TATA

November 13, 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,

Disclosures as per Regulation 52(4) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for the half year ended 30th September 2020

1. Financial results as on September 30, 2020.
2. Credit rating letters CRISIL, CARE and India Ratings & Research
   a. "CRISIL AA-" rating from CRISIL Ratings for our Non-Convertible Debenture programme with "Positive" outlook (refer rating rationale dated April 09, 2020 issued by CRISIL)
   b. "CARE AA" rating from CARE Ratings for our Non-Convertible Debenture programme with "Stable" outlook (refer rating rationale dated July 7, 2020 by CARE Ratings)
   c. "IND AA" rating from India Ratings for our Non-Convertible Debenture programme with "Stable" outlook (refer rating rationale dated April 23, 2020 by India Ratings)
3. Asset cover as on September 30, 2020 - Not applicable (Debentures are unsecured)
4. Debt Equity ratio as on September 30, 2020 is 1.05.
5. Statement detailing the last due dates for payment of interest and principal and next due dates of payment of interest and principal in respect of the Company's outstanding Debentures (Refer enclosed Certificate - Annexure 3).
6. Debt Service Coverage ratio and Interest Service Coverage Ratio as on September 30, 2020:

Particulars	Ratio (in times)
Debt Service Coverage ratio	0.80
Interest Service Coverage ratio	1.34

7. Outstanding redeemable preference shares as on September 30, 2020 is Nil.
8. Capital Redemption Reserve and Debenture Redemption Reserve as on September 30, 2020 are ₹ 1.85 crore and ₹ 296.95 crore respectively.
9. Net worth (as defined in the Companies Act, 2013) as on September 30, 2020 is ₹ 15,142.30 crore.
10. Net Profit/(Loss) after tax as on September 30, 2020 is ₹ 189.93 crore.
11. Earnings per share for the half year ended September 30, 2020:

Particulars	**Basic (₹)**	**Diluted (₹)**
From Continuing operations excluding Regulatory Income/(Expense)	0.15	0.15
From Continuing operations including Regulatory Income/(Expense)	0.52	0.52
From Discontinued operations	(0.15)	(0.15)
From Total operations including Regulatory Income/(Expense)	0.37	0.37

12. Certificate from Debenture Trustee that it has taken note of the contents in enclosed.

TATA

13. Certificate from Statutory Auditor pursuant to Regulation 56(1)(d) of the SEBI (LODR) Regulations 2015 is enclosed.

Yours faithfully,
For The Tata Power Company Limited

Company Secretary

Encl: As above

S R B C & CO LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028 India
Tel +91 22 6819 8000

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
The Tata Power Company Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of The Tata Power Company Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures for the quarter ended September 30, 2020 and year to date from April 1, 2020 to September 30, 2020 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities as per Annexure 1.

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review/audit reports of other auditors referred to in paragraph 8 and 9, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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6. We draw attention to Note 6 of the consolidated Ind AS financial results. The auditors of a joint venture company and an associate company of the group have reported an Emphasis of Matter on the existence of material uncertainty on the future operations of the respective companies due to the impact of COVID 19. Our conclusion is not modified in respect of this matter.

7. The accompanying Statement includes the audited / unaudited interim financial statements and other financial information, in respect of:

   - 2 subsidiaries, whose audited / unaudited interim financial statements include total assets of Rs. 11,359.22 crores as at September 30, 2020, total revenues of Rs. 2,320.06 crores and Rs. 3,981.89 crores, total net profit after tax of Rs. 118.97 crores and Rs. 239.39 crores, total comprehensive income of Rs. 120.00 crores and Rs. 239.45 crores for the quarter ended September 30, 2020 and the period ended on that date respectively, and net cash inflows of Rs. 2.46 crores for the period from April 1, 2020 to September 30, 2020, as considered in the Statement which have been audited / reviewed by their respective independent auditors.

   - 1 associate and 5 joint ventures, whose interim financial statements include Group's share of net profit of Rs. 130.87 crores and Rs. 237.89 crores and Group's share of total comprehensive income of Rs. 125.20 crores and Rs. 227.95 crores for the quarter ended September 30, 2020 and for the period from April 1, 2020 to September 30, 2020 respectively as considered in the Statement whose interim financial statements and other financial information have been reviewed by their respective independent auditors.

   The independent auditor's reports on interim financial statements and financial information of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries, joint ventures and associates is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

8. Certain of these subsidiaries and joint ventures are located outside India whose interim financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the interim financial statements of such subsidiaries and joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries and joint ventures located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.

9. The accompanying Statement includes unaudited interim financial statements and other unaudited financial information in respect of:

   - 12 subsidiaries, whose interim financial statements and other financial information reflect total assets of Rs. 187.91 crores as at September 30, 2020, and total revenues of Nil and Nil, total net loss after tax of Rs. 6.07 crores and Rs. 3.81 crores, total comprehensive loss of Rs. 6.07 crores and Rs. 3.81 crores, for the quarter ended September 30, 2020 and the period ended on that date respectively and net cash inflows of Rs. 13.29 crores for the period from April 1, 2020 to September 30, 2020.

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- 4 associates and 9 joint ventures, whose interim financial statements include the Group's share of net profit of Rs. 3.32 crores and Rs. 11.77 crores and Group's share of total comprehensive income of Rs. 3.33 crores and Rs. 11.77 crores for the quarter ended September 30, 2020 and for the period ended on that date respectively.

The unaudited interim financial statements and other financial information of these subsidiaries, joint ventures and associates have not been audited / reviewed by any auditor and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries, joint ventures and associates, is based solely on such unaudited interim financial statements and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial statements are not material to the Group.

Our conclusion on the Statement in respect of matters stated in para 7, 8 and 9 above is not modified with respect to our reliance on the work done and the reports of the other auditors and the interim financial statements and financial information certified by the Management.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003

Agarwal

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

per Abhishek Agarwal
Partner
Membership No.: 112773

UDIN: 20112773AAAAHZ7316
Mumbai
November 10, 2020

Annexure – 1 to Auditor's Report

No	Name of Entities	Country of Incorporation
A	**Subsidiaries (Direct)**	
1	Af-Taab Investments Company Limited	India
2	Tata Power Solar Systems Limited	India
3	Tata Power Trading Company Limited	India
4	Nelco Limited	India
5	Maithon Power Limited	India
6	Tata Power Renewable Energy Limited	India
7	TP Renewable Microgrid Limited (Formerly known as Industrial Power Utility Limited)	India
8	Coastal Gujarat Power Limited	India
9	Bhira Investments Limited	Singapore
10	Bhivpuri Investments Limited	Mauritius
11	Khopoli Investments Limited	Mauritius
12	Trust Energy Resources Pte. Limited	Singapore
13	Tata Power Delhi Distribution Limited	India
14	Tata Power Jamshedpur Distribution Limited	India
15	Tata Power International Pte. Limited	Singapore
16	TP Ajmer Distribution Limited	India
17	Tata Power Green Energy Limited	India
18	TP Central Odisha Distribution Limited	India
19	TP Solapur Solar Limited	India
20	TP Akkalkot Renewable Limited	India
21	TP Kirnali Solar Limited	India
22	TP Saurya Limited	India
B	**Subsidiaries (Indirect)**	
1	NDPL Infra Limited	India
2	Tatanet Services Limited	India
3	Supa Windfarms Limited	India
4	Nivade Windfarms Limited	India
5	Poolavadi Windfarms Limited	India
6	Indo Rama Renewables Jath Limited	India
7	Walwhan Renewable Energy Limited	India
8	Clean Sustainable Solar Energy Private Limited	India
9	Dreisatz Mysolar24 Private Limited	India
10	MI Mysolar24 Private Limited	India
11	Northwest Energy Private Limited	India
12	Solarsys Renewable Energy Private Limited	India
13	Walwhan Solar Energy GJ Limited	India
14	Walwhan Solar Raj Limited	India
15	Walwhan Solar BH Limited	India
16	Walwhan Solar MH Limited	India

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No	Name of Entities	Country of Incorporation
17	Walwhan Wind RJ Limited	India
18	Walwhan Solar AP Limited	India
19	Walwhan Solar KA Limited	India
20	Walwhan Solar MP Limited	India
21	Walwhan Solar PB Limited	India
22	Walwhan Energy RJ Limited	India
23	Walwhan Solar TN Limited	India
24	Walwhan Solar RJ Limited	India
25	Walwhan Urja Anjar Limited	India
26	Chirasthayee Saurya Limited	India
27	Nelco Network Products Limited	India
28	Vagarai Windfarm Limited	India
29	TP Solapur Limited	India
30	TP Kirnali Limited	India
31	Walwhan Urja India Limited	India
32	Far Eastern Natural Resources LLC	Russia
C	**Joint Ventures (Direct)**	
1	Tubed Coal Mines Limited	India
2	Mandakini Coal Company Limited	India
3	Industrial Energy Limited	India
4	Powerlinks Transmission Limited	India
5	Dugar Hydro Power Limited	India
D	**Joint Ventures (Indirect)**	
1	PT Kaltim Prima Coal	Indonesia
2	IndoCoal Resources (Cayman) Limited	Cayman Islands
3	PT Indocoal Kaltim Resources	Indonesia
4	Candice Investments Pte. Limited	Singapore
5	PT Nusa Tambang Pratama	Indonesia
6	PT Marvel Capital Indonesia	Indonesia
7	PT Dwikarya Prima Abadi	Indonesia
8	PT Kalimantan Prima Power	Indonesia
9	PT Baramulti Sukessarana Tbk	Indonesia
10	Adjaristsqali Netherlands B.V	Netherlands
11	Koromkheti Netherlands B.V	Netherlands
12	IndoCoal KPC Resources (Cayman) Limited	Indonesia
13	Resurgent Power Ventures Pte Limited	Singapore
E	**Associates**	
1	Tata Projects Limited (Consolidated)	India
2	Dagachhu Hydro Power Corporation Limited	Bhutan
3	Yashmun Engineers Limited	India
4	Brihat Trading Private Limited	India
5	The Associated Building Company Limited	India

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TATA POWER

The Tata Power Company Limited
Bombay House, 24 Homi Mody Street, Mumbai 400 001
Website: www.tatapower.com
CIN : L28920MH1919PLC000567

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER/ HALF YEAR ENDED 30TH SEPTEMBER, 2020

	Particulars (Refer Notes Below)	Quarter ended			Half - Year ended		Year ended
		30-Sep-20 (Unaudited)	30-Jun-20 (Unaudited)	30-Sep-19 (Unaudited)*	30-Sep-20 (Unaudited)	30-Sep-19 (Unaudited)*	31-Mar-20 Audited
		(₹ crore)					
1	**Income**						
	Revenue from Operations	8,289.81	6,452.99	7,677.82	14,742.80	15,444.54	29,136.37
	Other Income (Refer Note 3)	151.79	87.43	216.53	239.22	324.45	562.61
	Total Income	8,441.60	6,540.42	7,894.35	14,982.02	15,768.99	29,698.98
2	**Expenses**						
	Cost of power purchased	2,333.48	1,425.24	1,719.78	3,758.72	3,355.78	6,220.46
	Cost of fuel	2,321.34	2,191.60	2,330.12	4,512.94	4,998.80	9,922.39
	Transmission charges	125.63	84.21	53.62	209.84	107.15	214.00
	Raw material consumed	334.68	91.54	375.66	426.22	536.47	957.18
	Purchase of finished goods and spares	7.42	4.25	25.13	11.67	68.10	111.74
	Decrease/(Increase) in stock-in-trade and work-in-progress	7.44	1.54	(6.95)	8.98	(5.54)	(15.84)
	Employee benefits expense	559.95	405.25	359.59	965.20	707.27	1,440.64
	Finance costs	1,064.98	1,089.36	1,129.95	2,154.34	2,273.83	4,493.73
	Depreciation and amortisation expenses	698.88	644.49	654.44	1,343.37	1,274.39	2,633.56
	Other expenses	598.67	518.08	564.84	1,116.75	1,118.42	2,342.78
	Total Expenses	8,052.47	6,455.56	7,206.18	14,508.03	14,434.67	28,320.84
3	**Profit/(Loss) before Regulatory Deferral Balances, Exceptional Items, Tax and Share of Profit of Associates and Joint Ventures (1-2)**	389.13	84.86	688.17	473.99	1,334.32	1,378.14
4	Add/(Less): Net movement in Regulatory Deferral Balances	65.67	185.24	(438.35)	250.91	(696.84)	(451.68)
	Add/(Less) : Net movement in Regulatory Deferral Balances in respect of earlier years	-	-	-	-	-	(21.32)
	Add/(Less) : Deferred Tax Recoverable/(Payable)	57.14	33.26	89.37	90.40	147.86	284.31
5	**Profit/(Loss) before Exceptional Items, Tax and Share of Profit of Associates and Joint Ventures (3+4)**	511.94	303.36	339.19	815.30	785.34	1,189.45
6	Share of Profit of Associates and Joint Ventures accounted for using the Equity Method (Refer Note 3)	195.86	176.87	190.54	372.73	443.52	952.55
7	**Profit before Exceptional Items and Tax (5+6)**	707.80	480.23	529.73	1,188.03	1,228.86	2,142.00
8	**Add/(Less): Exceptional Items**						
	Standby charges litigation	-	-	-	-	(328.97)	(276.35)
	Reversal of Impairment for Investment in Joint Venture and related obligation	-	-	-	-	235.00	235.00
	Gain on Sale of Investment in Associates	-	-	-	-	-	532.51
	Remeasurement of Deferred Tax Recoverable on account of New Tax Regime (net)	-	-	-	-	-	(265.00)
9	**Profit before Tax (7+8)**	707.80	480.23	529.73	1,188.03	1,134.89	2,368.16
10	**Tax Expense/(Credit)**						
	Current Tax	144.41	90.85	100.65	235.26	358.26	494.30
	Deferred Tax	173.23	98.50	85.01	271.73	170.34	330.95
	Deferred Tax Expense in respect of earlier years	-	-	-	-	-	(24.51)
	Remeasurement of Deferred Tax on account of New Tax Regime (net)	-	-	-	-	-	(159.25)
11	**Net Profit for the Period from Continuing Operations (9-10)**	390.16	290.88	344.07	681.04	606.29	1,726.67
	Profit/(Loss) before tax from Discontinued Operations	(29.53)	(35.04)	(8.47)	(64.57)	(37.89)	(81.64)
	Impairment Loss on Remeasurement to Fair Value	-	-	-	-	-	(361.00)
	Tax Expense/(Credit) on Discontinued Operations	(10.30)	(12.26)	(2.96)	(22.56)	(13.24)	(32.41)
12	**Profit/(Loss) for the Period from Discontinued Operations**	(19.23)	(22.78)	(5.51)	(42.01)	(24.65)	(410.23)
13	**Profit for the Period (11+12)**	370.93	268.10	338.56	639.03	581.64	1,316.44
	Other Comprehensive Income/(Expenses) including Discontinued Operations						
	(i) Items that will not be reclassified to profit or loss	74.12	24.27	(74.04)	98.39	(64.84)	(127.08)
	(ii) Tax relating to items that will not be reclassified to profit or loss	1.69	0.52	19.68	2.21	19.73	26.95
	(iii) Net movement in Regulatory Deferral Balances	(83.60)	16.72	-	(66.88)	-	-
	(iv) Share of Other Comprehensive Income/(Expense) that will not be reclassified to profit or loss of Associates and Joint Ventures accounted for using the Equity Method (Refer Note 3)	(5.65)	(5.12)	(10.86)	(10.77)	(17.07)	2.23
	(v) Items that will be reclassified to profit and loss	(327.70)	(82.78)	70.39	(410.48)	56.69	559.47
	(vi) Income tax relating to items that will be reclassified to profit or loss	42.38	13.88	-	56.24	-	(32.43)
	(vii) Share of Other Comprehensive Income/(Expense) that will be reclassified to profit or loss of Associates and Joint Ventures accounted for using the Equity Method	(66.97)	12.23	140.61	(54.74)	132.67	407.06
14	**Other Comprehensive Income/(Expenses) (Net of Tax)**	(365.75)	(20.28)	145.74	(386.03)	127.18	836.20
15	**Total Comprehensive Income (13+14)**	5.18	247.82	484.30	253.00	708.82	2,152.64
	Profit/(Loss) for the Period attributable to:						
	Owners of the Company	279.61	206.62	257.92	486.23	421.47	1,017.38
	Non-controlling Interests	91.32	61.48	80.64	152.80	160.17	299.06
	Others Comprehensive Income/(Expense) attributable to:						
	Owners of the Company	(366.31)	(19.77)	146.72	(386.08)	128.38	838.25
	Non-controlling Interests	0.56	(0.51)	(0.98)	0.05	(1.20)	(2.05)
	Total Comprehensive Income attributable to:						
	Owners of the Company	(86.70)	186.85	404.64	100.15	549.85	1,855.63
	Non-controlling Interests	91.88	60.97	79.66	152.85	158.97	297.01
16	Paid-up equity share capital (Face Value: ₹ 1/- per share)	319.56	270.50	270.50	319.56	270.50	270.50
17	Other Equity						17,795.52
18	**Basic and Diluted Earnings Per Equity Share (of ₹ 1/- each) (₹) (not annualised)**						
	(i) From Continuing Operations before net movement in regulatory deferral balances	0.62	0.16	1.60	0.78	2.65	5.33
	(ii) From Continuing Operations after net movement in regulatory deferral balances	0.67	0.69	0.76	1.56	1.33	4.64
	(iii) From Discontinued Operations	(0.07)	(0.08)	(0.02)	(0.15)	(0.09)	(1.52)
	(iv) Total Operations after net movement in regulatory deferral balances	0.60	0.61	0.74	1.41	1.24	3.12

* Restated (Refer Note 3)

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Chartered Accountants

TATA POWER

The Tata Power Company Limited
Bombay House, 24 Homi Mody Street, Mumbai 400 001
Website: www.tatapower.com
CIN : L28920MH1919PLC000567

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

₹ crore

Particulars	As at 30-Sep-20 (Unaudited)	As at 31-Mar-20 Audited
A. ASSETS		
1 Non-current Assets		
(a) Property, Plant and Equipment	45,765.35	44,662.61
(b) Capital Work-in-Progress	2,941.61	1,611.52
(c) Goodwill	1,667.52	1,641.57
(d) Other Intangible Assets	1,313.75	1,362.18
(e) Investments accounted for using the Equity method	12,809.39	13,202.65
(f) Financial Assets		
(i) Other Investments	657.64	632.68
(ii) Trade Receivables	70.42	30.28
(iii) Loans	79.72	80.88
(iv) Finance Lease Receivables	596.77	588.92
(v) Other Financial Assets	374.29	578.79
(g) Non-current Tax Assets (Net)	317.98	342.00
(h) Deferred Tax Assets (Net)	122.77	74.24
(i) Other Non-current Assets	1,335.13	1,185.12
Total Non-current Assets	68,052.34	65,993.44
2 Current Assets		
(a) Inventories	1,823.44	1,752.35
(b) Financial Assets		
(i) Investments	1,445.86	899.51
(ii) Trade Receivables	4,433.07	4,425.90
(iii) Unbilled Revenue	1,094.27	799.42
(iv) Cash and Cash Equivalents	3,837.93	1,861.50
(v) Bank Balances other than (iv) above	782.97	232.68
(vi) Loans	31.15	33.00
(vii) Finance Lease Receivables	36.18	33.20
(viii) Other Financial Assets	393.11	1,412.43
(c) Current Tax Assets (Net)	5.58	1.10
(d) Other Current Assets	876.65	770.39
Total Current Assets	14,760.21	12,021.48
Assets Classified as Held For Sale (Refer Note 10)	5,269.13	6,253.06
Total Assets before Regulatory Deferral Account	88,081.68	84,267.98
Regulatory Deferral Account - Assets	6,145.28	5,480.17
TOTAL ASSETS	**94,226.96**	**89,748.15**
B. EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	319.56	270.50
(b) Unsecured Perpetual Securities	1,500.00	1,500.00
(c) Other Equity	19,942.36	17,795.52
Equity attributable to Shareholders of the Company	21,761.92	19,566.02
Non-controlling Interests	2,534.46	2,332.04
Total Equity	24,296.38	21,898.06
Liabilities		
1. Non-current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	32,736.96	32,695.14
(ii) Lease Liabilities	3,198.39	3,180.48
(iii) Trade Payables	1.67	-
(iv) Other Financial Liabilities	1,780.90	721.52
(b) Non-current Tax Liabilities (Net)	3.03	3.03
(c) Deferred Tax Liabilities (Net)	1,410.18	1,174.04
(d) Provisions	416.99	407.40
(e) Other Non-current Liabilities	3,599.43	2,084.52
Total Non-current Liabilities	43,147.55	40,266.13
2. Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	7,745.75	11,844.36
(ii) Lease Liabilities	389.41	379.74
(iii) Trade Payables	5,456.08	5,095.44
(iv) Other Financial Liabilities	9,487.96	7,502.90
(b) Current Tax Liabilities (Net)	185.16	129.49
(c) Provisions	184.13	116.42
(d) Other Current Liabilities	1,662.12	1,453.08
Total Current Liabilities	25,110.61	26,521.43
Liabilities directly associated with Assets Classified as Held For Sale (Refer Note 10)	1,429.06	1,062.53
Total Liabilities before Regulatory Deferral Account	69,687.22	67,850.09
Regulatory Deferral Account - Liability	243.36	-
TOTAL EQUITY AND LIABILITIES	**94,226.96**	**89,748.15**

S R B C & CO LLP
MUMBAI
Chartered Accountants

TATA POWER

The Tata Power Company Limited
Bombay House, 24 Homi Mody Street, Mumbai 400 001
Website: www.tatapower.com
CIN : L28920MH1919PLC000567

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT

		Half-year ended 30th September, 2020 ₹ crore		Half year ended 30th September, 2019 * ₹ crore	
A. Cash Flow from Operating Activities					
Profit/(Loss) before tax from Continuing Operations			1,188.03		[illegible]
Profit/(Loss) before tax from Discontinued Operations			(64.57)		[illegible]
Adjustments to reconcile Profit Before Tax to Net Cash Flows:					
Depreciation and Amortisation Expense		1,343.37		1,274.33	
Transfer to Contingency Reserve		5.00		9.00	
Reversal of Impairment of Non-Current investments and related obligation				(235.00)	
(Gain)/Loss on disposal of Property, Plant and Equipment (Net)		(22.90)		1.56	
Finance Cost (Net of Capitalization)		2,175.89		2,291.92	
Interest Income		(67.79)		(101.66)	
Dividend Income		(6.78)		(84.72)	
Gain on sale/fair value of Current Investment measured at fair value through profit and loss		(25.94)		(33.85)	
Allowances for Doubtful Debts and Advances (Net)		112.16		8.61	
Impairment of Non-Current Investments				0.84	
Amortisation of Premium paid on leasehold land		0.56		0.45	
Provision for Warranties		7.69		4.76	
Delayed Payment Charges		(19.02)		(48.28)	
Transfer from Capital Grants		(1.36)		(1.05)	
Amortisation of Service Line Contributions and Capital Grants		(90.30)		(43.25)	
Guarantee Commission from Joint Ventures		(3.60)		(4.87)	
Share of Net Profit of Associates and Joint Ventures accounted for using the equity method		(372.73)		(443.52)	
Amortisation of Deferred Revenue		23.32		(39.43)	
Effect of Exchange Fluctuation (Net)		4.42		(8.22)	
			3,060.86		2,547.47
			4,184.32		3,944.87
Working Capital Adjustments					
Adjustments for (increase)/decrease in Assets					
Inventories		111.26		181.34	
Trade Receivables		(26.38)		(417.18)	
Unbilled Revenue		(353.15)		(222.81)	
Finance Lease Receivables		(10.83)		2.74	
Loans-Current		5.70		(5.19)	
Loans-Non Current		0.84		7.86	
Other current assets		(137.95)		405.89	
Other non-current assets		(116.20)		193.38	
Other Financial Assets - Current		172.20		1.70	
Other Financial Assets - Non-Current		13.37		(40.94)	
Regulatory Deferral Account - Assets		(359.12)		484.92	
Current investments (Net)		148.32		(12.03)	
Movement in Operating Asset			(551.94)		[illegible]
Adjustments for increase/(decrease) in Liabilities					
Trade Payables		390.31		(959.25)	
Other Current Liabilities		450.87		178.77	
Other Non-current Liabilities		3.34		68.37	
Other Financial Liabilities - Current		425.38		198.45	
Other Financial Liabilities - Non-current		329.54		21.19	
Regulatory Deferral Account - Liability		(62.64)		-	
Current Provisions		(9.22)		(21.53)	
Non-current Provisions		9.82		12.29	
Movement in Operating Liability			1,537.40		(501.71)
Cash Flow from/(used in) Operations			5,169.78		3,722.65
Income-tax Paid			(147.99)		(398.81)
Net Cash Flow from Operating Activities	A		**5,021.79**		**3,323.84**
Net cash flows from/(used) in operating activities from Continuing Operations			4,660.63		3,268.91
Net cash flows from/(used) in operating activities from Discontinued Operations			361.16		54.93
B. Cash Flow from Investing Activities					
Capital expenditure on Property, Plant and Equipment (including capital advances)			(1,266.22)		(992.75)
Proceeds from sale of Property, Plant and Equipment (including property, plant and equipment classified as held for sale)			1,416.71		34.74
Proceeds/(Purchase) from sale of Current Investments (Net)			(930.09)		(369.50)
Purchase of Non-current Investments			(53.65)		(80.33)
Proceeds from sale of Non-current Investments			781.36		445.27
Consideration transferred on business combinations			(147.00)		
Inter-corporate Deposits (Net)			2.23		68.92
Interest received			84.00		82.66
Delayed Payment Charges received			19.02		35.33
Guarantee Commission received			2.66		(2.82)
Dividend received			547.08		1,484.77
Bank Balance not Considered as Cash and Cash Equivalents			228.54		(236.43)
Net Cash Flow used in Investing Activities	B		**844.43**		**473.81**
Net cash flows from/(used) in investing activities from Continuing Operations			862.81		487.03
Net cash flows from/(used) in investing activities from Discontinued Operations			(18.38)		(13.22)
C. Cash Flow from Financing Activities					
Proceeds from issue of Shares including shares issued to Minority Shareholders			2,747.00		-
Increase in Capital/Service Line Contributions			21.84		38.75
Proceeds from Non-current Borrowings			2,816.68		4,202.02
Repayment of Non-current Borrowings			(2,965.74)		(3,717.96)
Proceeds from Current Borrowings			9,841.67		26,104.89
Repayment of Current Borrowings			(13,550.22)		(26,964.69)
Finance Cost Paid			(1,939.43)		(2,081.46)
Lease Liability			(153.27)		(5.40)
Dividend Paid			(497.05)		(484.32)
Additional Income-tax on Dividend Paid			-		(85.81)
Distribution on Unsecured Perpetual Securities			(85.03)		(84.80)
Net Cash Flow from/(used in) Financing Activities	C		**(3,761.55)**		**(3,078.80)**
Net cash flows from/(used) in financing activities from Continuing Operations			(3,688.07)		(3,033.92)
Net cash flows from/(used) in financing activities from Discontinued Operations			(73.48)		(44.88)
Net Increase in Cash and Cash Equivalents	(A+B+C)		**1,904.67**		**718.65**
Cash and Cash Equivalents as at 1st April (Opening Balance)			**1,834.39**		**61.52**
Cash and Cash Equivalents Acquired on Business Combinations			**400.17**		-
Effect of Exchange Fluctuation on Cash and Cash Equivalents			**(62.98)**		**10.15**
Cash and Cash Equivalents as at 30th September (Closing Balance)			**4,076.25**		**790.52**

Cash and cash equivalents include:	As at 30th September, 2020 ₹ crore	As at 30th September, 2019 * ₹ crore
(a) Balances with banks		
(i) In Current Accounts	1,580.52	[illegible]
(ii) In Deposit Accounts	2,201.14	[illegible]
(b) Cheques on Hand	26.68	[illegible]
(c) Cash on Hand	29.59	[illegible]
(d) Bank Overdraft	(38.58)	[illegible]
Cash and cash equivalents related to continuing operations	**3,799.35**	**787.78**
(a) Balances with banks		
(i) In Current Accounts	4.33	[illegible]
(ii) In Deposit Accounts (with original maturity three months or less)	297.04	[illegible]
(b) Book Overdraft	(24.47)	[illegible]
Cash and cash equivalents related to discontinued operations	**276.90**	**2.74**
	4,076.25	**790.52**

* Restated (Refer Note 3)

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Chartered Accountants

TATA POWER

The Tata Power Company Limited
Bombay House, 24 Homi Mody Street, Mumbai 400 001
Website: www.tatapower.com
CIN : L28920MH1919PLC000567

CONSOLIDATED SEGMENT INFORMATION

₹ crore

Particulars	Quarter ended			Half-Year ended		Year ended
	30-Sep-20	30-Jun-20	30-Sep-19	30-Sep-20	30-Sep-19	31-Mar-20
	(Unaudited)	(Unaudited)	(Unaudited)*	(Unaudited)	(Unaudited)*	(Audited)
Segment Revenue						
Generation	3,484.16	3,303.16	3,396.38	6,787.32	7,284.43	14,532.74
Renewables	1,105.64	849.70	1,165.37	1,955.34	2,131.02	3,977.45
Transmission and Distribution	4,550.85	3,230.92	3,601.23	7,781.77	7,408.46	14,002.70
Others	61.63	59.45	53.40	121.08	109.22	255.53
	9,202.28	7,443.23	8,216.38	16,645.51	16,933.13	32,768.42
Less: Inter Segment Revenue						
Generation	(732.11)	(714.98)	(801.82)	(1,447.09)	(1,897.21)	(3,582.99)
Renewables	(56.43)	(55.83)	(93.66)	(112.26)	(150.25)	(235.61)
Others	(2.80)	(2.73)	(5.47)	(5.53)	(6.87)	(12.56)
Total Segment Revenue	8,410.94	6,669.69	7,315.43	15,080.63	14,878.80	28,937.26
Discontinued Operations #	101.11	33.76	85.38	134.87	118.31	343.74
Revenue/Income from Operations (including Net movement in Regulatory Deferral Balances)	**8,612.05**	**6,703.45**	**7,400.81**	**15,215.50**	**14,997.11**	**29,281.00**
Segment Results						
Generation	754.60	768.30	585.23	1,522.90	1,400.96	2,765.46
Renewables	462.77	376.19	417.55	838.96	866.61	1,499.66
Transmission and Distribution	509.65	432.04	501.11	941.69	1,020.37	1,922.14
Others	47.20	(24.51)	(10.81)	22.69	11.00	193.12
Total Segment Results	1,774.22	1,552.02	1,493.08	3,326.24	3,298.94	6,380.38
Less: Finance Costs	(1,064.98)	(1,089.36)	(1,129.95)	(2,154.34)	(2,273.83)	(4,493.73)
Less: Exceptional Item - Generation	-	-	-	-	(328.97)	(351.35)
Less: Exceptional Item - Transmission and Distribution	-	-	-	-	-	(190.00)
Add/(Less): Exceptional Item - Unallocable Income/(Expense)	-	-	-	-	235.00	767.51
Add/(Less): Unallocable Income / (Expenses) (Net)	(1.44)	17.57	166.60	16.13	203.75	255.35
Profit before tax from Continuing Operations	**707.80**	**480.23**	**529.73**	**1,188.03**	**1,134.89**	**2,368.16**
Loss before tax from Discontinuing Operations before Impairment Loss	(29.53)	(35.04)	(8.47)	(64.57)	(37.89)	(81.64)
Impairment Loss on Remeasurement to Fair Value	-	-	-	-	-	(361.00)
Loss before tax from Discontinuing Operations	**(29.53)**	**(35.04)**	**(8.47)**	**(64.57)**	**(37.89)**	**(442.64)**
Segment Assets						
Generation	38,733.12	40,151.92	40,812.86	38,733.12	40,812.86	40,076.13
Renewables	20,317.96	20,346.23	18,954.39	20,317.96	18,954.39	19,533.81
Transmission and Distribution	22,908.39	21,013.64	17,433.99	22,908.39	17,433.99	17,859.37
Others	1,267.63	1,236.31	1,052.26	1,267.63	1,052.26	1,361.59
Unallocable $	8,777.38	9,885.38	6,124.31	8,777.38	6,124.31	9,037.18
Assets classified as held for sale #	2,222.48	1,926.73	2,149.68	2,222.48	2,149.68	1,880.07
Total Assets	**94,226.96**	**94,560.21**	**86,527.49**	**94,226.96**	**86,527.49**	**89,748.15**
Segment Liabilities						
Generation	3,875.01	4,387.54	3,248.57	3,875.01	3,248.57	3,685.28
Renewables	1,960.22	2,103.35	1,366.17	1,960.22	1,366.17	1,596.45
Transmission and Distribution	9,890.83	7,998.98	4,788.65	9,890.83	4,788.65	5,294.05
Others	113.11	118.20	125.20	113.11	125.20	128.71
Unallocable $	52,802.13	56,866.47	55,426.90	52,802.13	55,426.90	56,113.53
Liabilities classified as held for sale #	1,289.28	1,093.42	1,012.99	1,289.28	1,012.99	1,032.07
Total Liabilities	**69,930.58**	**72,367.96**	**65,968.48**	**69,930.58**	**65,968.48**	**67,850.09**

Generation: Comprises of generation of power from hydroelectric sources and thermal sources (coal, gas and oil) from plants owned and operated under lease arrangement and related ancillary services. It also comprises of coal - mining, trading, shipping and related infra business.

Renewables: Comprises of generation of power from renewable energy sources i.e. wind and solar. It also comprises EPC and maintenance services with respect to solar.

Transmission and Distribution: Comprises of transmission and distribution network, sale of power to retail customers through distribution network and related ancillary services. It also comprises of power trading business.

Others: Comprises of project management contracts/infrastructure management services, property development, lease rent of oil tanks, satellite communication and investment business.

Pertains to Strategic Engineering Division being classified as Discontinued Operations. (Refer Note 10)
$ Includes assets held for sale other than Strategic Engineering Division
* Restated (Refer Note 3)

RECONCILIATION OF REVENUE

Particulars	Quarter ended			Half-Year ended		Year ended
	30-Sep-20	30-Jun-20	30-Sep-19	30-Sep-20	30-Sep-19	31-Mar-20
	(Unaudited)	(Unaudited)	(Unaudited)*	(Unaudited)	(Unaudited)*	(Audited)
Revenue from Operations	8,289.81	6,452.99	7,677.82	14,742.80	15,444.54	29,136.37
Add/(Less): Net movement in Regulatory Deferral Balances	65.67	185.24	(438.35)	250.91	(696.84)	(451.68)
Add/(Less): Net movement in Regulatory Deferral Balances in respect of earlier years	-	-	-	-	-	(21.32)
Add/(Less): Deferred Tax Recoverable/(Payable)	57.14	33.26	89.37	90.40	147.86	284.31
Add/(Less): Unallocable Revenue	(1.68)	(1.80)	(13.41)	(3.48)	(16.76)	(10.42)
Total Segment Revenue	8,410.94	6,669.69	7,315.43	15,080.63	14,878.80	28,937.26
Discontinued Operations- Others #	101.11	33.76	85.38	134.87	118.31	343.74
Total Segment Revenue as reported above	**8,512.05**	**6,703.45**	**7,400.81**	**15,215.50**	**14,997.11**	**29,281.00**

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS – Q2 FY21

1. The above Consolidated financial results of The Tata Power Company Limited (the Holding Company or Group) were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 10th November, 2020.

2. During the quarter ended 30th September, 2020, the Holding Company has distributed dividend @ ₹ 1.55 per fully paid share amounting to ₹ 419 crore as approved by shareholders in its annual general meeting on 30th July, 2020 for the financial year 2019-20.

3. During the previous year, the Group had reassessed its plan to sell its investment in Tata Projects Limited (Associate company of the Group) and had reclassified its investment in Tata Projects Limited from Assets held for sale to Investments in Associate accounted under equity method. Accordingly, the Group had recognized the profit/loss as per equity method from the date of classification and hence, the figures of comparative period has been restated as follows:

(₹ Crore)

Particulars	Quarter ended	Half year ended
	30-Sep-19	30-Sep-19
Other income – Increase / (Decrease)	(9.68)	(9.68)
Share of net profit of associates and joint ventures accounted for using the equity method - Profit / (Loss)	(2.54)	9.71
Share of other comprehensive income that will not be reclassified to profit or loss of associates and joint ventures accounted for using the equity method - Profit / (Loss)	(9.89)	(14.02)

4. During the quarter ended 30th June, 2020, the Group has acquired 51% stake in TP Central Odisha Distribution Limited ('TPCODL') for ₹ 179 crore. TPCODL shall be the licensee to carry out the function of distribution and retail supply of electricity covering the distribution circles of Bhubaneswar, Cuttack, Paradeep, and Dhenkanal in the state of Odisha for a period of 25 years effective from 1st June, 2020. The acquisition has been recognised by the Group on provisional basis in accordance with Ind AS 103 'Business Combination'.

5. During the period ended 30th September, 2020, the Group has completed the sale of ships owned by Trust Energy Resources Pte. Limited (a wholly owned subsidiary of the Holding Company) for a consideration of USD 213 Million (₹ 1,607 crore). The Group has simultaneously entered into a long term affreightment contract for the shipping of coal with the buyer. Resultant gain on sale of ships has been deferred and would be recognized over the term of affreightment contract in accordance with Ind AS 115 'Revenue from contract with customers.'

6. India and other global markets experienced significant disruption in operations resulting from uncertainty caused by the worldwide coronavirus pandemic. The management believes that there is not much of an impact likely due to this pandemic except that there exists some uncertainty over impact of COVID-19 on future business performance of some joint ventures involved in the coal mining and an associate engaged in providing engineering, procurement and construction services. However, management believes that the said uncertainty is not likely to impact the recoverability of the carrying value of its investment in such joint ventures and associate. As the situation is still continuously evolving, the eventual impact may be different from the estimates made as of the date of approval of these consolidated financial statements.

7. The shareholders of the Holding Company in the Annual General Meeting dated 30th July, 2020 has approved the issuance of 49,05,66,037 equity shares of the face value of ₹ 1 each at ₹ 53 per equity share for an amount aggregating to ₹ 2,600 crore to Tata Sons Private Limited on preferential basis. The Holding Company has allotted the said equity shares to Tata Sons Private Limited on 13th August, 2020.

8. The Board of Directors of the Holding Company in its meeting held on 12th August, 2020 have approved the Composite Scheme of Arrangement for merger of Coastal Gujarat Power Limited and Tata Power Solar Systems Limited (wholly owned subsidiaries) with the Holding Company along with the capital reorganization after the merger. The Board of Directors have also approved the Scheme of Amalgamation for merger of Af-taab Investment Company Limited (a wholly owned subsidiary) with the Holding Company. Further, the aforesaid schemes are subject to the necessary approvals from shareholders, National Company Law Tribunal and other regulatory authorities. Post necessary approvals, the merger will be accounted in accordance with Appendix C of Ind AS 103 – 'Business combinations of entities under common control' using pooling of interest method.

9. The Code on Social Security 2020 has been notified in the Official Gazette on 29th September, 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact if any of the change will be assessed and accounted in the period in which said Code becomes effective and the rules framed thereunder are notified.

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10. Subsequent to the quarter ended 30th September, 2020, the Holding Company has completed the sale of its Strategic Engineering Division (SED) to Tata Advanced Systems Ltd. (TASL) and has received upfront consideration of Rs. 539 crore (net of borrowings of Rs. 537 crore transferred to TASL) after certain adjustments as specified in the scheme.

11. Figures for the previous periods/year are re-classified/re-arranged/re-grouped, wherever necessary.

12. Financial Information of the standalone audited financial results of the Holding Company is as follows:

(₹ crore)

Particulars	Quarter ended			Half year ended		Year ended
	30-Sep-20	30-Jun-20	30-Sep-19	30-Sep-20	30-Sep-19	31-Mar-20
Revenue from operations	1,550.28	1,412.42	1,993.21	2,962.70	4,029.75	7,726.39
Profit before regulatory deferral balances, exceptional items and tax	137.98	39.04	352.09	177.02	967.99	1,308.28
Profit before exceptional items and tax	242.04	95.19	171.64	337.23	604.54	656.88
Profit/(Loss) before tax from continuing operations	242.04	95.19	171.64	337.23	510.57	350.53
Net Profit/(Loss) for the period from continuing operations	164.23	67.71	160.12	231.94	475.77	558.35
Profit/(Loss) before tax from discontinued operations	(29.53)	(35.04)	(8.47)	(64.57)	(37.89)	(442.64)
Profit/(Loss) for the period from discontinued operations	(19.23)	(22.78)	(5.51)	(42.01)	(24.65)	(410.23)
Profit/(Loss) for the period	145.00	44.93	154.61	189.93	451.12	148.12
Other Comprehensive Income/(Expense) net of tax	(14.90)	32.38	(45.21)	17.48	(36.56)	(52.76)
Total Comprehensive Income	130.10	77.31	109.40	207.41	414.56	95.36
Paid-up equity share capital (Face Value: ₹ 1/- per share)	319.56	270.50	270.50	319.56	270.50	270.50
Other Equity						13,491.47

13. The standalone audited financial results of the Holding Company are available for Investors at www.tatapower.com, www.nseindia.com and www.bseindia.com.

For and on behalf of the Board of
THE TATA POWER COMPANY LIMITED

PRAVEER SINHA
CEO & Managing Director
DIN 01785164

Date: 10th November, 2020

S R B C & CO LLP ★ MUMBAI ★ Chartered Accountants

TATA

Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Ind AS Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

To
The Board of Directors of
The Tata Power Company Limited

Report on the audit of the Standalone Ind AS Financial Results

Opinion

We have audited the accompanying statement of quarterly standalone Ind AS financial results of The Tata Power Company Limited (the "Company") for the quarter ended September 30, 2020 and the year to date results for the period from April 01, 2020 to September 30, 2020 (the "Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

i. is presented in accordance with the requirements of the Listing Regulations in this regard; and

ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the total comprehensive income (comprising of net profit and other comprehensive (loss)/income) and other financial information of the Company for the quarter ended September 30, 2020 and year to date results for the period from April 01, 2020 to September 30, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Ind AS financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Standalone Ind AS Financial Results

These quarterly Standalone Ind AS financial results as well as the year to date Standalone Ind AS financial results have been prepared on the basis of the interim condensed Standalone Ind AS financial statements. The Board of Directors of the Company is responsible for the preparation of the Statement that gives a true and fair view of the net profit and other comprehensive (loss)/income of the Company and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS - 34), 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of

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CHARTERED ACCOUNTANTS

the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the operating effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind AS financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

SRBC & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Abhishek Agarwal
Partner
Membership No.: 112773
UDIN: 20112773AAAAIB8258
Mumbai
November 10, 2020

TATA POWER

The Tata Power Company Limited
Bombay House, 24 Homi Mody Street, Mumbai 400 001
Website: www.tatapower.com
CIN : L28920MH1919PLC000567

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER/HALF-YEAR ENDED 30TH SEPTEMBER, 2020

	Particulars	Quarter ended			Half -year ended		Year ended
		30-Sep-20	30-Jun-20	30-Sep-19	30-Sep-20	30-Sep-19	31-Mar-20
		MUs	MUs	MUs	MUs	MUs	MUs
(A)							
1.	Generation	2,589	2,324	3,054	4,913	6,234	11,676
2	Sales	2,810	2,259	3,051	5,069	6,318	11,731
		(₹ in crore)					
		(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
(B)							
1.	**Income**						
	Revenue from Operations	1,550.28	1,412.42	1,993.21	2,962.70	4,029.75	7,726.39
	Other Income	232.38	90.09	121.07	322.47	495.16	582.62
	Total Income	**1,782.66**	**1,502.51**	**2,114.28**	**3,285.17**	**4,524.91**	**8,309.01**
2.	**Expenses**						
	Cost of Power Purchased	172.46	89.49	121.19	261.95	276.95	457.59
	Cost of Fuel	535.28	468.54	707.34	1,003.82	1,418.76	2,765.61
	Transmission Charges	64.50	64.68	53.50	129.18	107.00	214.00
	Employee Benefits Expense	158.87	152.00	154.50	310.87	301.77	610.71
	Finance Costs	387.20	390.98	385.38	778.18	772.34	1,510.38
	Depreciation and Amortisation Expenses	167.37	163.25	162.07	330.62	325.12	685.75
	Other Expenses	159.00	134.53	178.21	293.53	354.98	756.69
	Total Expenses	**1,644.68**	**1,463.47**	**1,762.19**	**3,108.15**	**3,556.92**	**7,000.73**
3.	**Profit Before Regulatory Deferral Balances, Exceptional Items and Tax (1-2)**	**137.98**	**39.04**	**352.09**	**177.02**	**967.99**	**1,308.28**
4.	Add / (Less): Net Movement in Regulatory Deferral Balances	93.00	45.00	(233.27)	138.00	(450.89)	(792.24)
	Add / (Less): Net Movement in Regulatory Deferral Balances in respect of earlier years	-	-	-	-	-	(21.32)
	Add / (Less): Deferred Tax Recoverable/(Payable)	11.06	11.15	52.82	22.21	87.44	162.16
5.	**Profit Before Exceptional Items and Tax (3+4)**	**242.04**	**95.19**	**171.64**	**337.23**	**604.54**	**656.88**
6.	**Add/(Less): Exceptional Items**						
	Reversal of Impairment of Non-current Investments and related obligation	-	-	-	-	235.00	235.00
	Standby Litigation	-	-	-	-	(328.97)	(276.35)
	Remeasurement of Deferred Tax Recoverable on account of New Tax Regime (net)	-	-	-		-	(265.00)
		-	-	-	-	(93.97)	(306.35)
7.	**Profit Before Tax from Continuing Operations (5+6)**	**242.04**	**95.19**	**171.64**	**337.23**	**510.57**	**350.53**
8.	**Tax Expense/(Credit)**						
	Current Tax	42.89	14.86	29.33	57.75	29.33	18.61
	Deferred Tax	34.92	12.62	(17.81)	47.54	5.47	73.08
	Deferred Tax Expense in respect of earlier years	-	-	-	-	-	(24.51)
	Remeasurement of Deferred Tax on account of New Tax Regime (net)	-	-	-	-	-	(275.00)
9.	**Net Profit/(Loss) for the period from Continuing Operations (7-8)**	**164.23**	**67.71**	**160.12**	**231.94**	**475.77**	**558.35**
	Profit/(Loss) before tax from Discontinued Operations	(29.53)	(35.04)	(8.47)	(64.57)	(37.89)	(81.64)
	Impairment Loss on Remeasurement to Fair Value	-	-	-	-	-	(361.00)
	Tax Expense/(Credit) on Discontinued Operations	(10.30)	(12.26)	(2.96)	(22.56)	(13.24)	(32.41)
10.	**Profit/(Loss) for the Period from Discontinued Operations**	**(19.23)**	**(22.78)**	**(5.51)**	**(42.01)**	**(24.65)**	**(410.23)**
11.	**Profit/(Loss) for the Period (9+10)**	**145.00**	**44.93**	**154.61**	**189.93**	**451.12**	**148.12**
	Other Comprehensive Income/(Expenses) including Discontinued Operations						
	Items that will not be reclassified to profit or loss	(17.15)	32.38	(63.81)	15.23	(55.16)	(70.93)
	Tax relating to items that will not be reclassified to profit or loss	2.25	-	18.60	2.25	18.60	18.17
12.	**Other Comprehensive Income/(Expenses) (Net of Tax)**	**(14.90)**	**32.38**	**(45.21)**	**17.48**	**(36.56)**	**(52.76)**
13.	**Total Comprehensive Income (11+12)**	**130.10**	**77.31**	**109.40**	**207.41**	**414.56**	**95.36**
14.	Paid-up Equity Share Capital (Face Value: ₹ 1/- per share)	319.56	270.50	270.50	319.56	270.50	270.50
15.	Other Equity						13,491.47
16.	**Basic and Diluted Earnings Per Equity Share (of ₹ 1/- each) (₹) (not annualised)**						
	From Continuing Operations before net movement in regulatory deferral balances	0.19	(0.04)	0.81	0.15	2.31	3.23
	From Continuing Operations after net movement in regulatory deferral balances	0.43	0.09	0.38	0.52	1.44	1.44
	From Discontinued Operations	(0.07)	(0.08)	(0.02)	(0.15)	(0.09)	(1.52)
	Total Operations after net movement in regulatory deferral balances	0.36	0.01	0.36	0.37	1.35	(0.08)

S R B C & CO LLP
MUMBAI
Chartered Accountants

TATA POWER

The Tata Power Company Limited
Bombay House, 24 Homi Mody Street, Mumbai 400 001
Website: www.tatapower.com
CIN : L28920MH1919PLC000567

AUDITED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

₹ crore

Particulars	As at 30-Sep-20 (Audited)	As at 31-Mar-20 (Audited)
A. ASSETS		
1. Non-current assets		
a) Property, plant and equipment	7,928.36	7,974.07
b) Capital Work-in-Progress	266.05	402.87
c) Intangible Assets	51.23	62.22
d) Financial Assets		
(i) Investments	21,532.54	21,327.20
(ii) Loans	489.70	42.10
(iii) Finance Lease Receivables	546.92	553.03
(iv) Other Financial Assets	30.42	222.77
e) Non-current Tax Assets (Net)	135.00	135.00
f) Other Non-current Assets	1,120.55	1,009.64
Total - Non-current assets	32,100.77	31,728.90
2. Current assets		
a) Inventories	557.90	635.01
b) Financial Assets		
(i) Investments	965.19	20.00
(ii) Trade Receivables	986.74	1,108.68
(iii) Unbilled Revenue	82.52	83.41
(iv) Cash and Cash Equivalents	333.51	158.54
(v) Bank Balances other than (iv) above	66.93	20.40
(vi) Loans	1,374.23	550.09
(vii) Finance Lease Receivables	34.52	31.89
(viii) Other Financial Assets	231.44	235.58
c) Other Current Assets	164.50	146.26
Total - Current assets	4,797.48	2,989.86
Assets Classified as Held For Sale (Refer Note 8)	2,996.31	2,639.40
Total Assets before Regulatory Deferral Account	39,894.56	37,358.16
Regulatory Deferral Account - Assets	419.02	258.32
TOTAL - ASSETS	**40,313.58**	**37,616.48**
B. EQUITY AND LIABILITIES		
Equity		
a) Equity Share Capital	319.56	270.50
b) Unsecured Perpetual Securities	1,500.00	1,500.00
c) Other Equity	15,745.55	13,491.47
Total Equity	17,565.11	15,261.97
Liabilities		
1. Non-current liabilities		
a) Financial Liabilities		
(i) Borrowings	11,199.15	9,825.33
(ii) Lease Liabilities	232.40	237.03
(iii) Other Financial Liabilities	15.51	14.60
b) Deferred Tax Liabilities (Net)	329.97	307.25
c) Provisions	225.70	222.46
d) Other Non-current liabilities	156.43	161.34
Total - Non-current liabilities	12,159.16	10,768.01
2. Current liabilities		
a) Financial Liabilities		
(i) Borrowings	4,698.01	6,212.31
(ii) Lease Liabilities	44.25	41.82
(iii) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	3.02	7.72
(b) Total outstanding dues of trade payables other than micro enterprises and small enterprises	937.21	994.15
(iv) Other Financial Liabilities	2,826.18	2,621.62
b) Current Tax Liabilities (Net)	126.17	107.67
c) Provisions	59.29	62.02
d) Other Current Liabilities	492.34	502.87
Total - Current liabilities	9,186.47	10,550.18
Liabilities directly associated with Assets Classified as Held For Sale (Refer Note 8)	1,402.84	1,036.32
Total Liabilities before Regulatory Deferral Account	22,748.47	22,354.51
Regulatory Deferral Account - Liability	-	-
TOTAL - EQUITY AND LIABILITIES	**40,313.58**	**37,616.48**

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Audited Standalone Cash Flow Statement

Particulars		For the Half-year ended 30th September, 2020 ₹ crore		*For the Half-year ended 30th September, 2019 ₹ crore*	
A. Cash flow from Operating activities					
Profit/(loss) before tax from continuing operations			337.23		*510.57*
Profit/(loss) before tax from discontinued operations			(64.57)		*(37.89)*
Adjustments to reconcile profit before tax to net cash flows:					
Depreciation and amortisation expense		330.62		*325.12*	
Interest income		(78.26)		*(82.43)*	
Interest on income-tax refund		-		*(10.96)*	
Delayed payment charges		(2.75)		*(17.37)*	
Discount amortised/accrued on bonds (net)		-		*(0.03)*	
Dividend income		(188.35)		*(305.97)*	
Finance cost (Net of capitalisation)		799.73		*790.43*	
(Gain)/loss on disposal of property, plant and equipment (Net)		(23.88)		*(9.00)*	
(Gain)/loss on sale/fair value of current investment measured at fair value through profit and loss		(10.95)		*(6.57)*	
(Gain)/loss on sale of non-current investments (including fair value change)		-		*(9.06)*	
Guarantee commission from subsidiaries and joint ventures		(9.92)		*(50.10)*	
Amortisation of service line contributions		(4.09)		*(3.95)*	
Transfer to Statutory Consumer Reserve		5.00		*9.00*	
Allowance for doubtful debts and advances (Net)		12.87		*(5.36)*	
Reversal of impairment of non-current investments and related obligation		(8.00)		*(235.00)*	
Liabilities / provisions no longer required written back		-		*0.12*	
Effect of exchange fluctuation (Net)		0.24		*1.07*	
			822.26		*389.94*
			1,094.92		*862.62*
Working Capital adjustments:					
Adjustments for (increase) / decrease in assets:					
Inventories		53.43		*69.09*	
Trade receivables		245.74		*146.57*	
Finance lease receivables		3.48		*10.74*	
Loans - current		(3.31)		*(2.39)*	
Loans - non-current		2.56		*4.31*	
Other current assets		(83.55)		*139.13*	
Other non-current assets		(111.11)		*119.42*	
Unbilled revenue		(57.41)		*(82.35)*	
Other financial assets - current		88.49		*(3.10)*	
Other financial assets - non-current		12.03		*(33.75)*	
Regulatory deferral account - assets		(160.70)		*299.41*	
			(10.35)		*667.08*
			1,084.57		*1,529.70*
Adjustments for increase / (decrease) in liabilities:					
Trade payables		(31.36)		*(458.10)*	
Other current liabilities		219.45		*111.34*	
Other non-current liabilities		(2.18)		*1.22*	
Current provisions		(6.84)		*(13.63)*	
Non-current provisions		3.49		*1.70*	
Other financial liabilities - current		198.68		*(93.62)*	
Other financial liabilities - non current		1.83		*(24.11)*	
			383.07		*(475.20)*
Cash flow from/(used in) operations			1,467.64		*1,054.50*
Income tax paid (Net of refund received)			(44.34)		*(48.17)*
Net cash flows from/(used in) Operating Activities	A		1,423.30		*1,006.33*
-Net cash flows from/(used) in operating activities from continuing operations			1,062.14		*951.40*
-Net cash flows from/(used) in operating activities from discontinued operations			361.16		*54.93*
B. Cash flow from Investing Activities					
Capital expenditure on property, plant and equipment (including capital advances)			(382.39)		*(337.85)*
Proceeds from sale of property, plant and equipment (including property, plant and equipment classified as held for sale)			136.29		*30.82*
Purchase of non current investments			(11.40)		*(65.60)*
Proceeds from sale of non-current investments (including investments classified as held for sale)			-		*246.53*
(Purchase)/proceeds from/ to sale of current investments (Net)			(934.24)		*(271.50)*
Interest received			37.98		*80.97*
Delayed payment charges received			2.75		*4.41*
Loans given			(3,601.30)		*(1,797.33)*
Loans repaid			2,330.47		*1,684.33*
Dividend received			147.28		*387.13*
Guarantee commission received			8.68		*42.74*
Bank balance not considered as cash and cash equivalents			(46.22)		*(75.01)*
Net cash flow from/(used in) Investing Activities	B		(2,312.10)		*(70.36)*
-Net cash flows from/(used) in investing activities from continuing operations			(2,293.72)		*(57.14)*
-Net cash flows from/(used) in investing activities from discontinued operations			(18.38)		*(13.22)*
C. Cash Flow from Financing Activities					
Proceeds from issue of shares			2,600.00		*-*
Proceeds from non-current borrowings			2,650.05		*642.25*
Repayment of non-current borrowings			(1,268.26)		*(1,428.60)*
Proceeds from current borrowings			12,446.60		*17,752.60*
Repayment of current borrowings			(13,959.85)		*(16,854.05)*
Interest and other borrowing costs			(619.38)		*(721.39)*
Dividends paid			(419.24)		*(351.99)*
Distribution on unsecured perpetual securities			(85.03)		*(84.80)*
Increase in capital/service line contributions			1.36		*3.64*
Payments of lease liability			(12.13)		*(8.62)*
Net Cash Flow from/(used in) Financing Activities	C		1,334.12		*(1,050.95)*
-Net cash flows from/(used) in financing activities from continuing operations			1,407.60		*(1,006.07)*
-Net cash flows from/(used) in financing activities from discontinued operations			(73.48)		*(44.88)*
Net increase/(decrease) in cash and cash equivalents	(A+B+C)		445.32		*(114.98)*
Cash and cash equivalents as at 1st April (Opening Balance)			165.09		*79.86*
Cash and cash equivalents as at 30th September (Closing Balance)			610.41		*(35.12)*

S R B C & CO LLP * MUMBAI * Chartered Accountants

Cash and Cash Equivalents include:	As at 30th September, 2020 ₹ crore	*As at 30th September, 2019 ₹ crore*
(a) Balances with banks		
In current accounts	183.51	*30.22*
In Deposit Accounts (with original maturity three months or less)	150.00	-
(b) Bank overdraft	-	*(68.28)*
Cash and cash equivalents related to continuing operations	333.51	*(38.06)*
(a) Balances with banks		
In current accounts	4.33	*2.96*
In Deposit Accounts (with original maturity three months or less)	297.04	-
(b) Book overdraft	(24.47)	*(0.02)*
Cash and cash equivalents related to discontinued operations	276.90	*2.94*
Total of cash and cash equivalents	610.41	*(35.12)*

TATA POWER

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STANDALONE SEGMENT INFORMATION

₹ crore

Particulars	Quarter ended			Half-year ended		Year ended
	30-Sep-20 (Audited)	30-Jun-20 (Audited)	30-Sep-19 (Audited)	30-Sep-20 (Audited)	30-Sep-19 (Audited)	31-Mar-20 (Audited)
Segment Revenue						
Generation	926.83	867.99	1,100.98	1,794.82	2,256.38	4,456.33
Renewables	83.21	58.03	117.12	141.24	187.29	283.49
Transmission and Distribution	954.68	864.21	1,059.85	1,818.89	2,149.23	4,012.16
Others	7.95	8.63	7.57	16.58	15.58	30.76
	1,972.67	1,798.86	2,285.52	3,771.53	4,608.48	8,782.74
(Less): Inter Segment Revenue - Generation	(287.68)	(307.08)	(406.04)	(594.76)	(841.61)	(1,589.26)
(Less): Inter Segment Revenue - Renewables	(45.21)	(30.63)	(72.55)	(75.84)	(113.53)	(165.59)
Total Segment Revenue	**1,639.78**	**1,461.15**	**1,806.93**	**3,100.93**	**3,653.34**	**7,027.89**
Discontinued Operations- Others #	101.11	33.76	85.38	134.87	118.31	343.74
Revenue / Income from Operations (including Net Movement in Regulatory Deferral Balances)	**1,740.89**	**1,494.91**	**1,892.31**	**3,235.80**	**3,771.65**	**7,371.63**
Segment Results						
Generation	184.65	204.02	175.71	388.67	391.85	739.16
Renewables	37.65	18.52	69.83	56.17	94.65	102.43
Transmission and Distribution	186.19	184.07	214.76	370.26	440.99	825.29
Others	(0.99)	3.29	3.49	2.30	7.89	7.78
Total Segment Results	407.50	409.90	463.79	817.40	935.38	1,674.66
(Less): Finance Costs	(387.20)	(390.98)	(385.38)	(778.18)	(772.34)	(1,510.38)
Add/(Less): Exceptional Item - Generation	-	-	-	-	(328.97)	(351.35)
Add/(Less): Exceptional Item - Transmission and Distribution	-	-	-	-	-	(190.00)
Add/(Less): Exceptional Item - Unallocable	-	-	-	-	235.00	235.00
Add/(Less): Unallocable Income/(Expense) (Net)	221.74	76.27	93.23	298.01	441.50	492.60
Profit/(Loss) Before Tax from Continuing Operations	**242.04**	**95.19**	**171.64**	**337.23**	**510.57**	**350.53**
Profit/(Loss) Before Tax from Discontinued Operations Before Impairment Loss	**(29.53)**	**(35.04)**	**(8.47)**	**(64.57)**	**(37.89)**	**(81.64)**
Impairment Loss on Remeasurement to Fair Value	-	-	-	-	-	**(361.00)**
Profit/(Loss) Before Tax from Discontinued Operations	**(29.53)**	**(35.04)**	**(8.47)**	**(64.57)**	**(37.89)**	**(442.64)**
Segment Assets						
Generation	4,605.58	4,864.07	4,859.32	4,605.58	4,859.32	5,068.61
Renewables	772.43	752.52	846.31	772.43	846.31	779.56
Transmission and Distribution	6,322.19	6,082.84	6,158.64	6,322.19	6,158.64	6,123.66
Others	221.43	203.30	180.32	221.43	180.32	193.22
Unallocable*	26,169.47	26,480.13	23,316.74	26,169.47	23,316.74	23,571.34
Assets classified as held for sale #	2,222.48	1,926.73	2,149.68	2,222.48	2,149.68	1,880.07
Total Assets	**40,313.58**	**40,309.59**	**37,511.01**	**40,313.58**	**37,511.01**	**37,616.48**
Segment Liabilities						
Generation	490.39	430.65	563.97	490.30	563.97	682.46
Renewables	20.80	21.94	20.84	20.86	20.84	21.97
Transmission and Distribution	1,701.10	1,557.92	1,308.18	1,701.10	1,308.18	1,599.10
Others	15.45	11.85	23.81	15.45	23.81	20.20
Unallocable*	19,231.40	21,939.56	18,913.85	19,231.40	18,913.85	18,998.66
Liabilities classified as held for sale #	1,289.27	1,093.42	1,012.99	1,289.27	1,012.99	1,032.07
Total Liabilities	**22,748.47**	**25,055.34**	**21,843.64**	**22,748.47**	**21,843.64**	**22,354.51**

Generation: Comprises of generation of power from hydroelectric sources and thermal sources (coal, gas and oil) from plants owned and operated under lease arrangement and related ancillary services.

Renewables: Comprises of generation of power from renewable energy sources i.e. wind and solar and related ancillary services.

Transmission and Distribution: Comprises of transmission and distribution network, sale of power to retail customers through distribution network and related ancillary services.

Others: Comprises of project management contracts/infrastructure management services, property development and lease rent of oil tanks.

RECONCILIATION OF REVENUE

₹ crore

Particulars	Quarter ended			Half-year ended		Year ended
	30-Sep-20 (Audited)	30-Jun-20 (Audited)	30-Sep-19 (Audited)	30-Sep-20 (Audited)	30-Sep-19 (Audited)	31-Mar-20 (Audited)
Revenue from Operations	1,550.28	1,412.42	1,993.21	2,962.70	4,029.75	7,726.39
Add/(Less): Net Movement in Regulatory Deferral Balances	93.00	45.00	(233.27)	138.00	(450.89)	(792.24)
Add/(Less): Net Movement in Regulatory Deferral Balances in respect of earlier years	-	-	-	-	-	(21.32)
Add/(Less): Deferred Tax Recoverable/(Payable)	11.06	11.15	52.82	22.21	87.44	162.16
Add/(Less): Unallocable Revenue	(14.56)	(7.42)	(5.83)	(21.98)	(12.96)	(47.10)
Total Segment Revenue	1,639.78	1,461.15	1,806.93	3,100.93	3,653.34	7,027.89
Discontinued Operations- Others #	101.11	33.76	85.38	134.87	118.31	343.74
Total Segment Revenue as reported above	**1,740.89**	**1,494.91**	**1,892.31**	**3,235.80**	**3,771.65**	**7,371.63**

Pertains to Strategic Engineering Division being classified as Discontinued Operations. (Refer Note 8)

* Includes amount classified as held for sale other than Strategic Engineering Division.

S R B C & CO LLP
MUMBAI
Chartered Accountants

TATA POWER

The Tata Power Company Limited
Bombay House, 24 Homi Mody Street, Mumbai 400 001
Website: www.tatapower.com
CIN : L28920MH1919PLC000567

Additional Information pursuant to Regulation 52(4) and Regulation 54 (2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended as at and for the half year ended September 30, 2020.

S. No.	Particulars	As at and for the half year ended September 30, 2020
1	Debt equity ratio (in times) (Refer Note i and iii)	1.05
2	Debt service coverage ratio (in times) (Refer Note i)	0.80
3	Interest service coverage ratio (in times) (Refer Note i)	1.34
4	Outstanding redeemable preference shares	Nil
5	Capital redemption reserve (in Crores)	1.85
6	Debenture redemption reserve (in Crores) (Refer Note iv)	296.95
7	Net worth (in Crores) (Refer Note ii)	15,142.30
8	Net profit after tax (excluding Other comprehensive income) (in Crores)	189.93
9	Earnings per share (of ₹ 1/- each) (₹) (Basic and Diluted- not annualised)	
	From continuing operations before net movement in regulatory deferral balances	0.15
	From continuing operations after net movement in regulatory deferral balances	0.52
	From discontinued operations	(0.15)
	Total operations after net movement in regulatory deferral balances	0.37
10	Asset cover ratio (in times) (Refer Note i and v)	
	a) 9.15% Non convertible debentures - Face value 250 Crores	4.14
	b) 9.15% Non convertible debentures - Face value 350 Crores	1.17
	c) 9.40% Non convertible debentures - Face value 210 Crores	1.26

Notes:

Note i The following definitions have been considered for the purpose of computation of ratio and other information:

a Debt Equity Ratio= Debt/Equity

Debt : Debt means long term borrowings (including current maturities of long term borrowings) and Short term borrowings

Equity : Equity means issued share capital, other equity and unsecured perpetual securities.

b Debt Service Coverage Ratio = (Profit before tax + interest expenses + depreciation and amortization expenses) / (Interest expenses + scheduled principal repayment of long - term borrowings)#

For the purpose of computation, scheduled principal repayment of long term borrowings does not include prepayments (including prepayment by exercise of call/put option)

c Interest Service Coverage Ratio = (Profit before tax + interest expenses) / interest expenses.

d Asset Cover Ratio= Secured assets/ secured loans

Secured Assets: Written down value of the secured assets, capital work in progress, machinery spares and asset classified as held for sale

Secured loans: Outstanding value of the secured Non- convertible debentures and secured borrowings

Note ii Net Worth has been computed on the basis as stated in Clause 2 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 i.e. Net worth as defined in sub-section (57) of section 2 of the Companies Act, 2013.

Note iii Unsecured Perpetual non-convertible debentures of ₹1,500 crore issued by the Company are perpetual in nature and rank senior only to the share capital of the Company and the Company does not have any redemption obligation. Accordingly, these are considered as part of equity under generally accepted accounting principles in India and are not classified as borrowings as at half year ended September 30, 2020. Accordingly, the same has been considered as equity in the above computation.

Note iv The Company was required to create Debenture Redemption Reserve (DRR) out of the profits which are available for payment of dividend for the purpose of redemption of debentures. Pursuant to Companies (Share Capital and Debentures) Amendment Rules, 2019 dated August 16, 2019, the Company is not required to create DRR. Accordingly, the Company has not created DRR during the financial year 2019-20 and half year ended September 30, 2020 and DRR created till previous years will be transferred to retained earnings on redemption of debentures.

Note v i) 9.15% Non convertible debentures - Face value 250 Crores have been secured by a charge on movable properties and assets of the Company at Agaswadi and Visapur in Satara District of Maharashtra and Poolavadi in Tirupur District of Tamil Nadu.

ii) 9.15% Non convertible debentures - Face value 350 Crores have been secured by a pari passu charge on the assets of the wind farms situated at Samana in Gujarat, Gadag in Karnataka and immovable properties in Jamnagar, Gujarat.

iii) 9.40% Non convertible debentures - Face value 210 Crores have been secured by a charge on the land situated at Village Takve Khurd (Maharashtra) and movable fixed assets (except the Wind assets) including movable machinery, machinery spares, tools and accessories but excluding vehicles, launches and barges, present and future.

S R B C & CO LLP ★ MUMBAI ★ Chartered Accountants

11 Disclosure with respect to previous and next due dates for the repayment and outstanding of principal amount of listed Commercial Papers (CP) is as under:

ISIN	Due Date of payment*	Actual date of payment*	Rs. In Crore
INE245A14CT2	April 9, 2020	April 9, 2020	500.00
INE245A14CU0	April 17, 2020	April 17, 2020	500.00
INE245A14CW6	April 29, 2020	April 29, 2020	500.00
INE245A14CV8	May 27, 2020	May 27, 2020	500.00
INE245A14CX4	May 8, 2020	May 8, 2020	500.00
INE245A14DA0	May 18, 2020	May 18, 2020	400.00
INE245A14DB8	May 22, 2020	May 22, 2020	500.00
INE245A14CR6	June 10, 2020	June 10, 2020	500.00
INE245A14CS4	June 17, 2020	June 17, 2020	500.00
INE245A14CY2	June 2, 2020	June 2, 2020	500.00
INE245A14CZ9	June 8, 2020	June 8, 2020	600.00
INE245A14DC6	June 26, 2020	June 26, 2020	500.00
INE245A14DE2	June 15, 2020	June 15, 2020	500.00
INE245A14DD4	June 22, 2020	June 22, 2020	500.00
INE245A14DK9	July 24, 2020	July 24, 2020	300.00
INE245A14DF9	July 30, 2020	July 30, 2020	100.00
INE245A14DH5	August 12, 2020	August 12, 2020	500.00
INE245A14DG7	August 10, 2020	August 10, 2020	400.00
INE245A14DI3	August 13, 2020	August 13, 2020	500.00
INE245A14DJ1	August 21, 2020	August 21, 2020	800.00
INE245A14DL7	August 25, 2020	August 25, 2020	525.00
INE245A14DM5	August 31, 2020	August 31, 2020	500.00
INE245A14DN3	September 2, 2020	September 2, 2020	200.00
INE245A14DO1	September 7, 2020	September 7, 2020	500.00
INE245A14DQ6	September 18, 2020	September 18, 2020	500.00
INE245A14DQ6	April 23, 2021	Not due as at September 30, 2020	250.00
INE245A14DU8	March 25, 2021	Not due as at September 30, 2020	250.00
INE245A14DV6	November 23, 2020	Not due as at September 30, 2020	500.00
INE245A14DW4	November 27, 2020	Not due as at September 30, 2020	200.00
INE245A14DX2	December 04, 2020	Not due as at September 30, 2020	500.00

*Since the interest(discount) on CP is prepaid at the time of availment of respective CPs, the due date of payment of interest(discount) and actual date of payment of interest(discount) have not been disclosed separately.

The Company has retained 'CRISIL A1+' and 'IND A1+' ratings by CRISIL Limited and India Ratings and Research respectively for its outstanding CP.

12 Disclosure with respect to previous due dates for the repayment and outstanding of principal and interest of listed Non Convertible Debentures (NCD's) is as under:

S.No.	Previous due date for the payment of interest on NCD's	Due date	Interest payment
(i)	11.40% Rs 1500 crore NCD's #	April 30,2020	Yes
(ii)	10.75% Rs 1500 crore NCD's	April 30,2020	Yes
(iii)	7.99% Rs 1500 crore NCD's	November 16, 2019	Yes
(iv)	8.84% Rs 500 crore NCD's	November 21, 2019	Yes
(v)	9.40% Rs 210 crore NCD's	December 28, 2019	Yes
(vi)	8.84% Rs 750 crore NCD's	February 21, 2020	Yes
(vii)	9.00% Rs 250 crore NCD's	February 21, 2020	Yes
(viii)	9.15% Rs 350 crore NCD's	July 23, 2020	Yes
(ix)	9.15% Rs 250 crore NCD's	September 17, 2020	Yes

S.No.	Previous due date for the repayment of NCD's	Due date	Principal repayment
(i)	9.15% Rs 350 crore NCD's	July 23, 2020	Yes
(ii)	9.15% Rs 250 crore NCD's	September 17, 2020	Yes

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Chartered Accountants

13 Disclosure with respect to next due dates for the repayment and outstanding of principal and interest of listed NCD's is as under:

S.No.	Next due date for the Payment of interest on NCD's	Next Due Date	Interest (in Crores)
(i)	11.40% Rs 1500 crore NCD's #	October 31, 2020	86.20
(ii)	10.75% Rs 1500 crore NCD's	October 31, 2020	81.29
(iii)	7.99% Rs 1500 crore NCD's	November 16, 2020	119.85
(iv)	8.84% Rs 500 crore NCD's	November 21, 2020	44.32
(v)	9.40% Rs 210 crore NCD's	December 28, 2020	19.79
(vi)	8.84% Rs 750 crore NCD's	February 21, 2021	66.48
(vii)	9.00% Rs 250 crore NCD's	February 21, 2021	22.56
(viii)	8.21% Rs 300 crore NCD's	June 4, 2021	24.63
(ix)	7.60% Rs 1000 crore NCD's	April 30,2021	76.00
(x)	9.15% Rs 350 crore NCD's	July 23, 2021	9.12
(xi)	9.15% Rs 250 crore NCD's	September 17, 2021	8.21
S.No.	**Next due date for the Repayment of NCD's**	**Next Due Date**	**Principal (in Crores)**
(i)	11.40% Rs 1500 crore NCD's #	#	1,500.00
(ii)	10.75% Rs 1500 crore NCD's $	August 21, 2072	1,500.00
(iii)	7.99% Rs 1500 crore NCD's	November 16, 2020	300.00
(iv)	8.84% Rs 500 crore NCD's	November 21, 2022	500.00
(v)	9.40% Rs 210 crore NCD's	December 28, 2022	210.00
(vi)	8.84% Rs 750 crore NCD's	February 21, 2023	750.00
(vii)	9.00% Rs 250 crore NCD's	February 21, 2025	250.00
(viii)	8.21% Rs 300 crore NCD's	August 31, 2023	300.00
(ix)	7.60% Rs 1000 crore NCD's	April 30, 2023	1,000.00
(x)	9.15% Rs 350 crore NCD's	July 23, 2021	20.00
(xi)	9.15% Rs 250 crore NCD's	September 17, 2021	16.00

In an earlier year, the Company raised Rs.1,500 crore through issue of unsecured perpetual securities (the "Securities"). These Securities are perpetual in nature with no maturity or redemption and are callable only at the option of the Company. The distribution on these Securities are 11.40% with a step up provision if the Securities are not called after 10 years. The distribution on the Securities may be deferred at the option of the Company, if during the six months preceding the relevant distribution payment date, the Company has made no payment on, or redeemed or repurchased, any securities ranking pari passu with, or junior to the instrument. As these Securities are perpetual in nature and ranked senior only to the share capital of the Company and the Company does not have any redemption obligation, these are considered to be in the nature of equity instruments in the financial results.

$ The 10.75% redeemable NCD's are redeemable at par at the end of 60 years from the date of allotment viz. 21st August, 2072. The Company has the call option to redeem the same at the end of 10 years viz. 21st August, 2022 and at the end of every year thereafter.

14 **The credit rating for NCD's issued but not redeemed as on September 30, 2020**

11.40% Rs 1500 crore NCD's	CRISIL AA-/ Positive and CARE AA Stable
10.75% Rs 1500 crore NCD's	CRISIL AA-/ Positive and CARE AA Stable
7.99% Rs 1500 crore NCD's	CARE AA Stable and IND AA/ Stable
8.84% Rs 500 crore NCD's	IND AA/ Stable
9.40% Rs 210 crore NCD's	CRISIL AA-/ Positive and CARE AA Stable
8.84% Rs 750 crore NCD's	IND AA/ Stable
9.00% Rs 250 crore NCD's	IND AA/ Stable
8.21% Rs 300 crore NCD's	IND AA/ Stable
7.60% Rs 1000 crore NCD's	IND AA/ Stable
9.15% Rs 250 crore NCD's	CRISIL AA-/ Positive and ICRA AA-(Stable)
9.15% Rs 350 crore NCD's	CRISIL AA-/ Positive and ICRA AA-(Stable)

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NOTES TO STANDALONE FINANCIAL RESULTS – Q2 FY 21

1. The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 10th November, 2020.

2. During the quarter ended 30th September, 2020, the Company has distributed dividend @ ₹ 1.55 per fully paid share amounting to ₹ 419 crore as approved by shareholders in its annual general meeting on 30th July, 2020 for the financial year 2019-20.

3. The shareholders of the Company in its annual general meeting dated 30th July, 2020 has approved the issuance of 49,05,66,037 equity shares of the face value of ₹ 1 each at ₹ 53 per equity share for an amount aggregating to ₹ 2,600 crores to Tata Sons Private Limited on preferential basis. The Company has allotted the said equity shares to Tata Sons Private Limited on 13th August, 2020.

4. The Board of Directors of the Company in its meeting held on 12th August, 2020 have approved the Composite Scheme of Arrangement for merger of Coastal Gujarat Power Limited and Tata Power Solar Systems Limited (wholly owned subsidiaries) with the Company along with the capital reorganisation after the merger. The Board of Directors have also approved the Scheme of Amalgamation for merger of Af-taab Investment Company Limited (a wholly owned subsidiary) with the Company. Aforesaid schemes are subject to the necessary approvals from shareholders, National Company Law Tribunal and other regulatory authorities. Post necessary approvals, the merger will be accounted in accordance with Appendix C of Ind AS 103 - 'Business combinations of entities under common control' using pooling of interest method.

5. The Code on Social Security 2020 has been notified in the Official Gazette on 29th September, 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact if any of the change will be assessed and accounted in the period in which said Code becomes effective and the rules framed thereunder are notified.

6. During the quarter ended 30th June, 2020, the Company has acquired 51% stake in TP Central Odisha Distribution Limited ('TPCODL') for ₹ 179 crores. TPCODL is the licensee to carry out the function of distribution and retail supply of electricity covering the distribution circles of Bhubaneswar, Cuttack, Paradeep, and Dhenkanal in the state of Odisha for a period of 25 years effective from 1st June, 2020.

7. During the quarter ended 30th September, 2020, the Board of Directors of the Company has approved the transfer of 348.50 MW of renewable assets (forming part of renewable segment) to its wholly owned subsidiaries on a slump sale basis. Sale will be recognized post execution of sale agreement and transfer of control of renewable assets to the wholly owned subsidiaries.

8. Subsequent to the quarter ended 30th September, 2020, the Company has completed the sale of its Strategic Engineering Division (SED) to Tata Advanced Systems Ltd. (TASL) and has received upfront consideration of ₹ 539 crores (net of borrowings of ₹ 537 crores transferred to TASL) after certain adjustments as specified in the scheme.

9. India and other global markets experienced significant disruption in operations resulting from uncertainty caused by the worldwide coronavirus pandemic. Management believes that there is not much of an impact likely due to this pandemic on the business of the Company and its subsidiaries, joint ventures and associates except that there exists some uncertainty over impact of COVID-19 on future business performance of its coal mining companies which form part of Mundra CGU (comprising of investment in companies owning Mundra power plant, coal mines and related infrastructure). Based on sensitivity analysis, management believes that the said uncertainty is not likely to impact the recoverability of Mundra CGU. As the situation is still continuously evolving, the eventual impact may be different from the estimates made as of the date of approval of these financial results.

10. Figures for the previous periods/year are re-classified/re-arranged/re-grouped, wherever necessary

For and on behalf of the Board of
THE TATA POWER COMPANY LIMITED

PRAVEER SINHA
CEO & Managing Director
DIN 01785164

Date: 10th November, 2020

S R B C & CO LLP * MUMBAI * Chartered Accountants

TATA

IDBI Trusteeship Services Ltd
CIN : U65991MH2001GOI131154

No.20525/ITSL/OPR/2020-21
November 11, 2020

To,
The Tata Power Company Limited
Corporate Center B, 34, Sant Tukaram Road,
Carnac Bunder, Mumbai – 400009.

Sub: Letter of Debenture Trustee pursuant to Regulation 52 (5) of the SEBI (Listing Obligations and Disclosure Requirements) 2015)

Dear Sir,

This has reference to the privately placed Secured/Unsecured Redeemable, Non-Convertible Debentures issued by The Tata Power Company Limited ("**Issuer**") wherein IDBI Trusteeship Services Limited is acting as the Debenture Trustee and listed on the Bombay Stock Exchange (BSE)/ National Stock Exchange (NSE) ("**Listed Debt Securities**").

Pursuant to Regulation 52(4) read with Regulation 52 (5) of the SEBI (Listing Obligations and Disclosure Requirements) 2015, the Issuer is required to submit the documents required there along with its half yearly/annual financial results to the Stock Exchange, with a letter of the Debenture Trustee (IDBI Trusteeship Services Limited) that the Debenture Trustee has noted the contents furnished by the Issuer as per Regulation 52(4).

In pursuance thereof we hereby confirm that we have received the aforesaid information through your letter dated November 10, 2020 and we have noted the contents provided therein, without verification.

Thanking you,

Yours faithfully
For **IDBI Trusteeship Services Limited**

Authorised Signatory

S R B C & CO LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel: +91 22 6819 8000

Independent Auditor's Report on asset cover and compliance with all covenants as at September 30, 2020 under regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) for submission to Centbank Financial Services Limited, SBICAP Trustee Company Limited and IDBI Trusteeship Services Limited (the 'Debenture Trustees')

To
The Board of Directors
The Tata Power Company Limited
Bombay House,
24 Homi Mody Street,
Mumbai 400 001

1. This Report is issued in accordance with the terms of the service scope letter dated November 5, 2020 and master engagement agreement dated September 11, 2017, as amended with The Tata Power Company Limited (hereinafter the "Company").

2. We S R B C & CO LLP, Chartered Accountants, are the statutory auditors of the Company and have been requested by the Company to examine the accompanying Statement showing 'Asset Cover as per the terms of information memorandum and/or debenture trust deed and compliance with covenants' for its listed non- convertible debt securities as per Annexure 1 as at September 30, 2020 (hereinafter the "Statement") which has been prepared by the Company from the audited standalone Ind AS financial results and other relevant records and documents maintained by the Company as at and for the half year ended September 30, 2020 pursuant to the requirements of the Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (hereinafter the "SEBI Regulations") and annexed to this report.

   This Report is required by the Company for the purpose of submission with the Debenture Trustees of the Company to ensure compliance with the SEBI Regulations in respect of listed non- convertible debt securities ('Debentures'). The Company has entered into an agreement with the Debenture Trustees vide agreements mentioned in Annexure 1 in respect of such Debentures.

Management's Responsibility

3. The preparation of the Statement is the responsibility of the management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

4. The Management of the Company is also responsible for ensuring that the Company complies with all the relevant requirements of the SEBI Regulations and for providing all relevant information to the Debenture Trustees and for complying with all the covenants as prescribed in the information memorandum and/or Debenture Trust deed as per Annexure 1 entered into between the Company and the Debenture Trustees ('Trust Deed')

Auditor's Responsibility

5. It is our responsibility is to provide reasonable assurance as to whether:
   (a) the Company has maintained asset cover as per the terms of the information memorandum and/or Debenture Trust Deed; and
   (b) the Company is in compliance with all the covenants as mentioned in the information memorandum and/or Debenture Trust Deed as at September 30, 2020.

6. We have performed audit of the standalone Ind AS financial results of the Company for the quarter and half year ended September 30, 2020, prepared by the Company pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI Regulations, and issued an unmodified opinion dated November 10, 2020. Our audit of those standalone Ind AS financial results were conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("ICAI"). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial results are free of material misstatement

7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

9. Our scope of work did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial results of the Company taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the financial results, specified elements, accounts or items thereof, for the purpose of this report. Accordingly, we do not express such opinion.

10. A reasonable assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the reporting criteria, mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated with the reporting criteria. Accordingly, we have performed the following procedures in relation to the Statement:
    a) Obtained and read the information memorandum and/or debenture Trust Deed and noted that as per such information memorandum and/or debenture Trust Deed the Company is required to maintain 125 percent asset cover in respect of the debenture mentioned in the Statement.
    b) We have been informed that there has been no amendment to the debenture Trust Deed except the 9.15% secured non -convertible debenture -Face Value 250 crore vide supplemental trust deed dated June 30, 2012. We have relied on the same and not performed any independent procedure in this regard.

c) Traced and agreed the principal amount of the Debentures outstanding as at September 30, 2020 to the audited standalone Ind AS financial results of the Company and books of account maintained by the Company as at September 30, 2020.

d) Obtained and read the list of asset cover in respect of Debentures outstanding as per the Statement. Traced the value of assets from the Statement to the audited standalone Ind AS financial results of the Company and books of account maintained by the Company as at September 30, 2020.

e) Examined and verified the arithmetical accuracy of the computation of asset cover in the accompanying Statement.

f) Compared the Asset Cover with the Asset Cover required to be maintained as per information memorandum and/or debenture Trust Deed.

g) With respect to covenants other than those mentioned in paragraph 10(a) above, the management has represented and confirmed that the Company has complied with all the other covenants including affirmative, informative, and negative covenants, as prescribed in the information memorandum and/or Debenture Trust Deed, as at September 30, 2020. We have relied on the same and not performed any independent procedure in this regard.

h) Performed necessary inquiries with the Management and obtained necessary representations.

Basis for Qualified Opinion

11. As described in Note 5 of the Statement, the asset cover ratio in respect of 9.15% secured non-convertible debentures- Face value 350 crores is less than the required asset cover ratio of 125 percent as per the debenture trust deed dated October 19, 2010.

Opinion

12. Based on the procedures performed by us, as referred to in paragraph 10 above and according to the information and explanations received and management representations obtained, except for the effects of the matter described in the 'Basis for Qualified Opinion' section of our report, in our opinion:

    a) The Company has maintained asset cover as per the terms of the information memorandum and/or Debenture Trust Deed; and

    b) The Company is in compliance with all the covenants as mentioned in the Debenture information memorandum and/or Debenture Trust Deed and stated in the Statement to this report as at September 30, 2020.

Restriction on Use

13. The Report has been issued at the request of the Company, solely in connection with the purpose mentioned in paragraph 2 above and to be submitted with the accompanying Statement to the Debenture Trustees and is not to be used or referred to for any other person. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person

to whom this report is shown or into whose hands it may come. We have no responsibility to update this certificate for events and circumstances occurring after the date of this report.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

ABHISHEK K AGARWAL
Digitally signed by ABHISHEK K AGARWAL
DN: cn=ABHISHEK K AGARWAL, c=IN, o=Personal, email=abhishek.agarwal@srb.in
Date: 2020.11.12 14:50:42 +05'30'

per Abhishek Agarwal
Partner
Membership Number: 112773
UDIN: 20112773AAAAID2464

Mumbai
November 12, 2020

Annexure 1

S. No.	Particulars	Debenture Trustee	Debenture trust deed date
1	8.21% unsecured non-convertible debenture - Face value 300 crore	SBICAP Trustee Company Limited	August 3, 2020
2	8.84% unsecured non-convertible debenture - Face value 750 crore	IDBI Trusteeship Services Limited	January 15, 2020
3	8.84% unsecured non-convertible debenture - Face value 500 crore	IDBI Trusteeship Services Limited	January 15, 2020
4	9.00% unsecured non-convertible debenture - Face value 250 crore	IDBI Trusteeship Services Limited	January 15, 2020
5	7.60% unsecured non-convertible debenture - Face value 1,000 crore	SBICAP Trustee Company Limited	June 27, 2020
6	7.90% unsecured non-convertible debenture - Face value 1,500 crore	IDBI Trusteeship Services Limited	February 14, 2018
7	10.75% unsecured non-convertible debenture - Face value 1,500 crore	IDBI Trusteeship Services Limited	September 11, 2012
8	11.40 % unsecured non-convertible perpetual debenture - Face value 1,500 crore	IDBI Trusteeship Services Limited	June 23, 2011
9	9.15% secured non-convertible debenture - Face value 250 crore	Centbank Financial Services Limited	December 15, 2010
10	9.15% secured non-convertible debenture - Face value 350 crore	Centbank Financial Services Limited	October 19, 2010
11	9.40% secured non-convertible debenture - Face value 210 crore	IDBI Trusteeship Services Limited	March 21, 2013

The Tata Power Company Limited (the "Company")

Asset Cover as per the terms of information memorandum and/or debenture trust deed and compliance with covenants

Computation of Assets Cover Ratio as on 30th September, 2020 (Asset cover ratio shall be atleast 125 percent as per the information memorandum and/or Debenture Trust Deed)

Amount in crores except ratios

	Particulars	9.15% secured non- convertible debentures - Face value 250 crores	9.15% secured non- convertible debentures - Face value 350 crores (Refer Note 5)	9.40% secured non-convertible debentures - Face value 210 crores
A.	Secured assets (Refer Note 2)	372.29	116.75	7,390.28
B.	Secured loans	90.00	100.00	5,882.31
	Asset cover ratio (A/B) (Refer Note 1 below)	**414%**	**117%**	**126%**

Notes:

1 The following definition has been considered for the purpose of computation of Asset Cover Ratio:
Asset cover ratio = Secured assets/ Secured loans

Secured Assets: Written down value of the secured assets, capital work in progress and asset classified as held for sale.
Secured loans: Outstanding value of the secured Non- convertible debentures and secured borrowings.

2 i) 9.15% secured non convertible debentures - Face value 250 crores have been secured by a charge on movable properties and assets of the Company at Agaswadi and Visapur in Satara District of Maharashtra and Poolavadi in Tirupur District of Tamil Nadu.

ii) 9.15% secured non convertible debentures - Face value 350 crores have been secured by a pari passu charge on the assets of the wind farms situated at Samana in Gujarat, Gadag in Karnataka and immovable properties in Jamnagar, Gujarat.

iii) 9.40% secured non convertible debentures - Face value 210 crores have been secured by a pari passu charge on the land situated at Village Takve Khurd (Maharashtra) and movable fixed assets (except the wind assets) including movable machinery, machinery spares, tools and accessories but excluding vehicles, launches and barges, present and future.

3 The Company has complied with all the other covenants including affirmative, informative and negative covenants, as prescribed in the information memorandum and/or Debenture Trust Deeds for its listed non convertible debentures mentioned below:

S. No.	Particulars	Debenture trust deed date
1	8.21% unsecured non-convertible debenture - Face value 300 crore	August 3, 2020
2	8.84% unsecured non-convertible debenture - Face value 750 crore	January 15, 2020
3	8.84% unsecured non-convertible debenture - Face value 500 crore	January 15, 2020
4	9.00% unsecured non-convertible debenture - Face value 250 crore	January 15, 2020
5	7.60% unsecured non-convertible debenture - Face value 1,000 crore	June 27, 2020
6	7.90% unsecured non-convertible debenture - Face value 1,500 crore	February 14, 2018
7	10.75% unsecured non-convertible debenture - Face value 1,500	September 11, 2012
8	11.40 % unsecured non-convertible perpetual debenture - Face value 1,500 crore	June 23, 2011
9	9.15% secured non-convertible debenture - Face value 250 crore	December 15, 2010
10	9.15% secured non-convertible debenture - Face value 350 crore	October 19, 2010
11	9.40% secured non-convertible debenture - Face value 210 crore	March 21, 2013

4 There has been no amendment to the debenture Trust Deed except the 9.15% secured non -convertible debenture -Face Value 250 crore vide supplemental trust deed dated June 30, 2012.

5 The asset cover ratio in respect of its 9.15% secured non convertible debentures- Face value 350 crores is less than the required asset cover ratio of 125 percent as per the debenture trust deed dated October 19, 2010.

For and on behalf of The Tata Power Company Limited

Soundararajan Kasturi
Chief- Corporate Treasury & Investor Relations
Date: November 12, 2020

TATA

The Tata Power Company Limited

Statement A

(Rs. Cr)

Sr. No.	ISIN No.	Debenture Series	Outstanding as on 30.09.2020	Last Due Date		Paid on or before due date	Next Principal Amount	Next Interest Amount	Next due date falling after 31.03.2020	
				Principal	Interest				Principal	Interest
1	INE245A08034	11.40% Unsecured, Subordinated, Perpetual Non Convertible Debentures	1500	NA	30-Apr-20	Yes	1500	86.20	N.A (See Note 1)	31-Oct-20
2	INE245A08042	10.75% Unsecured, Subordinated, Rated Non Convertible Debentures	1500	NA	30-Apr-20	Yes	1500	81.07	21-Aug-72 (See Note 2)	31-Oct-20
3	INE245A08091	7.99% Unsecured, Non cumulative, Rated, Non Convertibale Debentures	300	NA	16-Nov-19	Yes	300	23.97	16-Nov-20	16-Nov-20
4	INE245A08109	7.99% Unsecured, Non cumulative, Rated, Non Convertibale Debentures	300	NA	16-Nov-19	Yes	300	23.97	16-Nov-21	16-Nov-20
5	INE245A08117	7.99% Unsecured, Non cumulative, Rated, Non Convertibale Debentures	300	NA	16-Nov-19	Yes	300	23.97	16-Nov-22	16-Nov-20
6	INE245A08125	7.99% Unsecured, Non cumulative, Rated, Non Convertibale Debentures	300	NA	16-Nov-19	Yes	300	23.97	16-Nov-23	16-Nov-20
7	INE245A08133	7.99% Unsecured, Non cumulative, Rated, Non Convertibale Debentures	300	NA	16-Nov-19	Yes	300	23.97	15-Nov-24	16-Nov-20
8	INE245A08141	9% Unsecured, Non cumulative, Rated, Non Convertibale Debentures	250	NA	21-Feb-20	Yes	250	22.50	21-Feb-25	21-Feb-21
9	INE245A08158	8.84% Unsecured, Non cumulative, Rated, Non Convertibale Debentures	500	NA	21-Nov-19	Yes	500	44.20	21-Nov-22	21-Nov-20
10	INE245A08166	8.84% Unsecured, Non cumulative, Rated, Non Convertibale Debentures	750	NA	21-Feb-20	Yes	750	66.30	21-Feb-23	21-Feb-21

Note:

1. As the debentures are Perpetual in nature,there is no repayment date of Principal. The first call option is on 2nd June, 2021
2. The first call option date is on 21st August, 2022

For the Tata Power Company Limited

Saoundararajan Kasturi
Chief-Corporate Treasury & IR

November 10, 2020

THE TATA POWER COMPANY LIMITED

Ratings

CRISIL
An S&P Global Company

Rating Rationale

April 09, 2020 | Mumbai

The Tata Power Company Limited

Rated amount enhanced

Rating Action

Total Bank Loan Facilities Rated	**Rs.16700.35 Crore**
Long Term Rating	**CRISIL AA-/Positive (Reaffirmed)**
Short Term Rating	**CRISIL A1+ (Reaffirmed)**

Rs.1500 Crore Subordinated Non-Convertible Debentures	**CRISIL AA-/Positive (Reaffirmed)**
Rs.1500 Crore Perpetual Non Convertible Debentures	**CRISIL AA-/Positive (Reaffirmed)**
Non Convertible Debentures aggregating Rs.441 Crore	**CRISIL AA-/Positive (Reaffirmed)**
Non Convertible Debentures aggregating Rs.41 Crore	**CRISIL AA-/Positive (Withdrawn)**
Rs.13000 Crore Commercial Paper (Enhanced from Rs.7000 Crore)	**CRISIL A1+ (Reaffirmed)**

1 crore = 10 million
Refer to annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL has reaffirmed its 'CRISIL AA-/Positive/CRISIL A1+' ratings on the bank facilities and debt instruments of The Tata Power Company Limited (Tata Power).

The one-off increase in commercial paper debt is primarily to shore up liquidity in the near term and refinance upcoming maturities of short-term and long-term debt. Liquidity events through divestment is expected to reduce the debt over the medium term.

The positive outlook reflects expectation of improvement in Tata Power's credit risk profile on potential implementation of the high power committee's (HPC) recommendations for Coastal Gujarat Power Ltd (CGPL, rated 'CRISIL A-/Positive/CRISIL A1+ (CE)'), a wholly owned subsidiary of Tata Power. Furthermore, CRISIL expects continued deleveraging through sale of non-core assets such as the strategic engineering division (SED).

In October 2018, the HPC recommended sharing the losses incurred in CGPL between consumers, lenders, and developers. The HPC's key recommendations included: i) pass-through of fuel costs subject to a cap of USD 110 per tonne; (ii) lenders sacrifice a fixed deduction of 20 paise/kilowatt hour (p/kWh); (iii) Tata Power share 100% of profits from Indonesian mines subject to a floor price of 15p/kWh and; (iv) increase the normative plant availability factor to 90% (from the current 80%) for the same capacity charges.

Post the HPC recommendations, in January 2019, the Supreme Court ruled that power purchase agreements (PPAs) could be amended with distribution companies (discoms) subject to approval of the Central Electricity Regulatory Commission (CERC). While Tata Power continues to engage with the five discoms that it supplies to (Gujarat, Haryana, Maharashtra, Rajasthan, and Punjab), CRISIL believes a change in CGPL's PPA, in line with HPC recommendations, could reduce its under recovery to around 15-20p/kWh from the current 60-65p/kWh. This follows the update on the Mundra asset that got the PPA amended and approved by the CERC. Some states have agreed to sign supplementary PPAs brightening the prospects of signing supplementary PPA based on HPC recommendations in fiscal 2021.

Furthermore, the company's consolidated leverage profile has improved over the past one year, with adjusted debt/EBITDA ratio of around 4.9 times in fiscal 2019, from 5.3 times in fiscal 2018. This is supported by increased profitability (from renewable and regulated businesses) coupled with divestment of non-core assets (Tata Communications and Panatone Investments) and part realisation of sale proceeds from PT Arutmin Indonesia and associated companies (Arutmin) in fiscal 2019. Implementation of HPC's recommendations for CGPL and ongoing monetisation of non-core assets (including the SED business and international projects) could further improve Tata Power's overall leverage profile.

The ratings could be upgraded if the HPC recommendations are implemented, and there is continued deleveraging. The outlook could be revised to 'Stable' if the signing of supplementary PPA is inordinately delayed or if leverage remains elevated.

The Covid-19 pandemic may result in potential elongation of receivables from discoms and lower collections in the distribution business, leading to higher working capital requirement in the near term. However, given the regulated nature of a large part of the group's assets, profitability would largely not be impacted.

The ratings reflect Tata Power's stable cash accrual from regulated businesses, which account for more than 40% of total capital employed; diversified business risk profile; and robust financial flexibility, being a part of the Tata group. These strengths are partially offset by continued losses in CGPL on account of unviable project economics, declining dividends from Indonesian coal investments, and moderate leverage and debt protection metrics.

Analytical Approach

For arriving at its ratings, CRISIL has used a combination of full and proportionate consolidation of Tata Power's companies.

CRISIL has fully consolidated 40 subsidiaries of Tata Power because these entities form a core part of Tata Power's business risk profile. These include Tata Power's Delhi Distribution Company Ltd; CGPL; Maithon Power Ltd (MPL, 'CRISIL AA-/Positive/CRISIL A1+') that operates the 1,050-megawatt (MW) thermal power plant at Maithon, Jharkhand; Tata Power Renewable Energy Ltd (TPREL, 'CRISIL AA-/Positive/CRISIL A1+') and Walwhan Renewable Energy Ltd (WREL, 'CRIISL AA-/Positive') that executes renewable projects for Tata Power; power trading arm - Tata Power Trading Company Ltd; transmission subsidiary- Powerlinks Transmission Ltd ('CRISIL AAA/Stable/CRISIL A1+'; a joint venture with Power Grid Corporation of India Ltd ['CRISIL AAA/Stable/CRISIL A1+']); Industrial Energy Ltd; Tata Power Solar Systems Ltd ('CRISIL AA-/Positive/CRISIL A1+'); and the special-purpose vehicles formed for the acquisition of coal entities in Indonesia, including Bhira Investments, Bhivpuri Investments, and Khopoli Investments.

CRISIL has also proportionately consolidated 12 joint ventures and associate companies to the extent of its shareholding in these entities, to reflect support to the extent of its interests in these businesses. These companies include coal operating entities in Indonesia - 30% in PT Kaltim Prima Coal and 26% in PT Baramulti Suksessarana Tbk.

Please refer Annexure - List of entities consolidated, which captures the list of entities considered and their analytical treatment of consolidation.

Key Rating Drivers & Detailed Description

Strengths:

*** Stable cash accrual from regulated businesses**

Tata Power earns stable income from its regulated businesses such as power generation and distribution in Mumbai, distribution business in New Delhi, the 1,050 MW capacity of MPL, and its transmission businesses. These accounted for over 45% of consolidated EBITDA in fiscal 2019, and provide stable cash flow. Tata Power's credit risk profile will continue to benefit from steady returns in regulated businesses, which will provide stable cash accrual. The PPA of the power generation business for Mumbai (Trombay assets for around 800 MW), which was due for renewal in March 2019, was subsequently renewed for five years till fiscal 2024. Any material decline in the proportion of cash accrual from the stable, regulated businesses will remain a rating sensitivity factor.

*** Diversified business risk profile with presence across generation, transmission, and distribution businesses and across energy types**

Tata Power had around 11 gigawatt (GW) capacity as on December 31, 2019, in both the thermal and clean energy generation businesses, which includes around 2.8 GW of renewable energy capacity through TPREL and WREL. Its presence across the value chain of the power sector ' generation, transmission and distribution, power trading, as well as fuel supply (imported coal mining and shipping), helps it to achieve operating efficiencies, effective execution, and better working capital management at the group level.

*** Robust financial flexibility**

Financial flexibility is strong, characterised by stable cash accrual from existing businesses and adequate liquidity. Financial flexibility is also supported by being a part of the Tata group, which enhances access to the capital market and the banking system. Tata Power, including its subsidiaries, have been able to refinance more than Rs 10,000 crore of debt in fiscal 2019, at competitive pricing.

Weaknesses:

*** Unviable project economics of CGPL, and reducing dividend from coal companies**

Nearly 25% of Tata Power's total capital employed is invested in CGPL, which continues to make losses on account of unviable project economics, adversely impacting the company's credit risk profile. CGPL's unfavourable project economics are primarily on account of the 55% non-scalable variable charges component in the tariff.

Tata Power has supported CGPL's losses by infusing an aggregate of Rs 9,000 crore till March 31, 2019, in the form of perpetual securities, equity, and inter-company loans; in addition to the initial equity commitment of Rs 4,250 crore towards 25% of the estimated project cost. CGPL has made efforts to improve operating efficiencies and minimise under recoveries through procurement of coal from various sources. With debt refinancing and restructuring in fiscal 2019, the cash support required by CGPL from its parent is expected to reduce substantially, but will remain elevated for the next three years.

Nevertheless, the coal mines in Indonesia are likely to continue to provide a partial natural hedge to CGPL's operations. Dividends from the coal mines are lower than CGPL's requirements, including debt repayment, thereby necessitating support from Tata Power. The quantum of dividends from these coal companies have further reduced in fiscal 2019, because of the domestic market obligations enforced by the Indonesian government.

Furthermore, with improved visibility of adoption of HPC recommendations, the losses of CGPL, and corresponding support from Tata Power could sharply reduce over the medium term. Timely implementation of the HPC recommendations would be a key rating monitorable.

*** High leverage, although a correction is expected over the medium term**

Tata Power has a leveraged capital structure, with consolidated debt to EBITDA ratio, though reduced, at 4.9 times. Adjusted consolidated debt reduced to around Rs 48,747 crore as on March 31, 2019, from Rs 49,410 crore in the previous fiscal, on account of divestment proceeds of Rs 1,897 crore received in fiscal 2019, which was partially offset by capital expenditure (capex) towards renewables and increase in working capital requirement across various subsidiaries.

Tata Power's planned divestment of its non-core assets (defence business) and international projects is expected to be realised over the medium term. The company sold its stake in Cennergi for about Rs 648 crore in April 2020. Upfront proceeds of about Rs 1,000 crore from the divestment of the SED business is also expected in the first quarter of fiscal 2021. Additionally, it is yet to realise a part of the proceeds from the sale of Arutmin of around Rs 1,800 crore. Consequently, this is expected to improve the debt to EBITDA ratio over the medium term. The sale of non-core investments is expected to complete in fiscal 2021. Any significant delay in correction of debt to EBITDA ratio will remain a key rating sensitivity factor.

Liquidity Strong
Liquidity is strong, driven by expected cash accrual of around Rs 3,700 crore per annum in fiscals 2021 and 2022, and the cash balance was Rs 1,538 crore as on December 31, 2019. Tata Power also has access to fund-based limit of Rs 3355 crore, which has moderate utilisation (including commercial paper). CRISIL believes the company has sufficient accrual and cash and cash equivalent to meet its debt obligation and partly finance its capex and investment requirements in various subsidiaries. Unutilised bank limit is also more than adequate to meet incremental working capital needs in the next one year.

Outlook: Positive
Tata Power's outlook reflects improved visibility on the implementation of the HPC recommendations for CGPL. CRISIL believes this could substantially reduce CGPL's losses. Furthermore, the company's non-core asset sales could help it further reduce its leverage.

Rating Sensitivity factors
Upward factors
* Revision of PPAs and implementation in line with HPC recommendations
* Debt to EBITDA ratio expected to sustain below 4-4.2 times

Downward factors
* Delay or increased likelihood of non-implementation of HPC recommendations
* Debt to EBITDA ratio expected to sustain above 4.5 times

About the Company
Tata Power is India's largest integrated private power utility, with installed generation capacity of 10,803 MW (as on December 31, 2019). The company is present across the entire power business spectrum, from generation (thermal, hydro, solar, and wind) to transmission and distribution.

CGPL was formed to implement the Mundra Ultra Mega Power Plant (UMPP), which has five units of 800 MW each. MPL, Tata Power's 74% joint venture with Damodar Valley Corporation, operates the Maithon project, which has two units of 525 MW each.

Power Transmission Ltd operates a 400-kilovolt transmission line from Bhutan to Delhi.

Tata Power has 30% and 26% stakes in Indonesian coal mining companies, PT Kaltim Prima Coal and PT Baramulti Suksessarana Tbk, respectively. It had signed a definitive agreement to sell 30% stake in Arutmin to the Bakrie family for USD 400 million (around Rs 2,800 crore) of which USD 140 million (around Rs 980 crore) is already realised.

In September 2016, Tata Power and ICICI Venture partnered to launch Power Platform (known as Resurgent Power Ventures Pte Ltd [Resurgent]) in Singapore along with global investors. Resurgent will invest in operational and near operational thermal, hydro, and transmission assets. In December 2019, Renascent Power Ventures Pvt Ltd, a wholly owned subsidiary of Resurgent, completed the acquisition of 75.01% stake in Prayagraj Power Generation Company Ltd (Prayagraj), which owns and operates a 1,980 MW supercritical power plant in Uttar Pradesh.

During fiscal 2019, Tata Power, on a consolidated basis, had a net profit of Rs 2,437 crore with operating income of Rs 32,196 crore, against a net profit of Rs 2,609 crore with operating income of Rs 29,149 crore in fiscal 2018.

Key Financial Indicators - Tata Power Consolidated (Reported)

Particulars	Unit	2019	2018
Operating income	Rs crore	32,196	29,149
Profit after tax (PAT)	Rs crore	2,437	2,609
PAT margin	%	7.57	8.95
Adjusted debt/adjusted networth	Times	2.83	3.13
Interest coverage	Times	2.42	2.11

Status of non cooperation with previous CRA: Not applicable

Any other information: Not applicable

Note on complexity levels of the rated instrument:
CRISIL complexity levels are assigned to various types of financial instruments. The CRISIL complexity levels are available on www.crisil.com/complexity-levels. Users are advised to refer to the CRISIL complexity levels for instruments that they consider for investment. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Type of instrument	Date of allotment	Coupon Rates (%)	Maturity date	Issue size (Rs crore)	Rating assigned with outlook
INE245A08034	Perpetual NCD	2-Jun-11	11.40%	Perpetual	1,500	CRISIL AA-/Positive
INE245A08042	Subordinate NCD	21-Aug-12	10.75%	21-Aug-72	1,500	CRISIL AA-/Positive

INE245A07218	NCD	23-Jul-14	9.15%	23-Jul-20	25	CRISIL AA-/Positive
INE245A07226	NCD	23-Jul-14	9.15%	23-Jul-21	20	CRISIL AA-/Positive
INE245A07234	NCD	23-Jul-14	9.15%	23-Jul-22	20	CRISIL AA-/Positive
INE245A07242	NCD	23-Jul-14	9.15%	23-Jul-23	20	CRISIL AA-/Positive
INE245A07259	NCD	23-Jul-14	9.15%	23-Jul-24	20	CRISIL AA-/Positive
INE245A07267	NCD	23-Jul-14	9.15%	23-Jul-25	20	CRISIL AA-/Positive
INE245A07366	NCD	17-Sep-14	9.15%	17-Sep-20	16	CRISIL AA-/Positive
INE245A07374	NCD	17-Sep-14	9.15%	17-Sep-21	16	CRISIL AA-/Positive
INE245A07382	NCD	17-Sep-14	9.15%	17-Sep-22	16	CRISIL AA-/Positive
INE245A07390	NCD	17-Sep-14	9.15%	17-Sep-23	16	CRISIL AA-/Positive
INE245A07408	NCD	17-Sep-14	9.15%	17-Sep-24	16	CRISIL AA-/Positive
INE245A07416	NCD	17-Sep-14	9.15%	17-Sep-25	26	CRISIL AA-/Positive
INE245A07424	NCD	28-Dec-12	9.40%	28-Dec-22	210	CRISIL AA-/Positive
NA	Commercial paper programme	NA	NA	7-365 days	13,000	CRISIL A1+
NA	Cash credit and working capital demand loan	NA	NA	NA	1956	CRISIL AA-/Positive
NA	Letter of credit and bank guarantee	NA	NA	NA	4370	CRISIL A1+
NA	Letter of credit and bank guarantee #	NA	NA	NA	190	CRISIL A1+
NA	Term loan-1	NA	NA	15-Jun-20	38.01	CRISIL AA-/Positive
NA	Term loan-2	NA	NA	16-Feb-29	1,211.25	CRISIL AA-/Positive
NA	Term loan-3	NA	NA	30-Sept-25	280	CRISIL AA-/Positive
NA	Term loan-4	NA	NA	Jan-23	109	CRISIL AA-/Positive
NA	Term loan-5	NA	NA	30-Mar-28	500.94	CRISIL AA-/Positive
NA	Term loan-6	NA	NA	30-Mar-26	2,000	CRISIL AA-/Positive
NA	Term loan-9	NA	NA	16-May-29	250	CRISIL AA-/Positive
NA	Term loan-11	NA	NA	NA	300	CRISIL AA-/Positive
NA	Rupee term loan-1	NA	NA	31-Dec-24	17.61	CRISIL AA-/Positive
NA	Rupee term loan-2	NA	NA	18-Feb-29	732.95	CRISIL AA-/Positive
NA	Rupee term loan-3	NA	NA	NA	500	CRISIL AA-/Positive
NA	Rupee term loan-3	NA	NA	NA	300	CRISIL AA-/Positive
NA	Rupee term loan-4	NA	NA	NA	500	CRISIL AA-/Positive
NA	Rupee term loan-5	NA	NA	NA	750	CRISIL AA-/Positive
NA	Rupee term loan-6	NA	NA	15-July-24	440	CRISIL AA-/Positive
NA	Proposed cash credit limit	NA	NA	NA	9.59	CRISIL AA-/Positive
NA	Proposed long-term bank loan facility	NA	NA	NA	1745	CRISIL AA-/Positive
NA	Term loan	NA	NA	Aug-22	200	CRISIL AA-/Positive
NA	Term loan	NA	NA	NA	300	CRISIL AA-/Positive

#Fully Interchangeable with Letter of Credit, Buyers Credit, Short term loan, Purchase invoice Discounting, Overdraft maximum upto Rs. 50 Crores, Foreign Currency Resident loan, Short Term Derivatives/ Foreign lines

Annexure - List of entities consolidated with Tata Power Company Limited

Name of the Company	Type of Consolidation
Tata Power's Delhi Distribution Company Ltd	Full consolidation
Coastal Gujarat Power Ltd	Full consolidation
Maithon Power Ltd	Full consolidation
Tata Power Renewable Energy Ltd	Full consolidation
Tata Power Trading Company Ltd	Full consolidation
Powerlinks Transmission Ltd	Full consolidation
Industrial Energy Ltd	Full consolidation
Tata Power Solar Systems Ltd	Full consolidation
Bhira Investments Pte. Ltd	Full consolidation
Bhivpuri Investments Ltd	Full consolidation
Khopoli Investments Ltd	Full consolidation
TP Ajmer Distribution Ltd	Full consolidation

Supa Windfarm Ltd	Full consolidation
Poolavadi Windfarm Ltd	Full consolidation
Nivade Windfarm Ltd	Full consolidation
Indo Rama Renewables Jath Ltd	Full consolidation
Walwhan Renewable Energy Ltd	Full consolidation
Clean Sustainable Solar Energy Pvt Ltd	Full consolidation
Dreisatz Mysolar24 Pvt Ltd	Full consolidation
MI Mysolar24 Pvt Ltd	Full consolidation
Northwest Energy Pvt Ltd	Full consolidation
Solarsys Renewable Energy Pvt Ltd	Full consolidation
Walwhan Solar Energy GJ Ltd	Full consolidation
Walwhan Solar Raj Ltd	Full consolidation
Walwhan Solar BH Ltd	Full consolidation
Walwhan Solar MH Ltd	Full consolidation
Walwhan Wind RJ Ltd	Full consolidation
Walwhan Solar AP Ltd	Full consolidation
Walwhan Solar KA Ltd	Full consolidation
Walwhan Solar MP Ltd	Full consolidation
Walwhan Solar PB Ltd	Full consolidation
Walwhan Energy RJ Ltd	Full consolidation
Walwhan Solar TN Ltd	Full consolidation
Walwhan Solar RJ Ltd	Full consolidation
Walwhan Urja Anjar Ltd	Full consolidation
Walwhan Urja India Ltd	Full consolidation
Chirasthayee Saurya Ltd	Full consolidation
Vagarai Windfarm Ltd	Full consolidation
Trust Energy Resources Pte Ltd	Full consolidation
Eastern Energy Pte Ltd	Full consolidation
Itezhi Tezhi Power Corporation	Proportionate consolidation
Adjaristsqali Netherlands B.V.	Proportionate consolidation
Cennergi Pty Ltd	Proportionate consolidation
Indocoal KPC Resources (Cayman) Ltd	Proportionate consolidation
PT Kalimantan Prima Power	Proportionate consolidation
PT Dwikarya Prima Abadi	Proportionate consolidation
PT Marvel Capital Indonesia	Proportionate consolidation
PT Nusa Tambang Pratama	Proportionate consolidation
PT Indocoal Kaltim Resources	Proportionate consolidation
Dagachhu Hydro Power Corporation Ltd	Proportionate consolidation
PT Kaltim Prima Coal	Proportionate consolidation
PT Baramulti Suksessarana Tbk	Proportionate consolidation
Resurgent Power Ventures Pte Ltd	Financial Investment

Annexure - Rating History for last 3 Years

	Current			2020 (History)		2019		2018		2017		Start of 2017
Instrument	**Type**	**Outstanding Amount**	**Rating**	**Date**	**Rating**	**Date**	**Rating**	**Date**	**Rating**	**Date**	**Rating**	**Rating**
Commercial Paper	ST	13000.00	CRISIL A1+			27-12-19	CRISIL A1+	05-11-18	CRISIL A1+	10-11-17	CRISIL A1+	--
						09-10-19	CRISIL A1+	12-10-18	CRISIL A1+	05-10-17	CRISIL A1+	
						04-06-19	CRISIL A1+	26-07-18	CRISIL A1+			
Non Convertible Debentures	LT	441.00 09-04-20	CRISIL AA-/Positive			27-12-19	CRISIL AA-/Positive	05-11-18	CRISIL AA-/Stable	10-11-17	CRISIL AA-/Stable	CRISIL AA-/Stable
						09-10-19	CRISIL AA-/Positive	12-10-18	CRISIL AA-/Stable	05-10-17	CRISIL AA-/Stable	
						04-06-19	CRISIL AA-/Positive	26-07-18	CRISIL AA-/Stable	18-05-17	CRISIL AA-/Stable	
Perpetual Non Convertible Debentures	LT	1500.00 09-04-20	CRISIL AA-/Positive			27-12-19	CRISIL AA-/Positive	05-11-18	CRISIL AA-/Stable	10-11-17	CRISIL AA-/Stable	CRISIL AA-/Stable
						09-10-19	CRISIL AA-/Positive	12-10-18	CRISIL AA-/Stable	05-10-17	CRISIL AA-/Stable	

						04-06-19	CRISIL AA-/Positive	26-07-18	CRISIL AA-/Stable	18-05-17	CRISIL AA-/Stable	
Short Term Debt	ST									05-10-17	CRISIL A1+	CRISIL A1+
										18-05-17	CRISIL A1+	
Subordinated Non-Convertible Debentures	LT	1500.00 09-04-20	CRISIL AA-/Positive			27-12-19	CRISIL AA-/Positive	05-11-18	CRISIL AA-/Stable	10-11-17	CRISIL AA-/Stable	CRISIL AA-/Stable
						09-10-19	CRISIL AA-/Positive	12-10-18	CRISIL AA-/Stable	05-10-17	CRISIL AA-/Stable	
						04-06-19	CRISIL AA-/Positive	26-07-18	CRISIL AA-/Stable	18-05-17	CRISIL AA-/Stable	
Fund-based Bank Facilities	LT/ST	12140.35	CRISIL AA-/Positive			27-12-19	CRISIL AA-/Positive	05-11-18	CRISIL AA-/Stable	10-11-17	CRISIL AA-/Stable	CRISIL AA-/Stable
						09-10-19	CRISIL AA-/Positive	12-10-18	CRISIL AA-/Stable	05-10-17	CRISIL AA-/Stable	
						04-06-19	CRISIL AA-/Positive	26-07-18	CRISIL AA-/Stable	18-05-17	CRISIL AA-/Stable	
Non Fund-based Bank Facilities	LT/ST	4560.00	CRISIL A1+			27-12-19	CRISIL A1+	05-11-18	CRISIL A1+	10-11-17	CRISIL A1+	CRISIL A1+
						09-10-19	CRISIL A1+	12-10-18	CRISIL A1+	05-10-17	CRISIL A1+	
						04-06-19	CRISIL A1+	26-07-18	CRISIL A1+	18-05-17	CRISIL A1+	

All amounts are in Rs.Cr.

Annexure - Details of various bank facilities

Current facilities			Previous facilities		
Facility	**Amount (Rs.Crore)**	**Rating**	**Facility**	**Amount (Rs.Crore)**	**Rating**
Cash Credit & Working Capital demand loan	**1956**	**CRISIL AA-/Positive**	**Cash Credit & Working Capital demand loan**	**1956**	**CRISIL AA-/Positive**
Letter of credit & Bank Guarantee	**4370**	**CRISIL A1+**	**Letter of credit & Bank Guarantee**	**4370**	**CRISIL A1+**
Letter of credit & Bank Guarantee#	**190**	**CRISIL A1+**	**Letter of credit & Bank Guarantee#**	**190**	**CRISIL A1+**
Proposed Cash Credit Limit	**9.59**	**CRISIL AA-/Positive**	**Proposed Cash Credit Limit**	**9.59**	**CRISIL AA-/Positive**
Proposed Long Term Bank Loan Facility	**1745**	**CRISIL AA-/Positive**	**Proposed Long Term Bank Loan Facility**	**1745**	**CRISIL AA-/Positive**
Rupee Term Loan	**3240.56**	**CRISIL AA-/Positive**	**Rupee Term Loan**	**3240.56**	**CRISIL AA-/Positive**
Term Loan	**5189.2**	**CRISIL AA-/Positive**	**Term Loan**	**5189.2**	**CRISIL AA-/Positive**
Total	**16700.35**	**--**	**Total**	**16700.35**	**--**

#Fully Interchangeable with Letter of Credit, Buyers Credit, Short term loan, Purchase invoice Discounting, Overdraft maximum upto Rs. 50 Crores, Foreign Currency Resident loan, Short Term Derivatives/ Foreign lines

Links to related criteria
CRISILs Approach to Financial Ratios
CRISILs Bank Loan Ratings - process, scale and default recognition
Rating Criteria for Power Distribution Utilities
Rating criteria for manufaturing and service sector companies
CRISILs Criteria for Consolidation
CRISILs Criteria for rating short term debt
CRISILs criteria for rating and capital treatment of corporate sector hybrid instruments

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Tata Power Company Limited

July 07, 2020

Ratings

Instruments	Amount (Rs. crore)	Rating[1]	Rating Action
Perpetual Bond	1,500.00	**CARE AA; Stable [Double A; Outlook: Stable]**	**Reaffirmed**
Hybrid Bond	1,500.00	**CARE AA; Stable [Double A; Outlook: Stable]**	**Reaffirmed**
Non-convertible Debentures	2,460.00	**CARE AA; Stable [Double A; Outlook: Stable]**	**Reaffirmed**
Total Instruments	**5,460.00 (Rs. Five thousand four hundred and sixty crore only)**		

Details of instruments in Annexure-1

Detailed Rationale & Key Rating Drivers

The reaffirmation in the ratings assigned to the long-term instruments of Tata Power Company Limited (TPCL) factor in the stable cash flows from core licensed area operations during FY20, extension of PPA with Brihanmumbai Electric Supply & Transport Undertaking (BEST) and with distribution arm of TPCL by another 5 years under the generation business of TPCL, recent acquisition of 51% equity stake in distribution license of TP Central Odisha Distribution limited (TPCODL) which is expected to add incremental revenue to TPCL. The ratings continue to derive strength from TPCL's strategic importance to Tata Group and its strong market position as an integrated power player company as reflected by its significant and diversified presence in the generation, transmission, distribution and renewable space, presence of long-term Power Purchase Agreement (PPA) providing revenue visibility for operational capacities under renewable power segment, ownership interest in Indonesian coal mines acts as a partial hedge to an extent to counter adverse fuel price movement.

The ratings also factor in the TPCL's announcement regarding raising equity of Rs.2,600 crore through preferential issuance from its promoter i.e. Tata Sons Private Limited in Q2FY21 as well as its plan to set-up Infrastructure Investment Trust (InvIT) for its renewable assets which are likely to improve capital structure. The ratings continue to be supported by strong parentage and high financial flexibility enjoyed by the company by virtue of being a part of the Tata Group, adequate liquidity position as well as company's plans to monetize non-core assets in the near term to reduce debt level. TPCL has concluded sale of its stake in wind power projects in South Africa under Cennergi Pty. Ltd for Rs. 837 crore. The sale of TPCL's investment in shipping business is likely to conclude in July 2020 as well as sale of Strategic Engineering Division (SED) is likely to conclude during FY21. TPCL's divestment plans to reduce the debt at consolidated level also include sale of hydro projects in Zambia and Georgia, sale of stake in Tata Projects Limited and sale of BSSR mines; however, sale of stake in Tata projects Limited and BSSR coal mine will be dependent on the valuation it receives. Sale of other non-core assets are expected to complete by the end of FY21 which in turn will enhance liquidity in the company.

The expected successful implementation of High Power Committee (HPC) recommendation as well as signing of supplementary agreement with the state discoms for Coastal Gujarat Power Limited [CGPL (a wholly owned subsidiary of TPCL), rated CARE AA (CE); Stable/CARE A1+ (CE)/CARE A-/CARE A2+)]] is likely to improve the overall financial risk profile of the group to a certain extent.

The rating strengths are, however, tempered by TPCL's highly leveraged capital structure and stressed financial risk profile as a result of high level of consolidated debt, moderate debt coverage indicators, stress on profitability margins on account of continuing losses at CGPL coupled with expected financial support to be provided by TPCL (though reduced during FY20 on account of softening of coal prices) on account of lower fuel cost under-recovery, declining dividends from Indonesian coal investments, regulatory risk, increasing regulatory assets, counterparty risk due to weak financial risk profile of Discoms and Coronavirus outbreak (COVID-19) resulting in consequent slowdown in collections from distribution segment. The proposed and on-going capital expenditure plans under distribution business, generation business, renewable business, Solar EPC business are likely keep the TPCL's overall debt level elevated in near term.

Rating Sensitivities

Positive rating sensitivities

- Improvement in overall gearing ratio below 0.5 times on sustained basis
- Sustained profitability and cash flows from power generation, transmission and distribution business

[1]*Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications*

Negative rating sensitivities

- Any large debt funded capex and acquisition leading to increase in overall gearing above 2.00 times on sustained basis
- Delay in implementation of HPC recommendation with the revision in PPA leading to increase in losses at CGPL
- Any delay in deleveraging measures and timely restructuring of renewable business via setting-up of InvIT to improve the capital structure

Detailed description of the key rating drivers

Key Rating Strengths

Established parentage; strategic importance to the Tata Group

TPCL is one of the largest integrated power players in the country and caters to captive power requirement of other companies within the Tata Group. TPCL is a part of Tata Group with Tata Sons Limited holding 37.22% stake in TPCL as at March 30, 2020. The group comprises over 100 operating companies, in various key business sectors such as steel, auto, communications & information technology, engineering, materials, services, energy, consumer products and chemicals. The group has operations in more than 100 countries across six continents and exports products and services to 150 countries. By virtue of being part of the Tata Group, the company enjoys high level of financial flexibility.

Well diversified business portfolio

TPCL is amongst the largest integrated private power companies in India having installed capacity of 10,762 MW [excluding 1980 MW capacity under Prayagraj Power Generation Company Ltd. (PPGCL, Joint Venture)] as on June 30, 2020 with presence across the entire power value chain – covering power generation (both thermal and renewables), transmission, distribution, trading and fuel.

Stable cash flows from the company's core licensed operations contributing a substantial part of its revenues

TPCL operates more than 50% of its total generation capacity either under a cost plus regime or on a captive basis with strong counterparties that translates into stable earnings visibility and limits the risk faced by the company due to volatility in fuel prices. A similar assured return on equity model exists in its transmission and distribution business lending stability to the company's cash flows. The PPA's for its power generation assets for 677 MW with Brihanmumbai Electric Supply & Transport Undertaking (BEST)] and 700 MW with distribution arm of Tata Power, Mumbai which were due for renewal in March 31, 2019 has been extended till March 31, 2024 which provided revenue visibility at TPCL standalone level.
The cash flows of TPCL (at consolidated level) continue to be affected by the losses incurred at CGPL, partially offset by the profits earned in the coal mining business to some extent. However, any regulatory delay in receiving tariff orders, disallowance of immediate pass-through of expenses leading to creation of regulatory assets does call for stop gap funding arrangements.

Ownership interest in Indonesian coal mines acts as a partial hedge to an extent to counter adverse fuel price movement

TPCL has fuel supply agreements (FSAs) with subsidiaries of Coal India Limited and coal mining companies in Indonesia which mitigate the fuel supply risks for its thermal power generation units to a certain extent. TPCL holds 30% stake in PT Kaltim Prima Coal (KPC) and 26% stake in PT Baramulti Sukses Sarana Tbk (BSSR) for coal mining operations in Indonesia which acts as a partial hedge against price volatility on coal. Further, TPCL has acquired a long-term coal mining license for the Krutogorovskya coal deposit located in the Sobolevo District, Kamchatka of the Russian Federation under competitive bidding, to explore cheaper and sustainable coal supply for its subsidiary CGPL.

Presence of long-term PPA providing revenue visibility for operational capacities under renewable power segment

In September 2016, TPCL completed the acquisition of 100% shareholding in Walwhan Renewable Energy Limited (WREL, rated CARE AA (CE); Stable/CARE AA-; Stable/CARE A1+) and its subsidiaries through its wholly owned subsidiary TPREL, its renewable energy arm. TPCL under renewable power segment has total operational capacity of 2,636 MW as on June 30, 2020 including 379 MW of renewable capacity which would be transferred to TPREL through court process. The majority of the operational projects has an operational track record of more than three years. Most of the operational capacity is tied up under long-term PPAs for 25 years, at fixed tariffs, which provides long-term revenue visibility. TPREL being growth vehicle entity of TPCL in renewable segment has 820 MW capacity under implementations.

Disinvestment programme for non-core assets in India as well as outside India to improve financial risk profile in near term

In order to support the cash flows, the company is focusing on to divest its non-core investment in various assets/companies. TPCL had sold its stake in coal mines held in subsidiary PT Arutmin Indonesia for USD 440 Mn. It has already received USD 215 mn and the balance is expected to be received in monthly installment in the next two years. During FY20, TPCL had sold its stake in wind power projects in South Africa under Cennergi Pty. Ltd for Rs. 837 crore. The sale of TPCL's investment in shipping business is likely to conclude in July 2020 as well as sale of Strategic Engineering Division (SED) is likely to conclude during FY21. TPCL's divestment plans to reduce the debt at consolidated level include sale of hydro projects in Zambia and Georgia), sale of

stake in Tata Projects Limited and sale of BSSR mines; however, sale of stake in Tata projects Limited and BSSR coal mine will be dependent on the valuation it receives. Sale of other non-core assets are expected to complete by the end of FY21.
Additionally, TPCL has announced to raise funds from its promoter i.e. Tata Sons Private Limited through preferential issuance of Rs. 2,600 crore which is likely to be completed in Q2FY21. Further TPCL has also announced to restructure its renewable assets via setting-up of InvIT. The divestments plan to sell non-core assets along with the proposed restructuring of the group's renewable portfolio and fund-raising plans via preferential issuance are expected to reduce TPCL's debt levels in near to medium term, which would be a key monitorable.

Key Rating Weaknesses

Partial fuel pass through in Mundra UMPP leading to losses; delay in implementing HPC recommendation and signing supplementary PPA with states to put stress on the financial risk profile

CGPL entered into PPA with 5 state utilities [Gujarat (1805 MW), Maharashtra (760 MW), Punjab (475 MW), Haryana (380 MW) and Rajasthan (380 MW)] for a period of 25 years for a levelised tariff of Rs.2.26 per KWh, with only a partial pass through (45%) of fuel cost thereby exposing the company to fuel price risk. To counter the same, CGPL had entered into fuel supply arrangements with Indonesian mines wherein the company has strategic investment. However, in September 2011, the coal export regulations in Indonesia changed and coal prices were aligned with international prices. Upward revision in fuel prices and unfavorable exchange rate led to losses for CGPL as all the five units at Mundra became operational from March 2013. In view of the losses, CGPL approached Central Electricity Regulatory Commission (CERC) seeking relief. The Hon. Supreme Court through its judgment passed in April 2017, set aside the previous favorable order of APTEL and thus disposed-off the submission for relief under the force majeure clause.
Further, In October 2018, High Power Committee (HPC) recommended sharing the losses incurred in CGPL between consumers, lenders, and developers. The HPC's key recommendations include a) pass-through of fuel costs subject to a cap of USD110 per tonne; (b) lenders sacrifice a fixed deduction of 20 paisa/kilowatt hour (p/kWh); (c) Tata Power share 100% of profits from Indonesian mines subject to a floor of 15p/kWh; and; (d) increase the normative plant availability factor to 90% (from the current 80%) for the same capacity charges. After the HPC recommendation, in January 2019, Supreme Court ruled that power purchase agreements (PPAs) could be amended with distribution companies (Discoms) subject to CERC's approval. The HPC report has been approved by Government of Gujarat and Government of Maharashtra and supplementary PPA's are expected to be finalized shortly. The company is under discussion with other 3 states for securing approval. If the HPC recommendation implemented, this would result reduction in fuel cost under recovery by ~11p/kwh from 46p/kwh (FY20) to 35p/kwh going forward. However, delay in implementing HPC recommendation and signing of supplementary PPA's with respective discoms leading to increase in losses at CGPL would be a credit negative.

Highly leveraged capital structure and stressed financial risk profile owing to losses at CGPL

TPCL's consolidated debt profile continues to be highly leveraged with a total debt of Rs.48,376 crore as on March 31, 2020 (PY: Rs. 48,506.04). The capital structure of TPCL is highly leveraged on account of acquisition of debt at the time of the acquisition of WREL as well as incremental debt taken under CGPL and other various subsidiaries. The overall financial risk profile of TPCL remained stressed on account of continued losses reported in CGPL. The overall gearing ratio improved marginally to 2.56x as on March 31, 2020 as against 2.81x as on March 31, 2019 mainly due to accretion of profits to net worth. During FY20, PBILDT interest coverage has improved marginally due to increase in operating profits to 2.01x (PY: 1.97x) mainly on account of lower fuel cost under CGPL. The total Debt/ GCA stood deteriorated to 11.80x as on March 31, 2020 as compared to 8.72x as on March 31, 2019 on account of decline in gross cash accruals (GCA) due to lower profits in coal and infra companies and reversal of deferred tax liabilities. In June 2020, TPCL has completed acquisition of 51% stake in Central Electricity Supply Utility of Odisha (CESU) through TP Central Odisha Distribution Limited (TPCODL) at a consideration of Rs. 178.5 crore (TPCL's share in JV). Under TPCODL, the company has license to carry out the function of distribution and retail supply of electricity covering the distribution circles of Bhubaneswar (Electrical Circle - I and II), Cuttack, Paradeep, and Dhenkanal in the state of Odisha for a period of 25 years. CARE believes that the recently acquired CESU would require additional line of funding for its working capital requirements and subsequent capex which would be required to reduce the AT&C levels. However, any debt funded capex or acquisition impacting the credit risk profile of TPCL would continue to remain key monitorable.

Capacity addition in renewables segment planned over the next few years and sizeable Solar EPC orders exposing the company to project execution risks

TPCL under TPREL has around 820 MW capacity under implementation which are to be executed within 12-18 months' time. Presently, TPSSL (Solar EPC business arm of TPCL) has orders in hand of around Rs. 7,000 crore, which will be executed in FY21 & FY22. The government initiative for Atmanirbhar Bharat and recent geopolitical tension between India and China could impact the raw material sourcing for solar projects which are under implementation. Also, if both the safeguard duty and custom duty imposed on solar modules and cells then the renewable sector will face heavy duty load. However, any increase in costs due to duties would entitle the company to avail compensation under change in law; however it involves regulatory hassles. The project execution risk is largely mitigated by the company's proven track record in terms of execution skills.

Counterparty risk; receivables to increase due to COVID-19 outbreak
The group is exposed to counterparty risk related to timely realization of dues from state owned DISCOM's with weak financial risk profile; however, to an extent risk is mitigated due to its geographically diversified assets portfolio spread across various states/DISCOM's in India having strong credit profile. TPCL has a balanced portfolio with renewable energy sources and has presence across more than 11 states, thereby de-risking portfolio.

The distribution business of the company witnessed a drop in demand by almost 30% in April 2020 compared to April 2019 due to nationwide lockdown. The electricity demand from industrial and commercial segment had reduced significantly in April 2020; however started to increase gradually post easing of lockdown. While the residential demand had increased and is expected to remain elevated. Since most of the thermal power plants have two-part tariff structure (regulated tariff mechanism) which would allow the company to recover fixed cost. The over dues of power distributions companies have risen with the disruptions in the billing and collections due to the lockdown. This would further weaken their already strained financial position. Electricity demand is expected to contract during the year, largely driven by slippages in commercial and industrial demand, consequently leading to lower generation. Further, the financial health of generating and distribution companies would further deteriorate leading to increase in stressed assets in the sector.

Liquidity: Adequate
On a consolidated level, TPCL's liquidity position is expected to remain adequate supported by existing cash and cash equivalent of Rs. 2,561 crore as on March 31, 2020, estimated gross cash accruals for FY21 of ~Rs. 6,993 crore, unutilized working capital limits vis-a-viz its debt repayment obligation of Rs.8,009 crore for FY21. TPCL has sizeable debt maturing in FY22 & FY23 which the company is likely to refinance partly. Going ahead, liquidation of accumulated regulatory assets, timely monetization of non-core assets as well as realization of balance proceeds from sale of stake in Indonesian mine and SED would remain crucial for TPCL to improve its overall liquidity position. Moreover, being part of Tata group, TPCL enjoys significant financial flexibility.

Analytical approach: CARE has adopted a consolidated approach on account of operational and financial linkages among entities. The list of entities whose financials have been combined is mentioned in Annexure 3.

Applicable Criteria
[Criteria on assigning Outlook and Credit Watch to Credit Ratings]
[CARE's Policy on Default Recognition]
[Rating Methodology: Consolidation and Factoring Linkages in Ratings]
[Rating Methodology - Infrastructure Sector Ratings]
[Rating Methodology- Private Power Producers]
[Rating Methodology- Solar Power Projects]
[Rating Methodology- Wind Power Projects]
[Rating Methodology- Power Transmission]
[Liquidity Analysis of Non-Financial Sector Entities]
[Financial ratios – Non-Financial Sector]

About the Company
Incorporated in 1919, TPCL is an integrated power utility company and one of the major companies of the Tata group. TPCL is one of the largest private integrated power companies in India with presence across the entire power value chain – covering power generation, transmission, distribution and trading and fuel and logistics. On a consolidated basis, as at June 30, 2020, the company had an installed generation capacity of 10,762 MW (excluding 1980 MW capacity of Prayagraj Power (joint venture)) [10,957 MW as at March 31, 2019] based on various fuel sources: thermal (7,215 MW), hydroelectric power (871 MW), Diesel based DG Set (40 MW) and other renewable energy (2,636 MW). TPCL is also in the business of power distribution in Mumbai, Delhi [through Tata Power Delhi Distribution Company Limited (TPDDL), in which TPCL holds 51%], Odisha [through TP Central Odisha Distribution Limited (TPCODL), in which TPCL holds 51%], Ajmer [Tata Power Ajmer Distribution Limited (TPADL), in which TPCL holds 100%]. Furthermore, the company has a presence in power transmission in Mumbai with about 1188 Ckm (circuit km) of transmission lines. It is also involved in power transmission in other regions through a Joint venture, Powerlinks Transmission Limited. In addition, TPCL also has a strategic investment in coal assets through a 30% stake in PT Kaltim Prima Coal (KPC) and 26% stake in PT Baramulti Suksessarana Tbk (BSSR). The investment is part of TPCL's strategy to ensure fuel security for its thermal power projects.

Covenants of rated instrument / facility: *Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3*

Brief Financials (Rs. crore)-Consolidated	FY19 (A)	FY20 (Abridged)
Total operating income	31,350	30,184
PBILDT	8,228	9,011
PAT after discounted operations	2,606	1,316
Overall gearing (times)	2.81	1.93
Interest coverage (times)	1.97	2.01

A: Audited
The financials have been reclassified as per CARE standard

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating History for last three years: Please refer Annexure-2

Annexure-1: Details of Instruments

Name of the Instrument	ISIN No.	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Bonds-Perpetual Bonds	INE245A08034	02/06/2011	11.50%	Perpetual	1500.00	CARE AA; Stable
Debentures-Non Convertible Debentures	INE245A08042	21/08/2012	11.40%	21/08/2072	1500.00	CARE AA; Stable
Debentures-Non Convertible Debentures	INE245A07424	28/12/2012	9.40%	28/12/2022	210.00	CARE AA; Stable
Debentures-Non Convertible Debentures*	INE245A08067	17/11/2014	9.48%	17/11/2019	500.00*	CARE AA; Stable
Debentures-Non Convertible Debentures	INE245A08091, INE245A08109, INE245A08117, INE245A08125, INE245A08133	01/11/2017	7.99%	01/11/2020, 01/11/2021, 01/11/2022, 01/11/2023 and 01/11/2024	1500.00	CARE AA; Stable
Debentures-Non Convertible Debentures	INE245A08141	21/11/ 2019	9.00%	21/02/2025	250.00	CARE AA; Stable

**the above Rs.500 crore of NCD was repaid on due date. CARE is yet to receive No-dues certificate from the company.*

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Bonds-Perpetual Bonds	LT	1500.00	CARE AA; Stable	-	1)CARE AA; Stable (05-Jul-19)	1)CARE AA; Stable (08-Oct-18)	1)CARE AA; Stable (11-Sep-17)
2.	Debentures-Non Convertible Debentures	LT	1500.00	CARE AA; Stable	-	1)CARE AA; Stable (05-Jul-19)	1)CARE AA; Stable (08-Oct-18)	1)CARE AA; Stable (11-Sep-17)
3.	Debentures-Non Convertible Debentures	LT	210.00	CARE AA; Stable	-	1)CARE AA; Stable (05-Jul-19)	1)CARE AA; Stable (08-Oct-18)	1)CARE AA; Stable (11-Sep-17)
4.	Debentures-Non Convertible Debentures	LT	500.00	CARE AA; Stable	-	1)CARE AA; Stable (05-Jul-19)	1)CARE AA; Stable (08-Oct-18)	1)CARE AA; Stable (11-Sep-17)
5.	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (08-Oct-18)	1)CARE AA; Stable (11-Sep-17)
6.	Debentures-Non Convertible Debentures	LT	1500.00	CARE AA; Stable	-	1)CARE AA; Stable (05-Jul-19)	1)CARE AA; Stable (08-Oct-18)	1)CARE AA; Stable (08-Nov-17)
7.	Debentures-Non Convertible Debentures	LT	250.00	CARE AA; Stable	-	1)CARE AA; Stable (22-Nov-19)	-	-

Annexure-3: Detailed explanation of covenants of the rated instrument – Not Applicable

Annexure-4: List of subsidiaries, associates and joint ventures of TPCL getting consolidated (list as on March 31, 2020)

Sr.No.	Name of the company	% shareholding of TPCL
1	Af-Taab Investment Co. Ltd.	100.00%
2	Tata Power Solar Systems Ltd.	100.00%
3	Tata Power Trading Co. Ltd.	100.00%
4	Maithon Power Ltd.	74.00%
5	NELCO Ltd.	50.04%
6	Tata Power Renewable Energy Ltd.	100.00%
7	TP Renewable Microgrid Limited (formerly known as Industrial Power Utility Ltd.)	100.00%
8	Coastal Gujarat Power Ltd.	100.00%
9	Tata Power Green Energy Ltd.	100.00%
10	Tata Power Jamshedpur Distribution Ltd.	100.00%
11	Bhira Investments Pte. Ltd.	100.00%
12	Bhivpuri Investments Ltd.	100.00%
13	Khopoli Investments Ltd.	100.00%
14	Trust Energy Resources Pte. Ltd.	100.00%
15	Tata Power Delhi Distribution Ltd.	51.00%

Sr.No.	Name of the company	% shareholding of TPCL
16	TP Ajmer Distribution Ltd.	100.00%
17	Tata Power International Pte. Ltd.	100.00%
18	NDPL Infra Ltd	51.00%
19	Energy Eastern Pte. Ltd. (merged with Trust Energy Resource Pte Ltd w.e.f June 10, 2019)	100.00%
20	Nivade Windfarm Ltd.	100.00%
21	Supa Windfarm Ltd.	100.00%
22	Tatanet Services Ltd.	50.04%
23	Poolavadi Windfarm Ltd.	100.00%
24	Indo Rama Renewables Jath Ltd.	100.00%
25	Walwhan Renewable Energy Ltd.	100.00%
26	Clean Sustainable Solar Energy Pvt. Ltd.	99.99%
27	Dreisatz Mysolar24 Pvt. Ltd.	100.00%
28	MI Mysolar24 Pvt. Ltd.	100.00%
29	Northwest Energy Pvt. Ltd.	100.00%
30	Solarsys Renewable Energy Pvt. Ltd.	100.00%
31	Walwhan Solar Energy GJ Ltd.	100.00%
32	Walwhan Solar Raj Ltd.	100.00%
33	Walwhan Solar BH Ltd.	100.00%
34	Walwhan Solar MH Ltd.	100.00%
35	Walwhan Wind RJ Ltd.	100.00%
36	Walwhan Solar AP Ltd.	100.00%
37	Walwhan Solar KA Ltd.	100.00%
38	Walwhan Solar MP Ltd.	100.00%
39	Walwhan Solar PB Ltd.	100.00%
40	Walwhan Energy RJ Ltd.	100.00%
41	Walwhan Solar TN Ltd.	100.00%
42	Walwhan Solar RJ Ltd.	100.00%
43	Walwhan Urja Anjar Ltd.	100.00%
44	Chirasthaayee Saurya Ltd.	100.00%
45	Nelco Network Products Ltd.	50.04%
46	Vagarai Windfarms Ltd.	72.00%
47	Walwhan Urja India Ltd.	100.00%
48	TP Solapur ltd	100.00%
49	TP Kirnali Ltd	100.00%
50	Far Eastern Natural Resources LLC	100.00%
51	Tubed Coal Mines Ltd.	40.00%
52	Mandakini Coal Company Ltd.	33.33%
53	Industrial Energy Ltd.	74.00%
54	Powerlinks Transmission Ltd.	51.00%
55	Dugar Hydro Power Ltd.	50.00%
56	PT Kaltim Prima Coal	30.00%
57	Indocoal Resources (Cayman) Ltd.	30.00%
58	PT Indocoal Kaltim Resources	30.00%
59	Candice Investments Pte. Ltd	30.00%
60	PT Nusa Tambang Pratama	30.00%
61	PT Marvel Capital Indonesia	30.00%

Sr.No.	Name of the company	% shareholding of TPCL
62	PT Dwikarya Prima Abadi	30.00%
63	PT Kalimantan Prima Power	30.00%
64	PT Baramulti Sukessarana Tbk	26.00%
65	Adjaristsqali Netherlands B.V.	40.00%
66	Koromkheti Netherlands B.V.	40.00%
67	Indocoal KPC Resources (Cayman) Ltd.	30.00%
68	Resurgent Power Ventrues Pte Limited	26.00%
69	Yashmun Engineers Ltd.	27.27%
70	Dagachhu Hydro Power Corporation Ltd.	26.00%
71	Tata Projects Ltd.	47.78%
72	Brihat Trading Pvt. Ltd.	33.21%
73	The Associated Building Co. Ltd.	33.14%

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

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****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

India Ratings & Research
A Fitch Group Company

India Ratings Assigns Tata Power Company's Additional NCDs 'Provisional IND AA'/Stable & CP 'IND A1+'; Affirms Existing Ratings

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APR 2020

By Nitin Bansal

India Ratings and Research (Ind-Ra) has taken the following rating actions on Tata Power Company Limited (TPCL):

Instrument Type	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (billion)	Rating/Outlook	Rating Action
Long-Term Issuer Rating	-	-	-	-	IND AA/Stable	Affirmed
Proposed non-convertible debentures (NCDs)*	-	-	-	INR30	Provisional IND AA/Stable	Assigned
Commercial Paper	-	-	7-365 days	INR130	IND A1+	Assigned
NCDs**	-	-	-	INR32.2	IND AA/Stable	Affirmed

* The final rating will be assigned following the final issuance and the receipt of the final documentation, conforming to the information already received by Ind-Ra.

** Details in Annexure

Analytical Approach: Ind-Ra continues to take a consolidated view of TPCL and its subsidiaries to arrive at the ratings, owing to operational, strategic and legal linkages among them.

KEY RATING DRIVERS

Stable Cash Flow from Regulated Business: TPCL's credit profile continues to benefit from its stable cash flows, given the regulated cost-plus nature of its Mumbai and Delhi power distribution business, generation business (Maithon Power Limited) and the fixed price, single-part tariff nature of the renewable portfolio. The regulated and fixed price businesses contributed 90%-95% to the overall EBITDA during FY18-9MFY20 (9MFY20: INR59.14 billion, FY19: INR63.5 billion, FY18: INR59.2 billion). The credit profile also benefits from the long-term nature of the power purchase agreements (PPAs) and the license validity for the distribution businesses. However, TPCL's credit profile and cash flows continue to be affected by the losses incurred at Coastal Gujarat Power Limited (CGPL, 'IND A-'/Stable), offset to some extent by the profits earned in the coal mining business.

Diversified Asset Base: TPCL has presence across the distribution, transmission and generation segments. On the generation side, TPCL's consolidated capacity of 10.8GW capacity is diversified across thermal (67%), wind (11%), solar (16%) and hydro sources (6%).

Delay in Implementation of HPC Recommendations; CGPL Operations Continued: In July 2018, the government of Gujarat constituted a high power committee (HPC) to resolve the issues of imported coal-based power projects in Gujarat, including CGPL. The HPC's key recommendations, which were announced in October 2018, include: a) passing through fuel costs, subject to a cap of USD110 per tonne; (b) lenders sacrificing a fixed deduction of 20paise/kWh; (c) TPCL sharing 100% of profits from Indonesian mines subject to a floor of 15paise/kWh against the coal used for CGPL operations; and (d) increasing the normative plant availability factor to 90% from 80% for the same capacity charges. The revised terms will be applicable retrospectively from 15 October 2018. After the announcement of the HPC's recommendations, in January 2019, the Supreme Court ruled that PPAs could be amended with distribution companies (discoms) subject to the Central Electricity Regulatory Commission's approval.

CGPL has held discussions with counterparties to amend the PPAs, and some states have indicated that they are agreeable towards the implementation of the HPC's recommendations; however, the supplementary PPAs have not been signed yet. As per the management, the discoms of Gujarat (PPA of 1,805MW), Maharashtra (760MW) and Punjab (475MW), which constitute 80% of the tied-up capacity of 3,800MW, may be able to obtain approvals quickly and the resolution to supply power can be implemented for them. CGPL had also planned to shut down the plant operations during March 2020; however, it suspended the plan in view of the likelihood of speedier resolution and keeping in mind the requirements of beneficiaries on account of the COVID-19 pandemic. Therefore, CGPL has decided to resume its operations at its Mundra plant and supply power to all its beneficiaries in a phased manner with effect from 1 April 2020.

Ind-Ra estimates that CGPL's under recovery on fuel cost would now reduce to 33-35paise/unit from around 43paise/unit in 9MFY20 (FY19: 84paise/unit) if the HPC recommendations are implemented, as the under-recovery has already fallen on account of a decline in coal prices to around USD51.5/tonne in 9MFY20 (FY19: USD60.3/tonne). Further the downside risk remains low in case of any upward increase in the coal prices post the implementation of the HPC's recommendations. TPCL is also exploring other cheaper sources of coal to reduce the under-recovery in CGPL. In addition, the company has acquired a long-term coal mining license in Russia to explore cheaper coal supply for CGPL.

Decline in International Coal Prices impacts Mining Profitability: During 9MFY20, the coal mining business's profit after tax declined to INR2.8 billion (9MFY19: INR8 billion), as the realisations fell to USD55.6/tonne while the volumes remained at 46.8 million tonnes. The decline in profit after tax, however, was restricted to some extent during 9MFY20, as the fall in coal prices resulted in a lower impact of the domestic market obligation (DMO). As per the DMO policy, Indonesian coal mining firms are required to sell at least 25% of their production to the domestic market at a capped price of USD70/tonne mapped to the HBA index (9MFY20: USD73.3/tonne, 9MFY19: USD97.1/tonne, FY19: USD97/tonne). TPCL's share of mining profit also declined to INR10 billion in FY19 due to the DMO obligation (FY18: INR14 billion). The DMO obligations were initially imposed in 2018 and were subsequently extended to 2019 and 2020. However, an increase in the coal prices in the near future and continuation of domestic market obligations would lead to mining profits remaining low, thereby impacting TPCL's adjusted financial profile. Furthermore, the licence of its key coal mine, PT Kaltim Prima Coal, will expire in 2021 and TPCL is applying for an extension and is likely to get an extension for the next 10 years.

Capacity Expansion in Renewables: TPCL holds renewable capacities through Tata Power Renewable Energy Limited (TPREL; 'IND AA'/Stable; 1,124MW operational and 700MW under construction), Walwhan Renewable Energy Limited (WREL; 1,010MW operational) and its own renewable capacity (376MW). TPCL's renewable energy portfolio stood at 3.3GW in December 2019 (June 2019: 2.9GW, operational: 2.6GW, under-construction: 0.7GW), excluding the capacity from the Cennergi asset (asset held for sale).

The overall credit profile of the renewable assets remained comfortable at FYE19, with gross leverage (debt/EBITDA) of 4.8x (FYE18: 5.2x) and interest coverage (gross EBITDA/interest expense) of 2.4x (2.3x). However, the leverage is likely to have increased in FY20, given the lower plant load factor across assets and increased working capital requirements. Given that the bulk of the incremental capex is being deployed in renewable assets, the overall leverage is higher than expected. The gross leverage in WREL did not improve (FY19: 3.98x, FY18: 4.3x) as expected during 9MFY20 as the EBITDA declined (9MFY20: INR8.1 billion, 9MFY19: INR8.5 billion), owing to the low PLFs across the portfolio, while the debt levels fell only marginally to INR49.4 billion (FYE19: INR49.7 billion). Ind-Ra expects the gross debt at WREL to have increased by end-FY20 as the payment from the counterparties is likely to have been slow; consequently, the gross leverage is likely to have increased beyond 4.25x by year-end. WREL's average tariff is upwards of INR7/kWh, which exposes it to a greater tariff risk, given the discom behaviour seen across states. TPREL's leverage also remained high at 6.5x in 9MFY20 (FY19: 6.6x; FY18: 7.6) because of new projects and high debtor days. TPCL intends to increase its non-fossil capacity to 40%-50% in the medium term from 30% at FYE19.

Gross Borrowings Remain Elevated: TPCL's gross debt continued to be high at INR477 billion in 9MFY20 (FY19: INR485 billion, FY18: INR486 billion), with standalone debt of INR172 billion (FYE19: INR174 billion, FYE18: INR164 billion). The standalone debt at TPCL remained high as the company had to infuse nearly INR89 billion in CGPL post the commissioning for funding losses and raised INR39 billion towards the acquisition of WREL. On a consolidated basis too, bulk of the debt is on account of CGPL (INR87 billion), coal special purpose vehicles (SPVs; INR67 billion) and renewable assets (INR112 billion). The gross debt also includes loan against dividends from the coal mines (9MFY20: INR21 billion, FY19: INR27.4 billion, FY18: INR23.4 billion) to the coal SPVs. During FY20, the cash flows from sale of non-core assets remained low on account of i) delay in approval for the sale of the Strategic Engineering Division business (upfront estimate of INR10 billion); ii) realisation of the stake sale proceeds of Cennergi asset (around USD106 million) on 1 April 2020; iii) and lower realisation of around INR2.2 billion from the pending sale proceeds of the Artumin mines.

However, the capex towards capacity addition in the renewable business, capex in the distribution business of Delhi and Mumbai and the overall increase in working capital borrowings led to the overall debt remaining high. Any reduction in debt levels during FY21 would be contingent upon further non-core asset sales, lowering of losses in CGPL post amendments to the existing PPAs by other states in line with the Gujarat amendment, lower-than-historical capex intensity in the renewable businesses and different options being explored by the group for freeing up capital in the renewable business.

Stretched Credit Metrics, but Net Leverage Witnesses Improvement: During 9MFY20**,** TPCL's consolidated net leverage (net debt/EBITDA) remained high but improved to 6.6x (FYE19: 7.6x, FYE18: 8.1x), while the interest coverage (interest expenses/EBITDA) improved to 1.7x (1.6x, 1.6x). However, adjusting for TPCL's share of profit in the coal mines (addition of TPCL's share of PAT (90%) with the consolidated EBITDA and reducing the debt by pending dividend in the coal SPVs), the net leverage stood at 5.9x in 9MFY20 (FY19: 6.27x, FY18: 6.23x). The improvement in net leverage on an adjusted basis in 9MFY20 is attributed to the narrowing of losses in CGPL due to the decline in coal prices.

Ind-Ra expects the net adjusted leverage to reduce below 5.5x in FY21 case of the successful renegotiation of CGPL's PPAs in line with HPC recommendations with all counterparties, timely asset monetisation as per Ind-Ra expectations, and lower capex outflow in the renewable business. The company is also evaluating all options to see recyclability of capital in the renewable portfolio.

Non-Core Asset Divestment to Aid Deleveraging: TPCL intends to focus on the core domestic power business, including generation, transmission and distribution. In line with the strategy, the company has decided upon the sales of non-core assets within and outside India that are worth a total of INR80 billion. In FY20, TPCL realised around USD33 million from the pending sale proceeds of Arutmin mines (total realisation USD193 million of USD400 million). The company also realised the sale proceeds of its entire 50% stake in Cennergi, a South African joint venture, of USD106 million on 1 April 2020. TPCL expects to realise the balance of around INR70 billion over FY21-FY22 through the sale of the following: i) its strategic engineering division; ii) its stake in Tata Projects Limited ('IND AA'/Stable); iii) the pending consideration of the Arutmin mines; iv) the sale of its overseas hydro assets in Georgia and Zambia; and v) the divestment of its stake in the shipping business and the sale of free land parcels.

Part of Tata Group: The ratings continue to benefit from TPCL being a part of the TATA group. Tata Sons Limited (debt rated at 'IND A1+'), which held a 36.1% stake in TPCL as of 31 December 2019, has supported the company by infusing INR15 billion worth of perpetual securities in FY12. Moreover, Tata Sons has demonstrated its ability and willingness to support TPCL. TPCL is the fifth-largest investment in the books of Tata Sons after Tata Steel Limited ('IND AA'/Stable), Tata Teleservices Limited, Tata Motors Limited and Tata Capital Limited.

Liquidity Indicator: Adequate; Refinancing Capability being Part of Tata Group: Ind-Ra expects TPCL's cash flow from operations post interest payments to remain insufficient to meet the scheduled debt repayments of about INR62 billion in FY21. However, the company's liquidity would be supported by the following factors: i) the expected sale proceeds from the planned divestment during FY21; ii) the outstanding cash balances of around INR19.8 billion; iii) unutilised fund-based limits at various subsidiaries to the tune of around INR50 billion; and iv) refinancing under the long-term repo operations window to the tune of INR30 billion. Furthermore, TPCL, being part of the Tata Group, has financial flexibility with regards to accessing financial institutions and banks for timely refinancing. In addition, TPCL's short-term debt remained high at around 28% of the total borrowings at FYE19 (FYE18: 38%) on account of the high usage of CP (outstanding around INR67 billion at FYE20).

TPCL's standalone liquidity continues to be tight on account of its high debt-servicing requirement for FY21 (estimated at INR32 billion, including INR16 billion of repayments), which remains lower than its estimated EBITDA of INR22 billion-24 billion in FY21. Also, on a standalone basis, TPCL had outstanding CP worth INR55 billion at FYE20. Hence, the company is likely to refinance a part of the repayments and roll over its debt in the commercial markets. However, TPCL's standalone liquidity is supported by low utilisation (average 19% over the 12 months ended March 2020) of its fund-based limits of INR25.5 billion, and cash balances of INR1.75 billion at FYE20.

TPCL has planned capex of around INR12 billion for its regulated business and INR12 billion-13 billion for its renewable business in FY21, which would be funded largely through fresh borrowings and partly through internal accruals. However the capex is likely to be deferred by a quarter amid the COVID-19 lockdown, and hence, the capex required may decline to that extent.

Exposure to Regulatory Risks: TPCL's regulated business provides for the pass-through of operating costs based on certain normative parameters, which are subject to approval/examination by regulatory bodies. Thus, the business is exposed to frequent disputes/litigation and other risks.

RATING SENSITIVITIES

Positive: Consolidated net adjusted leverage reducing below 3.0x on a sustained basis would lead to a positive rating action.

Negative: Any significant debt-funded capex without equity infusion, any delay in the realisation of the proceeds from divestments and/or any further purely debt-funded acquisition and/or inability in or higher-than-expected time for implementation of HPC recommendations, leading to the consolidated net adjusted leverage remaining above 5.5x on a sustained basis, would lead to a negative rating action.

COMPANY PROFILE

Formed in 1915, TPCL is one of the largest private sector companies in the domestic power sector, with presence across the entire value chain. It has presence in generation (10.8GW), transmission (Mumbai Transmission with 1,100Ckm of 220KV/110kV lines and powerlink transmission connecting West Bengal to Uttar Pradesh with 1,166km of 400kV double circuit) and distribution (Mumbai distribution with 0.6 million customers and Delhi distribution with 1.3 million customers through a 51:49 joint venture with the government of Delhi). TPCL holds renewable capacities through TPREL and WREL and own renewable capacity. TPCL is also engaged in power trading, coal mining, logistics, solar module manufacturing, and engineering, procurement and construction services.

FINANCIAL SUMMARY (CONSOLIDATED)

Particulars	9MFY20	FY19	FY18
Revenue (INR billion)	220.7	294.93	264.3
Operating EBITDA (INR billion)	59.14	63.57	59.15
EBITDA margin (%)	26.8	21.55	22.38
Total debt (INR billion)*	483.02	492.56	493.39
Interest coverage (x)	1.74	1.52	1.57
Source: TPCL, Ind-Ra * includes INR7.5 billion of unsecured perpetual securities as per Ind-Ra's Criteria on Treatment and Notching of Hybrids in Nonfinancial Corporates			

FINANCIAL SUMMARY (STANDALONE)

Particulars	9MFY20	FY19	FY18
Revenue (INR billion)	54.22	76.88	73.01
Operating EBITDA (INR billion)	17.70	23.74	23.59
EBITDA margin (%)	32.60	30.88	32.31
Total debt (INR billion)*	179.11	182.03	171.96
Interest coverage (x)	1.54	1.58	1.65
Source: TPCL, Ind-Ra * includes INR7.5 billion of unsecured perpetual securities as per Ind-Ra's Criteria on Treatment and Notching of Hybrids in Nonfinancial Corporates			

RATING HISTORY

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook		
	Rating Type	Rated Limits (billion)	Rating	29 November 2019	17 July 2018	21 November 2017
Issuer rating	Long-term	-	IND AA/Stable	IND AA/Stable	IND AA/Stable	IND AA/Stable
NCDs	Long-term	INR62.2	IND AA/Stable	IND AA/Stable	IND AA/Stable	IND AA/Stable
CP	Short Term	INR130	IND A1+			

ANNEXURE

Instrument Type	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (billion)	Rating/Outlook
NCDs	INE245A08091	16 November 2017	7.99	16 November 2020	INR3	IND AA/Stable
NCDs	INE245A08109	16 November 2017	7.99	16 November 2021	INR3	IND AA/Stable

NCDs	INE245A08117	16 November 2017	7.99	16 November 2022	INR3	IND AA/Stable
NCDs	INE245A08125	16 November 2017	7.99	16 November 2023	INR3	IND AA/Stable
NCDs	INE245A08133	16 November 2017	7.99	15 November 2024	INR3	IND AA/Stable
NCDs	INE245A08141	21 November 2019	9.00	21 February 2025	INR2.5	IND AA/Stable
NCDs	INE245A08158	21 November 2019	8.84	21 November 2022	INR5	IND AA/Stable
NCDs	INE245A08166	21 November 2019	8.84	21 February 2023	INR7.5	IND AA/Stable
NCDs	INE245A07432	14 November 2019	KOTAK 6M MCLR+0.35%	31 March 2028	INR 2.2	IND AA/Stable
Total					INR 32.2	

COMPLEXITY LEVEL OF INSTRUMENTS

For details on the complexity level of the instrument, please visit https://www.indiaratings.co.in/complexity-indicators.

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DISCLAIMER

Applicable Criteria

Corporate Rating Methodology
Treatment and Notching of Hybrids in Nonfinancial Corporates

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