

## REPORT ON CORPORATE GOVERNANCE

### Company's Philosophy on Corporate Governance

More than a century ago, our visionary founder, Mr. J. N. Tata laid the foundation for good governance and made it an integral part of our business culture. Corporate Governance is concerned with maintaining the balance between economic and social goals and between individual and community goals. As a Tata Company, righteous Corporate Governance is 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 the future.

This philosophy has been sought to be strengthened through the Tata Code of Conduct, the Tata Business Excellence Model and the Tata Code for Prevention of Insider Trading and Code of Corporate Disclosure Practices, which form guidelines for "Leadership with Trust". The Company is committed to focus its energies and resources in creating and positively leveraging shareholders' wealth, and at the same time, safeguard the interests of all stakeholders. This is our path to sustainable and profitable existence and growth.

In addition to these, the Company has also adopted the requirements of Corporate Governance under Clause 49 of the Listing Agreements with the Stock Exchanges, the disclosure requirements of which are given below:

### Board of Directors

#### ➤ Composition:

As on 30<sup>th</sup> May, 2013 the Company's Board of Directors constitutes 12 members, out of whom 3 are Executive Directors and 9 are Non-Executive Directors (NEDs). These Directors bring in a wide range of skills and experience to the Board.

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49), across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

Table 1: The names and categories of the Directors on the Board, their attendance at Board meetings during the year under review and at the last Annual General Meeting, as also the number of Directorships and Committee positions held by them in other companies:

Name of the Director and Business Relationship	Category of Directorship	* No. of other Directorships as on 31.3.2013	# No. of other Committee positions held as on 31.3.2013		No. of Board meetings attended during the year	Attendance at the 93 <sup>rd</sup> Annual General Meeting held on 17.8.2012
			Chairman	Member		
Mr. Ratan N. Tata, Chairman <sup>1</sup>	Non-Independent, Non-Executive	-	-	-	4	Yes
Mr. Cyrus P. Mistry, Chairman <sup>1</sup>		9	-	1	7	Yes
Mr. R. Gopalakrishnan		11	-	3	5	Yes
Mr. Adi J. Engineer <sup>1</sup>		-	-	-	3	Yes
Dr. Homiar S. Vachha	Independent, Non-Executive	4	3	1	7	Yes
Mr. Nawshir H. Mirza		4	2	1	7	Yes
Mr. Deepak M. Satwalekar		5	2	1	7	Yes
Mr. Piyush G. Mankad		8	2	6	5	Yes
Mr. Ashok K. Basu		7	2	5	6	Yes
Mr. Thomas Mathew T., (Representative of LIC as Investor / Lender)		4	-	1	3	Yes
Ms. Vishakha V. Mulye <sup>1</sup>		6	-	4	1	NA

Name of the Director and Business Relationship	Category of Directorship	* No. of other Directorships as on 31.3.2013	# No. of other Committee positions held as on 31.3.2013		No. of Board meetings attended during the year	Attendance at the 93 <sup>rd</sup> Annual General Meeting held on 17.8.2012
			Chairman	Member		
Mr. Anil Sardana, Managing Director	Executive	5	-	1	7	Yes
Mr. S. Ramakrishnan, Executive Director		9	2	3	7	Yes
Mr. S. Padmanabhan, Executive Director		9	3	2	7	Yes

<sup>1</sup> Please see Table 2 below.

\* Excludes Alternate Directorships and directorships in private companies, foreign companies and Section 25 companies.

# Represents Chairmanships / Memberships of Audit Committee and Shareholders' / Investors' Grievance Committee.

None of the Directors of the Company are related to each other.

Consequent upon the resignation of Dr. Ramchandra H. Patil, an Independent Director, on 20<sup>th</sup> March, 2012, the number of independent directors fell below the limit as prescribed under Clause 49 of the Listing Agreement. As per the Listing Agreement, Management has 180 days from the date of such resignation i.e. upto 16<sup>th</sup> September, 2012, to fulfill the Board composition requirements. With the stepping down from the Board of Mr. A. J. Engineer, Non-Executive Non-Independent Director, effective 27<sup>th</sup> August, 2012, consequent upon his completing 75 years of age, in line with the policy adopted by the Board for retirement of Directors, the composition of the Board was restored to be in line with that prescribed under Clause 49 of the Listing Agreement.

Table 2: Changes in Board composition during the year:

Name of the Director	Details of change	Date of change
Mr. Adi J. Engineer	Stepped down from the Board consequent upon his completing 75 years of age, in line with the policy adopted by the Board for retirement of Directors.	27 <sup>th</sup> August, 2012
Mr. Ratan N. Tata	- Resigned as Chairman of the Board of Directors. - Stepped down from the Board consequent upon his completing 75 years of age, in line with the policy adopted by the Board for retirement of Directors.	8 <sup>th</sup> November, 2012 28 <sup>th</sup> December, 2012
Mr. Cyrus P. Mistry	Appointed as Chairman of the Board of Directors	8 <sup>th</sup> November, 2012
Ms. Vishakha V. Mulye	Appointed as an Additional Director	28 <sup>th</sup> February, 2013

Seven Board meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the said meetings were held are as follows:

22<sup>nd</sup> May 2012, 24<sup>th</sup> July 2012, 8<sup>th</sup> August 2012, 6<sup>th</sup> November 2012, 11<sup>th</sup> February 2013, 28<sup>th</sup> February 2013 and 25<sup>th</sup> March 2013.

The information as required under Annexure IA to Clause 49 is being made available to the Board.

#### ➤ Code of Conduct

The Board has laid down separate Codes of Conduct for NEDs and Senior Management personnel of the Company and the same are posted on the Company's website [www.tatapower.com](http://www.tatapower.com). All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct. The Managing Director has also confirmed and certified the same. The certification is enclosed at the end of this Report.

#### Committees of the Board

The Committees of the Board of Directors focus on certain specific areas and make informed decisions in line with the delegated authority. Each Committee of the Board functions according to its role and defined scope.

### ➤ **Mandatory Committees**

The mandatory committees are:

1. Audit Committee of Directors
2. Shareholders' / Investors' Grievance Committee

### ❖ **Audit Committee of Directors**

Table 3: Composition of the Audit Committee of Directors (Audit Committee) and details of meetings attended by the Directors during the year under review:

Name of the Director	Category	No. of meetings attended	Remarks
Dr. H. S. Vachha, Chairman	Non-Executive, Independent	12	Dr. Vachha is a former executive of ICICI Limited and accordingly has the requisite business / accounting / related financial management expertise.
Mr. A. J. Engineer (Stepped down w.e.f. 27.08.2012)	Non-Executive, Non-Independent	5	Financially experienced and renowned practitioners.
Mr. D. M. Satwalekar	Non-Executive, Independent	12	
Mr. P. G. Mankad	Non-Executive, Independent	12	

The Audit Committee met twelve times during the year under review on the following dates:

19<sup>th</sup> May 2012, 21<sup>st</sup> May 2012, 5<sup>th</sup> July 2012, 23<sup>rd</sup> July 2012, 7<sup>th</sup> August 2012, 17<sup>th</sup> October 2012 (2 meetings held), 5<sup>th</sup> November 2012, 17<sup>th</sup> December 2012, 15<sup>th</sup> January 2013 (2 meetings held) and 8<sup>th</sup> February 2013.

The terms of reference, role and scope are in line with those prescribed by Clause 49 of the Listing Agreement with the Stock Exchanges. The Company also complies with the provisions of Section 292A of the Companies Act, 1956 (the Act) pertaining to Audit Committee and its functioning.

At its meeting held on 29<sup>th</sup> March, 2001, the Board delegated the following powers to the Audit Committee:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

The Audit Committee invites such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at its meetings. The Managing Director, Executive Directors and head of Internal Audit attend the meetings. The Statutory Auditors are also invited to the meetings. Mr. H. M. Mistry, the Company Secretary, acts as the Secretary of the Committee.

### **Internal Controls and Risk Management**

The Company has robust systems for internal audit and corporate risk assessment and mitigation. The Company has an independent Control Assurance Department assisted by dedicated internal audit team supported by co-source partner. The internal audit covers all the factories, sales offices, warehouses and businesses and functions controlled centrally. The risk based audit plan is prepared and approved by the Audit Committee at the beginning of every year. Every quarter, the Audit Committee is presented with key control issues and actions taken on past issues. Unit heads are responsible for implementing these Operational Control Assurance procedures to confirm the effectiveness of the financial and non-financial controls in that unit and to correct any instances of weaknesses identified. These procedures provide the Management an assurance on the internal processes and systems. Business Risk Assessment procedures have been set in place for self-assessment of business risks, operating controls and compliance with Corporate Policies. There is an ongoing process to track the evolution of the risks and delivery of mitigating action plans. Risks and their mitigation plans are reviewed by Audit Committee on quarterly basis.

### ❖ Shareholders' / Investors' Grievance Committee

Table 4: Composition of the Shareholders' / Investors' Grievance Committee (IGC) and details of meetings attended by the Directors during the year under review:

Name of the Director	Category	No. of meetings attended
Dr. H. S. Vachha, Chairman	Non-Executive, Independent	1
Mr. S. Ramakrishnan	Executive	-
Mr. S. Padmanabhan	Executive	1

The IGC met once during the year under review on 4<sup>th</sup> December, 2012.

In accordance with Clause 49(IV)(G)(iv) of the Listing Agreement with the Stock Exchanges, the Board has authorised Mr. H. M. Mistry, Company Secretary and Compliance Officer, and Mr. A. S. Bapat, Head – Corporate Legal, to severally approve share transfers / transmissions, in addition to the powers with the members of the IGC. Share Transfer formalities are regularly attended to and atleast once a fortnight.

The status of total number of complaints received during the year under review is as follows:

Sl. No.	Description	Total		
		Received	Replied	Pending
<b>A.</b>	<b>Letters received from Statutory Bodies</b>			
	Securities & Exchange Board of India (SEBI)	28	24	4
	Stock Exchanges	7	7	0
	Depositories (NSDL/CDSL)	2	2	0
<b>B.</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>37</b>	<b>33</b>	<b>4</b>

The 4 unresolved complaints as on 31<sup>st</sup> March, 2013 have since been closed.

14 transfers and 37 demats, pending as on 31<sup>st</sup> March, 2013, have been subsequently processed and completed.

### ➤ Non-mandatory Committees

The non-mandatory Committees are:

1. Remuneration Committee of Directors
2. Executive Committee of the Board
3. Nominations Committee
4. Ethics and Compliance Committee.

### ❖ Remuneration Committee of Directors

Table 5: Composition of the Remuneration Committee of Directors (Remuneration Committee) and details of meetings attended by the Directors during the year under review:

Name of the Director	Category	No. of meetings attended
Mr. N. H. Mirza, Chairman	Non-Executive, Independent	4
Mr. R. N. Tata (Stepped down w.e.f. 28.12.2012)	Non-Executive, Non-Independent	1
Mr. C. P. Mistry (Appointed w.e.f. 24.7.2012)	Non-Executive, Non-Independent	2
Mr. R. Gopalakrishnan	Non-Executive, Non-Independent	3

The Remuneration Committee met four times during the year under review on the following dates:

21<sup>st</sup> June 2012, 20<sup>th</sup> July 2012, 8<sup>th</sup> November 2012 and 25<sup>th</sup> March 2013.

### **Remuneration Committee Charter**

At its meeting held on 10<sup>th</sup> February, 2012, the Board adopted the Remuneration Committee Charter.

#### **Objectives of the Remuneration Committee**

The Remuneration Committee of the Company shall discharge the Board's responsibilities to shareholders, the investment community and other stakeholders with respect to –

- i) recommending to the Board the remuneration to each Director;
- ii) setting the performance standards, budgets and targets for the Executive team of the Company;
- iii) setting the compensation and performance bonuses of the Company's executive officers;
- iv) overseeing the Company's Human Resources and People strategy; and
- v) performing such other duties and responsibilities, as may be consistent with the provisions of this charter.

#### **Composition**

- The Remuneration Committee shall comprise of a minimum three NEDs as members.
- The Chairman of the Remuneration Committee shall be an Independent Director, from amongst the members of the Committee.

#### **Remuneration Policy**

##### ➤ **Non-Executive Directors**

The NEDs are paid remuneration by way of Commission and Sitting Fees. In terms of the Members' approval obtained at the Annual General Meeting (AGM) held on 10<sup>th</sup> September, 2008, the Commission is paid at a rate not exceeding 1% per annum of the net profits of the Company (computed in accordance with Section 309(5) of the Act). The distribution of Commission amongst the NEDs is placed before the Remuneration Committee and the Board. The Commission payment for the year ended 31<sup>st</sup> March, 2012 was distributed broadly on the following basis:

- i) Number of meetings of the Board and substantive Committees of the Board attended;
- ii) Role and responsibility as Chairman / Member of the Board / Committee;
- iii) Individual contributions at the meetings; and
- iv) Time spent other than in meetings relating to the operations of the Company.

During the year, the Company paid sitting fees of ₹ 20,000/- per meeting to the NEDs for attending meetings of the Board, Executive Committee of the Board, Audit Committee, Remuneration Committee and Nominations Committee. The fees paid for other Committee meetings was ₹ 5,000/- per meeting attended.

##### ➤ **Executive Directors**

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and commission (variable component) to the Managing Director and the Executive Directors. Salary is paid within the range approved by the Members. Annual increments effective 1<sup>st</sup> April each year, as recommended by the Remuneration Committee, are placed before the Board for approval. The ceiling on perquisites and allowances as a percentage of salary, is fixed by the Board. Within the prescribed ceiling, the perquisite package is recommended by the Remuneration Committee and approved by the Board. Commission is calculated with reference to the net profits of the Company in a particular financial year and is determined by the Board on the recommendation of the Remuneration Committee at the end of the financial year, subject to overall ceilings stipulated in Sections 198 and 309 of the Act. Specific amount payable to such Directors is based on the performance criteria laid down by the Board, which broadly takes into account the profits earned by the Company for the year.

##### ➤ **Management Staff**

Remuneration of employees largely consists of basic remuneration, perquisites, allowances and performance incentives. The components of the total remuneration vary for different grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by him, his annual performance etc. For the last few years, efforts have also been made to link the annual variable pay of employees with the performance of the Company. The performance pay policy links the performance pay of each officer to his individual, divisional and overall organizational performance on parameters aligned to Company's objectives.

### Retirement Policy for Directors

The Company has adopted the Guidelines for retirement age wherein (i) Managing and Executive Directors retire at the age of 65 years, (ii) Executive Directors who have been retained on Company's Board beyond the age of 65 years as NEDs for special reasons may continue as Directors at the discretion of the Board but in no case beyond the age of 70 years, (iii) Non-Independent NEDs who have completed the age of 70 years prior to the Effective Date of 1<sup>st</sup> April, 2011 may continue as Directors at the discretion of the Board but in no case beyond the age of 75 years and (iv) Independent NEDs would retire at the age of 75 years.

The Company has also adopted a Retirement Policy for Managing and Executive Directors which has also been approved by the Members of the Company, offering special retirement benefits including pension, ex-gratia, medical and other benefits. In addition to the above, the retiring Managing Director is entitled to residential accommodation or compensation in lieu of accommodation on retirement. The quantum and payment of the said benefits are subject to an eligibility criteria of the retiring director and is payable at the discretion of the Board in each individual case on the recommendation of the Remuneration Committee.

### Remuneration to Directors

Table 6: Details of remuneration to NEDs during the year under review:

Name of the Director	Sitting Fees paid (Gross) (₹)*	Commission paid (Gross)(₹) **
Mr. R. N. Tata	1,40,000	52,00,000
Mr. C. P. Mistry	2,65,000	16,50,000
Mr. R. Gopalakrishnan	2,20,000	33,00,000
Dr. H. S. Vachha	4,15,000	28,00,000
Mr. A. J. Engineer \$	2,00,000	41,50,000
Mr. N. H. Mirza	3,20,000	45,50,000
Mr. D. M. Satwalekar	4,35,000	42,50,000
Mr. P. G. Mankad	3,40,000	23,00,000
Mr. A. K. Basu	1,20,000	11,50,000
Mr. Thomas Mathew T. @	60,000	6,50,000
Ms. Vishakha Mulye	20,000	N.A.

\* Excludes service tax.

\*\* Commission relates to the financial year ended 31<sup>st</sup> March, 2012, which was paid during the financial year under review. Commission of ₹ 3.50 crore (excluding service tax) has been provided as payable to the eligible NEDs in the accounts for the year ended 31<sup>st</sup> March, 2013, the distribution of which is yet to be determined.

\$ During the year, the following amounts were also paid to Mr. A. J. Engineer, retired Managing Director:

Pension	₹ 33,12,120
Residential accommodation	₹ 16,56,060
Medical	₹ 60,968

@ Sitting Fees and Commission of Mr. Thomas Mathew T., Nominee Director of LIC, were paid to LIC.

Apart from this, none of the NEDs had any pecuniary relationship or transactions with the Company other than the Directors Fees and Commission received by them.

Table 7: Details of remuneration and perquisites paid and / or value calculated as per the Income-tax Act, 1961 to the Managing Director and Executive Directors:

Name	Salary (₹)	@ Commission paid in 2012-13 (₹)	Perquisites (₹)	Retirement Benefits (₹)	Total (₹)
Mr. Anil Sardana, Managing Director	63,00,000	2,50,00,000	90,88,889	17,01,000	4,20,89,889

Name	Salary (₹)	@ Commission paid in 2012-13 (₹)	Perquisites (₹)	Retirement Benefits (₹)	Total (₹)
Mr. S. Ramakrishnan, Executive Director	54,00,000	1,25,00,000	94,85,721	14,58,000	2,88,43,721
Mr. S. Padmanabhan, Executive Director	49,20,000	1,25,00,000	70,14,487	13,28,400	2,57,62,887
Mr. B. Agrawala, Executive Director (Resigned w.e.f. 30.11.2011)	-	83,00,000	-	-	83,00,000

@ Commission relates to the financial year ended 31<sup>st</sup> March, 2012, which was paid during the financial year under review. Commission of ₹ 7.50 crore has been provided as payable to the Managing Director and Executive Directors in the accounts for the year ended 31<sup>st</sup> March, 2013, the distribution of which is yet to be determined.

Table 8: Salient features of the agreements executed/to be executed by the Company with Mr. Anil Sardana, Managing Director and Mr. S. Ramakrishnan and Mr. S. Padmanabhan, Executive Directors, consequent upon obtaining Members' approval at the AGM:

Terms of Agreement	Mr. Anil Sardana Managing Director	Mr. S. Ramakrishnan Executive Director	Mr. S. Padmanabhan Executive Director
<b>Period of appointment</b>	1.2.2011 to 31.1.2016	1.10.2009 to 28.2.2014	6.2.2013 to 5.2.2018
<b>Remuneration</b> - Salary	Basic salary upto a maximum of ₹ 6,50,000 p.m.	Basic salary upto a maximum of ₹ 6,00,000 p.m.	Basic salary upto a maximum of ₹ 6,00,000 p.m.
- Commission	At the discretion of the Board within the limits stipulated under the Act.		
- Incentive Remuneration	At the discretion of the Board, 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.		
<b>Notice period</b>	The Agreements may be terminated by either party giving to the other party six months' notice or the Company paying six months' remuneration in lieu thereof.		
<b>Severance fees</b>	There is no separate provision for payment of severance fees.		
<b>Stock Option</b>	Nil		

The above agreements are contractual in nature.

Table 9: Details of number of shares and convertible instruments held by Directors:

Name of the Director	No. of Equity Shares held	No. of convertible instruments held
Mr. S. Ramakrishnan		
- Individually	3,000	Nil
- Karta (HUF)	1,000	Nil

#### ❖ Executive Committee of the Board

The Executive Committee of the Board comprises Mr. C. P. Mistry (Chairman), Mr. R. Gopalakrishnan, Mr. N. H. Mirza, Mr. D. M. Satwalekar, Mr. Anil Sardana (Managing Director) and Mr. S. Ramakrishnan and Mr. S. Padmanabhan (Executive Directors). This Committee covers a detailed review of the following items before being presented to the full 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
- Senior management succession planning
- Any other item as may be decided by the Board

❖ **Nominations Committee**

The Nominations Committee comprises Dr. H. S. Vachha (Chairman), Mr. C. P. Mistry and Mr. N. H. Mirza. This Committee makes recommendations regarding composition of the Board and would therefore identify Independent Directors to be inducted to the Board from time to time and take steps to refresh the composition of the Board from time to time.

❖ **Ethics and Compliance Committee**

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended (the Regulations), the Board of Directors of the Company adopted the Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices (the Code) to be followed by Directors, Officers and other employees. The Code is based on the principle that Directors, Officers and employees of a Tata Company owe a fiduciary duty to, among others, the Members of the Company to place the interest of the Members above their own and conduct their personal securities transactions in a manner that does not create any conflict of interest situation. The Code contains regulations for preservation of price sensitive information, pre-clearance of trade and monitoring and implementation of the Code.

In terms of this Code, a Committee has been constituted called 'Ethics and Compliance Committee' comprising Dr. H. S. Vachha (Chairman) and Mr. S. Padmanabhan.

Mr. S. Ramakrishnan, Executive Director (Finance) is the Compliance Officer to ensure compliance and effective implementation of the Regulations and also this Code across the Company.

**General Body Meetings**

The last three AGMs were held as under:

Financial Year ended	Day & Date	Time	Venue
31 <sup>st</sup> March, 2010	Wednesday, 8 <sup>th</sup> September, 2010	3 p.m.	Birla Matushri Sabhagar, Sir Vithaldas Thackersey Marg, 19, New Marine Lines, Mumbai 400 020.
31 <sup>st</sup> March, 2011	Wednesday, 24 <sup>th</sup> August, 2011		
31 <sup>st</sup> March, 2012	Friday, 17 <sup>th</sup> August, 2012		

**Details of Special Resolutions passed in the previous three AGMs**

Date of the AGM	Particulars of Special Resolutions passed thereat
8 <sup>th</sup> September, 2010	No Special Resolutions were passed at this AGM
24 <sup>th</sup> August, 2011	Alteration of Articles of Association of the Company
17 <sup>th</sup> August, 2012	No Special Resolutions were passed at this AGM

None of the business required to be transacted at this AGM is proposed to be passed by postal ballot.

No Court-convened Meetings were held during the last three years.

**Disclosures**

1. There were no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, Directors or the management, their subsidiaries or relatives etc. during the year, that may have potential conflict with the interests of the Company at large.
2. The Board has received disclosures from key managerial personnel 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.
3. There was no non-compliance during the last three years by the Company on any matter related to Capital Market. There were no penalties imposed nor strictures passed on the Company by Stock Exchanges, SEBI or any statutory authority.
4. The Board of Directors of the Company has adopted a Whistle Blower Policy for establishing a mechanism for employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code



of Conduct or ethics policy. The said policy has been posted on the Company's intranet site. The Company affirms that no employee has been denied access to the Audit Committee.

5. All mandatory requirements as per Clause 49 of the Listing Agreement have been complied with by the Company.
6. The Company follows Accounting Standards issued by The Institute of Chartered Accountants of India and there are no statutory audit qualifications in this regard.
7. In terms of Clause 49(V) of the Listing Agreement, the Managing Director and the Executive Director (Finance) 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.

### Means of Communication

**Financial Results:** Quarterly and half-yearly results are published in the following newspapers:

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	Mumbai and Rajkot	Gujarati

Half-yearly reports covering financial results were sent to Members at their registered postal/email address.

**Annual Reports:** The Annual Reports were posted to Members and others entitled to receive them.

**News Releases, presentations etc.:** Official news releases, detailed presentations made to media, analysts, institutional investors etc. are displayed on the Company's website. Official media releases, sent to the Stock Exchanges, are given directly to the Press.

**Website:** Comprehensive information about the Company, its business and operations, Press Releases and Investor information can be viewed at the Company's website. 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.

**Corporate Filing and Dissemination System (CFDS):** The CFDS portal is a single source to view information filed by listed companies. All disclosures and communications to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are filed electronically through CFDS portal. Hard copies of the said disclosures and correspondence are also filed with the Stock Exchanges.

**NSE Electronic Application Processing System (NEAPS) and BSE Online Portal:** The Company also submits to NSE, all disclosures and communications through NSE's NEAPS portal. Similar filings are made to BSE on their newly launched Online Portal - BSE Corporate Compliance & Listing Centre with effect from 8<sup>th</sup> February, 2013.

**Extensive Business Reporting Language (XBRL):** XBRL is a language for electronic communication of business and financial data. It offers major benefits to all those who have to create, transmit, use or analyse such information which aids better analysis and decision making. Ministry of Corporate Affairs (MCA) vide its Circular No.8/2012 dated 10<sup>th</sup> May, 2012 [as amended on 29<sup>th</sup> June, 2012], has already mandated all cost auditors and the concerned companies to file their Cost Audit Reports and Compliance Reports for the year 2011-12 onwards [including the overdue reports relating to any previous year(s)] only in the XBRL mode. The Company has filed its Cost Audit Report and Compliance Report on MCA through XBRL.

**Web-based Query Redressal System:** Members also have the facility of raising their queries / complaints on share related matters through a facility provided on the 'Investor Relations' section.

**SEBI Complaints Redress 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 companies and online viewing by the investors of actions taken on the complaint and its current status.

**Reminders to Members:** Reminders for unclaimed dividend were sent in March, 2013 to the Members as per records.

**General Shareholder Information**

1. The AGM is scheduled to be held on Friday, 16<sup>th</sup> August, 2013 at 3 p.m. at Birla Matushri Sabhagar, Sir Vithaldas Thackersey Marg, 19, New Marine Lines, Mumbai 400 020.

As required under Clause 49(IV)(G)(i) of the Listing Agreements with the Stock Exchanges, particulars of Directors seeking appointment/re-appointment at the forthcoming AGM are given in the Annexure to the Notice of the AGM to be held on 16<sup>th</sup> August, 2013.

2. **Financial Year** : 1<sup>st</sup> April, 2012 to 31<sup>st</sup> March, 2013
3. **Book Closure** : From 30<sup>th</sup> July, 2013 to 16<sup>th</sup> August, 2013 (both days inclusive).
4. **Dividend Payment Date** : On and from 19<sup>th</sup> August, 2013.
5. **Listing on Stock Exchanges** : The Company's Equity Shares are listed on the following 2 Stock Exchanges in India :

BSE Limited (BSE) (Regional Stock Exchange) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.	National Stock Exchange of India Limited (NSE) 'Exchange Plaza', Bandra-Kurla Complex, Bandra (E), Mumbai 400 051.
---	--

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 the Luxembourg Stock Exchange 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 in and traded in Euro MTF market of the Luxembourg Stock Exchange and are also available for trading on IOB (International Order Board) of London Stock Exchange.

In November, 2009, the Company issued 1.75% Foreign Currency Convertible Bonds (FCCBs) due in 2014, to raise USD 300 million. These FCCBs are listed on the Singapore Exchange Securities Trading Limited (SGX-ST). In case the entire amount of FCCBs are converted, the Company would have to allot 9,64,40,890 Equity Shares of ₹ 1 each to the Bond holders.

In August, 2012, the Company issued 15,000 Unsecured, Subordinated, Listed, Rated Securities in the form of Non-Convertible Debentures issued on private placement basis of ₹ 10,00,000/- each. The said Debentures are listed on NSE.

In December, 2012, the Company issued 2,100 Secured, Non-Cumulative, Redeemable, Taxable, Listed, Rated Securities in the form of Non-Convertible Debentures issued on private placement basis of ₹ 10,00,000/- each. The said Debentures are listed on NSE.

The following series of Debentures issued by the Company are listed on the Wholesale Debt Market segment of NSE:

Sl. No.	Series	Amount outstanding as on 31.3.2013 (₹ crore)
1.	7.1% Transferable Secured Redeemable Non-Convertible Debentures	600
2.	10.10% Redeemable Transferable Secured Non-Convertible Debentures	500
3.	10.40% Redeemable Transferable Secured Non-Convertible Debentures	500
4.	9.15% Secured Non-Convertible Non-Cumulative Redeemable Taxable Debentures with Separately Transferable Redeemable Principal Parts	300
5.	9.15% Secured Non-Convertible Non-Cumulative Redeemable Taxable Debentures with Separately Transferable Redeemable Principal Parts	218
6.	9.40% Redeemable Transferable Secured Non-Convertible Debentures	210
7.	10.75% Unsecured Debentures	1500
8.	11.40% Perpetual Bonds (also listed on BSE)	1500

The Company has paid the requisite Annual Listing Fees to the 2 Stock Exchanges for the financial year 2012-13.

## 6. Stock Code (For Equity Shares):

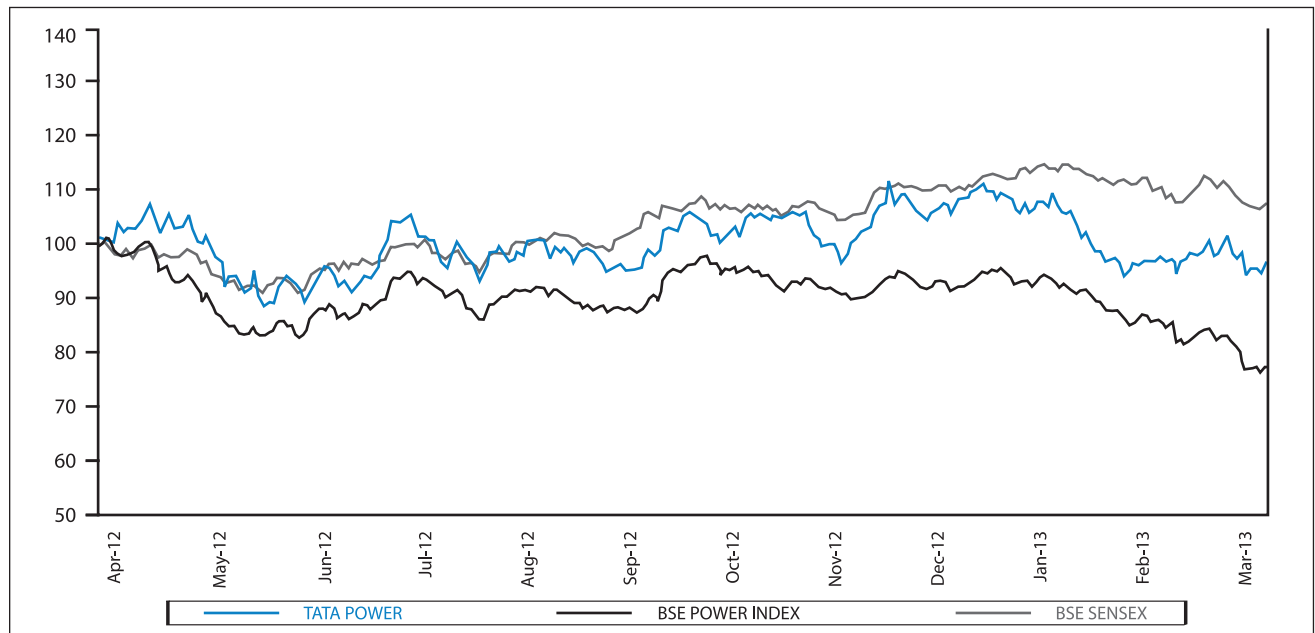
BSE Limited (physical form) (demat form)	400 500400
National Stock Exchange of India Limited	TATAPOWER EQ

## 7. Market Information:

- a) Market Price Data: High, Low during each month and trading volumes of the Company's Equity Shares during the last financial year at BSE and NSE are given below:

Stock Exchange	BSE			NSE			
	Month	High (₹)	Low (₹)	No. of shares traded during the month	High (₹)	Low (₹)	No. of shares traded during the month
	April, 2012	107.45	100.00	87,04,012	107.50	100.05	5,90,56,001
	May, 2012	103.10	88.65	80,82,822	103.05	88.65	8,35,10,079
	June, 2012	104.70	89.25	77,32,726	104.70	89.10	6,70,83,216
	July, 2012	105.55	93.45	61,03,212	105.60	93.05	5,52,45,951
	August, 2012	101.10	96.70	64,17,668	101.30	96.75	5,78,07,358
	September, 2012	106.95	95.15	1,36,01,585	106.95	95.05	8,60,93,740
	October, 2012	106.95	100.05	69,64,565	107.00	100.10	7,32,44,909
	November, 2012	107.55	96.65	55,01,482	107.80	96.85	4,89,53,248
	December, 2012	111.75	104.75	86,23,498	111.65	104.70	6,27,77,156
	January, 2013	111.65	101.20	1,02,74,012	112.00	101.10	4,56,04,001
	February, 2013	102.65	94.25	93,82,241	102.30	94.05	5,43,36,484
	March, 2013	101.90	94.50	50,62,203	101.70	94.65	4,48,86,250

- b) Normalized performance of Tata Power Share price in comparison to BSE Sensex and Power Index:



c) Performance of Tata Power Share price in comparison to NSE Nifty:



**8. Registrars and Transfer Agents:** TSR Darashaw Private Limited (TSRD)  
 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 Website: www.tsrdarashaw.com

For the convenience of Members based in the following cities, transfer documents and letters will also be accepted at the following branches / agency of TSRD:

**Branches of TSRD**

- |   |  |
|---|--|
| <p>1. 503, Barton Centre, 5th floor,<br/>84, Mahatma Gandhi Road,<br/>Bengaluru 560 001.<br/>Tel. : 080 2532 0321<br/>Fax : 080 2558 0019<br/>E-mail : tsrdlbgang@tsrdarashaw.com</p>   | <p>2. Bungalow No.1, 'E' Road,<br/>Northern Town, Bistupur,<br/>Jamshedpur 831 001.<br/>Tel. : 0657 242 6616<br/>Fax : 0657 242 6937<br/>E-mail: tsrdljsr@tsrdarashaw.com</p>    |
| <p>3. Tata Centre, 1<sup>st</sup> Floor,<br/>43, Jawaharlal Nehru Road,<br/>Kolkata 700 071.<br/>Tel. : 033 2288 3087<br/>Fax : 033 2288 3062<br/>E-mail : tsrdlcal@tsrdarashaw.com</p> | <p>4. Plot No.2 / 42, Sant Vihar,<br/>Ansari Road, Darya Ganj,<br/>New Delhi 110 002.<br/>Tel. : 011 2327 1805<br/>Fax : 011 2327 1802<br/>E-mail : tsrdldel@tsrdarashaw.com</p> |

**Agent of TSRD**

Shah Consultancy Services Pvt. Limited  
 Agents : TSR Darashaw Private Limited  
 3, Sumatinath Complex, Pritam Nagar, Akhada Road, Ellisbridge, Ahmedabad 380 006.  
 Telefax : 079 2657 6038 E-mail : shahconsultancy8154@gmail.com

9. **Share Transfer System:** Share Transfers in physical form can be lodged with TSRD at the abovementioned address or at their branch offices, addresses of which are available on website: [www.tsrdarashaw.com](http://www.tsrdarashaw.com)

Transfers are normally processed within 15 days from the date of receipt. If the documents are complete in all respects, Mr. H. M. Mistry, the Company Secretary and Compliance Officer and Mr. A. S. Bapat, Head-Corporate Legal, are severally empowered to approve transfers, in addition to the powers with the Members of the Shareholders'/Investors' Grievance Committee.

The Company officials could be contacted at the following address:  
The Tata Power Company Limited,  
Bombay House, 24, Homi Mody Street, Mumbai 400 001.

10. **Distribution of Shares as on 31<sup>st</sup> March, 2013:**

Slab	Number of shares				Number of shareholders					
	Physical	Demat	Total	%	Physical	%	Demat	%	Total	%
1 - 5000	3,91,07,414	10,42,71,377	14,33,78,791	6.04	30,089	90.85	1,67,916	92.85	1,98,005	92.54
5001 - 10000	1,50,00,730	4,98,21,720	6,48,22,450	2.73	2,205	6.66	6,961	3.85	9,166	4.28
10001 - 20000	74,89,690	4,74,43,543	5,49,33,233	2.32	538	1.62	3,385	1.87	3,923	1.83
20001 - 30000	37,10,412	2,39,23,894	2,76,34,306	1.16	153	0.46	972	0.54	1,125	0.53
30001 - 40000	24,33,120	1,62,07,067	1,86,40,187	0.79	69	0.21	463	0.25	532	0.25
40001 - 50000	10,84,960	1,10,39,974	1,21,24,934	0.51	24	0.07	246	0.14	270	0.13
50001 - 100000	18,78,760	3,10,35,076	3,29,13,836	1.39	29	0.09	449	0.25	478	0.22
100001 and above	32,04,920	2,01,54,19,703	2,01,86,24,623	85.06	14	0.04	449	0.25	463	0.22
<b>Total</b>	<b>7,39,10,006</b>	<b>2,29,91,62,354</b>	<b>*2,37,30,72,360</b>	<b>100.00</b>	<b>33,121</b>	<b>100.00</b>	<b>1,80,840</b>	<b>100.00</b>	<b>2,13,961</b>	<b>100.00</b>

- ★ Excluding 23,03,080 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.

11. **Shareholding pattern as on 31<sup>st</sup> March, 2013:**

Particulars	Equity Shares of ₹ 1/- each	
	No. of Shares	%
Promoters	77,05,37,290	32.47
Directors and their relatives	4,000	0.00
Insurance Companies	51,23,48,016	21.59
Financial Institutions / Banks	97,05,823	0.41
Mutual Funds / UTI	4,08,65,257	1.72
Clearing Members	25,11,326	0.11
Corporate Bodies	1,60,28,904	0.68
Trusts	23,98,870	0.10
Resident Individuals & HUF	33,41,67,533	14.08
Central / State Governments	7,10,488	0.03
Foreign Institutional Investors	58,21,79,044	24.53
Foreign Banks	82,248	0.00

OCB's	10,400	0.00
Foreign Bodies	1,41,838	0.01
Foreign Nationals DR	22,760	0.00
Foreign Institutional Investors DR	1,70,700	0.01
Foreign Bodies DR	43,500	0.00
Global Depository Receipts	7,64,35,720	3.22
Non-Resident Indians	2,47,08,643	1.04
<b>Total</b>	<b>2,37,30,72,360</b>	<b>100.00</b>

#### 12. Top 10 Shareholders of the Company as on 31<sup>st</sup> March, 2013:

Sl. No.	Name of Shareholder	Total holdings	% to capital
1.	Tata Sons Limited	70,75,11,570	29.81
2.	Life Insurance Corporation of India	30,60,52,963	12.90
3.	Matthews Pacific Tiger Fund	10,10,27,968	4.26
4.	The Bank of New York	7,50,46,920	3.16
5.	National Westminster Bank Plc as Depository of First State Global Emerging Markets Leaders Fund a Sub Fund of First State Investments ICVC	6,50,97,597	2.74
6.	The New India Assurance Company Limited	6,40,26,620	2.70
7.	General Insurance Corporation of India	6,21,20,370	2.62
8.	National Westminster Bank Plc as Depository of First State Asia Pacific Leaders Fund a Sub Fund of First State Investments ICVC	5,67,62,066	2.39
9.	Aberdeen Global Indian Equity (Mauritius) Limited	3,62,00,000	1.53
10.	Tata Steel Limited	3,43,18,180	1.45
	<b>Total</b>	<b>1,50,81,64,254</b>	<b>63.56</b>

#### 13. Dematerialisation of Shares as on 31<sup>st</sup> March, 2013 and Liquidity:

The Company's shares are compulsorily traded in dematerialised form and are available for trading through both the Depositories in India viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

Particulars of Shares	Equity Shares of ₹ 1/- each		Shareholders	
	Number	% to Total	Number	% to Total
<b>Dematerialised form</b>				
NSDL	2,17,93,55,730	91.84	1,33,846	62.56
CDSL	11,98,06,624	5.05	46,994	21.96
<b>Sub-total</b>	<b>2,29,91,62,354</b>	<b>96.89</b>	<b>1,80,840</b>	<b>84.52</b>
Physical form	7,39,10,006	3.11	33,121	15.48
<b>Total</b>	<b>2,37,30,72,360</b>	<b>100.00</b>	<b>2,13,961</b>	<b>100.00</b>

#### 14. E-voting:

E-voting is a common internet infrastructure that enables the Investors to vote electronically on resolutions of companies. They can now vote on resolutions requiring voting through Postal Ballot as per the applicable rules and regulations without sending their votes through post. 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.

### 15. International Securities Identification Number (ISIN)

Under the Depository system, the ISIN allotted to the Company's shares in dematerialised form is **INE245A01021**. The Annual Custodial Fees for the Financial Year 2012-13 were paid to NSDL and CDSL.

The Company's shares are regularly traded on BSE and NSE as is seen from the volume of shares indicated in the table containing market information.

16. **Number of GDS outstanding:** 1,543 (Issued in 1994 to Citibank NA)  
**as on 31<sup>st</sup> March, 2013** 7,50,46,920 (Issued in 2009 to The Bank of New York)

### 17. Plant Locations:

#### a) Thermal Power Stations:

- |   |   |
|---|---|
| i) Trombay Generating Station<br>Mahul Road, Chembur<br>Mumbai, Maharashtra   | ii) Jojobera Power Plant<br>Jojobera<br>Jamshedpur, Jharkhtra   |
| iii) Belgaum Power Plant<br>Plot Nos.1234 to 1240 & 1263 to 1297<br>KIADB Kanbargi Industrial Area<br>Auto Nagar, Belgaum, Karnataka  | iv) Haldia Power Plant<br>HFC Complex<br>Patikhali Haldia, East Medinipur<br>West Bengal  |
| v) Mundra Ultra Mega Power Plant<br>Tunda-Vandh Road, Village Tunda<br>Taluka Mundra, Kutchh, Gujarat<br>(Owned by Coastal Gujarat<br>Power Ltd., a wholly owned<br>subsidiary) | vi) Maithon Right Bank Thermal Power Plant<br>Village Dambhui, PO Barbindia<br>Thana Nirsra, District Dhanbad<br>Jharkhand<br>(Owned by Maithon Power Ltd.- a subsidiary) |

#### b) Hydro Generating Stations:

- |  |  |   |
|--|--|---|
| i) Generating Station<br>Bhira P O Bhira<br>Taluka Mangaon<br>District Raigad<br>Maharashtra | ii) Generating Station<br>Bhivpuri<br>P O Bhivpuri Camp<br>Taluka Karjat<br>District Raigad<br>Maharashtra | iii) Generating Station<br>Khopoli<br>P O Khopoli Power House<br>District Raigad<br>Maharashtra |
|--|--|---|

#### c) Wind Farms:

- |   |   |  |
|---|---|--|
| i) Village Shahjahanpur & Pimpalgaon<br>Taluka Parner<br>District Ahmednagar<br>Maharashtra                   | ii) Village Khandke<br>Taluka & District Ahmednagar<br>Maharashtra  | iii) Village Valve<br>Taluka Sakri<br>District Dhulia<br>Maharashtra               |
| iv) Jamjodhpur, Sadodar, Motapanch<br>Devda, Samana<br>District Jamnagar, Gujarat.                            | v) Hosur, Kanavi, Mulgund,<br>Shiroland Harti<br>District Gadag, Karnataka  | vi) Village Sadawaghapur<br>Taluka Patan<br>District Satara, Maharashtra           |
| vii) Village Anikaduvu, Mongilphuluvu,<br>Illupunagaram<br>Taluka Madathukulam<br>District Tripur, Tamil Nadu | viii) Village Kannarwadi, Hiwarwadi &<br>Agaswadi, Taluka Khatav<br>District Satara<br>Maharashtra  | ix) Village Sawarghar and Niwade<br>Taluka Patan<br>District Satara<br>Maharashtra |
| x) Visapur Wind Farm<br>Village Kokrale and Visapur<br>Taluka Khatav<br>District Satara<br>Maharashtra        | xi) Dalot Wind Farm<br>Village Raipur,<br>Jungle, Khanpur, Talabkheda<br>Karaikhede, Taluka Arnod<br>District Pratapgarh, Rajasthan<br>(Owned by Tata Power Renewable<br>Energy Ltd., a wholly owned<br>subsidiary) |  |

## d) Solar Plants:

- |    |  |     |   |
|----|--|-----|---|
| i) | Mulshi (Khurd)<br>Post Male, Taluka Mulshi<br>District Pune, Maharashtra | ii) | C/o Tata Chemicals Township, Plot B<br>Survey No. 78, Mithapur<br>District Jamnagar, Gujarat<br>(Owned by Tata Power Renewable Energy<br>Ltd., a wholly owned subsidiary) |
|----|--|-----|---|
- e) Transmission Division : Shil Road, Netivli, Kalyan, District Thane, Maharashtra
- f) Distribution Division : Senapati Bapat Marg, Lower Parel, Mumbai
- g) Strategic Engineering Division : 42/43 Electronic City, Electronic City Post Office, Hosur Road, Bengaluru
18. **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

19. **Compliance with Non-Mandatory Requirements:**

## i) The Board

The Company does not reimburse expenses incurred by the Non-Executive Chairman for maintenance of a separate Chairman's Office.

## ii) Remuneration Committee

The Board has set up a Remuneration Committee. Please see details in para on Remuneration Committee.

## iii) Shareholder Rights

A half-yearly declaration of financial performance including summary of the significant events in the last six months, is sent to all the Members. The results are also put up on the Company's website.

## iv) Audit qualifications

During the year under review, there was no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure a regime of unqualified financial statements.

## v) Proceeds from public issue / private placement

The proceeds raised in previous years through private placement of Debentures, GDRs and FCCBs have been utilised in terms of the objects of the issue as stated in the respective Offering Documents.

## vi) Training of Board Members

The Company's Board of Directors comprises of professionals with expertise in their respective fields and industry. They endeavour to keep themselves updated with changes in the economy, legislation and technologies.

## vii) Mechanism for evaluation of Non-Executive Board Members

The Board of Directors of the Company, at present, comprises of nine NEDs. The Directors appointed are from diverse fields which are relevant to the Company's business and they have long-standing experience and are experts in their respective fields. They have gained considerable experience in managing large corporates and have been in public life for decades. The enormously rich and diverse background of the Directors is of considerable value to the Company.

The NEDs add substantial value through discussions and deliberations at the Board and Committee Meetings. Besides contributing at the Board and Committee Meetings, the NEDs also have detailed deliberations with the Management Team and add value through such deliberations.

Performance evaluation of NEDs is done by the Remuneration Committee and its recommendations are placed before the Board for consideration.

## viii) Whistle Blower Policy

The Company has adopted a Whistle Blower Policy. Please refer to the para under the head 'Disclosures'.



## 20. **Company's Policies:**

### ➤ **Tata Code of Conduct**

The values and principles which have governed the manner in which the Tata companies and their employees have conducted themselves are articulated as the Tata Code of Conduct (TCOC). The TCOC is intended to serve as a guide to each employee on the values, ethics and business principles expected of him or her in personal and professional conduct.

The TCOC takes into consideration the effect of the rapidly increasing footprint of Tata companies across nationalities and geographical boundaries on the TCOC, whilst retaining the ethos of the Tata brand and reputation. The TCOC is modified periodically, taking into account the emergent global presence and to ensure that it addresses and encompasses diverse cultural, business and related issues universally across Tata companies.

The employees take pride in upholding the high standards of corporate and personal behaviour on which the Tatas' reputation and respectability have been built over more than 140 years.

### ➤ **Insider Trading Policy**

Please refer to details under the heading 'Ethics and Compliance Committee' in this section.

### ➤ **Whistle Blower Policy**

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting 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.

Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges, *inter alia*, provides for a non-mandatory requirement for all listed companies to establish a mechanism called 'Whistle Blower Policy' for 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. Accordingly, the Whistle Blower Policy has been formulated with a view to provide a mechanism for employees of the Company to approach the Chief Ethics Counsellor (CEC) / Chairman of the Audit Committee of the Company.

The Whistle Blower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.

Whistle Blowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the CEC or the Chairman of the Audit Committee or the Investigators. Protected Disclosure will be appropriately dealt with by the CEC or the Chairman of the Audit Committee, as the case may be.

### ➤ **Sexual Harassment Policy**

The Company is an equal employment opportunity company and is committed to creating a healthy working environment that enables employees to work without fear of prejudice, gender bias and sexual harassment. The Company also believes that all employees of the Company, have the right to be treated with dignity. Sexual harassment at the work place or other than work place, if involving employees, is a grave offence and is, therefore, punishable. The Supreme Court has also directed companies to lay down guidelines and a forum for redressal of grievances related to sexual harassment. The Company has a policy on Prevention of Sexual Harassment of Employees which extends to all employees of the Company. The management has also constituted a Committee to consider and redress complaints of sexual harassment.

### ➤ **Human Rights Policy**

The Company respects and supports the dignity, well being and Human Rights of all stakeholders. The Company is committed to work with its employees/ contractors/ direct business partners to support Human Rights. To responsibly address the various Human Rights issues that the Company confronts, especially as its growth plans take it into emerging markets, it has found practical ways of applying the Human Rights principles established in the business community. In this regard, a Human Rights Policy and its commitment framework have been issued. The policy is in accordance to the principles of International Labour Organization and United Nations Global Compact.

**21. Other Shareholder Information:**

➤ **Corporate Identity Number (CIN)**

The CIN allotted to the Company by the Ministry of Corporate Affairs, Government of India is **L28920MH1919PLC000567**.

➤ **TOLL FREE Investor Helpline**

The Company maintains a TOLL FREE Investor Helpline to give Members the convenience of one more contact point with TSRD, Registrar and Transfer Agent of the Company, for redressal of grievances / responses to queries. The Toll Free number is **1800-209-8484**.

➤ **Shareholders' Relations Team**

The Shareholders' Relations Team is located at the Registered Office of the Company.

Contact Person : Mr. J. E. Mahernosh Tel. : 022 66657508 Fax: 022 67171004

In compliance with Clause 47(f) of the Listing Agreement, a separate e-mail ID investorcomplaints@tatapower.com has been set up as a dedicated ID solely for the purpose of dealing with Members' queries / complaints.

➤ **Transfer of unclaimed dividend to Investor Education and Protection Fund**

Pursuant to the provisions of Sections 205A and 205C of the Act, the dividend which remains unclaimed / 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) established by the Central Government.

The status of dividend remaining unclaimed is given hereunder:

<b>Unclaimed Dividend</b>	<b>Status</b>	<b>Whether it can be claimed</b>	<b>Can be claimed from</b>
Upto and including the Financial Year 1994-95	Transferred to General Revenue Account of the Central Government	Yes	Office of the Registrar of Companies, Central Government Office Building, 'A' Wing, 2 <sup>nd</sup> Floor, Next to Reserve Bank of India, CBD Belapur 400 614.  Application to be made in Form II prescribed by the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978.
For the Financial Years 1995-96 to 2004-2005	Transferred to the IEPF of the Central Government	No	Not applicable
For the Financial Years 2005-06 and thereafter	Lying in respective Unpaid Dividend Accounts	Yes	TSR Darashaw Private Ltd., Registrar and Transfer Agent

During the year, the Company sent a reminder to those Members and Depositors who had not claimed their dividend or interest or principal amount. The following unclaimed amounts were transferred to IEPF:

<b>Particulars</b>	<b>Amount (₹)</b>
Amounts transferred during Financial Year 2012-13:	
- Unclaimed dividend with the Company	52,38,720
- Unclaimed matured deposits with the Company	23,000
- Interest accrued on the unclaimed matured deposits	33,608
<b>Total amount transferred during the year</b>	<b>52,95,328</b>

The due dates for transfer to IEPF of the dividend remaining unclaimed since 2005-06 are provided hereunder:

Date of dividend declaration	Unclaimed Dividend (₹) (As on 31.3.2013)	Last date for claiming payment from TSRD
01.08.2006	76,32,516	31.07.2013
08.08.2007	87,62,354	07.08.2014
10.09.2008	1,09,15,695	09.09.2015
06.08.2009	1,24,35,617	05.08.2016
08.09.2010	1,44,15,000	07.09.2017
24.08.2011	1,54,40,363	23.08.2018
17.08.2012	1,78,71,091	16.08.2019

Members may visit the Company's website [www.tatapower.com](http://www.tatapower.com) (Investor Relations - Investor Helpdesk - Amounts pending transfer to IEPF) for tracking details of any unclaimed amounts, pending transfer to IEPF. Members are requested to get in touch with TSRD for claiming the unclaimed dividend, if any, standing to the credit of their account.

**After transfer of the said amounts to the IEPF, no claims in this respect shall lie against the IEPF or the Company nor shall any payment be made in respect of such claims.**

➤ **Unclaimed Shares**

As required under Clause 5A of the Listing Agreement, the Company has sent a reminder to the Members whose shares were lying unclaimed/undelivered with the Company.

➤ **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 (RBI) 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 Depository Participant (DP).
- ii) Instructions regarding change of address, nomination and power of attorney should be given directly to the DP.

➤ **Shares held in physical form**

Members holding shares in physical form are requested to notify/send the following to TSRD to facilitate better servicing:

- i) any change in their address/mandate/bank details, and
- ii) particulars of the bank and branch in which they wish their dividend to be credited, in case they have not been furnished earlier.

As per SEBI Circular No.CIR/MRD/DP/10/2013 dated 21<sup>st</sup> March, 2013, companies are directed to use, either directly or through their RTA, any RBI approved electronic mode of payment such as ECS, NECS, NEFT, RTGS etc. for making cash payments 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.

➤ **Demat initiative**

<b>WHY DEMAT</b>	
<ul style="list-style-type: none"> <li>• Easy portfolio monitoring</li> <li>• Elimination of bad deliveries</li> <li>• Elimination of all risks associated with physical certificates</li> <li>• No stamp duty is paid on transfer of shares</li> <li>• Immediate transfer / trading of securities</li> <li>• Faster settlement cycle</li> <li>• Faster disbursement of non-cash corporate benefits like rights, bonus etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Periodic status reports and information available on internet</li> <li>• Ensures faster communication to investors</li> <li>• Ease related to change of address</li> <li>• Provides more acceptability and liquidity of securities</li> <li>• Postal delays and loss of shares in transit is prevented</li> <li>• Saves the shareholder from going through cumbersome legal processes to reclaim the lost / pilfered certificate</li> </ul>
<b>HELP CONVERT BALANCE PHYSICAL SHARES TO DEMAT</b>	

The Company, along with Geojit BNP Paribas Financial Services Limited (Geojit) and Kotak Securities Limited (Kotak), has introduced an initiative for Members holding shares in physical form to dematerialise their holdings. The scheme for free Demat Account opening as well as the waiver of the Annual Maintenance Charges and the DRF charges for Members of the Company holding shares in physical form, has been extended till March, 2014. Their Toll Free Numbers are 18004255501 (Geojit) and 18002099191 (Kotak).

In view of the advantages of holding shares in electronic form, Members holding their Equity Shares in physical form are urged to avail of this opportunity and demat their holdings.

➤ **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, 4<sup>th</sup> Floor,  
 Kamala Mills Compound,  
 Senapati Bapat Marg, Lower Parel,  
 Mumbai 400 013.  
 Tel. : 022 2499 4200  
 Fax : 022 2497 6351  
 e-mail : info@nsdl.co.in  
 website : www.nsdl.co.in

Central Depository Services (India) Limited  
 Phiroze Jeejeebhoy Towers,  
 17<sup>th</sup> Floor, Dalal Street,  
 Mumbai 400 023.  
 Tel. : 022 2272 3333  
 Fax : 022 2272 3199  
 e-mail : investor@cDSLindia.com  
 website : www.cdslindia.com

➤ **Nomination Facility**

Pursuant to the provisions of Section 109A 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. 2B to TSRD. Members holding shares in electronic form are requested to give the nomination request to their respective DPs directly.

Form No. 2B can be obtained from TSRD or downloaded from the Company’s website under the section ‘Investor Relations’.

➤ **Reconciliation of Share Capital Audit**

As stipulated by SEBI, a qualified practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges as well as placed before the Board of Directors. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).

➤ **Compliance of Share Transfer Formalities**

Pursuant to Clause 47 (c) of the Listing Agreement with the Stock Exchanges, certificates, on half-yearly basis, have been issued by a Company Secretary-in-practice for due compliance of share transfer formalities by the Company.

➤ **Secretarial Audit**

As a good corporate governance practice, the Company appointed Parikh & Associates, Company Secretaries, to conduct Secretarial Audit of records and documents of the Company. The Secretarial Audit Report confirms that the Company has complied with the applicable provisions of the Companies Act, 1956, Depositories Act, 1996, Listing Agreements with the Stock Exchanges, and all the Regulations and Guidelines of SEBI as applicable to the Company.

22. **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 should convert their physical holdings into electronic holdings. Holding shares in electronic form helps Members to achieve immediate transfer of shares. No stamp duty is payable on transfer of shares held in electronic form and risks associated with physical certificates such as forged transfers, fake certificates and bad deliveries are avoided.

ii) **Consolidate your Multiple Folios**

Members are requested to consolidate their shareholding 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.

iii) **Confidentiality of Security Details**

Folio Nos. / DP ID / Client ID should not be disclosed to any unknown persons. Signed blank transfer deeds or delivery instruction slips should not be given to any unknown persons.

iv) **Dealing with Registered Intermediaries**

Members should transact through a registered intermediary who is subject to the regulatory discipline of SEBI, as it will be responsible for its activities, and 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) **Update your Address**

To receive all communications and corporate actions promptly, please update your address with the Company or DP, as the case may be.

vii) **Prevention of Frauds**

There is a possibility of fraudulent transactions relating to folios which lie dormant, where the Member is either deceased or has gone abroad. Hence, we urge you to exercise diligence and notify the Company of any change in address, stay abroad or demise of any Member, as and when required.

viii) **Monitor holdings regularly**

Do not leave your demat account dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified.

ix) **PAN Requirement for transfer of Shares in Physical Form**

SEBI has mandated the submission of Permanent Account Number (PAN) for securities market transactions and off market / private transactions involving transfer of shares of listed companies in physical form. It is, therefore, mandatory for any transferee(s) to furnish a copy of the PAN card to TSRD for registration of such transfers. Members are, therefore, requested to make note of the same and submit their PAN card copy to TSRD.

x) **Mode of Postage**

Share Certificates and high value dividend warrants/cheques/demand drafts should not be sent by ordinary post. It is recommended that Members should send such instruments by registered post or courier.

**DECLARATION**

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, I affirm that the Board Members and the Senior Management Personnel have confirmed compliance with the Codes of Conduct, as applicable to them, for the year ended 31<sup>st</sup> March, 2013.

**For The Tata Power Company Limited**

Anil Sardana  
Managing Director

Mumbai, 30<sup>th</sup> May, 2013

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**CERTIFICATE**

**To the Members of  
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 31<sup>st</sup> March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges in India.

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 the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For DELOITTE HASKINS & SELLS**

Chartered Accountants  
(Registration Number: 117366W)

**R. A. BANGA**

Partner  
(Membership Number: 37915)

Mumbai, 30<sup>th</sup> May, 2013