

TATA POWER Q1 FY13 RESULTS SHOW IMPROVED NET INCOME AND REVENUES

- **Tata Power Group's Q1 Consolidated Revenue at Rs. 7253.89 crore up 25%; Q1 Standalone Revenue at Rs. 2284.10 crore, up 19%**
- **Consolidated PAT stood at Rs. 145.93 crore compared to Rs. (628.74 crore) in Q4FY12**
- **Standalone PAT stood at Rs 312.30 crore, up 11% due to strong operational performance of power business**
- **Company files petition with CERC for tariff revision for Mundra UMPP. Unit 2 of Mundra UMPP achieves commercial operation in record time.**

EDITORIAL SYNOPSIS:

- **Consolidated Q1 FY13** Consolidated Revenue for the quarter up by 25% at Rs. 7253.89 crore as compared to Rs 5824.51 crore in Q1FY12
- Consolidated PAT at Rs.145.93 crore as compared to Rs. (628.74 crore) in Q4FY12

Standalone Q1 FY13

- Revenues for the quarter up 19% at Rs. 2284.10 crore as compared to Rs 1921.24 crore in Q1FY12
- PAT stood at Rs. 312.30 crore, up 11%, as compared to Rs 281.56 crore in Q1FY12

Key Business & Growth Highlights

- Generation capacity crosses 6000 MW
- Achieves Commercial Operations of 525 MW Unit 2 at Maithon Project and 800 MW Unit 2 of Mundra UMPP
- Department of Energy, Government of South Africa announced Cennergi (South African JV with Exxaro) as preferred bidder for two wind projects of 234 MW
- Signs a long term coal supply agreement and right to 26% ownership with PT Antang Gunung Meratus, Indonesia
- 25 MW Solar plant in Mithapur crosses 11000 MWh units milestone

Mumbai, August 8th, 2012: Tata Power, India's largest integrated power company today announced its results for the quarter ended June 30th, 2012.

PERFORMANCE HIGHLIGHTS Q1FY13: CONSOLIDATED

- On the Consolidated basis, Tata Power's Q1 FY13 Revenues increased 25% to Rs. 7253.89 crore as compared to Rs. 5824.51 crore in corresponding quarter last year.
- PAT stood at Rs. 145.93 crore as compared to Rs. (628.75 crore) in Q4FY12 and Rs. 430.44 crore in Q1FY12. This is mainly due to lower profit in Coal Companies owing to lower price realization and higher cost of production, higher interest and depreciation cost due to commissioning of Mundra and Maithon units and reversal of revenues due to change in effective date of MYT regulations in Mumbai.
- On consolidated Segment-wise performance for the quarter, Revenues from Power business has increased by 30% at Rs. 4824.01 crore as compared to Rs. 3720.30 crore in the corresponding quarter last year. Revenue from Coal Business was up by 14% at Rs. 2265.04 crore as compared to Rs. 1990.69 crore in the corresponding period last year. PBIT from Power Business was at Rs. 578.24 crore as against Rs. 627.0 crore in the previous quarter last year, a reduction Rs. 155 crore mainly due to shifting of MYT regime to 2012-13 onwards in Mumbai. PBIT from Coal Business stood at Rs. 257.61 crore as compared to Rs. 750.07



crore reported in the corresponding quarter last year. Profits were lower in Coal Companies due to lower price realization and higher cost of production. Last year's PBIT was after capitalization of Rs. 210.65 crore of deferred stripping costs. From 1st Jan 2012 no capitalization of deferred stripping cost is being done.

PERFORMANCE HIGHLIGHTS Q1 FY13: STANDALONE

- During the quarter, Company's standalone results reflected a robust financial and operational performance.
- Standalone Revenue grew to Rs. 2284.10 crore, up 19% as against Rs. 1921.24 crore in Q1 FY12.
- PAT stood at Rs. 312.30 crore as compared to Rs. 281.56 crore in corresponding period last year due to strong operational performance inspite of the reversal of revenues due to change in effective date of MYT regulations in Mumbai s impacting profits of Rs 155 crore. During the quarter, other income stood at 345.59 crore as against Rs 247.58 crore in the corresponding quarter last year.

Commenting on the Company's performance, Mr. Anil Sardana, Managing Director, Tata Power said, *"During first quarter of FY13, the Company reported revenue growth of about 20% and profit growth of about 10% which is highly satisfying. All our projects and subsidiaries by and large have performed well. Tata Power's generation capacity crossed 6000 MW with commissioning of 800 MW unit 2 of the Mundra UMPP, reinforcing our position as the largest integrated power company in India. The Company crossed 11000 MWh of generation units at Mithapur Solar plant which is a significant milestone that demonstrates efficiency and state of art technology used at the plant. Our Coal Companies posted lower realization due to global economic slowdown and falling coal prices.*

By signing the coal supply agreement with PT Antang Gunung Meratus, we have taken proactive steps to ensure imported coal supply for our upcoming power projects to be developed for next 5 years."

OPERATIONAL HIGHLIGHTS:

During the quarter under review, the Company continued its robust operations. Sales volume for the quarter stood at 4227 MUs as compared to 3932 MUs in Q1 FY12. The overall generation was 4259 MUs up 10% as compared to 3889 MUs reported in corresponding quarter last year. Trombay Thermal Power Station generated 2542 MUs as compared to 2445 MUs in the corresponding quarter last year. Hydro Power Stations generated 389 MUs as compared to 362 MUs. Jojobera Thermal Power Station generated 814MUs as compared to 663 MUs and Haldia reported generation of 227 MUs as compared to 219 MUs in the corresponding quarter last year. Industrial Energy Limited (IEL) reported generation of 457 MUs as compared to 399 MUs. Wind Farms performed well and generated 256 MUs as compared to 154 MUs in the corresponding quarter last year. Solar plant recorded generation of 1 MU as compared to 1 MU in Q1FY12.

BUSINESS HIGHLIGHTS: KEY SUBSIDIARIES

- **Coastal Gujarat Power Limited (CGPL):** CGPL, an SPV formed for setting up and operating the 4000 MW Mundra UMPP announced synchronization of its 800 MW sized Unit 2 on 19th July and commercial operations on 30th July 2012. Unit 1 is in operation. Work on Units 3, 4 and 5 of the project is on track and progressing well. Blending of 70% low grade coal has been achieved successfully. CGPL posted Revenues of Rs. 285.07 crore in Q1FY13. PAT stood at Rs. (164.78) crore and is mainly due to first unit being operational. The unexpected rise in coal price has not only affected our Mundra project but all imported coal based projects. Senior leaders from the industry met Hon'ble PM and requested PMO to resolve this issue. Further, Tata Power had contracted coal from Indonesia on terms, which were mirror of bid tariff for coal for CGPL. However, since Indonesian Government has changed the export norms for coal from their country, Tata Power can't get imported coal based on contracted terms. CGPL has also filed a petition with CERC for revision of tariff.
- **Maithon Power Limited (MPL):** The 74:26 Joint Venture between Tata Power and Damodar Valley Corporation (DVC) commissioned second Unit of 525 MW (Unit 2) in Dhanbad, Jharkhand under the requisite



standard requirements. The first Unit of 525 MW (Unit 1) was commissioned in September 2011. Revenues for Q1FY13 stood at Rs. 192.53 crore and PAT stood at Rs. (17.81) crore.

- **Industrial Energy Limited (IEL):** The Company reported Revenues of Rs. 145.22 crore, increase of 33% and PAT of Rs. 21.29 crore, up 7% over last year.
- **Tata Power Renewable Energy Limited (TPREL):** 25 MW Solar plant in Mithapur crossed 11000 MWh generation units milestone in record time. Q1FY13 Revenues stood at Rs. 16.66 crore and PAT was at Rs. 1.23 crore.
- **Tata Power Delhi Distribution Limited:** The Company's distribution subsidiary and Joint-Venture with Delhi Government, posted revenues of Rs. 1431 crore up 16% as compared to corresponding quarter last year. PAT stood at Rs.73.90 crore and is not comparable mainly because in the previous year the Appellate Tribunal of Electricity had upheld certain claims of the company. Consequently, an amount of Rs 122.57 Crores had been accounted for as revenue during the quarter ended 30th June 2011.
- **Powerlinks Transmission Limited (Powerlinks):** Powerlinks, the first public-private Joint-Venture in power transmission in India reported Revenues of Rs. 67.94 crore in Q1 FY13 as compared to Rs.69.61 crore in Q1 FY12. PAT stood at Rs. 26.24 crore, up 3% as compared to Q1 FY12.
- **Tata Power Trading Company Limited (TPTCL):** TPTCL traded a total of 1615 MUs during the quarter, resulting in revenues of Rs. 644.16 crore, as compared to Rs. 662.14 in Q1 FY11. PAT stood at Rs. 5.38 crore, as compared to Rs. 5.85 crore in Q1FY12.
- Standard & Poor's Rating Services (S&P) affirmed its 'BB-' long term corporate credit rating on Tata Power and BB- issue rating on the Company's senior unsecured notes. At the same time it revised its outlook on Tata Power to negative from stable.

GROWTH PLANS:

Tata Power crossed 6000 MW capacity mark. Some of the projects in pipeline are:

Kalinganagar, Orissa 3x67.5 MW (Gas based) +3x150 MW (Coal + gas based): The project is being executed through Industrial Energy Limited, a JV of the Company with Tata Steel Limited. Tata Steel has obtained Environment Clearance (EC) for gas based plant along with their steel plant. Civil construction work has commenced and order for major equipments have been placed.

236 MW Dugar Hydro Power Project: Tata Power - SN Power Consortium JV won the bid for 236 MW Dugar Hydro Power Project in Himachal Pradesh. Pre-feasibility studies are under progress by the joint project team. The project will primarily feed the Northern grid.

1600 MW Coastal Maharashtra Project: All statutory clearances required to start the project implementation are in place. The Rehabilitation and Resettlement (R & R) Authority of the Government of Maharashtra has approved the R & R proposal made by Tata Power. Land acquisition is in progress. Economic options for coal sourcing and logistics are under evaluation.

1980 MW Tiruldi Power Project, Jharkhand: The process of land acquisition for the project is in progress. In-principle clearance has been received from Railways for transportation of coal from Tubed Coal Block. The Company has successfully extended MoU with Government of Jharkhand which is valid for 3 years.

660 MW Naraj Marthapur Project, Orissa: The major clearances for the project have been obtained. The environment clearance has been granted by MoEF, subject to clearance from National Board of Wild Life for which the

process is on. Proposal for using clean technology is also under discussion for this project.

International Projects:

Cennergi: Department of Energy, Government of South Africa announced Cennergi (our South African Joint Venture with Exxaro) as preferred bidder for two wind projects of 234 MW - Amakhala 139 MW and Tsitsikamma 95 MW projects.

Tata Power has signed a **long term coal supply agreement with PT Antang Gunung Meratus, Indonesia**, a 100% subsidiary of the Indonesian company PT Baramulti Sukses Sarana ("BSSR"). In order to secure the coal supplies, the Company, through its 100% subsidiary Khopoli Investments Limited ("Khopoli"), has also entered into an agreement which gives Khopoli an option, subject to necessary approvals, to take up to a 26% stake in BSSR. AGM and BSSR own approximately 1 billion tonnes of coal resources in South and East Kalimantan in Indonesia.

114 MW Dagachhu Project: is being developed in partnership with The Royal Government of Bhutan (RGoB). Major ordering for the project has been completed and PPA for the entire quantum of power has been signed for the project. The excavation of emergency tunnel and tail race tunnel completed. Invert lining of connection tunnel is in progress. For Head race tunnel, more than 55% of tunnel excavation completed. Cumulatively around 7 kms of tunnelling has been completed. More than 99% of engineering and 95% of manufacturing activities are completed. Currently assembly of Generator Transformers and erection of EOT crane in Power House is in progress. All efforts are being made to commission the unit by 2013.

Geothermal Power: Tata Power along with consortium partners Origin Energy and PT Supraco, won 240 MW Sorik Marapi Project in Indonesia. The Environmental Permits were received in May, 2012. Application of Forestry Permit is in the final stage of approval. The vendor for Engineering Design & Quantity Survey contract has mobilized at site and work started. Evaluation of vendors for General Civil Works is under finalization. On receipt of the Letter of Assignment, kickoff meeting for PPA with State Power Off taker was held in May, 2012.

AWARDS AND RECOGNITIONS:

- Trombay Thermal Power Station bagged the Gold Award in the power sector category awarded by Greentech foundation for maintaining high standard of workplace safety.
- Transmission Division bagged the silver award in the power sector category awarded by Greentech foundation for maintaining high standard of workplace safety.
- Jojobera thermal power station was conferred the Golden Peacock Environment Award for 2012
- Haldia plant bagged 5 INSAAN Awards.

About Tata Power:

Tata Power is India's largest integrated power company with a significant international presence. The Company has an installed generation capacity of 6099 MW in India and a presence in all the segments of the power sector viz Generation (thermal, hydro, solar and wind), Transmission, Distribution and Trading. It has successful public-private partnerships in Generation, Transmission and Distribution in India namely "Tata Power Delhi Distribution Limited" with Delhi Vidyut Board for distribution in North Delhi, "Powerlinks Transmission Ltd." with Power Grid Corporation of India Ltd. for evacuation of Power from Tala hydro plant in Bhutan to Delhi and 'Maithon Power Ltd.' with Damodar Valley Corporation for a 1050 MW Mega Power Project at Jharkhand. It is one of the largest renewable energy players in India and is developing country's first 4000 MW Ultra Mega Power Project at Mundra (Gujarat) based on super-critical technology. Its international presence includes strategic investments in Indonesia through 30% stake in coal mines and a geothermal project; in Singapore through Trust Energy Resources to securitise coal supply and the shipping of coal for its thermal power generation operations; in South Africa through a joint venture called 'Cennergi' to develop projects in South Africa, Botswana and Namibia; in Australia through investments in enhanced geothermal and clean coal technologies and in Bhutan through a hydro project in partnership with The Royal Government of Bhutan. With its track record of technology leadership, project execution excellence, world class safety processes, customer care and driving green initiatives, Tata Power is poised for a multi-fold growth and committed to 'lighting up lives' for generations to come. Visit us at: www.tatapower.com.

Disclaimer Statement: Some of the statements in this document, except for the historical information, are forward-looking statements. These forward looking statements include references to growth projections, plans, strategies, intentions and beliefs concerning our business and operating environment. There are risks, uncertainties and other factors that may cause actual results to differ materially from those projected by these forward-looking statements.

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