>	<p>Our audit procedures and procedures performed by component auditors, amongst others, included the following:</p> <ul style="list-style-type: none"> <li>• Considered Group's accounting policies with respect to recognition and measurement of tax balances in accordance with Ind AS 12 "Income Taxes"</li> <li>• Performed test of controls over recognition and measurement of tax balances through inspection of evidence of performance of these controls.</li> <li>• Performed the tests of details including the following key procedures: <ul style="list-style-type: none"> <li>• Involved tax specialists who evaluated the Group's tax positions basis the tax law and also by comparing it with prior years and past precedents.</li> <li>• Discussed the future business plans and financial projections with the management.</li> <li>• Assessed the management's long-term financial projections and the key assumptions used in the projections by comparing it to the approved business plan, projections used for estimation of likely year of transition to the new tax regime and projections used for impairment assessment where applicable.</li> </ul> </li> <li>• Assessed the disclosures in accordance with the requirements of Ind AS 12 "Income Taxes".</li> </ul>

<b>Impairment of assets (as described in Note 4, 5 and 6 of the consolidated Ind AS financial statements)</b>	
<p>As per the requirements of Ind AS 36 "Impairment of Assets", the Group tests the Goodwill acquired in business combination for impairment annually. For other assets, the Group assesses at the end of every reporting period, whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset or CGU.</p> <p>The determination of recoverable amount, being the higher of fair value less costs to sell and value-in-use involves significant estimates, assumptions and judgements of the long-term financial projections.</p> <p>The Group is carrying Goodwill of ₹ 1,641.57 crore relating to acquisition of renewable energy businesses. The Group is also carrying impairment provision amounting to ₹ 1,119.77 crore with respect to Mundra CGU (comprising of investment in companies owning Mundra power plant, coal mines and related infrastructure), ₹ 221.86 crore for investment in company owning hydro power plant in Georgia and ₹ 100.00 crore with respect to a generating unit in Trombay. During the year, as the indication exists, the Group has reassessed its impairment assessment with respect to the specified CGUs.</p> <p>Impairment of assets is a key audit matter considering the significance of the carrying value, long term estimation and the significant judgements involved in the impairment assessment.</p>	<p>Our audit procedures and procedures performed by component auditors, amongst others, included the following:</p> <ul style="list-style-type: none"> <li>• Considered the Group's accounting policies with respect to impairment in accordance with Ind AS 36 "Impairment of assets"</li> <li>• Performed test of controls over impairment process through inspection of evidence of performance of these controls.</li> <li>• Performed the tests of details including the following key procedures: <ul style="list-style-type: none"> <li>• Obtained the management's impairment assessment.</li> <li>• Evaluated the key assumptions including projected generation, coal prices, exchange rate, energy prices post power purchase agreement period and weighted average cost of capital by comparing them with prior years and external data, where available.</li> <li>• Obtained and evaluated the sensitivity analysis.</li> </ul> </li> <li>• Assessed the disclosures in accordance with Ind AS 36 "Impairment of assets".</li> </ul>
<b>Going concern assessment (as described in Note 40.4.3 of the consolidated Ind AS financial statements)</b>	
<p>The Group has current liabilities of ₹ 26,521.43 crore and current assets of ₹ 12,021.48 crore as at March 31, 2020. Current liabilities exceeds current assets as at the year end. Given the nature of its business i.e. contracted long term power supply agreements and a significant composition of cost plus contracts leading to significant stability of cashflows and profitability, management is confident of refinancing and consider the liquidity risk as low and accordingly, the Group uses significant short term borrowings to reduce its borrowing costs.</p> <p>Management has made an assessment of the Group's ability to continue as a Going Concern as required by Ind AS 1 "Presentation of Financial Statements" considering all the available information and has concluded that the going concern basis of accounting is appropriate.</p> <p>Going Concern assessment has been identified as a key audit matter considering the significant judgements and estimates involved in the assessment and its dependence upon management's ability to complete the planned divestments, raising long term capital and/or successful refinancing of certain current financial obligations.</p>	<p>Our procedures, amongst others, included the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the process and tested the internal controls associated with the management's assessment of Going Concern assumption.</li> <li>• Discussed with management and assessed the assumptions, judgements and estimates used in assessment having regards to past performance and current emerging business trends affecting the business and industry.</li> <li>• Assessed the Group's ability to refinance its obligation based on the past trends, credit ratings, ability to generate cash flows and access to capital.</li> <li>• Assessed the adequacy of the disclosures in the consolidated Ind AS financial statements.</li> </ul>

# Independent Auditor's Report

## Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors.

For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

- (a) We did not audit the financial statements and other financial information, in respect of 12 subsidiaries, whose Ind AS financial statements include total assets of ₹ 11,246.33 crore as at March 31, 2020, and total revenues of ₹ 8,731.09 crore and net cash outflows of ₹ 7.58 crore for the year ended on that date. These Ind AS financial statements and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 670.90 crore for the year ended March 31, 2020, as considered in the consolidated Ind AS financial statements, in respect of 6 associates and joint ventures, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the reports of such other auditors.

Certain of these subsidiaries, associates and joint ventures are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries, associates and joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India.

## Independent Auditor's Report

We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries, associates and joint ventures located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

- (b) The accompanying consolidated Ind AS financial statements include unaudited financial statements and other unaudited financial information in respect of 1 subsidiary, whose financial statements and other financial information reflect total assets of ₹ 50.02 crore as at March 31, 2020, and total revenues of Nil and net cash outflows of ₹ 0.44 crore for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 14.98 crore for the year ended March 31, 2020, as considered in the consolidated Ind AS financial statements, in respect of 13 associates and joint ventures, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies and joint ventures, none of the directors of the Group's companies, its associates and joint ventures, incorporated in India, is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, associate companies and joint ventures, incorporated in India, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, associates and joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2020 has been paid/provided by the Holding Company, its subsidiaries,

associates and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint ventures, as noted in the 'Other matter' paragraph:
- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and joint ventures in its consolidated Ind AS financial statements – Refer Note 36 to the consolidated Ind AS financial statements;
  - ii. Provision has been made in the consolidated Ind AS financial statements, as required under the

applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and joint ventures, incorporated in India during the year ended March 31, 2020.

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

per Abhishek Agarwal  
Partner  
Membership Number: 112773  
UDIN: 20112773AAAACW7931

Mumbai  
Date: May 19, 2020

# Independent Auditor's Report

## Annexure 1 to the Independent Auditor's Report of even date on the Consolidated Financial Statements of The Tata Power Company Limited

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of The Tata Power Company Limited as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of The Tata Power Company Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether

adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements.

### Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to these consolidated Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised

acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Holding Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with

reference to these consolidated Ind AS financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **Other Matters**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company, in so far as it relates to these 12 subsidiary companies which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary companies incorporated in India.

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

per Abhishek Agarwal  
Partner  
Membership Number: 112773  
UDIN: 20112773AAAACW7931

Mumbai  
Date: May 19, 2020

# Consolidated Balance Sheet

as at 31st March, 2020

	Notes	Page	As at 31st March, 2020 ₹ crore	As at 31st March, 2019* ₹ crore	As at 1st April, 2018* ₹ crore
<b>ASSETS</b>					
<b>Non-current Assets</b>					
(a) Property, Plant and Equipment	4	361	44,662.61	41,101.50	41,431.61
(b) Capital Work-in-Progress			1,611.52	2,575.70	1,652.60
(c) Goodwill	5 a.	365	1,641.57	1,641.57	1,641.57
(d) Other Intangible Assets	5 b.	366	1,362.18	1,561.82	1,583.08
(e) Investments accounted for using the Equity Method	6 a.	368	13,202.65	12,513.48	11,530.27
(f) Financial Assets					
(i) Other Investments	6 c.	379	632.68	861.41	881.11
(ii) Trade Receivables	7	380	30.28	192.99	190.05
(iii) Loans	8	383	80.88	90.56	77.56
(iv) Finance Lease Receivables	9	383	588.92	565.62	574.76
(v) Other Financial Assets	10	385	578.79	316.75	273.68
(g) Non-current Tax Assets (Net)	11	386	342.00	238.01	167.59
(h) Deferred Tax Assets (Net)	12 a.	386	74.24	89.49	118.17
(i) Other Non-current Assets	13	391	1,185.12	1,358.07	1,577.31
<b>Total Non-current Assets</b>			<b>65,993.44</b>	<b>63,106.97</b>	<b>61,699.36</b>
<b>Current Assets</b>					
(a) Inventories	14	392	1,752.35	1,706.42	1,623.08
(b) Financial Assets					
(i) Investments	15	393	699.51	166.98	436.16
(ii) Trade Receivables	7	380	4,425.90	4,445.26	2,788.93
(iii) Unbilled Revenue			799.42	837.85	810.09
(iv) Cash and Cash Equivalents	16 a.	393	1,861.50	645.45	1,061.16
(v) Bank Balances other than (iv) above	16 b.	394	232.68	142.00	124.62
(vi) Loans	8	383	33.00	87.18	754.47
(vii) Finance Lease Receivables	9	383	33.20	37.90	34.27
(viii) Other Financial Assets	10	385	1,412.43	241.59	401.59
(c) Current Tax Assets (Net)	11	386	1.10	2.67	14.77
(d) Other Current Assets	13	391	770.39	1,881.85	1,512.32
<b>Total Current Assets</b>			<b>12,021.48</b>	<b>10,195.15</b>	<b>9,561.46</b>
Assets Classified as Held For Sale	17 a.	394	6,253.06	5,102.68	4,339.26
<b>Total Assets before Regulatory Deferral Account</b>			<b>84,267.98</b>	<b>78,404.80</b>	<b>75,600.08</b>
<b>Regulatory Deferral Account - Assets</b>	18	398	<b>5,480.17</b>	<b>5,758.13</b>	<b>6,304.56</b>
<b>TOTAL ASSETS</b>			<b>89,748.15</b>	<b>84,162.93</b>	<b>81,904.64</b>

# Consolidated Balance Sheet

as at 31st March, 2020 (Contd.)

	Notes	Page	As at 31st March, 2020 ₹ crore	As at 31st March, 2019* ₹ crore	As at 1st April, 2018* ₹ crore
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
(a) Equity Share Capital	19 a.	399	270.50	270.50	270.50
(b) Unsecured Perpetual Securities	19 b.	400	1,500.00	1,500.00	1,500.00
(c) Other Equity	20	401	17,795.52	16,535.01	14,608.55
<b>Equity attributable to Shareholders of the Company</b>			<b>19,566.02</b>	<b>18,305.51</b>	<b>16,379.05</b>
<b>Non-controlling Interests</b>			<b>2,332.04</b>	<b>2,166.66</b>	<b>2,015.29</b>
<b>Total Equity</b>			<b>21,898.06</b>	<b>20,472.17</b>	<b>18,394.34</b>
<b>Liabilities</b>					
<b>Non-current Liabilities</b>					
(a) Financial Liabilities					
(i) Borrowings	21	403	32,695.14	31,139.23	22,356.31
(ii) Lease Liabilities	22	405	3,180.48	Nil	Nil
(iii) Trade Payables			Nil	22.75	21.00
(iv) Other Financial Liabilities	23	406	721.52	687.31	647.31
(b) Non-current Tax Liabilities (Net)	24	407	3.03	3.74	3.74
(c) Deferred Tax Liabilities (Net)	12 b.	386	1,174.04	1,056.81	516.56
(d) Provisions	25	407	407.40	333.60	300.00
(e) Other Non-current Liabilities	26	416	2,084.52	1,873.75	1,841.48
<b>Total Non-current Liabilities</b>			<b>40,266.13</b>	<b>35,117.19</b>	<b>25,686.40</b>
<b>Current Liabilities</b>					
(a) Financial Liabilities					
(i) Borrowings	27	416	11,844.36	13,875.38	18,827.28
(ii) Lease Liabilities	22	405	379.74	Nil	Nil
(iii) Trade Payables			5,095.44	5,481.49	5,609.82
(iv) Other Financial Liabilities	23	406	7,502.90	6,480.79	9,942.98
(b) Current Tax Liabilities (Net)	24	407	129.49	150.22	160.38
(c) Provisions	25	407	116.42	93.55	108.94
(d) Other Current Liabilities	26	416	1,453.08	1,499.64	1,785.72
<b>Total Current Liabilities</b>			<b>26,521.43</b>	<b>27,581.07</b>	<b>36,435.12</b>
Liabilities directly associated with Assets Classified as Held For Sale	17 b.	395	1,062.53	992.50	903.78
<b>Total Liabilities before Regulatory Deferral Account</b>			<b>67,850.09</b>	<b>63,690.76</b>	<b>63,025.30</b>
<b>Regulatory Deferral Account - Liability</b>	18	398	<b>Nil</b>	<b>Nil</b>	<b>485.00</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>89,748.15</b>	<b>84,162.93</b>	<b>81,904.64</b>

\* Restated (Refer Note 44)

## See accompanying notes to the Consolidated Financial Statements

As per our report of even date

**For S R B C & CO LLP**

**Chartered Accountants**

ICAI Firm Registration No.324982E/E300003

**per ABHISHEK AGARWAL**

**Partner**

Membership No. 112773

Mumbai, 19th May, 2020

For and on behalf of the Board,

**PRAVEER SINHA**

**CEO & Managing Director**

DIN 01785164

**RAMESH SUBRAMANYAM**

**Chief Financial Officer**

Mumbai, 19th May, 2020

**BANMALI AGRAWALA**

**Director**

DIN 00120029

**H. M. MISTRY**

**Company Secretary**

# Consolidated Statement of Profit and Loss

for the year ended 31st March, 2020

	Notes	Page	For the year ended	For the year ended
			31st March, 2020	31st March, 2019*
			₹ crore	₹ crore
<b>I</b> Revenue from Operations [Refer Note 37(d)]	28	417	29,136.37	29,881.06
<b>II</b> Other Income	29	425	562.61	386.15
<b>III Total Income</b>			<b>29,698.98</b>	<b>30,267.21</b>
<b>IV Expenses</b>				
Cost of Power Purchased			6,220.46	6,359.53
Cost of Fuel [Refer Note 37(d)]			9,922.39	11,640.02
Transmission Charges			214.00	248.23
Raw Material Consumed	30	426	957.18	919.35
Purchase of Finished Goods and Spares			111.74	345.22
(Increase)/Decrease in Stock-in-Trade and Work in Progress	30	426	(15.64)	24.37
Employee Benefits Expense (Net)	31	426	1,440.64	1,339.05
Finance Costs [Refer Note 22 & 37(d)]	32	427	4,493.73	4,170.00
Depreciation and Amortisation Expenses (Refer Note 22)	4 & 5	361 & 366	2,633.56	2,393.13
Other Expenses	33	428	2,342.78	2,260.15
<b>Total Expenses</b>			<b>28,320.84</b>	<b>29,699.05</b>
<b>V Profit/(Loss) Before Movement in Regulatory Deferral Balances, Exceptional Items, Tax and Share of Net Profit of Associates and Joint Ventures accounted for using the Equity Method</b>			<b>1,378.14</b>	<b>568.16</b>
Add/(Less): Net Movement in Regulatory Deferral Balances	18	398	(451.68)	(340.19)
Add/(Less): Net Movement in Regulatory Deferral Balances in respect of earlier years	18	398	(21.32)	274.26
Add/(Less): Deferred Tax Recoverable/(Payable)	3.15	360	284.31	169.20
			<b>(188.69)</b>	<b>103.27</b>
<b>VI Profit/(Loss) Before Exceptional Items, Tax and Share of Net Profit of Associates and Joint Ventures accounted for using the Equity Method</b>			<b>1,189.45</b>	<b>671.43</b>
Share of Net Profit of Associates and Joint Ventures accounted for using the Equity Method			952.55	1,401.83
<b>VII Profit/(Loss) Before Exceptional Items and Tax</b>			<b>2,142.00</b>	<b>2,073.26</b>
Add/(Less): Exceptional Items				
Impairment in respect of Property, Plant and Equipment	4a (i) & 17b(iii)(c)	363 & 395	Nil	(106.41)
Provision for Contingencies	37d.	433	Nil	(45.00)
Gain on Sale of Investments in Associates	6b (ii) & (iii)	378	532.51	1,897.24
Standby Litigation	37e.	433	(276.35)	Nil
Remeasurement of Deferred Tax Recoverable on account of New Tax Regime (Net)	12	386	(265.00)	Nil
Reversal of Impairment for Investment in Joint Venture & related obligation	6b (i) (b)	378	235.00	Nil
			<b>226.16</b>	<b>1,745.83</b>
<b>VIII Profit/(Loss) Before Tax</b>			<b>2,368.16</b>	<b>3,819.09</b>
<b>IX Tax Expense/(Credit)</b>				
Current Tax	34a.	428	494.30	524.66
Deferred Tax	12	386	330.95	544.02
Deferred Tax relating to earlier years			(24.51)	18.91
Remeasurement of Deferred Tax on account of New Tax Regime (Net)	12	386	(159.25)	Nil
			<b>641.49</b>	<b>1,087.59</b>
<b>X Profit/(Loss) for the Year from Continuing Operations</b>			<b>1,726.67</b>	<b>2,731.50</b>
<b>XI Profit/(Loss) before tax from Discontinued Operations</b>	17c.	396	<b>(81.64)</b>	<b>(191.82)</b>
Impairment Loss related to Discontinued Operations on remeasurement to Fair Value	17c.	396	(361.00)	Nil
<b>XII Tax Expense/(Credit) of Discontinued Operations</b>				
Current Tax			Nil	(71.92)
Deferred Tax			(32.41)	5.94
<b>Tax Expense/(Credit) of Discontinued Operations</b>			<b>(32.41)</b>	<b>(65.98)</b>
<b>XIII Profit/(Loss) for the Year from Discontinued Operations</b>			<b>(410.23)</b>	<b>(125.84)</b>

# Consolidated Statement of Profit and Loss

for the year ended 31st March, 2020 (Contd.)

	Notes	Page	For the year ended	For the year ended
			31st March, 2020	31st March, 2019*
			₹ crore	₹ crore
<b>XIV Profit/(Loss) for the Year</b>			<b>1,316.44</b>	<b>2,605.66</b>
<b>XV Other Comprehensive Income/(Expenses) - Continuing Operations</b>				
A Add/(Less): (i) Items that will not be reclassified to Profit or Loss				
(a) Remeasurement of the Defined Benefit Plans	25	407	(87.56)	(23.91)
(b) Equity Instruments classified at FVTOCI			(39.72)	2.68
(c) Gain on sale of Investment classified at FVTOCI			Nil	1.66
(d) Assets Classified as Held For Sale - Equity Instruments classified at FVTOCI			Nil	(31.05)
(ii) Tax relating to items that will not be reclassified to Profit or Loss				
(a) Current Tax	34a (iii)	430	13.22	6.81
(b) Deferred Tax	34a (iii)	430	13.73	(0.06)
(iii) Share of Other Comprehensive Income/(Loss) of Associates and Joint Ventures accounted for using the Equity Method (net of tax)			2.23	(1.43)
B Add/(Less): (i) Items that will be reclassified to Profit or Loss				
(a) Exchange Differences in translating the financial statements of foreign operations			430.63	187.18
(b) Effective portion of cash flow hedge			128.84	Nil
(ii) Tax relating to items that will be reclassified to Profit or Loss				
(a) Deferred Tax			(32.43)	Nil
(iii) Share of Other Comprehensive Income/(Loss) of Associates and Joint Ventures accounted for using the Equity Method (net of tax)			407.06	23.35
			<b>836.00</b>	<b>165.23</b>
<b>XVI Other Comprehensive Income/(Expenses) - Discontinued Operations</b>				
Add/(Less): (i) Items that will not be reclassified to Profit or Loss			0.20	(1.14)
(ii) Income tax relating to items that will not be reclassified to Profit or Loss	34a. (iii)	430	Nil	0.40
			<b>0.20</b>	<b>(0.74)</b>
<b>XVII Total Other Comprehensive Income for the Year (XV + XVI)</b>			<b>836.20</b>	<b>164.49</b>
<b>XVIII Total Comprehensive Income for the Year (XIV + XVII)</b>			<b>2,152.64</b>	<b>2,770.15</b>
Profit for the year attributable to:				
- Owners of the Company			1,017.38	2,356.19
- Non-controlling Interest			299.06	249.47
			<b>1,316.44</b>	<b>2,605.66</b>
Other comprehensive Income for the year attributable to:				
- Owners of the Company			838.25	164.92
- Non-controlling Interest			(2.05)	(0.43)
			<b>836.20</b>	<b>164.49</b>
Total Comprehensive Income for the year attributable to:				
- Owners of the Company			1,855.63	2,521.11
- Non-controlling Interest			297.01	249.04
			<b>2,152.64</b>	<b>2,770.15</b>
<b>XIX Basic and Diluted Earnings Per Equity Share (of ₹ 1/- each) (₹)</b>	38	434		
(i) From Continuing Operations before net movement in regulatory deferral balances			5.33	8.29
(ii) From Continuing Operations after net movement in regulatory deferral balances			4.64	8.54
(iii) From Discontinued Operations			(1.52)	(0.46)
(iv) Total Operations after net movement in regulatory deferral balances			3.12	8.08

\* Restated (Refer Note 44)

## See accompanying notes to the Consolidated Financial Statements

As per our report of even date

**For S R B C & CO LLP**

**Chartered Accountants**

ICAI Firm Registration No.324982E/E300003

**per ABHISHEK AGARWAL**

**Partner**

Membership No. 112773

Mumbai, 19th May, 2020

For and on behalf of the Board,

**PRAVEER SINHA**

**CEO & Managing Director**

DIN 01785164

**RAMESH SUBRAMANYAM**

**Chief Financial Officer**

Mumbai, 19th May, 2020

**BANMALI AGRAWALA**

**Director**

DIN 00120029

**H. M. MISTRY**

**Company Secretary**

# Consolidated Statement of Cash Flows

for the year ended 31st March, 2020

	For the year ended 31st March, 2020	For the year ended 31st March, 2019*
	₹ crore	₹ crore
<b>A. Cash Flow from Operating Activities</b>		
Profit/(Loss) before tax from Continuing Operations	2,368.16	3,819.09
Profit/(Loss) before tax from Discontinued Operations	(442.64)	(191.82)
Adjustments to reconcile Profit Before Tax to Net Cash Flows:		
Depreciation and Amortisation Expense	2,633.56	2,393.13
Impairment in respect of Other Property, Plant & Equipment and Goodwill	Nil	106.41
Transfer to Contingency Reserve	17.00	16.00
Reversal of Impairment of Non-Current Investments and related obligation	(235.00)	Nil
Impairment Loss on Remeasurement related to Discontinued Operations	361.00	Nil
(Gain)/Loss on disposal of Property, Plant and Equipment (Net)	24.99	31.96
Finance Cost (Net of Capitalisation)	4,529.88	4,206.33
Interest Income	(135.55)	(76.26)
Dividend Income	(85.87)	(5.41)
Gain on sale of Current Investment measured at fair value through Profit and Loss	(53.39)	(48.92)
Gain on sale of Investment in Joint Venture/Associates accounted for using the equity method	(532.51)	(1,897.24)
Allowances for Doubtful Debts and Advances (Net)	20.71	72.54
Amortisation of premium paid on Leasehold Land	Nil	10.48
Impairment of Non-current Investments	Nil	(1.30)
Provision for Warranties	10.45	15.14
Delayed Payment Charges	(49.46)	(87.48)
Transfer from Capital Grants	(3.15)	(3.56)
Amortisation of Service Line Contributions	(89.18)	(82.96)
Guarantee Commission from Joint Ventures	(9.40)	(9.83)
Share of Net Profit of Associates and Joint Ventures accounted for using the equity method	(952.55)	(1,401.83)
Amortisation of Deferred Revenue	38.69	60.48
Effect of Exchange Fluctuation (Net)	(105.59)	(30.37)
	<b>5,384.63</b>	<b>3,267.31</b>
	<b>7,310.15</b>	<b>6,894.58</b>
Working Capital Adjustments:		
Adjustments for (increase) / decrease in Assets:		
Inventories	(21.32)	(85.19)
Trade Receivables	(96.56)	(1,649.03)
Unbilled Revenue	54.23	84.93
Finance Lease Receivables	(18.60)	5.51
Loans-Current	(13.17)	46.13
Loans-Non Current	8.58	(24.25)
Other Current Assets	387.45	(45.22)
Other Non-current Assets	214.01	(83.91)
Other Financial Assets - Current	10.51	138.46
Other Financial Assets - Non-current	(58.14)	(15.66)
Regulatory Deferral Account - Assets	277.97	546.41
Current Investments		
Purchased	(365.48)	(407.81)
Proceeds from sale	226.15	518.63

# Consolidated Statement of Cash Flows

for the year ended 31st March, 2020 (Contd.)

	For the year ended 31st March, 2020	For the year ended 31st March, 2019*
	₹ crore	₹ crore
Non-Current Investments		
Proceeds from sale	3.68	6.26
Movement in Operating Asset	<b>609.31</b>	<b>(964.74)</b>
Adjustments for increase / (decrease) in Liabilities:		
Trade Payables	(796.97)	(42.56)
Other Current Liabilities	448.63	(315.50)
Other Non-current Liabilities	141.53	(79.97)
Other Financial Liabilities - Current	233.51	28.11
Other Financial Liabilities - Non-current	26.04	74.61
Regulatory Deferral Account - Liability	Nil	(485.00)
Current Provisions	(57.19)	(75.19)
Non-current Provisions	69.40	45.25
Movement in Operating Liability	<b>64.95</b>	<b>(850.25)</b>
Cash flow from/(used in) Operations	<b>7,984.41</b>	<b>5,079.59</b>
Income tax paid - (net of refund received)	(609.09)	(505.80)
<b>Net Cash Flows from/(used) in Operating Activities</b>	<b>A</b>	<b>4,573.79</b>
<b>B. Cash Flow from Investing Activities</b>		
Capital expenditure on Property, Plant and Equipment (including capital advances)	(2,225.81)	(3,576.22)
Proceeds from sale of Property, Plant and Equipment (including property, plant and equipment classified as held for sale)	36.37	42.91
Purchase of Current Investments	(14,978.62)	(20,728.77)
Proceeds from sale of Current Investments	14,673.11	20,936.88
Consideration transferred on business combinations	Nil	(13.14)
Purchase of Non-current Investments	(615.26)	(47.92)
Proceeds from sale of Non-current Investments (Including advance and investments classified as held for sale)	577.88	2,507.08
Inter-corporate Deposits (Net)	Nil	83.61
Interest Received	164.92	139.35
Delayed Payment Charges received	49.61	34.33
Guarantee Commission Received	3.84	9.59
Dividend Received	1,894.53	308.66
Bank Balance not Considered as Cash and Cash Equivalents	(123.50)	(15.60)
<b>Net Cash Flow from/(used in) Investing Activities</b>	<b>B</b>	<b>(319.24)</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Issue of Shares including shares issued to Minority Shareholders	20.07	Nil
Increase in Capital/Service Line Contributions	80.10	97.00
Proceeds from Non-current Borrowings	7,188.37	10,867.07
Repayment of Non-current Borrowings	(5,607.42)	(9,978.26)
Proceeds from Current Borrowings	42,412.07	34,846.52
Repayment of Current Borrowings	(44,100.06)	(36,376.94)
Finance Cost Paid	(4,002.50)	(3,976.10)
Payment of Lease Liability (includes interest of ₹ 308.73 crore)	(330.03)	Nil
Dividend Paid	(500.57)	(410.36)
Additional Income-tax on Dividend Paid	(98.60)	(82.38)
Distribution on Unsecured Perpetual Securities	(171.00)	(171.00)
<b>Net Cash Flow from/(used in) Financing Activities</b>	<b>C</b>	<b>(5,184.45)</b>

# Consolidated Statement of Cash Flows

for the year ended 31st March, 2020 (Contd.)

		For the year ended 31st March, 2020	For the year ended 31st March, 2019*
		₹ crore	₹ crore
<b>Net Increase in Cash and Cash Equivalents</b>	<b>(A + B + C)</b>	<b>1,722.83</b>	<b>(929.90)</b>
<b>Cash and Cash Equivalents as at 1st April (Opening Balance)</b>		<b>61.52</b>	<b>944.52</b>
<b>Effect of Exchange Fluctuation on Cash and Cash Equivalents</b>		<b>50.04</b>	<b>46.90</b>
<b>Cash and Cash Equivalents as at 31st March (Closing Balance)</b>		<b>1,834.39</b>	<b>61.52</b>

*Notes:*

Cash and Cash Equivalents include:

(a) Balances with banks (Refer Note 16a.)			
(i) In Current Accounts		935.27	320.87
(ii) In Deposit Accounts (with original maturity of three months or less)		919.77	311.90
(b) Cheques on Hand		6.44	11.69
(c) Cash on Hand		0.02	0.99
(d) Bank Overdraft		(34.71)	(590.89)
<b>Cash and Cash Equivalents relating to Continuing Operations</b>		<b>1,826.79</b>	<b>54.56</b>
(a) Balances with banks			
(i) In Current Accounts		7.62	6.13
(b) Book Overdraft		(0.02)	(0.02)
<b>Cash and Cash Equivalents relating to Discontinued Operations</b>		<b>7.60</b>	<b>6.11</b>
Cash and Cash Equivalent pertaining to Asset Classified as Held For Sale		Nil	0.85
<b>Total Cash and Cash Equivalents</b>		<b>1,834.39</b>	<b>61.52</b>

\* Restated (Refer Note 44)

**See accompanying notes to the Consolidated Financial Statements**

As per our report of even date

**For S R B C & CO LLP**

**Chartered Accountants**

ICAI Firm Registration No.324982E/E300003

**per ABHISHEK AGARWAL**

**Partner**

Membership No. 112773

Mumbai, 19th May, 2020

For and on behalf of the Board,

**PRAVEER SINHA**

**CEO & Managing Director**

DIN 01785164

**RAMESH SUBRAMANYAM**

**Chief Financial Officer**

Mumbai, 19th May, 2020

**BANMALI AGRAWALA**

**Director**

DIN 00120029

**H. M. MISTRY**

**Company Secretary**

# Consolidated Statement of Changes in Equity

for the year ended 31st March, 2020

## A. Equity Share Capital

	No. of Shares	₹ crore
Balance as at 1st April, 2018	270,47,73,510	270.50
Issued during the year	Nil	Nil
Balance as at 31st March, 2019	270,47,73,510	270.50
Issued during the year	Nil	Nil
Balance as at 31st March, 2020	270,47,73,510	270.50

## B. Unsecured Perpetual Securities

	No. of Shares	₹ crore
Balance as at 1st April, 2018	15,000.00	1,500.00
Issued during the year	Nil	Nil
Balance as at 31st March, 2019	15,000.00	1,500.00
Issued during the year	Nil	Nil
Balance as at 31st March, 2020	15,000.00	1,500.00

## C. Other Equity (Refer Note 20)

Description	Reserves and Surplus			Item of Other Comprehensive Income			Controlling Interests	Non-controlling Interests	Total					
	General Reserve	Securities Premium	Debt Redemption Reserve	Capital Redemption Reserve	Special Reserve Fund	Statutory Reserve				Retained Earnings	Equity Instrument through Comprehensive Income	Foreign Currency Translation Reserve	Effective portion of cash flow hedge	
Balance as at 1st April, 2018*	4,086.53	5,647.80	1,073.16	15.76	232.09	119.05	660.08	2,452.44	(44.77)	367.67	(1.26)	14,608.55	2,015.29	16,623.84
Profit for the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil	2,356.19	Nil	Nil	Nil	2,356.19	249.47	2,605.66
Other Comprehensive Income/(Expenses) for the year (Net of Tax)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(17.76)	(27.86)	209.28	1.26	164.92	(0.43)	164.49
Total Comprehensive Income	Nil	Nil	Nil	Nil	Nil	Nil	Nil	2,338.43	(27.86)	209.28	1.26	2,521.11	249.04	2,770.15
Dividend paid (including tax on dividend)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(423.65)	Nil	Nil	Nil	(423.65)	(97.67)	(521.32)
Transfer to/from Debt Redemption Reserve	Nil	Nil	(344.26)	Nil	Nil	Nil	Nil	344.26	Nil	Nil	Nil	Nil	Nil	Nil
Transfer to Retained Earnings on Sale of Shares	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(771.15)	771.15	Nil	Nil	Nil	Nil	Nil
Transfer to Capital Redemption Reserve	Nil	Nil	Nil	500.00	Nil	Nil	Nil	(500.00)	Nil	Nil	Nil	Nil	Nil	Nil
Transfer to Special Reserve Fund	Nil	Nil	Nil	Nil	3.54	Nil	Nil	(3.54)	Nil	Nil	Nil	Nil	Nil	Nil
Distribution on Unsecured Perpetual Securities (Net of Tax)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(171.00)	Nil	Nil	Nil	(171.00)	Nil	(171.00)
Balance as at 31st March, 2019	4,086.53	5,647.80	728.90	515.76	232.09	122.59	660.08	3,265.79	698.52	576.95	Nil	16,535.01	2,166.66	18,701.67
Balance as at 31st March, 2019*	4,086.53	5,647.80	728.90	515.76	232.09	122.59	660.08	3,265.79	698.52	576.95	Nil	16,535.01	2,166.66	18,701.67
Profit for the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1,017.38	Nil	Nil	Nil	1,017.38	299.06	1,316.44
Other Comprehensive Income/(Expenses) for the year (Net of Tax)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(56.12)	(39.72)	837.68	96.41	838.25	(2.05)	836.20
Total Comprehensive Income	Nil	Nil	Nil	Nil	Nil	Nil	Nil	961.26	(39.72)	837.68	96.41	1,855.63	297.01	2,152.64
Issue of Equity Shares during the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	20.07	20.07
Dividend paid (including tax on dividend)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(424.36)	Nil	Nil	Nil	(424.36)	(151.70)	(576.06)
Transfer to Retained Earnings on Sale of Shares	Nil	Nil	Nil	Nil	Nil	Nil	Nil	666.34	(666.34)	Nil	Nil	Nil	Nil	Nil
Transfer to/from Debt Redemption Reserve	Nil	Nil	(90.70)	Nil	Nil	Nil	Nil	90.70	Nil	Nil	Nil	Nil	Nil	Nil
Transfer to Special Reserve Fund	Nil	Nil	Nil	Nil	1.48	Nil	Nil	(1.48)	Nil	Nil	Nil	Nil	Nil	Nil
Distribution on Unsecured Perpetual Securities (Net of Tax)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(170.76)	Nil	Nil	Nil	(170.76)	Nil	(170.76)
Balance as at 31st March, 2020	4,086.53	5,647.80	638.20	515.76	232.09	124.07	660.08	4,387.49	(7.54)	1,414.63	96.41	17,795.52	2,332.04	20,127.56

\* Restated (Refer Note 44)

See accompanying notes to the Consolidated Financial Statements

As per our report of even date

For SRB C & CO LLP

Chartered Accountants

ICAI Firm Registration No.324982E/E300003

per ABHISHEK AGARWAL

Partner

Membership No. 112773

Mumbai, 19th May, 2020

For and on behalf of the Board,

PRAVEER SINHA

CEO & Managing Director

DIN 01785164

RAMESH SUBRAMANYAM

Chief Financial Officer

Mumbai, 19th May, 2020

BANMALI AGRAWALA

Director

DIN 00120029

H. M. MISTRY

Company Secretary

# Notes to the Consolidated Financial Statements

## 1. Corporate Information

The Tata Power Company Limited (the 'Company' or 'Parent Company') is a public limited company domiciled and incorporated in India under the Indian Companies Act, 1913. The registered office of the Company is located at Bombay House, 24, Homi Mody Street, Mumbai 400 001 India. The Company is listed on the Bombay Stock Exchange of India Limited (BSE) and the National Stock Exchange of India Limited (NSE). The principal business of the Company is generation, transmission, distribution and trading of electricity.

The Company and its subsidiaries (collectively referred to as 'the Group') is one of India's largest integrated power companies with an international presence. The Group together with its joint venture companies has an installed gross generation capacity of 12,742 MW and a presence in all the segments of the power sector viz. Fuel Security and Logistics, Generation (thermal, hydro, solar and wind), Transmission, Distribution and Trading. The Group has developed the country's first 4,000 MW Ultra Mega Power Project at Mundra (Gujarat) based on super-critical technology. It is also one of the largest renewable energy players in India with a clean energy portfolio of 3,883 MW. Its international presence includes strategic investments in Indonesia, Singapore, Zambia, Georgia and Bhutan. With its track record of technology leadership, project execution excellence, world class safety processes, customer care and driving green initiatives the Group is poised for multi-fold growth and is committed to 'lighting up lives' for generations to come.

## 2. Significant Accounting Policies

### 2.1 Statement of compliance

The consolidated Ind AS financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 (as amended from time to time).

### 2.2 Basis of preparation and presentation

The consolidated Ind AS financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- derivative financial instruments,
- certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).
- employee benefit expenses (Refer Note 25 for accounting policy)

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amount of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

### 2.3 Basis of Consolidation

The Group consolidates all entities which are controlled by it. The consolidated Ind AS financial statements comprise the financial statements of the Company and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The entities are consolidated from the date control commences until the date control ceases.

#### 2.3.1 Subsidiaries

The consolidated Ind AS financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain/loss from such transactions are eliminated upon consolidation. These consolidated Ind AS financial statements are prepared by applying uniform accounting policies in use at the Group. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interest having a deficit balance.

Changes in the Group's holding that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's holding and the non-controlling interests are adjusted to reflect the changes in their relative holding. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

## 2. Significant Accounting Policies (Contd.)

### 2.3.2 Joint Ventures and Associates

Joint Ventures are entities over which the Group has joint control. Associates are entities over which the Group has significant influence but not control. Investments in Joint Ventures and Associates are accounted for using the equity method of accounting. The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the acquisition date. The Group's investment in Joint Ventures and Associates includes goodwill identified on acquisition. (Refer Note 6a)

### 2.4 Business Combinations

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in consolidated Ind AS statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfers of interests in entities that are under the common control are accounted at historical costs. The difference between any consideration given and the aggregate historical carrying amount of assets and liabilities of the acquired entity are recorded in shareholders' equity.

In case of bargain purchase, before recognising gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognizes any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amount that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing, directly in equity as capital reserve.

### 2.5 Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amount to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

## Notes to the Consolidated Financial Statements

### 2. Significant Accounting Policies (Contd.)

2.6 Details of the Group's subsidiaries at the end of the reporting period considered in the preparation of the Consolidated Ind AS Financial Statements are as follows:

Name	Country of Incorporation/ Principal Place of Business	% voting power held as at 31st March, 2020	% voting power held as at 31st March, 2019
<b>Subsidiaries (Direct)</b>			
Af-Taab Investment Co. Ltd.	India	100	100
Tata Power Trading Co. Ltd.	India	100	100
NELCO Ltd.	India	50.04	50.04
Maithon Power Ltd.	India	74	74
Tata Power Delhi Distribution Ltd.	India	51	51
Coastal Gujarat Power Ltd.	India	100	100
Bhira Investments Pte. Ltd. (Formerly known as Bhira Investments Ltd.)	Singapore	100	100
Bhivpuri Investments Ltd.	Mauritius	100	100
Khopoli Investments Ltd.	Mauritius	100	100
Trust Energy Resources Pte. Ltd.	Singapore	100	100
TP Renewable Microgrid Ltd.	India	100	100
TCL Ceramics Ltd (formerly known as Tata Ceramics Ltd). \$	India	57.07	57.07
Tata Power International Pte. Ltd.	Singapore	100	100
Tata Power Solar Systems Ltd.	India	100	100
Tata Power Renewable Energy Ltd.	India	100	100
Tata Power Jamshedpur Distribution Ltd.	India	100	100
TP Ajmer Distribution Ltd.	India	100	100
Tata Power Green Energy Ltd.	India	100	100
<b>Subsidiaries (Indirect)</b>			
PT Sumber Energi Andalan Tbk. \$	Indonesia	92.50	92.50
NDPL Infra Ltd.	India	51	51
Energy Eastern Pte. Ltd.	Singapore	!	100
Tatanet Services Ltd. (TNSL) (Consolidated with NELCO Ltd.)	India	50.04	50.04
Supa Windfarm Ltd.	India	100	100
Poolavadi Windfarm Ltd.	India	74	100
Nivade Windfarm Ltd.	India	100	100
Indo Rama Renewables Jath Ltd.	India	100	100
TP Solapur Ltd.	India	100	Nil
TP Kirnali Ltd.	India	100	Nil
Walwhan Renewable Energy Ltd.	India	100	100
Clean Sustainable Solar Energy Pvt Ltd. @	India	99.99	99.99
Dreisatz Mysolar24 Pvt Ltd. @	India	100	100
MI Mysolar24 Pvt Ltd. @	India	100	100
Northwest Energy Pvt Ltd. @	India	100	100
Solarsys Renewable Energy Pvt Ltd. @	India	100	100
Walwhan Solar Energy GJ Ltd. @	India	100	100
Walwhan Solar Raj Ltd. @	India	100	100
Walwhan Solar BH Ltd. @	India	100	100
Walwhan Solar MH Ltd. @	India	100	100

## 2. Significant Accounting Policies (Contd.)

Name	Country of Incorporation/ Principal Place of Business	% voting power held as at 31st March, 2020	% voting power held as at 31st March, 2019
Walwhan Wind RJ Ltd. @	India	100	100
Walwhan Solar AP Ltd. @	India	100	100
Walwhan Solar KA Ltd. @	India	100	100
Walwhan Solar MP Ltd. @	India	100	100
Walwhan Solar PB Ltd. @	India	100	100
Walwhan Energy RJ Ltd. @	India	100	100
Walwhan Solar TN Ltd. @	India	100	100
Walwhan Solar RJ Ltd. @	India	100	100
Walwhan Urja Anjar Ltd. @	India	100	100
Walwhan Urja India Ltd. @	India	100	100
Chirasthayee Saurya Ltd.	India	100	100
Nelco Network Products Ltd. (Consolidated with NELCO Ltd.)	India	50.04	50.04
Vagarai Windfarm Ltd.	India	72	72
Far Eastern Natural Resources LLC #	Russia	100	100

# Based on Unaudited Financial Information, certified by its Management for the year ended 31st March, 2020.

@ Consolidated with Walwhan Renewable Energy Ltd.

\$ Classified as held for sale.

! Merged with Trust Energy Resources Pte. Ltd. during the year.

## 3. Other Significant Accounting Policies, critical accounting estimates and judgements

### 3.1 Foreign Currencies

The Group's consolidated Ind AS financial statements are presented in Indian Rupee, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of that balance sheet
- Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in OCI.

## Notes to the Consolidated Financial Statements

### 3. Other Significant Accounting Policies, critical accounting estimates and judgements (Contd.)

#### 3.2 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- expected to be realised or intended to be sold or consumed in normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realised within twelve months after the reporting period, or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in normal operating cycle,
- it is held primarily for the purpose of trading,
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

#### 3.3 Warranties

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the Group's best estimate of the expenditure required to settle the Group's obligation.

#### 3.4 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities measured at fair value through profit or loss are recognised immediately in consolidated Ind AS statement of profit and loss.

##### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

#### 3.5 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

### 3. Other Significant Accounting Policies, critical accounting estimates and judgements (Contd.)

#### 3.5.1 Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest rate method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### 3.5.2 Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Group makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to consolidated Ind AS statement of profit and loss on sale of the investments.

#### 3.5.3 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in consolidated Ind AS statement of profit and loss.

#### 3.5.4 Investment in Joint Ventures and Associates

Investment in joint ventures and associates are accounted using equity method less impairment.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

##### Impairment of investments

The Group reviews its carrying value of investments carried at cost, amortised cost or equity method annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit or loss.

#### 3.5.5 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- the right to receive cash flows from the asset have expired, or
- the Group has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

## Notes to the Consolidated Financial Statements

### 3. Other Significant Accounting Policies, critical accounting estimates and judgements (Contd.)

When the Group has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

#### 3.5.6 Impairment of financial assets

The Group assesses at each date of balance sheet whether a financial asset or a Group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

### 3.6 Financial liabilities and equity instruments

#### 3.6.1 Classification as debt or equity

Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### 3.6.2 Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

#### 3.6.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in consolidated Ind AS statement of profit and loss when the liabilities are derecognised as well as through the effective interest rate (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated Ind AS statement of profit and loss.

#### 3.6.4 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated Ind AS statement of profit and loss.

#### 3.6.5 Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 - 'Financial Instruments' and the amount recognised less cumulative amortisation.

### 3.7 Derivative financial instruments and hedge accounting

The Group enters into a variety of derivative financial instruments such as forward contracts, options contracts and interest rate swaps, to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts and cross currency swaps.

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

### 3. Other Significant Accounting Policies, critical accounting estimates and judgements (Contd.)

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the consolidated Ind AS statement of profit and loss. Any gains or losses arising from changes in the fair value of derivatives are taken directly to consolidated Ind AS statement of profit and loss.

The Group adopts hedge accounting for forward, interest rate and commodity contracts wherever possible. At the inception of each hedge, there is a formal, documented designation of the hedging relationship. This documentation includes, inter alia, items such as identification of the hedged item transaction and nature of the risk being hedged. At inception, each hedge is expected to be highly effective in achieving an offset of changes in fair value or cash flows attributable to the hedged risk. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at the inception and on an ongoing basis. The ineffective portion of designated hedges is recognised immediately in the consolidated Ind AS statement of profit and loss.

When hedge accounting is applied:

- for fair value hedges of recognised assets and liabilities, changes in fair value of the hedged assets and liabilities attributable to the risk being hedged, are recognised in the consolidated Ind AS statement of profit and loss and compensate for the effective portion of symmetrical changes in the fair value of the derivatives.
- for cash flow hedges, the effective portion of the change in the fair value of the derivative is recognised directly in other comprehensive income and the ineffective portion is recognised in the consolidated Ind AS statement of profit and loss. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognised in the consolidated Ind AS statement of profit and loss in the same period in which the hedged item affects the consolidated Ind AS statement of profit and loss.

In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the consolidated Ind AS statement of profit and loss as and when they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the consolidated Ind AS statement of profit and loss for the period.

#### 3.8 Reclassification of financial assets and liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

#### 3.9 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### 3.10 Government Grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grant will be received.

## Notes to the Consolidated Financial Statements

### 3. Other Significant Accounting Policies, critical accounting estimates and judgements (Contd.)

Government grants relating to income are determined and recognised in the consolidated Ind AS statement of profit and loss over the period necessary to match them with the cost that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are reduced from the cost of the assets.

The benefit of a Government loan at a below market rate of interest is treated as a Government grant, measured as the difference between proceeds received and the fair value of loan based on prevailing market interest rates.

#### 3.11 Dividend distribution to equity shareholders of the Parent Company

The Parent Company recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at its discretion. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. In case of Interim Dividend, the liability is recognised on its declaration by the Board of Directors.

#### 3.12 Service Concession Agreement (SCA)

A Group entity has entered into contract for design, part finance, engineering, manufacture, supply, erection, testing, commissioning and operation and maintenance for 25 years of Grid Interactive Solar Power Project through Public Private Partnership with a public sector power generator (PSU). The PSU has paid part of the project cost to the Group on commissioning of plant/Handover of Project. Remaining cost and the operations and maintenance cost is being recovered over the period of the project in accordance with the agreement with the PSU.

Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. It requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

As per the arrangement, the share of electricity revenue is divided into three parts i.e. towards deferred payment, interest income and operation and maintenance revenue. The Group has initially measured financial asset at fair value and subsequently at amortized cost by recognising share of electricity sale revenue first towards operation and maintenance revenue. Subsequent thereto, amount is recognised as interest income at computed Internal Rate of Return (IRR) on opening balance of the financial asset. Further, surplus of revenue share over and above operation and maintenance revenue and interest income is recognised as recovery of the financial asset.

#### Changes in Accounting Policies & Adoption of new and amended standards and interpretations

#### 3.13 Ind AS 116 'Leases'

Ind AS 116 - Leases was notified in March, 2019 and it replaces Ind AS 17 'Leases'. Ind AS 116 is effective for annual periods beginning on or after 1st April, 2019. The Group has applied Ind AS 116 'Leases' (Ind AS 116) with a date of initial application of 1st April, 2019 using modified retrospective approach, under which the cumulative effect of initial application is recognised as at 1st April, 2019.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. As a lessee, the Group previously classified leases as operating or finance lease based on its assessment of whether the lease transferred significantly all of the risk and rewards incidental to the ownership of the underlying asset of the Group. Under Ind AS 116, the Group recognises the right-of-use assets and lease liabilities as stated in the Note 4b & 22.

On adoption of Ind AS 116, the Group has recognised 'Right-of-use' assets amounting to ₹ 3,786.47 crore (adjusted by the prepaid lease payments amounting to ₹ 341.00 crore) and 'Lease liabilities' amounting to ₹ 3,472.68 crore, (including re-classification of lease liability from trade payable and finance lease amounting to ₹ 24.00 crore and ₹ 3.03 crore respectively) as at 1st April, 2019. There is no impact on retained earnings as at 1st April, 2019. The Group has applied Ind AS 116 only to the contracts that were previously identified as leases. As a practical expedient, contracts previously identified as leases under Ind AS 17 has not reassessed as to whether contract is, or contains, a lease under Ind AS 116.

### 3. Other Significant Accounting Policies, critical accounting estimates and judgements (Contd.)

The Group has used the following practical expedients when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17.

- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Relied on its assessment of whether leases are onerous immediately before the date of initial application.
- Applied the exemption not to recognise right-of-use asset and liabilities for leases with remaining lease term of 12 months or less.
- Excluded initial direct costs from measuring the right-of-use assets at the date of application
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

The lease liabilities as at 1st April, 2019 can be reconciled to the operating lease commitments as of 31st March, 2019 as follows:

Particulars	₹ crore
Operating lease commitments as at 31st March, 2019 (including cancellable and non-cancellable lease)	9,923.52
Add: Liabilities for assets taken on finance lease	3.03
Less: Commitments relating to short-term leases	(29.42)
Less: Commitments relating to leases of low-value assets	(0.38)
Net operating lease commitments	9,896.75
Weighted average incremental borrowing rate as at 1st April, 2019	4.46% to 10.00%
Discounted operating lease commitments as at 1st April, 2019	3,465.26
Add: Lease payments relating to renewal periods not included in operating lease	7.42
<b>Lease liabilities as at 1st April, 2019</b>	<b>3,472.68</b>

#### Accounting Policy for Leases till 31st March, 2019

##### Leasing arrangement

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

##### The Group as lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the consolidated Ind AS statement of profit and loss on a straight-line basis over the lease term.

#### 3.14 Ind AS 12 'Income Taxes'

Pursuant to the amendment in Indian Accounting Standard (Ind AS) 12 - "Income Taxes" effective from 1st April 2019, the Group has recognized the income tax consequence on interest on perpetual securities in the profit and loss which was earlier recognized directly in other equity and has restated the figures for previous year. Accordingly, the profit after tax for the year ended 31st March, 2019 is higher by ₹ 60.12 crore as compared to previous year reported profit. There is no impact on the "Other Equity" of the Group.

## Notes to the Consolidated Financial Statements

### 3. Other Significant Accounting Policies, critical accounting estimates and judgements (Contd.)

#### 3.15 Deferred Tax Recoverable / Payable

In the regulated operations of the Group where tariff recovered from consumers is determined on cost plus return on equity, the Income tax cost is pass through cost and accordingly the Group recognises Deferred tax recoverable / payable against any Deferred tax expense/ income. Until previous year, the same was presented under 'Tax Expenses' in the Consolidated Ind As Financial Statements. During the year, pursuant to an opinion by the Expert Advisory Committee of The Institute of Chartered Accountants of India, the same has now been included in 'Revenue from Operations' in case of Generation and Transmission Divisions and 'Net Movement in Regulatory Deferral Balances' in case of Distribution Division. There is no impact in the Other Equity and Profit/ (Loss) on account of such change in presentation. Impact of this restatement in the comparative year is as follows:

Particulars	₹ crore
	Year ended 31st March, 2019
Revenue from Operations - Increase / (Decrease)	322.42
Movement in Net Regulatory Deferral Balances - Income / (Expense)	169.20
Tax (expense) / credit	491.62
Basic and diluted EPS from continuing operations before movement in regulatory deferral balances – Increase / (Decrease)	(0.40)

#### 3.16 Critical accounting estimates and judgements

In the application of the Group's accounting policies, the Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the consolidated Ind AS financial statements.

The areas involving critical estimates or judgements are:

Estimates and judgements used for impairment assessment of property, plant and equipment of certain cash generating units (CGU) - Note 4

Estimation and judgements for impairment assessment of goodwill - Note 5a.

Estimations used for fair value of unquoted securities and impairment assessment of investments - Note 6

Estimation of defined benefit obligation - Note 25

Estimation of provision for warranty claims - Note 25

Estimates related to accrual of regulatory deferrals and revenue recognition - Note 18 and 28

Estimations used for determination of tax expenses and tax balances - Note 34 and 12

Judgement to estimate the amount of provision required or to determine required disclosure related to litigation and claims against the Group - Note 36 and 37

Estimates and judgements related to the assessment of liquidity risk - Note 40.4.3.

Estimates and judgement are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

## 4. Property, Plant and Equipment

### Accounting Policy

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price (net of trade discount and rebates) and any directly attributable cost of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalised in accordance with Ind AS 23. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the consolidated Ind AS statement of profit and loss as incurred.

The accounting policy related to Right of Use Assets has been disclosed in Note 22.

### Depreciation

Depreciation commences when an asset is ready for its intended use. Freehold land and assets held for sale are not depreciated.

### Regulated Assets

Depreciation on Property, plant and equipment in respect of electricity business of the Group covered under Part B of Schedule II of the Companies Act, 2013, has been provided on the straight line method at the rates specified in tariff regulations notified by respective Electricity Regulatory Commission ('Regulator').

### Non Regulated Assets

Depreciation is recognised on the cost of assets (other than freehold land and properties under construction) less their residual values over their estimated useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Estimated useful lives of the Regulated and Non Regulated assets are as follows:

Type of asset	Useful lives
Hydraulic Works	35 years
Buildings-Plant	5 to 40 years
Buildings-Others	25 to 60 years
Coal Jetty	25 years
Railway Sidings, Roads, Crossings, etc.	5 to 35 years
Plant and Equipments (excluding Computers and Data Processing units)	3 to 40 years
Plant and Equipments (Computers and Data Processing units)	3 to 6 years
Transmission Lines, Cable Network, etc.	4 to 35 years
Furniture and Fixtures	5 to 35 years
Office Equipments	5 to 15 years
Motor Cars	4 to 10 years
Motor Lorries, Launches, Barges etc.	25 to 35 years
Ships	25 years
Helicopters	25 years

## Notes to the Consolidated Financial Statements

### 4. Property, Plant and Equipment (Contd.)

#### De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in consolidated Ind AS statement of profit and loss.

#### Impairment of tangible and intangible assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of or Group of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group basis its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a PPA period. To estimate Cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the market in which the asset is used.

Impairment losses of tangible and intangible assets are recognised in the consolidated Ind AS statement of profit and loss.

# Notes to the Consolidated Financial Statements

## 4. Property, Plant and Equipment (Contd.)

### a. Owned Assets

₹ crore

Description	Freehold Land	Hydraulic Works	Buildings - Plant	Buildings - Others @	Coal Jetty	Roads, Railway sidings, crossings etc	Plant and Equipment	Transmission lines and cable network	Furniture and Fixtures	Office Equipment	Motor Vehicles, Launches, Barges, etc.	Ships	Helicopters	Assets Under Lease	Total
<b>Cost</b>															
<b>Balance as at 1st April, 2019</b>	1,031.54	536.46	2,185.31	752.79	106.10	102.84	44,923.95	6,200.14	120.44	163.48	101.45	1,691.27	37.01	4.43	57,957.21
Reclassified to Right of Use Assets as at 1st April, 2019 (Refer Note 4b)	Nil	Nil	(0.26)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(4.43)	(4.69)
Additions	40.79	0.04	83.02	28.90	Nil	1.07	2,398.25	580.71	4.18	29.23	11.84	Nil	Nil	Nil	3,178.03
Disposals	(0.15)	Nil	(1.61)	(2.37)	Nil	(0.05)	(129.84)	(1.42)	(6.31)	(4.25)	(19.69)	(566.88)	Nil	Nil	(732.57)
Exchange Movement	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.05	Nil	Nil	156.07	Nil	Nil	156.12
Reclassified from/to as held for sale (Refer Note 17a)	(23.21)	(0.13)	0.32	(0.45)	Nil	(0.23)	217.78	(0.69)	0.01	Nil	Nil	(1,280.46)	(1.71)	Nil	(1,088.77)
<b>Balance as at 31st March, 2020</b>	<b>1,048.97</b>	<b>536.37</b>	<b>2,266.78</b>	<b>778.87</b>	<b>106.10</b>	<b>103.63</b>	<b>47,410.14</b>	<b>6,778.74</b>	<b>118.37</b>	<b>188.46</b>	<b>93.60</b>	<b>Nil</b>	<b>35.30</b>	<b>Nil</b>	<b>59,465.33</b>
<b>Accumulated depreciation and impairment</b>															
<b>Balance as at 1st April, 2019</b>	Nil	293.86	543.28	221.15	56.01	70.72	12,696.40	2,276.43	81.55	72.91	54.46	454.75	33.25	0.94	16,855.71
Reclassified to Right of Use Assets as at 1st April, 2019 (Refer Note 4b)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(0.94)	(0.94)
Depreciation Expense - Continuing Operations	Nil	12.37	63.76	28.15	5.60	1.98	1,824.27	276.14	8.71	18.40	10.35	65.82	0.02	Nil	2,315.57
Disposal of assets	Nil	Nil	(1.28)	(2.34)	Nil	(0.05)	(79.27)	(0.67)	(5.84)	(4.25)	(11.28)	(531.91)	Nil	Nil	(636.89)
Exchange Movement	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.04	Nil	Nil	11.34	Nil	Nil	11.38
Reclassified from/to as held for sale (Refer Note 17a)	Nil	Nil	0.85	0.12	Nil	Nil	85.42	Nil	0.01	Nil	Nil	Nil	(1.54)	Nil	84.86
<b>Balance as at 31st March, 2020</b>	<b>Nil</b>	<b>306.23</b>	<b>606.61</b>	<b>247.08</b>	<b>61.61</b>	<b>72.65</b>	<b>14,526.82</b>	<b>2,551.90</b>	<b>84.47</b>	<b>87.06</b>	<b>53.53</b>	<b>Nil</b>	<b>31.73</b>	<b>Nil</b>	<b>18,629.69</b>
<b>Net carrying amount</b>															
<b>As at 31st March, 2020</b>	<b>1,048.97</b>	<b>230.14</b>	<b>1,660.17</b>	<b>531.79</b>	<b>44.49</b>	<b>30.98</b>	<b>32,883.32</b>	<b>4,226.84</b>	<b>33.90</b>	<b>101.40</b>	<b>40.07</b>	<b>Nil</b>	<b>3.57</b>	<b>Nil</b>	<b>40,835.64</b>
<b>As at 31st March, 2019</b>	<b>1,031.54</b>	<b>242.60</b>	<b>1,642.03</b>	<b>531.64</b>	<b>50.09</b>	<b>32.12</b>	<b>32,227.55</b>	<b>3,923.71</b>	<b>38.89</b>	<b>90.57</b>	<b>46.99</b>	<b>1,236.52</b>	<b>3.76</b>	<b>3.49</b>	<b>41,101.50</b>

# Notes to the Consolidated Financial Statements

## 4. Property, Plant and Equipment (Contd.)

₹ crore

Description	Freehold Land	Hydraulic Works	Buildings - Plant	Buildings - Others@	Coal Jetty	Roads, Railway sidings, crossings etc.	Plant and Equipment	Transmission lines and cable network	Furniture and Fixtures	Office Equipment	Motor Vehicles, Launches, Barges, etc.	Ships	Helicopters	Assets Under Lease	Total
<b>Balance as at 1st April, 2018</b>	973.94	536.68	2,143.89	762.13	106.10	99.45	43,913.56	5,699.52	122.30	112.34	106.81	1,593.84	37.01	230.08	56,437.65
Additions	62.33	1.56	94.28	12.65	Nil	4.12	1,664.53	509.68	3.10	62.06	7.95	Nil	Nil	Nil	2,422.26
Disposals	(1.45)	(1.78)	(1.62)	(0.39)	Nil	(0.73)	(188.64)	(4.25)	(4.85)	(10.31)	(13.31)	Nil	Nil	Nil	(227.33)
Exchange Movement	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	97.43	Nil	Nil	97.43
Reclassified as held for sale	(3.28)	Nil	(51.24)	(21.60)	Nil	Nil	(465.50)	(4.81)	(0.11)	(0.61)	Nil	Nil	Nil	(225.65)	(772.80)
<b>Balance as at 31st March, 2019</b>	<b>1,031.54</b>	<b>536.46</b>	<b>2,185.31</b>	<b>752.79</b>	<b>106.10</b>	<b>102.84</b>	<b>44,923.95</b>	<b>6,200.14</b>	<b>120.44</b>	<b>163.48</b>	<b>101.45</b>	<b>1,691.27</b>	<b>37.01</b>	<b>4.43</b>	<b>57,957.21</b>
<b>Accumulated depreciation and impairment</b>															
<b>Balance as at 1st April, 2018</b>	Nil	283.00	518.28	202.83	50.39	69.24	11,256.81	2,029.99	76.98	63.07	48.52	368.01	30.78	8.14	15,006.04
Depreciation Expense - Continuing Operations	Nil	12.37	58.02	31.13	5.62	2.12	1,805.07	250.89	8.81	13.32	11.82	64.91	2.47	2.90	2,269.45
Disposal of assets	Nil	(1.51)	(1.45)	(0.36)	Nil	(0.64)	(137.21)	(1.86)	(4.22)	(3.10)	(5.88)	Nil	Nil	Nil	(156.23)
Charge for the year - Impairment [Refer Note (i) below]	Nil	Nil	7.65	Nil	Nil	Nil	10.35	0.07	Nil	Nil	Nil	Nil	Nil	Nil	18.07
Exchange Movement	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.05	Nil	Nil	21.83	Nil	Nil	21.88
Reclassified as held for sale	Nil	Nil	(39.22)	(12.45)	Nil	Nil	(238.62)	(2.66)	(0.07)	(0.38)	Nil	Nil	Nil	(10.10)	(303.50)
<b>Balance as at 31st March, 2019</b>	<b>Nil</b>	<b>293.86</b>	<b>543.28</b>	<b>221.15</b>	<b>56.01</b>	<b>70.72</b>	<b>12,696.40</b>	<b>2,276.43</b>	<b>81.55</b>	<b>72.91</b>	<b>54.46</b>	<b>454.75</b>	<b>33.25</b>	<b>0.94</b>	<b>16,855.71</b>
<b>Net carrying amount</b>															
<b>As at 31st March, 2019</b>	1,031.54	242.60	1,642.03	531.64	50.09	32.12	32,227.55	3,923.71	38.89	90.57	46.99	1,236.52	3.76	3.49	41,101.50
<b>As at 31st March, 2018</b>	<b>973.94</b>	<b>253.68</b>	<b>1,625.61</b>	<b>559.30</b>	<b>55.71</b>	<b>30.21</b>	<b>32,656.75</b>	<b>3,669.53</b>	<b>45.32</b>	<b>49.27</b>	<b>58.29</b>	<b>1,225.83</b>	<b>6.23</b>	<b>221.94</b>	<b>41,431.61</b>

Notes:

- During the previous year, the Group had recognised an impairment charge of ₹ 18.07 crore against carrying value of Rithala power generation plant (Net carrying value of ₹ 20.04 crore has been classified as assets held for sale).
- Total Impairment recognised as at March 31, 2020 is ₹ 408.18 crore (31st March, 2019 ₹ 408.18 crore).
- Refer Note 21 for charge created on Property, Plant and Equipment.
- The title deeds of immovable properties included in property, plant and equipment are held in the name of the Group, except for:
  - immovable properties aggregating to ₹ 0.88 crore (31st March, 2019 - ₹ 0.88 crore) acquired during merger of Chemical Terminal Trombay Ltd. in the earlier year for which registration of title of deeds is in progress.
  - immovable properties aggregating to ₹ 8.01 crore (31st March, 2019 - ₹ 8.01 crore) acquired in earlier years for which registration of title of deeds is in progress;
  - immovable properties aggregating to ₹ 27.57 crore (31st March, 2019 - ₹ 27.57 crore) for which the title deed is in dispute and pending resolution as at 31st March, 2020.
  - land aggregating to ₹ 297.02 crore (31st March, 2019 - ₹ 297.02 crore) for which the registration of title deeds is in process.

**4. Property, Plant and Equipment (Contd.)**  
**b. Right of Use Assets - ROU (Refer Note 22)**

Description						₹ crore
	Land	Plant and Equipment	Building-Plant	Port Intake Channel	Ships	Total
<b>Cost</b>						
<b>Balance as on 1st April 2019 due to adoption of Ind AS 116 [Refer Note 3.13]</b>	821.60	11.43	7.73	2,332.32	613.39	3,786.47
Exchange Movement	Nil	Nil	Nil	Nil	56.59	56.59
Additions	69.31	3.09	0.08	30.22	Nil	102.70
Disposals	Nil	Nil	(0.53)	Nil	Nil	(0.53)
Reclassified to ROU at 1st April, 2019 (Refer Note 4a and 5b)	174.71	Nil	4.69	Nil	Nil	179.40
Reclassified as held for Sale (Refer Note 17a)	(43.61)	Nil	Nil	Nil	Nil	(43.61)
<b>Balance as at 31st March, 2020</b>	<b>1,022.01</b>	<b>14.52</b>	<b>11.97</b>	<b>2,362.54</b>	<b>669.98</b>	<b>4,081.02</b>
<b>Accumulated depreciation and impairment</b>						
Depreciation Expense - Continuing Operations	66.63	4.88	2.01	73.36	50.30	197.18
Exchange Movement	Nil	Nil	Nil	Nil	3.30	3.30
Reclassified to ROU at 1st April, 2019 (Refer Note 4a and 5b)	52.63	Nil	0.94	Nil	Nil	53.57
<b>Balance as at 31st March, 2020</b>	<b>119.26</b>	<b>4.88</b>	<b>2.95</b>	<b>73.36</b>	<b>53.60</b>	<b>254.05</b>
<b>Net carrying amount</b>						
<b>As at 31st March, 2020</b>	<b>902.75</b>	<b>9.64</b>	<b>9.02</b>	<b>2,289.18</b>	<b>616.38</b>	<b>3,826.97</b>
<b>As at 1st April, 2019</b>	<b>821.60</b>	<b>11.43</b>	<b>7.73</b>	<b>2,332.32</b>	<b>613.39</b>	<b>3,786.47</b>

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
<b>Net carrying amount</b>		
a. Owned Assets	40,835.64	41,101.50
b. Right of Use Assets	3,826.97	Nil
<b>Total</b>	<b>44,662.61</b>	<b>41,101.50</b>

**5 a. Goodwill**

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
<b>Cost</b>		
<b>Balance at beginning of year</b>	1,641.57	1,641.57
Additions during the year	Nil	Nil
Less: Impairment charge during the year	Nil	Nil
<b>Balance at end of year</b>	<b>1,641.57</b>	<b>1,641.57</b>

# Notes to the Consolidated Financial Statements

## 5 a. Goodwill (Contd.)

In accordance with IND AS 36 "Impairment of Assets" the Group performed impairment testing of Goodwill assigned to each Cash Generating Unit (CGU) as at 31st March, 2020 applying value in use approach across all the CGUs i.e. using cash flow projections based on financial budgets covering contracted power sale agreements with procurers (15 to 20 years) considering a discount rate (pre-tax) in the range of 10.05% to 10.54% per annum. The Group has used financial projections for 15 to 20 years as the tariff rates are fixed as per PPA.

Based on the results of the Goodwill impairment test, the estimated value in use in all CGUs were higher than their respective carrying amount, hence impairment provision recorded during the current year is ₹ Nil (31st March, 2019 - ₹ Nil). Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the Goodwill.

The key assumptions used in the value in use calculations for the power cash-generating unit are as follows:

<b>Operation &amp; Maintenance cost inflation</b>	Escalation of 5%
<b>Discount Rate</b>	10.05% to 10.54% (31st March, 2019 10.25% to 10.70%) Pre-Tax Discount rate has been derived based on current cost of borrowing and equity rate of return in line with the current market expectations.
<b>Plant load factor (PLF)</b>	Plant load factor is estimated for each CGU based on past trend of PLF and expected PLF in future years

## 5 b. Other Intangible Assets

### Accounting Policy

#### Intangible Assets acquired separately

Intangible Assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses if any.

#### Internally generated intangibles

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

#### Derecognition of Intangible Assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in consolidated Ind AS statement of profit and loss when the asset is derecognised.

#### Amortisation of Intangible Assets

Intangible assets with finite lives are amortised over the useful economic life on straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the consolidated Ind AS statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Estimated useful lives of the Intangible Assets are as follows:

Type of asset	Useful lives
Copyrights, patents, other intellectual property rights, services and operating rights	5 years
Right to Use Assets (Intake Channel)	5 years
Customer Contracts acquired under business combination	12 to 25 years
Computer Software	3 to 6 years
Power Distribution Rights	20 years

For accounting policy related to impairment has been disclosed in Note 4

## 5 b. Other Intangible Assets (Contd.)

Description						₹ crore
	Copyrights, patents, other intellectual property rights, services and operating rights #	Right To Use Assets (Intake Channel) \$	Customer Contracts acquired under business combination	Computer Software \$	Power Distribution Rights @	Total
<b>Cost</b>						
<b>Balance as at 1st April, 2019</b>	12.92	174.71	1,386.14	393.32	47.09	2,014.18
Reclassified to Right of Use Assets as at 1st April, 2019 (Refer Note 4b)	Nil	(174.71)	Nil	Nil	Nil	(174.71)
Additions	0.75	Nil	Nil	21.91	23.78	46.44
Disposal	(9.07)	Nil	Nil	(0.03)	(0.36)	(9.46)
<b>Balance as at 31st March, 2020</b>	<b>4.60</b>	<b>Nil</b>	<b>1,386.14</b>	<b>415.20</b>	<b>70.51</b>	<b>1,876.45</b>
<b>Accumulated amortisation and impairment</b>						
<b>Balance as at 1st April, 2019</b>	11.22	52.75	162.21	224.15	2.03	452.36
Reclassified to Right of Use Assets as at 1st April, 2019 (Refer Note 4b)	Nil	(52.75)	Nil	Nil	Nil	(52.75)
Amortisation expense - Continuing Operations	0.57	Nil	64.15	55.81	3.23	123.76
Disposal	(9.07)	Nil	Nil	(0.03)	Nil	(9.10)
<b>Balance as at 31st March, 2020</b>	<b>2.72</b>	<b>Nil</b>	<b>226.36</b>	<b>279.93</b>	<b>5.26</b>	<b>514.27</b>
<b>Net carrying amount</b>						
<b>As at 31st March, 2020</b>	<b>1.88</b>	<b>Nil</b>	<b>1,159.78</b>	<b>135.27</b>	<b>65.25</b>	<b>1,362.18</b>
<b>As at 31st March, 2019</b>	<b>1.70</b>	<b>121.96</b>	<b>1,223.93</b>	<b>169.17</b>	<b>45.06</b>	<b>1,561.82</b>

Description						₹ crore
	Copyrights, patents, other intellectual property rights, services and operating rights #	Right To Use Assets (Intake Channel) \$	Customer Contracts acquired under business combination	Computer Software \$	Power Distribution Rights @	Total
<b>Cost</b>						
<b>Balance as at 1st April, 2018</b>	12.40	174.71	1,386.57	315.38	27.69	1,916.75
Additions	0.52	Nil	Nil	87.74	19.40	107.66
Disposal	Nil	Nil	(0.43)	(9.80)	Nil	(10.23)
<b>Balance as at 31st March, 2019</b>	<b>12.92</b>	<b>174.71</b>	<b>1,386.14</b>	<b>393.32</b>	<b>47.09</b>	<b>2,014.18</b>
<b>Accumulated amortisation and impairment</b>						
<b>Balance as at 1st April, 2018</b>	10.62	45.35	100.34	176.32	1.04	333.67
Amortisation expense - Continuing Operations	0.60	7.40	62.30	52.39	0.99	123.68
Impairment losses recognised in the statement of profit and loss	Nil	-	(0.43)	(4.56)	Nil	(4.99)
<b>Balance as at 31st March, 2019</b>	<b>11.22</b>	<b>52.75</b>	<b>162.21</b>	<b>224.15</b>	<b>2.03</b>	<b>452.36</b>
<b>Net carrying amount</b>						
<b>As at 31st March, 2019</b>	<b>1.70</b>	<b>121.96</b>	<b>1,223.93</b>	<b>169.17</b>	<b>45.06</b>	<b>1,561.82</b>
<b>As at 31st March, 2018</b>	<b>1.78</b>	<b>129.36</b>	<b>1,286.23</b>	<b>139.06</b>	<b>26.65</b>	<b>1,583.08</b>

Notes:

# Internally generated intangible assets.

\$ Other than internally generated Intangible Assets.

@ Power Distribution Rights relate to the value of construction service obligation for construction and upgradation of the power supply infrastructure in Ajmer city as per the agreement with Ajmer Vidyut Vitaran Nigam Ltd.

## Notes to the Consolidated Financial Statements

### 5 b. Other Intangible Assets (Contd.)

#### Depreciation/Amortisation-Continuing Operations

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
Depreciation on Tangible Assets	2,315.57	2,269.45
Add: Depreciation on Right of Use Assets	197.18	Nil
Add: Amortisation on Intangible Assets	123.76	123.68
Less: Depreciation/Amortisation Capitalised	(2.95)	Nil
<b>Total</b>	<b>2,633.56</b>	<b>2,393.13</b>

### 6 a. Investments accounted for using the Equity Method

	As at 31st March, 2020 Quantity	As at 31st March, 2019 Quantity	Face Value (in ₹ unless stated otherwise)	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>I Investment in Associates</b>					
<b>(a) Investment in Equity Shares fully Paid-up</b>					
<b>Unquoted</b>					
Brihat Trading Pvt. Ltd.	3,350	3,350	10	0.01	0.01
The Associated Building Co. Ltd.	1,825	1,825	900	3.30	0.17
Yashmun Engineers Ltd.	19,200	19,200	100	4.28	5.31
Dagachhu Hydro Power Corporation Ltd.	10,74,320	10,74,320	Nu 1,000	80.47	91.57
Tata Projects Ltd. (Refer Note 44)	9,67,500	9,67,500	100	642.20	523.79
	<b>A</b>			<b>730.26</b>	<b>620.85</b>
<b>II Investment in Joint Ventures</b>					
<b>(a) Investment in Equity Shares fully Paid-up</b>					
<b>Unquoted</b>					
PT Kaltim Prima Coal	1,23,540	1,23,540	USD 100	4,357.21 **	5,270.77 **
Indocoal Resources (Cayman) Ltd.	300	300	USD 1	3,794.31	3,458.27
PT Indocoal Kaltim Resources	82,380	82,380	IDR 10,000	0.32	0.28
PT Nusa Tambang Pratama	18,000	18,000	IDR 10,000	1,521.47	1,205.90
Candice Investments Pte. Ltd.	3	3	SGD 1	28.86	18.88
PT Marvel Capital Indonesia	1,07,459	1,07,459	IDR 10,000	Nil *	Nil *
			IDR		
PT Dwikarya Prima Abadi	10,769	10,769	1,00,000	284.89	253.14
PT Kalimantan Prima Power	7,500	7,500	USD 100	204.91	181.86
Indocoal KPC Resources (Cayman) Ltd.	300	300	USD 1	0.90	0.73
Adjaristsqali Netherlands BV	16,459	16,459	Euro 1	265.88 **	362.05 **
Khoromkheti Netherlands BV	500	500	Euro 1	Nil	Nil
Resurgent Power Ventures Pte. Ltd. [Refer Note 6b (v) below]	77,929	77,929	USD 1	353.00	5.02
Powerlinks Transmission Ltd. (Refer Note 4 below)	23,86,80,000	23,86,80,000	10	484.43	465.81
Industrial Energy Ltd. (Refer Note 4 below)	49,28,40,000	49,28,40,000	10	617.54	567.31
Dugar Hydro Power Ltd.	4,32,50,002	4,32,50,002	10	23.55	23.59
Tube Coal Mines Ltd.	1,01,97,800	1,01,97,800	10	Nil	Nil
Mandakini Coal Company Ltd. (Refer Note 4 below)	3,93,00,000	3,93,00,000	10	Nil	Nil
				<b>11,937.27</b>	<b>11,813.61</b>
carried forward .....				11,937.27	11,813.61

## 6 a. Investments accounted for using the Equity Method (Contd.)

	As at 31st March, 2020 Quantity	As at 31st March, 2019 Quantity	Face Value (in ₹ unless stated otherwise)	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
brought forward .....				11,937.27	11,813.61
<b>Quoted</b>					
PT Baramulti Sukessarana Tbk.	68,02,90,000	68,02,90,000	IDR 100	1,346.74 **	1,181.76 **
				<b>13,284.01</b>	<b>12,995.37</b>
** Less: Impairment in the value of Investments [Refer Note 6b (i) (a) & (b)]				1,030.69	1,102.74
	<b>B</b>			<b>12,253.32</b>	<b>11,892.63</b>
<b>(b) Investment in Perpetual Securities in Joint Ventures</b>					
<b>Unquoted</b>					
Adjaristsqali Netherlands BV			N.A.	219.07	96.83
** Add/Less: Impairment in the value of Investments [Refer Note 6b (i) (b)]				Nil	96.83
	<b>C</b>			<b>219.07</b>	<b>Nil</b>
<b>Total</b>	<b>A+B+C</b>			<b>13,202.65</b>	<b>12,513.48</b>

Notes:

\*Denotes figure below ₹ 50,000

\*\*Impairment in the value of Investments

1. Aggregate Market Value of Quoted Investments	588.31	653.35
2. Aggregate Carrying Value of Quoted Investments (Net of Impairment)	1,067.23	925.86
3. Aggregate Carrying Value of Unquoted Investments (Net of Impairment)	12,135.42	11,587.62

### 4. Shares pledged

The Group has pledged shares of joint ventures with the lenders for borrowings availed by the respective joint ventures.

Details	Category	31st March, 2020 Nos.	31st March, 2019 Nos.
Itezhi Tezhi Power Corporation \$	Joint Venture	4,52,500	4,52,500
Mandakini Coal Company Ltd.	Joint Venture	2,00,43,000	2,00,43,000
Powerlinks Transmission Ltd.	Joint Venture	23,86,80,000	23,86,80,000
Industrial Energy Ltd.	Joint Venture	25,13,48,400	25,13,48,400

\$ Classified as held for sale

## III Details of Material Associates

Details of each of the Group's Material Associates at the end of the reporting period are as follows:

Sr. No.	Name of Associate	Principal Activity	Country of Incorporation and Principal Place of Business	Proportion of Ownership Interest / Voting Rights held by the Group	
				As at 31st March, 2020	As at 31st March, 2019
A	Tata Projects Limited	EPC Contracts	India	47.78%	47.78%
B	Dagachhu Hydro Power Corporation Limited	Hydro Power Generation Company	Bhutan	26.00%	26.00%

## Notes to the Consolidated Financial Statements

### 6 a. Investments accounted for using the Equity Method (Contd.)

#### Summarised Financial Information of Material Associates

##### A Tata Projects Ltd.

###### Summarised Balance Sheet:

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
Non-current Assets	1,842.34	1,432.72
Current Assets	12,822.83	12,024.15
Non-current Liabilities	(1,676.15)	(606.17)
Current Liabilities	(11,680.70)	(11,591.91)
<b>Net Assets- Gross</b>	<b>1,308.32</b>	<b>1,258.79</b>
Less: Non-controlling interest	10.73	9.88
<b>Net Assets- Net</b>	<b>1,297.59</b>	<b>1,248.91</b>

###### Summarised Statement of Profit and Loss

	For the year ended 31st March, 2020 ₹ crore	For the year ended 31st March, 2019 ₹ crore
Revenue	10,687.05	13,417.67
Profit/(Loss) for the year	108.65	244.34
Other Comprehensive Income/(Expenses) for the year	(35.49)	0.12
<b>Total Comprehensive Income/(Expenses) for the year</b>	<b>73.16</b>	<b>244.46</b>
Reversal of Deferred Tax liability on unrealised profits	96.00	Nil
	<b>169.16</b>	<b>244.46</b>
Dividends received from Tata Projects Ltd. during the year	9.68	9.66

Reconciliation of the above summarised financial information to the carrying amount of the interest in Tata Projects Ltd. recognised in the consolidated Ind AS financial statements:

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
Net Assets of Tata Projects Ltd.	1,297.59	1,248.92
Proportion of the Group's ownership interest in Tata Projects Ltd.	47.78%	47.78%
	<b>618.90</b>	<b>596.49</b>
Goodwill	23.30	23.30
Deferred Tax Liability on Unrealised profits	Nil	(96.00)
<b>Carrying amount of the Group's interest in Tata Projects Ltd.</b>	<b>642.20</b>	<b>523.79</b>

##### B Dagachhu Hydro Power Corporation Ltd.

###### Summarised Balance Sheet

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
Non-current Assets	1,054.54	1,120.36
Current Assets	25.69	52.22
Non-current Liabilities	(715.82)	(751.58)
Current Liabilities	(54.78)	(68.79)
<b>Net Assets</b>	<b>309.63</b>	<b>352.21</b>

## 6 a. Investments accounted for using the Equity Method (Contd.)

Summarised Statement of Profit and Loss	For the year ended	For the year ended
	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
Revenue	143.11	124.36
Profit/(Loss) for the year	(42.58)	(24.83)
Other Comprehensive Income/(Expenses) for the year	Nil	(0.04)
<b>Total Comprehensive Income/(Expenses) for the year</b>	<b>(42.58)</b>	<b>(24.87)</b>
Dividends received from Dagachhu Hydro Power Corporation Ltd. during the year	Nil	Nil

Reconciliation of the above summarised financial information to the carrying amount of the interest in Dagachhu Hydro Power Corporation Ltd. recognised in the consolidated Ind AS financial statements:

	As at	As at
	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
Net Assets of Dagachhu Hydro Power Corporation Ltd.	309.63	352.21
Proportion of the Group's ownership interest in Dagachhu Hydro Power Corporation Ltd.	26.00%	26.00%
<b>Carrying amount of the Group's interest in Dagachhu Hydro Power Corporation Ltd.</b>	<b>80.51</b>	<b>91.57</b>

## IV Details of individually not Material Associates

Name of Associate	Principal Activity	Country of Incorporation and Principal Place of Business	Proportion of Ownership Interest / Voting Rights held by the Group	
			As at	As at
			31st March, 2020	31st March, 2019
Nelito Systems Ltd. \$	Indian IT Solution and Services	India	0.00%	28.15%
Yashmun Engineers Ltd.	Billing and other related Services	India	27.27%	27.27%
Brihat Trading Private Ltd.	Trading Business	India	33.21%	33.21%
The Associated Building Co. Ltd.	Services Provided for Building	India	33.14%	33.14%

\$ Sold during the year

## Aggregate Summarised Financial Information of Associates that are not individually material

	As at	As at
	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
The Group's share of Profit/(Loss) from Continuing Operations	2.10	0.01
The Group's share of Other Comprehensive Income/(Expenses)	Nil	Nil
<b>The Group's share of Total Comprehensive Income/(Expenses)</b>	<b>2.10</b>	<b>0.01</b>
Aggregate carrying amount of the Group's interests in these Associates	7.55	5.49
Unrecognised share of losses of an Associate	Nil	Nil
Cumulative share of loss of an associate	Nil	Nil

## Notes to the Consolidated Financial Statements

### 6 a. Investments accounted for using the Equity Method (Contd.)

#### V Details and Financial Information of Material Joint Ventures at the end of the reporting period is as follows:

SL No.	Name of Joint Venture	Principal Activity	Country of Incorporation and Principal Place of Business	Proportion of Ownership Interest / Voting Rights held by the Group	
				As at 31st March, 2020	As at 31st March, 2019
A	PT Kaltim Prima Coal	Coal mining and exploration	Indonesia	30.00%	30.00%
B	Indocoal Resources (Cayman) Ltd. #	Coal Trading	Cayman Island	30.00%	30.00%
C	PT Nusa Tambang Pratama	Infrastructure Support for Coal Business	Indonesia	30.00%	30.00%
D	PT Baramulti Suksessarana TBK	Coal mining and trading	Indonesia	26.00%	26.00%
E	Industrial Energy Ltd.	Power generation and operation of power plant	India	74.00%	74.00%

# Based on Unaudited Financial Information, certified by its Management for the year ended 31st March, 2020.

#### A PT Kaltim Prima Coal

##### Summarised Balance Sheet

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
Non-current Assets	4,752.12	2,281.01
Current Assets	4,592.79	8,876.94
Non-current Liabilities	(2,163.40)	(1,629.22)
Current Liabilities	(6,300.88)	(4,452.88)
<b>Net Assets</b>	<b>880.63</b>	<b>5,075.85</b>

The above amounts of assets and liabilities include the following:

Cash and Cash Equivalents	461.55	284.90
Current Financial Liabilities (excluding trade payables and provisions)	(2,292.92)	(1,676.67)
Non-current Financial Liabilities (excluding trade payables and provisions)	(1,070.16)	(46.09)

##### Summarised Statement of Profit and Loss

	For the year ended 31st March, 2020 ₹ crore	For the year ended 31st March, 2019 ₹ crore
Revenue	24,628.04	25,997.34
Profit/(Loss) for the year	1,205.85	2,461.62
Other Comprehensive Income/(Expense) for the year	11.75	(4.97)
<b>Total Comprehensive Income/(Expense) for the year</b>	<b>1,217.60</b>	<b>2,456.65</b>
Dividends received during the year	1,678.78	Nil

The above profit/(loss) for the year include the following:

Depreciation and Amortisation	1,369.55	972.14
Interest Income	56.20	121.91
Interest Expense	69.99	22.26
Income-tax Expense	1,212.38	2,271.48

Reconciliation of the above summarised financial information to the carrying amount of the interest in PT Kaltim Prima Coal recognised in the consolidated Ind AS financial statements:

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
Net Assets of PT Kaltim Prima Coal	880.63	5,075.85
Proportion of the Group's ownership interest in PT Kaltim Prima Coal	30.00%	30.00%
	<b>264.19</b>	<b>1,522.76</b>
carried forward .....	264.19	1,522.76

## 6 a. Investments accounted for using the Equity Method (Contd.)

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
brought forward .....	264.19	1,522.76
Goodwill	4,093.02	3,748.01
<b>Carrying amount of the Group's interest in PT Kaltim Prima Coal</b>	<b>4,357.21</b>	<b>5,270.77</b>
Impairment of Goodwill	(529.32)	(484.79)
<b>Carrying amount of the Group's interest in PT Kaltim Prima Coal (net of impairment)</b>	<b>3,827.89</b>	<b>4,785.98</b>

## B Indocoal Resources (Cayman) Ltd.

### Summarised Balance Sheet

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
Non-current Assets	1,151.62	3,634.66
Current Assets	2,740.87	69.01
Non-current Liabilities	Nil	Nil
Current Liabilities	(1,292.63)	(1,375.16)
<b>Net Assets</b>	<b>2,599.86</b>	<b>2,328.51</b>

The above amounts of assets and liabilities include the following:

Cash and Cash Equivalents	Nil	Nil
Current Financial Liabilities (excluding trade payables and provisions)	(1,256.25)	(1,326.46)
Non-current Financial Liabilities (excluding trade payables and provisions)	Nil	Nil

### Summarised Statement of Profit and Loss

	For the year ended 31st March, 2020 ₹ crore	For the year ended 31st March, 2019 ₹ crore
Revenue	Nil	Nil
Profit/(Loss) for the year	53.48	17.16
Other Comprehensive Income/(Expense) for the year	Nil	Nil
<b>Total Comprehensive Income/(Expense) for the year</b>	<b>53.48</b>	<b>17.16</b>

Dividends received during the year

Nil Nil

The above profit/(loss) for the year include the following:

Depreciation and Amortisation	Nil	Nil
Interest Income	34.76	16.64
Interest Expense	Nil	Nil
Income-tax Expense	Nil	Nil

Reconciliation of the above summarised financial information to the carrying amount of the interest in Indocoal Resources (Cayman) Ltd. recognised in the consolidated Ind AS financial statements:

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
Net Assets of Indocoal Resources (Cayman) Ltd.	2,599.86	2,328.51
Proportion of the Group's ownership interest in Indocoal Resources (Cayman) Ltd.	30.00%	30.00%
	<b>779.96</b>	<b>698.55</b>
Goodwill	3,014.35	2,759.72
<b>Carrying amount of the Group's interest in Indocoal Resources (Cayman) Ltd.</b>	<b>3,794.31</b>	<b>3,458.27</b>

## Notes to the Consolidated Financial Statements

### 6 a. Investments accounted for using the Equity Method (Contd.)

#### C PT Nusa Tambang Pratama

<b>Summarised Balance Sheet</b>	<b>As at 31st March, 2020 ₹ crore</b>	<b>As at 31st March, 2019 ₹ crore</b>
Non-current Assets	2,130.73	2,087.87
Current Assets	4,421.75	3,296.74
Non-current Liabilities	(145.49)	(120.09)
Current Liabilities	(1,331.94)	(1,241.67)
<b>Net Assets</b>	<b>5,075.05</b>	<b>4,022.85</b>

The above amounts of assets and liabilities include the following:

Cash and Cash Equivalents	211.14	260.31
Current Financial Liabilities (excluding trade payables and provisions)	(1,260.02)	(1,103.77)
Non-current Financial Liabilities (excluding trade payables and provisions)	Nil	Nil

<b>Summarised Statement of Profit and Loss</b>	<b>For the year ended 31st March, 2020 ₹ crore</b>	<b>For the year ended 31st March, 2019 ₹ crore</b>
Revenue	1,064.97	1,018.88
Profit/(Loss) for the year	639.04	631.98
Other Comprehensive Income/(Expenses) for the year	(0.01)	(0.02)
<b>Total Comprehensive Income/(Expenses) for the year</b>	<b>639.03</b>	<b>631.96</b>

Dividends received during the year	Nil	Nil
------------------------------------	-----	-----

The above profit/(loss) for the year include the following:

Depreciation and Amortisation	140.54	138.59
Interest Income	79.47	68.02
Interest Expense	62.47	61.43
Income-tax Expense	212.74	217.47

Reconciliation of the above summarised financial information to the carrying amount of the interest in PT Nusa Tambang Pratama recognised in the consolidated Ind AS financial statements:

	<b>As at 31st March, 2020 ₹ crore</b>	<b>As at 31st March, 2019 ₹ crore</b>
Net Assets of PT Nusa Tambang Pratama	5,075.05	4,022.85
Proportion of the Group's ownership interest in PT Nusa Tambang Pratama	30.00%	30.00%
<b>Carrying amount of the Group's interest in PT Nusa Tambang Pratama</b>	<b>1,522.52</b>	<b>1,205.90</b>

#### D PT Baramulti Suksessarana TBK

<b>Summarised Balance Sheet</b>	<b>As at 31st March, 2020 ₹ crore</b>	<b>As at 31st March, 2019 ₹ crore</b>
Non-current Assets	1,314.57	1,099.66
Current Assets	593.23	538.29
Non-current Liabilities	(104.66)	(128.28)
Current Liabilities	(435.83)	(455.16)
<b>Net Assets</b>	<b>1,367.31</b>	<b>1,054.51</b>

## 6 a. Investments accounted for using the Equity Method (Contd.)

The above amounts of assets and liabilities include the following:

Cash and Cash Equivalents	250.22	35.95
Current Financial Liabilities (excluding trade payables and provisions)	(50.90)	(49.68)
Non-current Financial Liabilities (excluding trade payables and provisions)	(61.38)	(90.77)

### Summarised Statement of Profit and Loss

	For the year ended 31st March, 2020 ₹ crore	For the year ended 31st March, 2019 ₹ crore
Revenue	2,935.80	3,169.25
Profit/(Loss) for the year	277.02	353.62
Other Comprehensive Income/(Expense) for the year	(3.92)	1.71
<b>Total Comprehensive Income/(Expense) for the year</b>	<b>273.10</b>	<b>355.33</b>
Dividends received during the year	18.43	125.39
The above profit/(loss) for the year include the following:		
Depreciation and amortisation	125.46	109.93
Interest Income	1.87	3.83
Interest Expense	8.02	6.12
Income-tax Expense	93.54	127.32

Reconciliation of the above summarised financial information to the carrying amount of the interest in PT Baramulti Suksessarana TBK recognised in the consolidated Ind AS financial statements:

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
Net Assets of PT Baramulti Suksessarana TBK	1,367.31	1,054.51
Proportion of the Group's ownership interest in PT Baramulti Suksessarana TBK	26.00%	26.00%
	<b>355.50</b>	<b>274.17</b>
Goodwill	991.24	907.59
<b>Carrying amount of the Group's interest in PT Baramulti Suksessarana TBK</b>	<b>1,346.74</b>	<b>1,181.76</b>
Impairment of Goodwill	(279.51)	(255.90)
<b>Carrying amount of the Group's interest in PT Baramulti Suksessarana TBK (net of impairment)</b>	<b>1,067.23</b>	<b>925.86</b>

## E Industrial Energy Ltd.

### Summarised Balance Sheet

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
Non-current Assets	1,635.15	1,433.23
Current Assets	265.75	305.72
Non-current Liabilities	(788.44)	(762.74)
Current Liabilities	(277.94)	(209.55)
<b>Net Assets</b>	<b>834.52</b>	<b>766.66</b>
The above amounts of assets and liabilities include the following:		
Cash and Cash Equivalents	3.83	48.46
Current Financial Liabilities (excluding trade payables and provisions)	(248.83)	(184.52)
Non-current Financial Liabilities (excluding trade payables and provisions)	(575.53)	(522.00)

## Notes to the Consolidated Financial Statements

### 6 a. Investments accounted for using the Equity Method (Contd.)

Summarised Statement of Profit and Loss	For the year ended	For the year ended
	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
Revenue	301.29	300.40
Profit/(Loss) for the year	148.52	111.13
Other Comprehensive Income/(Expense) for the year	(0.37)	(0.25)
<b>Total Comprehensive Income/(Expense) for the year</b>	<b>148.15</b>	<b>110.88</b>
Dividends received from Industrial Energy Ltd. during the year	49.28	59.14
The above profit/(loss) for the year include the following:		
Depreciation and Amortisation	Nil	Nil
Interest Income	0.56	0.98
Interest Expense	53.84	64.69
Income-tax Expense	(3.82)	50.97

Reconciliation of the above summarised financial information to the carrying amount of the interest in Industrial Energy Ltd. recognised in the consolidated Ind AS financial statements:

	As at	As at
	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
Net Assets of Industrial Energy Ltd.	834.52	766.66
Proportion of the Group's ownership interest in Industrial Energy Ltd.	74.00%	74.00%
<b>Carrying amount of the Group's interest in Industrial Energy Ltd.</b>	<b>617.54</b>	<b>567.31</b>

### VI Details and Financial Information of Individually not Material Joint Ventures at the end of the reporting period is as follows:

Name of Joint Venture	Principal Activity	Country of Incorporation and Principal Place of Business	Proportion of Ownership Interest / Voting Rights held by the Group	
			As at 31st March, 2020	As at 31st March, 2019
PT Indocoal Kaltim Resources #	Infrastructure Support for Coal Business	Indonesia	30.00%	30.00%
Candice Investments Pte. Ltd.#	Investments	Singapore	30.00%	30.00%
PT Marvel Capital Indonesia #	Infrastructure Support for Coal Business	Indonesia	30.00%	30.00%
PT Dwikarya Prima Abadi #	Infrastructure Support for Coal Business	Indonesia	30.00%	30.00%
PT Kalimantan Prima Power	Electricity Support Services	Indonesia	30.00%	30.00%
Indocoal KPC Resources (Cayman) Ltd. #	Coal Trading	Cayman Island	30.00%	30.00%
Adjaristsqali Netherlands BV	Hydro power generation	Netherlands	40.00%	40.00%
Khoromkheti Netherlands BV #	Hydro power generation	Netherlands	40.00%	40.00%
Cennergi Pty. Ltd. \$	Wind power generation	South Africa	0.00%	50.00%
Resurgent Power Ventures Pte Ltd.	Investments and Services	Singapore	26.00%	26.00%
Powerlinks Transmission Ltd.	Power Transmission	India	51.00%	51.00%
Dugar Hydro Power Ltd.	Hydro power generation	India	50.00%	50.00%
Tubed Coal Mines Ltd. #	Coal mining and trading	India	40.00%	40.00%
Mandakini Coal Company Ltd. #	Coal mining and trading	India	33.33%	33.33%

\$ Sold during the year

# Based on Unaudited Financial Information, certified by its Management for the year ended 31st March, 2020.

## 6 a. Investments accounted for using the Equity Method (Contd.)

### Aggregate Summarised Financial Information of Joint Ventures that are not individually material

	For the year ended 31st March, 2020 ₹ crore	For the year ended 31st March, 2019 ₹ crore
The Group's share of profit/(loss) from continuing operations (Refer Note below)	62.17	128.65
The Group's share of Other Comprehensive Income/(Expense)	Nil	Nil
<b>The Group's share of Total Comprehensive Income/(Expense)</b>	<b>62.17</b>	<b>128.65</b>
	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
Aggregate carrying amount of the Group's interests in these Joint Ventures	1,864.77	1,408.19
Impairment of Investments	(221.86)	(458.88)
<b>Carrying amount of the Group's interest in these Joint Ventures</b>	<b>1,642.91</b>	<b>949.31</b>
	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
The unrecognised share of profit of Joint Ventures for the year	*	*

Note:

\* Denotes figures below ₹ 50,000/-.

- 6b. (i) (a) The Group had in accordance with Ind AS 36 - "Impairment of Assets", carried out impairment assessment of its Mundra Ultra Mega Power Project (UMPP), shipping assets along with investments in Indonesian mining companies PT Kaltim Prima Coal (KPC) and PT Baramulti Suksessarana TBK (BSSR). All these Companies constitute a single cash generating unit (Mundra CGU). The Group has performed the impairment reassessment and determined the value in use based on estimated cash flow projections over the life of the assets included in CGU. The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. For Mundra power plant, future cash flows is estimated based on remaining period of long term power purchase agreement (PPA) and thereafter based on management's estimate on tariff and other assumptions. Cash flow projection of Mines is derived based on estimated coal production considering the renewal of license for operating the Mines. Upto the previous year, the Group has recognised net impairment of ₹ 1,119.77 crore against carrying value of Mundra CGU which consists of impairment of investment of ₹ 808.83 crore, impairment of property, plant and equipment ₹ 308.18 crore and impairment of intangible assets ₹ 2.76 crore.

During the year, the Group has performed the impairment reassessment and determined the value in use based on estimated cash flow projections over the life of the assets included in Mundra CGU. A reassessment of the assumptions used in estimating the impact of impairment, combined with the significant impact of unwinding of a year's discount on the cash flows, would have resulted in a reversal of ₹ 1,119.77 crore of provision for impairment. Considering the significant uncertainties arising from ongoing renegotiation of the Mundra Power Purchase Agreement (PPA), as recommended by the High Powered Committee (HPC) and the pending renewal of the mining license in Indonesian coal mines, the Group has not effected such a reversal. The reversal of impairment has not resulted from any significant improvement in the estimated service potential of the concerned CGU.

Key assumptions used for value in use calculation include coal prices, energy prices post the PPA period, discount rates and exchange rates. Short term coal prices and energy prices used in three to five years projections are based on market survey and expert analysis report. Afterwards increase in cost of coal and exchange rates are considered based on long term historical trend. Further, the Management strongly believes that mine licenses will be renewed post expiry. Discount rate represents the current market assessment of the risk specific to CGU taking into consideration the time value of money. Pre tax discount rate used in the calculation of value in use of investment in power plant is 10.87% p.a. (31st March 2019: 10.61% p.a.) and investment in coal mines and related infrastructure companies is 12.68% p.a. (31st March 2019: 11.06% p.a.).

## Notes to the Consolidated Financial Statements

### 6 b. Investments accounted for using the Equity Method (Contd.)

(b) The Group holds investments in Adjaristsqali Netherlands B.V. (ABV) (a Joint Venture of the Group) operating 187 MW hydro power plant in Georgia. In the past, the Group, in accordance with Ind AS 36 – “Impairment of Assets” had recognized impairment provision on investment of ₹ 459.06 crore and financial guarantee obligation of ₹ 103.74 crore. Pursuant to debt restructuring of ABV, execution of long-term power purchase agreement (PPA) with Government of Georgia, receipt of insurance claims and start of commercial operations during the year ended 31st March 2020, the Group performed the recoverability assessment and recognised the reversal of impairment of ₹ 235.00 crore comprising of reversal of ₹ 103.74 crore towards financial guarantee obligation and reversal of ₹ 131.26 crore towards its investment in ABV which has been disclosed as an exceptional item in the statement of profit and loss. The Group has performed the recoverability assessment and determined the value in use based on estimated cash flow projections over the life of the assets included in CGU and grouped under Renewable Power Segment. Projected cash flows include cash flow projections approved by management covering 3 to 5 years period and the cash flows beyond that has been projected based on the long-term forecast.

The following key assumptions were used for performing the valuation:

- Tariff post PPA period of 15 years;
  - Pre-tax discount rate of 6.64 %.
- (ii) During the previous year, the Group sold investments in Tata Communications Limited and Panatone Finvest Limited (Associate Companies) and recognised a gain of ₹ 1,897.24 crore which had been disclosed as an exceptional income in the consolidated Ind AS statement of profit and loss.
- Further, during the previous year, the Group had also sold its investment in equity shares of Tata Teleservices Limited and recognised a gain of ₹ 0.01 crore after reduction in fair value amounting to ₹ 1,438.42 crore recognised in earlier years.
- (iii) During the year ended 31st March, 2020, the Group has sold its investments in Cennergi Pty. Ltd. (a joint venture company of the Group) and recognised a gain on sale of investments amounting to ₹ 532.51 crore. Further, the Group has hedged its receivable against consideration to be received, fair value gain on hedge instrument of ₹ 105.09 crore has been recognised in other income.
- (iv) During the year, the Group has reassessed its plan to sale investment in Tata Projects Limited (Associate company of the Group) and has reclassified its investment in Tata Projects from Asset held for sale to Investments in Associate accounted under equity method. (Refer Note 44)
- (v) During the year ended 31st March, 2020, Resurgent Power Ventures Pte Limited ('Resurgent'), a joint venture of the Group has acquired 77% stake (on a fully diluted basis) in Prayagraj Power Generation Company Limited ('PPGCL') at an enterprise valuation of ₹ 7,035 crore. PPGCL owns and operates 1,980 MW thermal power station located in the state of Uttar Pradesh. The acquisition has been recognised by Resurgent based on fair values that has been determined provisional basis in accordance with Ind AS 103 - 'Business Combination'.
- (vi) The Group holds investment in Nelito Systems Ltd. (Nelito), an Associate company. During the year ended 31st March, 2017, the Group had sold part of the investment at ₹ 185/- per share and decided to sell its entire share holding. Accordingly, balance investment of ₹ 12.93 crore at 31st March, 2019 has been classified and disclosed as Assets classified as held for sale. During the previous year, the Group had received offer to sell at ₹ 240/- per share and therefore the provision for investments amounting to ₹ 2.48 crore has been reversed in 31st March, 2019. During the year ended 31st March, 2020, the Group has sold the investments and recognised gain of ₹ 0.92 crore.

## 6 c. Other Investments

	As at 31st March, 2020 Quantity	As at 31st March, 2019 Quantity	Face Value (in ₹ unless stated otherwise)	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>I Investments designated at Fair Value through Other Comprehensive Income</b>					
<b>(a) Investment in Equity Shares fully Paid-up</b>					
<b>Quoted</b>					
Voltas Ltd.	2,33,420	2,33,420	1	11.13	14.62
Tata Consultancy Services Ltd.	766	766	1	0.14	0.15
Tata Motors Ltd.	3,57,159	3,57,159	10	2.53	6.23
Tata Motors Ltd. - Differential Voting Rights	51,022	51,022	10	0.16	0.44
Tata Investment Corporation Ltd.	7,94,416	7,94,416	2	50.12	66.52
				<b>64.08</b>	<b>87.96</b>
<b>(b) Investment in Equity Shares fully Paid-up</b>					
<b>Unquoted</b>					
Tata Industries Ltd. *	68,28,669	68,28,669	100	115.47	115.47
Tata Sons Pvt. Ltd. *	6,673	6,673	1,000	194.70	194.70
Haldia Petrochemicals Ltd.	2,24,99,999	2,24,99,999	10	56.48	56.48
Tata International Ltd. *	24,000	24,000	1,000	18.77	18.77
Tata Capital Ltd	23,33,070	23,33,070	10	12.29	12.29
				<b>397.71</b>	<b>397.71</b>
Sub-total I (a) + I (b)				<b>461.79</b>	<b>485.67</b>
<b>II Investments carried at Fair Value through Profit or Loss</b>					
<b>(a) Investment in Equity Shares fully Paid-up</b>					
<b>Quoted</b>					
Geodynamics Ltd	2,94,00,000	2,94,00,000	AUD 1.50	2.86	1.18
<b>(b) Investment in Equity Shares fully Paid-up</b>					
<b>Unquoted</b>					
Zoroastrian Co-operative Bank Ltd.	6,000	6,000	25	0.16	0.16
Sub-total II (a) + II (b)				<b>3.02</b>	<b>1.34</b>
<b>III Investments carried at Amortised Cost</b>					
<b>(a) Government Securities (Unquoted) fully Paid-up</b>				40.00	Nil
<b>(b) Statutory Investments</b>					
<b>(i) Contingencies Reserve Fund Investments</b>				127.87	136.65
Government Securities (Unquoted) fully paid-up					
<b>(ii) Deferred Taxation Liability Fund Investments</b>					
Government Securities (Unquoted) fully paid-up				Nil	237.75
Sub-total III (a) + III (b)				<b>167.87</b>	<b>374.40</b>
<b>Total</b>				<b>632.68</b>	<b>861.41</b>

## Notes to the Consolidated Financial Statements

### 6 c. Other Investments (Contd.)

Notes:

1. Aggregate Market Value of Quoted Investments	66.94	89.14
2. Aggregate Carrying Value of Quoted Investments	66.94	89.14
3. Aggregate Carrying Value of Unquoted Investments	565.74	772.27
4. Investments at Fair Value Through Other Comprehensive Income (FVTOCI) reflect investment in quoted and unquoted equity securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Company, thus disclosing their fair value change in profit and loss will not reflect the purpose of holding.		

\* The cost of these investments approximate their fair value because there is a wide range of possible fair value measurements and the cost represents the best estimate of fair value within that range.

### 7. Trade Receivables (Unsecured unless otherwise stated)

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>Non-current</b>		
Considered Good - Unsecured (Refer Note 37e.)	30.28	192.99
Credit Impaired	4.55	4.55
	<b>34.83</b>	<b>197.54</b>
Less: Allowance for Doubtful Trade Receivables	4.55	4.55
	<b>30.28</b>	<b>192.99</b>
<b>Current</b>		
Considered Good - Secured (Refer Note below)	515.48	291.07
Considered Good - Unsecured (Refer Note Below 1, 2 & 3)	3,923.04	4,173.65
Credit Impaired	420.89	372.01
	<b>4,859.41</b>	<b>4,836.73</b>
Less: Allowance for Doubtful Trade Receivables	433.51	391.47
<b>Total</b>	<b>4,425.90</b>	<b>4,445.26</b>

Note: The Group holds security deposits and Letter of Credit of ₹ 515.48 crore (31st March, 2019 - ₹ 291.07 crore).

#### 7.1 Trade Receivables

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The expected credit loss allowance is not calculated on non current trade receivable on account of dispute. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

##### Ageing of Receivables

	*Expected Credit Loss (%)	
	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
Within the credit period	0.13%	0.36%
1-90 days past due	1.79%	0.48%
91-182 days past due	0.59%	0.94%
More than 182 days past due	13.11%	15.86%
* Excludes Special allowance		

## 7. Trade Receivables (Contd.) (Unsecured unless otherwise stated)

### Age of receivables

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
Within the credit period	1,785.39	2,401.08
1-90 days past due	1,050.25	1,165.39
91-182 days past due	414.54	416.25
More than 182 days past due	1,644.06	1,051.55

### Movement in the allowance for doubtful trade receivables

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>Balance at the beginning of the year</b>	<b>396.02</b>	<b>329.47</b>
<i>Add:</i> Expected credit loss allowance on trade receivables calculated at lifetime expected credit losses for the year	54.07	53.09
<i>Add/(Less):</i> Special allowance on trade receivables for the year	(12.03)	25.00
<i>Less:</i> Transferred to Assets Classified as Held For Sale (Refer Note 17 c)	Nil	(11.54)
<b>Balance at the end of the year</b>	<b>438.06</b>	<b>396.02</b>

The concentration of credit risk is very limited due to the fact that the large customers are mainly Government entities and remaining customers base is large and widely dispersed and secured with security deposit.

Note:

- Trade receivables include receivables amounting to ₹ 299.79 crore (31st March 2019: Nil) and ₹ 86.03 crore (31st March 2019: Nil) from Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) and Jaipur Vidyut Vitran Nigam Limited, respectively, which are subject to a 'bill discounting arrangement'. Under this arrangement, the Group has transferred the relevant receivables to the banks in exchange of cash and is prevented from selling or pledging the receivables. The cost of bill discounting is to the customer's account. However, the Group has retained late payment and credit risk. The Group therefore continues to recognise the transferred assets in their entirety in its financial statements. The amount repayable under the bills discounting arrangement is presented as unsecured / secured borrowing having recourse to the Group and interest liability on amount of bill discounted is borne by the customer. The maturity period of the transfer is 6 to 9 months from the date of discounting. The maturity of bills discounted is starting from 20th June, 2020.
- a) The Group supply solar power to TANGEDCO against long term Power Purchase Agreements (PPAs). As per the said PPAs, the Group is entitled to receive consideration for all energy units supplied and billed. However, whilst effecting payments to the Group, TANGEDCO has disputed and is not making payment for energy units supplied and billed in excess of 19% Capacity Utilisation Factor (CUF) in accordance with its internal circular.

The National Solar Energy Federation of India (NSEFI) has filed the writ petition with Madras High Court challenging the said circular issued by TANGEDCO on behalf of generators who have commissioned solar power plants and impacted by the said circular. The Tata Power Company Limited, ultimate holding company of the group, is also a Member of NSEFI. The said petition has been admitted. On the basis of an independent legal opinion and the latest Tamil Nadu Electricity Regulatory Commission (TNERC) order issued on 25th March 2019 on backing down / curtailment instruction to solar power plants, the Group is confident that said circular issued by TANGEDCO is unilateral action and not tenable legally. Hence, the Group considers that it is highly probable that the consideration for energy units supplied in excess of 19% CUF would be realized.

## Notes to the Consolidated Financial Statements

### 7. Trade Receivables (Contd.) (Unsecured unless otherwise stated)

Accordingly, the Group has a trade receivable balance of ₹ 80.11 crore (including ₹ 32.27 crore relating to current period) for such excess units as on 31st March, 2020. Considering signed PPA and its independent legal evaluation, the Group believes that these amounts are fully recoverable and no provision has been recognized in the consolidated Ind AS financial statements.

- b) Trade Receivables include ₹ 669.38 crore receivable from TANGEDCO (including ₹ 312.64 crore relating to current period, ₹ 299.79 crore relating to bill discounting with recourse till date (refer note 1 above) and ₹ 80.11 crore pertaining to CUF adjustment as mentioned above). The Group is of the view that these receivables are fully recoverable. In accordance with the PPAs, the Group is entitled to receive interest on delayed payment, however it is recognized, on prudence grounds, only when recovered. The Group is of the view that there is no credit loss or loss due to time value of money as TANGEDCO is a State Electricity Distribution Company and the outstanding amounts would be recovered along with the interest in terms of the relevant PPA. Hence, no provision for Expected Credit Loss in accordance with Ind AS 109 has been recognized in the consolidated Ind AS financial statements.
- 3 In the year 2016, the Group entered into long-term Power Purchase Agreements (“PPAs”) with the Southern Power Distribution Company of Andhra Pradesh Limited (“APDISCOM”) to supply power from its two solar plants with cumulative capacity of 100 MWs (Solar energy projects) at ₹ 5.99 per unit (with escalation @ 3% p.a. from year 2 to 10). The Government of Andhra Pradesh (the “GoAP”) issued an order (the “GO”) dated 1st July, 2019 constituting a High Level Negotiation Committee (the “HLNC”) for review and negotiation of tariff for wind and solar projects in the state of Andhra Pradesh. Pursuant to the GO, APDISCOM issued letters dated 12th July, 2019 to the Group requesting for revision of tariffs previously agreed as per the PPAs to ₹ 2.44 per unit. Since the Group and other power producers did not agree to the rate revision, APDISCOM referred the matter to the Andhra Pradesh Electricity Regulatory Commission (the “APERC”) for revision of tariffs.

The Group had filed a writ petition on 30th July, 2019 before the Andhra Pradesh High Court (“AP High Court”) challenging the GO and the said letters issued by APDISCOM for renegotiation of tariffs. The AP High Court has issued its order dated 24th September, 2019 whereby it allowed the writ petition. The AP High court also instructed APDISCOM to honour pending and future bills but to pay them at a rate of ₹ 2.44 per unit (as against the billed rate). The AP High Court also stated that this rate is only an interim measure until the matter is resolved by the APERC and suggested the APERC to conclude this matter within 6 months period.

During the year ended 31st March, 2020, the Group has received an amount of ₹ 58.90 crore from APDISCOM at the interim rate of ₹ 2.44 per unit as against PPA rates stated above.

The Group has a net block of ₹ 632.60 crore and has recognised a revenue of ₹ 97.71 crore for the year ended 31st March, 2020 and has a trade receivable balance of ₹ 128.44 crore as on 31st March, 2020 from sale of electricity against such PPAs. Considering signed PPA, interim order passed by the AP High Court, and its internal legal evaluation, the management believes that final order would be in its favour and hence no adjustment has been made in the consolidated Ind AS financial statements.

## 8. Loans - At Amortised Cost (Unsecured unless otherwise stated)

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>Non-current</b>		
<b>(i) Security Deposits</b>		
Considered Good	75.01	84.32
Credit Impaired	30.61	27.87
	<b>105.62</b>	<b>112.19</b>
<i>Less: Provision for Doubtful Security Deposits</i>	30.61	27.87
	<b>75.01</b>	<b>84.32</b>
<b>(ii) Loans to Related Parties (Refer Note 39)</b>		
Considered Good*	Nil	Nil
Credit Impaired	55.66	55.53
	<b>55.66</b>	<b>55.53</b>
<i>Less: Allowance for Doubtful Loans</i>	55.66	55.53
	<b>Nil</b>	<b>Nil</b>
<b>(iii) Other Loans</b>		
Loans to Employees		
Considered Good	5.87	6.24
<b>Total</b>	<b>80.88</b>	<b>90.56</b>
<b>Current</b>		
<b>(i) Security Deposits</b>		
Considered Good	30.70	17.32
Credit Impaired	4.78	5.77
	<b>35.48</b>	<b>23.09</b>
<i>Less: Allowances for Doubtful Security Deposits</i>	4.78	5.77
	<b>30.70</b>	<b>17.32</b>
<b>(ii) Loans to Related Parties (Refer Note 39)</b>		
Considered Good*	1.99	69.43
Credit Impaired	30.89	29.28
	<b>32.88</b>	<b>98.71</b>
<i>Less: Allowance for Doubtful Loans</i>	30.89	29.28
	<b>1.99</b>	<b>69.43</b>
<b>(iii) Other Loans</b>		
Loans to Employees		
Considered Good	0.31	0.43
<b>Total</b>	<b>33.00</b>	<b>87.18</b>

\* Reclassified as Held for Sale. (Refer Note 17a.)

## 9. Finance Lease Receivable - At Amortised Cost (Unsecured unless otherwise stated)

### Accounting Policy

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating lease. Amount due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term.

## Notes to the Consolidated Financial Statements

### 9. Finance Lease Receivable - At Amortised Cost (Contd.) (Unsecured unless otherwise stated)

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
Finance Lease Receivable - Non-current	588.92	565.62
Finance Lease Receivable - Current	33.20	37.90
<b>Total</b>	<b>622.12</b>	<b>603.52</b>

#### 9.1 Leasing Arrangements

- (i) The Group has entered into Power Purchase Agreements (PPA) with a customer for its assets located at Jojobera. The assets relate to 30 years of take or pay agreements with the customer to supply electricity at a fixed plus variable charge. The customer, during the term of the PPAs has a right to purchase the assets and at the end of the contract is obligated to purchase same on the basis of the valuation to be determined as per the PPAs. The Group has recognised an amount of ₹ 88.91 crore (31st March, 2019 ₹ 86.70 crore) as income for finance lease during the year ended 31st March, 2020.
- (ii) The Group has entered into Power Purchase Agreements (PPA) with various customers for its rooftop solar assets located across various locations. As this arrangement is dependent on the use of a specific asset and conveys a right to use on the customer, it qualifies as a lease. As these are long tenor PPAs spread over a major part of the economic life of the asset, this arrangement has been categorized as a finance lease. The Group has recognised an amount of ₹ 2.64 crore (31st March, 2019 ₹ 0.56 crore) as income for finance lease during the year ended 31st March, 2020.

#### 9.2 Amount receivable under Finance Lease

Particulars	₹ crore	
	Minimum Lease Payments As at 31st March, 2020	Minimum Lease Payments As at 31st March, 2019
Less than a year	117.66	110.26
One to two years	114.26	107.57
Two to three years	113.24	106.85
Three to four years	112.13	106.00
Four to five years	111.10	105.04
<b>Total (A)</b>	<b>568.39</b>	<b>535.72</b>
More than five years (B)	680.20	735.84
<b>Total (A+B)</b>	<b>1,248.59</b>	<b>1,271.56</b>
Unearned finance income	626.47	668.04
<b>Present Value of Minimum Lease Payments Receivable</b>	<b>622.12</b>	<b>603.52</b>

#### Lessor - Operating Lease

The Group has entered into operating leases for its certain building, plant and machinery and other equipments. These typically have lease terms of between 1 and 10 years. The Group has recognized an amount of ₹ 10.81 crore (31st March, 2019 - ₹ 15.51 crore) as rental income for operating lease during the year ended 31st March, 2020.

## 10. Other Financial Assets - At Amortised Cost, unless otherwise stated

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>Non-current</b>		
<b>(i) Receivables under Service Concession Agreement</b>	199.48	200.61
<b>(ii) Unbilled Revenue</b>	95.33	81.11
<b>(iii) Others</b>		
Unsecured, considered good		
Advance towards Equity (Refer Note 1 below)	181.78	2.85
Government Grants Receivables (Refer Note 2 below)	22.32	29.17
In Deposit Accounts (with maturity more than twelve months)	36.38	2.99
Other Advances	43.50	0.02
	<b>283.98</b>	<b>35.03</b>
<b>Total</b>	<b>578.79</b>	<b>316.75</b>

### Notes:

- Odisha Electricity Regulatory Commission (OERC) had issued a request for proposal (RFP) for sale of controlling interest in distribution business of Central Electricity Supply Utility of Orissa. The Group had bid for it and has been identified as the successful bidder. As per the requirement of RFP, the Group has deposited ₹ 178.50 crore with OERC. Pending vesting order for the completion of sale, the amount deposited is disclosed as non-current financial assets and will be converted to equity after passing of the vesting order by OERC.
- One of the subsidiary of the Group is eligible for government grant for certain solar projects. The subsidiary company is in the process of creating charge on project assets in favour of Solar Energy Corporation of India. Once the charge is created, the subsidiary company will file application for release of the grant.

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>Current</b>		
<b>(i) Accruals</b>		
Unsecured, considered good		
Interest Accrued on Inter-corporate/Bank Deposits	4.91	2.52
Interest Accrued on Investments	3.51	6.69
Interest Accrued on Finance Lease Receivable	6.85	6.96
Interest Accrued on Loans to Related Parties	2.64	2.40
Unsecured, considered doubtful		
Interest Accrued on Inter-corporate/Bank Deposits	1.40	1.40
	<b>19.31</b>	<b>19.97</b>
Less: Provision for Doubtful Interest	1.40	1.40
	<b>17.91</b>	<b>18.57</b>
<b>(ii) Receivables under Service Concession Agreement</b>	2.88	2.64
<b>(iii) Others</b>		
Unsecured, considered good		
Dividend Receivable	Nil	16.71
Derivative Contract (Fair Value through Profit and Loss)	301.64	24.76
Receivable on sale of Current Investments	736.76	39.73
Receivable on sale of Property, Plant & Equipment	2.64	2.05
Insurance Claims Receivable	0.10	3.52
Government Grants Receivables	30.40	58.05
Recoverable from consumers	232.17	Nil
Other Advances	87.93	75.56
carried forward .....	1,391.64	220.38

## Notes to the Consolidated Financial Statements

### 10. Other Financial Assets - At Amortised Cost, unless otherwise stated (Contd.)

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
brought forward .....	1,391.64	220.38
Unsecured, considered doubtful		
Other Advances	2.63	2.70
	<b>1,394.27</b>	<b>223.08</b>
Less: Allowances for Doubtful Advances	(2.63)	(2.70)
	<b>1,391.64</b>	<b>220.38</b>
<b>Total</b>	<b>1,412.43</b>	<b>241.59</b>

### 11. Tax Assets

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>Non-current Tax Assets</b>		
Advance Income-tax (Net)	342.00	238.01
<b>Total</b>	<b>342.00</b>	<b>238.01</b>
<b>Current Tax Assets</b>		
Advance Income-tax (Net)	1.10	2.67
<b>Total</b>	<b>1.10</b>	<b>2.67</b>

### 12. Deferred Tax

#### Accounting Policy

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated Ind AS financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

For operations carried out under tax holiday period (80IA benefits of Income Tax Act, 1961), deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax relating to items recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

## 12. Deferred Tax (Contd.)

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

In the situations where one or more units of the Group are entitled to a tax holiday under the tax law, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned unit's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

### 12 a. Deferred Tax Assets

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
Deferred Tax Assets	4,432.60	3,669.65
Deferred Tax Liabilities	4,358.36	3,580.16
<b>Total - Net Deferred Tax Assets</b>	<b>74.24</b>	<b>89.49</b>

2019 - 20	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance ₹ crore
<b>Deferred Tax Assets in relation to:</b>				
Allowance for Doubtful Debts, Deposits and Advances	49.52	(7.83)	Nil	41.69
Provision for Employee Benefits, Entry Tax and Others	9.27	0.70	Nil	9.97
Unabsorbed Depreciation	3,172.93	0.76	Nil	3,173.69
Measuring of Derivative Financial Instruments at Fair Value	26.63	(26.48)	Nil	0.15
Carry Forward Losses	156.10	(79.29)	2.13	78.94
Deferred Revenue- Ind AS 115	148.14	36.42	Nil	184.56
MAT Credit Entitlement	105.14	(28.38)	Nil	76.76
Lease Liability	Nil	859.92	Nil	859.92
Others	1.92	5.00	Nil	6.92
	<b>3,669.65</b>	<b>760.82</b>	<b>2.13</b>	<b>4,432.60</b>
<b>Deferred Tax Liabilities in relation to:</b>				
Property, Plant and Equipment*	3,575.55	747.25	Nil	4,322.80
Others	4.61	30.95	Nil	35.56
	<b>3,580.16</b>	<b>778.20</b>	<b>Nil</b>	<b>4,358.36</b>
<b>Net Deferred Tax Assets</b>	<b>89.49</b>	<b>(17.38)</b>	<b>2.13</b>	<b>74.24</b>

\* including Right of Use and Intangible Assets

## Notes to the Consolidated Financial Statements

### 12. Deferred Tax (Contd.)

	₹ crore			
2018-19	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
<b>Deferred Tax Assets in relation to:</b>				
Allowance for Doubtful Debts, Deposits and Advances	53.09	(3.57)	Nil	49.52
Provision for Employee Benefits, Entry Tax and Others	10.98	(1.71)	Nil	9.27
Unabsorbed Depreciation	3,481.33	(308.40)	Nil	3,172.93
Measuring of Derivative Financial Instruments at Fair Value	149.07	(122.44)	Nil	26.63
Carry Forward Losses	195.47	(39.37)	Nil	156.10
MAT Credit Entitlement	101.73	3.41	Nil	105.14
Deferred Revenue- Ind AS 115	132.52	15.62	Nil	148.14
Others	Nil	1.92	Nil	1.92
	<b>4,124.19</b>	<b>(454.54)</b>	<b>Nil</b>	<b>3,669.65</b>
<b>Deferred Tax Liabilities in relation to:</b>				
Property, Plant and Equipment*	3,986.75	(411.20)	Nil	3,575.55
Others	19.27	(14.66)	Nil	4.61
	<b>4,006.02</b>	<b>(425.86)</b>	<b>Nil</b>	<b>3,580.16</b>
<b>Net Deferred Tax Assets</b>	<b>118.17</b>	<b>(28.68)</b>	<b>Nil</b>	<b>89.49</b>

\* including Intangible Assets

### 12 b. Deferred Tax Liabilities

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
Deferred Tax Assets	1,838.55	2,025.06
Deferred Tax Liabilities	3,012.59	3,081.87
<b>Total - Net Deferred Tax Liabilities</b>	<b>1,174.04</b>	<b>1,056.81</b>

	₹ crore			
2019 - 20	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
<b>Deferred tax assets in relation to</b>				
Allowance for Doubtful Debts, Deposits and Advances	58.47	0.83	Nil	59.30
Provision for Employee Benefits, Entry Tax and Others	73.79	0.36	18.46	92.61
Unabsorbed Depreciation	142.17	(72.53)	Nil	69.64
Carry Forward Business Losses	Nil	77.92	Nil	77.92
Carry Forward Capital Loss	343.62	(45.65)	Nil	297.97
MAT Credit Entitlement	1364.42	(190.69)	Nil	1,173.73
Government Grant	2.19	(1.24)	Nil	0.95
Deferred Revenue -Ind AS 115	30.90	(1.89)	Nil	29.01
Lease Liability	Nil	12.40	Nil	12.40
Others	9.50	15.52	Nil	25.02
	<b>2,025.06</b>	<b>(204.97)</b>	<b>18.46</b>	<b>1,838.55</b>

## 12. Deferred Tax (Contd.)

	₹ crore			
2019 - 20	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
<b>Deferred tax liabilities in relation to</b>				
Property, Plant and Equipments*	2824.46	(86.50)	Nil	2,737.96
Investments at Fair Value	0.38	(0.38)	Nil	Nil
Distribution on Perpetual Bonds	24.90	(24.90)	Nil	Nil
Borrowings	9.66	(0.27)	Nil	9.39
Deferred Revenue -Ind AS 115	18.07	5.93	Nil	24.00
Revaluation on Consolidation	202.69	(95.02)	Nil	107.67
Derivative financial instruments designated for hedging	Nil	Nil	32.43	32.43
Undistributed Profits of Joint Ventures	Nil	92.90	7.09	99.99
Others	1.71	(0.33)	(0.23)	1.15
	<b>3,081.87</b>	<b>(108.57)</b>	<b>39.29</b>	<b>3,012.59</b>
<b>Net Deferred Tax Liabilities</b>	<b>1,056.81</b>	<b>96.40</b>	<b>20.83</b>	<b>1,174.04</b>

\* including Finance lease receivables, Right of Use and Intangible Assets

	₹ crore			
2018 - 19	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
<b>Deferred tax assets in relation to</b>				
Allowance for Doubtful Debts, Deposits and Advances	53.02	5.45	Nil	58.47
Provision for Employee Benefits, Entry Tax and Others	81.23	(7.60)	0.16	73.79
Unabsorbed Depreciation	244.74	(102.57)	Nil	142.17
Carry Forward Losses	4.34	(4.34)	Nil	Nil
On Asset Held For Sale	757.40	(413.78)	Nil	343.62
MAT Credit Entitlement	1241.62	122.80	Nil	1,364.42
Government Grant	17.73	(15.54)	Nil	2.19
Deferred Revenue -Ind AS 115	Nil	30.90	Nil	30.90
Others	1.95	7.75	(0.20)	9.50
	<b>2,402.03</b>	<b>(376.93)</b>	<b>(0.04)</b>	<b>2,025.06</b>
<b>Deferred tax liabilities in relation to</b>				
Property, Plant and Equipments*	2,665.62	158.84	Nil	2,824.46
Investments at Fair Value	0.24	0.12	0.02	0.38
Distribution on Perpetual Bonds	24.90	Nil	Nil	24.90
Borrowings	10.40	(0.74)	Nil	9.66
Deferred Revenue -Ind AS 115	4.34	13.73	Nil	18.07
Revaluation on Consolidation	213.09	(10.40)	Nil	202.69
Others	Nil	1.71	Nil	1.71
	<b>2,918.59</b>	<b>163.26</b>	<b>0.02</b>	<b>3,081.87</b>
<b>Net Deferred Tax Liabilities</b>	<b>516.56</b>	<b>540.19</b>	<b>0.06</b>	<b>1,056.81</b>

\*including Finance lease receivables and Intangible Assets

Notes:

- During the year, the Group has reassessed the recoverability of unrecognised MAT Credit and accordingly considering the uncertainty over the realisability, the Group has not recognised MAT Credit amounting to ₹ 189.53 crore (31st March, 2019 - 276.87 crore).

# Notes to the Consolidated Financial Statements

## 12. Deferred Tax (Contd.)

- ii. Considering the uncertainty over the realisability, the Group has not recognised deferred tax asset to the extent of ₹ 376.57 crore (31st March, 2019 - ₹ 309.73 crore) on capital loss on sale of investments and indexation benefits on investments classified as asset held for sale.
- iii. Pursuant to the Taxation Laws (Amendment) Act, 2019 which is effective from 1st April, 2019, domestic companies have an option to pay income tax at 22% plus applicable surcharge and cess ('new tax regime') subject to certain conditions. Based on the Group's assessment of the expected year of transition to the new tax regime at each entity level where the new tax regime is applicable, the Group has remeasured the deferred tax liabilities and also reassessed the recoverability of Minimum Alternate Tax ('MAT') credit. Accordingly, the Group has recognized deferred tax income of ₹ 159.25 crore after adjusting the MAT credit write off. Further, the Group has also remeasured its regulatory asset balance against deferred tax liabilities and has recognized expense of ₹ 98.00 crore for distribution business and ₹ 167.00 crore for generation and transmission business.
- iv. Unrecognised deferred tax assets on tax losses / unused tax credit for which no deferred tax assets is recognised amount to ₹ 4,261.20 crore and ₹ 3,512.67 crore as at 31st March, 2020 and 31st March, 2019 respectively. The expiry of unrecognised Deferred Tax Asset is as detailed below:

₹ crore					
As at 31st March, 2020 Unrecognised deferred tax assets	Within one year	Greater than one year, less than five years	Greater than five years	No expiry date	Closing balance
Business losses	94.14	553.87	819.69	Nil	1,467.69
Unabsorbed depreciation	Nil	Nil	Nil	2,227.40	2,227.40
MAT credit	Nil	3.99	185.55	Nil	189.54
Capital Loss	2.19	Nil	360.27	14.11	376.57
<b>Total</b>	<b>96.33</b>	<b>557.86</b>	<b>1,365.51</b>	<b>2,241.51</b>	<b>4,261.20</b>

₹ crore					
As at 31st March, 2019 Unrecognised deferred tax assets	Within one year	Greater than one year, less than five years	Greater than five years	No expiry date	Closing balance
Business losses	30.98	490.03	532.54	Nil	1,053.55
Unabsorbed depreciation	Nil	Nil	Nil	1,872.52	1,872.52
MAT credit	Nil	8.01	268.86	Nil	276.87
Capital Loss	Nil	Nil	309.73	Nil	309.73
<b>Total</b>	<b>30.98</b>	<b>498.04</b>	<b>1,111.13</b>	<b>1,872.52</b>	<b>3,512.67</b>

- v. The Group has not recognised any deferred tax liabilities for taxes amounting to ₹ 2,382.71 crore (31st March, 2019 ₹ 1,549.25) crore that would be payable on the Group's share in undistributed earnings of its subsidiaries and its interest in joint ventures because the Group controls when the liability will be incurred and it is probable that the liability will not be incurred in the foreseeable future.

## 12 c. Reconciliation of Deferred Tax Expense amount recognised in Profit or Loss and Other Comprehensive Income

₹ crore				
	Recognised in profit or loss		Recognised in Other Comprehensive Income	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Deferred Tax Assets (Net) - (Refer Note 12 a.)</b>				
Net (increase)/decrease in Deferred Tax Assets	17.38	28.68	(2.13)	Nil
<b>Deferred Tax Liabilities (Net) - (Refer Note 12 b.)</b>				
Net increase/(decrease) in Deferred Tax Liabilities	96.40	540.19	20.83	0.06
<b>Deferred Tax Liabilities (Net) - Discontinued Operations (Refer Note 17 c)</b>				
Net increase/(decrease) in Deferred Tax Liabilities	32.41	(5.94)	Nil	Nil
<b>Deferred Tax Expense (Net)</b>	<b>146.19</b>	<b>562.93</b>	<b>18.70</b>	<b>0.06</b>

### 13. Other Assets

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>Non-current</b>		
<b>(i) Capital Advances</b>		
Unsecured, considered good	49.47	59.34
Doubtful	0.16	0.16
	<b>49.63</b>	<b>59.50</b>
<i>Less: Allowance for Doubtful Advances</i>	0.16	0.16
	<b>49.47</b>	<b>59.34</b>
<b>(ii) Security Deposits</b>		
Unsecured, considered good	1.64	228.64
<b>(iii) Balances with Government Authorities</b>		
Unsecured, considered good		
Advances	25.44	166.61
Amount Paid Under Protest	68.76	70.91
VAT/Sales Tax Receivable	28.92	63.16
	<b>123.12</b>	<b>300.68</b>
<b>(iv) Unamortised Premium for Leasehold Land (Refer Note 4b)</b>		
Unsecured, considered good	Nil	317.90
<b>(v) Deferred Expense</b>		
Unsecured, considered good	30.53	26.50
<b>(vi) Others</b>		
Unsecured, considered good		
Prepaid Expenses	1.52	3.29
Recoverable from Consumers	960.84	404.79
Others	18.00	16.93
Doubtful	Nil	0.93
	<b>980.36</b>	<b>425.94</b>
<i>Less: Allowance for Doubtful Advances</i>	Nil	0.93
	<b>980.36</b>	<b>425.01</b>
<b>Total</b>	<b>1,185.12</b>	<b>1,358.07</b>
<b>Current</b>		
<b>(i) Balances with Government Authorities</b>		
Unsecured, considered good		
Advances	173.13	174.23
VAT/Sales Tax Receivable	0.84	4.48
	<b>173.97</b>	<b>178.71</b>
<b>(ii) Unamortised Premium for Leasehold Land (Refer Note 4b)</b>		
Unsecured, considered good	Nil	9.51
<b>(iii) Other Loans and Advances</b>		
Unsecured, considered good		
Prepaid Expenses	103.46	79.14
Advances to Vendors	422.51	323.33
Recoverable from Consumers	Nil	1,100.54
Deferred Rent Expense	1.11	0.89
Unbilled Revenue (contract assets)	30.07	11.15
Power Banking Receivable	36.66	170.94
Other Advances	2.61	7.46
Others	Nil	0.18
Doubtful	1.68	1.82
	<b>598.10</b>	<b>1,695.45</b>
<i>Less: Allowance for Doubtful Advances</i>	1.68	1.82
	<b>596.42</b>	<b>1,693.63</b>
<b>Total</b>	<b>770.39</b>	<b>1,881.85</b>

## Notes to the Consolidated Financial Statements

### 14. Inventories

#### Accounting Policy

Inventories are stated at the lower of cost and net realisable value. Cost of inventory includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Costs of inventories are determined on weighted average basis. Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Unserviceable/damaged stores and spares are identified and written down based on technical evaluation.

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and net realisable value (NRV). Principally, this is residential property that the Group develops and intends to sell before, or on completion of, development. Cost incurred in bringing each property to its present location and condition includes:

- Freehold and leasehold rights for land
- Amounts paid to contractors for development
- Planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, development overheads and other related costs

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated costs of completion and the estimated costs necessary to make the sale. When an inventory property is sold, the carrying amount of the property is recognised as an expense in the period in which the related revenue is recognised. The carrying amount of inventory property recognised in profit or loss is determined with reference to the directly attributable costs incurred on the property sold and an allocation of any other related costs based on the relative size of the property sold.

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>Inventories</b>		
<b>(a) Raw Materials and Fuel</b>		
Fuel - Stores	828.31	805.77
Fuel-in-Transit	157.55	214.30
Others	197.80	156.89
<b>(b) Work-In-Progress</b>	3.99	2.93
<b>(c) Finished goods</b>	96.99	82.41
<b>(d) Stores and Spares</b>		
Stores and Spare Parts	316.06	323.27
<b>(e) Loose Tools</b>	1.08	1.29
<b>(f) Others</b>		
Property under Development	150.57	119.56
<b>Total</b>	<b>1,752.35</b>	<b>1,706.42</b>

Notes:

1. The Group has recognised ₹ 19.32 crore (31st March, 2019 - ₹ 4.39 crore) as an expense for the write down of unserviceable stores and spares inventory.
2. Refer Note 21 for Inventories pledged as security for liabilities.

## 15. Current Investments

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
<b>I Investments carried at Amortised Cost</b>		
<b>Current Portion of Long-term Investments</b>		
<b>Statutory Investments</b>		
<b>Deferred Taxation Liability Fund Investments</b>		
Government Securities (Unquoted) fully paid up	Nil	42.00
	<b>Nil</b>	<b>42.00</b>
<b>II Investments carried at Fair Value through Profit and Loss</b>		
<b>Unquoted</b>		
(a) Investment in Mutual Funds	699.51	124.98
	<b>699.51</b>	<b>124.98</b>
<b>Total</b>	<b>699.51</b>	<b>166.98</b>
Notes:		
Aggregate Carrying Value of Unquoted Investments	699.51	166.98

### 16 a. Cash and Cash Equivalents

#### Accounting Policy

Cash and cash equivalent in the balance sheet comprise cash at banks, cash/cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents include balances with banks which are unrestricted for withdrawal and usage.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at bank, cash/cheques on hand and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
(a) Balances with Banks:		
(i) In Current Accounts	935.27	320.87
(ii) In Deposit Accounts (with original maturity of less than three months)	919.77	311.90
(b) Cheques on Hand	6.44	11.69
(c) Cash on Hand	0.02	0.99
<b>Cash and Cash Equivalents as per Balance Sheet</b>	<b>1,861.50</b>	<b>645.45</b>
Bank Overdraft attributable to Continuing Operations (Refer Note 27)	(34.71)	(590.89)
<b>Cash and Cash Equivalents as per Statement of Cash Flows - Continuing Operation</b>	<b>1,826.79</b>	<b>54.56</b>
(a) Balances with Banks:		
(i) In Current Accounts	7.62	6.13
(b) Book Overdraft (Refer Note 17c)	(0.02)	(0.02)
<b>Cash and Cash Equivalents as per Statement of Cash Flows - Discontinuing Operation</b>	<b>7.60</b>	<b>6.11</b>
Cash and cash Equivalent pertaining to Asset Classified as Held For Sale	Nil	0.85
<b>Cash and Cash Equivalents as per Statement of Cash Flows</b>	<b>1,834.39</b>	<b>61.52</b>

## Notes to the Consolidated Financial Statements

### 16 a. Cash and Cash Equivalents (Contd.)

#### Reconciliation of liabilities from Financing Activities

Particulars	As at 1st April, 2019	Cash flows		Reclassification	Reclassification as part of Discontinued Operations	Foreign Exchange	Others	As at 31st March, 2020
		Proceeds	Repayment					
Non-current Borrowings (including Current Maturity of Non-current Borrowings)	34,630.66	7,188.37	(5,607.42)	(79.75)	Nil	391.47	8.24	36,531.57
Current Borrowings (excluding Bank Overdraft)	13,284.49	42,412.07	(44,100.06)	166.29	Nil	38.80	8.06	11,809.65
Lease Liabilities (Refer Note 3.13)	3,472.68	Nil	(21.30)	Nil	Nil	Nil	108.84	3,560.22
<b>Total</b>	<b>51,387.83</b>	<b>49,600.44</b>	<b>(49,728.78)</b>	<b>86.54</b>	<b>Nil</b>	<b>430.27</b>	<b>125.14</b>	<b>51,901.44</b>

Particulars	As at 1st April, 2018	Cash flows		Reclassification	Reclassification as part of Discontinued Operations	Foreign Exchange	Others	As at 31st March, 2019
		Proceeds	Repayment					
Non-current Borrowings (including Current Maturity of Non-current Borrowings)	29,761.96	10,867.07	(9,978.26)	3,766.57	(135.48)	338.00	10.80	34,630.66
Current Borrowings (excluding Bank Overdraft)	18,708.03	34,846.52	(36,376.94)	(4,540.88)	Nil	583.80	63.96	13,284.49
<b>Total</b>	<b>48,469.99</b>	<b>45,713.59</b>	<b>(46,355.20)</b>	<b>(774.31)</b>	<b>(135.48)</b>	<b>921.80</b>	<b>74.76</b>	<b>47,915.15</b>

### 16 b. Other Balances with Banks- At Amortised Cost

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
(a) In Deposit Accounts (Refer Note below)	214.23	124.12
(b) In Earmarked Accounts-		
Unpaid Dividend Account	18.45	17.88
<b>Total</b>	<b>232.68</b>	<b>142.00</b>

Note:

Balances with banks held as margin money deposits against guarantees.

### 17 a. Assets Classified as Held For Sale

#### Accounting Policy

Non-current assets or disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset or disposal Group is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset or disposal Group and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. As at each balance sheet date, the management reviews the appropriateness of such classification.

Non-current assets or disposal group classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Property, plant and equipment and intangible assets once classified as held for sale/distribution to owners are not depreciated or amortised.

A disposal Group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

## 17 a. Assets Classified as Held For Sale (Contd.)

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the consolidated Ind AS statement of profit and loss. Additional disclosures are provided hereunder. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
Land [Refer Note (i) and (iv)]	301.66	310.28
Building [Refer Note (ii) and (iv)]	8.50	9.75
Other Property, Plant and Equipment [Refer Note (iii) and (iv)]	1,300.67	155.59
Investments carried at Fair Value through Other Comprehensive Income [Refer Note (v)]	22.81	38.65
Investments in Associates and Joint Ventures [Refer Note (vi)]	2,562.59	2,479.29
Investments in Subsidiaries [Refer Note (vii)]	Nil	Nil
Loan to and other receivables from Joint Venture [Refer Note (vi)]	22.83	18.59
Transmission lines - Capital Work in Progress [Refer Note (viii)]	127.70	Nil
Other Assets [Refer Note (vii)]	26.23	26.23
Assets of Discontinued Operations [Refer Note 17 (c)]	1,880.07	2,064.30
<b>Total</b>	<b>6,253.06</b>	<b>5,102.68</b>

## 17 b. Liabilities directly associated with Assets Classified as Held For Sale

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
Liabilities related to Other Assets	30.46	26.23
Liabilities of Discontinued Operations [Refer Note 17 (c)]	1,032.07	966.27
<b>Total</b>	<b>1,062.53</b>	<b>992.50</b>

Notes:

- (i) The Group had decided to sell/transfer following land and consequently classified as assets held for sale at lower of carrying amount and fair value less cost to sell:
  - (a) Land at Tiruldhī ₹ 1.43 crore (net of impairment loss of ₹ 34 crore) (31st March, 2019 - ₹ 9.72 crore).
  - (b) Land at Vadaval ₹ 3.21 crore (31st March, 2019 - ₹ 3.21 crore).
  - (c) Land at Naraj Marthapur ₹ 81.38 crore (net of impairment loss of ₹ 37 crore) (31st March, 2019 - ₹ 81.38 crore).
  - (d) Land at Hadapsar ₹ 0.08 crore (31st March, 2019 - ₹ 0.08 crore).
  - (e) Land at Dehrand ₹ 215.56 crore (31st March, 2019 - ₹ 215.56 crore).
- (ii) The Group had decided to sell/transfer following buildings and consequently classified as assets held for sale at lower of carrying amount and fair value less cost to sell:
  - (a) Building at Erangal ₹ Nil (31st March, 2019 - ₹ 0.23 crore).
  - (b) Building at Panvel ₹ 0.48 crore (31st March, 2019 - ₹ 0.48 crore).
  - (c) Building at Peninsula ₹ 8.02 crore (31st March, 2019 - ₹ 8.02 crore).
  - (d) Building at Metropolitan has been sold during the year (31st March, 2019 - ₹ 0.89 crore).
  - (e) Building at Oil Tankage Unit, Trombay ₹ Nil crore (31st March, 2019 - ₹ 0.13 crore).
- (iii) The Group has decided to sell/transfer following plant and equipment and consequently classified as assets held for sale at lower of carrying amount and fair value less cost to sell:
  - (a) Ships ₹ 1,280.46 crore (31st March, 2019 - ₹ Nil)
  - (b) Helicopters ₹ 0.17 crore (31st March, 2019 - ₹ Nil)
  - (c) Rithala power generation plant ₹ 20.04 crore (31<sup>st</sup> March, 2019 - ₹ 20.04 crore). Impairment recognised for the year ₹ Nil (31<sup>st</sup> March, 2019 ₹ 88.34 crore)
- (iv)
  - (a) During the year, the Group has reclassified following assets from held for sale to Property, plant and equipment. No impairment loss has been recognised on reclassification as the Group expected that the fair value (estimated based on the recent market prices of similar properties in similar locations) less costs to sell is higher than the carrying amount:
    - Building at Erangal ₹ 0.23 crore (31st March, 2019 - ₹ 0.23 crore)
    - Oil Tankage unit at Trombay [ Land ₹ 0.04 crore (31st March, 2019 - ₹ 0.04 crore), Building ₹ 0.13 crore (31st March, 2019 - ₹ 0.13 crore) and Plant and Machinery ₹ 4.55 crore (31st March, 2019 - ₹ 4.55 crore)]
  - (b) During the previous year, the Group signed a binding term sheet for sale of its 32 MW wind project in Maharashtra. As the sale transaction was not concluded in this financial year and the Group is not pursuing the sale anymore, these assets having a carrying value of ₹ 131.00 crore has been ceased to be classified as asset held for sale.

## Notes to the Consolidated Financial Statements

### 17 b. Liabilities directly associated with Assets Classified as Held For Sale (Contd.)

- (v) In the earlier years, the Group had decided to divest its investments carried at fair value through other comprehensive income in Tata Teleservices (Maharashtra) Ltd and consequently classified as assets held for sale at lower of carrying amount and fair value less cost to sell ₹ 22.81 crore (31st March, 2019 - ₹ 38.65 crore).
- (vi) (a) In the earlier years, the Group had signed definitive agreements for sale of PT Arutmin Indonesia and its associated infrastructure and trading companies and the sale consideration of USD 400.92 million is being expected to be received in a phased manner over next few years. Accordingly, the investments (including investment in PT Mitratama Perkasa) have been classified as assets held for sale at ₹ 1931.60 crore as at 31st March, 2020 (31st March, 2019 - ₹ 1,768.97 crore).
- (b) During the previous year, the Group decided to divest its investment in Itezhi Tezhi Power Corporation ('ITPC') of ₹ 631.00 crore along with loan and other receivables from ITPC amounting to ₹ 18.59 crore and ₹ 4.24 crore respectively. Accordingly, the said investment along with loan and other receivables has been classified as held for sale. No impairment loss has been recognised on reclassification as the Group expects that the fair value less costs to sell is higher than the carrying amount as at 31st March, 2020.
- (c) During the year, the Group has reassessed its plan to sell investment in Tata Projects Limited (Associate company of the Group) and has reclassified its investment in Tata Projects from asset held for sale to investments in Associate accounted under equity method. (Refer Note 44).
- (vii) During the previous year, the Group has decided to divest its investments in equity and preference shares of its subsidiary, TCL Ceramics Ltd (formerly known as Tata Ceramics Ltd). Accordingly, the said investments have been classified as held for sale at ₹ Nil (Net of impairment of ₹14.21 crore). Pursuant to the Share Purchase Agreement ('Agreement') dated 4th January, 2020, the Group has transferred its Equity and Preference share to the purchasers as a part of the conditions mentioned in the Agreement subject to final closing. The said shares has been pledged back to the Group by the purchasers till the final closure. As all the conditions related to the closing has not been completed, the Group believes that it still controls TCL Ceramics Ltd. till all the conditions are fulfilled. Hence, no impact of sale of share has been recognised in the Consolidated Ind AS financial statements. The impact of the sale on the financial statement will not be significant.
- (viii) During the year, Maharashtra Electricity Regulatory Commission ('MERC') has ordered termination of Vikhroli Transmission Lines project carried out by the Group and decided to invite fresh bids for completion of the project. MERC has also ordered that costs incurred by the Group shall be reimbursed by the successful bidder. Accordingly, the Group has classified the said project having carrying amount of ₹ 127.70 crore as held for sale during the year.

### 17 c. Assets Classified as Held For Sale - Discontinued Operations

In the earlier year, the shareholder of the Parent Company approved sale of its Strategic Engineering Division (SED) to Tata Advanced Systems Ltd. (TASL) [a wholly owned subsidiary of Tata Sons Pvt. Ltd.] as a going concern on slump sale basis, subject to regulatory approvals at an enterprise value of ₹ 2,230 crore (out of which ₹ 1,040 crore payable at the time of closing and ₹ 1,190 crore payable on achieving certain milestones). Accordingly, defence business segment is presented as discontinued operations in the segment note. The date of completion of the transaction is subject to approval by National Company Law Tribunal (NCLT) and such other requisite approvals.

Results of Strategic Engineering Division for the year are presented below:

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore
<b>Income</b>		
Revenue from Operations	343.77	143.59
<b>Expenditure</b>		
Cost of Components Consumed	244.22	138.10
Employee Benefits Expense	90.04	110.85
Finance Costs	36.15	36.33
Other Expenses	55.00	50.13
<b>Total Expenses</b>	<b>425.41</b>	<b>335.41</b>
<b>Profit/(Loss) before tax from Discontinued Operations</b>	<b>(81.64)</b>	<b>(191.82)</b>
<b>Impairment Loss on Remeasurement to Fair Value (Refer Note Below)</b>	<b>(361.00)</b>	<b>Nil</b>
Tax Expense/(Credit)		
Current Tax	Nil	(71.92)
Deferred Tax	(32.41)	5.94
<b>Total Tax Expense/(Credit)</b>	<b>(32.41)</b>	<b>(65.98)</b>
<b>Profit/(Loss) for the year from Discontinued Operations</b>	<b>(410.23)</b>	<b>(125.84)</b>
Other Comprehensive Income/(Expense)	0.20	(1.14)
Tax on Other Comprehensive Income	Nil	0.40
<b>Total Comprehensive Income/(Expense)</b>	<b>(410.03)</b>	<b>(126.58)</b>

The above loss is attributable to the owners of the Parent Company.

## 17 c. Assets Classified as Held For Sale - Discontinued Operations (Contd.)

Major classes of Assets and Liabilities of Strategic Engineering Division classified as held for sale are as follows:

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>Assets</b>		
Property, Plant and Equipment	382.27	302.06
Capital Work-in-Progress	422.58	418.75
Other Intangible Assets	124.13	123.42
Intangible Assets Under Development	356.71	347.10
Non-current Financial Assets	3.68	3.66
Other Non-current Assets	35.40	74.66
<b>Current Assets</b>		
Inventories	83.30	104.15
Current Financial Assets	663.67	261.96
Other Current Assets	169.33	428.54
<b>Assets Classified as Held For Sale</b>	<b>2,241.07</b>	<b>2,064.30</b>
Impairment Loss on Remeasurement to Fair Value	(361.00)	Nil
	<b>1,880.07</b>	<b>2,064.30</b>
<b>Liabilities</b>		
<b>Non-current Liabilities</b>		
Financial Liabilities	594.76	679.31
Provisions	27.68	30.22
<b>Current Liabilities</b>		
Financial Liabilities	258.99	190.00
Provisions	9.76	17.91
Other Current Liabilities	140.88	48.83
<b>Liabilities directly associated with Assets Classified as Held For Sale</b>	<b>1,032.07</b>	<b>966.27</b>
<b>Net Assets directly associated with Discontinued Operations</b>	<b>848.00</b>	<b>1,098.03</b>

Note:

During the year, the Group has reassessed the fair value of consideration receivable from TASL and has recognised an impairment loss of ₹ 361.00 crore in the Consolidated Ind AS financials statements. The fair value on consideration has been determined based on the expected value of the consideration using discounted present value technique. The fair value has been categorised under Level 3 inputs, the key assumption being achievement/non-achievement of milestones as defined in the scheme of arrangement.

Net cash flows attributable to Strategic Engineering Division are as follows:

	For the year ended 31st March, 2020 ₹ crore	For the year ended 31st March, 2019 ₹ crore
Net Cash Flow from/(used) in Operating Activities	127.80	18.67
Net Cash Flow from/(used) in Investing Activities	(44.99)	(87.35)
Net Cash Flow from/(used) in Financing Activities	(81.32)	72.95
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>1.49</b>	<b>4.27</b>
<b>Cash and Cash Equivalents as at 1st April (Opening Balance)</b>	<b>6.11</b>	<b>1.84</b>
<b>Cash and Cash Equivalents as at 31st March (Closing Balance)</b>	<b>7.60</b>	<b>6.11</b>

1. During the year, the SED has incurred Research and Development expenditure including capital expenditure amounting to ₹ 10.02 crore (31st March, 2019 - ₹ 43.62 crore).
2. Estimated amount of Contracts remaining to be executed on capital account and not provided for is ₹ 66.22 crore (31st March, 2019 ₹ 55.57 crore).
3. Contingent Liability of excise duty amounts to ₹ 14.28 crore (31st March, 2019 - ₹ 14.28 crore).

## Notes to the Consolidated Financial Statements

### 18. Regulatory Deferral Account

#### Accounting Policy

The Group determines revenue gaps (i.e. surplus/shortfall in actual returns over returns entitled) in respect of its regulated operations in accordance with the provisions of Ind AS 114 "Regulatory Deferral Accounts" read with the Guidance Note on Rate Regulated Activities issued by ICAI and based on the principles laid down under the relevant Tariff Regulations/Tariff Orders notified by the Electricity Regulatory Commission (Regulator) and the actual or expected actions of the regulator under the applicable regulatory framework. Appropriate adjustments in respect of such revenue gaps are made in the regulatory deferral account of the respective year for the amounts which are reasonably determinable and no significant uncertainty exists in such determination. These adjustments/accruals representing revenue gaps are carried forward as Regulatory deferral accounts debit/credit balances (Regulatory Assets/Regulatory Liabilities) as the case may be in the financial statements, which would be recovered/refunded through future billing based on future tariff determination by the regulator in accordance with the electricity regulations. The Group presents separate line items in the balance sheet for:

- the total of all regulatory deferral account debit balances and related deferred tax balances; and
- the total of all regulatory deferral account credit balances and related deferred tax balances.

A separate line item is presented in the Consolidated Ind AS statement of profit and loss for the net movement in regulatory deferral account and deferred tax recoverable payable.

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
<b>Regulatory Deferral Account - Liability - Current</b>		
Regulatory Liabilities	Nil	Nil
<b>Regulatory Deferral Account - Assets - Non-current</b>		
Regulatory Assets	5,480.17	5,758.13
<b>Net Regulatory Assets/(Liabilities)</b>	<b>5,480.17</b>	<b>5,758.13</b>

#### Rate Regulated Activities

- As per the Ind AS-114 'Regulatory Deferral Accounts', the business of electricity distribution is a Rate Regulated activity wherein the regulators determine Tariff to be charged from consumers based on prevailing regulations in place.

MERC Multi Year Tariff Regulations, 2015 (MYT Regulations), is applicable for the period beginning from 1st April, 2016 to 31st March, 2020. These regulations require MERC to determine tariff in a manner wherein the Group can recover its fixed and variable costs including assured rate of return on approved equity base, from its consumers. The Group determines the Revenue, Regulatory Assets and Liabilities as per the terms and conditions specified in MYT Regulations.

- Reconciliation of Regulatory Assets/Liabilities of distribution business as per Rate Regulated Activities as on 31st March, 2020, is as follows:

		For the year ended 31st March, 2020	For the year ended 31st March, 2019
		₹ crore	₹ crore
<b>Opening Regulatory Assets (Net of Liabilities)</b>	(A)	5,758.13	5,819.56
Regulatory Deferral Balances (net) during the year			
(i) Power Purchase Cost		8,569.70	8,192.16
(ii) Other expenses as per the terms of Tariff Regulations including Return On Equity		2,666.99	2,770.78
(iii) Amount collected (including pertaining to earlier years)		(11,688.37)	(11,303.13)
<b>Net movement in Regulatory Deferral Balances (i + ii + iii)</b>	(B)	<b>(451.68)</b>	<b>(340.19)</b>
Regulatory Assets/(Liabilities) on carrying cost recognised as revenue	(C)	24.00	29.15
Recovery from Group's Generation business	(D)	(15.28)	(193.76)

## 18. Regulatory Deferral Account (Contd.)

		For the year ended 31st March, 2020	For the year ended 31st March, 2019
		₹ crore	₹ crore
Net movement in Regulatory Deferral Balances in respect of earlier years (Refer note below)	(E)	(21.32)	274.26
Regulatory Assets/(Liabilities) on Deferred Tax Expense/(Income)	(F)	284.32	169.11
Regulatory Assets/(Liabilities) on Deferred Tax Expense/(Income) on account of new tax regime	(G)	(98.00)	Nil
<b>Closing Regulatory Asset (Net of Liabilities)</b>	<b>(A+B+C+D+E+F+G)</b>	<b>5,480.17</b>	<b>5,758.13</b>

Note:

- Pursuant to receipt of true-up tariff order from the Regulatory Commission for the years 2017-18 and 2018-19 (31st March, 2019 - 2014-15 to 2016-17), the Group had recognised net expenditure of ₹ 15.83 crore (31st March, 2019 net income of ₹ 91.95 crore) comprising of a credit of ₹ 5.49 crore (31st March, 2019 - ₹ 274.26 crore) in regulatory income and a charge of ₹ 21.32 crore (31st March, 2019 - ₹ 182.31 crore) to revenue from operations.
- In respect of the Group's power distribution business in Delhi, Delhi Electricity Regulatory Commission (DERC) vide its order dated 31 July, 2019 has trued up regulatory deferral account balance up to 31 March, 2018 at ₹ 2,254.50 crore as against ₹ 4,399.85 crore as per financial books of accounts. The difference in regulatory deferral account is largely due to provisional truing up of capitalisation, disallowance of de-capitalised property, plant and equipment, its corresponding impact on return on capital employed (ROCE), income tax and carrying cost. The difference in regulatory deferral account also includes impact of power purchase cost of Rithala Power Plant allowed by the DERC vide order dated 11 November, 2019 and other previous review/APTEL appeal orders. The disallowances not as per prevailing law, facts and figures have been challenged in Review Petition or at APTEL. For truing up of capitalisation, the DERC has initiated the exercise of physical verification of property, plant and equipment which is at advance stage of completion.

## 19 a. Share Capital

	As at 31st March, 2020		As at 31st March, 2019	
	Number	₹ crore	Number	₹ crore
<b>Authorised</b>				
Equity Shares of ₹ 1/- each	350,00,00,000	350.00	350,00,00,000	350.00
Cumulative Redeemable Preference Shares of ₹ 100/- each	2,29,00,000	229.00	2,29,00,000	229.00
		<b>579.00</b>		<b>579.00</b>
<b>Issued</b>				
Equity Shares [including 28,32,060 shares (31st March, 2019 - 28,32,060 shares) not allotted but held in abeyance, 44,02,700 shares cancelled pursuant to a Court Order and 4,80,40,400 shares of the Company held by the erstwhile The Andhra Valley Power Supply Company Limited cancelled pursuant to the Scheme of Amalgamation sanctioned by the High Court of Judicature, Bombay]	276,17,00,970	276.17	276,17,00,970	276.17
<b>Subscribed and Paid-up</b>				
Equity Shares fully Paid-up [excluding 28,32,060 shares (31st March, 2019 - 28,32,060 shares) not allotted but held in abeyance, 44,02,700 shares cancelled pursuant to a Court Order and 4,80,40,400 shares of the Company held by the erstwhile The Andhra Valley Power Supply Company Limited cancelled pursuant to the Scheme of Amalgamation sanctioned by the High Court of Judicature, Bombay]	270,47,73,510	270.48	270,47,73,510	270.48
Less: Calls in arrears [including ₹ 0.01 crore (31st March, 2019 - ₹ 0.01 crore) in respect of the erstwhile The Andhra Valley Power Supply Company Limited and the erstwhile The Tata Hydro-Electric Power Supply Company Limited]		0.04		0.04
		<b>270.44</b>		<b>270.44</b>
Add: Equity Shares forfeited - Amount paid	16,52,300	0.06	16,52,300	0.06
<b>Total Subscribed and Paid-up Share Capital</b>		<b>270.50</b>		<b>270.50</b>

## Notes to the Consolidated Financial Statements

### 19 a. Share Capital (Contd.)

#### (i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

	As at 31st March, 2020		As at 31st March, 2019	
	Number	₹ crore	Number	₹ crore
<b>Equity Shares</b>				
At the beginning of the year	270,64,25,810	270.50	270,64,25,810	270.50
Issued during the year	Nil	Nil	Nil	Nil
Outstanding at the end of the year	270,64,25,810	270.50	270,64,25,810	270.50

#### (ii) Terms/rights attached to Equity Shares

The Parent Company has issued only one class of Equity Shares having a par value of ₹ 1/- per share. Each holder of Equity Shares is entitled to one vote per share. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Parent Company, the holders of Equity Shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

#### (iii) Details of shareholders holding more than 5% shares in the Parent Company

	As at 31st March, 2020		As at 31st March, 2019	
	Number	% Holding	Number	% Holding
<b>Equity Shares of ₹ 1/- each fully paid</b>				
Tata Sons Pvt. Ltd.	95,39,46,984	35.27	83,97,99,682	31.05
ICICI Prudential Bharat Consumption Funds*	21,83,11,309	8.07	11,38,29,237	4.21
Life Insurance Corporation of India	17,15,81,237	6.34	20,97,31,735	7.75
Matthews Pacific Tiger Fund	18,03,16,487	6.67	18,03,16,487	6.67

\* Shareholding has been reported based on common permanent Account Number

### 19 b. Unsecured Perpetual Securities

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
11.40% Unsecured Perpetual Securities	1,500.00	1,500.00
Add: Movement during the year	Nil	Nil
<b>Total</b>	<b>1,500.00</b>	<b>1,500.00</b>

In an earlier year, the Parent Company had raised ₹ 1,500 crore through issue of Unsecured Perpetual Securities (the "Securities"). These Securities are perpetual in nature with no maturity or redemption and are callable only at the option of the Parent Company. The distribution on these Securities are 11.40% with a step up provision if the Securities are not called after 10 years. The distribution on the Securities may be deferred at the option of the Parent Company, if during the six months preceding the relevant distribution payment date, the Parent Company has made no payment on, or redeemed or repurchased, any securities ranking pari passu with, or junior to the instrument. As these Securities are perpetual in nature and ranked senior only to the Share Capital of the Parent Company and the Parent Company does not have any redemption obligation, these are considered to be in the nature of equity instruments.

## 20. Other Equity

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
General Reserve	4,086.53	4,086.53
Securities Premium	5,647.80	5,647.80
Capital Reserves	232.09	232.09
Statutory Reserves	660.08	660.08
<b>Debt Redemption Reserve</b>		
Opening Balance	728.90	1,073.16
Add/(Less): Amount transferred from/(to) Retained Earnings (Net)	(90.70)	(344.26)
Closing Balance	<b>638.20</b>	<b>728.90</b>
<b>Capital Redemption Reserve</b>		
Opening Balance	515.76	15.76
Add/(Less): Amount transferred from Surplus in Statement of Profit and Loss	Nil	500.00
Closing Balance	<b>515.76</b>	<b>515.76</b>
<b>Special Reserve Fund</b>		
Opening Balance	122.59	119.05
Add/(Less): Amount transferred from Retained Earnings	1.48	3.54
Closing Balance	<b>124.07</b>	<b>122.59</b>
<b>Retained Earnings (Refer Note 1 below)</b>		
Opening balance	3,265.79	2,452.44
Add: Profit for the year	1,017.38	2,356.19
Transfer from Equity Instrument through Other Comprehensive Income (Refer Note 5 below)	666.34	Nil
Transfer from Debt Redemption Reserve (Net)	90.70	344.26
Less: Distribution on Unsecured Perpetual Securities (Refer Note 4 below)	170.76	171.00
Other Comprehensive Income/(Expense) arising from Remeasurement of Defined Benefit Obligation (Net of Tax)	56.12	17.76
Transfer from Equity Instrument through Other Comprehensive Income (Refer Note 5 below)	Nil	771.15
Less: Other Appropriations:		
Payment of Dividend (Refer Note 3 below)	351.99	351.99
Tax on Dividend	72.37	71.66
Transfer to Special Reserve Fund (under Sec 45-IA of RBI Act, 1934)	1.48	3.54
Transfer to Capital Redemption Reserve	Nil	500.00
	<b>1,121.70</b>	<b>813.35</b>
Closing Balance	<b>4,387.49</b>	<b>3,265.79</b>
<b>Equity Instrument through Other Comprehensive Income</b>		
Opening balance	698.52	(44.77)
Add/(Less): Transfer to Retained Earnings (Refer Note 5 below)	(666.34)	771.15
Add/(Less): Change in Fair Value of Equity Instruments through Other Comprehensive Income	(39.72)	(27.86)
Closing Balance	<b>(7.54)</b>	<b>698.52</b>
<b>Foreign Currency Translation Reserve</b>		
Opening balance	576.95	367.67
Add/(Less): Addition during the year	837.68	209.28
Closing Balance	<b>1,414.63</b>	<b>576.95</b>
carried forward .....	17,699.11	16,535.01

## Notes to the Consolidated Financial Statements

### 20. Other Equity (Contd.)

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
bought forward .....	17,699.11	16,535.01
Effective Portion of Cash Flow Hedge		
Opening balance	Nil	(1.26)
Add/(Less): Effective Portion of Cash Flow Hedge for the year	96.41	1.26
Closing Balance	96.41	Nil
<b>Total</b>	<b>17,795.52</b>	<b>16,535.01</b>

#### Notes:

- Includes gain on fair valuation of land which is not available for distribution ₹ 362.34 crore (31st March, 2019 - ₹ 362.34 crore).
- The shareholders of the parent company in their meeting held on 18th June, 2019 approved final dividend of ₹ 1.30 per share aggregating ₹ 351.99 crore (excluding dividend distribution tax) for the financial year 2018-19. The said dividend was paid to the holders of fully paid equity shares on 20th June, 2019.
- In respect of the year ended 31st March, 2020, the directors have proposed a dividend of ₹ 1.55 per share to be paid on fully paid shares. This equity dividend is subject to approval at the annual general meeting and has not been included as a liability in the Consolidated Ind AS financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 419.68 crore (31st March, 2019 - ₹ 351.99 crore).
- Pursuant to the amendment in Indian Accounting Standard Ind AS 12 'Income Taxes' effective from 1st April, 2019, the Group has recognised the income tax consequence on interest on perpetual securities in the profit and loss which was earlier recognised directly in other equity and has restated the figures for previous periods presented. Accordingly, the profit after tax for the year ended 31st March, 2019 is higher by ₹ 60.12 crore as compared to previous year consolidated Ind AS financial statement. There is no impact on the "Other Equity" of the Group.
- Represents gain/(loss) on sale of certain investments carried at fair value through other comprehensive income transferred to Retained Earnings.

#### Nature and purpose of reserves

##### General Reserve

General Reserve is used from time to time to transfer profits from Retained Earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be reclassified subsequently to consolidated Ind AS statement of profit and loss.

##### Securities Premium

Securities Premium is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

##### Debenture Redemption Reserve

The Company was required to create a Debenture Redemption Reserve out of the profits which are available for payment of dividend for the purpose of redemption of debentures. Pursuant to Companies (Share Capital and Debentures) Amendment Rules, 2019 dated 16th August, 2019, the Company is not required to create Debenture Redemption Reserve (DRR). Accordingly, the Company has not created DRR during the year and DRR created till previous years will be transferred to retained earnings on redemption of debentures.

##### Capital Redemption Reserve

Capital Redemption Reserve represents amounts set aside on redemption of preference shares.

##### Capital Reserve

Capital Reserve consists of forfeiture of the amount received from Tata Sons Pvt. Ltd. on preferential allotment of convertible warrants in the Group, on the lapse of the period to exercise right to convert the said warrants and on forfeiture of amounts paid on Debentures.

##### Special Reserve Fund

This reserve represents the amount transferred from its annual profits by the non-banking finance subsidiary in the Group pursuant to Reserve Bank of India regulations.

## 20. Other Equity (Contd.)

### Statutory Reserve

Statutory Reserve consists of Special Appropriation towards Project Cost, Development Reserve and Investment Allowance Reserve.

Special appropriation to project cost - Due to high capital investment required for the expansion in the electricity industry, the Maharashtra State Government permits part of the capital cost of approved projects to be collected through the electricity tariff and held as a special appropriation.

Development Reserve / Investment Allowance Reserve - Until 1978, the Companies made appropriations to a Development Reserve and an Investment Allowance Reserve as required by the Income Tax Act, 1956. New appropriations to these reserves are no longer required due to changes in Indian law. An amount equal to 0.5% on the accumulation in the Investment Allowance Reserve was included in the reasonable return calculation.

### Retained Earnings

Retained Earnings are the profits of the Group earned till date net of appropriations.

### Equity Instruments through Other Comprehensive Income

This reserve represents the cumulative gains and losses arising on revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets are disposed off.

### Foreign Currency Translation Reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

### Effective Portion of Cash Flow Hedge

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

## 21. Non-current Borrowings - At Amortised Cost

	As at 31st March, 2020		As at 31st March, 2019	
	Non-current ₹ crore	Current Maturities* ₹ crore	Non-current ₹ crore	Current Maturities* ₹ crore
<b>(i) Unsecured</b>				
<b>Debentures</b>				
Redeemable Non-Convertible Debentures	9,423.77	370.00	7,947.81	500.00
<b>Term Loans</b>				
From Banks	2,185.01	943.28	3,098.35	346.67
<b>Deferred Payment Liabilities-Sales Tax Deferral</b>	2.83	20.26	8.50	22.12
<b>Others</b>				
Buyer's Credit	Nil	Nil	Nil	224.00
	<b>11,611.61</b>	<b>1,333.54</b>	<b>11,054.66</b>	<b>1,092.79</b>
<b>(ii) Secured</b>				
<b>Debentures</b>				
Redeemable Non-Convertible Debentures	2,460.13	87.25	1,436.67	41.00
<b>Term Loans</b>				
From Banks	16,596.40	2,375.77	16,658.57	2,167.11
From Others	2,027.00	39.87	1,987.13	45.93
carried forward .....	21,083.53	2,502.89	20,082.37	2,254.04

## Notes to the Consolidated Financial Statements

### 21. Non-current Borrowings - At Amortised Cost (Contd.)

	As at 31st March, 2020		As at 31st March, 2019	
	Non-current	Current Maturities*	Non-current	Current Maturities*
	₹ crore	₹ crore	₹ crore	₹ crore
bought forward .....	21,083.53	2,502.89	20,082.37	2,254.0
<b>Others</b>				
Buyer's Credit	Nil	Nil	Nil	143.77
Finance Lease Obligations	Nil	Nil	2.20	0.83
	<b>21,083.53</b>	<b>2,502.89</b>	<b>20,084.57</b>	<b>2,398.64</b>
<b>Total</b>	<b>32,695.14</b>	<b>3,836.43</b>	<b>31,139.23</b>	<b>3,491.43</b>

\* Amount disclosed under Other Current Financial Liabilities (Refer Note 23)

#### Security

Redeemable Non-convertible Debentures issued by the Group are secured by charge on movable and immovable assets of the respective entities.

Term Loans and Buyer's Credit availed by various entities of the Group from various Banks and Financial Institutions are secured by way of charge on all present and future moveable and immovable assets, stores and spares, raw materials, work-in-progress, finished goods, book debts, project receivables, intangibles, uncalled capital receivables, rights under project documents of the respective entities, project cash flows, regulatory deferral accounts, accounts including Debt Service Reserve Accounts and bank accounts, bank guarantees and pledge of shares of subsidiaries held by their respective holding companies.

#### Terms of Repayment

Particulars	Amount Outstanding as at 31st March, 2020	Financial Year						
		FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-30	FY 30-31 and onwards
<b>(i) Unsecured - At Amortised Cost</b>								
<b>Debentures</b>								
Redeemable Non-Convertible Debentures	9,815.00	370.00	1,940.00	2,455.00	2,000.00	550.00	1,000.00	1,500.00
<b>Term Loans</b>								
From Banks	3,130.58	943.28	558.66	1,628.64	Nil	Nil	Nil	Nil
<b>Deferred Payment Liabilities-Sales Tax Deferral</b>	<b>23.09</b>	<b>20.26</b>	<b>2.83</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>(ii) Secured - At Amortised Cost</b>								
<b>Debentures</b>								
Redeemable Non-Convertible Debentures	2,554.44	87.25	247.25	559.75	427.25	259.75	810.69	162.50
<b>Term Loans</b>								
From Banks	19,002.21	2,375.77	3,456.32	1,749.52	1,753.06	1,567.45	6,175.15	1,924.94
From Others	2,071.32	39.87	31.40	69.98	80.50	91.04	1,552.79	205.74
	<b>36,596.64</b>	<b>3,836.43</b>	<b>6,236.46</b>	<b>6,462.89</b>	<b>4,260.81</b>	<b>2,468.24</b>	<b>9,538.63</b>	<b>3,793.18</b>
Less: Impact of recognition of borrowing at amortised cost using effective interest method under Ind AS	61.40							
Less: Unamortised portion of fair value of Corporate Guarantee.	3.67							
<b>Total</b>	<b>36,531.57</b>							

## 21. Non-current Borrowings - At Amortised Cost (Contd.)

Range of interest rates for:

1. Debentures - 8% to 10.75%
2. (a) Term loan of foreign Companies - 2.16% to 4.49%  
(b) Term loan of Indian Companies - 8.15% to 9.95%
3. Term loan from others - 8.35% to 9.95%

## 22. Lease Liabilities

### Accounting Policy

At inception of contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Group allocates consideration in the contract to each lease component on the basis of their relative standalone price.

### As a Lessee

#### i) Right-of-use Assets

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated remaining useful lives of the assets, as follows:

- Plant and Machinery - 3 years
- Vessels - 12.5 years
- Port Intake channel- 40 years
- Leasehold Land including sub-surface rights- 2 to 95 years

The Group presents right-to-use assets that do not meet the definition of investment property in 'Property, plant and equipment.

#### ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group generally uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

The Group presents lease liabilities ₹ 3,560.22 crore as financial liability in the Balance Sheet.

#### iii) Short term leases and leases of low value of assets

The Group applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

## Notes to the Consolidated Financial Statements

### 22. Lease Liabilities (Contd.)

#### Leasing arrangement as Lessee

The Group has lease contracts for various items of plant, machinery, land, vehicles and other equipment used in its operations. Leases of Leasehold land including sub-surface rights generally have lease terms between 2 years and 95 years, while plant and machinery, motor vehicles and other equipment generally have lease terms 3 years and 40 years. Generally, the Group is restricted from assigning and subleasing the leased assets.

	₹ crore
<b>Amount recognised in the Statement of Profit and Loss</b>	<b>For the year ended 31<sup>st</sup> March, 2020</b>
Depreciation of Right-of-use assets	197.18
Interest on lease liabilities	308.73
Expenses related to short term leases	32.03
Expenses related to leases of low value assets, excluding short term leases of low value assets	1.06

Refer Note (4b) for additions to Right-of-Use Assets and the carrying amount of Right-of-Use Assets as at 31st March, 2020. Further, refer Note 40.4.3 for maturity analysis of lease liabilities.

	₹ crore
<b>Amount recognised in the Statement of Cash Flows</b>	<b>For the year ended 31<sup>st</sup> March, 2020</b>
Total cash outflow of leases	330.03

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
<b>Non-current</b>		
Lease Liabilities	3,180.48	Nil
<b>Total</b>	<b>3,180.48</b>	<b>Nil</b>
<b>Current</b>		
Lease Liabilities	379.74	Nil
<b>Total</b>	<b>379.74</b>	<b>Nil</b>

### 23. Other Financial Liabilities - At Amortised Cost, unless otherwise stated

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
<b>Non-current</b>		
(a) Security Deposits from Customers	688.16	662.09
(b) Guarantee Commission Obligation	5.12	9.23
(c) Payables for Capital Supplies and Services	28.20	15.92
(d) Other Liabilities	0.04	0.07
	<b>721.52</b>	<b>687.31</b>
<b>Current</b>		
(a) Current Maturities of Long-term Debt (Refer Note 21)	3,836.43	3,491.43
(b) Interest accrued but not due on Borrowings-Others	657.76	492.16
(c) Interest accrued but not due on Borrowings-Joint Ventures	181.08	133.43
(d) Investor Education and Protection Fund shall be credited by the following amounts namely: **		
Unpaid Dividend	22.61	22.04
Unpaid Matured Deposits	Nil	0.04
Unpaid Matured Debentures	0.09	0.09
(e) Other Payables		
Payables for Capital Supplies and Services	440.08	439.91
carried forward .....	5,138.05	4,579.10

## 23. Other Financial Liabilities - At Amortised Cost, unless otherwise stated (Contd.)

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
brought forward .....	5,138.05	4,579.10
Advance Received for Sale of Investments	1,576.59	1,099.62
Contingent Consideration Payable (Fair Value through Profit and Loss)	42.57	42.57
Derivative Contracts (Net)- (Fair Value through Profit and Loss)	64.03	113.35
Security Deposits from Electricity Consumers	285.84	278.17
Security Deposits from Customers	13.45	5.67
Tender Deposits from Vendors	39.88	3.61
Interim Dividend Payable to Non-Controlling Shareholders	Nil	22.65
Financial Guarantee Obligation towards Lenders of Jointly Controlled Entity [Refer Note 6b (i) (b)]	Nil	103.74
Payable under 'Pass through arrangement' of trade receivables	275.55	Nil
Other Financial Liabilities	66.94	232.31
<b>Total</b>	<b>7,502.90</b>	<b>6,480.79</b>

\*\* Includes amounts outstanding aggregating ₹ 1.48 crore (31st March, 2019 - ₹ 1.25 crore) for more than seven years pending disputes and legal cases.

## 24. Tax Liabilities

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
<b>Non Current</b>		
Income-Tax Payable (Net)	3.03	3.74
<b>Total</b>	<b>3.03</b>	<b>3.74</b>
<b>Current</b>		
Income-Tax Payable (Net)	129.49	150.22
<b>Total</b>	<b>129.49</b>	<b>150.22</b>

## 25. Provisions

### Accounting Policy

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Present obligations arising under onerous contracts are recognised and measured as provisions with charge to consolidated Ind AS statement of profit and loss. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

### Defined contribution plans

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

## Notes to the Consolidated Financial Statements

### 25. Provisions (Contd.)

#### Defined benefits plans

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to consolidated Ind AS statement of profit and loss in subsequent periods. Past service costs are recognised in consolidated Ind AS statement of profit and loss on the earlier of:

- the date of the plan amendment or curtailment, and
- the date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated Ind AS statement of profit and loss:

- service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- net interest expense or income.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

#### Current and other non-current employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of current employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other non-current employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
<b>Non-current</b>		
<b>Provision for Employee Benefits</b>		
Compensated Absences	171.94	144.95
Gratuity (Net) [Refer Note 25 (2.3)]	51.79	39.64
Post-Employment Medical Benefits [Refer Note 25 (2.3)]	60.88	47.10
Other Defined Benefit Plans [Refer Note 25 (2.3)]	69.30	54.50
Other Employee Benefits	16.59	26.51
	<b>370.50</b>	<b>312.70</b>
carried forward .....	370.50	312.70

## 25. Provisions (Contd.)

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
brought forward .....	370.50	312.70
<b>Other Provisions</b>		
Provision for Warranties	36.90	20.90
	<b>36.90</b>	<b>20.90</b>
<b>Total</b>	<b>407.40</b>	<b>333.60</b>
<b>Current</b>		
<b>Provision for Employee Benefits</b>		
Compensated Absences	30.50	29.33
Gratuity (Net) [Refer Note 25 (2.3)]	7.99	1.66
Post-Employment Medical Benefits [Refer Note 25 (2.3)]	3.12	2.56
Other Defined Benefit Plans [Refer Note 25 (2.3)]	55.43	8.40
Other Employee Benefits	2.06	5.13
	<b>99.10</b>	<b>47.08</b>
<b>Other Provisions</b>		
Provision for Warranties	9.18	18.33
Provision for Losses/Onerous Contracts	3.64	14.74
Provision for Rectification Work	4.50	13.40
	<b>17.32</b>	<b>46.47</b>
<b>Total</b>	<b>116.42</b>	<b>93.55</b>

### Movement of Other Provisions

	Provision for Warranties	Provision for Losses of Joint Ventures	Provision for Losses/ Onerous Contracts	Provision for Rectification Work	₹ crore Total
<b>Balance as at 1st April, 2018</b>	31.29	84.50	23.28	24.32	163.39
Additional provisions recognised	15.14	Nil	9.57	Nil	24.71
Reductions arising from payments	(7.20)	Nil	(18.00)	(10.92)	(36.12)
Reductions arising from remeasurements or settlement without cost	Nil	Nil	(0.11)	Nil	(0.11)
Exchange Differences	Nil	(1.05)	Nil	Nil	(1.05)
<b>Balance as at 31st March, 2019</b>	<b>39.23</b>	<b>83.45</b>	<b>14.74</b>	<b>13.40</b>	<b>150.82</b>
<b>Balance as at 1st April, 2019</b>	39.23	83.45	14.74	13.40	150.82
Additional provisions recognised	10.45	Nil	3.16	Nil	13.61
Reductions arising from payments	(3.60)	Nil	(0.06)	(8.90)	(12.56)
Reductions arising from remeasurements or settlement without cost	Nil	(83.45)	(14.20)	Nil	(97.65)
<b>Balance as at 31st March, 2020</b>	<b>46.08</b>	<b>Nil</b>	<b>3.64</b>	<b>4.50</b>	<b>54.22</b>

Notes:

1. The provision for warranty claims represents estimated warranty liability for the products sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The provision related to Asset held for Sale is transferred to Liabilities pertaining to Asset held for Sale.
2. The provision for losses of Joint Ventures is recognised, to the extent that the Group has incurred legal or constructive obligations, in the event that the share of losses for joint ventures accounted for using the equity method, exceeds zero.
3. The provision for losses includes provision for estimated losses on onerous contracts and provision for contingency on regulatory assets recognised.
4. The provision for rectification work relates to the estimated cost of work agreed to be carried out for the rectification of goods supplied to the customers. The amount is anticipated to be expensed in the subsequent year. These amounts have not been discounted for the purposes of measuring the provision for rectification work, because the effect is not material.

## Notes to the Consolidated Financial Statements

### 25. Provisions (Contd.)

#### Employee benefit plan

##### 1. Defined Contribution plan

The Group makes Provident Fund and Superannuation Fund contributions to defined contribution plans for eligible employees. Under the schemes, the Group is required to contribute a specified percentage of the payroll costs. The provident fund contributions as specified under the law are paid to the Government approved provident fund trust or statutory provident fund authorities. The Group has no obligation, other than the contribution payable to the respective fund. The Group recognises such contribution payable to the respective fund scheme as an expense, when an employee renders the related service.

The Group has recognised ₹ 67.88 crore (31st March, 2019 - ₹ 56.07 crore) for provident fund contributions and ₹ 10.75 crore (31st March, 2019 - ₹ 10.63 crore) for superannuation contributions in the Consolidated Ind AS statement of profit and loss. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

##### 2. Defined benefit plans

##### 2.1 The Group operates the following unfunded/funded defined benefit plans:

###### Funded:

###### Provident Fund

The Parent Company makes Provident Fund contributions to defined benefit plans for eligible employees. Under the scheme, the Parent Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified under the law are paid to the provident fund set up as a trust by the Parent Company. The Parent Company is generally liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contributions and shortfall, if any, as an expense in the year it is incurred. Having regard to the assets of the fund and the return on the investments, the Parent Company does not expect any shortfall in the foreseeable future. Having regard to the assets of the fund and the return on the investments, the Group expects shortfall of ₹ 10.52 crore which has been provided as an expenditure during the year.

In terms of guidance note issued by the Institute of Actuaries of India, the actuary has provided a valuation of Provident fund liability based on the assumptions listed and determined the short fall of ₹ 10.52 crore as at 31st March, 2020 (31st March, 2019 - ₹ 8.27 crore).

The significant assumptions used for the purpose of the actuarial valuations were as follows:

Particulars	31st March, 2020	31st March, 2019
Interest rate	8.50% p.a.	8.65% p.a.
Discount rate	6.50% p.a.	7.40% p.a.
Contribution during the year (₹ crore)	21.15	19.18
Short fall provided as expenditure for the year (₹ crore)	10.52	8.27

##### The movements in the net defined benefit obligations are as follows:

Funded Plan:	Present value of obligation	Fair value of plan assets	Net amount
	₹ crore	₹ crore	₹ crore
<b>Balance as at 1st April, 2018</b>	711.19	710.60	0.59
Current service cost	20.75	Nil	20.75
Past service cost	Nil	Nil	Nil
Interest Cost/(Income)	57.37	50.70	6.67
<b>Amount recognised in Statement of Profit and Loss</b>	<b>78.12</b>	<b>50.70</b>	<b>27.42</b>
<b>Remeasurement (gains)/losses</b>			
Return on plan assets excluding amounts included in interest cost/(income)	Nil	10.83	(10.83)
Actuarial (gains)/losses arising from changes in demographic assumptions	Nil	Nil	Nil
Actuarial (gains)/losses arising from changes in financial assumptions	4.46	Nil	4.46
Actuarial (gains)/losses arising from experience	6.37	Nil	6.37
<b>Amount recognised in Other Comprehensive Income</b>	<b>10.83</b>	<b>10.83</b>	<b>Nil</b>

## 25. Provisions (Contd.)

Funded Plan:	Present value of obligation	Fair value of plan assets	Net amount
	₹ crore	₹ crore	₹ crore
Employer contribution	Nil	19.74	(19.74)
Employee contribution	44.89	44.89	Nil
Benefits paid	(90.53)	(90.53)	Nil
Acquisitions credit/(cost)	5.81	5.81	Nil
<b>Balance as at 31st March, 2019</b>	<b>760.31</b>	<b>752.04</b>	<b>8.27</b>
<b>Balance as at 31st March, 2019</b>	<b>760.31</b>	<b>752.04</b>	<b>8.27</b>
Current service cost	22.02	Nil	22.02
Past service cost	Nil	Nil	Nil
Interest Cost/(Income)	56.34	57.21	(0.87)
<b>Amount recognised in Statement of Profit and Loss</b>	<b>78.36</b>	<b>57.21</b>	<b>21.15</b>
<b>Remeasurement (gains)/losses</b>			
Return on plan assets excluding amounts included in interest cost/(income)	Nil	(40.00)	40.00
Actuarial (gains)/losses arising from changes in demographic assumptions	(1.59)	Nil	(1.59)
Actuarial (gains)/losses arising from changes in financial assumptions	(3.30)	Nil	(3.30)
Actuarial (gains)/losses arising from experience	13.84	Nil	13.84
<b>Amount recognised in Other Comprehensive Income</b>	<b>8.95</b>	<b>(40.00)</b>	<b>48.95</b>
Employer contribution	Nil	21.13	(21.13)
Employee contribution	49.34	49.34	Nil
Benefits paid	(98.17)	(98.17)	Nil
Acquisitions credit/(cost)	8.97	8.97	Nil
<b>Balance as at 31st March, 2020</b>	<b>807.76</b>	<b>750.52</b>	<b>57.24</b>

### Unfunded:

#### Post Employment Medical Benefits

The Group provides certain post-employment health care benefits to superannuated employees at some of its locations. In terms of the plan, the retired employees can avail free medical check-up and medicines at Group's facilities.

#### Pension (including Director pension)

The Group operates a defined benefit pension plan for employees who have completed 15 years of continuous service. The plan provides benefits to members in the form of a pre-determined lumpsum payment on retirement. Executive Director, on retirement, is entitled to pension payable for life including HRA benefit. The level of benefit is approved by the Board of Directors of the Group from time to time.

#### Ex-Gratia Death Benefit

The Group has a defined benefit plan granting ex-gratia in case of death during service. The benefit consists of a pre-determined lumpsum amount along with a sum determined based on the last drawn basic salary per month and the length of service.

#### Retirement Gift

The Group has a defined benefit plan granting a pre-determined sum as retirement gift on superannuation of an employee.

### Funded/Unfunded:

#### Gratuity

The Group has a defined benefit gratuity plan. The gratuity plan is primarily governed by the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the member's length of service and salary at the retirement date. The gratuity plan is a combination of funded plan and unfunded plan for various companies in the Group. In case of funded plan, the fund has the form of a trust and is governed by Trustees appointed by the Group. The Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy in accordance with the regulations. The funds are deployed in recognised insurer managed funds in India.

## Notes to the Consolidated Financial Statements

### 25. Provisions (Contd.)

#### 2.2 The principal assumptions used for the purposes of the actuarial valuations were as follows:

Valuation as at	31st March, 2020	31st March, 2019
Discount Rate/Expected Rate of Return on Plan Assets	6.25% to 6.84 % p.a	7.4% to 7.7 % p.a
Salary Growth Rate	5% to 8% p.a.	5% to 8% p.a.
Turnover Rate	2% to 8% p.a.	2.5% to 8% p.a.
Pension Increase Rate	3% to 5% p.a.	3% to 5% p.a.
Mortality Table	Indian Assured Lives Mortality (2006-08) (modified) Ult & 100% of Indian Assured Lives Mortality (2012-2014)	Indian Assured Lives Mortality (2006-08) (modified) Ult
Annual Increase in Healthcare Cost	8% p.a.	8% p.a.

#### 2.3 The amounts recognised in the financial statements and the movements in the net defined benefit obligations over the year are as follows:

(a) Funded Plan - Gratuity:	Present value of obligation	Fair value of plan assets	Net amount
	₹ crore	₹ crore	₹ crore
<b>Balance as at 1st April, 2018*</b>	289.45	(299.65)	(10.20)
Current service cost	20.60	Nil	20.60
Past service cost	Nil	Nil	Nil
Interest Cost/(Income)	22.43	(27.34)	(4.91)
Less: Amount recognised in Statement of Profit and Loss - Discontinued Operations	(0.58)	Nil	(0.58)
<b>Amount recognised in Statement of Profit and Loss - Continuing Operations</b>	<b>42.45</b>	<b>(27.34)</b>	<b>15.11</b>
<b>Remeasurement (gains)/losses</b>			
Return on plan assets excluding amounts included in interest cost/(income)	Nil	6.62	6.62
Actuarial (gains)/losses arising from changes in demographic assumptions	3.02	Nil	3.02
Actuarial (gains)/losses arising from changes in financial assumptions	6.70	(2.26)	4.44
Actuarial (gains)/losses arising from experience	16.93	Nil	16.93
<b>Amount recognised in Other Comprehensive Income</b>	<b>26.65</b>	<b>4.36</b>	<b>31.01</b>
Employer contribution	Nil	(2.64)	(2.64)
Benefits paid	(34.64)	1.43	(33.21)
Acquisitions credit/(cost)	(1.40)	Nil	(1.40)
Add: Amounts recognised in current year - Discontinued Operations	0.58	Nil	0.58
<b>Balance as at 31st March, 2019</b>	<b>323.09</b>	<b>(323.84)</b>	<b>(0.75)</b>
<b>Balance as at 31st March, 2019*</b>	<b>323.09</b>	<b>(323.84)</b>	<b>(0.75)</b>
Current service cost	19.01	Nil	19.01
Past service cost	Nil	Nil	Nil
Interest Cost/(Income)	25.64	(24.10)	1.54
Less: Amount recognised in Statement of Profit and Loss - Discontinued Operations	1.30	Nil	1.30
<b>Amount recognised in Statement of Profit and Loss - Continuing Operations</b>	<b>45.95</b>	<b>(24.10)</b>	<b>21.85</b>
<b>Remeasurement (gains)/losses</b>			
Return on plan assets excluding amounts included in interest cost/(income)	0.05	(8.25)	(8.20)
Actuarial (gains)/losses arising from changes in demographic assumptions	25.46	Nil	25.46
Actuarial (gains)/losses arising from changes in financial assumptions	20.79	Nil	20.79
Actuarial (gains)/losses arising from experience	(0.82)	Nil	(0.82)
Less: Amount recognised in Other Comprehensive Income - Discontinued Operations	(0.21)	Nil	(0.21)
<b>Amount recognised in Other Comprehensive Income</b>	<b>45.27</b>	<b>(8.25)</b>	<b>37.02</b>
Employer contribution	Nil	(6.63)	(6.63)
Benefits paid	(59.93)	4.09	(55.84)
Acquisitions credit/(cost)	(0.39)	Nil	(0.39)
Add: Amounts recognised in current year - Discontinued Operations	(1.08)	Nil	(1.08)
<b>Balance as at 31st March, 2020</b>	<b>352.91</b>	<b>(358.73)</b>	<b>(5.82)</b>

\* Net assets is classified as "Other Current Assets"

## 25. Provisions (Contd.)

### (b) Unfunded Plan - Gratuity and Other Defined Benefit Plans:

	Gratuity Amount ₹ crore	Other Defined Benefit Plans Amount ₹ crore
<b>Balance as at 1st April, 2018</b>	<b>19.95</b>	<b>104.50</b>
Current service cost	2.14	5.61
Past service cost	Nil	0.79
Past service cost - Plan amendments	Nil	4.58
Interest Cost/(Income)	1.53	8.91
<i>Less: Amount recognised in Statement of Profit and Loss - Discontinued Operations</i>	Nil	(0.44)
<b>Amount recognised in Statement of Profit and Loss - Continuing Operations</b>	<b>3.67</b>	<b>19.45</b>
<b>Remeasurement (gains)/losses</b>		
Actuarial (gains)/losses arising from changes in demographic assumptions	0.23	Nil
Actuarial (gains)/losses arising from changes in financial assumptions	0.92	3.41
Actuarial (gains)/losses arising from experience	(2.23)	(8.53)
<i>Less: Amount recognised in other comprehensive income - Discontinued operations</i>	Nil	0.24
<b>Amount recognised in Other Comprehensive Income</b>	<b>(1.08)</b>	<b>(4.88)</b>
Benefits paid	(1.00)	(4.11)
Acquisitions credit/(cost)	1.04	0.02
<i>Add: Amounts recognised in current year - Discontinued Operations</i>	Nil	0.44
<i>Less: Transferred to Assets/Liabilities held for sale - Discontinued Operations</i>	Nil	(2.86)
<b>Balance as at 31st March, 2019</b>	<b>22.58</b>	<b>112.56</b>
<b>Balance as at 31st March, 2019</b>	<b>22.58</b>	<b>112.56</b>
Current service cost	2.72	6.87
Past service cost	Nil	0.25
Past service cost - Plan amendments	Nil	13.52
Interest Cost/(Income)	1.60	10.44
<i>Less: Amount recognised in Statement of Profit and Loss - Discontinued Operations</i>	Nil	0.07
<b>Amount recognised in Statement of Profit and Loss - Continuing Operations</b>	<b>4.32</b>	<b>31.15</b>
<b>Remeasurement (gains)/losses</b>		
Actuarial (gains)/losses arising from changes in demographic assumptions	(0.56)	(5.65)
Actuarial (gains)/losses arising from changes in financial assumptions	2.33	10.90
Actuarial (gains)/losses arising from experience	3.64	(9.68)
<i>Less: Amount recognised in other comprehensive income - Discontinued operations</i>	Nil	0.41
<b>Amount recognised in Other Comprehensive Income</b>	<b>5.41</b>	<b>(4.02)</b>
Benefits paid	(2.72)	(7.31)
Acquisitions credit/(cost)	0.56	(0.31)
<i>Add: Amounts recognised in current year - Discontinued Operations</i>	Nil	(0.58)
<b>Balance as at 31st March, 2020</b>	<b>30.15</b>	<b>131.49</b>

### Reconciliation with amount presented in the Balance Sheet

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
Gratuity provision - funded	(5.82)	6.54
Gratuity provision - unfunded	30.15	22.58
	<b>24.33</b>	<b>29.12</b>
Non current provision for Gratuity (net)	51.79	39.64
<i>Add: Current provision for Gratuity (net)</i>	7.99	1.66
<i>Less: Gratuity Assets classified as other assets</i>	35.45	34.76
<b>Gratuity provision (net)</b>	<b>24.33</b>	<b>6.54</b>

## Notes to the Consolidated Financial Statements

### 25. Provisions (Contd.)

#### Provision for Other defined benefit obligation

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
Closing provision as per above note 2.1 and 2.3(b)	188.73	112.56
Non current provision for Post-Employment Medical benefits	69.30	54.50
Add: Non current provision for Other defined benefit plans	60.88	47.10
Add: Current provision for Post-Employment Medical benefits	3.12	2.56
Add: Current provision for Other defined benefit plans	55.43	8.40
Closing provision as per above	<b>188.73</b>	<b>112.56</b>

### 2.4 Sensitivity analysis

The sensitivity of the defined benefit obligations to changes in the weighted principal assumptions is:

Change in assumption	31st March, 2020		31st March, 2019		Increase in assumption	31st March, 2020		31st March, 2019		Decrease in assumption	31st March, 2020		31st March, 2019	
Discount rate	0.50%	0.50%			Decrease by	24.15	19.70	Increase by	26.54	21.59				
Salary/Pension growth rate	0.50%	0.50%			Increase by	19.97	16.91	Decrease by	18.56	15.71				
Mortality rates	1 year	1 year			Decrease by	5.84	4.41	Increase by	5.74	4.32				
Healthcare cost	0.50%	0.50%			Increase by	5.17	3.78	Decrease by	4.60	3.38				

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

These plans typically expose the Company to actuarial risks such as: Investment Risk, Interest Risk, Longevity Risk and Salary Risk.

**Investment Risk** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

**Interest Risk** A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

**Longevity Risk** The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary Risk** The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

## 25. Provisions (Contd.)

### 2.5 The expected maturity analysis of undiscounted defined benefit obligation (Funded and Unfunded) is as follows:

	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
Within 1 year	106.05	97.40
Between 1 - 2 years	155.63	139.33
Between 2 - 3 years	145.32	145.50
Between 3 - 4 years	134.28	139.49
Between 4 - 5 years	136.92	135.61
Beyond 5 years	723.06	793.98

The weighted average duration of the defined benefit obligation is approximately 7.4 years (31st March, 2019 - 8.1 years).

The contribution expected to be made by the Group during the financial year 2019-20 is ₹ 23.01 crore (31st March, 2019 - ₹ 2.01 crore).

### 2.6 Risk exposure:

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

**Asset volatility:**

The plan liabilities are calculated using a discount rate set with reference to government bond yield. If plan assets underperform this yield, it will result in deficit. These are subject to interest rate risk. To offset the risk, the plan assets have been deployed in high grade insurer managed funds.

**Inflation rate risk:**

Higher than expected increase in salary and medical cost will increase the defined benefit obligation.

**Demographic risk:**

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligations is not straight forward and depends upon the combination of salary increase, discount rate and vesting criterion.

### 2.7 Major categories of plan assets:

Plan assets are funded with the trust set up by the Group. The Insurer trust invests the funds in various financial instruments. Major categories of plan assets are as follows:

	Provident Fund		Gratuity	
	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019
	%	%	%	%
Quoted Equity Instruments	4%	2%	18%	24%
Debt Instruments	26%	37%	47%	24%
Government Securities	54%	45%	27%	34%
Others Cash & Cash Equivalents	16%	16%	9%	18%

## Notes to the Consolidated Financial Statements

### 26. Other Liabilities

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>Non-current</b>		
Consumers' Benefit Account [Refer Note 37(e)]	16.97	38.91
Deferred Revenue - Service Line Contributions from Consumers	1,321.37	1,217.12
Advance from Customers	0.11	0.21
Deferred Rent Liability	45.43	44.73
Deferred Revenue Liability	683.43	555.70
Deferred Revenue Grant*	17.21	17.08
<b>Total</b>	<b>2,084.52</b>	<b>1,873.75</b>

\* The Group has recognised an income of ₹ 0.89 crore (31st March, 2019 - ₹ 9.61 crore) on account of Deferred Grants during the year in the statement of profit and loss account.

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>Current</b>		
Statutory Liabilities	241.86	315.51
Advance from Customers/Public Utilities	280.94	154.59
Advance from Consumers	501.21	330.20
Liabilities towards Consumers	195.96	11.50
Statutory Consumer Reserves [Refer Note 37(e)]	168.00	561.75
Deferred Revenue Liability	41.62	23.52
Other Liabilities	23.49	102.57
<b>Total</b>	<b>1,453.08</b>	<b>1,499.64</b>

### 27. Current Borrowings - At Amortised Cost

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
<b>(i) Unsecured</b>		
<b>From Debentures</b>		
(a) Redeemable Non-Convertible Debentures	370.00	Nil
<b>From Banks</b>		
(b) Buyers' Line of Credit	9.23	Nil
(c) Bank Overdraft - repayable on demand	34.71	203.69
(d) Short-term Loans	1,562.44	2,776.16
<b>From Others</b>		
(e) From Related Parties	2,022.78	2,740.39
(f) From Other (Refer Note Below)	140.28	Nil
(g) Commercial Papers	6,630.18	7,259.52
	<b>10,769.62</b>	<b>12,979.76</b>
carried forward .....	10,769.62	12,979.76

## 27. Current Borrowings - At Amortised Cost (Contd.)

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
bought forward .....	10,769.62	12,979.76
<b>(ii) Secured</b>		
<b>From Banks</b>		
(a) Buyers' Line of Credit	Nil	165.62
(b) Short-term Loans	1,074.74	404.80
(c) Bank Overdraft - repayable on demand	Nil	306.99
<b>From Others</b>		
(d) From Others	Nil	18.21
	<b>1,074.74</b>	<b>895.62</b>
<b>Total</b>	<b>11,844.36</b>	<b>13,875.38</b>

### Note:

During the current year, the Group has entered into a Suppliers' Credit Program ("Facility") with a party whereby the Group would get additional credit period over and above the original credit period granted by certain coal suppliers. Under this Facility, the party shall pay the said coal suppliers on the original due date on behalf of the Group and grant an additional credit period to the Group. This Facility is for USD 500 million and available for an initial period of 18 months. The Group has utilised USD 18.62 million of this facility as at 31st March, 2020.

### Security

Short-term Loans and Buyer's Line of Credit availed by various entities of the Group are secured by a charge on immovable property of certain entities, both present and future and are also secured by way of charge on tangible and intangible assets, current assets, receivables and stores and spares, uncalled capital receivables, rights under project documents, project cash flows, pledge of shares and monies receivable of the respective entities.

## 28. Revenue from Operations

### Revenue recognition

#### Accounting Policy

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Description of performance obligations are as follows:

- (i) Sale of Power - Generation (Thermal and Hydro)

Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered.

#### Contract price determined as per tariff regulations

The Group as per the prevalent tariff regulations is required to recover its Annual Revenue Requirement ('ARR') comprising of expenditure on account of fuel cost, operations and maintenance expenses, financing costs, taxes and assured return on regulator approved equity with additional incentive for operational efficiencies. Accordingly, rate per unit is determined using input method based on the Group's efforts to the satisfaction of a performance obligation to deliver power. As per tariff regulations, the Group determines ARR and any surplus/shortfall in recovery of the same is accounted as revenue.

#### Contract Price as per long term agreements

Rate per unit is determined using input method based on the Group's efforts to the satisfaction of a performance obligation to deliver power.

Variable consideration forming part of total transaction price will be allocated and recognised when the terms of variable payment relate specifically to the Group's efforts to satisfy the performance obligation i.e. in the year of occurrence of event linked to variable consideration. The transaction price is adjusted for significant financing component, if any and the adjustment is accounted as finance cost.

- (ii) Sale of Power - Generation (Wind and Solar)

Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered at the contracted rate. The transaction price is adjusted for significant financing component, if any and the adjustment is accounted as finance cost.

# Notes to the Consolidated Financial Statements

## 28. Revenue from Operations (Contd.)

(iii) Transmission of Power

Revenue from transmission of power is recognised net of cash discount over time for transmission of electricity. The Group as per the prevalent tariff regulations is required to recover its Annual Revenue Requirement ('ARR') comprising of expenditure on account of operations and maintenance expenses, financing costs, taxes and assured return on regulator approved equity with additional incentive for operational efficiencies.

Input method is used to recognise revenue based on the Group's efforts or inputs to the satisfaction of a performance obligation to deliver power.

As per tariff regulations, the Group determines ARR and any surplus/shortfall in recovery of the same is accounted as revenue.

(iv) Sale of Power - Distribution

Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered at the pre determined rate.

(v) Trading of power

In the arrangement's the Group is acting as an agent, the revenue is recognised on net basis when the units of electricity are delivered to power procurers because this is when the Group transfers control over its services and the customer benefits from the Group's such agency services.

The Group determines its revenue on certain contracts net of power purchase cost based on the following factors:

- a. another party is primarily responsible for fulfilling the contract as the Group does not have the ability to direct the use of power supplied or obtain benefits from supply of power.
- b. the Group does not have inventory risk before or after the power has been delivered to customers as the power is directly supplied to customer.
- c. the Group has no discretion in establishing the price for supply of power. The Group's consideration in these contracts is only based on the difference between sales price charged to procurer and purchase price given to supplier.

For other contracts which does not qualify the conditions mentioned above, revenue is determined on gross basis.

(vi) Sale of Solar Products

Revenue from turnkey contracts, which are generally time bound fixed price contracts, are recognised over the life of the contract using the proportionate completion method, with contracts costs determining the degree of completion.

(vii) Rendering of Services

Revenue from a contract to provide services is recognised over time based on :

Input method where the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of performance obligation. Revenue, including estimated fees or profits, are recorded proportionally based on measure of progress.

Output method where direct measurements of value to the customer based on survey's of performance completed to date.

Revenue is recognised net of cash discount at a point in time at the contracted rate.

(viii) Consumers are billed on a monthly basis and are given average credit period of 30 to 45 days for payment.

There is no significant judgement involved while evaluating the timing as to when customers obtain control of promised goods and services.

(ix) In the regulated operations of the Group where tariff recovered from consumers is determined on cost plus return on equity, the Income tax cost is pass through cost and accordingly the Group recognises Deferred tax recoverable / payable against any Deferred tax expense/ income. The same has now been included in 'Revenue from Operations' in case of Generation and Transmission Divisions and 'Net Movement in Regulatory Deferral Balances' in case of Distribution Division.

There is no significant judgement involved while evaluating the timing as to when customers obtain control of promised goods and services.

## 28. Revenue from Operations (Contd.)

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore
<b>(a) Revenue from Power Supply and Transmission Charges</b>	28,264.95	28,408.70
Add/(Less): Cash Discount	(69.40)	(165.19)
Add/(Less): Income to be adjusted in future tariff determination (Net)	(665.32)	226.06
Add/(Less): Income to be adjusted in future tariff determination (Net) in respect of earlier years (Refer Note 18)	5.49	(182.31)
Add/(Less): Deferred Tax Recoverable/Payable (Refer Note 3.15)	31.41	322.41
(Less): Power Purchase Cost (where Group acts as an agent)	(2,182.90)	(2,366.89)
	<b>25,384.23</b>	<b>26,242.78</b>
<b>(b) Revenue from Power Supply - Assets Under Finance Lease</b>	1,051.27	1,030.64
<b>(c) Project/Operation Management Services</b>	119.19	123.89
<b>(d) Revenue from Sale of:</b>		
Solar Products	1,418.28	1,214.69
Electronic Products	44.37	49.23
	<b>1,462.65</b>	<b>1,263.92</b>
<b>(e) Income from Finance Lease</b>	91.55	87.26
<b>(f) Finance Income from Service Concession Agreement</b>	38.71	39.98
<b>(g) Other Operating Revenue</b>		
Rental of Land, Buildings, Plant and Equipment, etc.	10.81	15.51
Charter Hire	220.37	214.36
Income in respect of Services Rendered	404.58	302.39
Compensation	0.41	Nil
Amortisation of Capital Grants	3.25	3.56
Amortisation of Service Line Contributions	89.08	82.96
Income from Storage & Terminalling	15.22	15.39
Miscellaneous Revenue and Sundry Credits	93.09	71.46
Sale of Fly Ash	10.00	11.67
Sale of Coal	78.21	315.73
Sale of Carbon Credits	6.25	3.89
Sale of Products - Trading	0.95	0.83
Dividend from Equity Investments measured at FVTOCI	1.85	2.05
Profit on sale of Current Investment - measured at FVTPL	4.34	3.68
Sale of Renewable Energy Certificates	50.36	49.11
	<b>988.77</b>	<b>1092.59</b>
<b>Total</b>	<b>29,136.37</b>	<b>29,881.06</b>

**Note:**

Revenue from operations for the year ended 31st March, 2019 includes Regulatory Assets on Deferred Tax Liability expected to be recovered from customers amounting to ₹ 272.00 crore recognised pursuant to extension of Power Purchase Agreement for its generating plants for five years w.e.f 1st April, 2019.

## Notes to the Consolidated Financial Statements

### 28. Revenue from Operations (Contd.)

#### Details of Revenue from Contract with Customers

Particulars	For the year ended	For the year ended
	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
Total Revenue from Contract with Customers	28,836.15	29,610.68
Less: Significant Financing Component	(67.40)	(45.57)
Add: Cash Discount/Rebates etc.	69.40	165.19
<b>Total Revenue as per Contracted Price</b>	<b>28,838.15</b>	<b>29,730.30</b>

#### Transaction Price - Remaining Performance Obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Group expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.

The aggregate value of performance obligations that are partially unsatisfied as at 31st March, 2020, other than those meeting the exclusion criteria mentioned above is ₹ 1,27,165.72 crore (31st March, 2019 - ₹ 1,39,285.74 crore). Out of this, the group expects to recognise revenue of around 5.66% (31st March, 2019 - 5.37%) within the next one year and the remaining thereafter.

# Notes to the Consolidated Financial Statements

## 28. Revenue from Operations (Contd.)

Revenue is disaggregated by type and nature of product or services. The table also includes the reconciliation of the disaggregated revenue with the Group's reportable segment.

Particulars	Revenue from Contracts with Customers		Other than Revenue from Contracts with Customers		Total (Before Inter-Segment Elimination)		Inter-Segment		Total	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore
<b>Nature of Goods/Services</b>										
<b>Generation</b>										
Sale of Power	12,921.98	13,827.66	Nil	Nil	12,921.98	13,827.66	3,580.07	3,412.59	9,341.91	10,415.07
Sale of Power from Assets Under Lease	1,051.27	1,030.64	Nil	Nil	1,051.27	1,030.64	Nil	Nil	1,051.27	1,030.64
Project/Operation Management Services	47.61	75.31	Nil	Nil	47.61	75.31	1.93	3.86	45.68	71.45
Charter Hire	220.37	214.36	Nil	Nil	220.37	214.36	Nil	Nil	220.37	214.36
Income in respect of Services Rendered	70.88	47.87	Nil	Nil	70.88	47.87	Nil	Nil	70.88	47.87
Sale of Fly Ash	10.00	11.67	Nil	Nil	10.00	11.67	Nil	Nil	10.00	11.67
Sale of Coal	78.21	315.73	Nil	Nil	78.21	315.73	Nil	Nil	78.21	315.73
Income from Finance Lease	Nil	Nil	88.91	86.70	88.91	86.70	Nil	Nil	88.91	86.70
Rental of Land, Buildings, Plant and Equipment, etc.	Nil	Nil	5.49	10.32	5.49	10.32	Nil	Nil	5.49	10.32
Amortisation of Service Line Contributions	Nil	Nil	0.05	0.04	0.05	0.04	Nil	Nil	0.05	0.04
Miscellaneous Revenue and Sundry Credits	Nil	Nil	37.97	24.86	37.97	24.86	0.99	1.08	36.98	23.78
<b>Total (A)</b>	<b>14,400.32</b>	<b>15,523.24</b>	<b>132.42</b>	<b>121.92</b>	<b>14,532.74</b>	<b>15,645.16</b>	<b>3,582.99</b>	<b>3,417.53</b>	<b>10,949.75</b>	<b>12,227.63</b>
<b>Renewables</b>										
Sale of Power	2,401.44	2,244.95	Nil	Nil	2,401.44	2,244.95	228.03	229.44	2,173.41	2,015.51
Project/Operation Management Services	29.88	27.87	Nil	Nil	29.88	27.87	0.79	0.99	29.09	26.88
Sale of Solar Products	1,425.07	1,214.69	Nil	Nil	1,425.07	1,214.69	6.79	Nil	1,418.28	1,214.69
Income in respect of Services Rendered	1.99	2.17	Nil	Nil	1.99	2.17	Nil	Nil	1.99	2.17
Sale of REC certificates	49.35	46.13	Nil	Nil	49.35	46.13	Nil	Nil	49.35	46.13
Finance Income from Service Concession Agreement	38.62	39.96	Nil	Nil	38.62	39.96	Nil	Nil	38.62	39.96
Income from Finance Lease	Nil	Nil	2.64	0.56	2.64	0.56	Nil	Nil	2.64	0.56
Rental of Land, Buildings, Plant and Equipment, etc.	Nil	Nil	0.02	0.02	0.02	0.02	Nil	Nil	0.02	0.02
Amortisation of Capital Grants	Nil	Nil	2.50	2.82	2.50	2.82	Nil	Nil	2.50	2.82
Miscellaneous Revenue and Sundry Credits	Nil	Nil	19.69	27.33	19.69	27.33	Nil	Nil	19.69	27.33
Sale of Carbon Credits	Nil	Nil	6.25	3.89	6.25	3.89	Nil	Nil	6.25	3.89
<b>Total (B)</b>	<b>3,946.35</b>	<b>3,575.77</b>	<b>31.10</b>	<b>34.62</b>	<b>3,977.45</b>	<b>3,610.39</b>	<b>235.61</b>	<b>230.43</b>	<b>3,741.84</b>	<b>3,379.96</b>

# Notes to the Consolidated Financial Statements

## 28. Revenue from Operations (Contd.)

Particulars	Revenue from Contracts with Customers		Other than Revenue from Contracts with Customers		Total (Before Inter Segment Elimination)		Inter Segment		Total	
	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020
	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore
<b>Transmission and Distribution of Power</b>										
Sale of Power	13,869.32	13,812.20	Nil	13,869.32	13,812.20	Nil	Nil	13,869.32	13,812.20	
Project/Operation Management Services	38.64	23.54	Nil	38.64	23.54	Nil	Nil	38.64	23.54	
Income in respect of Services Rendered	150.94	97.20	Nil	150.94	97.20	Nil	Nil	150.94	97.20	
Sale of Products - Trading	0.95	0.83	Nil	0.95	0.83	Nil	Nil	0.95	0.83	
Sale of REC certificates	1.01	2.98	Nil	1.01	2.98	Nil	Nil	1.01	2.98	
Finance Income from Service Concession Agreement	0.09	0.02	Nil	0.09	0.02	Nil	Nil	0.09	0.02	
Rental of Land, Buildings, Plant and Equipment, etc.	Nil	Nil	4.53	4.53	3.89	3.89	Nil	4.53	3.89	
Amortisation of Capital Grants	Nil	Nil	0.75	0.75	0.74	0.74	Nil	0.75	0.74	
Amortisation of Service Line Contributions	Nil	Nil	89.04	89.04	82.92	82.92	Nil	89.04	82.92	
Miscellaneous Revenue and Sundry Credits	Nil	Nil	36.12	36.12	19.67	19.67	Nil	36.12	19.67	
Net movement in Regulatory Deferral Balances	Nil	Nil	(188.69)	(188.69)	103.27	103.27	Nil	(188.69)	103.27	
<b>Total (C)</b>	<b>14,060.95</b>	<b>13,936.77</b>	<b>210.49</b>	<b>14,002.70</b>	<b>14,147.26</b>	<b>Nil</b>	<b>Nil</b>	<b>14,002.70</b>	<b>14,147.26</b>	
<b>Others</b>										
Project/Operation Management Services	1.75	2.01	Nil	1.75	2.01	0.14	Nil	1.61	2.01	
Sale of Electronic Products	44.37	49.23	Nil	44.37	49.23	Nil	Nil	44.37	49.23	
Income in respect of Services Rendered	183.25	155.15	Nil	183.25	155.15	7.66	Nil	175.59	155.15	
Income from Storage & Terminaling	15.22	15.39	Nil	15.22	15.39	Nil	Nil	15.22	15.39	
Rental of Land, Buildings, Plant and Equipment, etc.	Nil	Nil	1.99	1.99	1.28	1.99	Nil	1.28	1.99	
Interest on Inter-corporate Deposits	Nil	Nil	2.77	2.77	5.24	2.77	5.24	Nil	Nil	
Dividend from Equity Investments measured at FVTOCI	Nil	Nil	1.84	1.84	2.05	Nil	Nil	1.84	2.05	
Profit on sale of Current Investment - measured at FVTPL	Nil	Nil	4.34	4.34	3.68	Nil	Nil	4.34	3.68	
<b>Total (D)</b>	<b>244.59</b>	<b>221.78</b>	<b>10.94</b>	<b>255.53</b>	<b>234.03</b>	<b>12.56</b>	<b>5.24</b>	<b>242.97</b>	<b>228.79</b>	
<b>Unallocable</b>										
Project/Operation Management Services	4.17	Nil	0.01	4.17	0.01	Nil	Nil	4.17	0.01	
Rental of Land, Buildings, Plant and Equipment, etc.	Nil	Nil	0.77	0.77	Nil	Nil	Nil	0.77	Nil	
Income in respect of Services Rendered	5.18	Nil	Nil	5.18	Nil	Nil	Nil	5.18	Nil	
Miscellaneous Revenue and Sundry Credits	Nil	Nil	0.30	0.30	0.68	Nil	Nil	0.30	0.68	
<b>Total (E)</b>	<b>9.35</b>	<b>Nil</b>	<b>1.07</b>	<b>10.42</b>	<b>0.69</b>	<b>Nil</b>	<b>Nil</b>	<b>10.42</b>	<b>0.69</b>	
<b>Revenue from Continued Operations</b>										
<b>(A + B + C + D + E)</b>	<b>32,661.56</b>	<b>33,257.56</b>	<b>117.28</b>	<b>32,778.84</b>	<b>33,637.53</b>	<b>3,831.16</b>	<b>3,653.20</b>	<b>28,947.68</b>	<b>29,984.33</b>	
<b>Revenue from Discontinued Operations (F)</b>										
	<b>343.74</b>	<b>143.69</b>	<b>Nil</b>	<b>343.74</b>	<b>143.69</b>	<b>Nil</b>	<b>Nil</b>	<b>343.74</b>	<b>143.69</b>	

## 28. Revenue from Operations (Contd.)

Reconciliation of Revenue	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore
Revenue from Continued Operations as per above	28,947.68	29,984.33
Net movement in Regulatory Deferral Balances	188.69	(103.27)
<b>Total Revenue from Operations</b>	<b>29,136.37</b>	<b>29,881.06</b>

### Contract Balances

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
<b>Contract Assets</b>		
Recoverable from Consumers		
Non-Current	960.84	404.79
Current	Nil	1,100.54
Unbilled Revenue other than passage of time	30.07	11.15
<b>Total Contract Assets</b>	<b>990.91</b>	<b>1,516.48</b>

### Contract Liabilities

Deferred Revenue Liability		
Non-Current	683.43	555.70
Current	41.62	23.52
Advance from Consumers		
Non-Current	0.11	0.21
Current	501.21	330.20
Liabilities towards Consumers		
Non-Current	Nil	Nil
Current	195.96	11.50
<b>Total Contract Liabilities</b>	<b>1,422.33</b>	<b>921.13</b>

### Receivables

Trade Receivables (Gross)		
Non-Current	34.83	197.54
Current	4,859.41	4,836.73
Recoverable from Consumers		
Current	232.17	Nil
Unbilled Revenue for passage of time		
Non-Current	95.33	81.11
Current	799.42	837.85
(Less): Allowances for Doubtful Debts		
Non-Current	(4.55)	(4.55)
Current	(433.51)	(391.47)
<b>Net Receivables</b>	<b>5,583.10</b>	<b>5,557.21</b>
<b>Total</b>	<b>7,996.34</b>	<b>7,994.82</b>

### Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract assets are transferred to receivables when the rights become unconditional.

## Notes to the Consolidated Financial Statements

### 28. Revenue from Operations (Contd.)

#### Contract liability

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the performance obligation is satisfied.

Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

#### Movement in Recoverable from consumers and Liabilities towards consumers

Particulars	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
Opening Balance		
- Recoverable from consumers	1,505.33	1,310.63
- Liabilities towards consumers	(11.50)	(402.75)
	(A)	<b>907.88</b>
Income to be adjusted in future tariff determination (Net)	(665.32)	226.06
Income to be adjusted in future tariff determination (Net) in respect of earlier years	5.49	(182.31)
Refund to Customers (including Group's Distribution Business)	48.87	288.71
Deferred tax recoverable/(payable)	31.41	322.50
Deferred tax recoverable/(payable) on account of new tax regime	(167.00)	Nil
Revenue recognised during the year	573.67	679.60
Transfer to receivables	(600.52)	(736.52)
Others	44.45	(12.09)
	(B)	<b>585.95</b>
Closing Balance		
- Recoverable from consumers	960.84	1,505.33
- Liabilities towards consumers	(195.96)	(11.50)
	(A+B)	<b>1,493.83</b>

#### Movement in Unbilled Revenue other than passage of time, Advance from consumers and Deferred Revenue Liabilities

Particulars	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
Opening Balance		
- Unbilled Revenue other than passage of time	11.15	Nil
- Advance from consumers	330.41	213.87
- Deferred Revenue Liabilities	579.22	458.07
	(A)	<b>671.94</b>
Revenue recognised during the year	(172.28)	(158.28)
Advance received during the year	486.41	392.43
Interest for the year	75.03	45.57
Transfer to receivables	(53.50)	(30.88)
	(B)	<b>248.84</b>
Closing Balance		
- Unbilled Revenue other than passage of time	30.07	11.15
- Advance from consumers	501.32	330.41
- Deferred Revenue Liabilities	725.05	579.22
	(A+B)	<b>920.78</b>

## 29. Other Income

### Accounting Policy

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Consumers are billed on a monthly basis and are given average credit period of 30 to 45 days for payment. No delayed payment charges ('DPC') is charged for the initial 30 days from the date of receipt of invoice by customer. Thereafter, DPC is charged at the rate prescribed by the Power Purchase Agreement on the outstanding balance once the dues are received. Revenue in respect of delayed payment charges and interest on delayed payments leviable as per the relevant contracts are recognised on actual realisation or accrued based on an assessment of certainty of realization supported by either an acknowledgement from customers or on receipt of favourable order from regulatory authorities.

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore
<b>(a) Interest Income</b>		
<b>(i) Financial Assets held at Amortised Cost</b>		
Interest on Banks Deposits	18.11	13.87
Interest from Inter-corporate Deposits	Nil	0.12
Interest on Overdue Trade Receivables	66.41	3.16
Interest on Non-current Investment - Contingency Reserve Fund	12.64	16.70
Interest on Non-current Investment - Deferred Tax Liability Fund	7.53	20.40
Interest on Loans to Joint Controlled Entity	0.63	1.24
Interest on Loans and Advances	15.01	13.59
	<b>120.33</b>	<b>69.08</b>
<b>(ii) Interest on Income-Tax Refund</b>		
	17.71	7.18
	<b>138.04</b>	<b>76.26</b>
<b>(b) Dividend Income</b>		
From Non-current Investments measured at FVTPL	85.75	5.42
	<b>85.75</b>	<b>5.42</b>
<b>(c) Gain/(Loss) on Investments</b>		
Gain on Sale of Current Investment measured at FVTPL	42.26	44.36
Gain on Sale of Investment in Associates measured at Cost	11.13	0.88
	<b>53.39</b>	<b>45.24</b>
<b>(d) Other Non-operating Income</b>		
Discount amortised/accrued on Bonds (Net)	0.03	Nil
Commission earned	8.76	9.83
Gain/(Loss) on Disposal of Property, Plant and Equipment (Net)	(21.83)	(30.05)
Delayed Payment Charges	49.45	87.48
Other Income	113.92	Nil
Management Fees	135.10	191.97
	<b>285.43</b>	<b>259.23</b>
<b>Total</b>	<b>562.61</b>	<b>386.15</b>

## Notes to the Consolidated Financial Statements

### 30. Raw Materials Consumed and Decrease/(Increase) in Work-in-Progress/Finished Goods/Stock-in-Trade

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore
<b>Raw Materials Consumed</b>		
Opening Stock	156.89	133.05
Add: Purchases	998.09	943.19
	<b>1,154.98</b>	<b>1,076.24</b>
Less: Closing Stock	197.80	156.89
<b>Total</b>	<b>957.18</b>	<b>919.35</b>
<b>Decrease/(Increase) in Work-in-Progress/Finished Goods/Stock-in-Trade</b>		
<b>Work-in-Progress</b>		
Inventory at the beginning of the year	2.93	6.36
Less: Inventory at the end of the year	3.99	2.93
	<b>(1.06)</b>	<b>3.43</b>
<b>Finished Goods</b>		
Inventory at the beginning of the year	82.41	103.35
Less: Inventory at the end of the year	96.99	82.41
	<b>(14.58)</b>	<b>20.94</b>
<b>Total</b>	<b>(15.64)</b>	<b>24.37</b>

### 31. Employee Benefits Expense

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore
Salaries and Wages	1,214.92	1,198.75
Contribution to Provident Fund [Refer Note 25(1)]	89.03	83.52
Contribution to Superannuation Fund [Refer Note 25(1)]	10.75	10.63
Gratuity [Refer Note 25 (2.3)]	26.17	18.78
Leave Encashment Scheme	35.80	27.35
Pension	13.35	15.93
Staff Welfare Expenses	151.03	142.64
	<b>1,541.05</b>	<b>1,497.60</b>
Less:		
Employee Cost Capitalised	90.42	149.50
Employee Cost Inventorised	9.99	9.05
	<b>100.41</b>	<b>158.55</b>
<b>Total</b>	<b>1,440.64</b>	<b>1,339.05</b>

## 32. Finance Costs

### Accounting Policy

#### Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore
<b>(a) Interest Expense:</b>		
<b>On Borrowings - At Amortised Cost</b>		
Interest on Debentures	1,076.67	906.77
Interest on Loans - Banks and Financial Institutions	2,786.76	2,658.33
Interest paid to Joint Ventures	52.42	73.60
<b>Others</b>		
Interest on Consumer Security Deposits (Carried at Amortised Cost)	81.84	72.56
Other Interest and Commitment Charges [Refer Note 37 (d)]	57.08	125.78
Interest on Lease Liability - At Amortised cost	308.73	Nil
Interest on Non-convertible Cumulative Redeemable Preference Shares	Nil	35.46
	<b>4,363.50</b>	<b>3,872.50</b>
Less: Interest Capitalised	42.50	47.35
	<b>4,321.00</b>	<b>3,825.15</b>
<b>(b) Other Borrowing Cost:</b>		
Loss/(Gain) arising on Interest Rate Swap derivative contracts designated as hedging instruments in fair value hedges	1.54	(7.91)
Other Finance Costs	181.57	151.96
Foreign Exchange Loss/(Gain) on Borrowings (Net)	(0.88)	221.84
(Less): Finance Charges Capitalised	(9.50)	(21.04)
	<b>172.73</b>	<b>344.85</b>
<b>Total</b>	<b>4,493.73</b>	<b>4,170.00</b>

Note:

The weighted average capitalisation rate on the Group's general borrowings is in the range of 7.74% to 8.63% p.a. (31st March, 2019 - 8.28% to 8.63% p.a.).

## Notes to the Consolidated Financial Statements

### 33. Other Expenses

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore
Consumption of Stores, Oil, etc.	150.04	88.90
Rental of Land, Buildings, Plant and Equipment, etc.	25.57	113.81
Repairs and Maintenance -		
(i) To Buildings and Civil Works	115.55	119.41
(ii) To Machinery and Hydraulic Works	653.28	512.95
(iii) To Furniture, Vehicles, etc.	69.54	73.22
	<b>838.37</b>	<b>705.58</b>
Rates and Taxes	108.47	91.58
Insurance	96.88	65.76
Other Operation Expenses	366.01	381.06
Ash Disposal Expenses	53.58	47.81
Warranty Charges	10.45	15.14
Travelling and Conveyance Expenses	51.39	56.09
Consultants' Fees	38.42	54.00
Compensation	(0.41)	2.36
Auditors' Remuneration	12.87	11.34
Cost of Services Procured	279.94	239.30
Agency Commission	1.84	Nil
Bad Debts	23.62	2.09
Allowance for Doubtful Debts and Advances (Net)	16.80	72.54
Provision For Contingencies	Nil	0.06
Net Loss on Foreign Exchange	116.21	140.81
Impairment in Carrying Amount of Non-current Investments in Joint Ventures	Nil	(2.48)
MTM (Profit)/Loss on Investments carried at Fair value through Profit or loss	Nil	1.18
(Profit)/Loss on Sale of Non-current Investments in Joint Ventures accounted using Equity method	0.77	Nil
Donations	Nil	20.00
Legal Charges	52.92	54.51
Corporate Social Responsibility Expenses	34.32	39.46
Transfer to Contingency Reserve	17.00	16.00
Marketing Expenses	3.11	1.80
Miscellaneous Expenses	44.61	41.45
	<b>2,342.78</b>	<b>2,260.15</b>

### 34. Income Taxes

#### 34 a. Current Tax

##### Accounting Policy

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the respective subsidiary companies operates and generates taxable income.

Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

## 34. Income Taxes (Contd.)

### (i) Income taxes recognised in Statement of Profit and Loss - Continuing Operations

	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
Current Tax	494.30	524.66
Deferred Tax (Refer Note 12a. & 12b.)	330.95	544.02
Deferred Tax in respect of earlier years (Refer Note 12a. & 12b.)	(24.51)	18.91
Remeasurement of Deferred Tax on account of New Tax Regime (Net)	(159.25)	Nil
<b>Total income tax expense recognised in the current year</b>	<b>641.49</b>	<b>1,087.59</b>

### (ii) Income taxes recognised in Statement of Profit and Loss - Discontinued Operations

	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
Current tax	Nil	(71.92)
Deferred tax	(32.41)	5.94
<b>Total income tax expense recognised in the current year</b>	<b>(32.41)</b>	<b>(65.98)</b>

#### The income tax expense for the year can be reconciled to the accounting profit as follows:

	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
Profit/(Loss) before tax for Continuing Operation	2,368.16	3,819.09
Profit/(Loss) before tax for Discontinued Operation	(442.64)	(191.82)
<b>Profit/(Loss) before tax considered for tax working</b>	<b>1,925.52</b>	<b>3,627.27</b>
Income tax expense calculated at 34.944%	672.85	1,267.51
<b>Add/(Less) tax effect on account of :</b>		
Share of profit of Associate and Joint venture	(332.86)	(489.86)
Deferred tax not recognised on Impairment provision/(reversal) of non current investment	45.36	26.09
Deduction / Reversal during tax holiday period	24.36	(0.59)
MAT credit and deferred tax asset on losses pertaining to earlier years	(92.82)	(72.75)
Exempt Income	(126.92)	(16.84)
MAT credit and deferred tax asset on losses not recognised	351.68	706.78
Profit taxable at different tax rates including for certain subsidiaries	156.45	(291.81)
Non deductible expenses	94.74	106.08
Change in presentation of deferred tax recoverable/payable	Nil	(171.79)
Tax in respect of earlier years	(24.51)	18.91
Changes in tax on account of impact of tax ordinance (Refer Note 12)	(159.25)	Nil
Tax benefit on interest on perpetual securities recognised in equity	Nil	(60.12)
<b>Income tax expense recognised in Statement of Profit and Loss</b>	<b>609.08</b>	<b>1,021.61</b>
Tax expense for Continuing Operations	641.49	1,087.59
Tax expense for Discontinued Operations	(32.41)	(65.98)
<b>Income tax expense recognised in Statement of Profit and Loss</b>	<b>609.08</b>	<b>1,021.61</b>

#### Note:

- The tax rate used for the years 2019-20 and 2018-19 reconciliations above is the corporate tax rate of 34.944%, as payable by Parent Company in India on taxable profits under the Indian tax law.
- The rate used for calculation of Deferred tax has been considered basis the Standalone Ind AS financials statements of Parent Company and its respective subsidiaries, being statutory enacted rates at Balance Sheet date.

## Notes to the Consolidated Financial Statements

### 34. Income Taxes (Contd.)

#### (iii) Income tax recognised in Other Comprehensive Income

	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
<b>Current Tax</b>		
Net gain on sale of investment in equity shares at FVTOCI	Nil	1.14
Less : Remeasurement of Defined Benefit Plan	(13.22)	(7.95)
	<b>(13.22)</b>	<b>(6.81)</b>
Discontinued Operations	Nil	(0.40)
<b>Deferred Tax</b>		
Net fair value gain on investments in equity shares at FVTOCI	Nil	0.02
Remeasurements of defined benefit obligation	(13.73)	0.04
Effective portion of cash flow hedge	32.43	Nil
	<b>18.70</b>	<b>0.06</b>
<b>Total income tax recognised in Other Comprehensive Income</b>	<b>5.48</b>	<b>(7.15)</b>
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to Statement of Profit and Loss	(26.95)	(7.15)
Items that will be reclassified to Statement of Profit and Loss	32.43	Nil
	<b>5.48</b>	<b>(7.15)</b>

### 35. Commitments:

	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
(a) Estimated amount of Contracts remaining to be executed on capital account and not provided for (including consumer funded assets).		
(i) the Group	1,995.12	1,098.27
(ii) Group's share of Joint Ventures	218.46	214.49
(iii) Group's share of Associates	45.32	18.04
(b) Other Commitments		
(i) The Group has given an undertaking for non-disposal of shares to the lenders of Tata Power Delhi Distribution Ltd. in respect of its outstanding borrowings.	Nil	137.50
(ii) Vendor purchase commitments and contracts to provide future post sale services.	1,273.20	494.50
(iii) In terms of pre-implementation agreement entered into with Government of Himachal Pradesh and the consortium consisting of the Group and SN Power Holding Singapore Pte. Ltd. (Group being the Lead Member of the consortium) for the investigation and implementation of Dugar Hydro Electric Project, the Group has undertaken as Lead Member to undertake/perform various obligations pertaining to Dugar Project.		

## 36. Contingent Liabilities

	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
<b>a) Contingent liabilities</b>		
<b>Claims against the Group not probable and hence not acknowledged as debts consists of</b>		
(i) (a) Disallowance of carrying cost and other costs by Appellate Tribunal for Electricity (ATE) has been disputed by the Group. Based on legal opinions (the Group has a strong case), the Group has filed Special Leave Petition (SLP) with the Hon'ble Supreme Court.	269.00	269.00
(b) Disallowance of costs recoverable from consumers by Maharashtra Electricity Regulatory Commission in the tariff true up order	359.85	261.00
(ii) Interest and penalty pertaining to Customs Duty claims disputed by the Group relating to applicability and classification of coal	110.81	110.81
(iii) Demand disputed by the Group relating to Service tax	375.29	402.45
(iv) Way Leave fees (including interest) claims disputed by the Group relating to rates charged.	43.18	39.18
(v) Rates, Cess, Green Cess, Excise and Custom Duty claims disputed by the Group.	587.05	523.49
(vi) Octroi claims disputed by the Group, in respect of octroi exemption claimed.	5.03	5.03
(vii) Compensation disputed by private land owners in respect of private land acquired under the provisions of Maharashtra Industrial Development Act, 1961.	22.00	22.00
(viii) Disputes relating to power purchase agreements	161.33	199.23
(ix) Other Claims	160.19	173.75
(x) Demand towards charges for Unscheduled interchanged (UI) of power (Refer Note d below)	Nil	215.02
(xi) Access Charges demand for laying underground cables	30.14	Nil
<b>Claims against the Group's share of Joint Ventures and Group's share of Associates not acknowledged as debts consists of</b>		
Group's share of Joint Ventures		
(i) Demand for royalty payment is set-off against recoverable Value Added Tax (VAT) paid on inputs for coal production.	51.70	29.24
(ii) Other claims	37.00	40.79
Group's share of Associates		
Other claims	232.62	237.67
	<b>2,445.19</b>	<b>2,528.66</b>

### Notes:

1. Amounts in respect of employee related claims/disputes, regulatory matters is not ascertainable.
2. Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.
3. The above Contingent Liabilities include those pertaining to Regulated Business which on unfavourable outcome can be recovered from consumers.

## Notes to the Consolidated Financial Statements

### 36. Contingent Liabilities (Contd.)

	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
<b>b) Other Contingent Liabilities (not probable):</b>		
Taxation matters for which liability, relating to issues of deductibility and taxability, is disputed by the Group and provision is not made (computed on the basis of assessments which have been re-opened and assessments remaining to be completed)		
In case of the Group [including interest demanded ₹ 9.19 crore (31st March, 2019 - ₹ 9.09 crore)].	188.73	640.03
Group's share of Joint Ventures	114.30	84.17
Group's share of Associates	2.50	2.50
	31st March, 2020	31st March, 2019
	Nos.	Nos.
<b>c) Indirect exposures of the Group:</b>		
The Group has pledged its shares of investments in joint ventures and others with the lenders for borrowings availed		
<b>Joint Ventures</b>		
Powerlinks Transmission Ltd.	23,86,80,000	23,86,80,000
Industrial Energy Ltd.	25,13,48,400	25,13,48,400
Mandakini Coal Company Ltd.	2,00,43,000	2,00,43,000
Itezhi Tezhi Power Corporation	4,52,500	4,52,500

d) In the previous year, Maharashtra State Electricity Distribution Company Limited (MSEDCL) had raised a demand of ₹ 215.02 crore for determination of fixed charges for unscheduled interchange of power. Group had filed a petition against the said demand. During the year, MERC has turned down methodology adopted by MSEDCL for determination of such charges and ordered MSEDCL to submit certain details to Maharashtra State Load Dispatch Centre (MSLDC) to determine the revised charges based on principles suggested in the Order. Considering the same, currently, the amount of charges payable is not ascertainable and hence, no provision has been recognized during the year. Further, in case of unfavourable outcome, the Group believes that it will be allowed to recover the same from consumers through future adjustment in tariff.

e) The proposed Social Security Code, 2019, when promulgated, would subsume labour laws including Employees' Provident Funds and Miscellaneous Provisions Act and amend the definition of wages on which the organisation and its employees are to contribute towards Provident Fund. The Group believes that there will be no significant impact on its contributions to Provident Fund due to the proposed amendments. There were many interpretative issues relating to the Supreme Court (SC) judgement dated 28th February, 2019 on Provident Fund (PF) as regards definition of PF wages and inclusion of certain allowances for the purpose of PF contribution, as well as effective date of its applicability. Having consulted and evaluated impact on its financial statement, the Group has implemented the changes as per clarifications vide the Apex Court judgement dated 28 February 2019, with effect from 1st March 2019 i.e., immediate after pronouncement of the judgement, as part of statutory compliance. The Group will evaluate its position and act, in case there is any other interpretation of the same issued in future either in form of Social Security Code or by authorities concerned under the Employees' Provident Funds and Miscellaneous Provisions Act.

The Group, in respect of the above mentioned Contingent Liabilities has assessed that it is only possible but not probable that outflow of economic resources will be required.

### 37. Other Disputes and Settlements

a) The Group is required to comply with ash disposal requirements in accordance with the requirements of the Environment Clearance (EC) and the relevant notifications issued by the Ministry of Environment & Forests (MOEF) from time to time. On 12th February, 2020, National Green Tribunal (NGT) has passed an order prescribing the formula for determination of Environment Compensation for non-compliance. The order is subject to proceedings pending before the Hon'ble Supreme Court and is listed for further hearing in NGT on 8th July, 2020. The Group has been making concerted efforts in this regard and has achieved 100% utilisation of fly ash generated during the current year. During the year, pending the final order in National Green Tribunal and the results of the proceedings in Supreme Court, the Group has recognised a provision of ₹ 4.74 crore in its financial statements for disposal of past accumulated flyash based on management's best assessment of the expected costs.

b) The Group had obtained 21.65 acres of land through registered lease deed for 33 years for setting up a solar power plant in Bihar. During the financial year 2018-19, the lease was treated by the Collector, Gaya as illegal for entering into lease without order of any competent authority, and was cancelled along with recovery of penal rent. The Group filed Writ Petition before the Patna High Court against the said Order. The Patna High Court stayed the operations of the Collectors Order and provided certain time to file the counter affidavit.

The Group is of the view that it has a good case with likelihood of liability or any loss arising out of the said cancellation being remote. Accordingly, pending settlement of the legal dispute, no adjustment has been made in the financial statements for the year ended 31st March, 2020.

c) The liability stated in the opening Balance Sheet of one of the subsidiary company as per the Transfer Scheme as on 1st July, 2002 in respect of consumers' security deposit was ₹ 10.00 crore. The subsidiary company had engaged an independent agency to validate the sample data in digitized form of consumer security deposit received by the erstwhile DVB from its consumers. As per the validation report submitted by this agency the amount of security deposit received from consumers aggregated to ₹ 66.71 crore. The subsidiary company has been advised that as per the Transfer Scheme, the liability in excess of ₹ 10.00 crore towards refund of the opening consumer deposits and interest thereon is not to the account of the Group. Since the GNCTD was of the view that the aforesaid liability is that of the Group, the matter was referred to Delhi Electricity Regulatory Commission (DERC). During the year 2007-08, DERC vide its letter dated 23rd April, 2007 conveyed its decision to the GNCTD upholding the Group's view. As GNCTD has refused to accept the DERC decision as binding on it, the subsidiary company has filed a writ petition in the Hon'ble Delhi High Court and the matter was made regular on 24th October, 2011. No stay has been granted by the High Court in the matter for refund of consumer security deposits and payment of interest thereon.

d) In the earlier years, the Group had received demands in respect of entry tax on imports of fuel for Trombay plant. During the year ended 31st March, 2019, the Group had recognised provision of ₹ 345.00 crore (including interest and provision for contingency of ₹ 78.00 crore and ₹ 45.00 crore respectively) towards settlement of entry tax demands under the Amnesty scheme notified by the Government of Maharashtra. Further during the year, the Group has received final settlement order under the said scheme and pursuant to the said order, the Group has reversed the excess provision related to entry tax under the head 'Cost of Fuel' and corresponding recovery from customers under the head 'Revenue from Operations' amounting to ₹ 68.78 crore.

e) With respect to Standby litigation with Adani Electricity Mumbai Limited (Adani Electricity), the Hon'ble Supreme Court during the year ended 31st March, 2020 has upheld Appellate Tribunal for Electricity (APTEL) order dated 20th December, 2006 directing the Group to pay ₹ 354.00 crore along with interest at 10% p.a. from 1st April, 2004 upto the date of payment. In the past, in accordance with the Hon'ble Supreme Court directives the Group has deposited ₹ 227.00 crore with the Registrar General of the Court which was withdrawn by Adani Electricity on furnishing the required undertaking to the Court. Consequently, the Group has recognized an expense of ₹ 276.35 crore net of amount recoverable from customers including adjustment with consumer reserves and security deposit.

f) The Group have acquired private land for setting up solar power plants. In certain cases, these acquisitions have been challenged on grounds such as unauthorised encroachment, inadequate compensation, seller not entitled to transact and/or consideration has not been paid to all legal/ beneficial owners. In these cases, the Group has not received any demand for additional payment and these cases are pending at District Court/High Court Level. The Management believes that the Group has a strong case and outflow of economic resources is not probable.

## Notes to the Consolidated Financial Statements

### 37. Other Disputes and Settlements (Contd.)

g) One of the subsidiary company had introduced a Voluntary Separation Scheme (VSS) for its employees in December 2003, in response to which initially 1,798 employees were separated. The early retirement of these employees led to a dispute between the subsidiary company and the DVB Employees Terminal Benefit Fund, 2002 ('the Trust') with respect to payout of retirement benefits that these employees were eligible for. The Trust is of the view that its liability to pay retiral benefits arises only on the employee attaining the age of superannuation or on death, whichever is earlier. The subsidiary company filed a writ petition with the Hon'ble Delhi High Court which pronounced its judgement on 2nd July, 2007 on this issue and provided two options to the Discoms for paying retiral benefits to the Trust.

The subsidiary company chose the option whereby the Discoms were required to pay to the Trust an 'Additional Contribution' on account of premature payout by the Trust which shall be computed by an Arbitral Tribunal of Actuaries to be appointed within a stipulated period. The matter was further challenged by the Trust before Hon'ble Supreme Court, however, no interim relief has been granted by the Hon'ble Supreme Court. Till date no Arbitral Tribunal of Actuaries has been appointed and therefore, no liability has been recorded based on option chosen by the subsidiary company. While the above referred writ petition was pending, the subsidiary company had already advanced ₹ 77.74 crore to the Special Voluntary Retirement Scheme Retirees Terminal Benefit Fund, 2004 Trust (SVRS Trust) for payment of retiral dues to separated employees. In addition to the payment of retiral benefits/residual pension to the SVRS Trust, in pursuant to the order of the Hon'ble Delhi High Court dated 2nd July, 2007 the subsidiary company also paid interest @ 8% per annum, ₹ 8.01 crore in the financial year 2008-09 thereby increasing the total contribution to the SVRS Trust to ₹ 85.76 crore recognised as recoverable from SVRS Trust. As the subsidiary company was entitled to get reimbursement against advanced retiral benefit amount on superannuation age, the subsidiary company had recovered/adjusted ₹ 84.88 crore as at 31st March, 2020 (as at 31st March, 2019 ₹ 84.73 crore), leaving a balance recoverable ₹ 0.88 crore as at 31st March, 2020 (as at 31st March, 2019 ₹ 1.03 crore) from the SVRS Trust which includes current portion of ₹ 0.33 crore (as at 31st March, 2019 ₹ 0.13 crore).

### 38. Earnings Per Share (EPS)

#### Accounting Policy

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

Particulars	31st March, 2020	31st March, 2019
	₹ crore#	₹ crore#*
<b>A. EPS - Continuing operations (before net movement in Regulatory Deferral Balances)</b>		
Total Profit from Continuing Operations attributable to the owners of the Parent Company	1,017.38	2,356.19
Add/(Less):(Profit)/Loss for the Year from Discontinued Operations attributable to the owners of the Parent Company	410.23	125.84
Net Profit from Continuing Operations	A 1,427.61	2,482.03
Net movement in Regulatory Deferral Balances	B (188.69)	103.27
Remeasurement of Deferred Tax Recoverable on account of New Tax Regime (Net) (Refer Note 12)	C (98.00)	Nil
Income-tax attributable to Regulatory Deferral Balances	D 100.19	(36.09)

### 38. Earnings Per Share (EPS) (Contd.)

Particulars		31st March, 2020	31st March, 2019
		₹ crore#	₹ crore#*
Net movement in Regulatory Deferral Balances (Net of tax)	<b>E=(B+C+D)</b>	(186.50)	67.18
Net Profit (before net movement in Regulatory Deferral Balances)	<b>F=(A-E)</b>	1,614.11	2,414.85
(Less): Distribution on Perpetual Securities	G	(171.00)	(171.00)
<b>Profit/(Loss) from Continuing Operations attributable to equity shareholders (before net movement in Regulatory Deferral Balances)</b>	<b>H=(F+G)</b>	<b>1443.11</b>	<b>2,243.85</b>
<b>Weighted average number of equity shares for Basic and Diluted EPS</b>		<b>270,76,05,570</b>	<b>270,76,05,570</b>
<b>EPS - Continuing Operations (before net movement in Regulatory Deferral Balances)</b>			
- Basic and Diluted (In ₹)		<b>5.33</b>	<b>8.29</b>
<b>B. EPS - Continuing Operations (after net movement in Regulatory Deferral Balances)</b>			
Net Profit from Continuing Operations		1,427.61	2,482.03
(Less): Distribution on Perpetual Securities		(171.00)	(171.00)
<b>Profit/(Loss) attributable to equity shareholders (after net movement in Regulatory Deferral Balances)</b>		<b>1,256.61</b>	<b>2,311.03</b>
<b>Weighted average number of equity shares for Basic and Diluted EPS</b>		<b>270,76,05,570</b>	<b>270,76,05,570</b>
<b>EPS - Continuing operations (after net movement in Regulatory Deferral Balances)</b>			
- Basic and Diluted (In ₹)		<b>4.64</b>	<b>8.54</b>
<b>C. EPS - Discontinued Operations</b>			
<b>Profit/(Loss) from Discontinued Operations</b>		<b>(410.23)</b>	<b>(125.84)</b>
<b>Weighted average number of equity shares for Basic and Diluted EPS</b>		<b>270,76,05,570</b>	<b>270,76,05,570</b>
<b>EPS - Discontinued Operations</b>			
- Basic and Diluted (In ₹)		<b>(1.52)</b>	<b>(0.46)</b>
<b>D. EPS - Total Operations (after net movement in Regulatory Deferral Balances)</b>			
Net Profit/(Loss) From Total Operations (after net movement in Regulatory Deferral Balances)		1,017.38	2,356.19
Less: Distribution on Perpetual Securities		(171.00)	(171.00)
<b>Net Profit/(Loss) from total operations attributable to equity shareholders of parent (after net movement in Regulatory Deferral Balances)</b>		<b>846.38</b>	<b>2,185.19</b>
<b>Weighted average number of equity shares for Basic and Diluted EPS</b>		<b>270,76,05,570</b>	<b>270,76,05,570</b>
<b>EPS - Total Operations (after net movement in Regulatory Deferral Balances)</b>			
- Basic and Diluted (In ₹)		<b>3.12</b>	<b>8.08</b>

# All numbers are in ₹ crore except weighted average number of equity shares and Basic and Diluted EPS

\* Restated (Refer Note 44)

# Notes to the Consolidated Financial Statements

## 39. Related Party Disclosures:

The Group's related parties primarily consists of its associates, joint ventures and Tata Sons Pvt. Ltd. including its subsidiaries and joint ventures. The Group routinely enters into transactions with these related parties in the ordinary course of business at market rates and terms. Transactions and balances between the Company, its subsidiaries and fellow subsidiaries are eliminated on consolidation.

Disclosure as required by Ind AS 24 - "Related Party Disclosures" are as follows:

Names of the related parties and description of relationship:

### (a) Related parties where control exists:

#### Employment Benefit Funds

- 1) Tata Power Superannuation Fund
- 2) Tata Power Gratuity Fund
- 3) Tata Power Consolidated Provident Fund
- 4) M/s Maithon Power Gratuity Fund (Fund)
- 5) North Delhi Power Ltd. Employees Group Gratuity Assurance Scheme (Gratuity Fund)
- 6) Special Voluntary Retirement Scheme Retirees Terminal Benefit Fund, 2004 (SVRS RTBF - 2004)

### (b) Other related parties (where transactions have taken place during the year and previous year / balances outstanding) :

#### (i) Associates

- |   |  |
|---|--|
| 1) Tata Projects Ltd.   | 2) Yashmun Engineers Ltd.  |
| 3) Dagacchu Hydro Power Corporation Ltd.                                  | 4) The Associated Building Co. Ltd.  |
| 5) Brihat Trading Private Ltd.  | 6) Tata Communication Ltd. (ceased to be an Associate w.e.f. 28th May, 2018) |
| 7) Panatone Finvest Ltd (Ceased to be an Associate w.e.f. 28th May, 2018) | 8) Nelito Systems Ltd (ceased to be an Associate w.e.f. 6th June, 2019)      |

#### (ii) Joint Venture Companies

- |   |  |
|---|--|
| 1) Tubed Coal Mines Limited   | 2) Mandakini Coal Company Ltd.   |
| 3) Industrial Energy Limited  | 4) Powerlinks Transmission Limited   |
| 5) Dugar Hydro Power Limited  | 6) Itezhi Tezhi Power Corporation Limited                                  |
| 7) PT Mitratama Perkasa   | 8) PT Kaltim Prima Coal  |
| 9) IndoCoal Resources (Cayman) Limited                              | 10) PT Indocoal Kaltim Resources   |
| 11) PT Nusa Tambang Pratama   | 12) PT Marvel Capital Indonesia  |
| 13) PT Dwikarya Prima Abadi   | 14) PT Kalimantan Prima Power  |
| 15) PT Baramulti Sukessarana Tbk                                    | 16) Adjaristsqali Netherlands B.V  |
| 17) Koromkheti Netherlands B.V                                      | 18) IndoCoal KPC Resources (Cayman) Limited                                |
| 19) Resurgent Power Ventures Pte Ltd.                               | 20) Renascent Power Ventures Private Ltd.                                  |
| 21) Prayagraj Power Generation Co Ltd. (w.e.f. 12th December, 2019) | 22) PT Arutmin Indonesia   |
| 23) PT Indocoal Kalsel Resources                                    | 24) Candice Investments Pte. Ltd.  |
| 25) LTH Milcom Pvt. Ltd.  | 26) Solace Land Holding Ltd  |
| 27) PT Mitratama Usaha  | 28) PT Citra Prima Power   |
| 29) PT Guruh Agung  | 30) PT Citra Kusuma Perdana  |
| 31) Koromkheti Georgia LLC  | 32) Adjaristsqali Georgia LLC  |
| 33) PT Antang Gunung Meratus  | 34) Cennerg Pty. Ltd. (Ceased to be Joint Venture w.e.f. 31st March, 2020) |

### 39. Related Party Disclosures: (Contd.)

- (c) (i) **Promoters holding more than 20% - Promoter** Tata Sons Pvt. Ltd.
- (ii) **Subsidiaries and Jointly Controlled Entities of Promoters - Promoter Group (where transactions have taken place during the year and previous year / balances outstanding) :**
- |   |   |
|---|---|
| 1) Tata Business Support Services Ltd.  | 2) Tata Advanced Material Ltd (ceased to be Subsidiary w.e.f. 27th March, 2019)   |
| 3) Ewart Investments Ltd.   | 4) TRIL Infopark Ltd.   |
| 5) Tata AG, Zug   | 6) World-One Development Company Pvt. Ltd.  |
| 7) Tata AIG General Insurance Company Ltd.  | 8) J R D Tata Trust   |
| 9) Tata Capital Ltd.  | 10) Sir Dorabji Tata Trust  |
| 11) Tata Consultancy Services Ltd.  | 12) Sir Ratan Tata Trust  |
| 13) Tata Consulting Engineers Ltd.  | 14) Niskalp Infrastructure Services Ltd. (Formerly Niskalp Energy Ltd.)   |
| 15) Tata Housing Development Company Ltd.   | 16) Taj Air Ltd.  |
| 17) Tata Industries Ltd. (ceased to be Subsidiary and became a Joint Venture w.e.f. 27th March, 2019) | 18) Tata Unistore Ltd. (Formerly Tata Industrial Services Ltd.) (ceased to be an Associate and became a Subsidiary w.e.f. 29th March, 2018) |
| 19) Tata Interactive Systems AG   | 20) Ecofirst Services Ltd.  |
| 21) Tata Investment Corporation Ltd.  | 22) Progressive Electoral Trust   |
| 23) Tata Realty and Infrastructure Ltd.   | 24) Tata Ltd.   |
| 25) Tata Teleservices (Maharashtra) Ltd.  | 26) Tata Communications Ltd. (ceased to be an Associate and became a Subsidiary w.e.f. 28th May, 2018)                                      |
| 27) Tata Teleservices Ltd.  | 28) Tata Housing Development Co. Ltd.. Employees Provident Fund   |
| 29) TC Travel and Services Ltd.   | 30) Tata Consultancy Services Employees Provident Fund  |
| 31) THDC Management Services Ltd. (formerly THDC Facility Management Ltd.)                            | 32) Tata Technologies (India) Ltd. Employees Provident Fund   |
| 33) Tata Cleantech Capital Ltd.   | 34) Tata Projects Provident Fund Trust  |
| 35) Tata Sky Ltd.   | 36) STT Global Data Centres India Private Ltd. (Formerly Tata Communications Data Centers Private Ltd.) (w.e.f. 28th May, 2018)             |
| 37) Tata Capital Financial Services Ltd.  | 38) Tata AIA Life Insurance Company Ltd.  |
| 39) Tata International Ltd.   | 40) Tata Advanced System Ltd.   |
| 41) Tata Capital Forex Ltd. (formerly TT Holdings & Services Ltd.)                                    | 42) Tata Communications Payment Solutions Ltd. (w.e.f. 28th May, 2018)  |
| 43) Tata Asset Management Ltd.  | 44) Tata International Singapore Pte. Ltd.  |
| 45) Infiniti Retail Ltd.  | 46) Panatone Finvest Ltd.   |
| 47) Tata SIA Airlines Limited   | 48) Tata Autocomp Systems Limited   |
- (d) **Key Management Personnel**
- |  |                               |
|--|-------------------------------|
| 1) Praveer Sinha CEO and Managing Director (w.e.f. 1st May, 2018)              | 2) N. Chandrasekaran          |
| 3) Ashok Sethi (ceased to be COO & Executive Director w.e.f. 30th April, 2019) | 4) Pravin H. Kutumbe          |
| 5) Ramesh N. Subramanyam - Chief Financial Officer                             | 6) Banmali Agarwala           |
| 7) Hanoz Minoo Mistry - Company Secretary                                      | 8) Kesava Menon Chandrasekhar |
| 9) Anjali Bansal   | 10) Hemant Bhargava           |

## Notes to the Consolidated Financial Statements

### 39. Related Party Disclosures: (Contd.)

- |  |  |
|--|--|
| 11) Nawshir H. Mirza (ceased to be Director w.e.f. 12th August, 2019)                        | 12) Vibha U. Padalkar                  |
| 13) Deepak M. Satwalekar (ceased to be Director w.e.f. 12th August, 2019)                    | 14) Sanjay V. Bhandarkar               |
| 15) Saurabh Agrawal  | 16) Ashok Sinha (w.e.f. 2nd May, 2019) |
| 17) Anil Sardana - CEO and Managing Director (ceased to be Director w.e.f. 30th April, 2018) |  |

(e) **Relative of Key Managerial Personnel (where transactions have taken place during the year and previous year / balances outstanding) :** Neville Minoo Mistry (Brother of Hanoz Minoo Mistry)

f) **Details of Transactions**

		₹ crore					
Sr. No.	Particulars	Associates	Joint Ventures	Key Management Personnel	Employee Benefit Funds	Promoter Group	Promoters
1	Purchase of goods/power (Net of Discount)	155.19	2,954.11	-	-	8.36	-
		125.88	2,935.59	-	-	0.02	-
2	Sale of goods/power (Net of Discount)	17.55	-	-	-	54.18	-
		0.15	-	-	-	72.93	-
3	Purchase of property, plant & equipments	12.84	-	-	-	0.22	-
		9.69	-	-	-	3.02	-
4	Sale of property, plant & equipments	0.05	-	-	-	-	0.22
		0.08	-	-	-	0.05	-
5	Rendering of services	7.25	175.69	-	-	45.81	1.32
		0.16	206.88	-	-	237.45	1.09
6	Receiving of services	22.22	0.83	-	-	92.37	5.96
		10.94	0.08	-	-	86.49	0.43
7	Brand equity contribution	-	-	-	-	0.07	1.76
		-	-	-	-	-	11.96
8	Contribution to Employee Benefit Plans	-	-	-	39.01	-	-
		-	-	-	48.10	-	-
9	Remuneration paid- short term employee benefits	-	-	10.92 *	-	-	-
		-	-	23.91 *	-	-	-
10	Long term employee benefits paid	-	-	-	2.80 #	-	-
		-	-	-	1.15 #	-	-
11	Short term employee benefits paid	-	-	-	0.68 #	-	-
		-	-	-	0.55 #	-	-
12	Interest income	-	0.63	-	-	0.01	-
		-	1.24	-	-	0.01	-
13	Interest paid	-	52.29	-	-	35.23	-
		-	73.75	-	-	26.70	-
14	Dividend received	9.68	1,861.27	-	-	1.94	6.67
		9.74	210.79	-	-	1.97	5.34
15	Dividend paid	-	-	-	-	1.77	109.17
		-	-	-	-	1.77	109.17
16	Guarantee commission earned	-	-	-	-	-	-
		-	1.18	-	-	-	-
17	Loans given	-	14.57	-	-	-	-
		1.00	7.05	-	-	-	-

### 39. Related Party Disclosures: (Contd.)

₹ crore

Sr. No.	Particulars	Associates	Joint Ventures	Key Management Personnel	Employee Benefit Funds	Promoter Group	Promoters
18	Impairment of Investments- Reversal	-	-	-	-	-	-
		2.48	-	-	-	-	-
19	Sale of Investments	-	-	-	-	-	-
		-	-	-	-	619.46	1,542.61
20	Loans repaid (including loan converted into equity)	-	14.43	-	-	-	-
		1.00	116.83	-	-	-	-
21	Loans provided for as doubtful advances (including interest)	-	0.14	-	-	-	-
		-	-	-	-	-	-
22	Deposits taken	-	-	-	-	0.19	-
		0.01	50.00	-	-	0.41	-
23	Deposits refunded	-	-	-	-	-	-
		-	50.00	-	-	1.55	-
24	Loan taken	-	-	-	-	-	-
		-	665.77	-	-	-	-
25	Loan adjusted against liability	-	-	-	-	-	-
		-	830.34	-	-	-	-
26	Liability written back	-	-	-	-	-	-
		-	-	2.03	-	-	0.64
27	Donation given	-	-	-	-	-	-
		-	-	-	-	20.00	-
<b>Balances outstanding</b>							
1	Perpetual Securities Outstanding (including interest thereon)	-	-	-	-	198.20	-
		-	-	-	-	199.00	-
2	Redeemable Non-Convertible Debentures	-	-	-	-	36.50	-
		-	-	-	-	36.50	-
3	Other receivables	7.65	96.44 @	-	36.32	17.15	7.66
		1.26	165.60 @	-	21.49	12.38	0.08
4	Loans given (including interest thereon)	1.27	75.62 @	-	0.01	-	-
		1.27	75.26 @	-	-	-	-
5	Loans provided for as doubtful advances (including interest thereon)	1.27	54.39	-	-	-	-
		1.27	54.26	-	-	-	-
6	Deposits taken outstanding	-	12.80	-	-	0.21	2.00
		-	-	-	-	0.02	2.00
7	Dividend receivable	-	-	-	-	-	-
		-	16.71	-	-	-	-
8	Letter of comfort outstanding	-	0.05	-	-	-	-
		-	0.05	-	-	-	-
9	Other payables	10.89	2071.63	8.05	43.63	17.80	0.17
		7.70	1,428.15	12.93	13.56	2.93	31.11
10	Loans taken (including interest thereon)	-	2,203.86	-	-	-	-
		-	2,873.82	-	-	-	-
11	Brand Equity Payable	-	-	-	-	-	0.70
		-	-	-	-	-	-

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## Notes to the Consolidated Financial Statements

### 39. Related Party Disclosures: (Contd.)

Notes:

- All outstanding balances are unsecured.
- All transactions with the related parties have been done at arms length.
- The Group's principal related parties consist of Tata Sons Private Ltd., its subsidiaries and joint ventures, affiliates and key managerial personnel. The Group's material related party transactions and outstanding balances are with related parties with whom the Group routinely enters into transactions in the ordinary course of business.

# On payment basis

@ Includes loan classified as held for sale

\* Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is included above on payment basis.

### 40. Financial Instruments

#### 40.1 Fair values

Set out below, is a comparison by class of the carrying amount and fair value of the financial instruments:

	₹ crore			
	Carrying value		Fair Value	
	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019
<b>Financial assets</b>				
Cash and Cash Equivalents	1,861.50	645.45	1,861.50	645.45
Other Balances with Banks	232.68	142.00	232.68	142.00
Trade Receivables	4,456.18	4,638.25	4,456.18	4,638.25
Unbilled Revenues	799.42	837.85	799.42	837.85
Loans	113.88	177.74	113.88	177.74
Finance Lease Receivables	622.12	603.52	622.12	603.52
FVTPL Financial Investments #	702.53	126.32	702.53	126.32
FVTOCI Financial Investments #	461.79	485.67	461.79	485.67
Amortised Cost Financial Investments #	167.87	416.40	176.79	423.27
Derivative Instruments not in hedging relationship	301.64	24.76	301.64	24.76
Other Financial Assets	1,689.58	533.58	1,689.58	533.58
Asset Classified as Held For Sale (Refer Note 17)				
- Strategic Engineering Division (SED)	667.35	265.62	667.35	265.62
- FVTOCI Financial Investments # (Refer Note below)	22.81	38.65	22.81	38.65
- Loans (including accrued interest)	22.83	18.59	22.83	18.59
<b>Total</b>	<b>12,122.18</b>	<b>8,954.40</b>	<b>12,131.10</b>	<b>8,961.27</b>
<b>Financial liabilities</b>				
Trade Payables	5,095.44	5,504.24	5,095.44	5,504.24
Fixed rate Borrowings (including Current Maturities)	18,891.49	16,115.06	20,116.49	16,149.65
Floating rate Borrowings (including Current Maturities)	29,484.45	32,390.98	29,492.81	32,390.98
Lease Liability	3,560.22	Nil	3,560.22	Nil
Derivative Instruments not in hedging relationship	64.03	113.35	64.03	113.35
Other Financial Liabilities	4,323.96	3,563.32	4,323.96	3,563.32
	<b>61,419.59</b>	<b>57,686.95</b>	<b>62,652.95</b>	<b>57,721.54</b>

# other than investments accounted for Equity Method

## 40. Financial Instruments (Contd.)

The management assessed that the fair value of cash and cash equivalents, other balances with bank, trade receivables, loans, finance lease receivables, unbilled revenues, trade payables, other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values.

- Fair value of the quoted bonds, mutual funds, government securities are based on the price quotations near the reporting date. Fair value of the unquoted equity shares have been estimated using a Discounted Cash Flow (DCF) model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for those unquoted equity investments.
- The fair value of the FVTOCI financial assets are derived from quoted market price in active markets and unobservable inputs.
- The Group enters into derivative financial instruments with various counterparties, principally banks and financial institutions with investment grade credit ratings. Interest rate swaps, foreign exchange forward and option contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying currency. All derivative contracts are fully collateralized, thereby, eliminating both counterparty and the Group's own non-performance risk. As at 31st March, 2020, the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk.
- The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flow using rates currently available for debt on similar terms, credit risk and remaining maturities.
- The cost of certain unquoted investments approximate their fair value because there is a wide range of possible fair value measurements and the cost represents the best estimate of fair value within that range.

### Reconciliation of Level 3 fair value measurement of unquoted equity shares. (Refer Note below)

	₹ crore			
	Unlisted shares irrevocably designated as at FVTOCI		Unlisted shares carried at FVTPL	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
Opening balance	397.71	397.08	0.16	0.15
Total Gain or (Loss)	Nil	0.63	Nil	0.01
<b>Closing balance</b>	<b>397.71</b>	<b>397.71</b>	<b>0.16</b>	<b>0.16</b>

Note:

Certain unquoted investments are not held for trading, instead they are held for medium or long term strategic purpose. Upon the application of Ind AS 109, the Group has chosen to designate these investments in equity instruments as at FVTOCI as the directors believe this provides a more meaningful presentation for medium and long-term strategic investments, then reflecting changes in fair value immediately in profit or loss.

All gains and losses included in other comprehensive income relate to unlisted shares held at the end of the reporting period and are reported under "Equity Instruments through Other Comprehensive Income".

The significant unobservable input used in the fair value measurement categorized within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31st March, 2020 and 31st March, 2019 are as shown below:

## Notes to the Consolidated Financial Statements

### 40. Financial Instruments (Contd.)

Description of significant unobservable inputs to valuation:

	Valuation techniques	Significant unobservable inputs	Sensitivity of the input to fair value
Investments in unquoted equity shares	Price of recent transaction (PORT)	Transaction price	5% (31st March, 2019: 5%) increase (decrease) in the transaction price would result in increase (decrease) in fair value by ₹ 3.43 crore (31st March, 2019: ₹ 3.43 crore)

The discount for lack of marketability represents the amount that the Group has determined that market participants would take into account when pricing the investments.

#### 40.2 Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

**Quoted prices in an active market (Level 1):** Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes quoted equity instruments, government securities, quoted borrowings (fixed rate) and mutual funds that have quoted price.

**Valuation techniques with observable inputs (Level 2):** Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This includes derivative financial instruments and unquoted borrowings (fixed and floating rate).

**Valuation techniques with significant unobservable inputs (Level 3):** Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This includes unquoted equity shares.

The following table summarizes financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required) :

	Date of valuation	Fair value hierarchy as at 31st March, 2020			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
		₹ crore	₹ crore	₹ crore	
<b>Asset measured at fair value</b>					
FVTPL Financial Investments	31st March, 2020	702.37	Nil	0.16	702.53
FVTOCI Financial Investments:					
- Quoted Equity Shares	31st March, 2020	64.08	Nil	Nil	64.08
- Unquoted Equity Shares	31st March, 2020	Nil	Nil	397.71	397.71
Derivative instruments not in hedging relationship	31st March, 2020	Nil	301.64	Nil	301.64
Assets Classified as Held For Sale	31st March, 2020	22.81	Nil	Nil	22.81
<b>Asset for which fair values are disclosed</b>					
Investment in Government Securities	31st March, 2020	176.79	Nil	Nil	176.79
		<b>966.05</b>	<b>301.64</b>	<b>397.87</b>	<b>1,665.56</b>
<b>Liabilities measured at fair value</b>					
Derivative Financial Liabilities	31st March, 2020	Nil	64.03	Nil	64.03
<b>Liabilities for which fair values are disclosed</b>					
Fixed rate Borrowings	31st March, 2020	11,119.13	8,997.36	Nil	20,116.49
Floating rate Borrowings	31st March, 2020	1,191.78	28,301.02	Nil	29,492.80
<b>Total</b>		<b>12,310.91</b>	<b>37,362.41</b>	<b>Nil</b>	<b>49,673.32</b>

## 40. Financial Instruments (Contd.)

	Date of valuation	Fair value hierarchy as at 31st March, 2019			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
		₹ crore	₹ crore	₹ crore	
<b>Asset measured at fair value</b>					
FVTPL Financial Investments	31st March, 2019	126.16	Nil	0.16	126.32
FVTOCI Financial Investments:					
- Quoted Equity Shares	31st March, 2019	87.96	Nil	Nil	87.96
- Unquoted Equity Shares	31st March, 2019	Nil	Nil	397.71	397.71
Derivative instruments not in hedging relationship	31st March, 2019	Nil	24.76	Nil	24.76
Assets Classified as Held For Sale	31st March, 2019	38.65	Nil	Nil	38.65
<b>Asset for which fair values are disclosed</b>					
Investment in Government Securities	31st March, 2019	423.27	Nil	Nil	423.27
		<b>676.04</b>	<b>24.76</b>	<b>397.87</b>	<b>1,098.67</b>
<b>Liabilities measured at fair value</b>					
Derivative Financial Liabilities	31st March, 2019	Nil	113.35	Nil	113.35
<b>Liabilities for which fair values are disclosed</b>					
Fixed rate Borrowings	31st March, 2019	8,890.13	7,259.52	Nil	16,149.65
Floating rate Borrowings	31st March, 2019	1,069.94	31,321.04	Nil	32,390.98
<b>Total</b>		<b>9,960.07</b>	<b>38,693.91</b>	<b>Nil</b>	<b>48,653.98</b>

Note: There has been no transfer between level 1 and level 2 during the period.

### 40.3 Capital Management & Gearing Ratio

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximize the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. From time to time, the Group reviews its policy related to dividend payment to shareholders, return capital to shareholders or fresh issue of shares. The Group monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio between 60% and 80% at consolidated level. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents, excluding discontinued operations as detailed in the notes below.

The Group's capital management is intended to create value for shareholders by facilitating the meeting of its long-term and short-term goals. Its Capital structure consists of net debt (borrowings as detailed in notes below) and total equity.

#### Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

	31st March, 2020	31st March, 2019
	₹ crore	₹ crore
Debt (i)	49,214.78	49,131.63
Less: Cash and Bank balances	2,075.73	769.57
<b>Net debt</b>	<b>47,139.05</b>	<b>48,362.06</b>
Capital (ii)	19,566.02	18,305.51
<b>Capital and net debt</b>	<b>66,705.07</b>	<b>66,667.57</b>
Net debt to Total Capital plus net debt ratio (%)	70.67	72.54

# Notes to the Consolidated Financial Statements

## 40. Financial Instruments (Contd.)

(i) Debt is defined as Non-current borrowings (including current maturities) and Current borrowings (excluding derivative, financial guarantee contracts and contingent considerations) and interest accrued on Non-current and Current borrowings.

(ii) Capital is defined as Equity share capital, Unsecured perpetual securities and other equity including reserves and surplus.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2020 and 31st March, 2019.

### 40.4 Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables, financial guarantee contracts and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include loans, trade and other receivables, cash and cash equivalents, other bank balances, unbilled receivables, finance lease receivables and other financial assets that derive directly from its operations. The Group also holds FVTOCI/FVTPL investments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a risk committee that reviews the financial risks and the appropriate financial risk governance framework for the Group. The Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The risk management policy is approved by the Board of Directors, which is summarized below.

#### 40.4.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: currency risk, interest rate risk and equity price risk. The impact of equity price risk is not material. Financial instruments affected by market risk include loans and borrowings, derivative financial instruments and FVTOCI investments.

The sensitivity analysis in the following sections relate to the position as at 31st March, 2020 and 31st March, 2019.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at 31st March, 2020. The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post retirement obligations, provisions, and the non-financial assets and liabilities of foreign operations.

#### a. Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign exchange risk through its operations in international projects and purchase of coal from Indonesia and elsewhere and overseas borrowings. The results of the Group's operations can be affected as the rupee appreciates/depreciates against these currencies. The Group enters into derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

## 40. Financial Instruments (Contd.)

The following table analyzes foreign currency assets and liabilities on balance sheet dates:

Foreign Currency Liabilities	31st March, 2020		31st March, 2019	
	Foreign Currency (In Millions)	₹ crore	Foreign Currency (In Millions)	₹ crore
In USD	207.01	1,563.81	412.07	2,849.95
In EURO	2.55	21.09	0.42	3.27
In GBP	0.06	0.59	*	0.03
In JPY	328.72	22.86	157.84	9.86
In VND	790.21	0.25	Nil	Nil

Foreign Currency Assets	31st March, 2020		31st March, 2019	
	Foreign Currency (In Millions)	₹ crore	Foreign Currency (In Millions)	₹ crore
In USD	4.58	34.59	8.85	61.19
In EURO	Nil	Nil	0.06	0.46
In ZAR	0.03	0.01	0.01	0.01
In VND	35.88	0.01	Nil	Nil
In TAKA	0.21	0.02	0.20	0.02

\* Denotes figures below 50,000/-

### (i) Foreign currency sensitivity analysis

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Group's profit before tax and impact on equity is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency forward and option contracts given as under.

		₹ crore	
		Effect on Equity (before tax)	Effect on Profit (before tax)
<b>As of 31st March, 2020</b>	Rupee depreciate by ₹ 1 against USD	(+) ₹ 43.02	(-) ₹ 2.91
	Rupee appreciate by ₹ 1 against USD	(-) ₹ 43.02	(+) ₹ 2.91
<b>As of 31st March, 2019</b>	Rupee depreciate by ₹ 1 against USD	Nil	(-) ₹ 1.09
	Rupee appreciate by ₹ 1 against USD	Nil	(+) ₹ 0.61

Notes:

1) +/- Gain/Loss

2) The impact of depreciation/ appreciation on foreign currency other than U.S.Dollar on profit before tax of the Group is not significant.

### (ii) Derivative financial instruments

The Group holds derivative financial instruments such as foreign currency forward and option contracts to mitigate the risk of changes in exchange rate on foreign currency exposure. The counterparty for these contracts is generally a Bank or a Financial Institution. These derivative financial instrument are valued based on quoted prices for similar asset and liabilities in active markets or inputs that is directly or indirectly observable in the market place.

## Notes to the Consolidated Financial Statements

### 40. Financial Instruments (Contd.)

The following table gives details in respect of outstanding foreign exchange forward and option contracts:

#### Outstanding Contracts

	Buy/ Sell	31st March, 2020		Fair Value in ₹ crore
		Foreign Currency (In Millions)	Nominal Value in ₹ crore	
Other Derivatives				
Forward contracts				
In USD	Buy	596.95	4,509.49	174.18
In ZAR	Sell	1,300.00	548.96	52.49
In GBP	Buy	Nil	Nil	Nil
In YEN	Buy	2.94	0.20	*
Option contracts				
In USD	Buy	286.57	2,164.82	74.15

	Buy/ Sell	31st March, 2019		Fair Value in ₹ crore
		Foreign Currency (In Millions)	Nominal Value in ₹ crore	
Other Derivatives				
Forward contracts				
In USD	Buy	336.26	2,325.60	(84.12)
In EURO	Buy	0.08	0.62	*
In GBP	Buy	Nil	Nil	Nil
In YEN	Buy	5.16	0.32	*
Option contracts				
In USD	Buy	119.82	828.69	(14.14)

Note: Fair Value in brackets denotes liability.

\* Denotes figures below 50,000/-

#### b. Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Group's policy is to keep upto 50% of its borrowings at fixed rates of interest. To manage this, the Group enters into fixed rate loan, Bonds and interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed upon notional principal amount.

#### (i) Interest rate sensitivity

The sensitivity analysis below have been determined based on exposure to interest rates for term loans and debentures at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of term loans and debentures that have floating rates.

## 40. Financial Instruments (Contd.)

If the interest rates had been 50 basis points higher or lower and all the other variables were held constant, the effect on Interest expense for the respective financial years and consequent effect on Group's profit in that financial year would have been as below:

	₹ crore			
	As of 31st March, 2020		As of 31st March, 2019	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on loan	(+ ₹ 147.46	(-) ₹ 147.46	(+ ₹ 168.39	(-) ₹ 168.39
Effect on Equity/Profit before tax	(-) ₹ 147.46	(+ ₹ 147.46	(-) ₹ 168.39	(+ ₹ 168.39

### (ii) Interest rate swap contracts

An interest rate swap is an agreement between two counterparties in which one stream of future interest payments is exchanged for another based on a specified principal amount. Interest rate swaps usually involve the exchange of a fixed interest rate for a floating rate, or vice versa, to reduce or increase exposure to fluctuations in interest rates or to obtain a marginally lower interest rate than would have been possible without the swap. Interest rate swaps are the exchange of one set of cash flows for another.

The following table gives details in respect of outstanding receive floating pay fixed contracts:

		₹ crore		
		Less than 1 year	1 to 5 years	5 years +
31st March 2020	Nominal amounts	1,473.08	923.16	128.18
	Fair value assets (liabilities)	(14.38)	(36.05)	(13.16)
31st March 2019	Nominal amounts	276.64	2,593.55	Nil
	Fair value assets (liabilities)	1.38	8.29	Nil

### 40.4.2 Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including loans, foreign exchange transactions and other financial instruments.

	₹ crore	
	31st March, 2020	31st March, 2019
Trade Receivables	4,456.18	4,638.25
Loans	113.88	177.74
Finance Lease Receivables	622.12	603.52
Other Financial Assets (including derivatives contracts)	1,991.22	558.34
Held for Sale Financial Assets	712.99	322.86
Unbilled Revenue	799.42	837.85
<b>Total</b>	<b>8,695.81</b>	<b>7,138.56</b>

Refer Note 7 for credit risk and other information in respect of trade receivables. Other receivables as stated above are due from the parties under normal course of the business and as such the Group believes exposure to credit risk to be minimal. The Group has not acquired any credit impaired asset.

### 40.4.3 Liquidity risk management

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Group has access to a sufficient variety of sources of funding. Having regards to the nature of the business wherein the Group is able to generate fixed cash flows over a period of time and to optimize the cost of funding, the Group, from time to time, funds its long-term investment from short-term sources. The short-term borrowings can be roll forward or, if required, can be refinanced from long term borrowings.

## Notes to the Consolidated Financial Statements

### 40. Financial Instruments (Contd.)

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

	₹ crore				
	Up to 1 year	1 to 5 years	5+ years	Total	Carrying Amount
<b>31st March, 2020</b>					
<b>Non-Derivatives</b>					
Borrowings #	18,472.76	27,607.27	25,413.87	71,493.89	49,218.43
Trade Payables	5,095.44	Nil	Nil	5,095.44	5,095.44
Lease Liabilities	404.98	1,856.24	7,535.36	9,796.59	3,560.22
Other Financial Liabilities	2,763.60	43.77	677.75	3,485.12	3,485.12
<b>Total Non-Derivative Liabilities</b>	<b>26,736.78</b>	<b>29,507.28</b>	<b>33,626.98</b>	<b>89,871.04</b>	<b>61,359.21</b>
<b>Derivatives</b>					
Other Financial Liabilities	64.03	Nil	Nil	64.03	64.03
<b>Total Derivative Liabilities</b>	<b>64.03</b>	<b>Nil</b>	<b>Nil</b>	<b>64.03</b>	<b>64.03</b>
<b>31st March, 2019</b>					
<b>Non-Derivatives</b>					
Borrowings #	20,515.40	23,357.51	24,175.16	68,048.07	49,131.63
Trade Payables	5,481.49	22.75	Nil	5,504.24	5,504.24
Other Financial Liabilities	2,250.42	61.93	625.38	2,937.73	2,937.73
<b>Total Non-Derivative Liabilities</b>	<b>28,247.31</b>	<b>23,442.19</b>	<b>24,800.54</b>	<b>76,490.04</b>	<b>57,573.60</b>
<b>Derivatives</b>					
Other Financial Liabilities	113.35	Nil	Nil	113.35	113.35
<b>Total Derivative Liabilities</b>	<b>113.35</b>	<b>Nil</b>	<b>Nil</b>	<b>113.35</b>	<b>113.35</b>

# The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments, ignoring the call and refinancing options available with the Group. The amounts included above for variable interest rate instruments for non-derivative liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

### 41. Segment Reporting

From the current year, the Group has changed its organization structure into various operating verticals for efficient monitoring and pursuing growth. Consequently, reporting to Chief Operating Decision Maker (CODM) has been changed which has resulted into change in the composition of reportable segments. Accordingly, corresponding information for comparative year has been restated in the segment reporting.

Information reported to the CODM for the purpose of resource allocation and assessment of segment performance focuses on business segment which comprises of Generation, Renewables, Transmission and Distribution and Others. Specifically, the Group's reportable segments under Ind AS are as follows:

**Generation:** Comprises of generation of power from hydroelectric sources and thermal sources (coal, gas and oil) from plants owned and operated under lease arrangement and related ancillary services.

**Renewables:** Comprises of generation of power from renewable energy sources i.e. wind and solar and related ancillary services

**Transmission and Distribution:** Comprises of transmission and distribution network, sale of power to retail customers through distribution network and related ancillary services.

**Others:** Comprises of project management contracts/infrastructure management services, property development and lease rent of oil tanks.

## 41. Segment Reporting (Contd.)

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

### (a) Segment Information:

Particulars	₹ crore	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Segment Revenue (Refer Note 3.15 and 28)		
Generation	14,532.74	15,645.16
Renewables	3,977.45	3,610.39
Transmission and Distribution	14,002.70	14,147.26
Others	255.53	234.03
	<b>32,768.42</b>	<b>33,636.84</b>
(Less): Inter Segment Revenue - Generation	(3,582.99)	(3,417.53)
(Less): Inter Segment Revenue - Renewables	(235.61)	(230.43)
(Less): Inter Segment Revenue - Others	(12.56)	(5.24)
<b>Total Segment Revenue</b>	<b>28,937.26</b>	<b>29,983.64</b>
Discontinued Operations- Others #	343.74	143.59
<b>Revenue / Income from Operations (including Net Movement in Regulatory Deferral Balances)</b>	<b>29,281.00</b>	<b>30,127.23</b>
Segment Results		
Generation	2,765.46	2,486.61
Renewables	1,499.66	1,426.85
Transmission and Distribution	1,922.14	2,126.99
Others	193.12	168.76
<b>Total Segment Results</b>	<b>6,380.38</b>	<b>6,209.21</b>
(Less): Finance Costs	(4,493.73)	(4,170.00)
Add/(Less): Exceptional Item - Generation (Refer Note 12 and 37e)	(351.35)	(45.00)
Add/(Less): Exceptional Item - Transmission and Distribution (Refer Note 12)	(190.00)	(106.41)
Add/(Less): Exceptional Item - Unallocable Income/(Expense) (Refer Note 6b (i) b, (ii) & (iii))	767.51	1,897.24
Add/(Less): Unallocable Income/(Expense) (Net)	255.35	34.05
<b>Profit/(Loss) Before Tax from Continuing Operations</b>	<b>2,368.16</b>	<b>3,819.09</b>
<b>Profit/(Loss) Before Tax from Discontinued Operations</b>	<b>(81.64)</b>	<b>(191.82)</b>
<b>Impairment Loss on Remeasurement to Fair Value (Refer Note 17c)</b>	<b>(361.00)</b>	<b>Nil</b>
<b>Profit/(Loss) Before Tax from Discontinued Operations</b>	<b>(442.64)</b>	<b>(191.82)</b>
Segment Assets		
Generation	40,076.13	39,842.59
Renewables	19,533.81	18,315.93
Transmission and Distribution	17,859.37	17,338.05
Others	1,361.59	1,001.24
Unallocable*	9,037.18	5,600.82
Assets classified as held for sale # (Refer Note 17c)	1,880.07	2,064.30
<b>Total Assets</b>	<b>89,748.15</b>	<b>84,162.93</b>

# Notes to the Consolidated Financial Statements

## 41. Segment Reporting (Contd.)

Particulars	₹ crore	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Segment Liabilities</b>		
Generation	3,685.28	4,149.69
Renewables	1,596.45	1,588.46
Transmission and Distribution	5,294.05	4,846.36
Others	128.71	138.16
Unallocable*	56,113.53	52,001.82
Liabilities classified as held for sale # (Refer Note 17c)	1,032.07	966.27
<b>Total Liabilities</b>	<b>67,850.09</b>	<b>63,690.76</b>
Capital Expenditure (to the extent allocable to the segment)		
Generation	292.04	283.84
Renewables	692.51	2,144.19
Transmission and Distribution	1,120.75	963.96
Others	45.06	48.96
Discontinued Operations#	45.74	87.29
	<b>2,196.10</b>	<b>3,528.24</b>
Depreciation/Amortisation (to the extent allocable to the segment)		
Generation	1,079.30	939.60
Renewables	837.22	816.79
Transmission and Distribution	634.92	565.50
Others	22.31	13.68
	<b>2,573.75</b>	<b>2,335.57</b>

### RECONCILIATION OF REVENUE

Particulars	₹ crore	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Revenue from Operations	29,136.37	29,881.06
Add/(Less): Net Movement in Regulatory Deferral Balances	(451.68)	(340.19)
Add/(Less): Net Movement in Regulatory Deferral Balances in respect of earlier years	(21.32)	274.26
Add/(Less): Deferred Tax Recoverable/(Payable) (Refer Note 3.15)	284.31	169.20
Add/(Less): Unallocable Revenue	(10.42)	(0.69)
<b>Total Segment Revenue</b>	<b>28,937.26</b>	<b>29,983.64</b>
Discontinued Operations- Others #	343.74	143.59
<b>Total Segment Revenue as reported above</b>	<b>29,281.00</b>	<b>30,127.23</b>

# Pertains to Strategic Engineering Division being classified as Discontinued Operations.

\* Includes amount classified as held for sale other than Strategic Engineering Division.

Notes:

- Comparative figures for Statement of Profit and Loss items are for the year ended 31st March, 2019 and Balance Sheet items are as at 31st March, 2019.
- Revenue from power distribution companies on sale of electricity with which Group has entered into a Power Purchase Agreement accounts for more than 10% of Total Revenue.
- Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

## 41. Segment Reporting (Contd.)

### (b) Geographic Information:

The Group operates in two principal geographical areas - Domestic and Overseas

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

### Geographical Segment

Particulars	₹ crore	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Revenue from External Customers		
Domestic	28,911.24	29,523.45
Overseas	369.76	603.78
	<b>29,281.00</b>	<b>30,127.23</b>
Segment Assets:		
Non Current Assets		
Domestic	52,470.93	52,261.58
Overseas	11,971.70	8,844.60
	<b>64,442.63</b>	<b>61,106.18</b>
Current Assets		
Domestic	8,616.26	9,298.13
Overseas	291.84	335.37
	<b>8,908.10</b>	<b>9,633.50</b>
Regulatory Deferral Account - Assets		
Domestic	5,480.17	5,758.13
	<b>5,480.17</b>	<b>5,758.13</b>
Unallocable Assets	10,917.25	7,665.12
<b>Total Assets</b>	<b>89,748.15</b>	<b>84,162.93</b>
Capital Expenditure (to the extent allocable to the segment)		
Domestic	2,196.09	3,528.02
Overseas	0.01	0.22
	<b>2,196.10</b>	<b>3,528.24</b>

## 42 Significant Events after the Reporting Period

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

# Notes to the Consolidated Financial Statements

## 43. Statement of Net Assets and Profit and Loss attributable to Owners and Non Controlling Interests

	Net Assets i.e. total assets minus total liabilities		Total Income i.e. Revenue Plus Other Income		Share of Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (₹ crore)	As % of consolidated total income	Amount (₹ crore)	As % of consolidated profit	Amount (₹ crore)	As % of consolidated Other comprehensive income	Amount (₹ crore)	As % of consolidated comprehensive income	Amount (₹ crore)
The Tata Power Company Ltd. #	32.56	15,261.97	22.08	7,736.39	5.01	148.12	(6.43)	(52.76)	2.52	95.36
<b>Indian Subsidiaries</b>										
Nelco Ltd. (Consolidated) <sup>1</sup>	0.14	65.89	0.65	226.67	0.49	14.38	(0.04)	(0.31)	0.37	14.07
Af-Taab Investment Co. Ltd.	0.56	263.61	0.04	12.32	0.36	10.48	(2.71)	(22.20)	(0.31)	(11.72)
Tata Power Trading Co. Ltd.	0.50	232.51	0.72	251.88	1.38	40.71	(0.02)	(0.16)	1.08	40.55
Maithon Power Ltd.	4.41	2,068.43	7.91	2,769.50	11.45	337.82	-	-	8.96	337.82
Coastal Gujarat Power Ltd.	8.59	4,032.13	20.10	7,036.86	(30.17)	(890.54)	(0.27)	(2.24)	(23.67)	(892.78)
Tata Power Delhi Distribution Ltd.	7.40	3,473.12	24.15	8,455.98	14.03	414.14	(0.47)	(3.87)	10.88	410.27
Tata Power Jamshepur Distribution Ltd.	-	(1.32)	-	-	-	(0.01)	-	-	-	(0.01)
TP Renewable Microgrid Ltd.	(0.01)	(3.05)	-	-	(0.11)	(3.11)	0.01	0.06	(0.08)	(3.05)
Tata Power Renewable Energy Ltd.	10.72	5,030.67	2.72	954.01	(1.60)	(47.18)	(0.08)	(0.66)	(1.27)	(47.84)
TP Kirnali Ltd.	-	(0.63)	-	-	(0.02)	(0.68)	-	-	(0.02)	(0.68)
TP Solapur Ltd.	-	(0.15)	-	-	(0.01)	(0.20)	-	-	(0.01)	(0.20)
Tata Power Solar Systems Ltd.	1.47	691.79	6.19	2,166.10	4.16	122.68	11.61	95.29	5.78	217.97
NDPL Infra Ltd.	0.05	23.95	0.02	6.31	0.09	2.71	-	-	0.07	2.71
Tata Power Green Energy Ltd.	-	(0.06)	-	-	-	(0.01)	-	-	-	(0.01)
Indo Rama Renewables Jath Ltd.	0.14	64.80	0.11	38.03	0.18	5.21	-	-	0.14	5.21
TCL Ceramics Ltd (formerly known as Tata Ceramics Ltd).	-	-	-	-	-	-	-	-	-	-
Supa Windfarm Ltd.	-	(0.01)	-	-	-	-	-	-	-	-
Poolavadi Windfarm Ltd.	0.16	76.38	-	-	(0.03)	(0.82)	-	-	(0.02)	(0.82)
Nivade Windfarm Ltd.	-	(0.01)	-	-	-	-	-	-	-	-
Vagarai Windfarm Ltd.	(0.05)	(21.79)	0.06	20.01	(0.29)	(8.48)	-	-	(0.22)	(8.48)
TP Ajmer Distribution Ltd.	0.02	7.45	1.16	406.54	0.03	1.02	-	(0.03)	0.03	0.99
Chirasthaayee Saurya Ltd.	-	1.42	0.16	57.04	0.30	8.80	-	-	0.23	8.80
Walwhan Renewable Energy Ltd. (Consolidated) <sup>2</sup>	4.90	2,300.29	3.50	1,224.47	6.19	182.76	(0.15)	(1.25)	4.81	181.51
<b>Foreign Subsidiaries</b>										
Bhira Investments Pte. Ltd. (Formerly known as Bhira Investment Ltd.)	4.34	2,034.47	4.81	1,684.75	46.18	1,362.87	16.91	138.72	39.81	1,501.59
Bhivpuri Investments Ltd.	1.98	929.43	-	-	(1.87)	(55.08)	9.73	79.85	0.66	24.77
Khopoli Investments Ltd.	1.82	854.29	1.45	506.26	13.39	395.06	7.62	62.56	12.13	457.62
Trust Energy Resources Pte. Ltd.	3.30	1,550.42	3.11	1,090.44	6.26	184.85	15.41	126.47	8.25	311.32
PT Sumber Energi Andalan Tbk. (Consolidated) <sup>3</sup>	1.82	853.68	-	-	-	-	6.97	57.17	1.52	57.17

# Notes to the Consolidated Financial Statements

## 43. Statement of Net Assets and Profit and Loss attributable to Owners and Non Controlling Interests (Contd.)

	Net Assets i.e. total assets minus total liabilities		Total Income i.e. Revenue Plus Other Income		Share of Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (₹ crore)	As % of consolidated total income	Amount (₹ crore)	As % of consolidated profit	Amount (₹ crore)	As % of consolidated Other comprehensive income	Amount (₹ crore)	As % of consolidated comprehensive income	Amount (₹ crore)
Tata Power International Pte. Ltd.	0.17	79.70	1.02	356.78	1.88	55.63	0.66	5.45	1.62	61.08
Far Eastern Natural Resources LLC	(0.04)	(18.37)	0.04	12.89	(0.46)	(13.63)	0.27	2.25	(0.30)	(11.38)
<b>Indian Associates</b>										
The Associated Building Company Ltd.	0.01	3.13	-	-	0.11	3.13	-	-	0.08	3.13
Yashmun Engineers Ltd.	-	2.29	-	-	(0.03)	(1.03)	-	-	(0.03)	(1.03)
Tata Projects Ltd.	1.32	618.90	-	-	1.76	51.91	(2.07)	(16.95)	0.93	34.96
<b>Foreign Associates</b>										
Dagachhu Hydro Power Corporation Ltd.	0.17	80.51	-	-	(0.38)	(11.07)	-	-	(0.29)	(11.07)
<b>Indian Jointly Control Entities</b>										
Powerlinks Transmission Ltd.	1.03	484.45	-	-	2.09	61.78	-	-	1.64	61.78
Industrial Energy Ltd.	1.32	617.54	-	-	3.72	109.90	(0.03)	(0.27)	2.91	109.63
Dugar Hydro Power Ltd.	0.05	23.66	-	-	-	(0.11)	-	-	-	(0.11)
Tubeid Coal Mines Ltd.	-	(0.07)	-	-	-	-	-	-	-	-
Mandakini Coal Company Ltd.	(0.12)	(57.19)	-	-	-	-	-	-	-	-
Solace Land Holding Ltd.	-	0.76	-	-	-	-	-	-	-	-
<b>Foreign Jointly Control Entities</b>										
PT Arutmin Indonesia	1.64	770.86	-	-	-	-	5.24	43.00	1.14	43.00
PT Kaltim Prima Coal	0.56	264.19	-	-	12.26	361.76	1.11	9.08	9.83	370.84
Indocoal Resources (Cayman) Ltd.	1.66	779.96	-	-	0.44	13.02	5.39	44.25	1.52	57.27
PT Indocoal Kalsel Resources	-	(0.04)	-	-	-	-	-	0.02	-	0.02
PT Indocoal Kaltim Resources	-	0.02	-	-	-	(0.02)	-	0.02	-	-
Candice Investments Pte. Ltd.	0.06	28.86	-	-	0.26	7.73	0.27	2.25	0.26	9.98
PT Nusa Tambang Pratama	3.25	1,522.52	-	-	6.50	191.71	15.10	123.87	8.37	315.58
PT Marvel Capital Indonesia	-	0.19	-	-	-	(0.02)	-	-	-	(0.02)
PT Dwikarya Prima Abadi	0.61	285.13	-	-	0.24	7.16	2.91	23.88	0.82	31.04
PT Kalimantan Prima Power (Consolidated) <sup>4</sup>	0.48	226.08	-	-	0.20	5.89	2.03	16.67	0.60	22.56
PT Baramulti Sukessarana Tbk (Consolidated) <sup>5</sup>	0.76	355.50	-	-	2.44	72.02	1.79	14.66	2.30	86.68
Adjariqtqali Netherlands BV (Consolidated) <sup>6</sup>	0.64	298.72	-	-	(5.77)	(170.32)	3.48	28.54	(3.76)	(141.78)
Koromkheti Netherlands BV (Consolidated) <sup>7</sup>	(0.06)	(27.87)	-	-	-	-	(0.21)	(1.72)	(0.05)	(1.72)
Itezhi Tezhi Power Corporation	0.92	430.86	-	-	-	-	6.50	53.30	1.41	53.30
Resurgent Power Ventures Pte. Ltd. (Consolidated)	0.75	351.74	-	-	(0.66)	(19.61)	(0.54)	(4.46)	(0.64)	(24.07)
Indocoal KPC Resources (Cayman) Ltd.	-	0.90	-	-	-	(0.06)	0.01	0.08	-	0.02
	<b>100.00</b>	<b>46,912.62</b>	<b>100.00</b>	<b>35,013.23</b>	<b>100.00</b>	<b>2,951.26</b>	<b>100.00</b>	<b>820.56</b>	<b>100.00</b>	<b>3,771.82</b>

## Notes to the Consolidated Financial Statements

### 43. Statement of Net Assets and Profit and Loss attributable to Owners and Non Controlling Interests (Contd.)

	Net Assets i.e. total assets minus total liabilities		Total Income i.e. Revenue Plus Other Income		Share of Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (₹ crore)	As % of consolidated total income	Amount (₹ crore)	As % of consolidated profit	Amount (₹ crore)	As % of consolidated comprehensive income	Amount (₹ crore)	As % of consolidated comprehensive income	Amount (₹ crore)
a) Adjustments arising out of consolidation	-	(25,014.56)	-	(5,424.17)	-	(1,634.82)	-	15.64	-	(1,619.18)
b) Non-Controlling Interest	-	-	-	-	-	-	-	-	-	-
<b>Indian Subsidiaries</b>										
Nelco Ltd. (Consolidated) <sup>1</sup>	-	(32.31)	-	-	-	(6.98)	-	0.15	-	(6.83)
Maithon Power Ltd.	-	(537.37)	-	-	-	(87.83)	-	-	-	(87.83)
Tata Power Delhi Distribution Ltd.	-	(1,701.82)	-	-	-	(202.92)	-	1.90	-	(201.02)
NDPL Infra Ltd.	-	(11.76)	-	-	-	(1.33)	-	-	-	(1.33)
Poolavadi Windfarm Ltd.	-	(19.86)	-	-	-	-	-	-	-	-
<b>Foreign Subsidiaries</b>										
PT Sumber Energi Andalan Tbk. (Consolidated) <sup>3</sup>	-	(28.92)	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>(2,332.04)</b>	-	-	-	<b>(299.06)</b>	-	<b>2.05</b>	-	<b>(297.01)</b>
<b>Consolidated Net Assets / Profit after tax</b>	-	<b>19,566.02</b>	-	<b>29,589.06</b>	-	<b>1,017.38</b>	-	<b>838.25</b>	-	<b>1,855.63</b>

## 43. Statement of Net Assets and Profit and Loss attributable to Owners and Non Controlling Interests (Contd.)

### Reconciliation of Total Income (i.e. Revenue plus other income)

	₹ crore
Total Income as per Statement of Profit & Loss	29,698.98
Net Movement in Regulatory Deferral Balances (Net)	(188.69)
Remeasurement of Deferred Tax Recoverable on account of New Tax Regime (Net)	(265.00)
	29,245.29
<i>Add:</i> Revenue from Discontinued Operations	343.77
<b>Total Income as per the above statement</b>	<b>29,589.06</b>

Note:

- Accounts of Tatanet Services Ltd. have been consolidated with Nelco Ltd.
  - Accounts of all subsidiaries of Walwhan Renewable Energy Ltd. (Refer Note 2.6) have been consolidated with Walwhan Renewable Energy Ltd.
  - Accounts of PT Mitratama Perkasa have been consolidated with PT Sumber Energi Andalan Tbk.
  - Accounts of PT Citra Prima Buana, PT Guruh Agung and PT Citra Kusuma Perdana have been consolidated with PT Kalimantan Prima Power.
  - Accounts of PT Antang Gunung Meratus have been consolidated with PT Baramulti Sukessarana Tbk.
  - Accounts of Adjaristsqali Georgia LLC have been consolidated with Adjaristsqali Netherlands BV.
  - Accounts of Koromkheti Georgia LLC have been consolidated with Koromkheti Netherlands BV.
- # Includes Discontinued Operations

### 43.1 Summarised Financial Information of Material Non Controlling Interests

Financial Information of Subsidiaries that have material non-controlling interest is provided below:

Proportion of equity interest held by non-controlling interests:

Name	Country of Incorporation	31st March, 2020	31st March, 2019
Maithon Power Ltd.	India	26%	26%
Tata Power Delhi Distribution Ltd.	India	49%	49%

#### A Maithon Power Ltd.

##### (i) Summarised Balance Sheet:

	As at 31st March, 2020 ₹ crore	As at 31st March, 2019 ₹ crore
Non-current Assets	3,741.21	3,812.79
Current Assets	860.24	1,047.49
Non-current Liabilities	(1,337.24)	(1,805.34)
Current Liabilities	(1,195.78)	(974.33)
	<b>2,068.43</b>	<b>2,080.61</b>
<b>Attributable to:</b>		
Equity holders of parent	1,531.08	1,540.09
Non-controlling interest	537.35	540.52

## Notes to the Consolidated Financial Statements

### 43. Summarised Financial Information of Material Non Controlling Interests (Contd.)

#### (ii) Summarised Statement of Profit and Loss:

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore
Revenue	2,741.17	2,776.05
Other Income	28.33	65.05
Cost of Power Purchased	(1.78)	(1.40)
Cost of Fuel	(1,575.51)	(1,769.85)
Employee Benefits Expenses	(40.80)	(41.18)
Finance Cost	(193.11)	(204.85)
Depreciation and Amortisation Expenses	(243.81)	(238.24)
Other Expenses	(257.83)	(226.86)
<b>Profit before tax</b>	<b>456.66</b>	<b>358.72</b>
Tax Expenses	(118.84)	(85.82)
<b>Profit for the year</b>	<b>337.82</b>	<b>272.90</b>
Other Comprehensive Income/(Expense) for the year	Nil	(0.32)
<b>Total Comprehensive Income for the year</b>	<b>337.82</b>	<b>272.58</b>
<b>Attributable to:</b>		
Equity holders of parent	249.99	201.71
Non-controlling interest	87.83	70.87
<b>Dividend including Dividend Distribution Tax Attributable to:</b>		
Equity holders of parent	259.00	129.50
Non-controlling interest	91.00	45.50

#### (iii) Summarised Cash Flow information:

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore
Operating Activities	1,355.86	(2.74)
Investing Activities	(295.63)	(23.97)
Financing Activities	(975.68)	(23.28)
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	<b>84.55</b>	<b>(49.99)</b>

### B Tata Power Delhi Distribution Ltd.

#### (i) Summarised Balance Sheet:

	As at 31st March, 2020	As at 31st March, 2019
	₹ crore	₹ crore
Non-current Assets	4,408.09	4,162.00
Current Assets	1,090.56	945.88
Assets classified as held for sale	20.04	20.04
Regulatory Deferral Account Debit Balances	5,221.85	4,759.14
Non-current Liabilities	(4,946.65)	(4,172.86)
Current Liabilities	(2,320.76)	(2,531.56)
	<b>3,473.13</b>	<b>3,182.64</b>
<b>Attributable to:</b>		
Equity holders of parent	1,771.32	1,623.17
Non-controlling interest	1701.81	1,559.47

## 43. Summarised Financial Information of Material Non Controlling Interests (Contd.)

### (ii) Summarised Statement of Profit and Loss:

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore
Revenue including Regulatory income/(expense)	8,350.66	7,849.84
Other Income	105.32	108.02
Cost of Power Purchased	(6,299.63)	(5,896.86)
Employee Benefits Expenses	(504.90)	(469.70)
Finance Cost	(344.90)	(348.88)
Depreciation and Amortisation Expenses	(333.16)	(309.64)
Other Expenses	(327.33)	(318.94)
Exceptional Items	Nil	(106.40)
<b>Profit before tax</b>	<b>646.06</b>	<b>507.44</b>
Tax Expenses	(231.92)	(171.57)
<b>Profit for the year</b>	<b>414.14</b>	<b>335.87</b>
Other Comprehensive Income/(Expense) for the year	(3.87)	(0.40)
<b>Total Comprehensive Income for the year</b>	<b>410.27</b>	<b>335.47</b>
<b>Attributable to:</b>		
Equity holders of parent	209.24	171.10
Non-controlling interest	201.03	164.37
<b>Dividend including Dividend Distribution Tax Attributable to:</b>		
Equity holders of parent	61.09	54.30
Non-controlling interest	58.69	52.17

### (iii) Summarised Cash Flow information:

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ crore	₹ crore
Operating Activities	671.99	1,055.05
investing Activities	(625.09)	(597.21)
Financing Activities	(32.62)	(535.56)
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	<b>14.28</b>	<b>(77.72)</b>

## Notes to the Consolidated Financial Statements

### 44. Restated Consolidated Financial Statements for the year ended 31st March, 2019 and as at 1st April, 2018

#### Consolidated Balance Sheet as at 31st March, 2019

	Note	Reported Amount ₹ crore	Restatements ₹ crore	Restated Amount ₹ crore
<b>ASSETS</b>				
<b>Non-current Assets</b>				
(a) Property, Plant and Equipment		41,101.50	Nil	41,101.50
(b) Capital Work-in-Progress		2,575.70	Nil	2,575.70
(c) Goodwill		1,641.57	Nil	1,641.57
(d) Other Intangible Assets		1,561.82	Nil	1,561.82
(e) Investments accounted for using the Equity Method	1	11,989.69	523.79	12,513.48
(f) Financial Assets				
(i) Other Investments		861.41	Nil	861.41
(ii) Trade Receivables		192.99	Nil	192.99
(iii) Loans	2	144.73	(54.17)	90.56
(iv) Finance Lease Receivables		565.62	Nil	565.62
(v) Other Financial Assets		316.75	Nil	316.75
(g) Non-current Tax Assets (Net)		238.01	Nil	238.01
(h) Deferred Tax Assets (Net)		89.49	Nil	89.49
(i) Other Non-current Assets		1,358.07	Nil	1,358.07
<b>Total Non-current Assets</b>		<b>62,637.35</b>	<b>469.62</b>	<b>63,106.97</b>
<b>Current Assets</b>				
(a) Inventories		1,706.42	Nil	1,706.42
(b) Financial Assets				
(i) Investments		166.98	Nil	166.98
(ii) Trade Receivables		4,445.26	Nil	4,445.26
(iii) Unbilled Revenue		837.85	Nil	837.85
(iv) Cash and Cash Equivalents		645.45	Nil	645.45
(v) Bank Balances other than (iv) above		142.00	Nil	142.00
(vi) Loans	2	116.46	(29.28)	87.18
(vii) Finance Lease Receivables		37.90	Nil	37.90
(viii) Other Financial Assets		241.59	Nil	241.59
(c) Current Tax Assets (Net)		2.67	Nil	2.67
(d) Other Current Assets		1,881.85	Nil	1,881.85
<b>Total Current Assets</b>		<b>10,224.43</b>	<b>(29.28)</b>	<b>10,195.15</b>
Assets Classified as Held For Sale	1	5,542.12	(439.44)	5,102.68
<b>Total Assets before Regulatory Deferral Account</b>		<b>78,403.90</b>	<b>0.90</b>	<b>78,404.80</b>
<b>Regulatory Deferral Account - Assets</b>		<b>5,758.13</b>	<b>Nil</b>	<b>5,758.13</b>
<b>TOTAL ASSETS</b>		<b>84,162.03</b>	<b>0.90</b>	<b>84,162.93</b>

#### 44. Restated Consolidated Financial Statements for the year ended 31st March, 2019 and as at 1st April, 2018 (contd.)

	Note	Reported Amount ₹ crore	Restatements ₹ crore	Restated Amount ₹ crore
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital		270.50	Nil	270.50
(b) Unsecured Perpetual Securities		1,500.00	Nil	1,500.00
(c) Other Equity	1	16,450.66	84.35	16,535.01
<b>Equity attributable to Shareholders of the Company</b>		<b>18,221.16</b>	<b>84.35</b>	<b>18,305.51</b>
<b>Non-controlling Interests</b>		<b>2,166.66</b>	<b>Nil</b>	<b>2,166.66</b>
<b>Total Equity</b>		<b>20,387.82</b>	<b>84.35</b>	<b>20,472.17</b>
<b>LIABILITIES</b>				
<b>Non-current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		31,139.23	Nil	31,139.23
(ii) Lease Liabilities		Nil	Nil	Nil
(iii) Trade Payables		22.75	Nil	22.75
(iv) Other Financial Liabilities		687.31	Nil	687.31
(b) Non-current Tax Liabilities (Net)		3.74	Nil	3.74
(c) Deferred Tax Liabilities (Net)		1,056.81	Nil	1,056.81
(d) Provisions		333.60	Nil	333.60
(e) Other Non-current Liabilities		1,873.75	Nil	1,873.75
<b>Total Non-current Liabilities</b>		<b>35,117.19</b>	<b>Nil</b>	<b>35,117.19</b>
<b>Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		13,875.38	Nil	13,875.38
(ii) Lease Liabilities		Nil	Nil	Nil
(iii) Trade Payables		5,481.49	Nil	5,481.49
(iv) Other Financial Liabilities		6,480.79	Nil	6,480.79
(b) Current Tax Liabilities (Net)		150.22	Nil	150.22
(c) Provisions	2	177.00	(83.45)	93.55
(d) Other Current Liabilities		1,499.64	Nil	1,499.64
<b>Total Current Liabilities</b>		<b>27,664.52</b>	<b>(83.45)</b>	<b>27,581.07</b>
Liabilities directly associated with Assets Classified as Held For Sale		992.50	Nil	992.50
<b>Total Liabilities before Regulatory Deferral Account</b>		<b>63,774.21</b>	<b>(83.45)</b>	<b>63,690.76</b>
<b>Regulatory Deferral Account - Liability</b>		<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>84,162.03</b>	<b>0.90</b>	<b>84,162.93</b>

## Notes to the Consolidated Financial Statements

### 44. Restated Consolidated Financial Statements for the year ended 31st March, 2019 and as at 1st April, 2018 (Contd.)

#### Consolidated Balance Sheet as at 1st April, 2018

	Note	Reported Amount ₹ crore	Restatements ₹ crore	Restated Amount ₹ crore
<b>ASSETS</b>				
<b>Non-current Assets</b>				
(a) Property, Plant and Equipment		41,431.61	Nil	41,431.61
(b) Capital Work-in-Progress		1,652.60	Nil	1,652.60
(c) Goodwill		1,641.57	Nil	1,641.57
(d) Other Intangible Assets		1,583.08	Nil	1,583.08
(e) Investments accounted for using the Equity Method	1	11,111.66	418.61	11,530.27
(f) Financial Assets				
(i) Other Investments		881.11	Nil	881.11
(ii) Trade Receivables		190.05	Nil	190.05
(iii) Loans	2	131.73	(54.17)	77.56
(iv) Finance Lease Receivables		574.76	Nil	574.76
(v) Other Financial Assets		273.68	Nil	273.68
(g) Non-current Tax Assets (Net)		167.59	Nil	167.59
(h) Deferred Tax Assets (Net)		118.17	Nil	118.17
(i) Other Non-current Assets		1,577.31	Nil	1,577.31
<b>Total Non-current Assets</b>		<b>61,334.92</b>	<b>364.44</b>	<b>61,699.36</b>
<b>Current Assets</b>				
(a) Inventories		1,623.08	Nil	1,623.08
(b) Financial Assets				
(i) Investments		436.16	Nil	436.16
(ii) Trade Receivables		2,788.93	Nil	2,788.93
(iii) Unbilled Revenue		810.09	Nil	810.09
(iv) Cash and Cash Equivalents		1,061.16	Nil	1,061.16
(v) Bank Balances other than (iv) above		124.62	Nil	124.62
(vi) Loans	2	784.80	(30.33)	754.47
(vii) Finance Lease Receivables		34.27	Nil	34.27
(viii) Other Financial Assets		401.59	Nil	401.59
(c) Current Tax Assets (Net)		14.77	Nil	14.77
(d) Other Current Assets		1,512.32	Nil	1,512.32
<b>Total Current Assets</b>		<b>9,591.79</b>	<b>(30.33)</b>	<b>9,561.46</b>
Assets Classified as Held For Sale	1	4,778.70	(439.44)	4,339.26
<b>Total Assets before Regulatory Deferral Account</b>		<b>75,705.41</b>	<b>(105.33)</b>	<b>75,600.08</b>
<b>Regulatory Deferral Account - Assets</b>		<b>6,304.56</b>	<b>Nil</b>	<b>6,304.56</b>
<b>TOTAL ASSETS</b>		<b>82,009.97</b>	<b>(105.33)</b>	<b>81,904.64</b>

#### 44. Restated Consolidated Financial Statements for the year ended 31st March, 2019 and as at 1st April, 2018 (contd.)

	Note	Reported Amount ₹ crore	Restatements ₹ crore	Restated Amount ₹ crore
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital		270.50	Nil	270.50
(b) Unsecured Perpetual Securities		1,500.00	Nil	1,500.00
(c) Other Equity	1	14,629.38	(20.83)	14,608.55
<b>Equity attributable to Shareholders of the Company</b>		<b>16,399.88</b>	<b>(20.83)</b>	<b>16,379.05</b>
<b>Non-controlling Interests</b>		<b>2,015.29</b>	<b>Nil</b>	<b>2,015.29</b>
<b>Total Equity</b>		<b>18,415.17</b>	<b>(20.83)</b>	<b>18,394.34</b>
<b>LIABILITIES</b>				
Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings		22,356.31	Nil	22,356.31
(ii) Lease Liabilities		Nil	Nil	Nil
(iii) Trade Payables		21.00	Nil	21.00
(iv) Other Financial Liabilities		647.31	Nil	647.31
(b) Non-current Tax Liabilities (Net)		3.74	Nil	3.74
(c) Deferred Tax Liabilities (Net)		516.56	Nil	516.56
(d) Provisions		300.00	Nil	300.00
(e) Other Non-current Liabilities		1,841.48	Nil	1,841.48
<b>Total Non-current Liabilities</b>		<b>25,686.40</b>	<b>Nil</b>	<b>25,686.40</b>
<b>Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		18,827.28	Nil	18,827.28
(ii) Lease Liabilities		Nil	Nil	Nil
(iii) Trade Payables		5,609.82	Nil	5,609.82
(iv) Other Financial Liabilities		9,942.98	Nil	9,942.98
(b) Current Tax Liabilities (Net)		160.38	Nil	160.38
(c) Provisions	2	193.44	(84.50)	108.94
(d) Other Current Liabilities		1,785.72	Nil	1,785.72
<b>Total Current Liabilities</b>		<b>36,519.62</b>	<b>(84.50)</b>	<b>36,435.12</b>
Liabilities directly associated with Assets Classified as Held For Sale		903.78	Nil	903.78
<b>Total Liabilities before Regulatory Deferral Account</b>		<b>63,109.80</b>	<b>(84.50)</b>	<b>63,025.30</b>
<b>Regulatory Deferral Account - Liability</b>		<b>485.00</b>	<b>Nil</b>	<b>485.00</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>82,009.97</b>	<b>(105.33)</b>	<b>81,904.64</b>

## Notes to the Consolidated Financial Statements

### 44. Restated Consolidated Financial Statements for the year ended 31st March, 2019 and as at 1st April, 2018 (Contd.)

#### Statement of Profit and Loss for the year ended 31st March, 2019

	Note	Reported Amount	Restatements	Restated Amount
		₹ crore	₹ crore	₹ crore
<b>I</b>				
Revenue from Operations	3	29,558.64	322.42	29,881.06
<b>II</b>				
Other Income	1	395.83	(9.68)	386.15
<b>III</b>				
<b>Total Income</b>		<b>29,954.47</b>	<b>312.74</b>	<b>30,267.21</b>
<b>IV</b>				
<b>Expenses</b>				
Cost of Power Purchased		6,359.53	Nil	6,359.53
Cost of Fuel		11,640.02	Nil	11,640.02
Raw Material Consumed		919.35	Nil	919.35
Purchase of Finished Goods, Spares and Shares		345.22	Nil	345.22
Transmission Charges		248.23	Nil	248.23
(Increase)/Decrease in Stock-in-Trade and Work in Progress		24.37	Nil	24.37
Employee Benefits Expense		1,339.05	Nil	1,339.05
Finance Costs		4,170.00	Nil	4,170.00
Depreciation and Amortisation Expenses		2,393.13	Nil	2,393.13
Other Expenses		2,260.15	Nil	2,260.15
<b>Total Expenses</b>		<b>29,699.05</b>	<b>Nil</b>	<b>29,699.05</b>
<b>V</b>				
<b>Profit/(Loss) Before Movement in Regulatory Deferral Balances, Exceptional Items, Tax and Share of Net Profit of Associates and Joint Ventures accounted for using the Equity Method</b>		<b>255.42</b>	<b>312.74</b>	<b>568.16</b>
Add/(Less): Net movement in Regulatory Deferral Balances		(340.19)	Nil	(340.19)
Add/(Less): Net movement in Regulatory Deferral Balances in respect of earlier years		274.26	Nil	274.26
Add/(Less): Deferred Tax Recoverable/(Payable)	3	Nil	169.20	169.20
		<b>(65.93)</b>	<b>169.20</b>	<b>103.27</b>
<b>VI</b>				
<b>Profit/(Loss) Before Exceptional Items, Tax and Share of Net Profit of Associates and Joint Ventures accounted for using the Equity Method</b>		<b>189.49</b>	<b>481.94</b>	<b>671.43</b>
Share of Net Profit of Associates and Joint Ventures accounted for using the Equity Method	1	1,287.02	114.81	1,401.83
<b>VII</b>				
<b>Profit/(Loss) Before Exceptional Items and Tax</b>		<b>1,476.51</b>	<b>596.75</b>	<b>2,073.26</b>
Less: Exceptional Items				
Impairment in respect of Property, Plant and Equipment	2	(106.41)	Nil	(106.41)
Provision for Contingencies		(45.00)	Nil	(45.00)
Gain on Sale of Investments in Associates		1,897.24	Nil	1,897.24
		<b>1,745.83</b>	<b>Nil</b>	<b>1,745.83</b>
<b>VIII</b>				
<b>Profit/(Loss) Before Tax</b>		<b>3,222.34</b>	<b>596.75</b>	<b>3,819.09</b>
<b>IX</b>				
<b>Tax Expense/(Credit)</b>				
Current Tax	4	584.78	(60.12)	524.66
Deferred Tax		544.02	Nil	544.02
Deferred Tax relating to earlier years		18.91	Nil	18.91
Deferred Tax Recoverable/(Payable)	1	(491.62)	491.62	Nil
		<b>656.09</b>	<b>431.50</b>	<b>1,087.59</b>
<b>X</b>				
<b>Profit/(Loss) for the Year from Continuing Operations</b>		<b>2,566.25</b>	<b>165.25</b>	<b>2,731.50</b>
<b>XI</b>				
<b>Profit/(Loss) before tax from Discontinued Operations</b>		(191.82)	Nil	(191.82)

## 44. Restated Consolidated Financial Statements for the year ended 31st March, 2019 and as at 1st April, 2018 (contd.)

### Statement of Profit and Loss for the year ended 31st March, 2019

	Note	Reported Amount	Restatements	Restated Amount
		₹ crore	₹ crore	₹ crore
<b>XII Tax Expense/(Credit) of Discontinued Operations</b>				
Current Tax		(71.92)	Nil	(71.92)
Deferred Tax		5.94	Nil	5.94
<b>Tax Expense/(Credit) of Discontinued Operations</b>		<b>(65.98)</b>	<b>Nil</b>	<b>(65.98)</b>
<b>XIII Profit/(Loss) for the Year from Discontinued Operations</b>		<b>(125.84)</b>	<b>Nil</b>	<b>(125.84)</b>
<b>XIV Profit/(Loss) for the Year</b>		<b>2,440.41</b>	<b>165.25</b>	<b>2,605.66</b>
<b>XV Other Comprehensive Income/(Expenses) - Continuing Operations</b>				
A (i) Items that will not be reclassified to Profit or Loss				
(a) Remeasurement of the Defined Benefit Plans		(23.91)	Nil	(23.91)
(b) Equity Instruments classified FVTOCI		2.68	Nil	2.68
(c) Gain on sale of Investment classified at FVTOCI		1.66	Nil	1.66
(d) Assets Classified as Held For Sale - Equity Instruments classified at FVTOCI		(31.05)	Nil	(31.05)
(ii) Tax relating to items that will not be reclassified to Profit or Loss				
(a) Current Tax		6.81	Nil	6.81
(b) Deferred Tax		(0.06)	Nil	(0.06)
(iii) Share of Other Comprehensive Income/(Loss) of Associates and Joint Ventures accounted for using the Equity Method (net of tax)	1	(1.37)	(0.06)	(1.43)
B (i) Items that will be reclassified to Profit or Loss				
(a) Exchange differences in translating the financial statements of foreign operations		187.18	Nil	187.18
(ii) Share of Other Comprehensive Income/(Loss) of Associates and Joint Ventures accounted for using the Equity Method (net of tax)	1	23.24	0.11	23.35
<b>Other Comprehensive Income/(Expense)</b>		<b>165.18</b>	<b>0.05</b>	<b>165.23</b>
<b>XVI Other Comprehensive Income - Discontinued Operations</b>				
A (i) Items that will not be reclassified to Profit or Loss		(1.14)	Nil	(1.14)
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		0.40	Nil	0.40
		<b>(0.74)</b>	<b>Nil</b>	<b>(0.74)</b>
<b>XVII Total Other Comprehensive Income for the year (XV + XVI)</b>		<b>164.44</b>	<b>0.05</b>	<b>164.49</b>
<b>XVIII Total Comprehensive Income for the year (XIV + XVII)</b>		<b>2,604.85</b>	<b>165.30</b>	<b>2,770.15</b>
Profit for the year attributable to:				
- Owners of the Company		2,190.94	165.25	2,356.19
- Non-controlling interest		249.47	Nil	249.47
		<b>2,440.41</b>	<b>165.25</b>	<b>2,605.66</b>
Other comprehensive Income for the year attributable to:				
- Owners of the Company		164.87	0.05	164.92
- Non-controlling interest		(0.43)	Nil	(0.43)
		<b>164.44</b>	<b>0.05</b>	<b>164.49</b>
Total Comprehensive Income for the year attributable to:				
- Owners of the Company		2,355.81	165.30	2,521.11
- Non-controlling interest		249.04	Nil	249.04
		<b>2,604.85</b>	<b>165.30</b>	<b>2,770.15</b>
<b>XIX Basic and Diluted Earnings Per Equity Share (of ₹ 1/- each) (₹)</b>				
(i) From Continuing Operations before net movement in regulatory deferral balances		8.30	(0.01)	8.29
(ii) From Continuing Operations after net movement in regulatory deferral balances		8.15	0.39	8.54
(iii) From Discontinued Operations		(0.46)	Nil	(0.46)
(iv) Total Operations after net movement in regulatory deferral balances		7.69	0.39	8.08

## Notes to the Consolidated Financial Statements

### 44. Restated Consolidated Financial Statements for the year ended 31st March, 2019 and as at 1st April, 2018 (Contd.)

#### Reconciliation of Total Equity as at 31st March, 2019 and 1st April, 2018

	As at 31st March, 2019	As at 1st April, 2018
	₹ crore	₹ crore
<b>Equity as per Reported Financial Statements</b>		
Equity Share Capital	270.50	270.50
Unsecured Perpetual Securities	1,500.00	1,500.00
Other Equity	16,450.66	14,629.38
	<b>18,221.16</b>	<b>16,399.88</b>
Recognition of Share of Profit of Associate	84.35	(20.83)
<b>Equity as per Restated Financial Statements</b>	<b>18,305.51</b>	<b>16,379.05</b>

#### Reconciliation of Total Comprehensive Income for the year ended 31st March, 2019

	For the year ended 31st March, 2019
	₹ crore
<b>Total Comprehensive Income as per Reported Financial Statements</b>	2,604.85
Other Income	(9.68)
Share of Net Profit of Associates and Joint Ventures accounted for using the Equity Method	114.81
Tax Expense	60.12
Share of other comprehensive income that will not be reclassified to profit or loss of associates and joint ventures accounted for using the equity method	(0.06)
Share of other comprehensive income that will be reclassified to profit or loss of associates and joint ventures accounted for using the equity method	0.11
<b>Total Comprehensive Income as per Restated Financial Statements</b>	<b>2,770.15</b>

#### Notes:

- In the earlier years, the Group had intended to sell its investment in Tata Projects Ltd. (Associate company of the Group) and had initiated the process to identify the suitable buyer. Accordingly, the Group had classified the investment as assets held for sale. During the year, the Group has reassessed its plan to sell its investment in Tata Projects Ltd. and accordingly, has reclassified its investment in Tata Projects Ltd from 'Asset held for sale' to 'Investments in Associate accounted under equity method'. As per Ind AS 28 - 'Investments in Associates and Joint Ventures', the said reclassification is required from the date of classification to 'Assets held for sale' and hence, comparative figures have been restated. The Group has recognized its share of profit from date of classification to 1st April, 2018 in Other Equity and profit from 1st April, 2018 to 31st March, 2019 in Statement of profit or loss and other comprehensive income for the year ended 31st March, 2019. Dividend received from Tata Projects Ltd. in the previous year has been reversed and adjusted in the carrying value of investment.
- The Group hitherto followed a practice of presenting loans given to joint venture and Group's share of provision for losses of such joint venture separately in the balance sheet. During the year, the Group has reassessed its policy for such presentation and has now netted off the provision of losses with the loan given to joint venture. There is no impact in the Other Equity and Profit/ (Loss) on account of such change in presentation.
- Refer Note 3.15
- Refer Note 3.14
- There is no significant impact on the Cash flows of the Group for the year ended 31st March, 2019.
- As required by Ind AS 1 – Presentation of Financial Statements, the Group has presented Balance Sheet as at 1st April, 2018 for retrospective application of changes in accounting policies. The Group has given a detailed note for changes in accounting policies and has disclosed the impact on the financial statements in the above notes and accordingly, accompanying notes to Balance Sheet as at 1st April, 2018 has not been disclosed in the Consolidated Ind AS financial statements.

## 45. Impact of COVID-19

India and other global markets experienced significant disruption in operations resulting from uncertainty caused by the worldwide coronavirus pandemic. Majority of Group's business includes generation, transmission and distribution of power. The Group also has investments in joint ventures and associates involved in coal mining and providing Engineering, Procurement & Construction services ('EPC'). Considering power supply being an essential service, management believes that there is not much of an impact likely due to this pandemic except that there exists some uncertainty over impact of COVID-19 on future business performance of its coal mining companies and its EPC operations. Management believes that the said uncertainty is not likely to impact the recoverability of the carrying value its investment in such joint ventures and associate. The Group is also closely monitoring developments, its operations, liquidity and capital resources and is actively working to minimize the impact of this unprecedented situation.

Further, some generating units of the Group has received notices primarily from state distribution companies (together referred to as Discoms) invoking the provisions of Force Majeure provided in the Power Purchase Agreement (PPA) and notifying the event of lockdown as a force majeure event. Discoms have claimed that no cause of action for breach or liability should arise on account of impossible performance of PPA as a consequence of Force Majeure and also claimed that no Late Payment Surcharge for payments which become delayed beyond due date of bill shall be payable. The Group has replied to these notices rejecting the claims made by Discoms relying upon the order of Central Electricity Regulatory Commission dated 3rd April, 2020 clarification issued by Ministry of Power dated 6th April, 2020 and Ministry of New and Renewable Energy circular dated 4th April, 2020. The Group has not received any response to its replies from Discoms. Management believes there is no merit to the claims made by Discoms and accordingly no impact has been given in the financial statements.

## 46. Approval of Consolidated Financial Statements

The Consolidated financial statements were approved for issue by the Board of Directors on 19th May, 2020.

As per our report of even date

**For SRBC & CO LLP**

**Chartered Accountants**

ICAI Firm Registration No.324982E/E300003

**per ABHISHEK AGARWAL**

**Partner**

Membership No. 112773

Mumbai, 19th May, 2020

For and on behalf of the Board,

**PRAVEER SINHA**

**CEO & Managing Director**

DIN 01785164

**RAMESH SUBRAMANYAM**

**Chief Financial Officer**

Mumbai, 19th May, 2020

**BANMALI AGRAWALA**

**Director**

DIN 00120029

**H. M. MISTRY**

**Company Secretary**

**FORM AOC-I**  
**Statement containing salient features of the financial statement of Subsidiaries/ Associate Companies/Joint Ventures**  
**Part 'A': Subsidiaries**

SN	Name of the Subsidiary	Date of acquiring subsidiary	Reporting period for the subsidiary concerned	Reporting currency	Exchange Rate as at 31st March, 2020	Share capital (Incl. Pref. shares and Perpetual Securities)	Other Equity (Incl. Non-controlling Interest)	Total Assets (Excl. S. & Reserves)	Total Liabilities (Excl. S. & Reserves)	Net Assets	Investments	Turn-over <sup>14</sup>	Other Income	Total Income	Profit/ (Loss) before taxation	Provision for taxation (Incl. Deferred tax)	Profit/ (Loss) after taxation	Proposed Dividend on Equity Shares (%)	% of share-holding on Equity Shares	
																				(₹ crore)
1	NELCO Ltd. (Consolidated) <sup>1</sup>	31-Dec-05	31-Mar-20	Indian Rupee	1.00	22.82	43.07	280.07	214.18	65.89	0.16	219.93	3.76	223.69	20.26	5.88	14.38	Nil	Nil	50.04
2	Af-Taab Investment Co. Ltd.	27-Nov-00	31-Mar-20	Indian Rupee	1.00	10.73	252.88	265.99	2.38	263.61	262.75	12.01	0.31	12.32	11.68	1.21	10.47	Nil	Nil	100.00
3	Tata Power Trading Co. Ltd.	31-Dec-03	31-Mar-20	Indian Rupee	1.00	16.00	216.51	710.23	441.02	269.21	Nil	247.94	3.94	251.88	50.19	9.49	40.71	Nil	Nil	100.00
4	Maitihon Power Ltd.	02-Sep-05	31-Mar-20	Indian Rupee	1.00	1,508.92	559.51	4,601.45	2,533.02	2,068.43	166.33	2,741.17	28.33	2,769.50	456.66	118.84	337.82	Nil	Nil	74.00
5	Coastal Gujarat Power Ltd.	22-Apr-07	31-Mar-20	Indian Rupee	1.00	15,036.30 (11,004.17)	18,511.51	14,479.38	4,032.13	Nil	7,016.87	0.75	1,684.01	1,684.76	1,536.16	173.29	1,362.87	Nil	Nil	100.00
6	Bhira Investments Ltd. <sup>13</sup>	22-Jun-07	31-Mar-20	US Dollar	75.54	4.10	2,030.37	5,724.40	3,689.93	2,034.47	4,286.71	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	100.00
7	Bhivpuri Investments Ltd. <sup>13</sup>	22-Jun-07	31-Mar-20	US Dollar	75.54	4.08	925.35	3,265.90	2,336.48	929.42	3,265.86	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	100.00
8	Khopoli Investments Ltd. <sup>13</sup>	17-May-07	31-Mar-20	US Dollar	75.54	255.20	599.09	2,570.88	1,716.59	854.29	Nil	Nil	506.26	506.26	405.10	10.04	395.06	Nil	Nil	100.00
9	Trust Energy Resources Pte. Ltd. <sup>13</sup>	11-Mar-08	31-Mar-20	US Dollar	75.54	604.47	945.95	3,555.78	2,005.36	1,550.42	33.06	1,086.11	4.33	1,090.44	196.29	11.43	184.85	Nil	Nil	100.00
10	Tata Power Delhi Distribution Ltd.	22-Jan-08	31-Mar-20	Indian Rupee	1.00	552.00	2,921.12	10,740.54	7,267.42	3,473.12	85.05	7,887.95	105.31	7,993.26	646.07	231.92	414.14	Nil	Nil	51.00
11	Tata Power Jamshedpur Distribution Ltd.	06-Nov-12	31-Mar-20	Indian Rupee	1.00	8.05	(9.37)	1.25	2.57	(1.32)	Nil	Nil	Nil	Nil	(0.01)	Nil	(0.01)	Nil	Nil	100.00
12	TP Renewable Microgrid Ltd	28-Mar-07	31-Mar-20	Indian Rupee	1.00	0.11	(3.17)	8.73	11.79	(3.06)	Nil	Nil	Nil	Nil	(3.14)	(0.03)	(3.11)	Nil	Nil	100.00
13	Tata Power Renewable Energy Ltd.	28-Mar-07	31-Mar-20	Indian Rupee	1.00	4,940.11	90.56	11,444.92	6,414.25	5,030.67	3,922.11	917.46	36.55	954.01	2.06	49.24	(47.18)	Nil	Nil	100.00
14	TP Kimali Ltd.	19-Feb-20	31-Mar-20	Indian Rupee	1.00	Nil	Nil	0.05	0.68	(0.63)	Nil	Nil	Nil	Nil	(0.68)	Nil	(0.68)	Nil	Nil	100.00
15	TP Solapur Ltd.	26-Feb-20	31-Mar-20	Indian Rupee	1.00	Nil	Nil	0.05	0.20	(0.15)	Nil	Nil	Nil	Nil	(0.20)	Nil	(0.20)	Nil	Nil	100.00
16	Tata Power Solar Systems Ltd.	28-Jun-12	31-Mar-20	Indian Rupee	1.00	229.78	462.02	1,999.42	1,307.63	691.79	37.21	2,140.70	25.40	2,166.10	156.95	34.27	122.68	Nil	Nil	100.00
17	Tata Power International Pte. Ltd. <sup>13</sup>	05-Apr-13	31-Mar-20	US Dollar	75.54	559.57	(479.05)	1,319.44	1,238.93	80.51	1,175.57	93.60	263.18	356.78	59.82	4.19	55.63	Nil	Nil	100.00
18	NDPL Infra Ltd.	23-Aug-11	31-Mar-20	Indian Rupee	1.00	0.05	23.90	24.51	0.56	23.95	9.87	4.81	1.50	6.31	3.59	0.89	2.70	Nil	Nil	51.00
19	Tata Power Green Energy Ltd.	05-Jan-11	31-Mar-20	Indian Rupee	1.00	0.05	(0.11)	0.01	0.07	(0.06)	Nil	Nil	Nil	Nil	(0.01)	Nil	(0.01)	Nil	Nil	100.00
20	PT Sumber Energi Andalan Tbk (consolidated upto 31st March, 2017 thereafter held for sale) <sup>12, 13 &amp; 5</sup>	26-Aug-09	31-Mar-17	US Dollar	75.54	26.37	(15.76)	12.69	2.08	10.61	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	92.50
21	Supa Windfarm Ltd.	10-Dec-15	31-Mar-20	Indian Rupee	1.00	0.05	(0.06)	0.03	0.04	(0.01)	Nil	Nil	Nil	Nil	*	Nil	*	Nil	Nil	100.00
22	Nivade Windfarm Ltd.	17-Dec-15	31-Mar-20	Indian Rupee	1.00	0.05	(0.06)	0.03	0.04	(0.01)	Nil	Nil	Nil	Nil	*	Nil	*	Nil	Nil	100.00
23	Poolawadi Windfarm Ltd.	09-Jan-16	31-Mar-20	Indian Rupee	1.00	77.21	(0.84)	2,64.89	188.51	76.38	Nil	Nil	Nil	Nil	(0.82)	Nil	(0.82)	Nil	Nil	74.00
24	TCL Ceramics Ltd. (consolidated upto 31st December, 2017 thereafter held for sale) <sup>12</sup>	28-May-15	31-Dec-17	Indian Rupee	1.00	19.52	(32.36)	26.23	39.07	(12.84)	0.07	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	57.07
25	Indo Rama Renewables Jath Ltd.	19-May-16	31-Mar-20	Indian Rupee	1.00	60.30	4.50	143.91	79.12	64.79	0.04	37.80	0.23	38.03	9.94	4.73	5.21	Nil	Nil	100.00
26	Walihwan Renewable Energy Ltd. (Consolidated) <sup>2</sup>	14-Sep-16	31-Mar-20	Indian Rupee	1.00	611.36	1,688.93	7,823.71	5,523.42	2,300.29	173.05	1,202.66	21.81	1,224.47	350.29	167.53	182.76	Nil	Nil	100.00
27	Vagarai Windfarm Ltd.	27-Feb-17	31-Mar-20	Indian Rupee	1.00	0.53	(22.31)	105.26	127.05	(21.79)	Nil	19.71	0.31	20.02	(8.48)	Nil	(8.48)	Nil	Nil	72.00
28	TP Ajmer Distribution Ltd.	01-Jul-17	31-Mar-20	Indian Rupee	1.00	10.00	(2.55)	199.90	192.45	7.45	Nil	401.44	5.10	406.54	1.01	Nil	1.01	Nil	Nil	100.00
29	Chirasthaye Saurya Ltd.	14-Jun-16	31-Mar-20	Indian Rupee	1.00	1.00	0.42	354.92	353.50	1.42	Nil	56.94	0.09	57.03	9.01	0.21	8.80	Nil	Nil	100.00
30	Far Eastern Natural Resources Ltd. <sup>12, 13</sup>	17-Aug-17	31-Mar-20	Russian Rubel	0.96	*	(18.38)	50.02	68.39	(18.37)	Nil	Nil	12.89	12.89	(16.14)	(2.51)	(13.63)	Nil	Nil	100.00

## Statement containing salient features of the financial statement of Subsidiaries/ Associate Companies/Joint Ventures Part "B": Associates and Joint Ventures

Sl#	Name of the Associate/Joint Venture Company	Date of acquiring Associate/Joint Venture	Latest audited Balance Sheet Date	Reporting currency	Exchange Rate as at 31st March, 2020	Shares of Associate/Joint Venture in company held by the company on the year end (No.)	Amount of Investment in Associate/Joint Venture	Extent of Holding %	Description of how there is significant influence	Associate/Joint Venture company is not considered	Reason why	Net worth attributable to Shareholding latest audited Balance Sheet	Profit/ (Loss) after tax	Considered in Consolidation	Not considered in Consolidation
<b>Joint Ventures</b>															
1	PT Mitratama Perkasa consolidated (upto 30th September, 2016 thereafter held for sale) (Consolidated) <sup>4, 13 &amp; 5</sup>	16-Aug-12	30-Sep-16	USDollar	75.54	7,500	1.90	28.38%	Note 10	-	-	889.52	Nil	Nil	-
2	PT Arutmin Indonesia (consolidated upto 31st March, 2014 thereafter held for sale) <sup>13 &amp; 5</sup>	26-Jun-07	31-Mar-14	US Dollar	75.54	3,000	652.15	30%	Note 10	-	-	770.87	Nil	Nil	-
3	PT Kaltim Prima Coal <sup>13</sup>	26-Jun-07	31-Mar-20	US Dollar	75.54	123,540	4,357.21	30%	Note 10	-	-	264.19	1205.85	361.76	-
4	Indocoal Resources (Cayman) Ltd. <sup>12 &amp; 13</sup>	26-Jun-07	31-Mar-20	US Dollar	75.54	300	3,794.31	30%	Note 10	-	-	779.96	43.41	13.02	-
5	PT Indocoal Kalsel Resources (consolidated upto 31st March, 2014 thereafter held for sale) <sup>12, 13 &amp; 5</sup>	26-Jun-07	31-Mar-14	IDR Rupaiya	0.005	60,000	0.20	30%	Note 10	-	-	(0.03)	Nil	Nil	-
6	PT Indocoal Kaltim Resources <sup>12 &amp; 13</sup>	26-Jun-07	31-Mar-20	IDR Rupaiya	0.005	82,380	0.32	30%	Note 10	-	-	0.02	(0.05)	(0.01)	-
7	Powerlinks Transmission Ltd.	07-Jul-03	31-Mar-20	Indian Rupee	1.00	23,86,80,000	484.43	51%	Note 10	-	-	484.45	121.14	61.78	-
8	Industrial Energy Ltd.	23-Feb-07	31-Mar-20	Indian Rupee	1.00	492,840,000	617.54	74%	Note 10	-	-	617.54	148.52	109.90	-
9	Dugar Hydro Power Ltd.	21-Apr-11	31-Mar-20	Indian Rupee	1.00	43,250,002	23.55	50%	Note 10	-	-	23.87	(0.22)	(0.11)	-
10	Tubeid Coal Mines Ltd. <sup>12</sup>	20-Nov-07	31-Mar-20	Indian Rupee	1.00	10,197,800	10.20	40%	Note 10	-	-	Nil	Nil	Nil	-
11	Mandakini Coal Company Ltd. <sup>12</sup>	18-Jul-08	31-Mar-20	Indian Rupee	1.00	39,300,000	39.30	33.33%	Note 10	-	-	22.62	Nil	Nil	-
12	Solace Land Holding Ltd. <sup>12</sup>	12-Sep-12	31-Mar-20	Indian Rupee	1.00	766,667	0.77	33.33%	Note 10	-	-	Nil	Nil	Nil	-
13	Candice Investments Pte. Ltd. <sup>13</sup>	28-Oct-10	31-Mar-20	US Dollar	75.54	3	28.86	30%	Note 10	-	-	59.74	25.76	7.73	-
14	PT Nusa Tambang Pratama <sup>13</sup>	28-Oct-10	31-Mar-20	US Dollar	75.54	18,000	1,521.47	30%	Note 10	-	-	1522.52	639.04	191.71	-
15	PT Marvel Capital Indonesia <sup>12 &amp; 13</sup>	28-Oct-10	31-Mar-20	US Dollar	75.54	107,459	*	30%	Note 10	-	-	0.18	(0.07)	(0.02)	-
16	PT Dwikarya Prima Abadi <sup>12 &amp; 13</sup>	28-Oct-10	31-Mar-20	US Dollar	75.54	10,769	284.89	30%	Note 10	-	-	285.13	26.91	8.07	-
17	PT Kallimantan Prima Power (Consolidated) <sup>5 &amp; 13</sup>	01-Jan-11	31-Mar-20	US Dollar	75.54	7,500	204.91	30%	Note 10	-	-	226.08	19.63	5.89	-
18	PT Baraamulti Sukessarana Tbk (Consolidated) <sup>6 &amp; 13</sup>	09-Nov-12	31-Mar-20	US Dollar	75.54	680,290,000	1,346.74	26%	Note 10	-	-	355.50	273.09	71.00	-
19	Adjanistsqali Netherlands BV (Consolidated) <sup>7 &amp; 13</sup>	09-May-13	31-Mar-20	Euro	82.78	16,459	265.88	40%	Note 10	-	-	298.72	(425.81)	(170.32)	-
20	Indocoal RPC Resources (Cayman) Ltd <sup>12 &amp; 13</sup>	02-Jul-14	31-Mar-20	US Dollar	75.54	300	0.90	30%	Note 10	-	-	0.90	(0.21)	(0.06)	-
21	Koromkheti Netherlands BV (Consolidated) <sup>8, 12 &amp; 13</sup>	09-May-14	31-Mar-20	Euro	82.78	500	*	40%	Note 10	-	-	(8.59)	Nil	Nil	-
22	Tezhi Tezhi Power Corporation Ltd. (Consolidated upto 31st March, 2020 thereafter held for sale) <sup>13 &amp; 5</sup>	29-Apr-15	31-Mar-20	US Dollar	75.54	452,500	*	50%	Note 10	-	-	407.82	Nil	Nil	-
23	Resurgent Power Ventures Pte. Ltd. <sup>12</sup>	19-May-16	31-Mar-20	US Dollar	75.54	14,736	353.00	26%	Note 10	-	-	353.79	(68.10)	(1771)	-
24	LITH Milcom Private Ltd. <sup>12 &amp; 5</sup>	17-Aug-15	31-Mar-17	Indian Rupee	1.00	66,660	0.07	33.33%	Note 10	-	-	*	*	*	*

**Statement containing salient features of the financial statement of Subsidiaries/ Associate Companies/Joint Ventures**  
**Part "B": Associates and Joint Ventures (Contd.)**

SN	Name of the Associate/Joint Venture Company	Date of acquiring Associate/Joint Venture	Latest audited Balance Sheet Date	Reporting Exchange currency	Exchange Rate as at 31st March, 2020	Shares of Associate/Joint Venture held by the company on the year end (No.)	Amount of Investment in Associate/Joint Venture by the companies	Extent of Holding %	Description of how there is significant influence	Associate/Joint Venture company is not considered	Reason why company is not considered	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit/ (Loss) after tax	Not considered in Consolidation
<b>Associates</b>														
1	Tata Projects Ltd.	27-Nov-00	31-Mar-20	Indian Rupee	1.00	967,500	642.20	47.78%	Note 11	-	-	625.11	108.50	51.84
2	Yashmun Engineers Ltd. <sup>12</sup>	27-Nov-00	31-Mar-20	Indian Rupee	1.00	19,200	4.28	27.27%	Note 11	-	-	2.23	(3.78)	(1.03)
3	Dagachhu Hydro Power corporation Ltd.	19-Jan-09	31-Mar-20	Bhutan Nu	1.00	1,074,320	80.47	26.00%	Note 11	-	-	80.50	(42.58)	(11.07)
4	The Associated Building Co. Ltd. <sup>12</sup>	27-Nov-00	31-Mar-20	Indian Rupee	1.00	1,825	3.30	33.14%	Note 11	-	-	3.30	9.45	3.13
5	Brihat Trading Pvt. Ltd. <sup>12</sup>	22-Feb-05	31-Mar-20	Indian Rupee	1.00	3,350	0.01	33.21%	Note 11	Not material to the group	-	(0.01)	Nil	Nil

**Notes:**

- Accounts of Tatanet Services Ltd. have been consolidated with Nelco Ltd.
  - Accounts of all subsidiaries of Walihwan Renewable Energy Ltd. have been consolidated with Walihwan Renewable Energy Ltd.
  - Accounts of Amakhala Emoyeni RE Project 1 (Pty) Ltd. and Tsitsikamma Community Wind Farm (Pty) Ltd. have been consolidated with Cennergi Pty. Ltd.
  - Accounts of PT Mitratama Usaha have been consolidated with PT Mitratama Perkasa.
  - Accounts of PT Citra Prima Buana, PT Guruh Agung and PT Citra Kusuma Perdana have been consolidated with PT Kalimantan Prima Power.
  - Accounts of PT Antang Gunung Meratus have been consolidated with PT Baramulti Suksesarana Tbk.
  - Accounts of Adjaristsqali Georgia LLC have been consolidated with Adjaristsqali Netherlands BV.
  - Accounts of Koromkheti Georgia LLC have been consolidated with Koromkheti Netherlands BV.
  - Accounts of Resurgent Power Ventures Pte. Ltd. have been consolidated with Renascent Power Ventures Pvt. Ltd
  - There is significant influence due to shareholding and joint control over the economic activities.
  - There is significant influence due to shareholding.
  - Based on Management Accounts for FY 2019-20.
  - Figures of foreign subsidiaries and joint ventures are as per their accounts prepared under the respective GAAP, converted to Ind AS.
  - Turnover includes rate regulatory income/(expense).
- § Denotes held for Sale.
- Figures below ₹ 50,000 are denoted by "₹\*\*".

For and on behalf of the Board,

**BANMALI AGRAWALA**  
Director  
DIN: 00120029

**PRAVEER SINHA**  
CEO & Managing Director  
DIN: 01785164

**H. M. MISTRY**  
Company Secretary

**RAMESH SUBRAMANYAM**  
Chief Financial Officer

Mumbai, 19th May, 2020.

# Notice

**NOTICE IS HEREBY GIVEN THAT THE ONE HUNDRED AND FIRST ANNUAL GENERAL MEETING OF THE TATA POWER COMPANY LIMITED** will be held on Thursday, the 30th day of July 2020 at 3 p.m. (IST) through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”), to transact the following business:-

## Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2020, together with the Reports of the Board of Directors and the Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2020, together with the Report of the Auditors thereon.
3. To declare a dividend on Equity Shares for the financial year ended 31st March 2020.
4. To appoint a Director in place of Mr. Hemant Bhargava (DIN:01922717), who retires by rotation and, being eligible, offers himself for re-appointment.

## Special Business:

5. **Issuance of Equity Shares to Tata Sons Private Limited, Promoter of the Company, on a Preferential Basis**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:-

“RESOLVED that pursuant to the provisions of Sections 23(1)(b), 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”), the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the “SEBI ICDR Regulations”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI Listing Regulations”), as amended from time to time, the listing agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited (together, the “Stock Exchanges”) on which the equity shares of the Company having face value of ₹ 1 each (“Equity Shares”) are listed, and subject to any other rules, regulations, guidelines, notifications, circulars and clarifications issued thereunder from time to time by the Ministry of Corporate Affairs, the Securities and Exchange Board of India (“SEBI”) and/or any other competent authorities (hereinafter

referred to as “Applicable Regulatory Authorities”) from time to time to the extent applicable and the enabling provisions of the Memorandum of Association and Articles of Association of the Company, and subject to such approvals, consents and permissions as may be necessary or required and subject to such conditions as may be imposed or prescribed while granting such approvals, consents and permissions, which the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to mean and include one or more committee(s) constituted by the Board to exercise its powers including the powers conferred by this Resolution), is hereby authorised to accept, the consent and approval of the Members of the Company (“Members”) be and is hereby accorded to the Board to create, issue, offer and allot upto 49,05,66,037 Equity Shares at a price of ₹ 53/- per Equity Share, aggregating to ₹ 2,600 crore (Rupees Two thousand six hundred crore only), to Tata Sons Private Limited (“Tata Sons”), the Promoter of the Company, for cash consideration on a preferential basis (“Preferential Issue”), and on such terms and conditions as may be determined by the Board in accordance with the SEBI ICDR Regulations and other applicable laws.

RESOLVED FURTHER that in terms of the provisions of Chapter V of the SEBI ICDR Regulations, the relevant date for determining the floor price for the Preferential Issue of the Equity Shares is 30th June 2020, being the date 30 days prior to the date of this Annual General Meeting (“Relevant Date”).

RESOLVED FURTHER that without prejudice to the generality of the above Resolution, the issue of the Equity Shares to Tata Sons under the Preferential Issue shall be subject to the following terms and conditions apart from others as prescribed under applicable laws:

- a) The Equity Shares to be issued and allotted shall be fully paid up and rank *pari passu* with the existing Equity Shares of the Company in all respects (including with respect to dividend and voting powers) from the date of allotment thereof, be subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company.
- b) The Equity Shares to be allotted shall be locked-in for such period as specified in the provisions of Chapter V of the SEBI ICDR Regulations and will be listed on the Stock Exchanges subject to receipt of necessary regulatory permissions and approvals.
- c) The Equity Shares shall be allotted in dematerialised form within a period of fifteen (15) days from the date of passing of the special resolution by the Members, provided that where the allotment of

## Notice

Equity Shares is subject to receipt of any approval or permission from Applicable Regulatory Authorities, the allotment shall be completed within a period of fifteen (15) days from the date of receipt of last of such approvals or permissions.

RESOLVED FURTHER that the Board be and is hereby authorized to accept any modification(s) in the terms of issue of Equity Shares, subject to the provisions of the Act and the SEBI ICDR Regulations, without being required to seek any further consent or approval of the Members.

RESOLVED FURTHER that for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Preferential Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Members and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Equity Shares and listing thereof with the Stock Exchanges as appropriate and utilisation of proceeds of the Preferential Issue, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER that the Board be and is hereby authorized to delegate all or any of the powers herein conferred, as it may deem fit in its absolute direction, to any committee of the Board or any one or more Director(s)/ Company Secretary/any Officer(s) of the Company to give effect to the aforesaid resolution."

### 6. Appointment of Branch Auditors

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

"RESOLVED that pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Board of Directors (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including

the powers conferred by this Resolution) be and is hereby authorised to appoint as Branch Auditor(s) of any Branch Office of the Company, whether existing or which may be opened/acquired hereafter, outside India, in consultation with the Company's Auditors, any persons, qualified to act as Branch Auditors within the provisions of Section 143(8) of the Act and to fix their remuneration.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all acts, matters, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this Resolution".

### 7. Ratification of Cost Auditor's Remuneration

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

"RESOLVED that pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹ 6,50,000 (Rupees Six lakh fifty thousand) plus applicable taxes, travel and actual out-of-pocket expenses incurred in connection with the audit, payable to M/s. Sanjay Gupta and Associates, (Firm Registration No. 000212), who are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the financial year 2020-21.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all acts, matters, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

### NOTES:

1. In view of the global outbreak of COVID-19, the Ministry of Corporate Affairs (MCA), Government of India, has vide its General Circular No. 14/ 2020 dated 8th April 2020, General Circular No. 17/ 2020 dated 13th April 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19" and General Circular No. 20/ 2020 dated 5th May 2020, in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020, in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements)

*Regulations 2015 - Covid-19 pandemic* ("SEBI Circular") have permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Companies Act, 2013 (the "Act") (including any statutory modification or re-enactment thereof for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (the "Rules"), as amended from time to time, read with the MCA Circulars, SEBI Circular and pursuant to Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the Annual General Meeting ("AGM") of the Company is scheduled to be held on Thursday, 30th July 2020, at 3 p.m. (IST) through VC/OAVM and the voting for items to be transacted in the Notice to this AGM only through remote electronic voting process ("e-Voting").

2. As per the provisions of Clause 3.A.II. of the General Circular No. 20/ 2020 dated 5th May 2020, the matters of Special Business as appearing at Item Nos. 5 to 7 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.
3. The relative Explanatory Statement pursuant to Section 102 of the Act, in regard to the business as set out in Item Nos. 5 to 7 above and the relevant details of the Director seeking re-appointment as set out in Item No.4 above as required under Regulation 26(4) and 36(3) of the Listing Regulations and under Secretarial Standard - 2 on General Meetings issued by The Institute of Company Secretaries of India, is annexed hereto as **Annexure - A**.
4. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULAR, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**
5. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Corporate Members intending to appoint their authorized representatives to attend the AGM through VC or OAVM and to vote thereat through remote e-Voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at [cs@parikhassociates.com](mailto:cs@parikhassociates.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [investorcomplaints@tatapower.com](mailto:investorcomplaints@tatapower.com).
6. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on National Securities Depository Limited's ("NSDL") e-Voting website at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The facility of participation at the AGM through VC/OAVM will be made available to atleast 1,000 Members on a first come first served basis as per the MCA Circulars.
9. Further, due to non-availability of postal and courier services, on account of the threat posed by COVID-19 and in terms of the MCA Circulars and the SEBI Circular, the Company is sending this AGM Notice along with the Annual Report for FY20 in electronic form only to those Members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the AGM and the Annual Report for FY20 has been uploaded on the website of the Company at [www.tatapower.com](http://www.tatapower.com) and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively. The AGM Notice is also available on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
10. **The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 16th July 2020 to Thursday, 30th July 2020, both days inclusive.** If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend, subject to deduction of tax at source ("TDS"), will be made on or after Monday, 3rd August 2020, as under:
  - i) To all Beneficial Owners in respect of shares held in electronic form as per the data as may be made available by NSDL and Central Depository Services (India) Limited ("CDSL") (both collectively referred to as "Depositories") as of the close of business hours on Wednesday, 15th July 2020;

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- ii) To all Members in respect of shares held in physical form after giving effect to valid transmission and transposition requests lodged with the Company on or before the close of business hours on Wednesday, 15th July 2020.
11. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. 1st April 2020 and the Company is required to deduct TDS from dividend paid to the Members at rates prescribed in the Income-tax Act, 1961 (the "IT Act"). In general, to enable compliance with TDS requirements, Members were requested, vide the Company's e-mail communication dated 11th June 2020, to complete and/or update their Residential Status, Permanent Account Number ("PAN"), Category as per the IT Act with their Depository Participants ("DPs") or in case shares are held in physical form, with the Company by sending documents through e-mail by 25th June 2020.
12. Further, in order to receive the dividend in a timely manner, Members holding shares in physical form, who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service ("ECS") or any other means, are requested to send hard copies of the following details/documents to the Company's Registrar and Share Transfer Agent ("RTA"), viz. TSR Darashaw Consultants Private Limited ("TSR"), (formerly known as TSR Darashaw Limited) at 6-10, Haji Moosa Patrawala Industrial Estate (Near Famous Studio), 20, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011, latest by 15th July 2020:
  - a) a signed request letter mentioning your Name, Folio Number, complete address and following details relating to Bank Account in which the dividend is to be received:
    - i) Name and Branch of Bank and Bank Account type;
    - ii) Bank Account Number and type allotted by your bank after implementation of Core Banking Solutions; and
    - iii) 11 digit IFSC Code.
  - b) Self-attested copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;
  - c) Self-attested copy of the PAN Card; and
  - d) Self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.
13. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/deletion in such bank details. Further, instructions, if any, already given by them in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form. Members may, therefore, give instructions to their DP regarding bank accounts in which they wish to receive dividend.
14. For Members who are unable to receive the dividend directly in their bank accounts through ECS or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/Bankers' cheque/demand draft to such Members upon normalisation of the postal services.
15. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from 1st April 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form.
16. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination and power of attorney, Bank Mandate details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form.
17. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
18. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members, who have not yet registered their nomination, are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website [www.tatapower.com](http://www.tatapower.com) (under 'Investor Relations' section). Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form.

19. The format of the Register of Members prescribed by the MCA under the Act, requires the Company/RTA to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividend etc. A form for capturing additional details is available on the Company's website [www.tatapower.com](http://www.tatapower.com) (under 'Investor Relations' section). Members holding shares in physical form are requested to submit the filled in form to the Company or RTA in physical mode, after restoration of normalcy or in electronic mode to [csg-unit@tsrdarashaw.com](mailto:csg-unit@tsrdarashaw.com), as per instructions mentioned in the form. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or RTA.
20. Members holding shares in physical form, in identical order of names, in more than one folio, are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
21. Members are requested to note that dividends, if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, the shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members/Claimants are requested to claim their dividends from the Company within the stipulated timeline. Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in e-Form/web form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in). Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules. For details, please refer to Report on Corporate Governance, which is a part of this Annual Report.
22. Members desiring inspection of statutory registers during the AGM may send their request in writing to the Company at [investorcomplaints@tatapower.com](mailto:investorcomplaints@tatapower.com).
23. Members who wish to inspect the relevant documents referred to in the Notice can send an e-mail to [investorcomplaints@tatapower.com](mailto:investorcomplaints@tatapower.com) up to the date of the AGM.
24. This AGM Notice is being sent by e-mail only to those eligible Members who have already registered their e-mail address with the Depositories/the DP/the Company's RTA/the Company or who will register their e-mail address with TSR, on or before 5:00 p.m. (IST) on Wednesday, 22nd July 2020.
25. To facilitate Members to receive this Notice electronically and cast their vote electronically, the Company has made special arrangement with TSR for registration of e-mail addresses in terms of the MCA Circulars. Eligible Members who have not submitted their e-mail address to TSR, are required to provide their e-mail address to the RTA, on or before 5:00 p.m. (IST) on Wednesday, 22nd July 2020 pursuant to which, any Member may receive on the e-mail address provided by the Member the Annual Report for FY20 and the procedure for remote e-Voting along with the login ID and password for remote e-Voting. The process for registration of e-mail address is as under:
  - I. **For Members who hold shares in Electronic form:**
    - a) Visit the link <https://green.tsrdarashaw.com/green/events/login/po>
    - b) Enter the DP ID & Client ID, PAN details and captcha code.
    - c) System will verify the Client ID and PAN details.
    - d) On successful verification, system will allow you to enter your e-mail address and mobile number.
    - e) Enter your e-mail address and mobile number.
    - f) The system will then confirm the e-mail address for the limited purpose of service of the Annual Report for FY20.
  - II. **For Members who hold shares in Physical form:**
    - a) Visit the link <https://green.tsrdarashaw.com/green/events/login/po>
    - b) Enter the physical Folio Number, PAN details and captcha code.
    - c) In the event the PAN details are not available on record, Member to enter one of the share certificate's number.
    - d) System will verify the Folio Number and PAN details or the share certificate number.
    - e) On successful verification, system will allow you to enter your e-mail address and mobile number.
    - f) Enter your e-mail address and mobile number.
    - g) If PAN details are not available, the system will prompt the Member to upload a self-attested copy of the PAN card.

## Notice

- h) The system will then confirm the e-mail address for the limited purpose of service of the Annual Report for FY20.
26. After successful submission of the e-mail address, NSDL will e-mail a copy of the Annual Report for FY20 along with the remote e-Voting user ID and password, within 48 hours of successful registration of the e-mail address by the Member. In case of any queries, Members may write to [csq-unit@tsrdarashaw.com](mailto:csq-unit@tsrdarashaw.com) or [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
27. For permanent registration of their e-mail address, Members are requested to register their e-mail address, in respect of electronic holdings, with their concerned DP and in respect of physical holdings, with the RTA.
28. Those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated with their DP/TSR to enable servicing of notices/documents/Annual Reports and other communications electronically to their e-mail address in future.
29. Process and manner for Members opting for e-Voting is, as under:-
- I. In compliance with the provisions of Sections 108 and other applicable provisions of the Act, read with Rule 20 of the Rules and Regulation 44 of the Listing Regulations, the Company is offering only e-Voting facility to all the Members of the Company and the business will be transacted only through the electronic voting system. The Company has engaged the services of NSDL for facilitating e-Voting to enable the Members to cast their votes electronically as well as for e-Voting during the AGM. Resolution(s) passed by Members through e-Voting is/are deemed to have been passed as if it/they have been passed at the AGM.
  - II. Members are provided with the facility for voting through Voting system during the VC/OAVM proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, are eligible to exercise their right to vote at the AGM.
  - III. Members who have already cast their vote by remote e-Voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolution(s) for which the Member has already cast the vote through remote e-Voting.
- IV. **Members of the Company holding shares either in physical form or electronic form as on the cut-off date of Thursday, 23rd July 2020, may cast their vote by remote e-Voting. The remote e-Voting period commences on Monday, 27th July 2020 at 9:00 a.m. (IST) and ends on Wednesday, 29th July 2020 at 5:00 p.m. (IST). The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.**
- V. The instructions for Members attending the AGM through VC/OAVM are as under:
- A. The Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system and they may access the same at <https://www.evoting.nsdl.com> under the Shareholders/Members login by using the remote e-Voting credentials, where the EVEN of the Company will be displayed. On clicking this link, the Members will be able to attend and participate in the proceedings of the AGM through a live webcast of the meeting and submit votes on announcement by the Chairman. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush. Further, Members may also use the OTP based login for logging into the e-Voting system of NSDL.
  - B. **Members may join the AGM through laptops, smartphones, tablets and iPads for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is, therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.**
  - C. Members are encouraged to submit their questions in advance with regard to the

financial statements or any other matter to be placed at the AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's e-mail address at [investorcomplaints@tatapower.com](mailto:investorcomplaints@tatapower.com) before 3.00 p.m. (IST) on Monday, 27th July 2020. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.

- D. Members who would like to express their views/ask questions as a Speaker at the AGM may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/ folio number, PAN and mobile number to [investorcomplaints@tatapower.com](mailto:investorcomplaints@tatapower.com) between Friday, 24th July 2020 (9:00 a.m. IST) and Monday, 27th July 2020 (5:00 p.m. IST). Only those Members who have pre-registered themselves as speakers will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- E. Members who need assistance before or during the AGM, can contact NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call on toll free no.:1800-222-990 or contact Mr. Amit Vishal, Senior Manager - NSDL at [amitv@nsdl.co.in](mailto:amitv@nsdl.co.in) or call on +91 22 24994360/+91 9920264780.

VI. The instructions for Members for e-Voting are as under:

*The way to vote electronically on NSDL e-Voting system consists of 'Two Steps' which are mentioned below:*

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**How to Log-in to NSDL e-Voting website?**

- A. Visit the e-Voting website of NSDL. Open web browser by typing the following: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- B. Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholders' section.

- C. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

- D. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
i) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
ii) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
iii) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company.  For example if Folio Number is 001*** and EVEN is 101456 then user ID is 101456001***

## Notice

- E. Your password details are given below:
- i) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - ii) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will compel you to change your password.
  - iii) How to retrieve your 'initial password'?
- If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit Client ID for NSDL account, last 8 digits of Client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- F. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:
- i) Click on 'Forgot User Details/Password?' (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - ii) 'Physical User Reset Password?' (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - iii) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
- G. After entering your password, tick on Agree to 'Terms and Conditions' by selecting on the check box.
- H. Now, you will have to click on 'Login' button.
- I. After you click on the 'Login' button, Home page of e-Voting will open.
- Step 2: Cast your vote electronically on NSDL e-Voting system.**
- How to cast your vote electronically on NSDL e-Voting system?**
- A. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
  - B. After clicking on Active Voting Cycles, you will be able to see all the companies 'EVEN' in which you are holding shares and whose voting cycle is in active status.
  - C. Select 'EVEN' of company for which you wish to cast your vote.
  - D. Now you are ready for e-Voting as the Voting page opens.
  - E. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.
  - F. Upon confirmation, the message 'Vote cast successfully' will be displayed.
  - G. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
  - H. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- VII. The instructions for Members for e-Voting during the proceedings of the AGM are, as under:
- A. The procedure for remote e-Voting during the AGM is same as the instructions mentioned above for remote e-Voting since the Meeting is being held through VC/OAVM.
  - B. Only those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

### **General Guidelines for Members**

- i) Institutional Members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by e-mail to [cs@parikhassociates.com](mailto:cs@parikhassociates.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - ii) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
  - iii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - iv) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- VIII. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of Thursday, 23rd July 2020.
- IX. Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. Thursday, 23rd July 2020, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or the Company/TSR.
- X. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting, as well as voting at the meeting.
- XI. The Board of Directors has appointed Mr. P. N. Parikh (FCS 327) or failing him, Mr. Mitesh Dhabliwala (FCS 8331) of M/s. Parikh and Associates, Company Secretaries as Scrutinizer to scrutinize the voting at the AGM and remote e-Voting process, in a fair and transparent manner.
- XII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of remote e-Voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-Voting facility. The remote e-Voting module during the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.
- XIII. The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast during the AGM and, thereafter, unblock the votes cast through remote e-Voting and shall make, not later than 48 hours from the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XIV. The Results declared, alongwith the Scrutinizer's Report, shall be placed on the Company's website [www.tatapower.com](http://www.tatapower.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com), immediately after the declaration of the result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's Equity Shares are listed viz. BSE and NSE and be made available on their respective websites viz. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

By Order of the Board of Directors,  
**For The Tata Power Company Limited**

**H. M. Mistry**  
**Company Secretary**  
 FCS No.: 3606

Mumbai, 2nd July 2020

**Registered Office:**

Bombay House,  
 24, Homi Mody Street,  
 Mumbai 400 001.  
 CIN: L28920MH1919PLC000567  
 Tel: 91 22 6665 8282 Fax: 91 22 6665 8801  
 E-mail: [tatapower@tatapower.com](mailto:tatapower@tatapower.com)  
 Website: [www.tatapower.com](http://www.tatapower.com)

# Notice

## EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 (the "Act"), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos.5 to 7 of the accompanying Notice dated 2nd July 2020:

**Item No.5:** In accordance with Sections 23(1)(b), 42 and 62(1)(c) and other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI ICDR Regulations") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), as amended from time to time, approval of shareholders of the Company by way of special resolution is required to issue securities by way of private placement on a preferential basis to Tata Sons Private Limited ("Tata Sons").

The Company is working on a long-term strategic plan focused on reducing debt thereby strengthening the balance sheet and improve its overall return metrics. This long-term plan involves:

- a) Divestment of non-core and certain overseas investments;
- b) Restructuring of some of its businesses to unlock value and simplify the structure of the Company and its subsidiaries. Consequent to this, the Company has decided to pursue setting up of an Investment Infrastructure Trust (InvIT) for its renewable business;
- c) Raising of equity to reduce unsustainable debt in Tata Power and/or its subsidiaries.

In accordance with the above plan, the Board, pursuant to its resolution dated 2nd July 2020, has approved the proposed Preferential Issue to Tata Sons at a price of ₹ 53 per Equity Share ("**Issue Price**"), and consequently, recommends the resolution as set out above to be passed by the Members through a special resolution. The floor price for the issue of the shares on a preferential basis under the applicable provisions of the SEBI ICDR Regulations is ₹ 43.73 per Equity Share.

The Preferential Issue to its Promoter was considered appropriate to minimise the dilution impact and for a successful and speedy execution in order to immediately help the Company to reduce its debt. Implementation of the overall plan which includes equity raise, divestment and business restructuring plans will strengthen the balance sheet of the Company, which in turn is expected to provide a strong platform

for the Company to participate in emerging opportunities in the power sector.

The details in relation to the Preferential Issue as required under the SEBI ICDR Regulations and the Act read with the rules issued thereunder, are set forth below:

**i) Particulars of the Preferential Issue including date of passing of Board resolution**

The Board of Directors at its meeting held on 2nd July 2020 had, subject to the approval of the Members and such other approvals as may be required, approved the issuance of up to 49,05,66,037 Equity Shares at a price of ₹ 53 per Equity Share, aggregating to ₹ 2,600 crore (Rupees Two thousand six hundred crore only) to Tata Sons, for cash consideration, on a preferential basis.

**ii) Kinds of securities offered and the price at which security is being offered**

Up to 49,05,66,037 Equity Shares of the Company, at a price of ₹ 53 (including a premium of ₹ 52) per Equity Share aggregating up to ₹ 2,600 crore (Rupees Two thousand six hundred crore only), such price being not less than the minimum price as on the Relevant Date determined in accordance with the provisions of Chapter V of the SEBI ICDR Regulations.

**iii) Objects of the Preferential Issue and aggregate amount proposed to be raised**

The Company proposes to raise an amount aggregating up to ₹ 2,600 crore through the Preferential Issue. The proceeds of the Preferential Issue will be utilized for prepayment of borrowings of the Company and/or its subsidiaries, meeting future funding requirements and other general corporate purposes of the Company and its subsidiaries.

**iv) Relevant Date**

In terms of the provisions of Chapter V of the SEBI ICDR Regulations, relevant date for determining the floor price for the Preferential Issue is 30th June 2020, being the date 30 days prior to the date of this Annual General Meeting (AGM).

**v) Basis on which the price has been arrived at and justification for the price (including premium, if any)**

The Equity Shares of the Company are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (together referred to as the "Stock Exchanges"). The Equity Shares are frequently traded in terms of the SEBI ICDR Regulations and NSE, being the Stock Exchange with higher trading volumes for the said period, has been considered for determining the floor price in accordance with the SEBI ICDR Regulations.

In terms of the applicable provisions of the SEBI ICDR Regulations, the floor price at which the Equity Shares shall be issued is ₹ 43.73 per Equity Share, being higher of the following:

- a) Average of the weekly high and low of the volume weighted average price of the Equity Shares of the Company quoted on NSE, during the twenty-six (26) weeks preceding the Relevant Date, i.e. ₹ 43.28 per Equity Share; or
- b) Average of the weekly high and low of the volume weighted average price of the Equity Shares of the Company quoted on NSE, during the two (2) weeks preceding the Relevant Date i.e. ₹ 43.73 per Equity Share.

The pricing of the Equity Shares to be allotted on preferential basis is ₹ 53 per Equity Share which is not lower than the floor price determined in the manner set out above.

**vi) Intent of the Promoters, directors or key managerial personnel of the Company to subscribe to the Preferential Issue; contribution being made by the Promoters or Directors either as part of the Preferential Issue or separately in furtherance of the objects**

The Equity Shares shall be issued to Tata Sons, the Promoter of the Company. Tata Sons has indicated its intention to subscribe to the Preferential Issue. None of the Directors or Key Managerial Personnel of the Company intends to subscribe to any of the Equity Shares proposed to be issued under the Preferential Issue or otherwise contribute to the Preferential Issue or separately in furtherance of the objects specified herein above.

**vii) Time frame within which the Preferential Issue shall be completed**

As required under the SEBI ICDR Regulations, the Equity Shares shall be allotted by the Company within a period of 15 days from the date of passing of this Resolution, provided that where the allotment of the proposed Equity Shares is pending on account of receipt of any approval or permission from any regulatory or statutory authority, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approvals or permissions.

**viii) Principal terms of assets charged as securities**

Not applicable.

**ix) Shareholding pattern of the Company before and after the Preferential Issue**

Please refer **Annexure - B** to this Notice for details.

**x) Identity of the natural persons who are the ultimate beneficial owners of the Equity Shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post Preferential Issue capital that may be held by them and change in control, if any, in the Company consequent to the Preferential Issue**

The Equity Shares are proposed to be allotted to Tata Sons, Promoter of the Company. Details of shareholding of Tata Sons in the Company, prior to and after the proposed Preferential Issue, are as under:

<b>Pre-Preferential Issue As on 30th June 2020</b>		<b>Post-Allotment of Equity Shares pursuant to the Preferential Issue</b>	
<b>No. of Equity Shares held</b>	<b>Percentage held</b>	<b>No. of Equity Shares held</b>	<b>Percentage held</b>
95,39,46,984	35.27	1,44,45,13,021	45.21

The majority of the equity shares of Tata Sons are held by certain public charitable trusts ("Tata Trusts") and as such, there is no identifiable beneficiary, other than the public at large. The names of the current Trustees of Tata Trusts are: Mr. R. N. Tata, Mr. V. Srinivasan, Mr. V. Singh, Mr. R. K. Krishna Kumar, Mr. J. N. Tata, Mr. N. N. Tata, Mr. Jehangir H. C. Jehangir, Mr. J. N. Mistry and Mr. Pramit Jhaveri. The said details of natural persons are given only for the purpose to know natural persons. Tata Sons holds beneficial interest in the Company to the extent of its shareholding and the Equity Shares to be allotted.

There shall be no change in control of the Company pursuant to the aforesaid Preferential Issue. However, the percentage of shareholding and voting rights exercised by Tata Sons, the Promoter of the Company, will change in accordance with the change in the shareholding pattern as set in the **Annexure - B**.

**xi) Lock-in Period**

The Equity Shares shall be locked-in for such period as specified under Regulations 167 and 168 of the SEBI ICDR Regulations.

The entire pre-Preferential Issue shareholding of Tata Sons shall be locked-in from the Relevant Date up to a period of six months from the date of the trading approval as specified under Regulation 167(6) of the SEBI ICDR Regulations.

**xii) Undertakings**

- a) None of the Company, its Directors or Promoter have been declared as wilful defaulter as defined under the SEBI ICDR Regulations. None of its Directors is a fugitive economic offender as defined under the SEBI ICDR Regulations.

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- b) The Company is eligible to make the Preferential Issue to its Promoter under Chapter V of the SEBI ICDR Regulations.
- c) As the Equity Shares have been listed for a period of more than twenty-six weeks as on the Relevant Date, the provisions of Regulation 164(3) of SEBI ICDR Regulations governing re-computation of the price of shares shall not be applicable.

### xiii) Auditors' Certificate

The certificate from S R B C & CO LLP, Chartered Accountants, being the Statutory Auditors of the Company certifying that the Preferential Issue is being made in accordance with the requirements contained in the SEBI ICDR Regulations shall be made available for inspection by the Members during the meeting.

### xiv) Other disclosures

- a) During the period from 1st April 2020 until the date of Notice of this AGM, the Company has not made any preferential issue of Equity Shares.
- b) Report of the registered valuer is not required under the provisions of second proviso to Rule 13(1) of the Companies (Share Capital and Debentures) Rules, 2014 for the proposed Preferential Issue.
- c) Neither Tata Sons nor any member of the promoter group of the Company have sold or transferred any Equity Shares during the six months preceding the Relevant Date.

In accordance with the provisions of Sections 23, 42 and 62 of the Act read with applicable rules thereto and relevant provisions of the SEBI ICDR Regulations, approval of the Members for issue and allotment of the said Equity Shares to Tata Sons is being sought by way of a special resolution as set out in the said item of the Notice. Issue of the Equity Shares pursuant to the Preferential Issue would be within the Authorised Share Capital of the Company.

The Board of Directors believes that the proposed Preferential Issue is in the best interest of the Company and its Members and, therefore, recommends the Special Resolution at Item No.5 of the accompanying Notice for approval by the Members of the Company.

None of the Directors, Key Managerial Personnel (KMP) or their respective relatives are, in any way, concerned or interested, financially or otherwise, except as shareholders in general in the said resolution. Further, Mr. N. Chandrasekaran and Mr. Saurabh Agrawal, common directors on the Board of the Company and Tata Sons (Promoter of the Company), though not interested in accordance with the Act, may be deemed to be interested as a good governance practice.

**Item No.6:** As Members are aware, the Company is undertaking several projects/contracts in India as well as outside India mainly for the erection, operation and maintenance of power generation, transmission and distribution facilities. To enable the Directors to appoint Branch Auditors for the purpose of auditing the accounts of the Company's Branch Offices outside India (whether existing or as may be established), the necessary authorisation of the Members is being obtained in accordance with the provisions of Section 143 of the Act, in terms of the Resolution at Item No.6 of the accompanying Notice.

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

None of the Directors or KMP of the Company or their respective relatives are concerned or interested in the Resolution at Item No.6 of the accompanying Notice.

**Item No.7:** Pursuant to Section 148 of the Act, the Company is required to have the audit of its cost records conducted by a cost accountant in practice. On the recommendation of the Audit Committee of Directors, the Board of Directors have approved the re-appointment of M/s. Sanjay Gupta and Associates (SGA) (Firm Registration No.000212) as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company for FY21, at a remuneration of ₹ 6,50,000 (Rupees Six lakh fifty thousand) plus applicable taxes, travel and actual out-of-pocket expenses.

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

The Board recommends the Resolution at Item No.7 of the accompanying Notice for ratification of the Cost Auditors' remuneration by the Members of the Company.

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

By Order of the Board of Directors,  
**For The Tata Power Company Limited**

**H. M. Mistry**  
**Company Secretary**  
FCS No.: 3606

Mumbai, 2nd July 2020

### Registered Office:

Bombay House,  
24, Homi Mody Street,  
Mumbai 400 001.  
CIN: L28920MH1919PLC000567  
Tel: 91 22 6665 8282 Fax: 91 22 6665 8801  
E-mail: [tatapower@tatapower.com](mailto:tatapower@tatapower.com)  
Website: [www.tatapower.com](http://www.tatapower.com)

**Details of the Director seeking re-appointment at the forthcoming Annual General Meeting  
(In pursuance of Regulations 26(4) and 36(3) of the Listing Regulations and  
Secretarial Standard - 2 on General Meetings)**

<b>Name of Director</b>	<b>Mr. Hemant Bhargava</b>
<b>DIN</b>	01922717
<b>Date of Birth (Age)</b>	20th July 1959 (60 years)
<b>Date of Appointment</b>	24th August 2017
<b>Expertise in specific functional areas</b>	<p>Mr. Hemant Bhargava retired as the Managing Director of Life Insurance Corporation of India effective 1st August 2019.</p> <p>A Master in Economics, Mr. Bhargava joined LIC in 1981 and has handled diverse portfolios across functions in India and internationally, including Marketing &amp; Alternative Channels of distribution, Human Resource, Finance, Pension &amp; Group Schemes, Estate Management &amp; Office Services operations and Information Technology. As head of two of LIC's biggest zones among the eight, he was instrumental in increasing insurance penetration in fifteen states of India.</p> <p>Mr. Bhargava, with his expertise in business modeling and execution, had successfully launched a number of new projects in LIC, which includes designing and setting up the Micro Insurance vertical which was LIC's first comprehensive enterprise-wide initiative in financial inclusion space. LIC's foray into credit card as joint venture in collaboration with banking partners, founding LIC Cards Services Limited and launch of 'LIC Card' in 2009 was also headed by Mr. Bhargava. The 'Indian Business Group' in Mauritius for promoting the business interests of companies of Indian origin, with the High Commissioner of India as the Patron, was founded by Mr. Bhargava as head of LIC's Mauritius operations. He also played key role in setting up newly formed SBU-International Operations to manage LIC's operation in about 14 countries and laid structural design to form a composite insurance company in the Kingdom of Saudi Arabia.</p> <p>Mr. Bhargava has been instrumental in shaping strategies of corporate India while serving on the Boards of many Indian companies.</p> <p>He was also the Ex-officio Chairman and Trustee of Life Insurance Corporation of India Golden Jubilee Foundation, Deputy President of Insurance Institute of India and Member of the Governing Board of National Insurance Academy, Pune</p> <p>Mr. Bhargava is an Alumni of Jamnalal Bajaj Institute of Management. He has studied Strategic Management at ISB, Hyderabad.</p>
<b>Qualifications</b>	M.A. in Economics
<b>Directorships held in other Public companies (excluding foreign companies)</b>	<ul style="list-style-type: none"> <li>• Voltas Limited</li> <li>• Larsen and Toubro Limited</li> <li>• ITC Limited</li> </ul>
<b>Committee position held in other companies</b>	<p><b><u>Audit Committee</u></b> <i>Member</i></p> <ul style="list-style-type: none"> <li>• ITC Limited</li> </ul> <p><b><u>CSR &amp; Sustainability Committee</u></b> <i>Member</i></p> <ul style="list-style-type: none"> <li>• ITC Limited</li> </ul>
<b>Remuneration</b>	N.A.
<b>No. of meetings of the Board attended during the year</b>	3
<b>No. of shares held: (a) Own (b) For other persons on a beneficial basis</b>	<p>Nil</p> <p>Nil</p>

For other details such as relationship with other Directors and KMP in respect of Mr. Hemant Bhargava, please refer to the Report on Corporate Governance, which is a part of this Annual Report.

Pre and Post Preferential Issue Shareholding Pattern of the Company

Sl. No.	Category of Shareholder(s)	Pre-Preferential Allotment Holding/Voting Rights (as on 30th June 2020)		Post Allotment of Equity Shares	
		Equity Shares		Equity Shares	
		No.	%	No.	%
<b>(A) Promoters &amp; Promoter Group holding (Indian)</b>					
	Promoter (Body Corporate)	95,39,46,984	35.27	144,45,13,021	45.21
	Promoter Group (Body Corporate)	5,27,44,544	1.95	5,27,44,544	1.65
	<b>Total Shareholding of Promoter and Promoter Group (A)</b>	<b>100,66,91,528</b>	<b>37.22</b>	<b>149,72,57,565</b>	<b>46.86</b>
<b>(B) Public Shareholding</b>					
<b>1 Institutions</b>					
(a)	Mutual Funds/UTI	38,56,32,618	14.26	38,56,32,618	12.07
(b)	Alternate Investment Funds	1,44,20,591	0.53	1,44,20,591	0.45
(c)	Foreign Portfolio Investors	34,86,27,714	12.89	34,86,27,714	10.91
(d)	Financial Institutions/Banks	1,82,08,325	0.67	1,82,08,325	0.57
(e)	Insurance Companies	40,46,61,108	14.96	40,46,61,108	12.66
	<b>Sub-Total (B)(1)</b>	<b>117,15,50,356</b>	<b>43.31</b>	<b>117,15,50,356</b>	<b>36.66</b>
<b>2 Central Government/State Government(s)/President of India</b>					
	<b>Sub-Total (B)(2)</b>	<b>2,56,09,803</b>	<b>0.95</b>	<b>2,56,09,803</b>	<b>0.80</b>
<b>3 Non-Institutions</b>					
(a)	Individuals	38,91,05,342	14.39	38,91,05,342	12.18
i)	Individual Shareholders holding nominal share capital upto ₹ 2 lakh	36,54,18,485	13.51	36,54,18,485	11.44
ii)	Individual Shareholders holding nominal share capital in excess of ₹ 2 lakh	2,36,86,857	0.88	2,36,86,857	0.74
(b)	NBFCs registered with RBI	1,26,450	0.00	1,26,450	0.00
(c)	Overseas Depositories (holding DRs) (balancing figure)	4,22,300	0.02	4,22,300	0.01
(d)	Any Other (specify)	11,12,67,731	4.11	11,12,67,731	3.48
i)	Bodies Corporates	3,53,38,108	1.31	3,53,38,108	1.11
ii)	Clearing Members	2,37,49,535	0.88	2,37,49,535	0.74
iii)	Limited Liability Partnership - LLP	9,42,083	0.03	9,42,083	0.03
iv)	HUF	93,72,473	0.35	93,72,473	0.29
v)	Trusts	25,10,814	0.09	25,10,814	0.08
vi)	IEPF Suspense-A/c	80,27,603	0.30	80,27,603	0.25
vii)	Non Resident Individuals	2,81,54,307	1.04	2,81,54,307	0.88
viii)	Director or Director's Relatives	2,16,262	0.01	2,16,262	0.01
ix)	OCBs/Foreign Cos	4,000	0.00	4,000	0.00
x)	OCBs/Foreign Bodies - DR	3,65,990	0.01	3,65,990	0.01
xi)	QIB-Insurance Co. Regd. with IRDA	25,86,556	0.10	25,86,556	0.08
	<b>Sub Total (B)(3)</b>	<b>50,09,21,823</b>	<b>18.52</b>	<b>50,09,21,823</b>	<b>15.68</b>
	<b>Total Public Shareholding (B) = (B) (1) + (B)(2) + (B)(3)</b>	<b>169,80,81,982</b>	<b>62.78</b>	<b>169,80,81,982</b>	<b>53.14</b>
	<b>Total (A)+(B)</b>	<b>270,47,73,510</b>	<b>100.00</b>	<b>319,53,39,547</b>	<b>100.00</b>
<b>(C) Shares held by custodians against which DRs are issued (GDR)</b>					
	<b>Total (A)+(B)+(C)</b>	<b>270,47,73,510</b>	<b>100.00</b>	<b>319,53,39,547</b>	<b>100.00</b>



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## INDEPENDENT ASSURANCE STATEMENT

### The Board of Directors and Management

The Tata Power Company Limited  
Mumbai, India

Ernst & Young Associates LLP (EY) was engaged by The Tata Power Company Limited (the 'Company') to provide independent assurance on its Integrated Report 2019-20 (the 'Report') covering salient features of business as well as sustainability, including performance during the period 1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2020.

The development of the Report, based on the <IR> Integrated Reporting Framework by International Integrated Reporting Council (IIRC) and the key performance indicators as per Global Reporting Initiative (GRI) Standards, its content and presentation is the sole responsibility of the management of the Company. EY's responsibility, as agreed with the management of the Company, is to provide independent assurance on the report content as described in the scope of assurance below. Our responsibility in performing our assurance activities is to the management of the Company only and in accordance with the terms of reference agreed with the Company. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organization. Any dependence that any such third party may place on the Report is entirely at its own risk. The assurance statement should not be taken as a basis for interpreting the Company's overall performance, except for the aspects mentioned in the scope below.

### Scope of assurance

The scope of assurance covers the following aspects of the Report:

- Assurance of data and information reported in Integrated Report FY 2019-20 related to the Company's environmental and social performance for the period 1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2020;
- The Company's internal protocols, processes and controls related to the collection and collation of specified environmental and social performance data;
- Verification of sample data and related information through consultations at the Company's Head Office, and physical site visits at its power plant in Trombay and Transmission & Distribution station at Dharavi, Mumbai. Additionally, desk reviews were conducted for the following locations:
  - Thermal Power plant at Mundra, Gujarat (Coastal Gujarat Power Limited)
  - Hydro Power plant at Khopoli, Maharashtra (Tata Power Limited)
  - Power Distribution at Delhi (Tata Power Delhi Distribution Limited)
- The environmental and social performance data, reported against specified GRI standards (2016), that was subject to above assurance is as follows:
  - Environmental Topics: Materials (301-1), Energy (302-1, 302-3), Water (303-1, 303-3), Emissions (305-1, 305-2, 305-3, 305-4, 305-7) and Waste & Effluents (306-1, 306-2);
  - Social Topics: Employment (401-1), Occupational Health and Safety (403-2) and Training and Education (404-1).

### Limitations of our review

The assurance scope excludes:

- Operations of the Company other than those mentioned in the 'Scope of Assurance';
- Aspects of the Report and data/information other than those mentioned above;
- Data and information outside the reporting period *i.e.* 1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2020;
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, aim or future intention provided by the Company;
- Review of the Company's compliance with regulations, acts, guidelines with respect to various regulatory agencies and other legal matters.
- Data and information on economic and financial performance of the Company.

### Assurance criteria

The assurance engagement was planned and performed in accordance with the International Federation of Accountants' International Standard for Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000). Our evidence-gathering procedures were designed to obtain a 'limited' level of assurance



(as set out in ISAE 3000) on reporting principles, as well as conformance of the disclosures under the key performance indicators as per GRI Standards.

#### **What we did to form our conclusions**

In order to form our conclusion we undertook the following key steps:

- Interviews with select key personnel and the core team responsible for the preparation of the Report to understand the Company's sustainability vision, mechanism for management of relevant issues and engagement with stakeholders;
- Physical audits and desk reviews at the Company's corporate office and operating locations on a sample basis as mentioned in the 'Scope of Assurance' above;
- Interactions with the key personnel at the Company's corporate office and operating locations in order to understand and review the current processes in place for capturing environmental and social performance data;
- Review of relevant documents and systems for gathering, analyzing and aggregating environmental and social performance data in the reporting period;
- Review of the Report for detecting, on a test basis, any major anomalies between the data/information reported in the Report and the relevant source;

#### **Our Observations**

The Company has developed the Report as per the Integrated Reporting framework and the GRI Standards - in accordance Core option. The report includes a description of the Company's stakeholder engagement, materiality assessment and relevant performance disclosures on the material topics. Areas of further improvement wherever identified have been brought before the attention of the management of the company. Specific observations have been provided in the management letter which has been submitted to the company separately. These observations do not affect our conclusion presented in this statement.

#### **Our Conclusion**

Nothing has come to our attention that causes us not to believe that the information has been presented fairly, in material respects, in keeping with the GRI Standards and the Company's reporting principles and criteria.

#### **Our assurance team and independence**

Our assurance team, comprising of multidisciplinary professionals, has been drawn from our climate change and sustainability network and undertakes similar engagements with a number of significant Indian and international businesses. As an assurance provider, EY is required to comply with the independence requirements set out in International Federation of Accountants (IFAC) Code of Ethics<sup>1</sup> for Professional Accountants. EY's independence policies and procedures ensure compliance with the Code.

for Ernst & Young Associates LLP

**Chaitanya Kalia**  
Partner  
4<sup>th</sup> July 2020  
Mumbai, India

<sup>1</sup> International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. This Code establishes ethical requirements for professional accountants.

# Glossary of Abbreviations

<IR>	Integrated Reporting
AA	Affirmative Action
AC	Air Conditioner
ACC	Apex Compliance Committee
AI	Artificial Intelligence
AIDS	Acquired immunodeficiency syndrome
AT&C	Aggregate Technical & Commercial
ATM	Automated Teller Machine
B2B	Business-to-Business service
B2C	Business-to-Consumer
B2G	Business-to-government
BCDMP	Business Continuity and Disaster Management Plan
BCP	Business Continuity Planning
BEE	Bureau of Energy Efficiency
BESS	Battery Energy Storage System
BEST	Brihanmumbai Electric Supply and Transport Undertaking
BFP	Boiler Feed Pump
BITS	Birla Institute of technology and Sciences
BLDC	Brushless DC Motor
BPL	Below Poverty Line
BPS	Business Process Services
BSF	Border Security Force
BSI	British Standards Institution
CBIP	Central Board of Irrigation and Power
CCRA	Central Control Room for Renewable Assets
CDM	Clean Development Mechanism
CEI	Community Engagement Index
CEIIC	Clean Energy International Incubation Centre
CEO	Chief Executive Officer
CEP	Condensate Extraction Pump
CER	Certified Emission Reduction

CERT	Computer Emergency Response Team
CG	Corporate Governance
C&I	Control and Instrumentation
CIBMS	Comprehensive Integrated Border Management System
CKM	Circuit Kilometre
CMC	Compliance Monitoring Cell
CLTS	Community Led Total Sanitation
CMG	Connection Management Group
CMS	Compliance Management System
CMS	Content Marketing Summit
CO2	Carbon Dioxide
CPCB	Central Pollution Control Board
CPSU	Central Public Sector Undertaking
CRC	Customer Relation Centre
CRM	Customer Relationship Management
CRMC	Cluster Risk Management Committees
CSA	Control Self-Assessment
CSAT	Customer Satisfaction
CSR	Corporate Social Responsibility
CW	Circulating Water
DISCOMs	Distribution Company
DHPC	Dagachhu Hydro Power Corporation
DM	Demineralisation
DSM	Demand Side Management
DT	Distribution Transformer
ECA	Export Credit Agency
ECB	External Commercial Borrowing
e-NACH	Electronic National Automated Clearing House
ENCON	Energy Conservation
EPC	Engineering, Procurement and Construction
EV	Electric Vehicle

## Glossary of Abbreviations

FDA	Fixed Duration Associates
GHG	Greenhouse Gas
GIS	Gas Insulated Switchgear
GJ	Gigajoules
GMI	Green Manufacturing Index
GRI	Global Reporting Initiative
GSS	Geo Science Services
GW	Gigawatt
HESP	Higher Education Sponsorship Program
HOD	Head of Department
HPC	High Power Committee
HR	Human Resource
HRH	Hot Re-heat
HT	High Tension
HV	High Voltage
IEL	Industrial Energy Limited
IFC	Internal Financial Control
IIT	Indian Institutes of Technology
IMS	Integrated Management System
INR	Indian rupee
IoT	Internet of Things
IIRC	International Integrated Reporting Council
IRR	Internal Rate of Return
ISU	Industry Solution Units
IT	Information Technology
ITPC	Itezhi Tezhi Power Corporation
IUCN	International Union for Conservation of Nature
JJ	Jhuggi Jhopri
JLR	Jaguar Land Rover
JV	Joint Venture
KPC	Kaltim Prima Coal
KPI	Key Performance Indicator

KPO	Knowledge Process Outsourcing
KYEC	Know Your Energy Consumption
kWh	kilowatt hours
LED	Light Emitting Diode
LC	Letter of Credit
LT	Low Tension
MCGM	Municipal Corporation of Greater Mumbai
MD	Managing Director
MERC	Maharashtra Electricity Regulatory Commission
ML	Machine Learning
MSETCL	Maharashtra State Electricity Distribution Company Limited
MSME	Micro, Small and Medium Enterprises
MT	Medium Tension
MU	Million Units
MW	Megawatt
MWh	Megawatt hour
MVA	Mega Volt Amp
MYT	Multi Year Tariff
NABARD	National Bank for Agriculture and Rural Development
NCR	National Capital Region
NDC	Nationally Determined Contributions
NIO	National Institute of Oceanography
NGO	Non-Governmental Organization
NOC	No Objection Certificate
NTPC	National Thermal Power Corporation Limited
NVG	National Voluntary Guidelines
ODF	Open Defecation Free
PAT	Profit After Tax
PDS	Public Distribution System
PGWM	Participatory Ground Water Management
PILC	Paper Insulated Lead Sheath Cable

PMS	Performance Management System	SHR	Station Heat Rate
PO	Purchase Order	SO2	Sulphur Dioxide
POSH	Prevention of Sexual Harassment	SLDP	Senior Leaders' Development Program
PM	Particulate Matter	SPCB	State Pollution Control Boards
PPA	Power Purchase Agreement	SROI	Social Return on Investment
PPE	Personal Protective Equipment	ST	Scheduled Tribes
PPGCL	Prayagraj Power Generation Company Limited	STP	Sewage Treatment Plant
PRCI	Public Relations Council of India	TCOC	Tata Code of Conduct
PTL	Powerlinks Transmission Limited	TCS	Tata Consultancy Services
PV	Photovoltaic (Solar)	TP	The Tata Power Company Limited
R&D	Research and Development	TERPL	Trust Energy Resources Pte Limited
RAPH	Regenerative Air Pre-heater	TMTC	Tata Management Training Centre
RCM	Risk Control Matrix	TPADL	Tata Power Ajmer Distribution Limited
RE	Renewable Energy	TPCDT	Tata Power Community Development Trust
RMC	Risk Management Committee	TPDDL	Tata Power Delhi Distribution Limited
RMCI	Risk Mitigation Completion Index	TPREL	Tata Power Renewable Energy Limited
RO	Reverse Osmosis	TPRMG	TP Renewable Microgrid Limited
ROCE	Return on Capital Employed	TPSDI	Tata Power Skill Development Institute
RPL	Recognition for Prior Learning	TPSSL	Tata Power Solar Systems Limited
RSCM	Responsible Supply Chain Management	TPTCL	Tata Power Trading Company Limited
RTF	Right to Food	TSDF	Treatment, Storage and Disposal Facility
SAP	Systems Applications and Products	UNFCCC	United Nations Framework Convention on Climate Change
SASB	Sustainability Accounting Standards Board	UN	United Nations
SBO	Strategic Business Objectives	UNDP	United Nations Development Programme
SCADA	Supervisory Controlled and Data Acquisition Center	UNGC	United Nations Global Compact Principles
SC	Scheduled Caste	USD	United States Dollar
SE	Supervisory Trainees	VFD	Variable Frequency Drive
SED	Strategic Engineering Division	WABA	World Agency on Breastfeeding Alliance
SEMA	Stakeholder Engagement and Materiality Assessment	WLC	Women Literacy Centres
SHG	Self-Help Groups	WREL	Walwhan Renewable Energy Limited
SHS	Swachhata Hi Seva	YTD	Year-to-date
		Y-o-Y	Year on Year





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