19th August 2020
BJ/SH-L2/

BSE Limited
Corporate Relationship Department
1st Floor, New Trading Ring,
Rotunda Bldg., P. J. Towers,
Dalal Street, Fort,
Mumbai 400 001.
Scrip Code: **500400**

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (East),
Mumbai 400 051.
Symbol: **TATAPOWER EQ**

Dear Sirs,

Presentation to Analysts

We forward herewith a presentation that is being made to the Analysts today in connection with the Future Outlook and Long-Term Strategy of the Company.

Yours faithfully,
For The Tata Power Company Limited

Company Secretary

Encl.

TATA POWER
The Tata Power Company Limited
Registered Office Bombay House 24 Homi Mody Street Mumbai 400 001
Tel 91 22 6665 8282 Fax 91 22 6665 8801
Website : www.tatapower.com Email : tatapower@tatapower.com CIN : L28920MH1919PLC000567

TATA POWER

Tata Power 2.0

Lighting up a Billion Lives

19th August 2020

Lighting up Lives!

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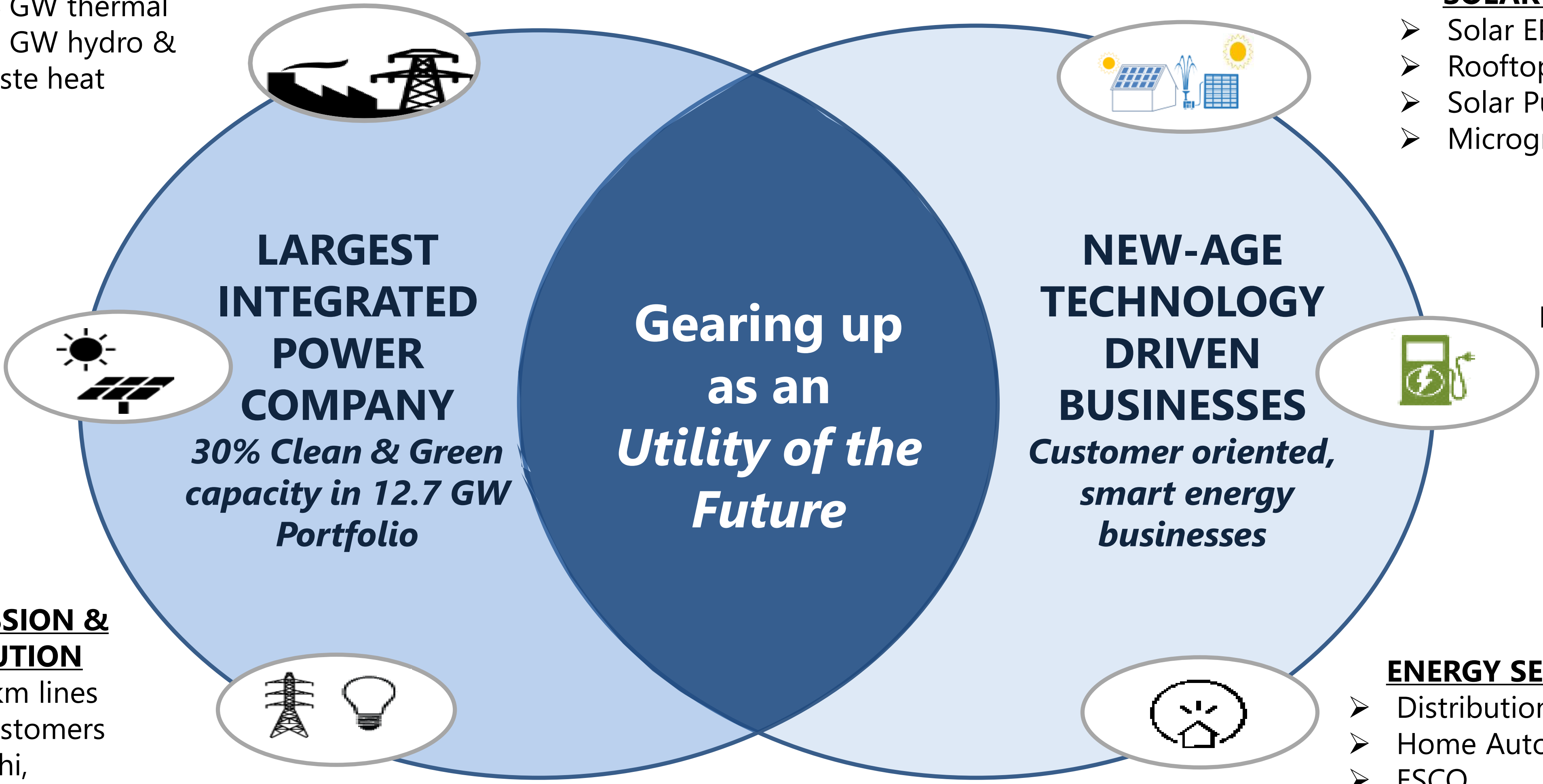
Table of contents

Tata Power - *Leading transition to a New Energy World*

THERMAL & HYDRO
- 21 MTPA coal
- 8.8 GW thermal
- 1.3 GW hydro & waste heat

RENEWABLES
- 2.6 GW operating
- 1.5 GW pipeline
- EPC & cells and module manufacturing

TRANSMISSION & DISTRIBUTION
- 3,531 ckt km lines
- 5.3 Mln customers across Delhi, Mumbai, Ajmer & Odisha



SOLAR SOLUTIONS
- Solar EPC
- Rooftop solar
- Solar Pumps
- Microgrids

EV CHARGING

Key partnerships in place - 170 charging points in 20 cities

ENERGY SERVICES
- Distribution Services
- Home Automation
- ESCO

Creating a ***FUTURE READY*** Tata Power

05

Create Shareholder value

- Improve RoE
- Benchmark D:E & Debt/EBITDA levels

04

Sustainability Benchmark

- Phase out Thermal Capacity
- Increased Clean & Green Capacity
- Benchmark Water & Waste Management

03

Deliver Growth at Scale

- Large scale Renewable Energy portfolio
- Multi-fold growth of rooftop & pump business
- Multiply Distribution Customers
- Incubate New Age Energy Businesses

02

Secure Financial Fitness

- Asset Light Structures for Growth
- Deleveraging thru divestment
- Long term Mundra solution

01

Solve Legacy Issues

- Leveraged Balance Sheet
- Mundra resolution

Secure Financial Fitness

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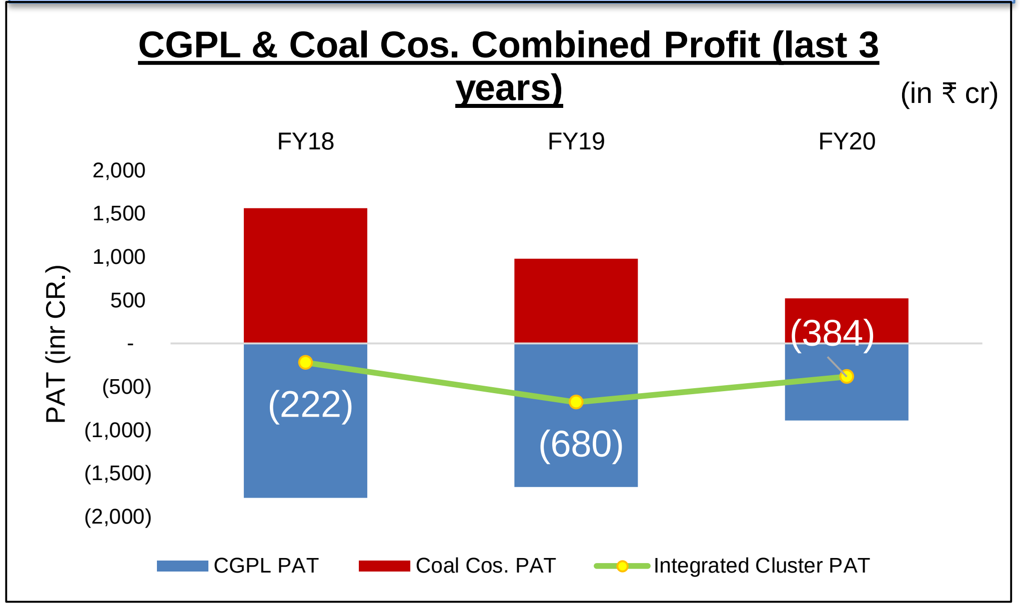
Restructuring to make Mundra self sustaining

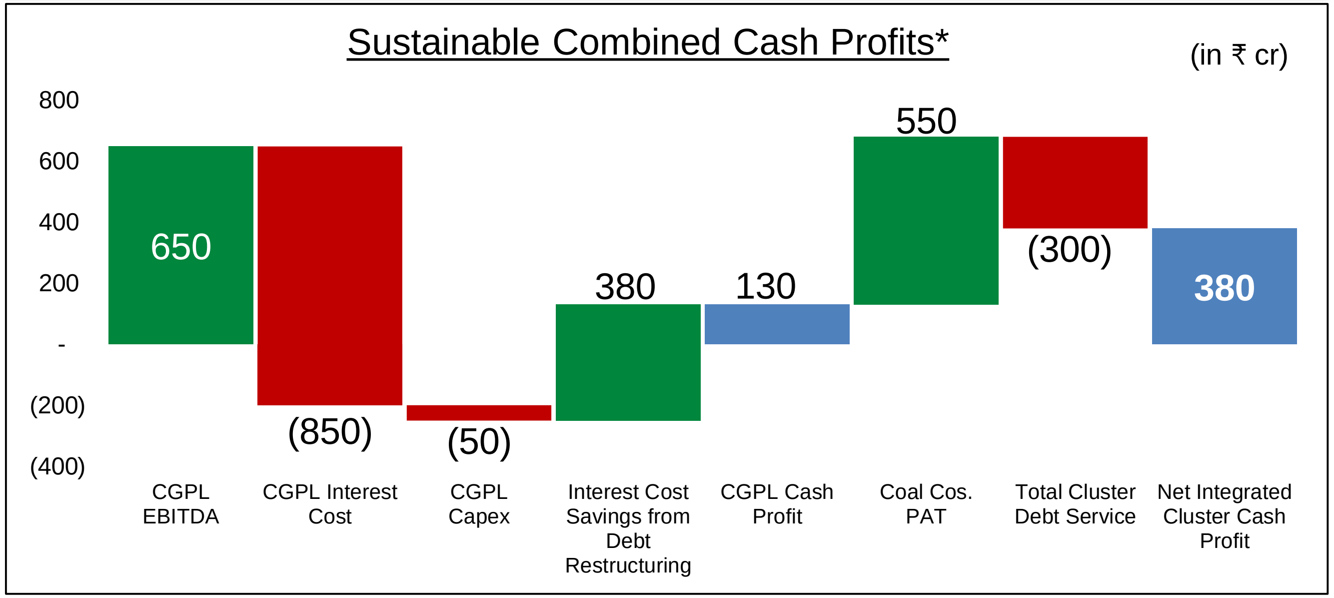
TATA

NATURAL HEDGE FROM COAL INVESTMENTS



- Coal Cos. provide natural hedge to CGPL prior to DMO which kicks in above 70 $/t coal prices
- Long-term coal price outlook is in 65 – 70 $/t range

REDUCE MUNDRA DEBT TO ADDRESS CGPL DEBT SERVICEABILITY



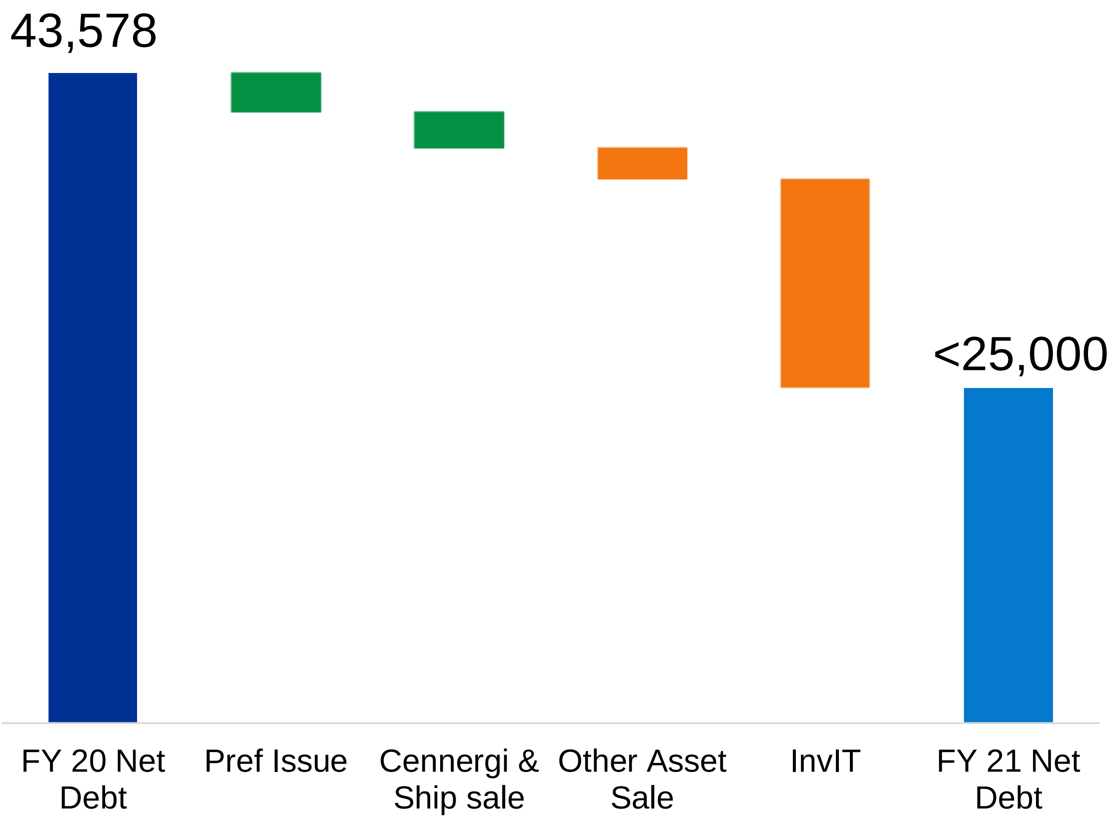
Without Compensatory Tariff at 70$ / tonne

- Reduce CGPL debt using Preference & Divestment proceeds of ₹ ~4,000 crore to generate interest cost savings of ~ ₹ 380 crore p.a.
- Compensatory tariff benefit at current prices ~₹ 250 crores

Strategy Agnostic of Tariff Resolution

Strong Balance Sheet for Growth

FOCUS ON DELEVERAGING SINCE 2018
- Transactions worked upon over last 2 yrs to be closed in FY 21



SIMPLIFY BUSINESSES - 95 TO <40 ENTITIES BY FY 22
- Merge businesses, retain only JVs & SPVs for reg requirements

- Simplify holding structures & reporting
- Efficient cash management
- Generate cost synergies
- Expand management bandwidth

MERGE

TATA POWER

Tata Power Solar → TATA POWER
CGPL → TATA POWER
Aftaab → TATA POWER

DIVEST

InvIT	TPREL + WREL + 22 Subs
Asset Sale	Cennergi, ITPC, BSSR, Georgia, Tata Projects, etc.

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Asset Light Structures for multi fold growth

TATA

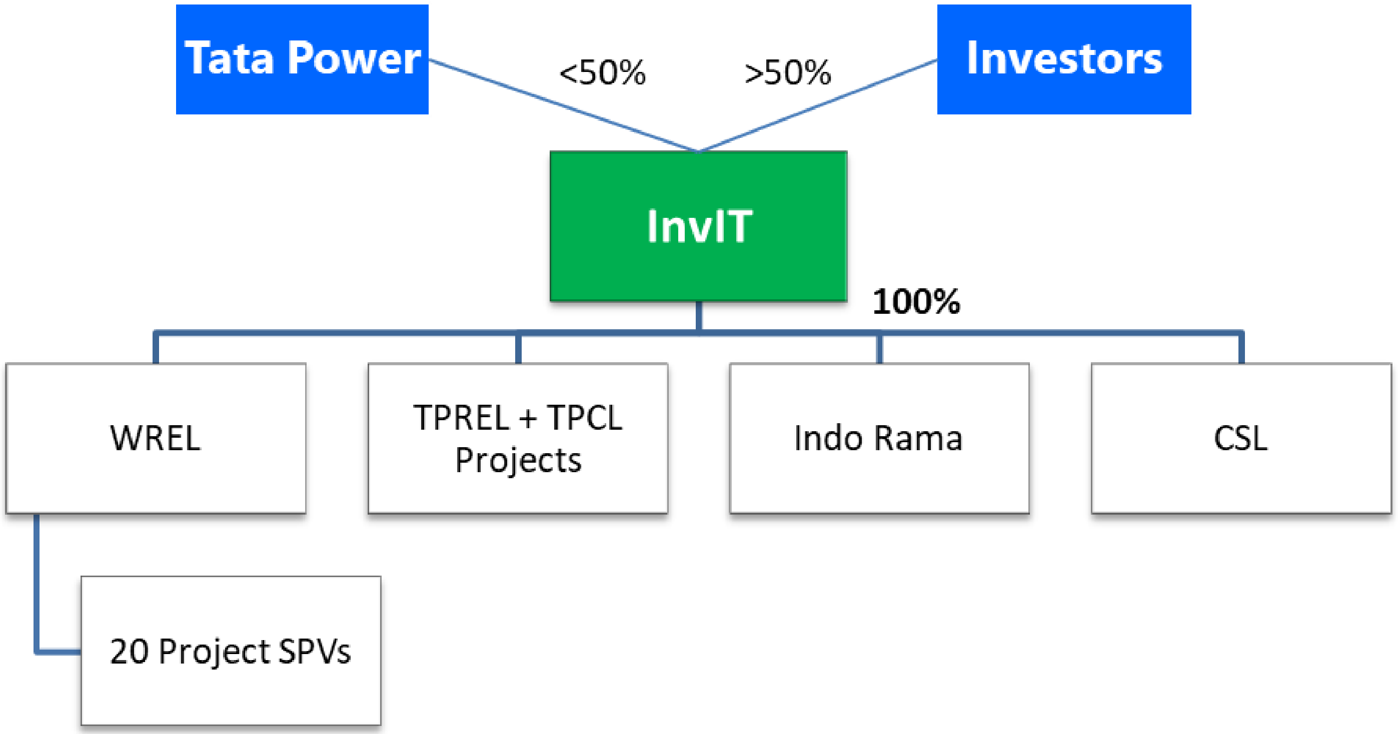
INVESTMENT INFRASTRUCTURE TRUST (INVIT) FOR RENEWABLES (RE) BY 2021

RESTRUCTURE RE ASSETS

- Deconsolidate debt by sale of >50% stake in operational projects
- Release capital for debt reduction
- Lowering cost of capital through long term and patient co-investors

RECYCLE CAPITAL

- Flip future operational assets to release capital for growth

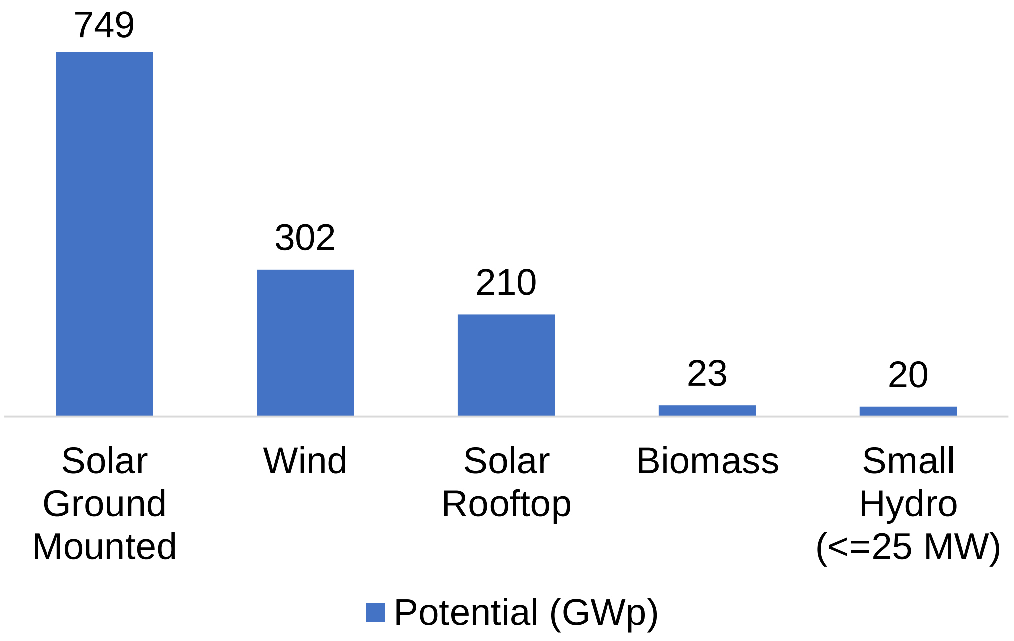


Scaling up

Renewables

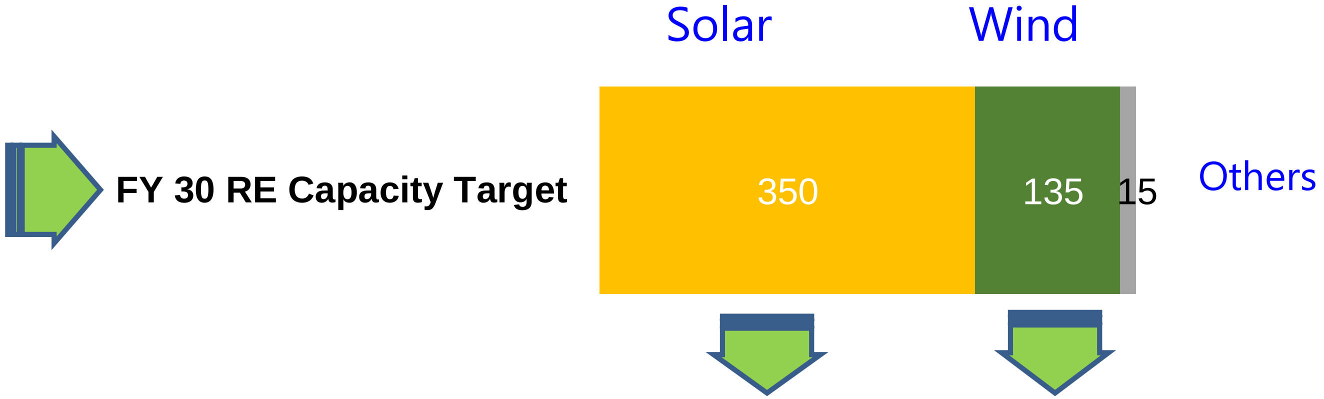
Capitalising on India's Shift Towards Renewable Energy

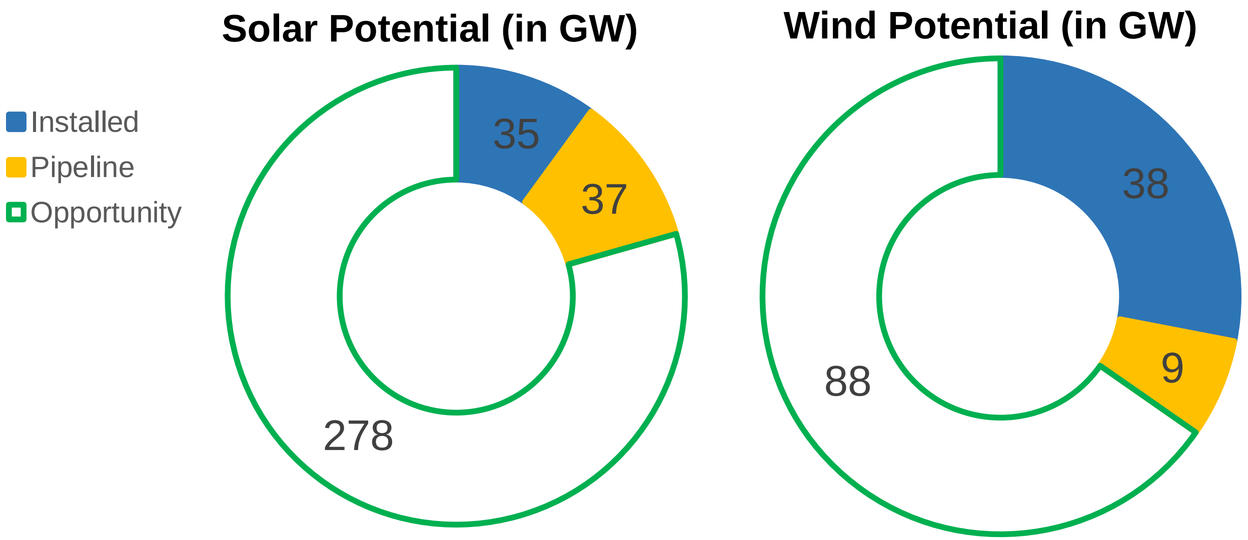
INDIA'S COMMITMENT ON CLEAN POWER IN LINE WITH HUGE POTENTIAL OF 1,300 GW



India's NDC to UNFCCC **commits to reduce India's GHG emissions intensity per unit GDP by 33 to 35 % below 2005 levels by 2030**.

FY30 RE TARGET 500 GW





Pipeline Source: Mercom

Significant opportunities for Renewable Growth

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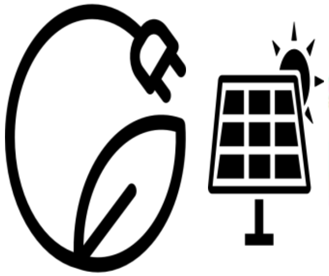
Tata Power's Renewables capability




EPC & Manufacturing

- Over 2 GW modules shipped globally
- Orderbook: 8,700 cr, one of the highest in India

Wind Generation Capacity

0.9 GW of Installed capacity

Solar Generation Capacity

Commissioned Capacity till date 1.7 GW + 1.5 GW pipeline

Group Captive

Commissioned 21 MW and another 120 MW in pipeline

Roof Top Solar

No. 1 Roof top Solar EPC player for last 6 years (installed capacity of 422 MW)

Solar Pumps

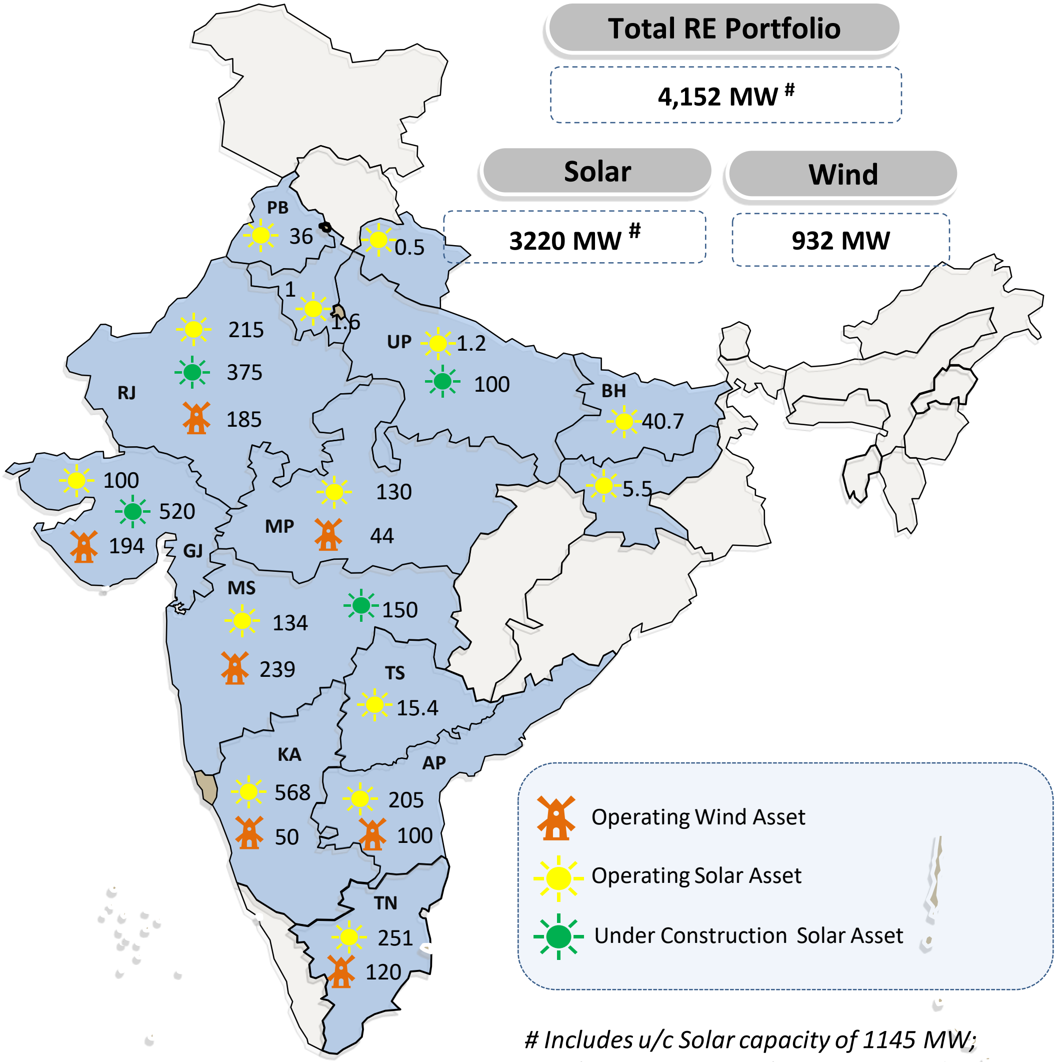
Market leader with 25000 Pumps installed across India

Microgrid

Commissioned 50 Microgrids. Plan to install 300 Nos by the end of this financial year.

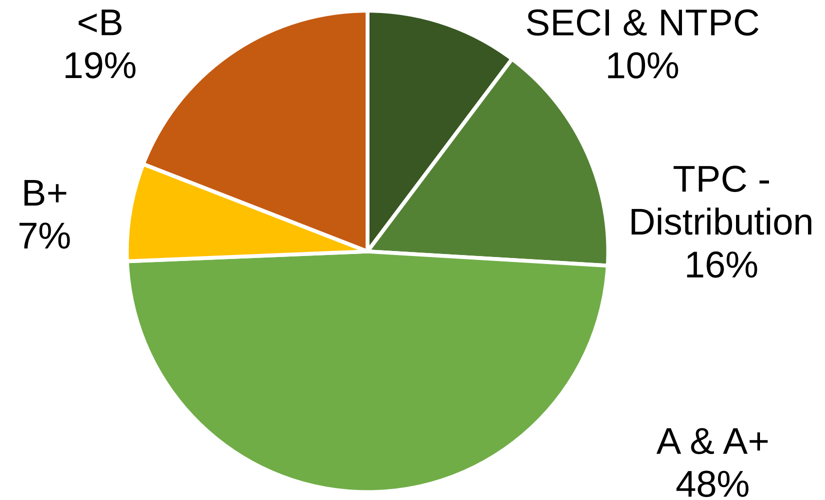
Providing unparalleled experience and synergies across the RE value chain

Diversified Generation Portfolio

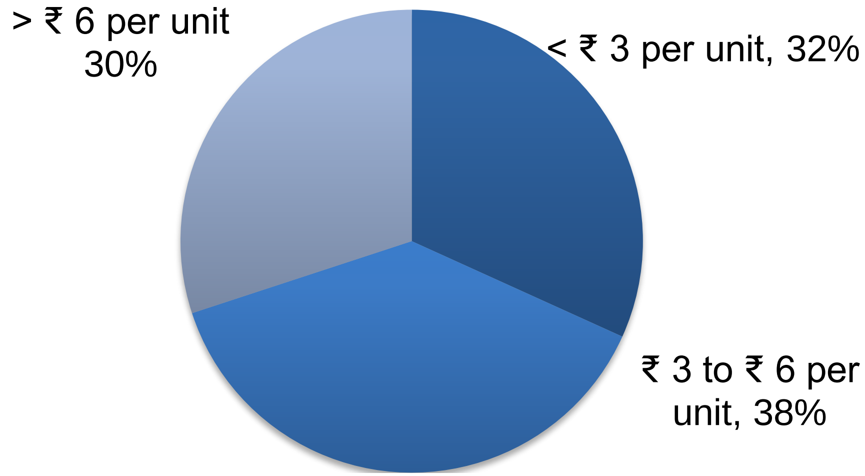


 # Includes u/c Solar capacity of 1145 MW; another 370 MW won but LoA awaited

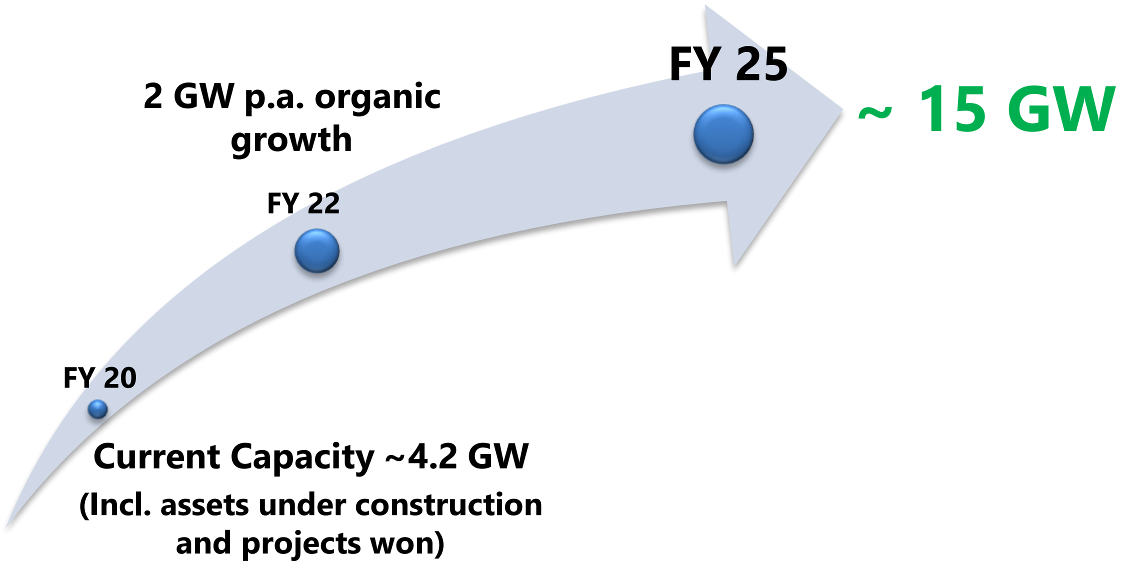
75% of Procurers Highly Rated



Diversified Tariff Structure



Utility Scale Operations



Organic
- Sufficient demand pipeline/ Market Availability
- Selective profitable bids

\+

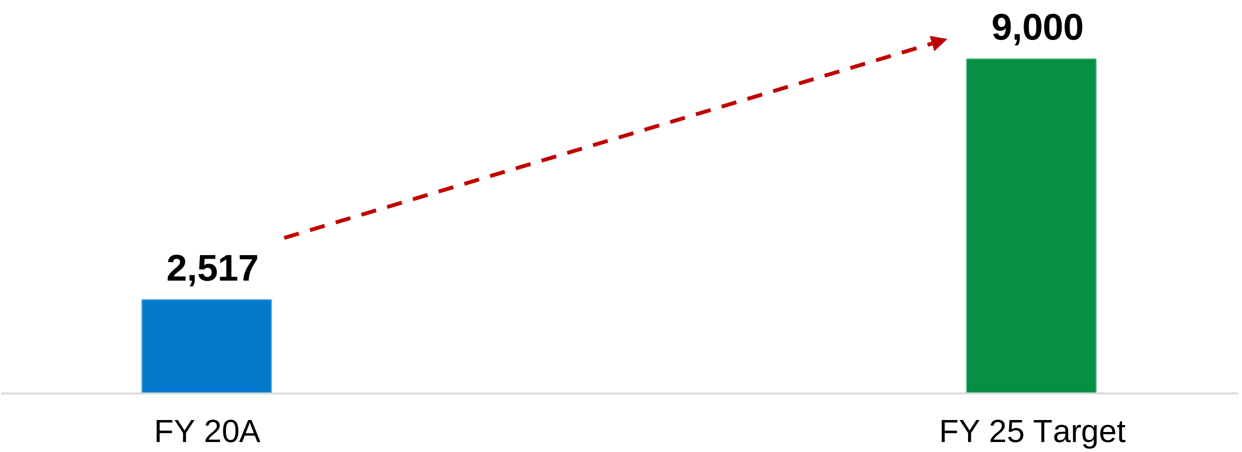
Inorganic
- Fragmented market
- Potential target availability

Post InvIT, M&A opportunities will also be explored

KEY MARKET ASSUMPTIONS

- **FY21 & FY22 →** 10-15 GW/ Year bids for 100 GW solar target
- **FY23-25 →** 100 GW Solar + Hybrid / Storage market leading to market of ~ 15-20 GW/ year
- In coming years, pure solar and wind bids are likely to decline & hence major part of capacity will come through Hybrid/ Storage for Peak/RTC supply
- The above capacity expected through bids from Central agencies like SECI/ NTPC and select state bids which have good payment track record

UTILITY SCALE GENERATION REVENUE (100%) (IN ₹ CR)



3-4 GW assets to remain under construction at FY 25 end

Tata Power Solar - One of the largest EPC Players in India

1 Utility Scale Projects

Over 5 GW of Projects

Around 2000 MW projects commissioned and 3000 MW in pipeline.

Commissioned 100 MW for NTPC in AP - India's largest solar plant with domestically manufactured modules

2 Rooftop Projects

Over 15000 residential customers

Solutions for industrial, commercial, institutional and residential customers

Commissioned 12 MW for RSSB-EES - world's largest solar rooftop project

3 O&M

1000+ MW O&M Portfolio

30 + utility projects under our O&M portfolio

4 Cell & Module Manufacturing

India's largest integrated cell and module manufacturing facility

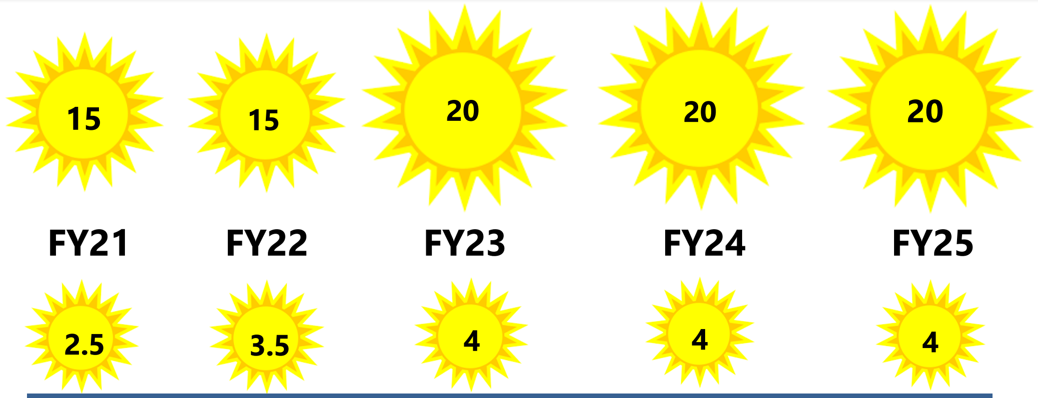
300 MW of cell & 400 MW of module. Expanding to over 500 MW in cell & module

5 Solar Water Pumps

25000+ pumps installed across India

EPC Utility Scale

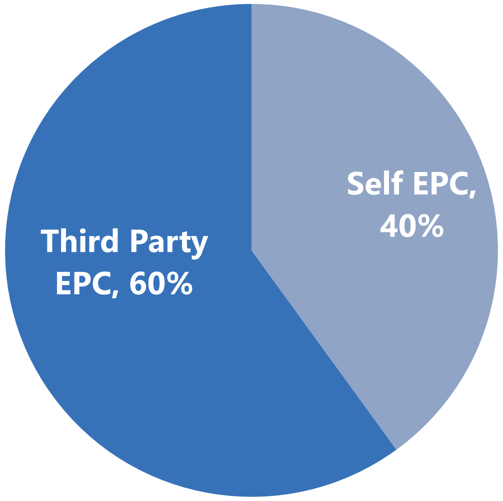
ESTIMATED UTILITY SCALE EPC MARKET (GW)



Growth Targets (GW)

Market Share by 2025 ~ 20%

PREFERRED EPC PARTNER OF DEVELOPERS

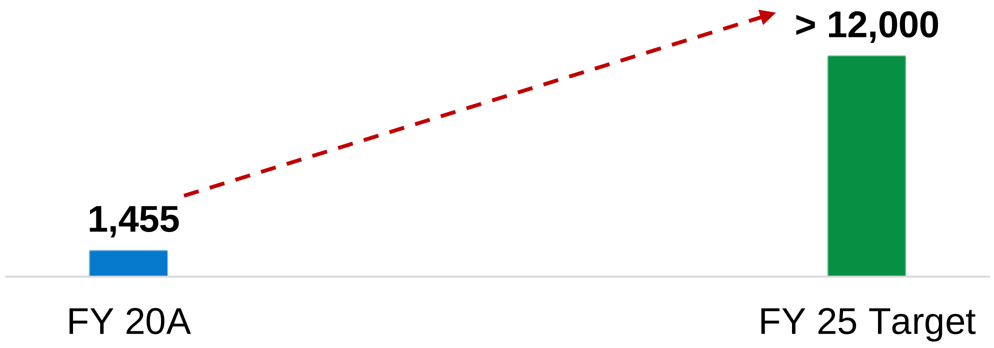


Market Share of Self EPC and Third Party

Key Market Trends/ Assumptions

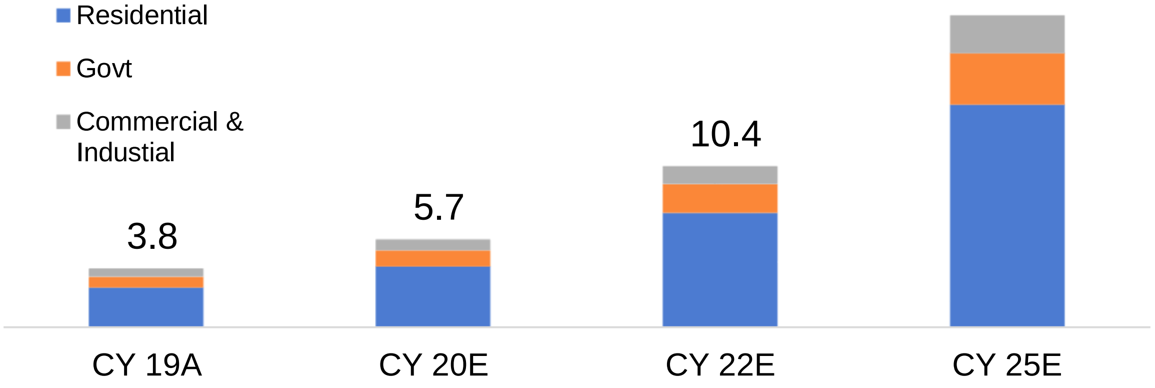
- Average project size increasing from 50-100 MW to 200-300MW
- Re-emergence of DCR tenders.
- Potential for manufacturing related tenders

TPSSL EPC REVENUE (in ₹ cr)



Rooftop Solar

ALL INDIA EXPECTED TO GROW TO 20 GW BY FY25



GEARING FOR LEADERSHIP

Ranked No 1 for 6 yrs in row

100 cities & 174 channel partners

425+ MW installed
₹ 860+ cr order book

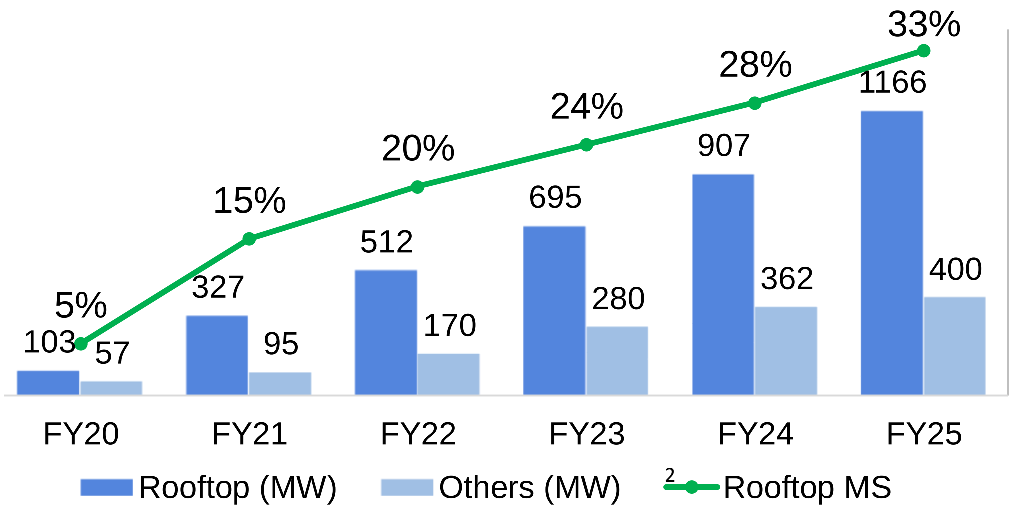
24/7 monitoring; iTaps app for rooftop customers

KEY GROWTH LEVERS

1. Revamped Go To Market (GTM) model
2. Expansion of Products & Services
3. Leverage Tata Group Synergies
4. Redesign operating model to Improve Margins and Cash flows
5. Digitization and Technology Interventions

Note: 1. Market share mentioned only for Rooftop installations
2. Includes Distributed Generation Plants upto 25 MW capacity, including orders from EESL

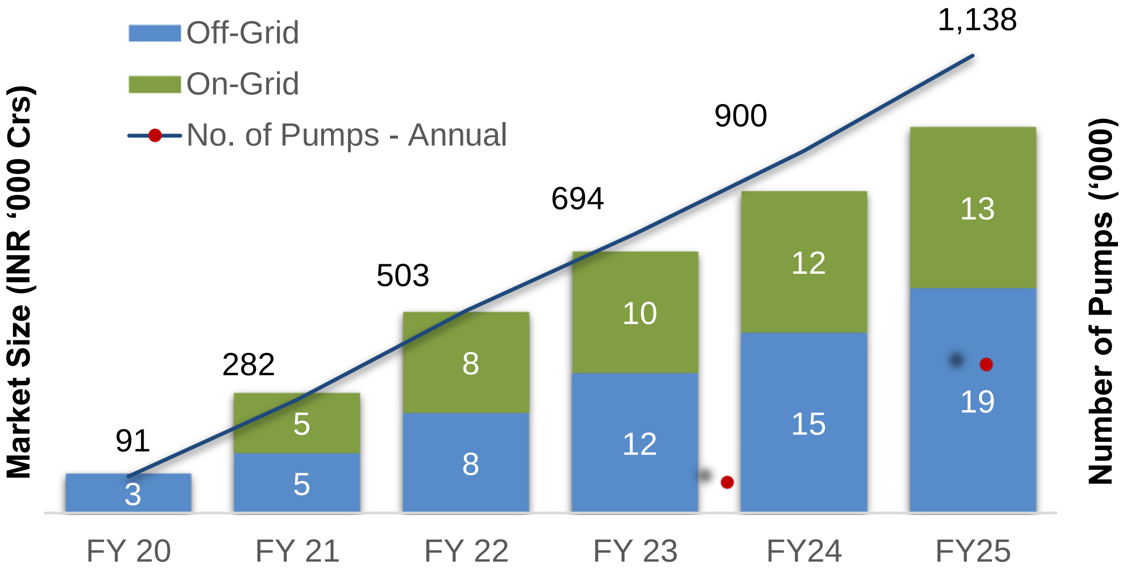
FORECAST ROOFTOP CAPACITY & MARKET SHARE



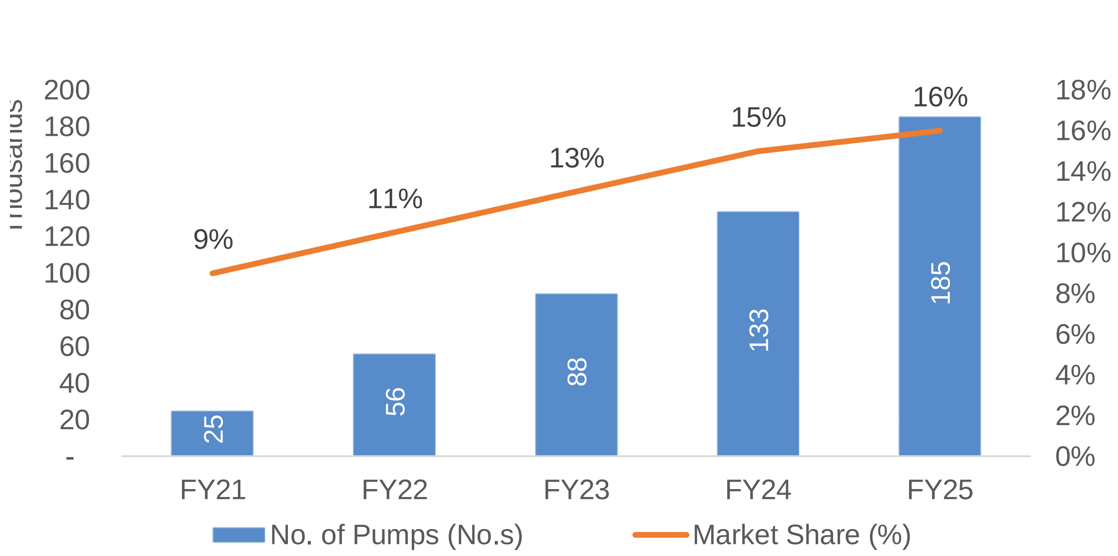
Solar Pumps

TATA POWER

ESTIMATED ALL INDIA SOLAR PUMPS MARKET



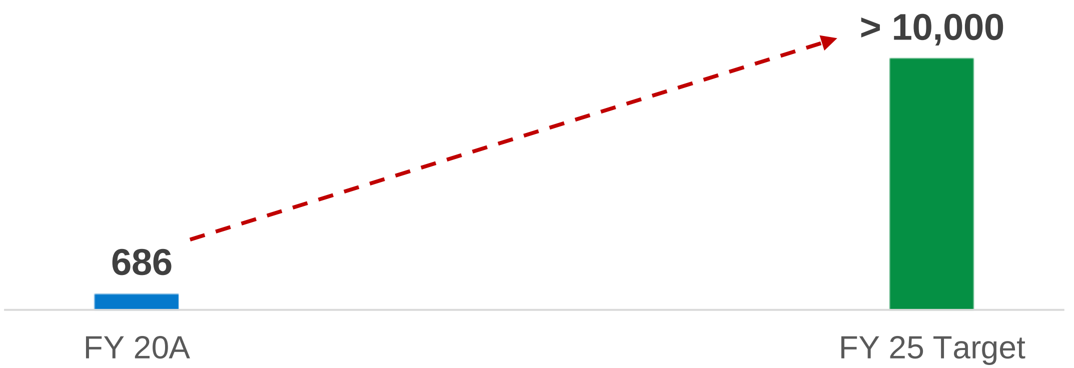
MARKET LEADERSHIP - 5% TO 15% SHARE BY FY25



KEY GROWTH LEVERS

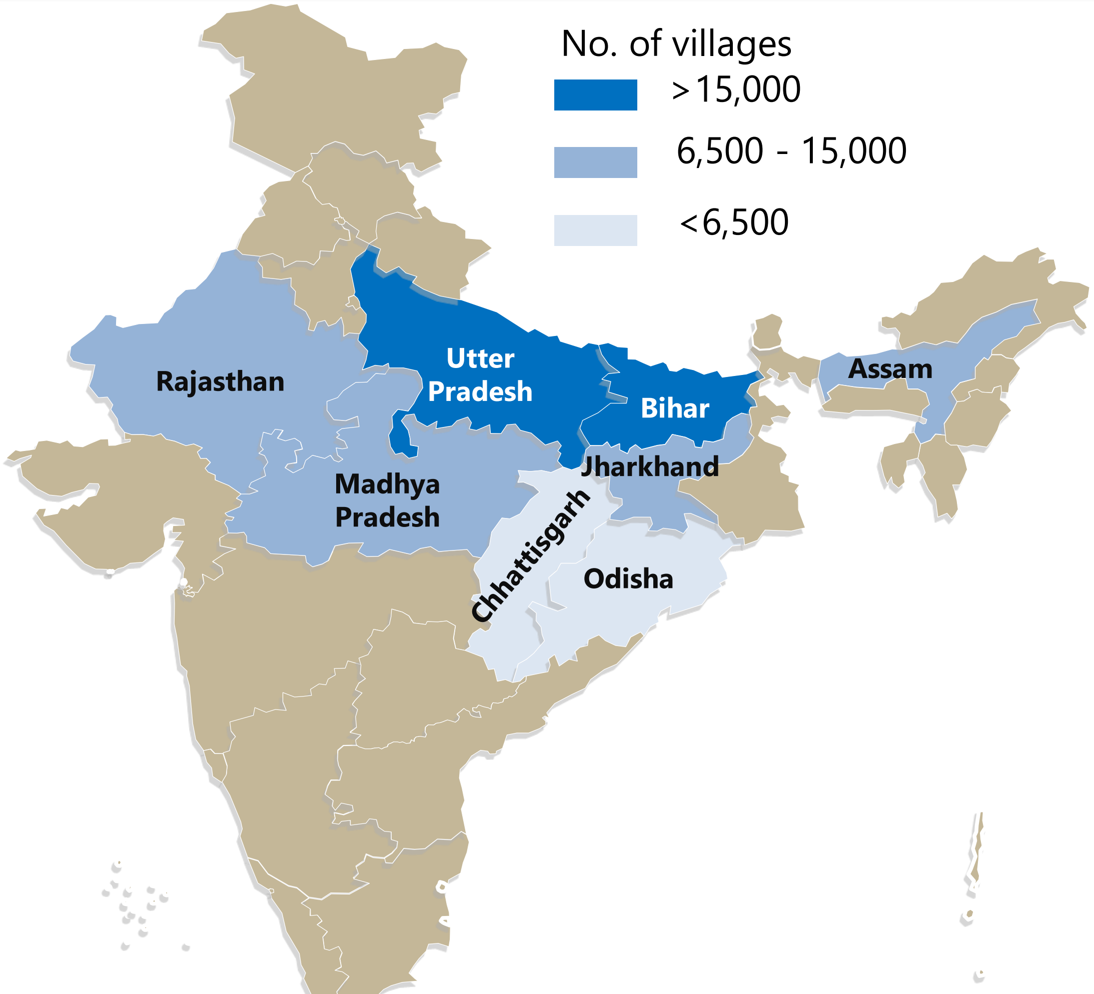
- **Cost Leadership**
- **Channel Management**
- **Rural Marketing**
- **Operational Excellence**
- **Collection Efficiency**
- **After Sales Service**

REVENUE OF ROOFTOP & PUMPS (IN ₹ CR)



Microgrids - Transforming Rural India

CATALYZE ECONOMIC GROWTH BY CATERING TO LATENT DEMAND



Source: India Infrastructure Research, 2018

25,000
New entrepreneurs in agribusiness

15,000
New entrepreneurs in water & irrigation

10,000
New green jobs entrepreneurs

Irrigation for **400,000** farmers

Clean drinking water for **10+ million** people

INR **1,000 Cr** incremental income annually

Affordable, reliable electricity for

25 million people

5 million households

100,000 rural enterprises

10,000 Microgrids by FY 27 - affordable, clean & reliable power supply

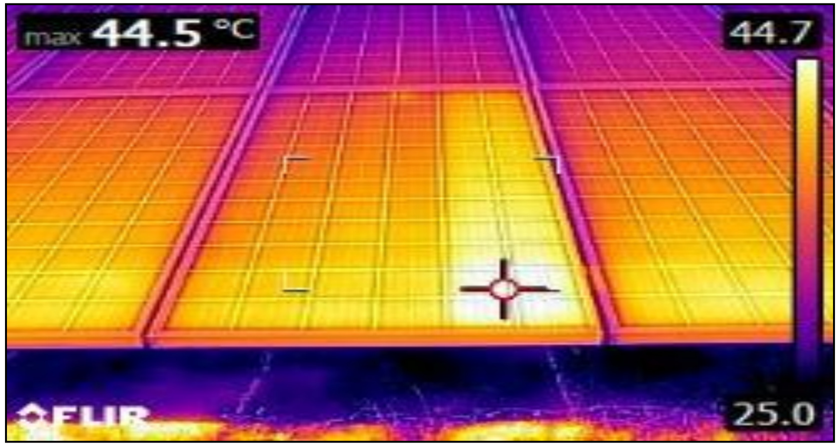
Technology in Operations

State of the art Central Control Room
(for effective real time Monitoring & Analysis of RE assets)

Use of Drones for detecting offline strings, hot spots, diode faults, reverse polarity, string mismatch, micro cracks & surface faults.

E-Security along with Drone Surveillance

Real Time Dashboard at CCRA / Remote Console used for **Predictive Analysis**, **Scheduling & Forecasting**



Thermal Image captured by Drone
Resulting in quick detection of faults

Use accurate wind vanes and Light Detection and Ranging: Improvement (LiDAR) to improve performance by reducing pointing error & aligning to receive max air mass flow.

Technology in Execution

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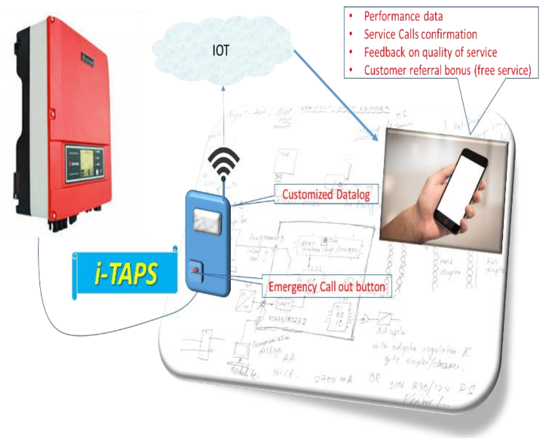
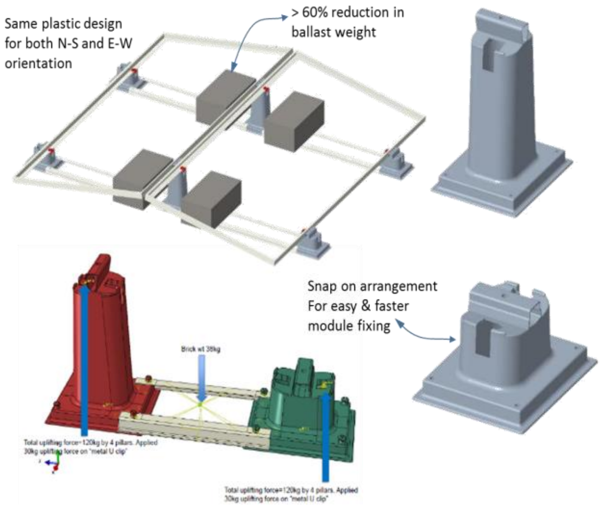
IOT enabled Complaint Logger in I-Taps



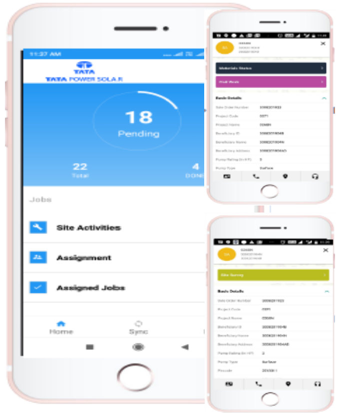
DIY + μ-inverter + Home Automation

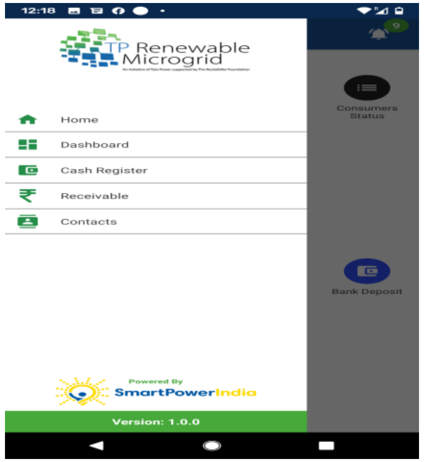


Robotic Cleaning

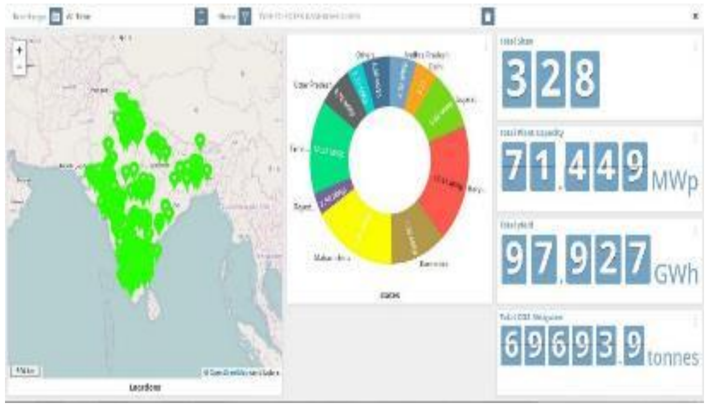
Aesthetic Carport

Dashboarding through Mobile Apps in Pumps & Microgrids



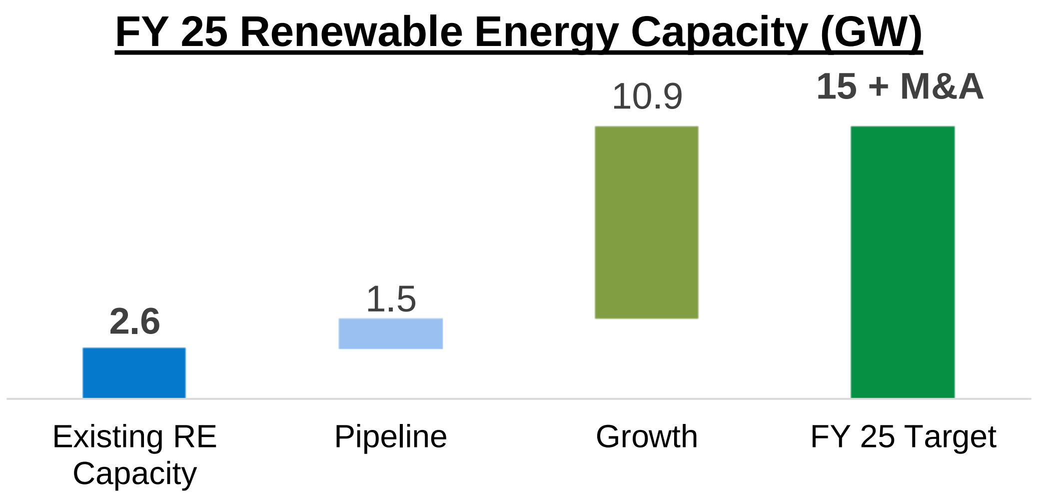


Remote Monitoring of Pumps - NOC

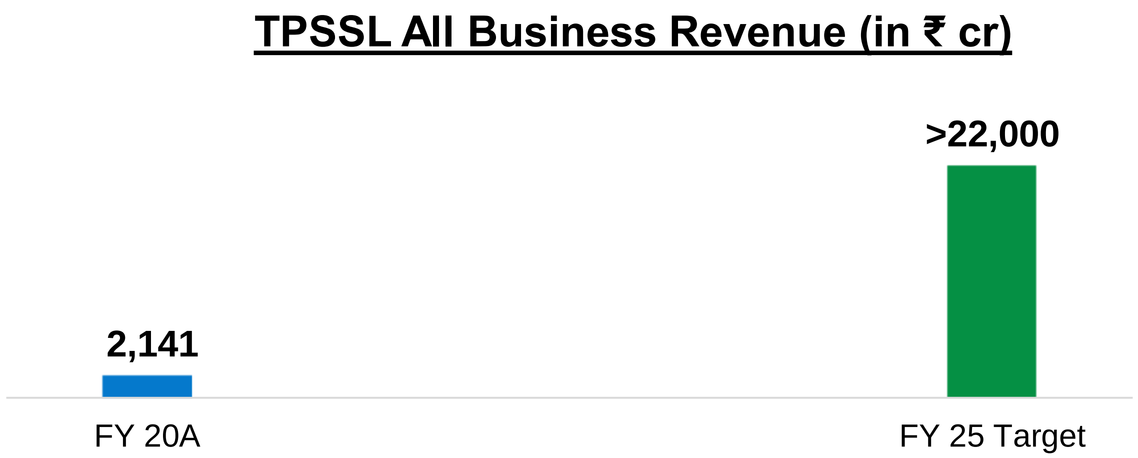


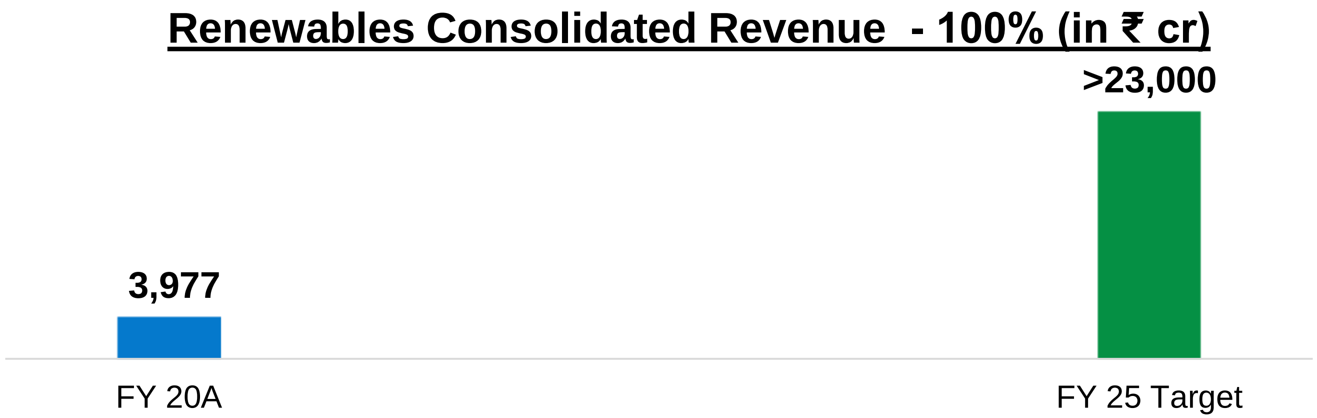
Creating a Scalable Model for multi-fold growth

MULTIFOLD GROWTH IN RE CAPACITY



EXPAND MARKET SHARE IN EPC, ROOFTOP & PUMPS





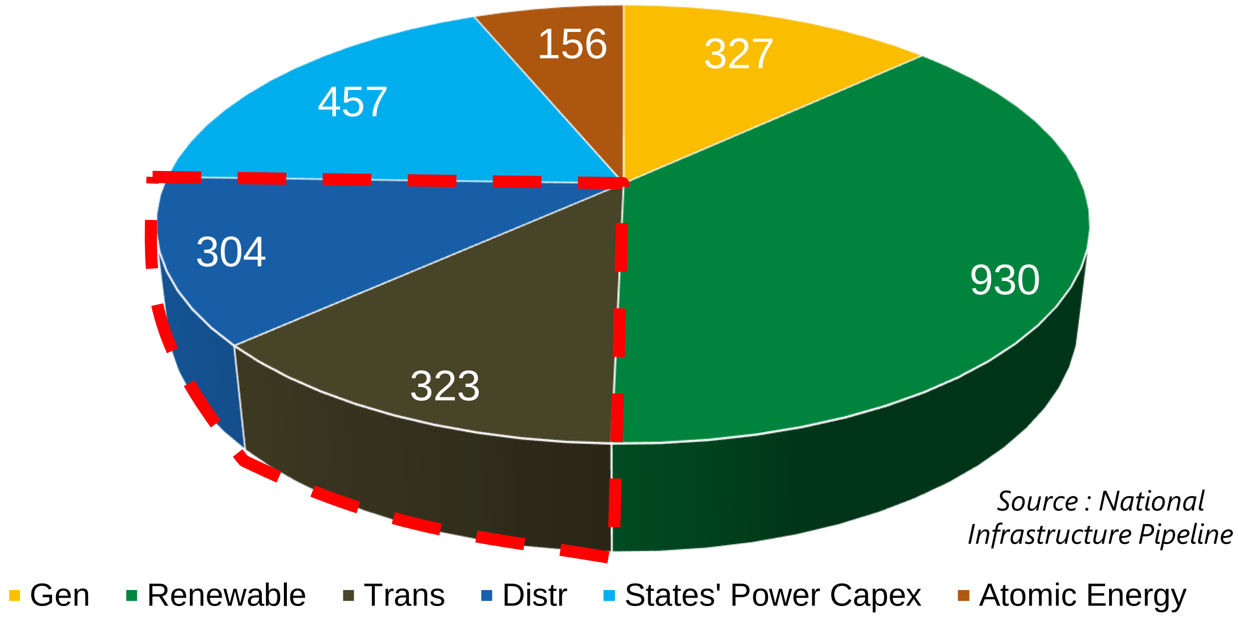
Target to be amongst the Top 2 Renewable Players in India

Transmission & Distribution

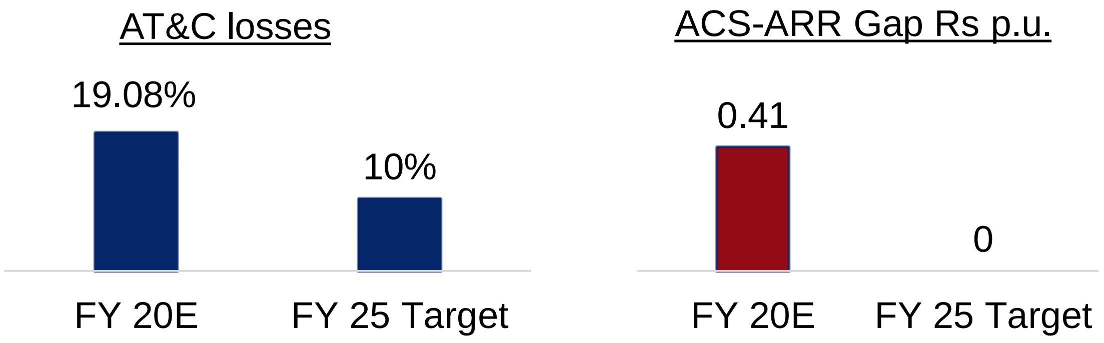
25 Lakh Crore Power Sector investment over next 5 yrs

TATA POWER

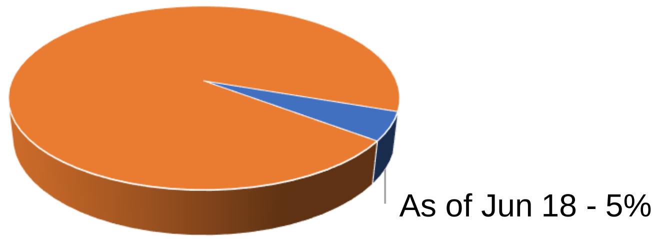
Power Capex from FY 21-25 (figs in Rs '000 Crs)



FY 25 Distribution Targets



100% Smart Metering for all categories by FY 25



T&D TO ATTRACT 25% OF THE INVESTMENT

- ***₹ 627,000 crore*** investment in T&D
- PGCIL & states to drive transmission but ***₹ 48,000 cr TBCB capacity for private players***
- Demand resurrection needs resolution of Discoms' financial health

MAJOR DISTRIBUTION REFORMS NEEDED

- NTP recommends privatization, open access, timely cost reflective tariff revisions, extensive metering, etc.
- Draft Electricity Amendment Bill & National Tariff Policy – Important to kick start investment cycle

T&D investments will gain momentum due to push for economic revival

Emerging Opportunities in Transmission

SLOW PROGRESS DUE TO:

KEY CHALLENGES:

- **RoW issue**
- **Low IRR in TBCB projects**
- **Long gestation period**

₹ 43000 CR – 56000 CR TBCB PROJECTS IN NEXT 5 YEARS

Inter-regional corridor

Need for high capacity transmission corridors for evacuation
Growth from ~60GW to ~200GW in next 20 yrs

Green Energy Corridor

Dedicated corridor for evacuation of RE capacity
(32GW gets added during XII plan)

Technological improvements enhancing capacity

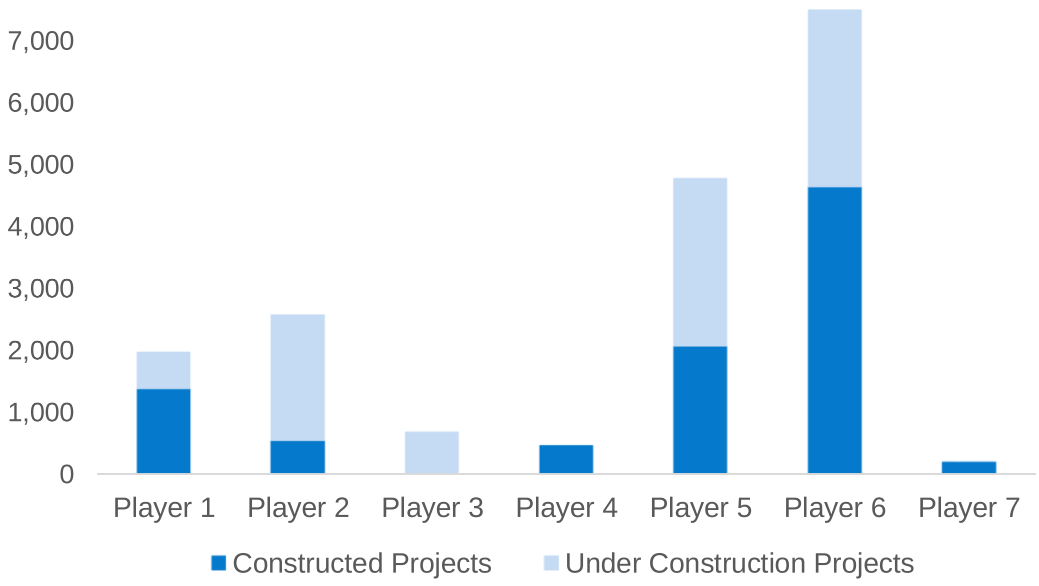
Digitisation, high capacity conductors, remote terrain access, high reliability

Increased demand at distribution level

Upgradation of and addition to existing transmission assets

M&A OPPORUNITIES THROUGH PLATFORM

TBCB Projects of Private Developers (Ckt Kms)



To explore Opportunistic TBCB play using Platform structure

Distribution

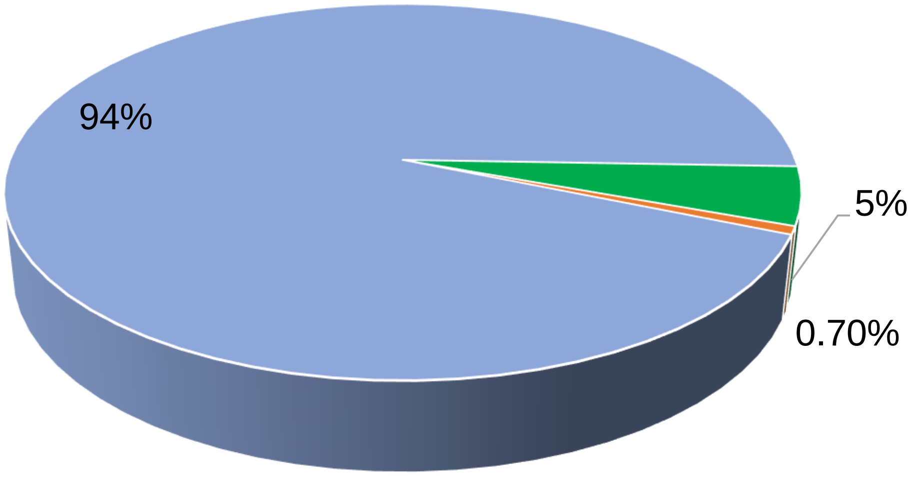
Widespread Discom stress affecting the entire value chain

TATA POWER

TATA

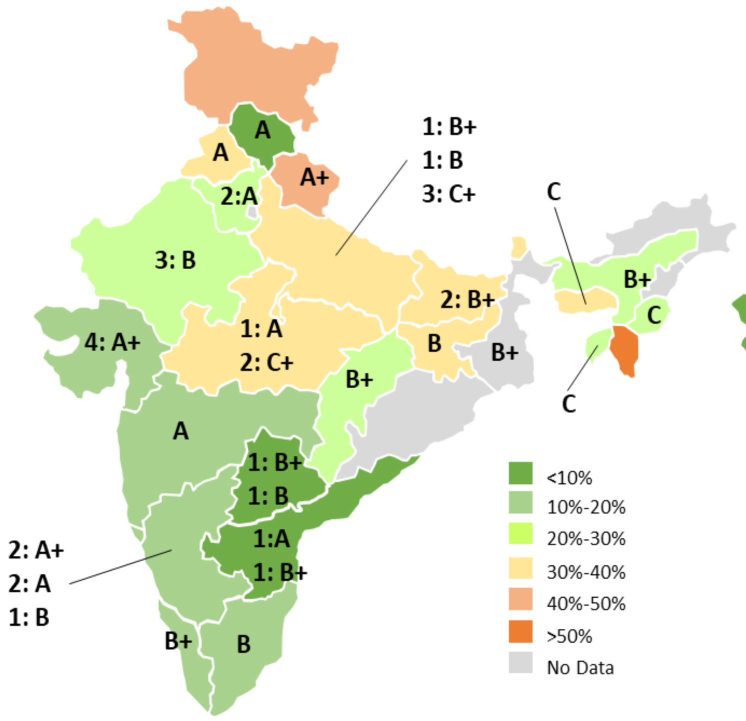
ANNUAL REVENUE OF ₹ 5.8 LAC CR FROM POWER DISTRIBUTION

275 Mln Customers across India (as of 31st March 2019)

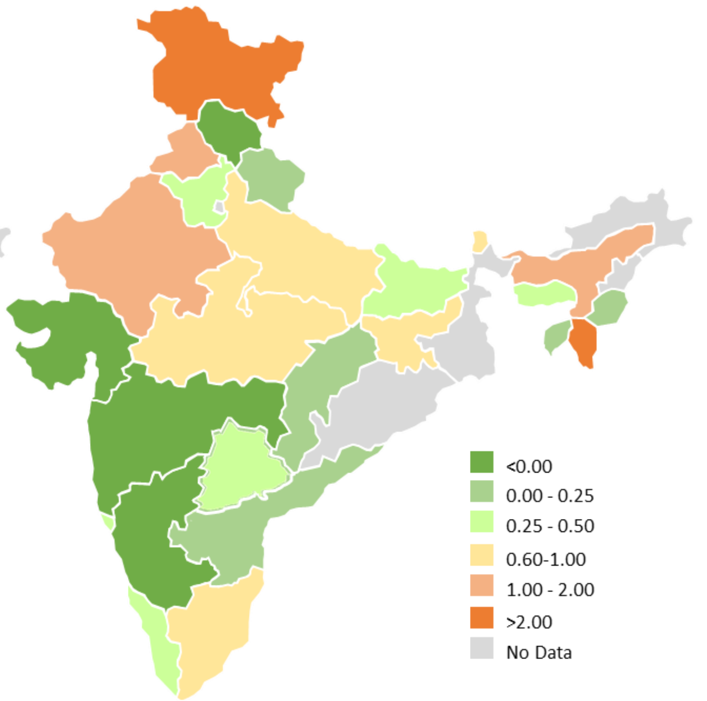


BUT STILL HIGH DISCOM LOSSES DUE TO STRUCTURAL ISSUES – widespread across states

AT&C Losses (%)



ACS-ARR Gap (₹./Unit)



A+, A, B+, B, C+, C: FY18 Integrated rating of state distribution utilities. Number before the rating denotes the number of utilities (1 wherever not mentioned)

- Tariff Revision since 2015 at 2% CAGR only
- Industry continues to heavily subsidize the agricultural and residential segment

Private Sector share less than 6% of customers providing huge growth potential

Major Reforms likely to address structural issues

NATIONAL TARIFF POLICY

- Reduction of capped cross subsidy gradually
- Cap on AT&C losses recoverable in tariff
- Simplification of Tariff categories
- Penalties for deviation in defined Discom service standards

ELECTRICITY AMENDMENT BILL

- Opening power distribution to franchisee and sub-licensee business
- Power tariff to be determined with no subsidy component
- Cost-reflective, time bound tariff
- Direct benefit transfer to beneficiaries

FY 25 TARGETS
AT&C Losses <10%
ACC-ARR GAP - NIL

Bring down subsidies - DBT

Private participation through PPP & DF in States and Union Territories

Improve efficiency of Discoms – Penalty for non-performance

To provide significant opportunities for Tata Power

Significant Privatization opportunities on the horizon

ODISHA

NESCO / WESCO / SouthCo
4.8 M Customers

UP

PuVVNL
8.2 M Customers

MP

Bhopal / Jabalpur
10.2 M Customers

RAJASTHAN

Jaipur / Jodhpur
8.4 M Customers

JHARKHAND

Jamshedpur / Ranchi
1.4 M Customers

8 UNION TERR.

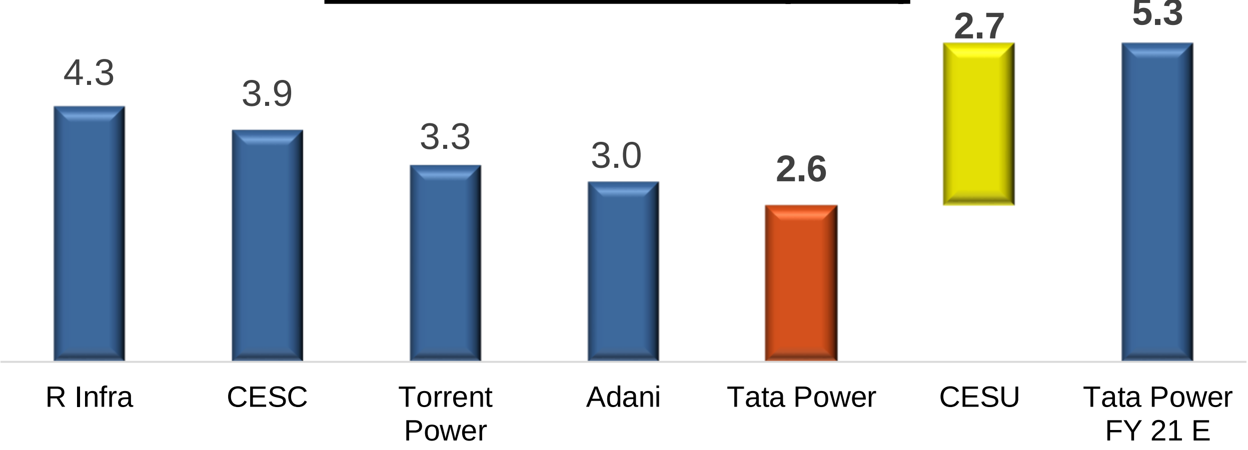
>3 M Customers

States & UTs with 36 M+ Customers considering private participation thru PPP or DF routes

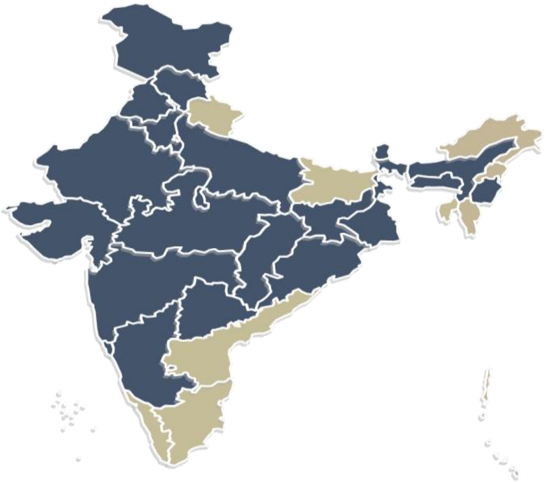
Our unparalleled experience in Distribution

LARGEST PRIVATE DISTRIBUTION COMPANY (CUSTOMERS)

No of Consumers - FY 19 (in Mln)



LARGEST T&D PRIVATE CONSULTANT ACROSS 22 STATES



- 60+ Clients across states
- Offering end to end solutions from Project to Process outsourcing
- Leading projects on smart technology adoption and capacity building to improve efficiency

UNPARALLELED RETAIL DISTRIBUTION EXPERIENCE

Mumbai Distribution

Competitive License Area

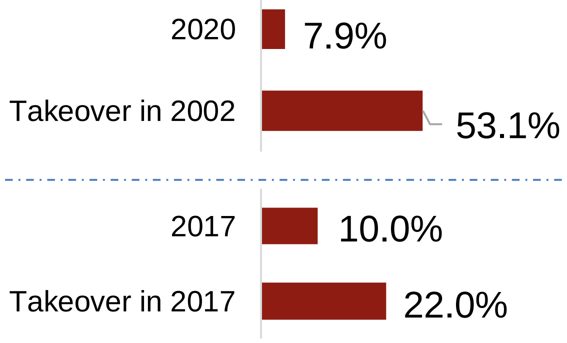
AT&C losses	**<2%**
SAIDI minutes	**<20**

- Presence since 1998
- Best reliability indices thru high tech driven operations

AT&C losses

TATA POWER-DDL

TPADL



CESU - NEW BEGINNINGS

29,354 sq kms

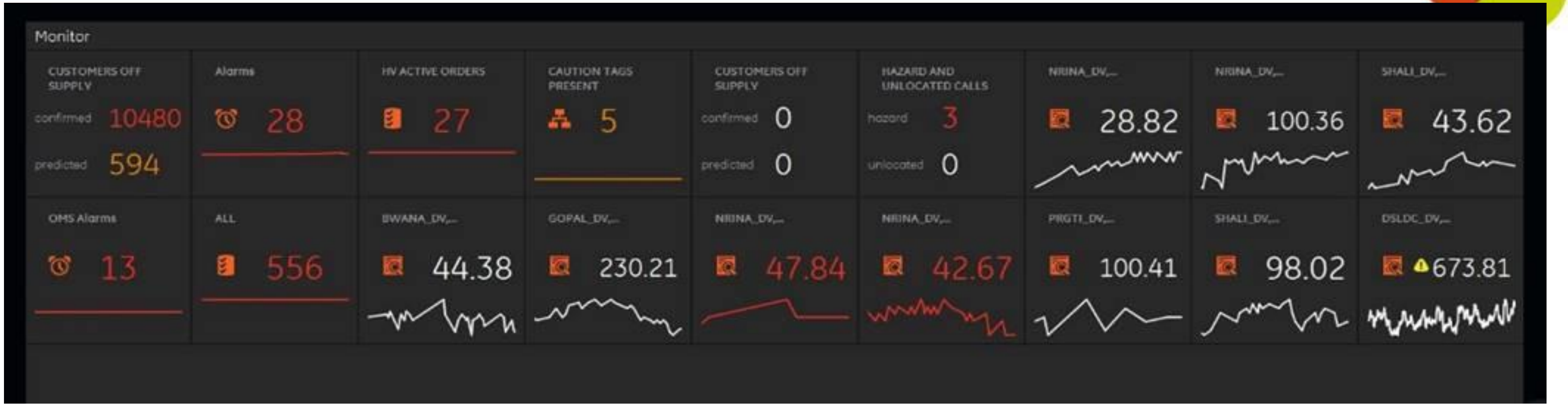
2.7 M Customers

AT&C losses: 30.49%

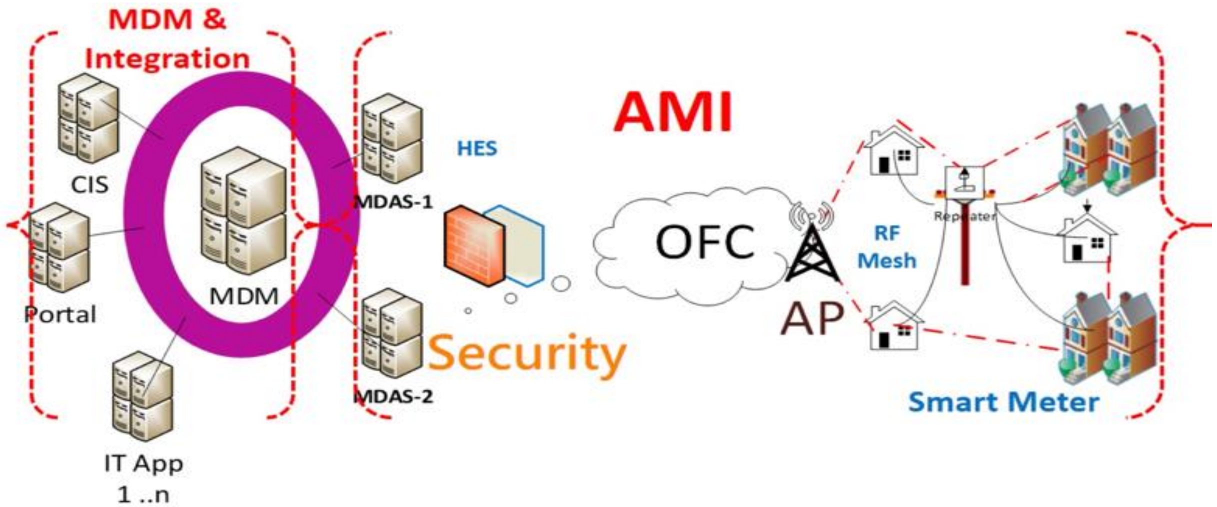
4,500+ Workforce

Provides competitive edge to capitalize on these opportunities

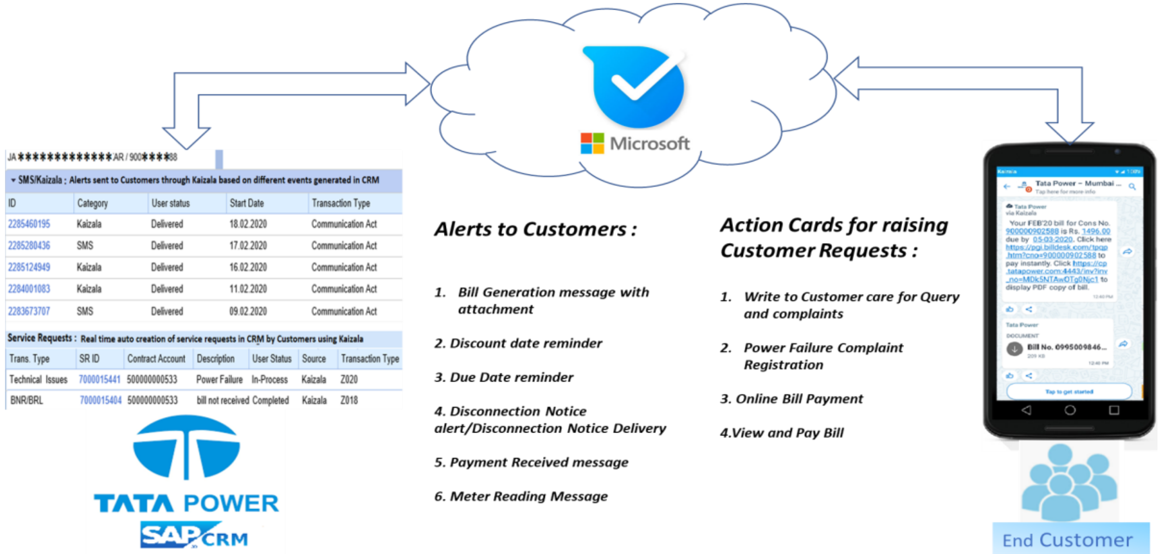
Using Technology to create an ‘Utility of the Future’



Integrated ‘Advanced Distribution Management System’ for advanced, real time monitoring & control of operations



Meter Data Management



Enhancing customer experience using Microsoft Kaizala

Multifold Expansion of our Distribution Footprint

TATA POWER

TATA

TRANSMISSION
- Regulatory growth

Strengthening Mumbai Transmission system

Opportunistic TBCB projects through Platform

EXPAND CUSTOMER FOOTPRINT ACROSS STATES
- ***2-3 licenses through PPP; Selective DF opportunities through Hybrid Models***

2.6 Mln

FY 20A

20 Mln

FY 25 Target

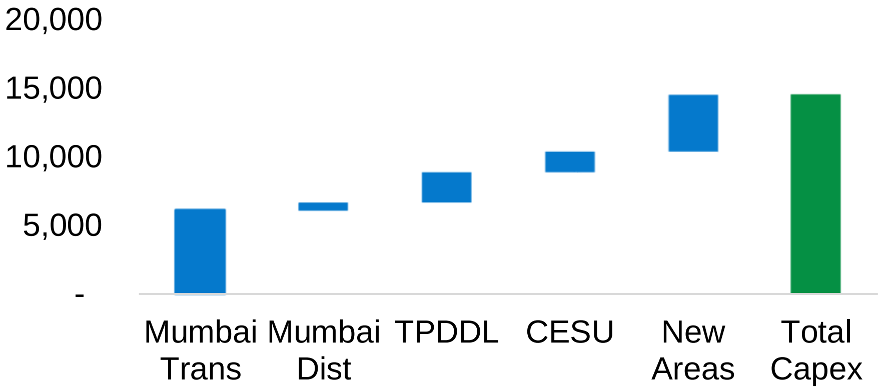
EXPAND DIST SERVICE BUSINESS
- *Technology driven businesses*

Smart Meters

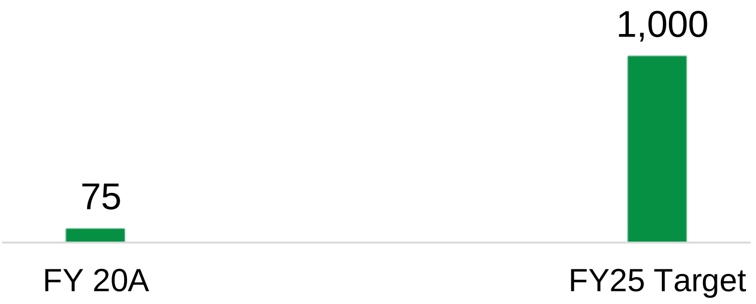
Distributed Energy Storage

Power Management & Energy Efficiency

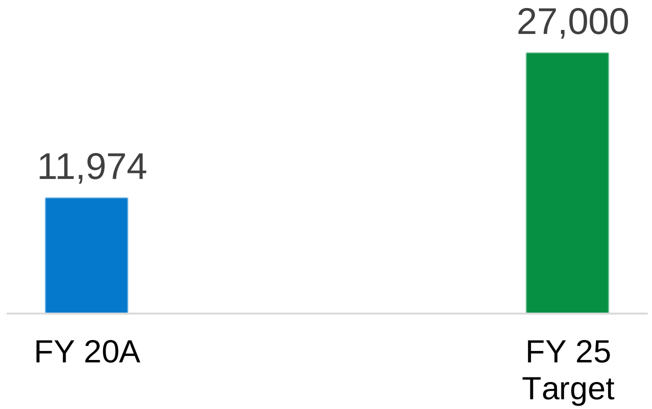
₹ 15,000 crore Capex in T&D



T&D Services Revenue (in ₹ cr)



T&D Cluster Revenue (in ₹ Cr)



Become Leading Private Player in Distribution

Thermal & Hydro

Carbon Neutral by 2050

GROWTH

- No New Coal Capacity
- Waste Heat Recovery / Gas plants - Captive
- Selective opportunities in Hydro if policy in conducive such as Hydro RPOs

OPERATIONAL EXCELLENCE

- Coal Blending for fuel efficiency
- Reduce downtime through RCM & Advance Pattern Recognition
- Efficiency improvement through Laser & AI

ENVIRONMENT SUSTAINABILITY

- FGD order placed in MPL & CGPL; Jojobera approval underway
- 100% fly ash utilization & Hazardous waste disposed through MoEFCC certified recycler
- MoEFCC's notified Sox emission limits to be met in phased manner
- Large scale afforestation

ASSET MONETISATION

- At end of useful life, monetise plant & colony lands

Thermal & Hydro to contribute 30% of Regulated Equity and 14% of EBITDA in FY 25

Incubating New Energy Businesses

TATA POWER

India – The Next Frontier for EVs

TATA

ELECTRIC CAR SALES GROWTH (2015-2019 AVG.)

55%

ANNUAL GROWTH

Mainly China Led)

ASIA

32%

ANNUAL GROWTH

AMERICA

26%

ANNUAL GROWTH

EUROPE

41%

ANNUAL GROWTH

WORLD

In line with the classic **‘4yr lag with China’** on major interventions.

EV Charging Outlook in India

EV PENETRATION ESTIMATED TO PICK UP

	EVs on Road (FY25)	Annual Running (km/ year)	Power Consumption (FY25, MU)
	10 – 14 mn	10,000	4,600
	1 – 1.5 mn	30,000	3,400
	0.6 – 1 mn	10,000	1,200
Fleet	1 – 1.2 mn	45,000	7,000
E-Bus	0.02 – 0.03 mn	70,000	2,100
			18,300

EV penetration depends on policy framework but huge potential

Govt. providing the crucial push

100% Confident: In Nitin Gadkari's Push for Electric Vehicle Adoption, a Promise of Crores of Jobs

"Electric Mobility is India's Next Big Opportunity" Niti Aayog

India can become Electrical Vehicle Manufacturing hub in 5 years

India is Power Surplus, E-Mobility Solutions in Interest of the Country

Amitabh Kant @amitabhk87 · Jan 4

Big move: Giving a major impetus to Electric Vehicle mobility Govt has approved installation of 2600 EV charging stations in 62 cities under FAME -2. Atleat one charging station will be available in a grid of 4 KM *4 km. This would remove range anxiety.

Comprehensive Policy framework

- Subsidies on EVs/ Charging stations
- Free Registration
- Toll Fee Exemption
- Tax incentives
- Preference Parking
- Scrapping Policy
- Amending Development rules

Gearing up to become the Leading Network

Key Partnerships

- Anchor demand through tie-ups with OEMs of EV
- Location partnerships at city-level

Large Geographical Presence

- Strong local business development & installation

Cutting Edge Digital Platform

- Customer-centric experience & platform development
- Development of data monetization & other value-added services

Franchisee Development

- Set-up of multiple channels for onboarding franchisees
- Development of franchisee network

Foundation blocks put in place to capitalize on EV penetration in the future

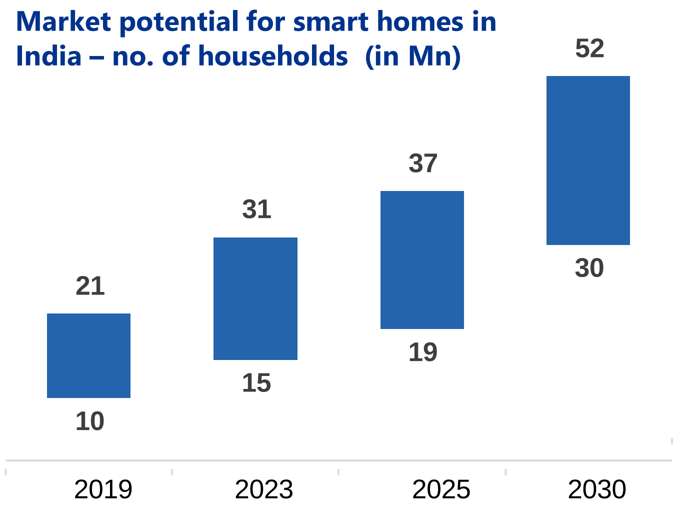
The Home Automation Market in India

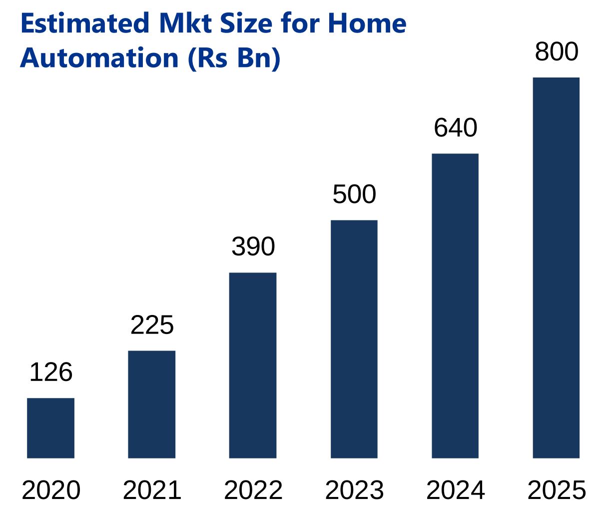
TATA POWER

TATA

SMART HOME INSTALLATIONS IN INDIA ARE EXPECTED TO INCREASE

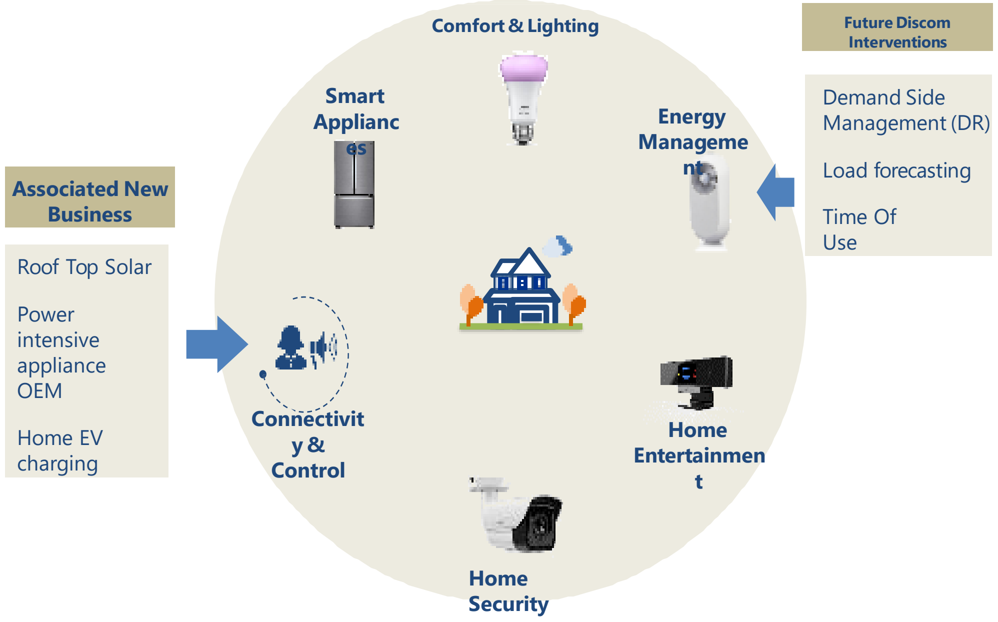
- Rapid adoption of digitization & technology aided by COVID.
- Improved lifestyle and Lower cost of connectivity
- Mainstreaming of enabling technologies
- Technological solutions to optimize electricity bill
- Load balancing for residential roof top solar PV
- DISCOMs looking for Demand Side Management (DSM) tool to optimize power purchase cost





WELL POISED TO LEVERAGE THIS OPPORTUNITY

- Presence in the ecosystem - directly and as a Group
- Adjacency to core business – power distribution, DSM, Rooftop Solar, EV Charging etc.
- Access to the customer and domain expertise



IoT-based Demand Side Management - Mobile app 'EZ Home' to be launched in Delhi & Mumbai

ESCO Services

DECADE EXPERIENCE

ENERGY SAVINGS

- Audits
- Design/ Retrofit
- Implementation of measures
- Financing
- Measurement and verification
- Risk Management
- Real time performance tracking

ENERGY MANAGEMENT

- Coordination with LDCs
- RPO compliance
- Sale and purchase from exchange
- Power procurement optimization
- Open Access power
- Energy consumption pattern monitoring
- CPP wheeling across plants

Key Use Cases in the Indian ESCO business

Lighting → **HVAC / Cooling** → **Pumps / Motors** → **Waste Heat Recovery** → **Building Automation**

Develop into one – stop ESCO for Tata Group leveraging on varied VAS offerings

New Businesses - Develop sustainable business models

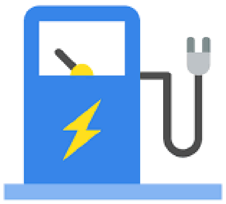
EV CHARGING

Phase 1 (FY 21-23)	Phase 2 (FY 24-25)	Phase 3 (FY 26 +)
Proactively seed the market & invest ahead of time	Expand coverage & be the operator of choice	Focus on utilization, turn asset-lite thru franchising

170 charging points
20 cities

Current

> 1 Lac charging points
100+ cities



FY 25
Target

HOME AUTOMATION

Default Network *for all smart devices*

- Models to monetize *Data*
- IoT based *Analytics & Intelligence*
- Develop *Gateway* Solutions
- *Strategic Partnership* with OEMS

ESCO

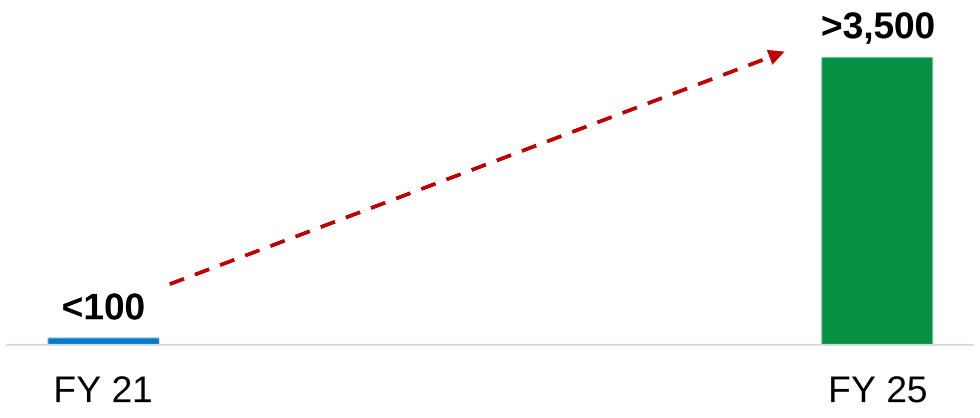
- Value added services
- Group Tie-up
- Power Cost Optimizer

Audits, EPC, Proj Mgt, RPO compliance

End to end energy management

Solutions to reduce consumption & rate

NEW ENERGY BUSINESS REVENUE (₹ CR)



Leverage existing DISCOM experience for new age customized solutions

Growth with focus on Sustainability

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Strategy with a Sustainability focus

TATA

GROWTH IN CLEAN & GREEN CAPACITY

- *No new coal-based capacity*
- *Phase out current coal generation* on expiry of residual life / PPAs
- Expand Clean & Green Capacity to Grow to 60% by FY 25

UTILITY BENCHMARK

- *Water Positivity by 2025*
- *Zero Waste to Landfill by 2025*
- CSR Vision 2025 - Empower 353 villages by 2025
- *Low Carbon Innovative solutions* for Customers

IMPROVE CURRENT ESG RATINGS

MSCI ESG RATINGS BB

CCC | B | BB | BBB | A | AA | AAA

FTSE Russell

ESG Rating: 3.6

ICB Supersector: Utilities

Percentile rank: 74

CREATE SOCIAL AWARNESS

TATA POWER CLUB ENERJI EDISON AWARD WINNER

Silver Award for "Switch off to Switch on" campaign under Social Innovation Category - Social Energy Solutions

Enter Dow Jones Sustainability Index Emerging Market List by FY 2025

Strategy for Long Term Shareholder Value

TATA POWER

Restructuring to provide strong foundation for growth

TATA

Asset Sale
- Non Core sale - ₹ 4,500 cr in FY 21
- InvIT for RE Business in FY 21

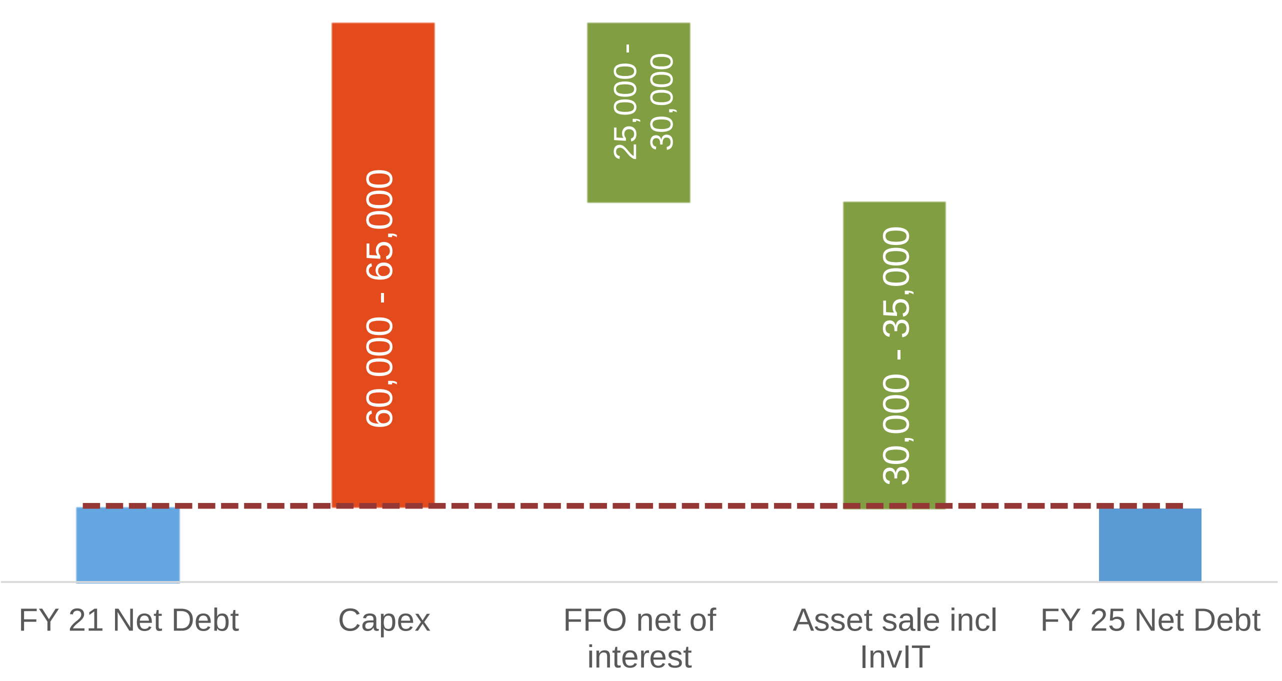
Simplify Business
- Reduce 95 cos to <40 cos by FY 22
- Merge businesses for synergies

D:E < 1.5 x
Debt:Ebitda < 3.5x

Promoter Funding
Infused ₹ 2,600 cr through preferential allotment

Mundra Resolution
Long term debt reduction & operational

Sustain debt below below ₹ 25,000 cr beyond FY 21



Asset light model & Capital churn to deliver strong returns

SCALE by adopting INNOVATIVE and CAPITAL LIGHT business approach

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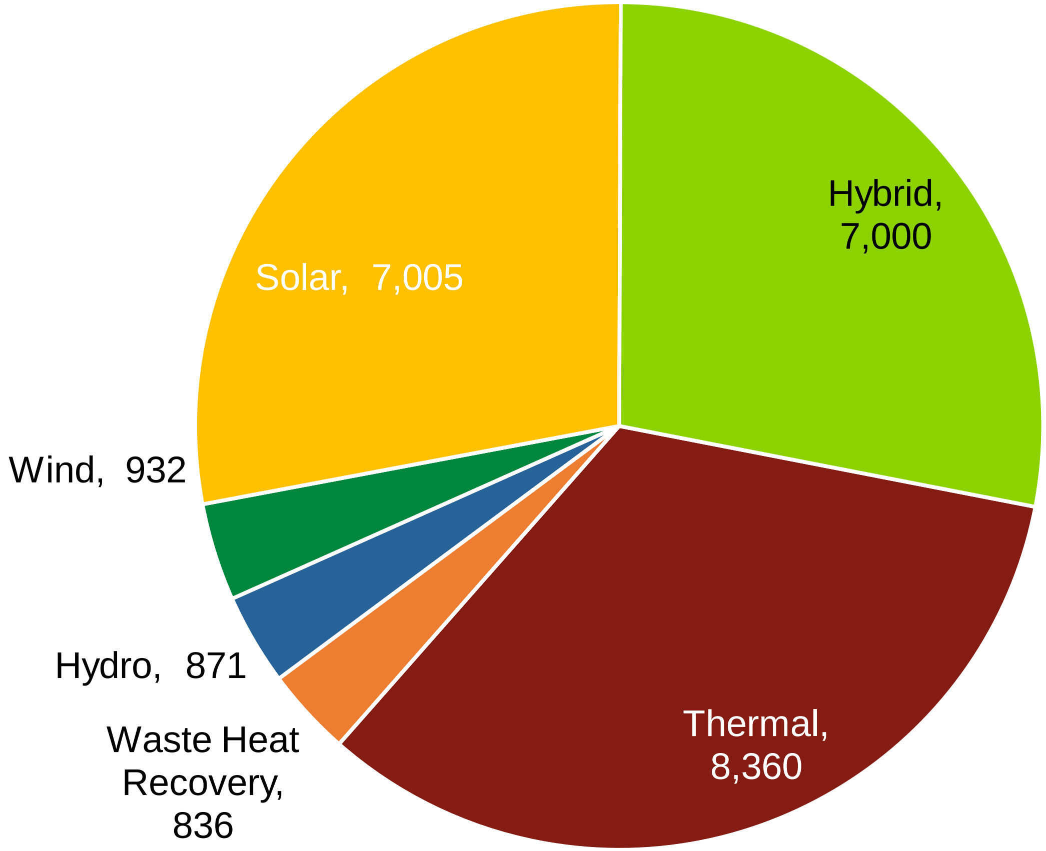
TATA

2X CAPACITY GROWTH TO 25 GW – 2/3RD PORTFOLIO 'CLEAN & GREEN'

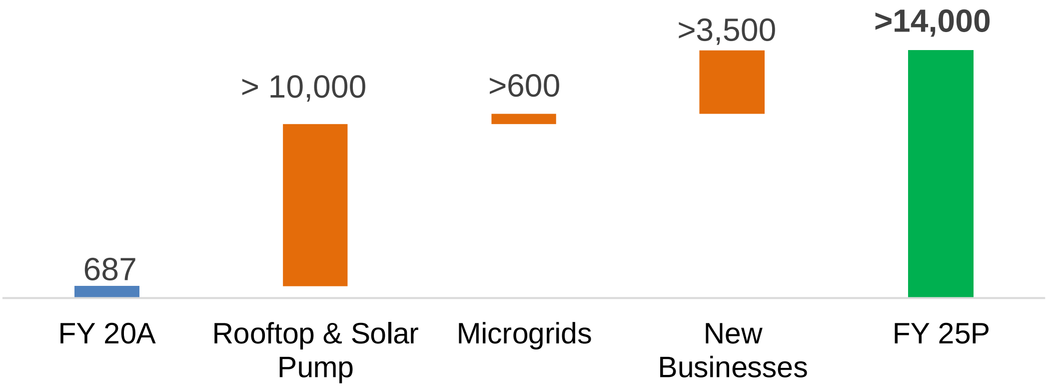
FY 25 CAPACITY MIX



8X CONSUMERS & 2X REVENUE FROM DISTRIBUTION PRIVATIZATION

MULTIFOLD GROWTH IN CUSTOMER ORIENTED BUSINESSES

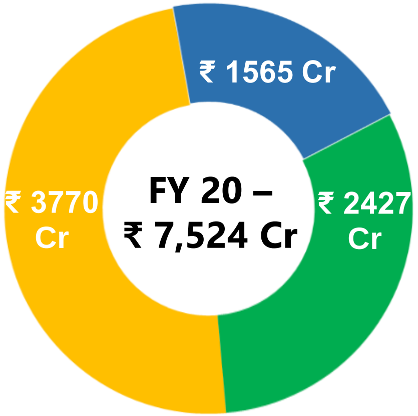
Revenue (in ₹ Cr)



Re-calibrate Capital Employed with Renewable & Distribution growth

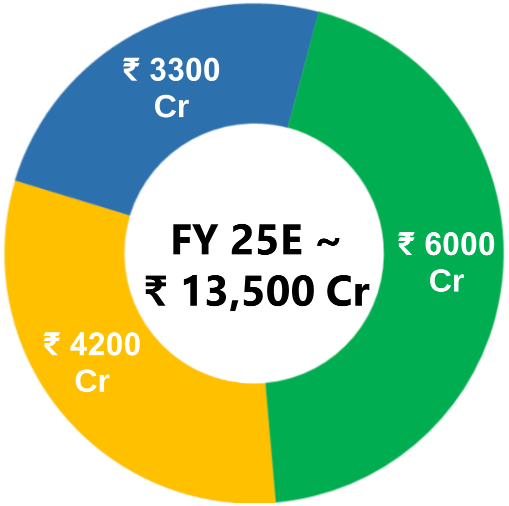
Strong Return Profile & Optimal Capital Allocation

REGULATED EQUITY GROWTH TO PROVIDE ASSURED ROE



5 yr Regulated capex ~ ₹ 20,000 cr

Regulated Equity growth of ~ ₹ 6,000 cr



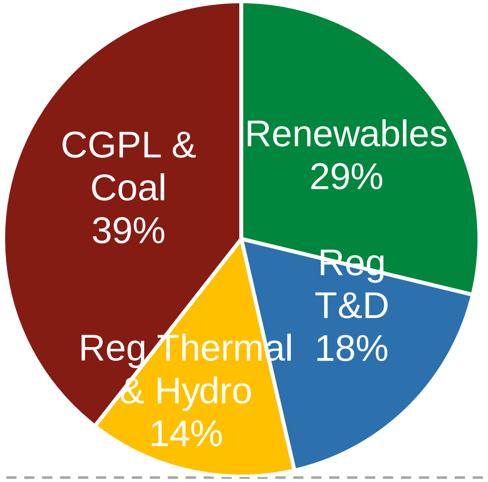
Includes Tata Power's equity stake of JV cos' Reg Equity

Generation | Transmission | Distribution

- FGD installations in Maithon & Jojobera & Railway infrastructure in Maithon
- Upgradation of Transmission infrastructure in Mumbai
- Distribution – Network augmentation and customer acquisition driven Capex
- Capex for infrastructure overhaul in New Distribution License Areas including CESU

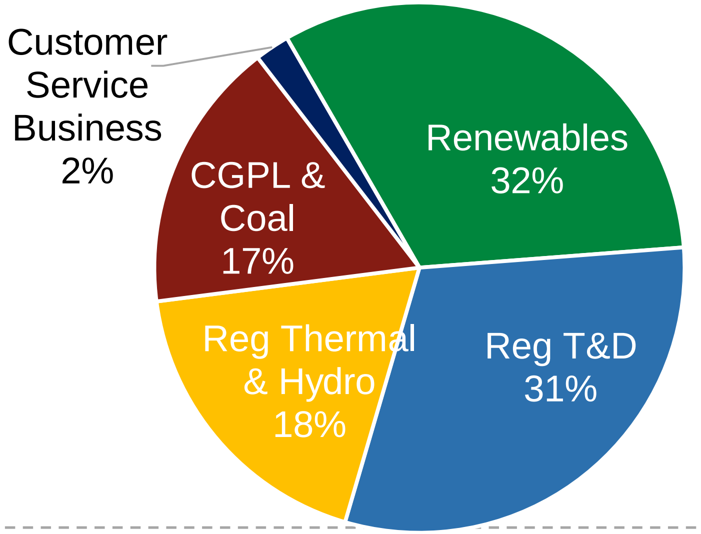
REALLOCATION OF CAPITAL EMPLOYED

As on 30th Jun 20



5x RE & 8x Distribution Growth

Capital Employed - FY 25



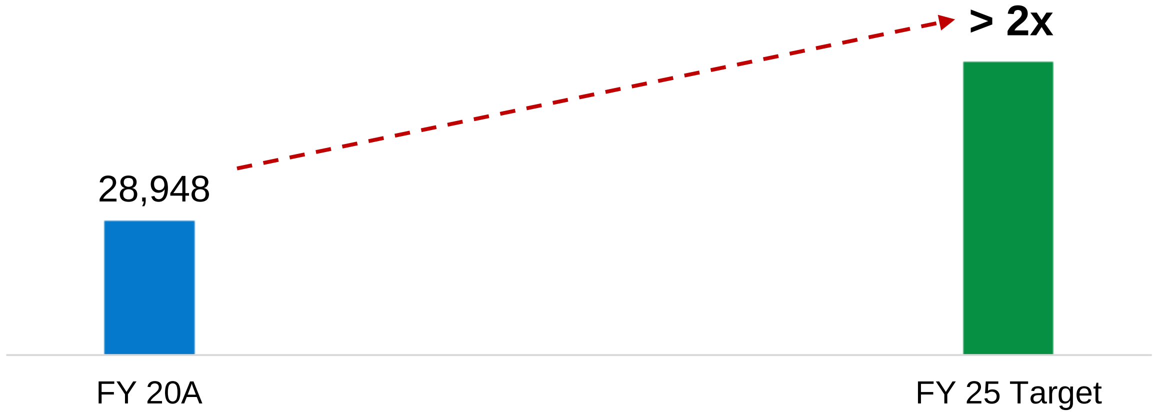
- CGPL & Coal only 17% of the Capital Employed in FY 25
- Regulated Portfolio to grow from 32% to 49% of the Portfolio
- RE will remain around 32% due to InvIT

Create Long Term Shareholder Returns

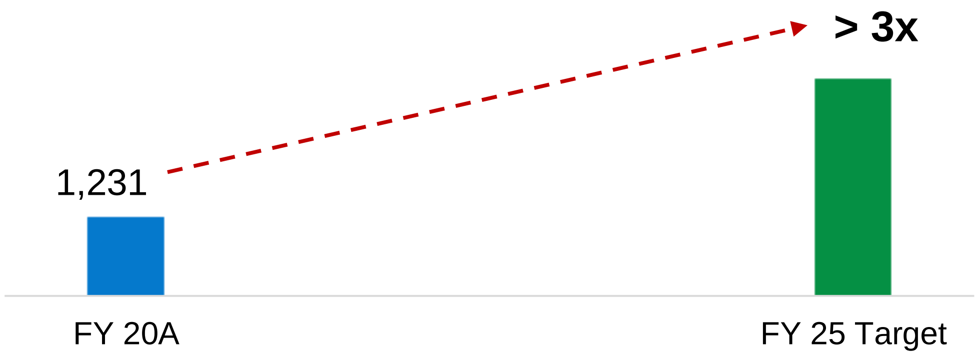
All figures in ₹ crore

TARGET GROWTH DRIVEN BY RE, DISTRIBUTION & CUSTOMER SERVICE BUSINESS

Revenue

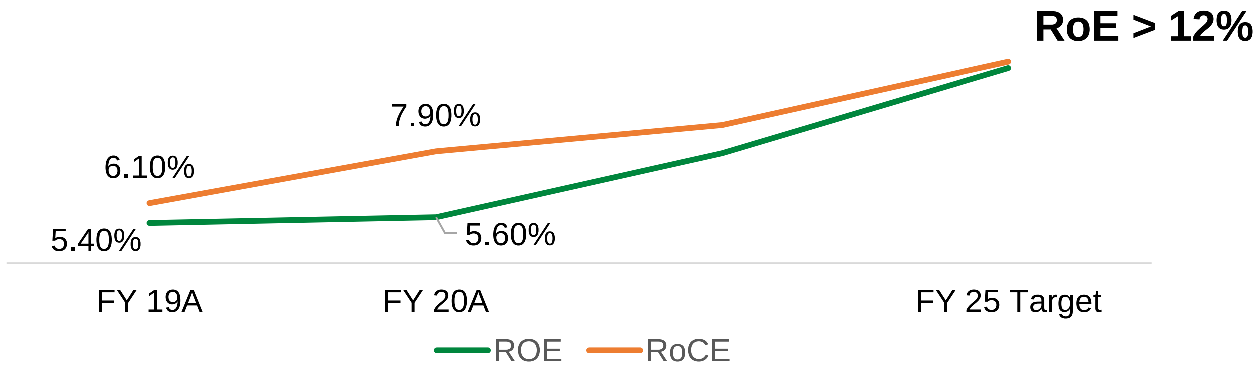


Profit after Tax

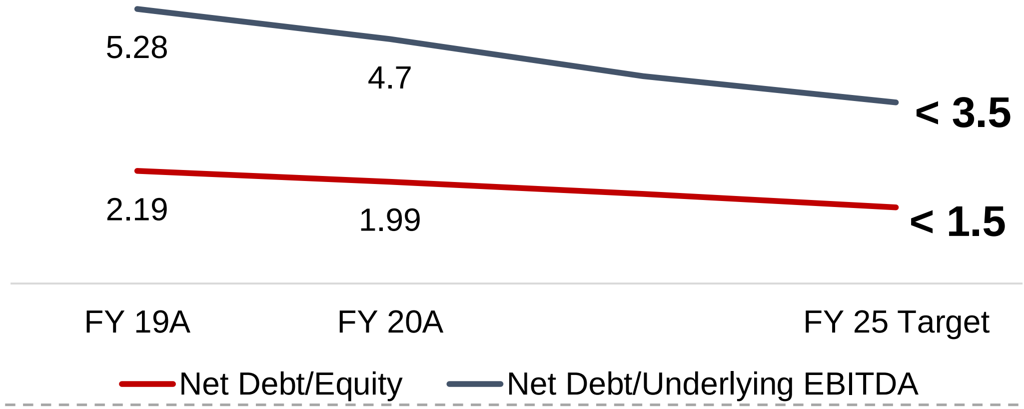


TARGET ROE GROWTH WITH IMPROVED CREDITWORTHINESS

Return on Capital Employed & Equity



Debt Metrics



Numbers stated above are without HPC & assumes planned divestment & InvIT; RoE = PAT before exceptional items / Networth; RoCE = PAT + Depr + Int / Capital Employed

Tata Power 2.0 – *Future Ready* for *Smart Choices*

TATA POWER

On track to become the ***All-round Leader***

TATA

Lead in Utility Sector ESG practices

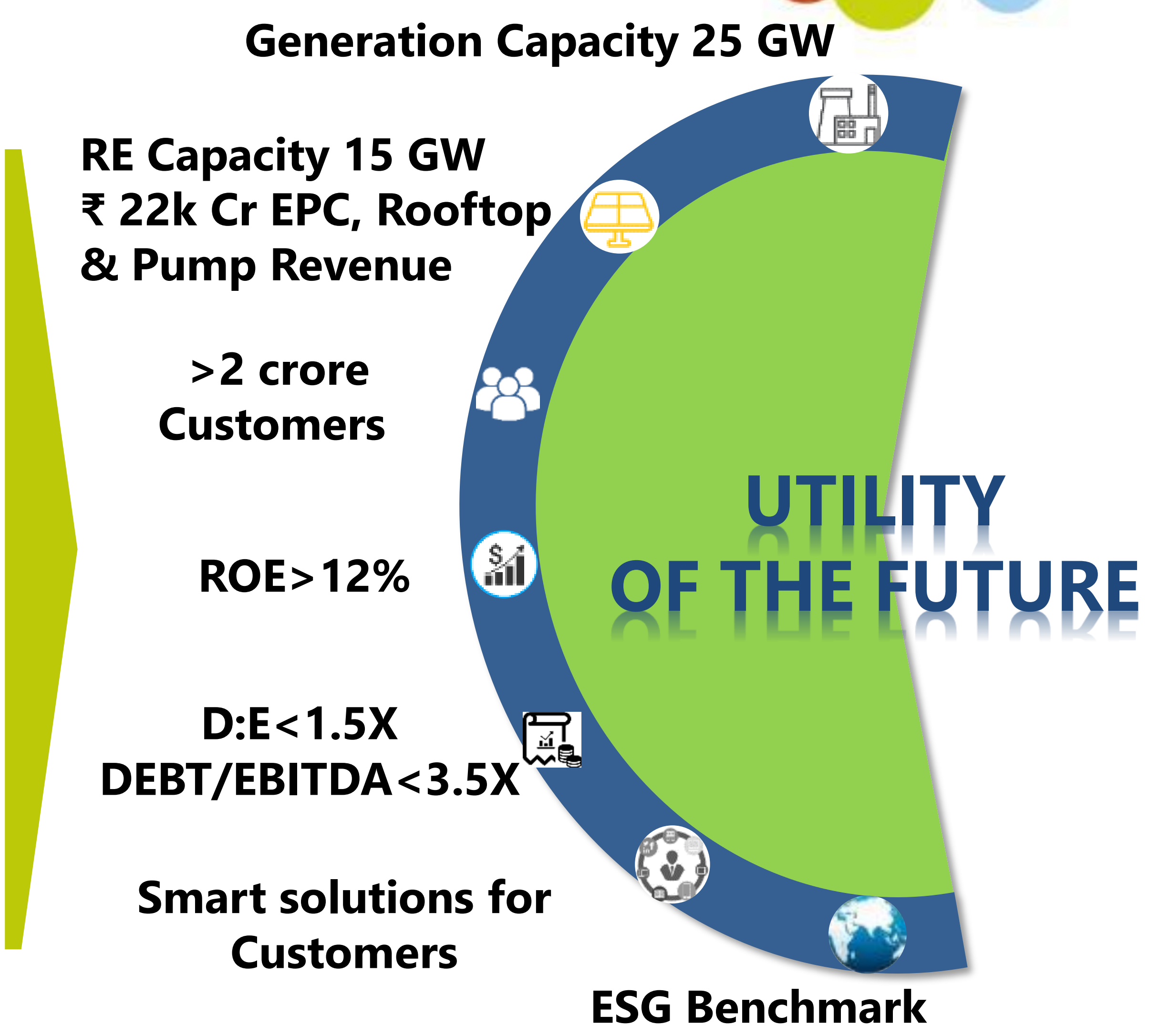
- DSJI Sustainability Index Constituent by 2025
- 60 % ‘Clean and Green’ Portfolio by 2025
- Benchmark in Water & Waste Management by 2025

Grow thru Asset Light Structure

- Deleverage Balance sheet to release capital for growth
- Future RE asset growth thru InvIT
- Opportunistic Transmission growth thru Resurgent Platform

Grow Customer Oriented Service businesses

- Expand Distribution footprint nationally
- Leverage technology to expand Rooftop Solar & Solar Pumps
- Create innovative, low carbon solutions for customers through ESCO, Home Automation & EV charging



To become one of Top 2 Energy companies in India

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