

**TATA POWER**



The Tata Power Company Ltd

April 2011

Lighting up Lives!



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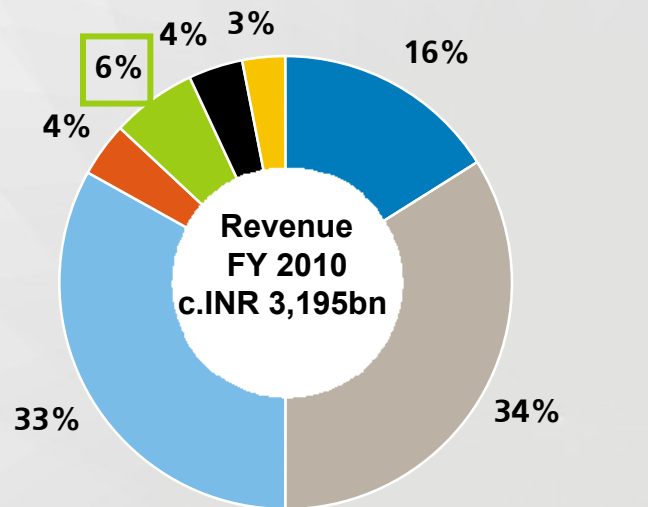
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# A Tata Group Company

## Revenue by business segments



Communications and Information systems



Energy



Consumer Products



Chemicals



Engineering



Materials



Services

## Listed Companies

## Shareholding (%)<sup>1</sup>

## Mkt Cap (\$ bn)<sup>2</sup>

Tata Consultancy Services	74.1	53.1
Tata Motors	34.9	18.0
Tata Steel	30.6 <sup>3</sup>	13.7
<b>Tata Power</b>	<b>31.8</b>	<b>7.1</b>
Titan	25.5	3.9
Tata Chemicals	31.3	2.1
Tata Communications	50.0 <sup>3</sup>	1.6
Indian Hotels	33.6	1.5
Tata Global Beverages	35.2	1.5
Voltas	30.6	1.4
Rallis	50.7	0.6
Tata Elxsi	45.1	0.6
Trent	31.3 <sup>3</sup>	0.4

### Notes:

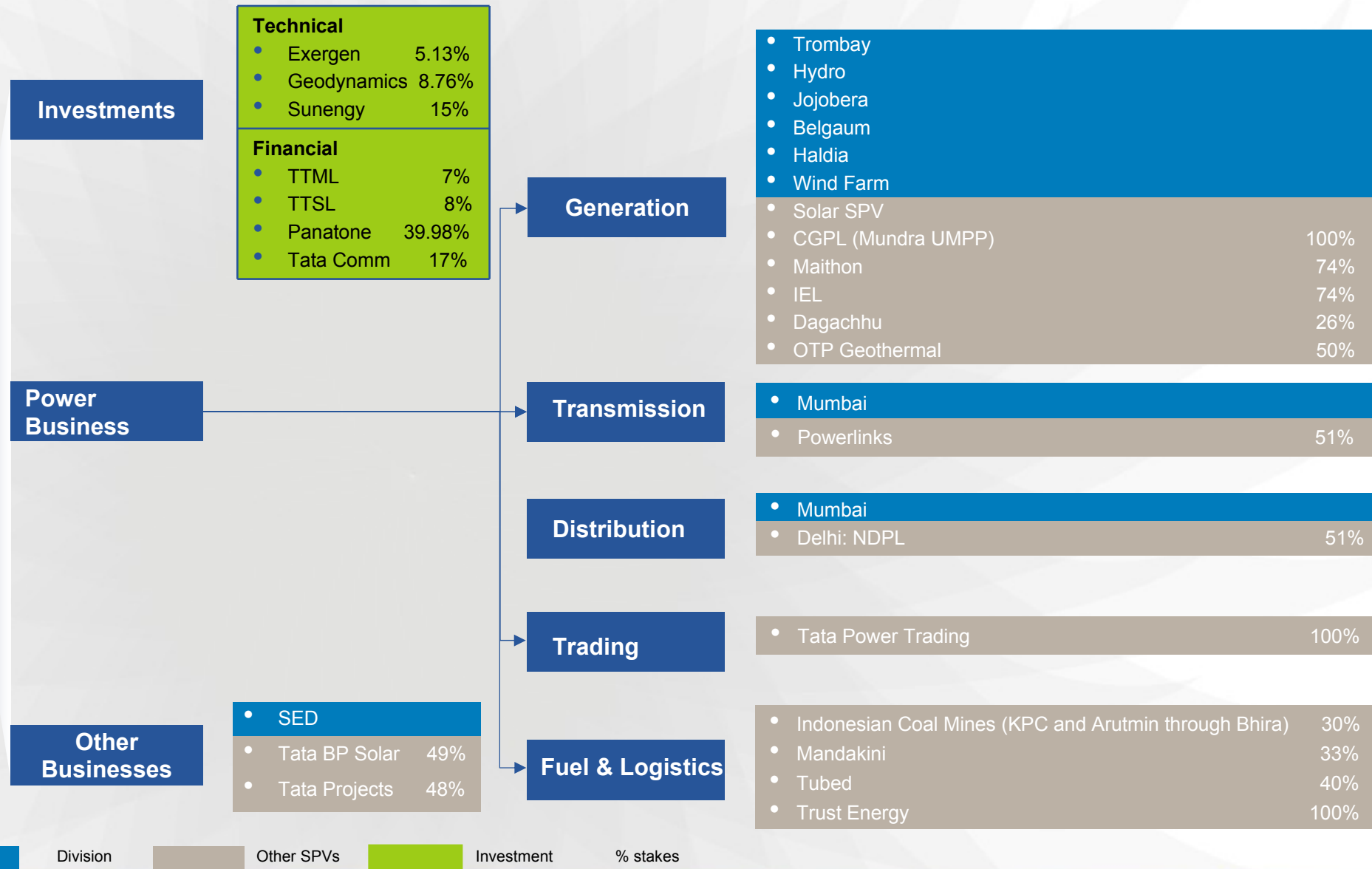
<sup>1</sup> As of 31 December 2010. Source: BSE website

<sup>2</sup> As of 08 April 2011; Conversion rate of 1US\$ = INR 44.08. Source: Tata group website

<sup>3</sup> Shareholding as of 31 March 2011. Source: BSE website



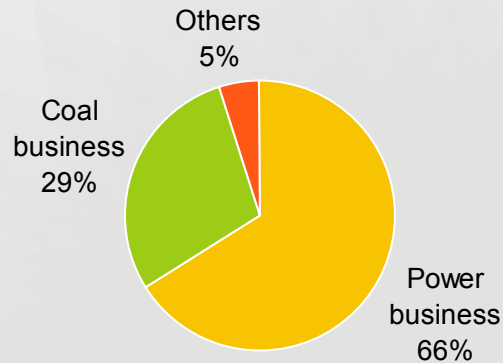
# Tata Power Company – Business Overview



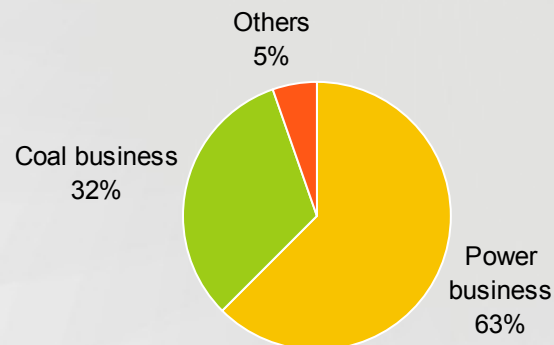
# Tata Power Company – Business Overview

## Revenue breakdown by segment

FY10 – INR 189.86bn

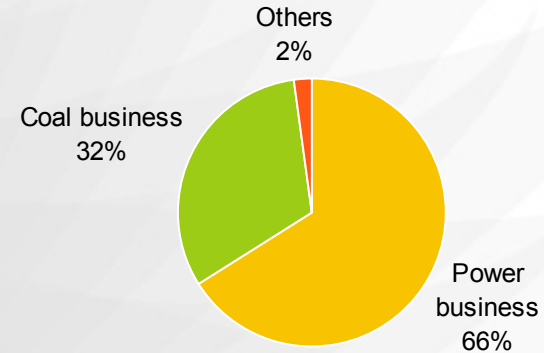


9MFY11 – INR 144.35bn

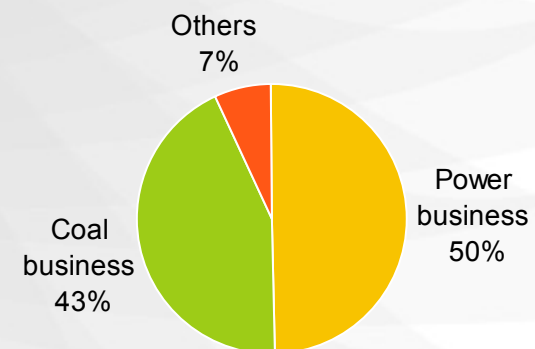


## PBIT breakdown by segment

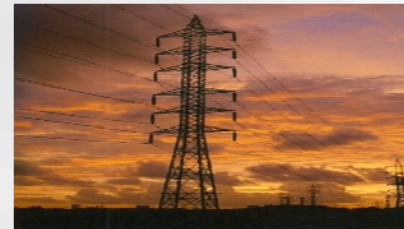
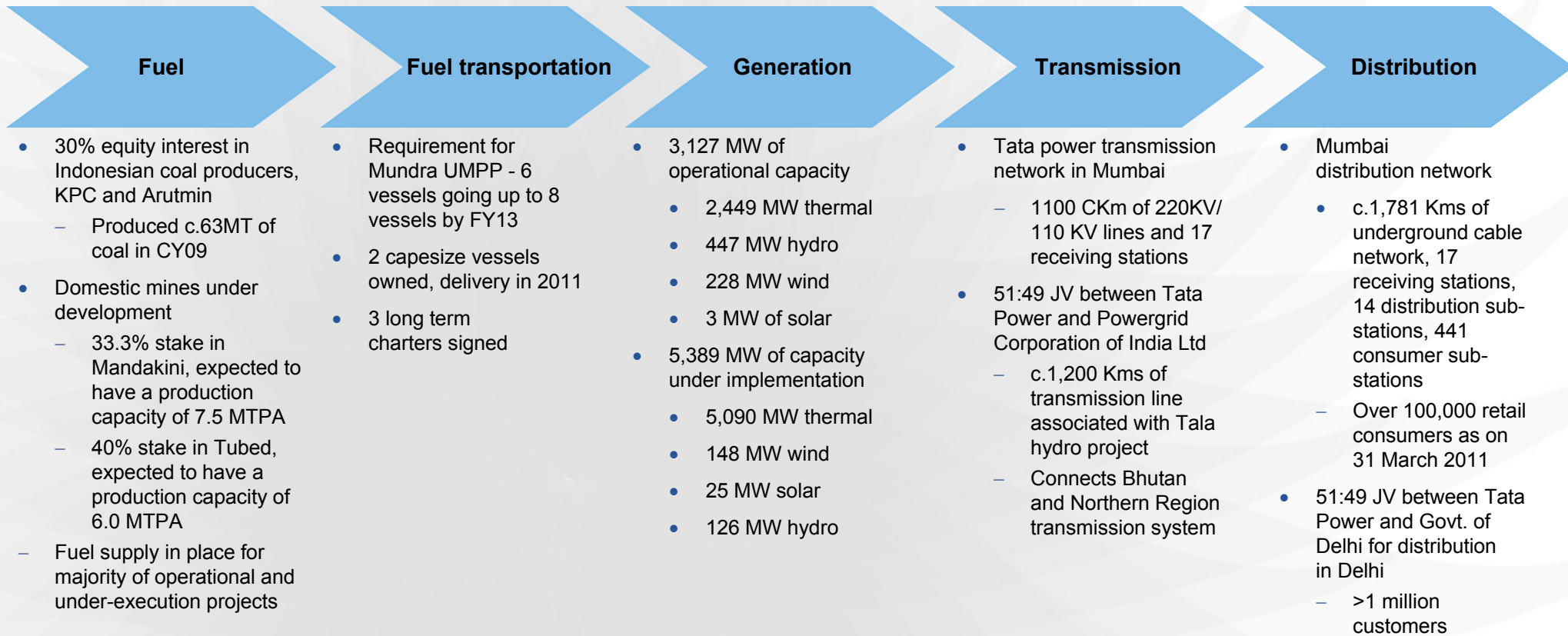
FY10 – INR 31.41bn



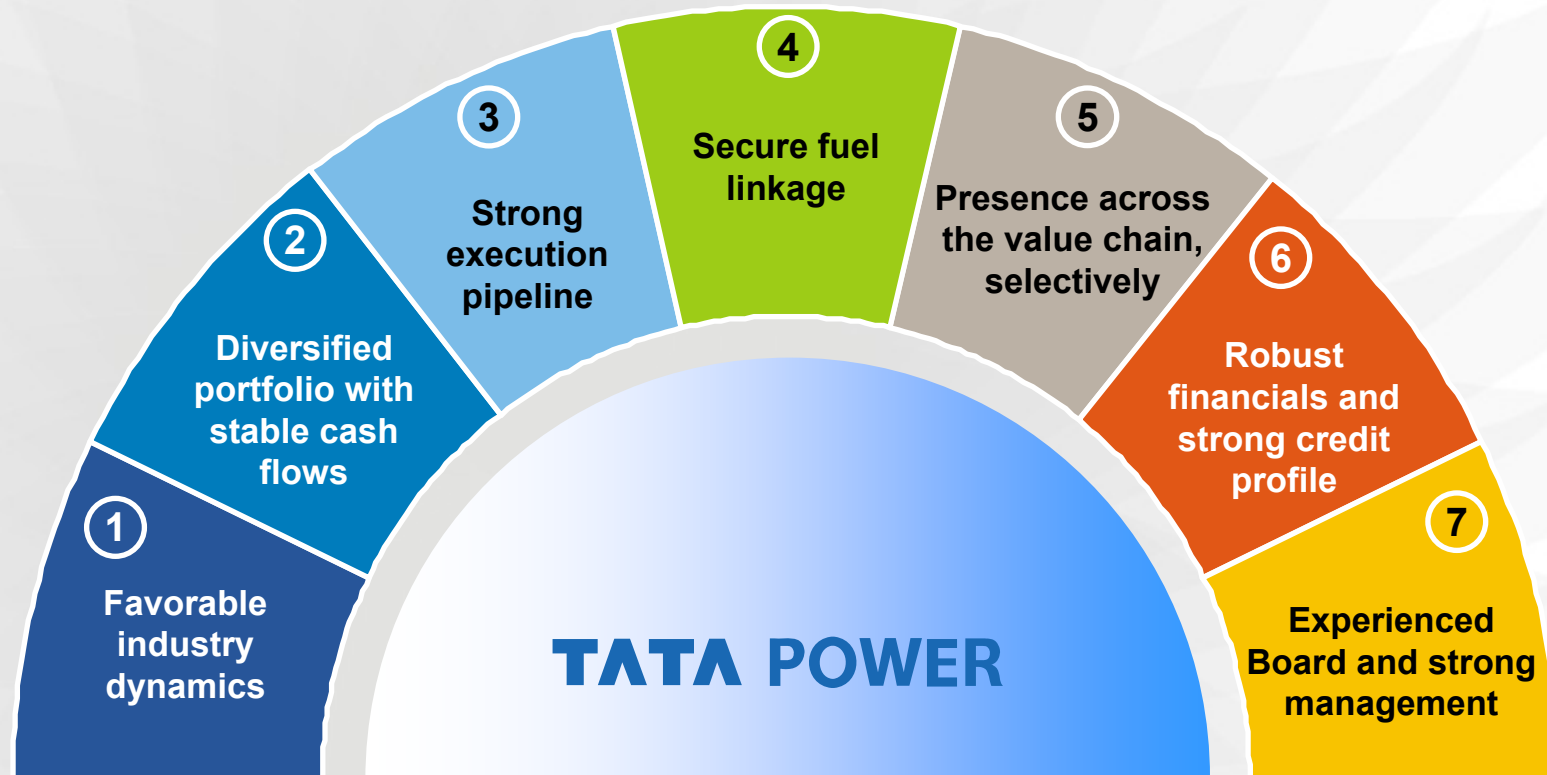
9MFY11 – INR 28.05bn



# Integrated Across the Power Value Chain



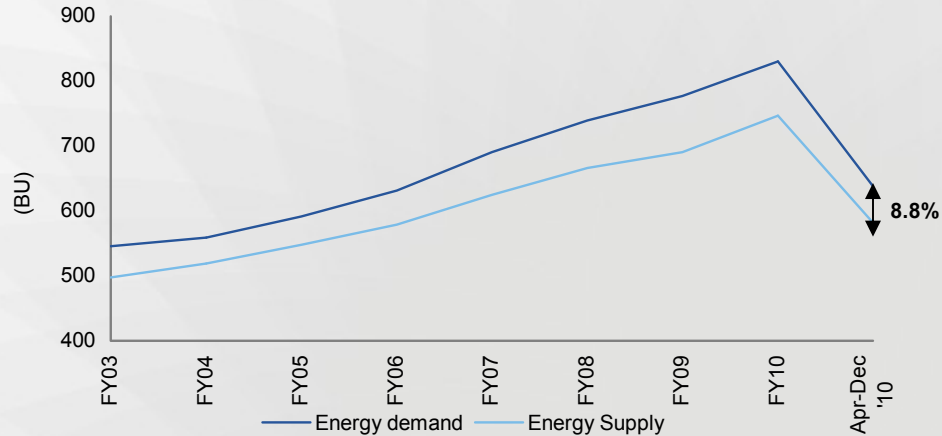
# Investment Highlights



# Favorable Industry Dynamics

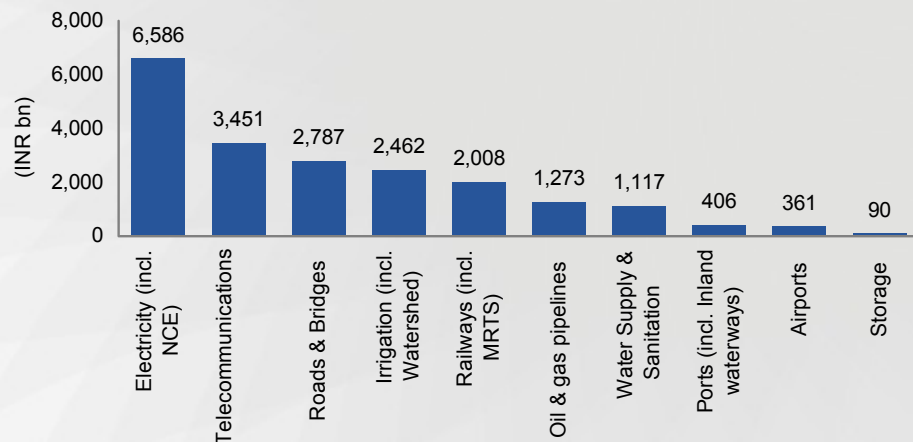
High GDP growth in India, power shortages, rising per-capita consumption and projected capacity addition results in a large potential for growth in the power sector

India suffers from an energy deficit



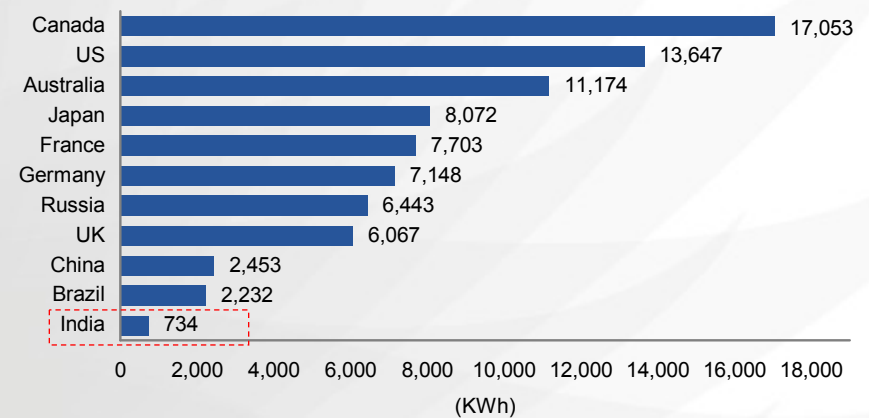
Source: CEA, Power Scenario at a glance, January 2011

Proposed investment during the XIth five-year plan – 32% towards electricity



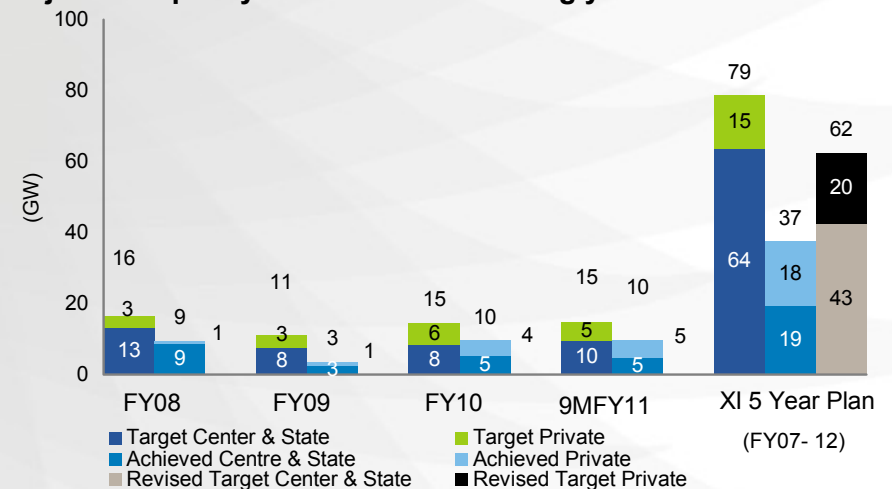
Source: Planning commission

Low per capita consumption of electricity (2008)



Source: IEA, Key World Statistics 2010 (RoW), CEA (India)

Projected capacity addition in the coming years



Source: CEA, Mid-Term Appraisal of the Eleventh Five Year Plan

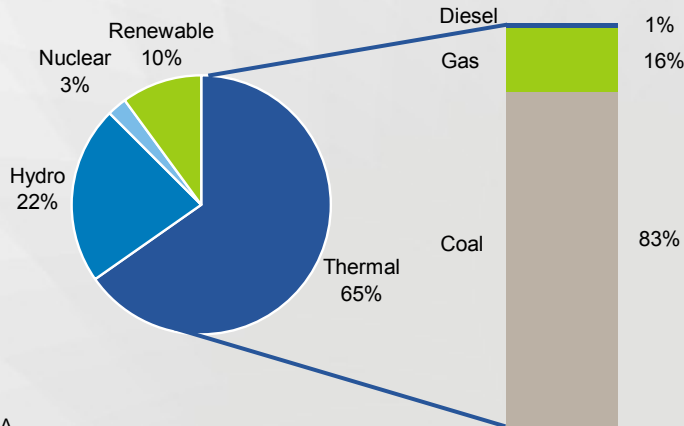
Note: Capacity achieved in XI Five year plan is till 31 December 2010



# Favorable Industry Dynamics

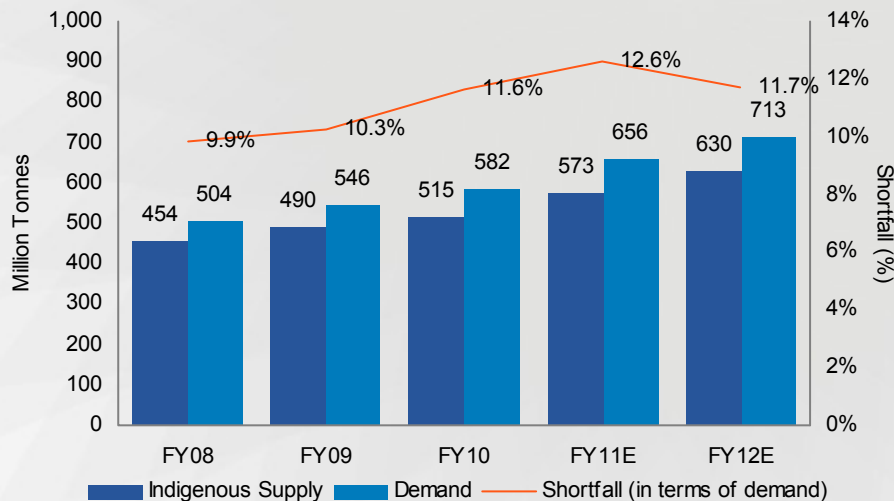
India currently has and is projected to have a deficit in coal with the shortfall being filled by imported coal

## Current installed capacity – large requirement for coal



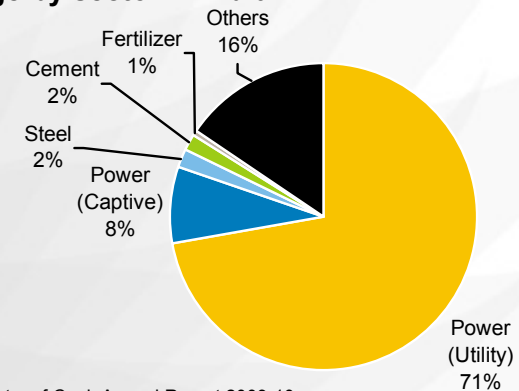
Source: CEA

## Coal supply and demand



Source: Ministry of Coal, Annual Plan 2010-11

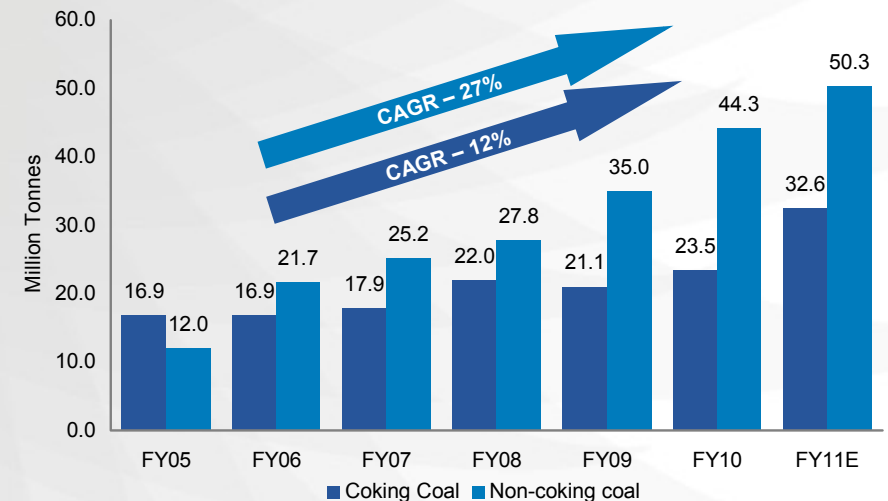
## Coal usage by sector in India



Source: Ministry of Coal, Annual Report 2009-10

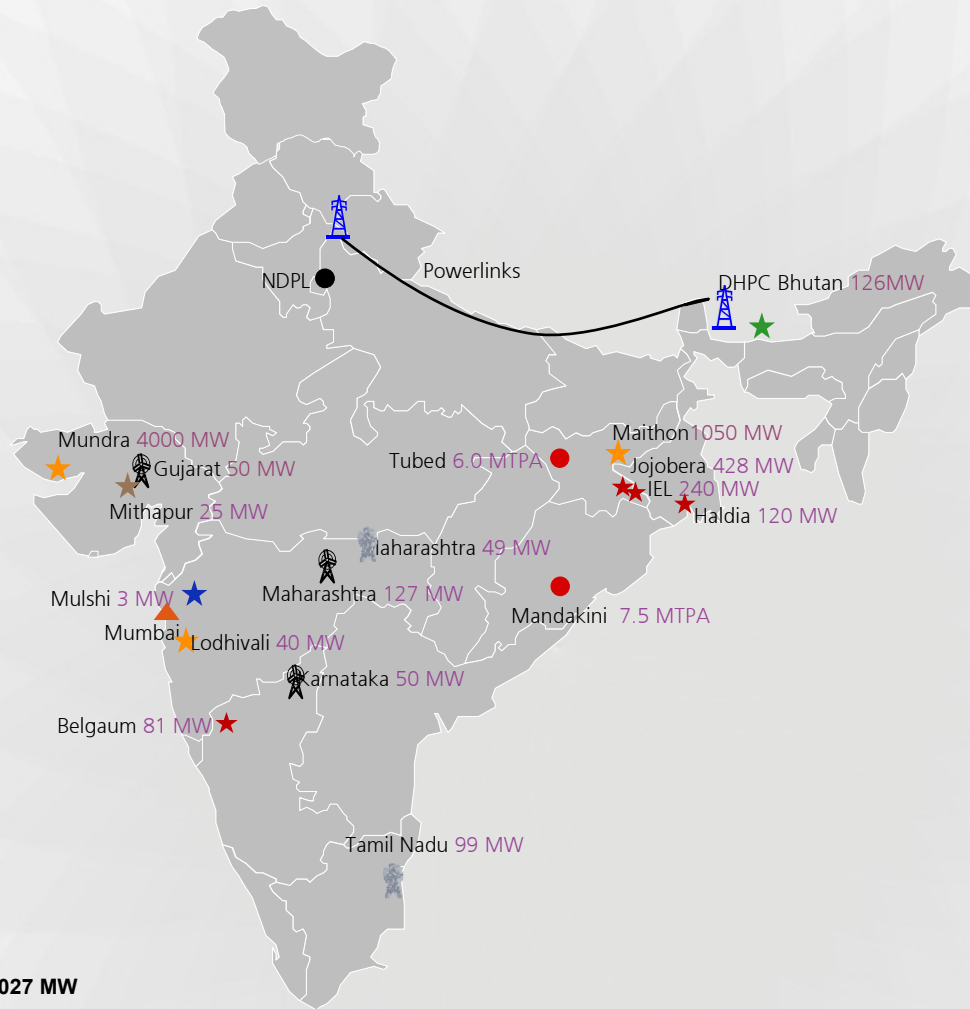
Note: Power (Utility) includes coking and non-coking coal feed to washery and Bina deshaling plant Steel includes coking coal to feed washeries, direct feed, blendable to steel plants, coke ovens, private cokeries and NLW coke to cokeries

## Growth in imported coal in India



Source: Ministry of Coal, Annual Report 2009-10

# Diversified Portfolio...



- ▲ **Mumbai 2,027 MW**
- ★ **Thermal 1,580 MW**
- ★ **Hydro 447 MW**
- **Distribution**
- ▲ **Transmission**

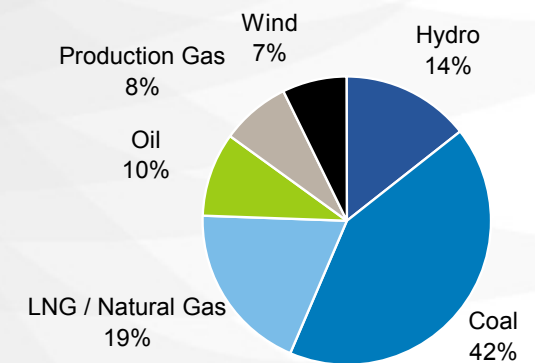
## Power generation capacity (MW)

★ Thermal	2449 MW
★ Hydro	447 MW
● Wind	228 MW
★ Solar	3 MW
▲ Transmission	
● Distribution	

### Under Execution:

★ Thermal	5090 MW
● Wind	148 MW
★ Solar	25 MW
★ Hydro	126 MW
● Coal	13.5 MTPA

## Current capacity split – by MW<sup>1</sup>



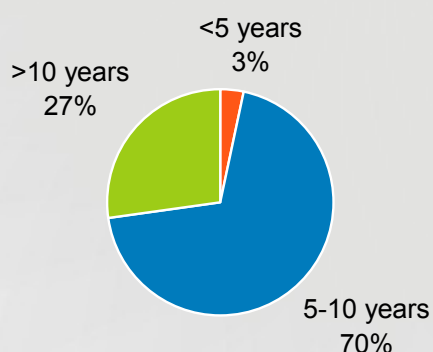
1. Solar forms 0.1% of the capacity

# ...with Stable Cash Flows

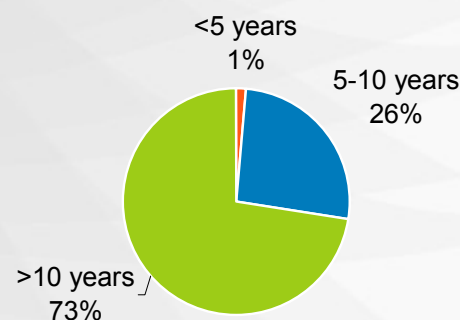
Model	Capacity (MW)	% of overall capacity	Returns	Upside	Value Drivers	Tata Power Projects	Contract (years)	Off-take counterparty
Regulated returns	1,927	62%	Fixed return on equity	Savings on Norms + PLF incentive	Operational efficiency	Mumbai Operations (Thermal & Hydro)	Till FY18	BEST (1,000 MW), TPTCL (400 MW), Tata Power Distribution (527 MW)
Regulated tariff mechanism (renewables)	231	7%	Fixed tariff + PLF driven	Savings on capex + clean development mechanism certificates / renewable energy certificates as applicable	Capex and operational efficiency	Wind, Solar	101 MW till FY28-29 89 MW till FY20-24 21 MW till FY21 17 MW under REC mechanism 3 MW solar till 2026	BESCOM, Gujarat Urja Vikas Nigam, Tata Power Distribution (solar & wind), Tata Motors
Captive power plant	668	21%	PPA driven (14-19%)	Merchant sales + saving on PPA terms + PLF incentive	Trading capabilities for power not consumed + operational efficiency	Jojobera Jamshedpur (PH6) IEL (Unit 5)	Till 2039 Till 2027 Till 2041	Tata Steel Tata Steel Tata Steel
Merchant	200	6%	Market driven	No cap on returns	Trading capabilities + Control on costs	Haldia (100 MW) Unit 8 (100 MW)	NA	
MoU / Bilateral	20	1%	PPA driven	As per PPA	Operational Efficiency	Haldia (20 MW)	Till 2018	West Bengal State Electricity Distribution Co Ltd
Case II (for project)	81	3%	Bid driven	PLF incentives	Control on fuel and capital costs	Belgaum	Till 2011	KPTCL

## PPA / Contract maturity (by MWs)

Operational Capacity<sup>1</sup>



Including tied up capacity in Mundra UMPP / Maithon<sup>1</sup>



**Significant capacity tied up in long-term PPAs / Contracts provide for stable cash flows**

Note:

1. Excludes the 200MW merchant off-take

# Strong Execution Pipeline

## Projects under implementation

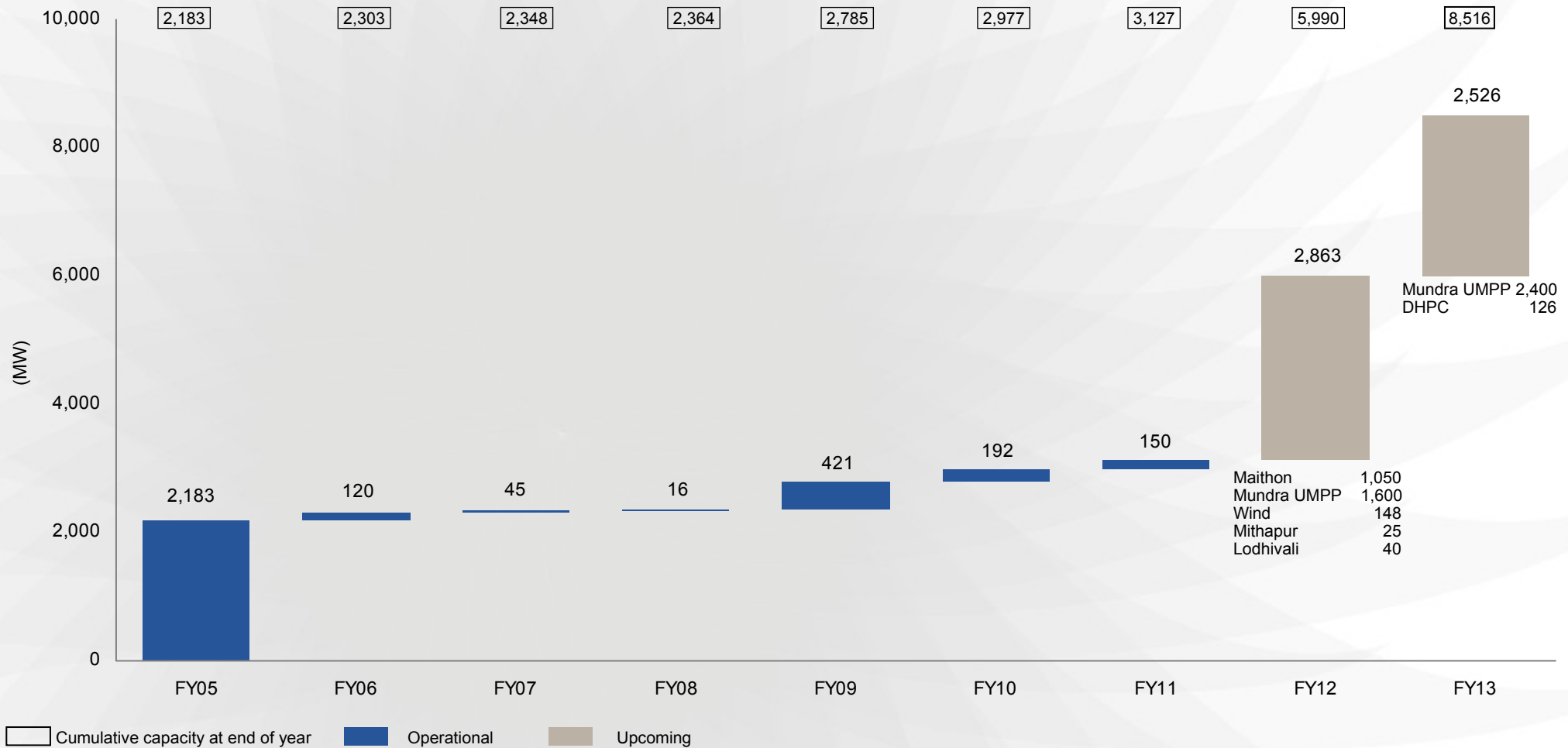
Project	Capacity (MW)	Fuel	Fuel Supply Agreement (FSA)	Power off-take	% completion	COD
Mundra	4,000	Imported Coal	Offtake agreement with Indocoal for 10.11MTPA ( $\pm$ 20%)	PPAs have been signed for 3,800 MW	~77%	Unit 1 by Sep -11 All units by FY13
Maithon	1,050	Coal Linkage	Domestic Coal; 100% linkage sanctioned FSA with Bharat Coking Coal for 1.659 MTPA Central Coalfields has provided Letter of Assurance for 1.975 MTPA FSA with Tata Steel for 0.05 - 1.00MTPA	PPAs have been signed for 1,050 MW	~95%	Unit 1 in FY12; Unit 2 - 4 months after Unit 1
Dagacchu	126	Hydro	NA	TPTCL		FY13
Mithapur	25	Solar	NA	25 year PPA		FY12
Lodhivali	40	Diesel	NA			FY12
Wind	148	Wind	NA			FY12

## Projects under planning

Project	Fuel Source	Capacity (MW)	Status
<b>Phase I</b>			
Coastal Maharashtra (Dehrand)	Imported Coal	1,600	Land acquisition in progress
Naraj Marthapur IPP	Partially met through Mandakini coal block	660	Land acquisition in progress, main clearances obtained, environmental clearance process has begun, PPA to be signed
Tiruldh IPP / CPP	Partially met through Tubed coal block	1,980	To be executed in phases. Land acquisition in progress
Dugar Hydro-electric Power Project	Hydro	236	Won bid for project. Under planning
Sorik Marapi	Geothermal	240	Exploration has commenced
Visapur	Wind	88	Advanced stages of planning
Solar	Solar	10	Under planning
<b>Phase II</b>			
Maithon Phase II	Domestic coal	1,050 / 1,320	Under planning
Mundra Phase II	Imported coal	1,600	Under planning
Kalinganagar	Coal / gas	600	Under planning
Tamakoshi	Hydro	880	Under planning. Licence to be converted to production licence
Wind	Wind	200	Under planning
Bhivpuri CCGT	Gas	450	Under planning



# Strong Execution Pipeline

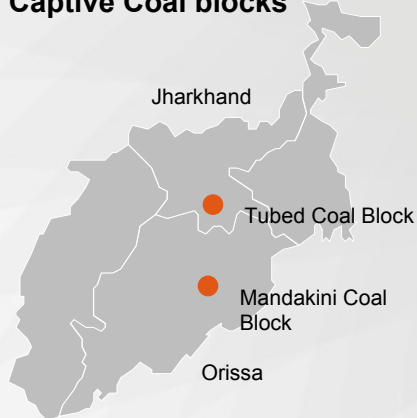


# Secure Fuel Linkage

## Fuel Linkage

Project	Fuel requirement	Source of fuel	Contract details	Term
Trombay	c.3 MTPA of coal	Purchase agreements	PT Adaro: 1.00 MTPA (+/- 0.25MTPA)	5yrs
			PT Adaro: 1.00 MTPA (+/- 0.2MTPA)	10yrs
			Samtan: 0.65 MTPA (+/- 10%)	Till FY14
	Oil	From nearby refineries, delivered by pipeline		
	1MMSCMD of Gas	GAIL		
Jojobera	Coal	West Bokaro coal fields (Tata Steel) and Mahanadi Coalfields Limited (MCL)		
IEL	Furnace and coke oven gases	Tata Steel		
	Coal	West Bokaro coal fields (Tata Steel)		
Belgaum	Furnace Oil			
Mundra	c.12 MTPA of coal	Purchase agreement	Indocoal: 10.11 MTPA (+/- 20%)	Till 2021 (extendable)
Maithon	c.4.5 MTPA of coal	Coal linkage	1.66 MTPA from Bharat coking coal 1.98 MTPA from Central Coal Fields 0.05 – 1.00 MTPA from Tata Steel	
Lodhivali	DG sets			
Haldia	Hot flue gases	Tata Steel		

## Captive Coal blocks



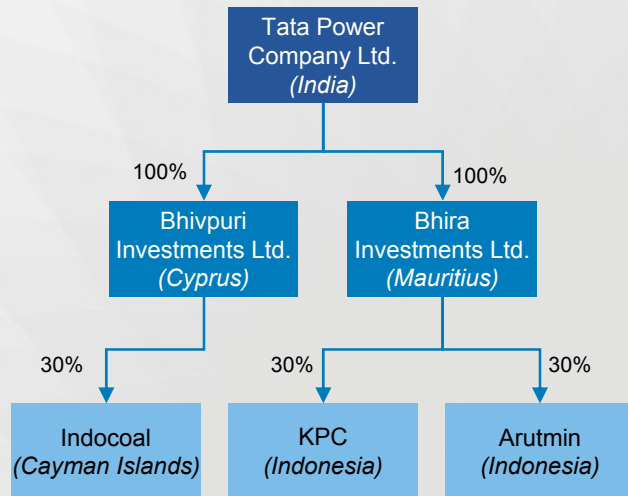
- 40% stake in Tuber
- 33% stake in Mandakini
- 2.5 MTPA from Mandakini and 2.4 MTPA from Tuber giving an expected equity coal of 4.9 MTPA
- Coal from Tuber to be used at Tirulidih
- Coal from Mandakini to be used at Naraj Marthapur

## Mundra Fuel Logistics

- Total shipping requirement for Mundra UMPP will be 6 - 8 capesize vessels
- Trust Energy Resources Pte Ltd. has purchased 2 capesize ships of 180,000 DWT, due for delivery in 2011
- Energy Eastern Pte Ltd. has entered into 3 long term charter agreements
- Proposed to purchase / enter long term charters for the remaining 3 ships

# Strategic Investment in Coal

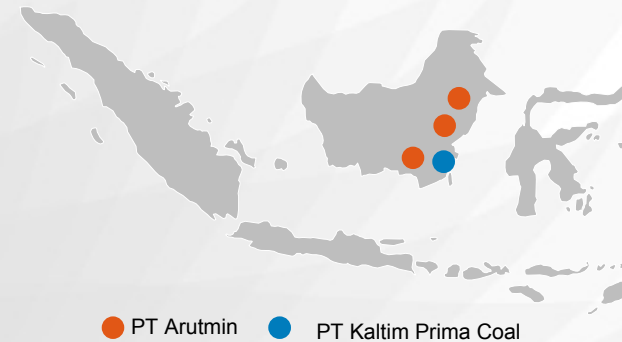
## Structure



## Entitled to proportionate (30%) cash surplus of coal operating companies

- A 75% majority is required for corporate restructuring actions, constitutional amendments, changes in board, material transactions and dividend or other distribution declarations
- Right to appoint 2 out of 5 members of the boards of both the commissioners and directors and also management committees to handle certain special functions
  - CFOs at KPC & Arutmin nominated by Tata Power
- Overall rights adequately protected through the Shareholders' Agreement

## Indonesia



- 30% stake in Indonesian thermal coal companies - PT Kaltim Prima Coal and PT Arutmin
- Total reserves of 1,422 mm tonnes for KPC and 469 mm tonnes for Arutmin as of Jan 2011
- CY09 coal production of approximately 63 MT
- Customer base comprises primarily of large utilities and industrial users

Operating Performance	CY '09	CY '08
Quantity mined (MT)	~63	~53
Average Selling Price (FOB USD/ton)	~62	~73

- Total estimated coal production to reach 100mm tonnes by 2013

Source: Financials are from Bumi investor presentation (Jan – 2011, May -2010) and Annual report (CY2010)

# Presence Across the Value Chain, Selectively

## TRANSMISSION

### Transmission – Mumbai

- Tata Power is amongst the 3 transmission licensees that bring power into Mumbai
- 1,100 CKm of 220KV / 110KV lines and 17 receiving stations
- Network upgrade and capacity expansion projects are being carried out to meet the load growth in Mumbai

### Powerlinks Transmissions Limited

- JV between Tata Power (51%) and Power Grid Corporation of India Ltd. (49%)
- Received transmission license in 2003 for a period of 25 years
- India's first private sector inter-state transmission project, on a Build Operate Own and Transfer (BOOT) basis
- Formed to evacuate power from the 1,020MW Tala Hydro project in Bhutan and North Eastern and Eastern states to New Delhi and adjoining areas
- Consists of 1,166 Kms of 400 KV double circuit EMV transmission line

## DISTRIBUTION

### Distribution – Mumbai

- Among 3 private distribution licensees
- Infrastructure
  - Approximately 1,782 Kms of high tension and low tension underground cable network
  - 99.33 kms overhead line network,
  - 17 receiving stations, 14 distribution sub-stations and 441 consumer sub-stations
- Customer base of over 100,000 retail customers
- 3,903 MU sold in 9M FY11 vs. 2,790 MU in FY10

### North Delhi Power Limited

- JV between Tata Power (51%) and Government of Delhi (49%)
- License to distribute power to North and North-west Delhi
- Among the 3 private licensees in Delhi
- 25,572 11 KV sub-stations, 58 grid stations, 4,265 Kms of HV cable and 5,687 Kms of LV cable
- Over 1 million customers
- 5,032MU sold in 9M FY11 vs. 5,816MU in FY10

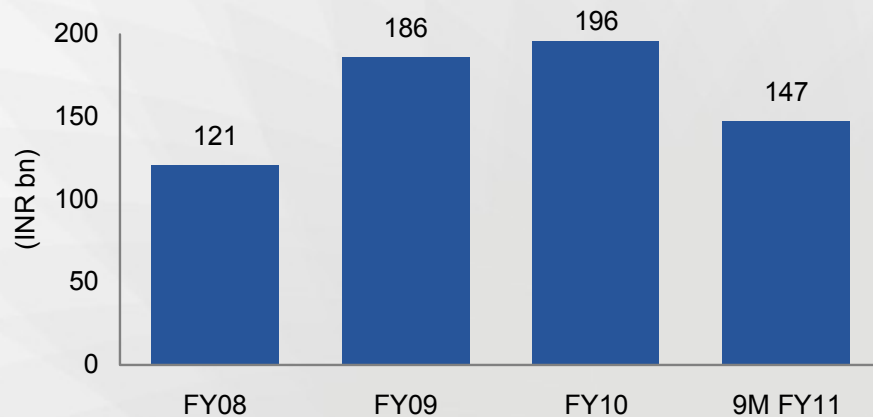
## POWER TRADING

- 100% subsidiary TPTCL, holds a trading license for a period of 25 years starting from 2004
- Holds a Category 1 trading license, the highest grade of license, which permits the company to trade any amount of power
- Traded an aggregate amount of power equal to 3,144 MUs in 9MFY11 vs 4,075 MUs in FY10
- Revenues of INR 23.58 bn and PAT of INR 82.4 mm in FY10

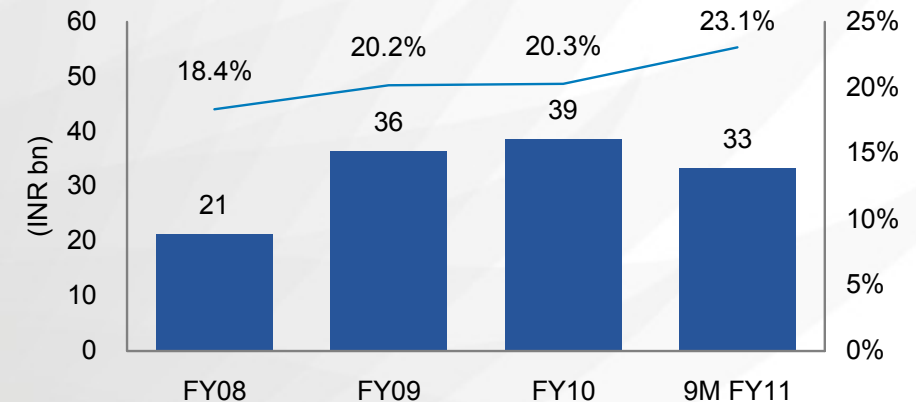


# Robust Financials (consolidated)

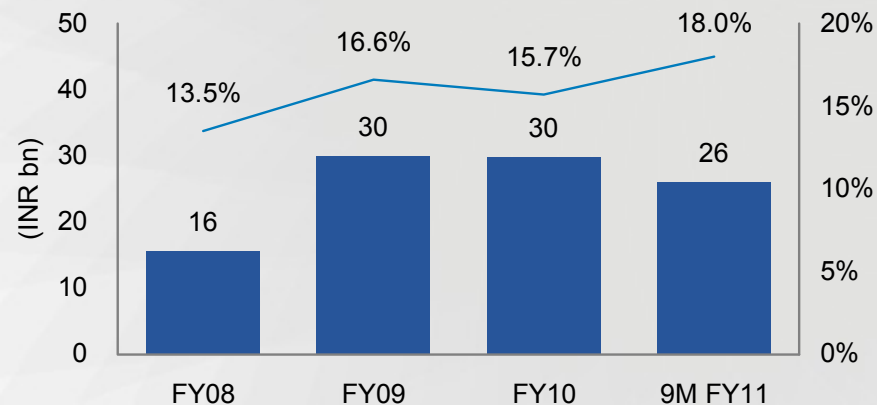
## Revenues



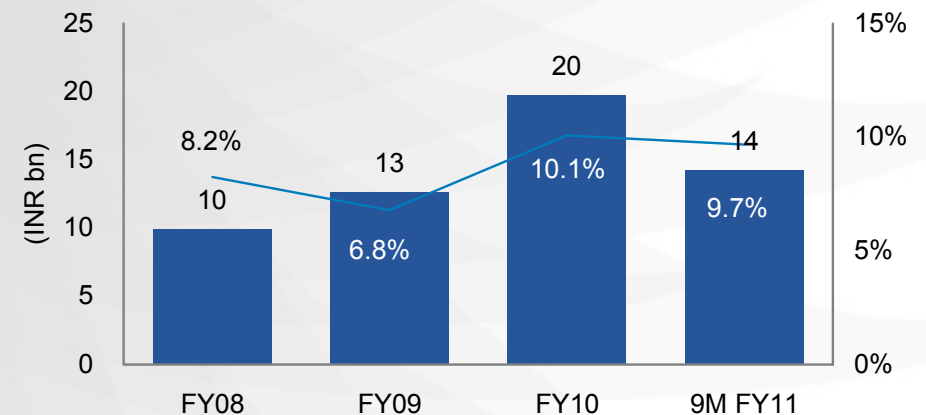
## EBITDA and EBITDA margin



## EBIT and EBIT margin



## Net income and Net margin

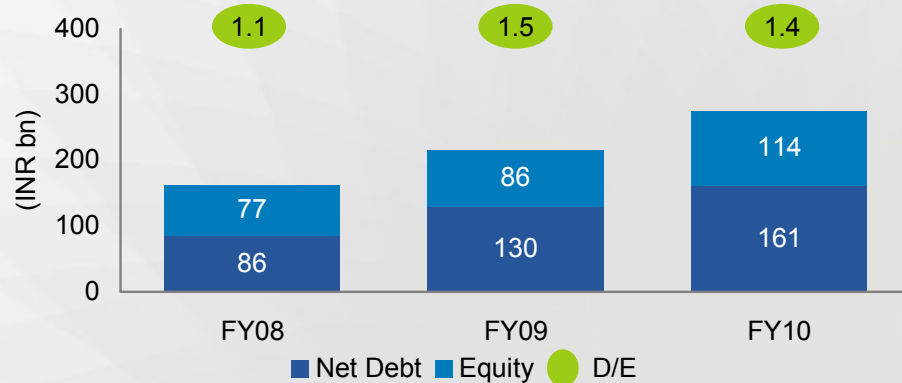


Note:

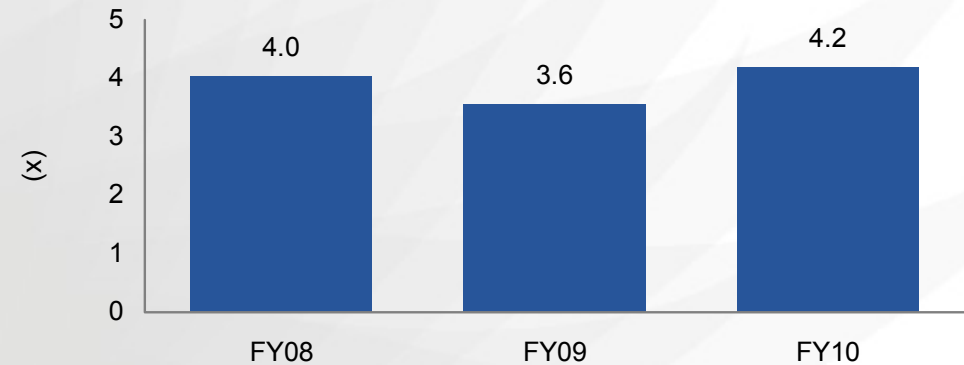
1 Net Income after share of associate profit, minority interest and statutory appropriations

# Strong Credit Profile (consolidated)

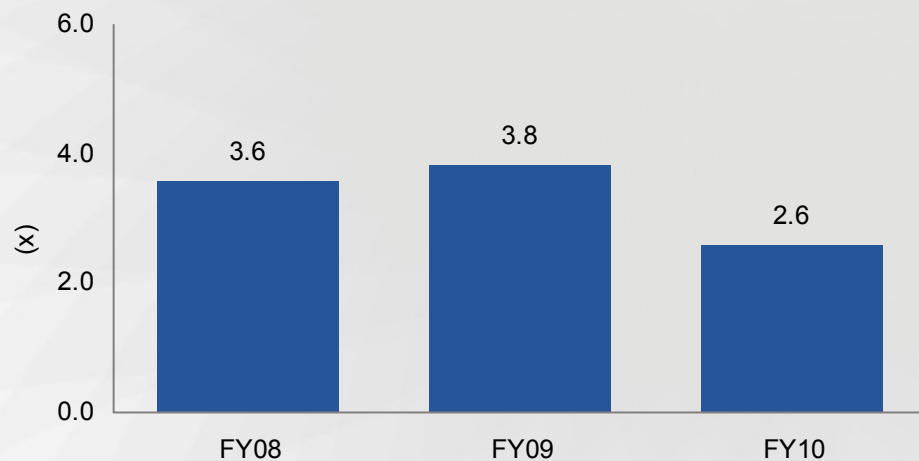
**Net Debt / Equity**



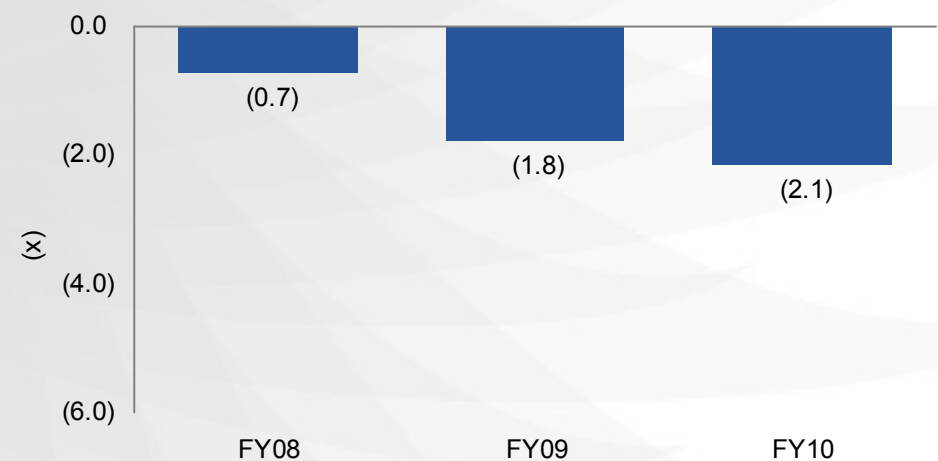
**Net Debt / EBITDA**



**EBITDA / Interest<sup>1</sup>**



**(EBITDA – Capex) / Interest<sup>1</sup>**



Note:

1 Includes capitalized interest

# Funding Requirement (FY12-FY14)

## Own Funds (INR 33.20 Billion)

- FCCB proceeds (as on Mar 31, 2011):  
\$ 128 mm (equivalent to INR 6 bn)
- Internal accruals: INR 30.20 bn
  - Accruals of INR 27.20 bn to be used towards equity requirement for existing projects
  - Additional internal accruals: of INR 3 bn to be used for future projects



## Debt (INR 77.30 Billion)

- Debt arranged based on following guidelines:
  - Domestic loans through domestic financial institutions, banks and capital markets
  - Foreign loans, through External Credit Agencies and Multilateral Agencies
- INR 56.80 bn to be drawn from funds already arranged
- Balance INR 20.50 bn to be arranged as follows:
  - INR 3.5 bn for Solar projects
  - INR 17 bn for Mumbai Operations. Of this, INR 4.50 bn needed in FY12 under discussions with lenders. The remaining requirements to be arranged annually.

- These funding requirements include projects under implementation and solar project (10 MW), Himachal Hydro, Sorik Marapi, Mumbai License Area projects, Land requirement for Coastal Maharashtra, Naraj Marthapur and Tiruldi project
- A contingency of INR 10,000 mm of equity is also included in the above requirements

# Capitalisation Table

	Secured		Unsecured		Total Loans	
	in INR mm	in \$ mm	in INR mm	in \$ mm	in INR mm	in \$ mm
<b>Tata Power Standalone</b>	<b>44,727</b>	<b>998</b>	<b>20,856</b>	<b>465</b>	<b>65,583</b>	<b>1,464</b>
Coastal Gujarat Power Limited	66,734	1,489	7,000	156	73,734	1,645
Maithon Power Limited	21,846	488	0	0	21,846	488
Bhivpuri Investments Limited	13,111	293	3,937	88	17,048	380
Khopoli Investments Limited	0	0	16,789	375	16,789	375
Bhira Investments Limited	0	0	33,227	741	33,227	741
Other Subsidiaries and JVs	33,129	739	11,204	250	44,333	989
<b>Total Subsidiaries</b>	<b>134,820</b>	<b>3,009</b>	<b>72,156</b>	<b>1,610</b>	<b>206,976</b>	<b>4,619</b>
<b>Total Debt</b>	<b>179,546</b>	<b>4,007</b>	<b>93,012</b>	<b>2,076</b>	<b>272,559</b>	<b>6,083</b>
Less: Intra Company Loans <sup>1</sup>					40,168	896
<b>Consolidated Debt</b>					<b>232,391</b>	<b>5,186</b>
<b>Consolidated Cash</b>					<b>19,169</b>	<b>428</b>

Source: Company Investor Presentation

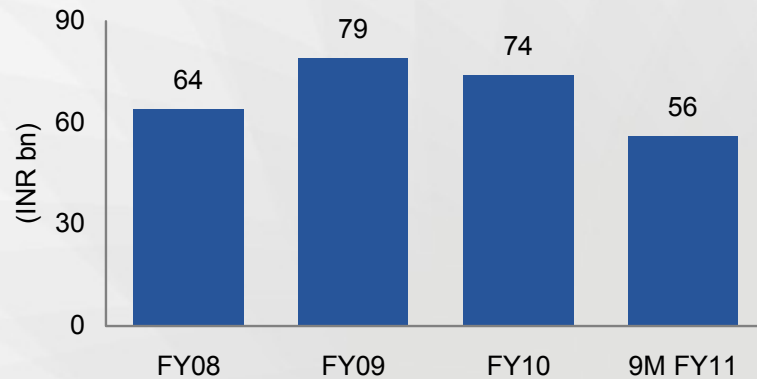
Note: Conversion rate of \$1 = INR 44.81 used as per RBI conversion rate as of 31 December 2010

1. The table includes loans given by Tata Power to Coastal Gujarat Power Limited (\$45 mm), to Bhira Investments Limited (\$273 mm), to Khopoli Investment Limited (\$30 mm) as on 31 December 2010. It also includes intercompany loan to the tune of \$461 mm between Bhira, Bhivpuri and Khopoli as on 31st December 2010. Additionally, there is another intercompany loan which amounts to \$88 mm

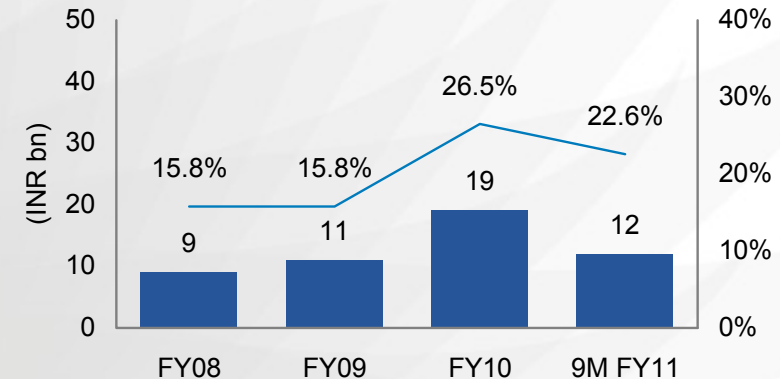


# Robust Financials (standalone)

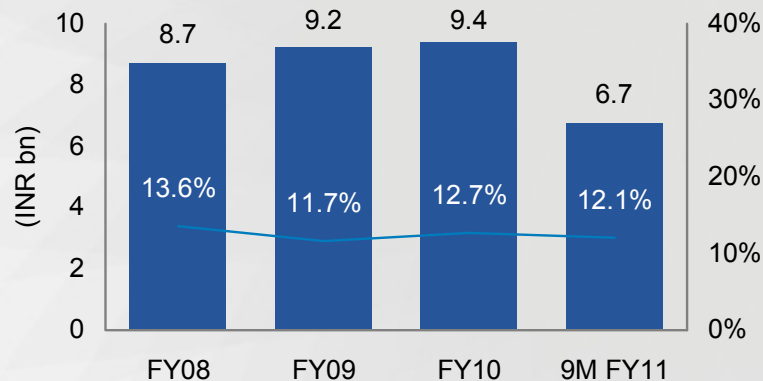
## Revenues



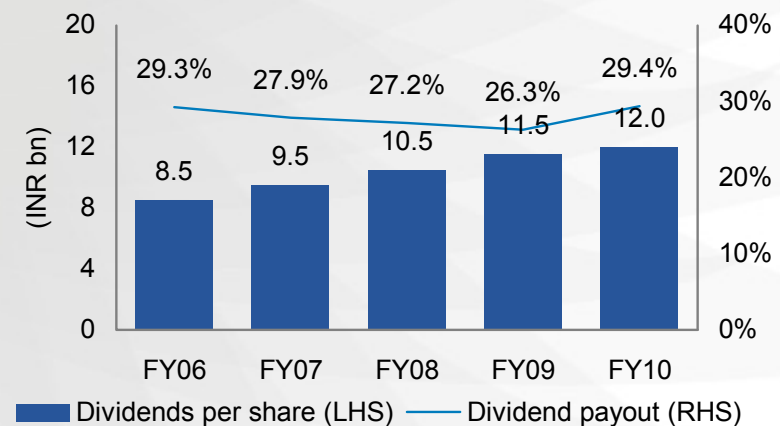
## EBITDA and EBITDA margin



## Net Income and Net margin



## Dividends

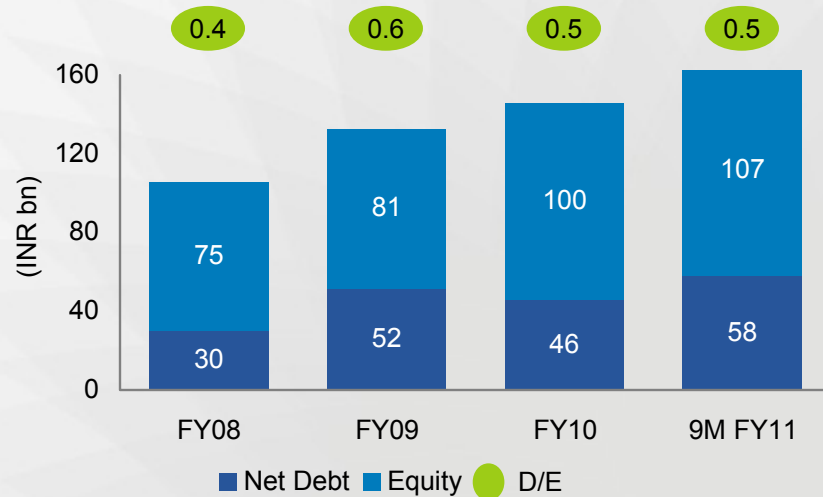


Note:

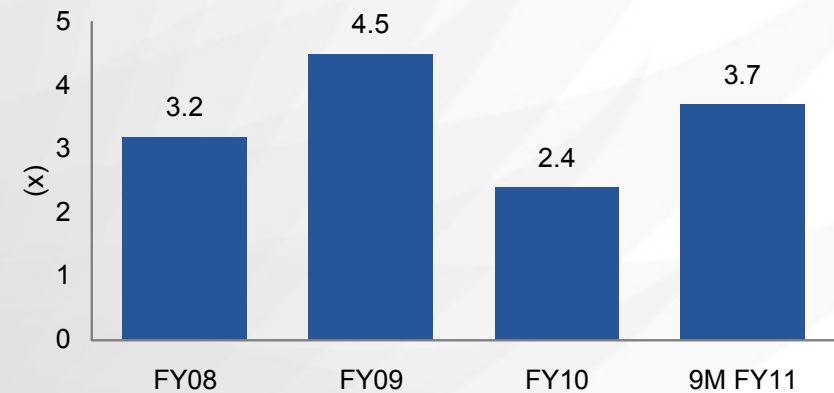
1 Dividend Payout = Dividend per share / Earnings per share

# Strong Credit Profile (standalone)

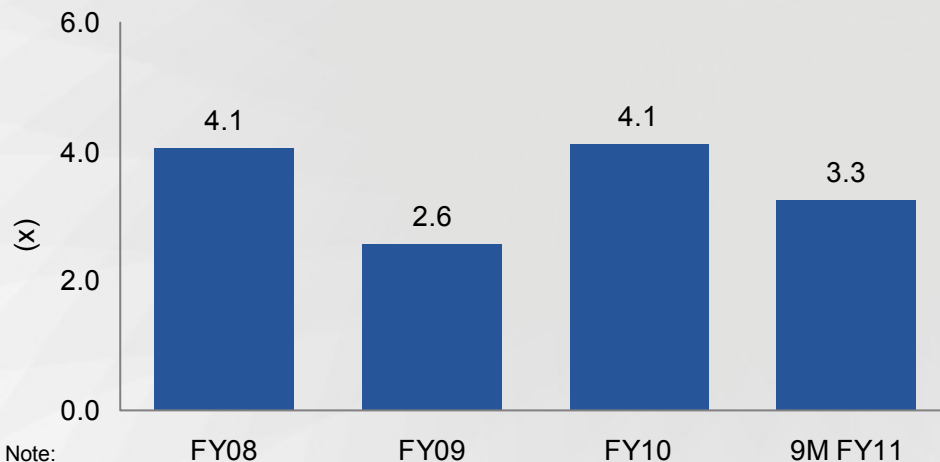
**Net Debt / Equity**



**Net Debt / EBITDA**



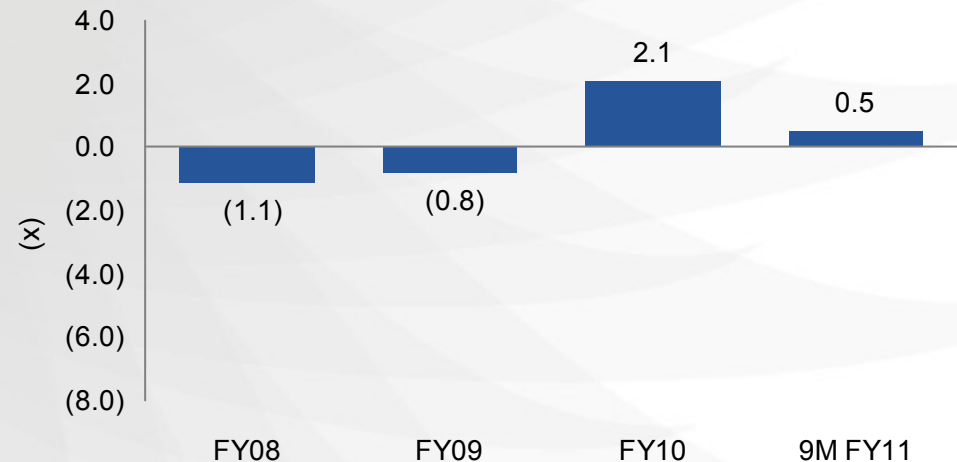
**EBITDA / Interest<sup>1</sup>**



Note:

<sup>1</sup> Includes capitalized interest

**(EBITDA – Capex) / Interest<sup>1</sup>**



# Experienced Board and Strong Management

## Ratan N Tata, *Chairman*

- Has been on the Board since 1989
- An eminent industrialist with wide business experience across a variety of industries
- Holds B.Sc. (Architecture) degree with Structural Engineering from Cornell University, USA and has completed the Advanced Management Program at Harvard University

## Ramabadran Gopalakrishnan

- Non- Executive Director of Tata Sons, Chairman of Rallis India, Vice Chairman of Tata Chemicals & Director in Tata Motors, ICI India, Castrol India
- Prior to Tata Group, was with Hindustan Lever for 31 years
- Graduate in Physics from Calcutta University and an Engineer from IIT, Kharagpur

## Anil Sardana, *Managing Director*

- Was Managing Director of Tata Teleservices Limited for over 3 years
- Over 30 years of experience in the power sector
- Electrical Engineer from Delhi College of Engineering, a Cost Accountant (ICWAI) and a Post Graduate Diploma in Management from Delhi

## Homiar S Vachha

- Previously, was the General Manager of ICICI Limited, was in charge of Market Research and Industry Studies Department as also in charge of the Economics Department
- Post-graduate and a doctorate in Economics from the University of Bombay (Gold medalist in Industrial Economics)

## Deepak M Satwalekar

- Previously, Managing Director and CEO of HDFC Standard Life Insurance Company Limited
- Significant experience in finance, infrastructure and corporate governance
- Holds a BTech from the IIT, Bombay and a MBA from The American University, Washington DC

## S Ramakrishnan, *Executive Director*

- Joined Tata Administrative Services in 1972, through his career, has handled several national as well as international projects
- Member of Board of several Tata group companies
- Holds a B.Tech. from IIT Madras a Management Degree from IIM, Ahmedabad

## Ramchandra H Patil

- Chairman of Clearing Corporation of India and an Independent Director on the Board of Axis Bank Limited
- Was the first Managing Director of NSE, worked for 7 years with RBI and for over 18 years IDBI Bank
- Masters Degree in Economics & Doctorate in Intl Economics

## Thomas Mathew T

- Managing Director of LIC since March 2006
- Post-graduate in Economics and a Bachelor in Law, also holds a post-graduate diploma in Management from the International Institute of Advanced Marketing

## S Padmanabhan, *Executive Director*

- Previously was Executive Director and Head of Global HR, TCS
- Has rich experience in large-scale project build-up and delivery, and is highly acclaimed for global sourcing and value creation in operational efficiencies
- Engineering from PSG, Coimbatore and MBA from IIMB

## Adi J Engineer

- Experience of over 49 years in engineering, project planning and execution of multi-disciplinary activities
- 24 years power sector expertise; with Tata Power since 1984
- BE (Civil) from Pune University, a Chartered Engineer (India) and a Fellow of the Institution of Engineers (India)

## Ashok K Basu

- Former Secretary - Steel, Secretary - Power and Chairman of Central Electricity Regulatory Commission
- Key member in formulation and clearance of the Electricity Act, 2003, both as Secretary (Power) and later as Chairman (CERC)
- Has deep knowledge of the power business in India

## Banmali Agrawala, *Executive Director*

- Previously, was the Managing Director of Wartsila India
- Has 26 years of professional experience in the power sector and has held several positions in industry bodies
- Mechanical Engineer from Manipal Institute of Technology

## Piyush G Mankad

- Retired IAS officer
- Board member of Tata Intl, Tata Elxsi, Kingfisher and Max India
- Educated at Delhi University and later obtained a Post Graduate Diploma in Development Studies from Cambridge, UK

## Nawshir H Mirza

- Advisor to Jardine Matheson & Co., Hong Kong
- An independent Director on the Boards of several companies
- Fellow of the Institute of Chartered Accountants of India, has been a Senior Partner of Ernst & Young

Management Team

## Appendix: Project Update



# Mundra UMPP (4,000MW)

<b>Capacity</b>	<ul style="list-style-type: none"> <li>4,000 MW (5 x 800 MW)</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>Gujarat Urja Vikas Nigam (1,805 MW); Maharashtra State Electricity Distribution Company (760 MW); Ajmer Vidyut Vitran Nigam, Jaipur Vidyut Vitran Nigam, Jodhpur Vidyut Vitran Nigam, (380 MW); Punjab State Electricity Board (475 MW); and Haryana Power Generation Corporation (380 MW)</li> </ul>
<b>Fuel Requirement &amp; Source</b>	<ul style="list-style-type: none"> <li>Imported Coal – approx.12 MTPA</li> <li>Offtake agreement with Indocoal for 10.11MTPA (<math>\pm</math> 20%)</li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>Project Cost: INR170 bn (D/E: 75:25)</li> <li>As of Q3FY11: Debt drawn – INR73.73 bn, Equity invested – INR22.34 bn</li> </ul>
<b>Completion</b>	<ul style="list-style-type: none"> <li>Overall ~77% work completed</li> <li>Unit 1 COD targeted by Sep, 2011; all units by FY13</li> </ul>
<b>External Linkages</b>	<ul style="list-style-type: none"> <li>New Coal Jetty (MPSEZL): 1st vessel berthed in December 2010 at West Port Jetty</li> <li>Power Evacuation Lines (Powergrid): Work in progress for 400 KV transmission lines of Mundra-Vadavi, Mundra-Jetpur, Mundra-Limbdi, and Gandhar-Navsari</li> </ul>
<b>Unit #1</b>	<ul style="list-style-type: none"> <li>TG put in turning gear operation in Feb 2011</li> <li>Boiler light up done in March 2011</li> <li>Steam blowing in progress</li> <li>Expected synchronization in July 2011 and commercial operations in September 2011</li> </ul>
<b>Unit #2</b>	<ul style="list-style-type: none"> <li>Boiler hydro test completed in September 2010</li> <li>Expected boiler light up in August 2011</li> </ul>
<b>Units #3, #4 and #5</b>	<ul style="list-style-type: none"> <li>Progressing as per schedule</li> </ul>

# Mundra UMPP (4,000MW)

Plant view from Skimmer Bay



Plant view from Site Office



Sea water intake channel as seen from chimney top



Sheeting work on coal conveyor



400 KV Switchyard



Stacker cum Reclaimer



# Maithon Power Limited (1,050MW)

<b>Capacity</b>	<ul style="list-style-type: none"> <li>1050 MW (2 X 525 MW)</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>Damodar Valley Corporation (300 MW), Punjab State Electricity Board (300 MW), West Bengal State Electricity Development Corporation Limited (150 MW) and North Delhi Power Limited (300 MW)</li> <li>Long term (30 yr) PPAs commence on CoD for DVC &amp; 1st April 2012 for NDPL, WBSEB &amp; PSEB</li> <li>Power generated available for sale in open market in the interim</li> </ul>
<b>Fuel Requirement &amp; Source</b>	<ul style="list-style-type: none"> <li>Domestic Coal; 100% linkage sanctioned</li> <li>Fuel Supply Agreement (FSA) signed with Bharat Coking Coal for 1.6594 MTPA</li> <li>Central Coal Fields (CCL) has agreed to supply 1.975 MTPA for Unit 2</li> <li>FSA with Tata Steel for 0.05 – 1.00 MTPA</li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>Project Cost: INR48.34 bn; (D/E: 70:30)</li> <li>Q3FY11: Debt drawn –INR21.85bn, Equity contribution by Tata Power – INR8.06bn</li> </ul>
<b>Expected Returns</b>	<ul style="list-style-type: none"> <li>Regulated: 15.5% ROE + Performance Incentives</li> </ul>
<b>Completion</b>	<ul style="list-style-type: none"> <li>Overall ~95% work completed</li> <li>Unit 1 by early part of FY12; Unit 2 will start 4 months after Unit 1</li> </ul>
<b>External Linkages</b>	<ul style="list-style-type: none"> <li>Railway siding to undergo some modification due to Delhi-Kolkata rail corridor being planned. Would require additional capex of ~INR 3.80 bn due to land acquisition and railwork. Phase I to be completed by Dec 2011</li> <li>Plan to transport coal from BCCL mines by road (a distance of 20 km)</li> <li>400 kV Maithon – Maithon lines from switchyard ready and back charged. Connectivity with 400kV Eastern Region grid established</li> </ul>
<b>Unit #1</b>	<ul style="list-style-type: none"> <li>Unit 1 Boiler T/G tested for oil synchronization</li> <li>Unit 1 with Coal readiness by Q1 FY12</li> <li>BoP readiness for U-1 by Q1 FY12</li> </ul>
<b>Unit #2</b>	<ul style="list-style-type: none"> <li>Stator Lifting completed for Unit #2</li> <li>Condenser erection commencement for Unit #2</li> <li>Boiler Light up by Q1 FY12</li> </ul>



# Maithon Power Limited (1,050MW)

**BTG Area**



**Unit 1 TG floor**



**Induced Draft Cooling Tower**



**Crusher House**



**Coal Bunker**



**Switchyard**



**Stacker / Reclaimer**





# Renewable Portfolio

## Dagacchu 126 MW Hydro project

- 2 x 63 MW run of the river Hydro project with Tata Power holding 26% and Govt. of Bhutan holding 74%
- Project cost – US\$200mm with debt equity of 60:40
- PPA signed with Tata Power Trading
- Commissioning expected by FY13

## OTP Geothermal

- Tata Power and Origin Energy of Australia, in consortium with PT Supraco, have been awarded the geothermal exploration concession in Indonesia
- Concession to develop 200 MW that needs an investment of c.INR30bn
- Won project through competitive process which saw participation from Chevron, PT Medco Energi Internasional

## JV with SN Power

- Exclusive partnership agreement with SN Power, Norway to develop joint hydropower projects in India and Nepal
- Aim to have 2,000 MW under construction or in operation by 2015
- Recently won a bid for the 236MW for Dugar hydroelectric project in Chenab valley (HP)
- Currently exploring possibility to develop hydro projects in Himachal region and Sikkim

## Mulshi solar power plant

- One of the largest grid-connected solar power plant in Maharashtra
- Capacity of 3 MW, based on crystalline silicon modules technology
- 25 yr PPA signed with Tata Power Company
- Commissioned in March 2011

## Mithapur solar power plant

- Capacity of 25 MW, based on crystalline silicon modules technology
- 25 yr PPA signed with Gujarat Urja Vikas Nigam Ltd at a tariff of INR15/unit for the first 12 yrs
- Commissioning expected by FY12



# Other Key Businesses

## Strategic Electronics Division (SED)

- Division of Tata Power originated as an internal R&D unit for power electronics; designs and develops electronic devices
- Fast emerging as a prime contractor to Ministry of Defense (MoD) for indigenous products
  - Completed delivery of air defense systems to 16 designated sites. Installation and commissioning done at 13 sites
  - **Does not manufacture ammunition or explosives of any kind, including cluster bombs and anti personnel mines**
- Generated revenues of INR872mm in 9MFY11 vs INR1,229mm in FY10

## Tata BP Solar

- 51:49 JV between BP Solar and Tata Power setup to manufacture multi-crystalline cells and modules
- Solar Cell Manufacturing Facility with installed capacity of 84MW; Module Manufacturing Facility with installed capacity of 125MW
- Initially focused on exports, currently increasing focus on on domestic sales
- Generated revenues of INR 9.76bn in FY10



# Sustainability Initiatives

## Care for environment

- Growth through renewables , clean / green energy
- Efficient technologies, investments in energy startups
- Emission and waste reduction
- Carbon footprint reduction
- Green buildings
- Bio-Diversity conservation
- Resource conservation



## Care for community

- Principles of community engagement
- Programs on livelihood, infrastructure and natural resources
- Helping communities become self-reliant and empowered
- Participatory development
- Carbon neutral village clusters



## Care for customers

- Energy clubs
- Customer care centers
- Demand side management, energy audits
- Going beyond mere transactions



## Care for people

- Safety and health
- Organizational transformation
- Employee learning & development
- Developing managers that are stewards of the environment and society, are deeply customer centric, across domains/ functions
- Buildings and interiors that are friendly, and help create the right culture



## **Appendix: Detailed Financial Statements**



# Consolidated Financial Statements

INR mm	FY08	FY09	FY10	9M FY11
<b>Income Statement</b>				
Revenue				
Power supply and transmission	74,051	117,924	123,653	na
Share in JVs	37,530	58,151	59,820	na
Others	4,058	4,539	6,386	na
<b>Total</b>	<b>115,639</b>	<b>180,613</b>	<b>189,858</b>	<b>144,353</b>
Other Income	5,229	5,639	5,889	3,049
Cost of power purchased	22,913	43,724	45,829	36,315
Cost of coal	14,155	18,302	24,308	18,026
Cost of fuel	40,823	55,223	46,627	32,441
Other expenses	16,527	26,868	34,562	24,263
<b>EBITDA</b>	<b>21,221</b>	<b>36,496</b>	<b>38,532</b>	<b>33,308</b>
Depreciation & amortization	5,593	6,565	8,777	7,310
EBIT	15,628	29,931	29,755	25,998
Interest	5,323	8,129	7,818	5,908
Other (income) / expenses	–	2,804	153	–
Profit before tax	15,534	24,638	27,673	23,139
Tax	3,765	11,651	6,287	7,627
Profit after tax	11,770	12,987	21,386	15,512
<b>Net Income<sup>1</sup></b>	<b>9,965</b>	<b>12,640</b>	<b>19,757</b>	<b>14,266</b>

Note:

1 Net Income after share of associate profit, minority interest and statutory appropriations

INR mm	FY08	FY09	FY10
<b>Balance Sheet</b>			
Net worth	76,530	86,189	114,004
Minority interest	8,062	9,444	12,097
Secured Debt	82,081	110,507	147,001
Unsecured Debt	9,055	30,928	37,468
<b>Total Debt</b>	<b>91,136</b>	<b>141,434</b>	<b>184,469</b>
Gross block	123,449	162,083	182,280
Less: Depreciation	58,255	68,079	74,549
Net block	65,195	94,004	107,731
CWIP	33,562	63,461	116,927
Total Fixed Assets	98,756	157,464	224,658
Cash	5,623	11,780	23,108
Current assets	51,964	74,466	96,901
Current liabilities	40,454	67,812	74,081
Net current assets	11,510	6,654	22,821

# Standalone Financial Statements

INR mm	FY08	FY09	FY10	9M FY11
<b>Income Statement</b>				
Revenue				
Power supply and transmission	57,973	70,715	68,935	49,691
Contracts	737	1,217	1,461	1,146
Others	449	430	587	721
<b>Total</b>	<b>59,159</b>	<b>72,362</b>	<b>70,983</b>	<b>51,559</b>
Other Income	4,979	6,324	2,816	4,063
Cost of power purchased	5,489	4,935	2,517	5,802
Cost of fuel	37,150	48,135	40,456	26,605
Generation, transmission, distribution and other expenses	7,154	7,883	9,224	7,493
<b>EBITDA</b>	<b>9,366</b>	<b>11,409</b>	<b>18,786</b>	<b>11,658</b>
Depreciation & amortization	2,905	3,289	4,779	3,881
<b>EBIT</b>	<b>6,461</b>	<b>8,121</b>	<b>14,007</b>	<b>7,777</b>
Interest	1,739	3,278	4,230	3,295
Other (income) / expenses	-	-	-	-
Profit before tax	9,701	11,167	12,593	8,546
Tax	1,002	1,945	3,205	1,808
<b>Profit after tax</b>	<b>8,699</b>	<b>9,222</b>	<b>9,388</b>	<b>6,738</b>

INR mm	FY08	FY09	FY10
<b>Balance Sheet</b>			
Net worth	75,192	81,099	99,988
Minority interest	-	-	-
Secured Debt	23,311	39,317	41,054
Unsecured Debt	7,062	12,665	17,666
<b>Total Debt</b>	<b>30,373</b>	<b>51,982</b>	<b>58,720</b>
Gross block	64,823	89,859	100,108
Less: Depreciation	34,768	37,953	42,581
Net block	30,055	51,905	57,527
CWIP	16,817	7,612	4,762
<b>Total Fixed Assets</b>	<b>46,872</b>	<b>59,517</b>	<b>62,290</b>
Cash	287	455	12,776
Current assets	38,755	46,811	59,543
Current liabilities	18,393	20,713	21,683
<b>Net current assets</b>	<b>20,362</b>	<b>26,098</b>	<b>37,860</b>

Source: Annual reports of FY08, FY09 and FY10