

#FUTUREREADY
**Empowering
customers
for tomorrow's
world**

INTEGRATED ANNUAL REPORT
2020-21

The graphic features a central circular element with a gear-like border. Surrounding this are several panels with icons: a wind turbine, a globe, a water drop with a lightning bolt, solar panels, a family, hands holding a heart, a lightbulb with a rupee symbol, an electric car, a power line tower, houses, gears, a leaf with a rupee symbol, and a laptop. The entire design is set against a light blue background with decorative wavy lines at the bottom.

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#FUTUREREADY

Empowering customers for tomorrow's world

As the world changes in unprecedented ways, our constant endeavor remains to bring energy to empower lives. However, the means to capture, process and deliver this energy is increasingly evolving, with diverse externalities

impacting the approach of power utilities globally. Chief among these are the growing attention towards sustainable growth and development, wide-ranging customer requirements and business continuity concerns.

Serving our customers and community has always been the cornerstone of the Tata Group's philosophy. Being at the forefront of innovation, The Tata Power Company Limited (Tata Power) has consistently delivered sustained value to its stakeholders and constantly challenged the status quo for continuous improvement and better service delivery. We believe in accelerating the transition to a sustainable future and our #futureready approach has enabled us to carefully strategise our business offerings and empower customers for tomorrow's world.

About this report

We, at The Tata Power Company Limited, welcome our stakeholders to our second Annual Integrated Report <IR> FY2020-21 (FY21). In furtherance to our FY2019-20 annual integrated report, this report presents our financial and non-financial performance from 1st April 2020 to 31st March 2021. The report aims to provide our stakeholders with a concise and complete assessment of Tata Power's contribution nationally, our vision, performance against strategy, and value creation journey.

REPORTING BOUNDARY AND SCOPE

The report covers the business activities of Tata Power across its business clusters and all its subsidiaries. This includes our business of renewables, conventional generation, transmission and distribution, next-gen power solutions, power trading, renewable energy products, utility scale solar EPC and services business. We aim to focus on material topics that have the potential to influence our business operations and long-term value creation for our stakeholders. Furthermore, in FY21 we have strengthened our long-term strategy with defined sustainability goals and targets. We have not made any material restatement in this report.

FRAMEWORKS REFERRED

Our Integrated Report is guided by the principles and requirements of the International Integrated Reporting Council's (IIRC) <IR> Integrated Reporting Framework. The content of the report is also in accordance with the Global Reporting Initiative (GRI) standards: Core option, with linkages to India's National Voluntary Guidelines (NVG) on Social, Environmental and Economic responsibilities of business. The report also provides linkages to the United Nations Sustainable Development Goals (UN SDGs) and United Nations Global Compact Principles (UNGCP). The financial and statutory information in this report is in accordance with the requirements of the Companies Act, 2013, Indian Accounting Standards, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards.

INTEGRATED THINKING

At Tata Power, we actively adopt integrated thinking to build robust internal processes and consistently work towards sustainable business operations. This approach is showcased through our value creation model, which provides a holistic view of the Company's use of resources and effect on its 6 <IR> capitals, thereby strengthening our viability and resilience over time.

OUR APPROACH TO INTEGRATED REPORTING

Our integrated report aims to showcase a balanced and transparent outlook of how we create, preserve, or enhance value over time. The report also introduces our stakeholders to

the Company's business model, strategy and the use of various capitals to highlight how we translate promise into action. In furtherance to the Stakeholder Engagement and Materiality Assessment (SEMA) carried out in FY20, we conducted a materiality review in FY21 to understand matters that have become more relevant during the year. Our prioritised material topics define the contours of this report and are further emphasised across our six capitals to showcase how we aim to strengthen our value creation journey.

RESPONSIBILITY STATEMENT

Our Board acknowledges the accountability for the integrity and completeness of this report and its contents. We have also ensured collective responsibility for the preparation and presentation of this report in accordance with the International Integrated Reporting Council (IIRC) - <IR> Framework.

ASSURANCE

The non-financial information disclosed in this report has been independently assured by Ernst & Young Associates LLP (EY). The independent assurance statement can be accessed on page 465 of this report. The consolidated annual financial statements have been audited by M/s. S R B C & CO. LLP (SRBC).

FEEDBACK

Your valuable insights and feedback on this report would help us to strengthen our future reporting initiatives. Your inputs may be communicated to tatapower@tatapower.com

FORWARD-LOOKING STATEMENTS

Certain elements of this report contain forward-looking statements. These may be typically identified by terminology used such as 'believes', 'expects', 'may', 'will', 'could', 'should', 'intends', 'estimates', 'plans', 'assumes', and 'anticipates', or negative variations. These forward-looking statements are subject to particular risks and opportunities that could be beyond the Company's control or currently based on the Company's beliefs and assumptions of future events. There could be a possibility of the Company's performance differing from expected outcomes and performance implied in this report. With a varied range of risks and opportunities facing the Company, no assurance can be provided for future results to be achieved as the actual results may differ materially for the Company and its subsidiaries.

This report was prepared under unprecedented challenges due to the COVID-19 pandemic. We, at The Tata Power Company Limited would like to take this opportunity to thank all stakeholders involved for the Integrated Report FY21. We would like to express our gratitude towards colleagues involved across essential services during this pandemic.

Manufactured Capital

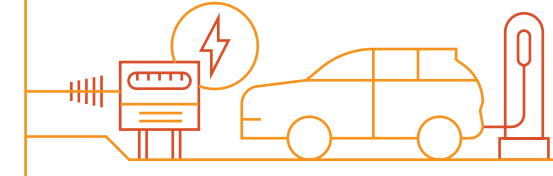
Our robust business structure and operational processes, inclusive of our physical assets as well as our products and services that help us to develop energy efficient solutions.



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Intellectual Capital

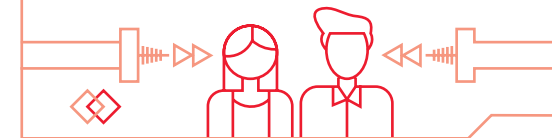
Our brand and product value, R&D, innovation capacity and strategic partnerships that support us to develop smart energy solutions empowering our customers to be future ready.



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Human Capital

Our agile workforce and vibrant work environment as well as expansive skill-set and technical know-how that enable innovative and sustainable solutions for our customers and long-term value creation for our stakeholders.



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Social & Relationship Capital

Robust stakeholder relationships, inclusive of the local communities in which we operate, to build a strong, holistic and thriving society and economy. We empower our customers with cost effective energy efficient solutions for brighter tomorrow.



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Financial Capital

Our promoter's equity, funding from investors, debt capital from lenders that support the progress of our business activities, ensuring sustained value for all our stakeholders.



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Natural Capital

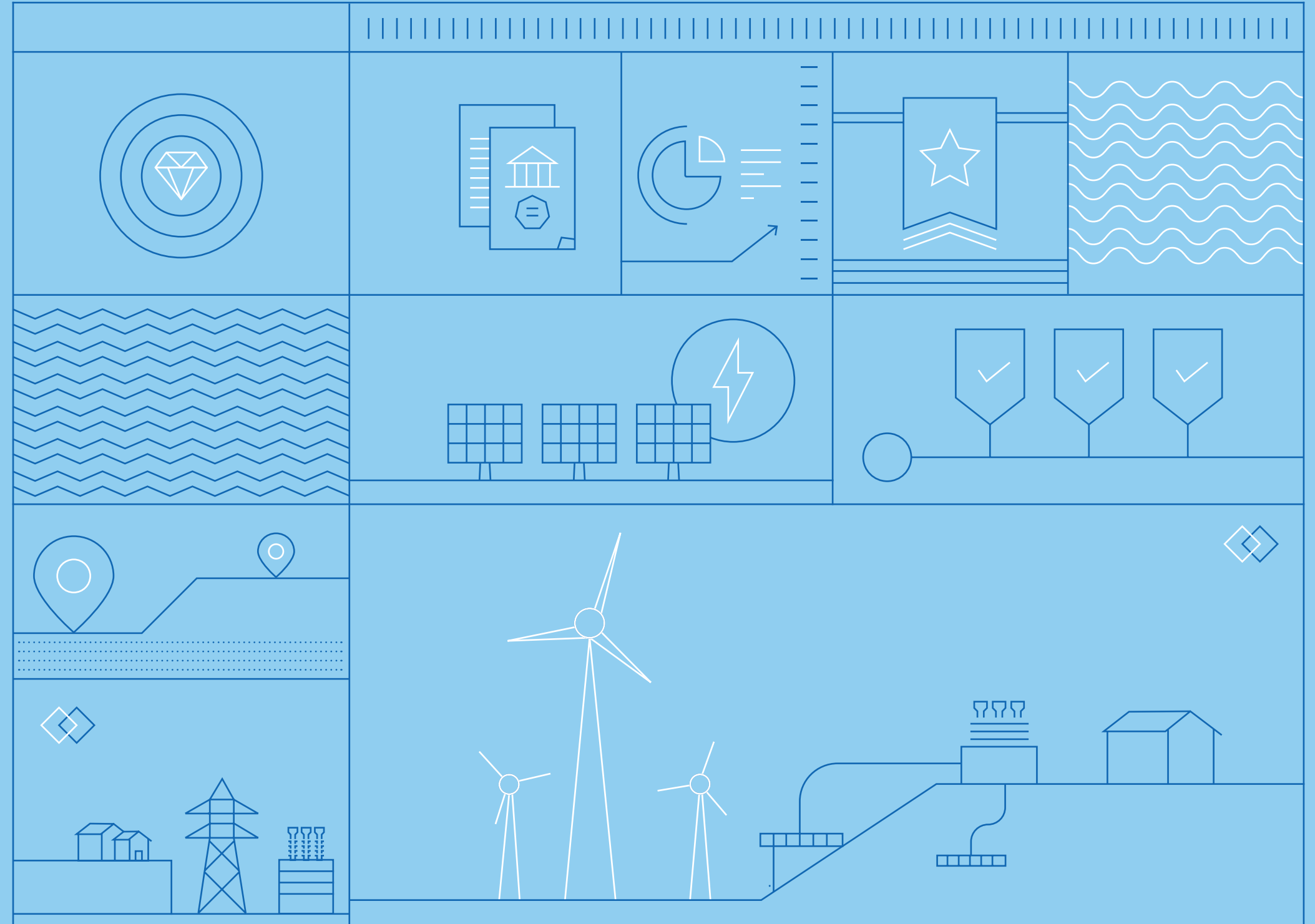
The responsible use of natural resources across our business operations and key operational efficiency initiatives which enable us to reduce our carbon footprint and enhance our bio-diversity conservation measures.



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Being proactive. Staying resilient.

The year 2020 was fraught with multiple challenges and an uncertain global outlook. Yet, we collectively stood strong in the face of adversity, demonstrating resilience, innovation and agility across the organisation. As a purpose driven Company, we tapped into all our resources and capabilities to produce actionable impact for our stakeholders and help combat a profound health and humanitarian crisis. The road ahead is clear and we are committed to achieving equitable growth that makes a positive difference to our people and our planet.



Dear Stakeholders,

The year 2020 has been like no other before in living memory, characterised by extraordinary challenges. However, it has also been a year in which we recommitted ourselves to our vision of providing future ready energy solutions to our customers to empower them for tomorrow's world. Our employees and partners were not discouraged by our strategic business objectives and meeting the evolving requirements of our customers. As India went into one of the world's largest COVID-19 lockdowns, our employees ensured uninterrupted electricity supply across the country. We proactively adopted strategic measures to combat the adverse impacts across our operations, workforce, and communities. Despite downside risks posed by COVID 2.0, we remain cautiously optimistic and will continue to build a resilient tomorrow and advance our sustainability agenda.

Building future-ready solutions

In FY21, we took effective steps to de-leverage our balance sheet. This strategy resulted in greater investor confidence in our performance and our market capitalisation increased by 214% from ₹10,496 crore in FY20 to ₹32,990 crore in FY21. Furthermore, we raised ₹2,600 crore by way of issuing equity share capital on preferential basis to Tata Sons Private Limited ("Tata Sons") reinforcing their commitment to strengthening our Company's financials by increasing their shareholding from 35.27% in FY20 to 45.21% in FY21. The completion of sale of the South African assets, shipping assets as well as defence business and the consequent reduction in debt and a corresponding upgrade in credit ratings has enabled the Company to further reduce financing costs. This has accelerated our ambitious plans to expand our business portfolio across

renewables, transmission and distribution, as well as customer centric businesses of Solar Rooftops, Solar Pumps, Microgrids, EV charging, Energy Services (ESCO), Home Automation and Floating Solar, amongst others. Your Company achieved a major strategic milestone by winning bids in the privatisation of the Discoms in Odisha. This has expanded our operational footprint and increased our customer base in distribution to 12 million customers.

In line with India's Nationally Determined Contributions (NDC), we have furthered our vision for a sustainable tomorrow with our commitment to achieving Carbon Neutrality before 2050. We are increasing our efforts in this direction with our commitment to set emission reduction targets in line with the Science Based Targets initiative (SBTi). Additionally, we plan to phase out coal based capacity and expand our clean and green capacity to 80% by FY30. As India's largest integrated solar EPC company, we delivered strong performance in FY21 with Tata Power Solar's order book over ₹8,700 crore and a capacity of around 2,800 MW. This achievement also strengthens our position as the No. 1 Solar EPC player for seven years in a row. As of date, we have five renewable projects registered under the Clean Development Mechanism (CDM) programme by United Nations Framework Convention on Climate Change (UNFCCC). It is noteworthy that 87,351 Certified Emission Reductions (CERs) were traded from these projects in FY21, generating around ₹1.77 crore gross revenue. #Futureready for a cleaner tomorrow, we aim to capitalise on opportunities across hybrid and offshore wind projects, floating solar, hydrogen fuel and strengthen our partnerships for battery storage projects.

We believe, a key step towards our transition towards carbon neutrality is to make sustainable products and services more affordable and accessible to our customers. This will enable us to strengthen our current stakeholder relationships and expand a suite of products and services that make our business more resilient as we move into the next decade of sustainability. With a deeply entrenched customer centric strategy, we continue to leverage innovation and technology to develop affordable and low carbon energy solutions for our customers. We also continued to strengthen our investments in SMART grid technologies to ensure an efficacious and resilient network as well as identified opportunities to transition towards an Energy as a Service (EaaS) business model. Strengthening our position as a B2C company, we continue to leverage smart choices to light up the lives of our customers in a more sustainable manner.

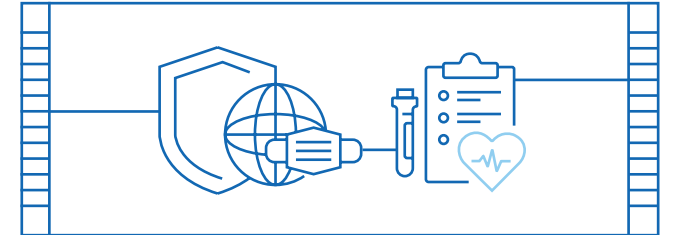
Driving valued impact, we stand by our responsible procurement practices across the value chain. We are committed to local sourcing and increased ESG transparency with our Business Associates (BA). We also encourage local businesses with 99% of non-fuel procurement locally sourced in FY21. Additionally, 46% of our overall procurement budget, including fuel was spent on local suppliers. We thus aim to minimise any adverse environmental and social impacts across our value chain.

Energised by our teams to deliver impact

Caring for our people and the communities we work with is deeply ingrained in our core values. We focus on upskilling and reshifting our teams across functions and businesses to enhance innovation, enable positive impact and light up the lives of our customers across the nation. We remain committed to fuel each and every employee's passion, hone their inherent talents and empower a diverse and inclusive workplace. In FY21, we continued to advance diversity and inclusion across our businesses and leadership. By enabling supportive gender diversity policies, women at Tata Power represent 8% of our total workforce in FY21. Additionally, women represent 31% of selected candidates in FY21 across campus recruitment.

With workforce mobility and employee well being a critical issue in FY21, we further strengthened our Business Continuity Plan (BCP) in response to the COVID-19 pandemic. This enabled effective operational preparedness and proactive measures to ensure the safety of our employees, while they worked hard to keep the power on in each and every home. Even during these unprecedented times, our employees remained steadfast in our vision to ensure sustainable, affordable, and innovative energy solutions for all our stakeholders. Their support enabled us to accelerate our own transformation to a new energy world. To enable a seamless transition to the new work from home paradigm, we leveraged on various training modules and programmes to bolster digital transformation across the organisation.

We continue to build deeper partnerships with our stakeholders and drive positive impact across communities. Bolstering our Corporate Social Responsibility (CSR) vision and thrust areas, we aim to positively impact 30 million lives directly and through the enabling community institutions around the regions we operate in. In FY21, our CSR expenditure stood at ₹39.24 crore with around 17,000 employees volunteering 57,257 hours to enable positive impact across communities. Furthermore, all our CSR initiatives are aligned to the United Nations Sustainable Development Goals (UN SDGs). We also encouraged inclusivity across our CSR interventions with 56% of our CSR beneficiaries being women in FY21. In our endeavour to transform India's rural landscape, we continued



“Despite downside risks posed by COVID 2.0, we remain cautiously optimistic and will continue to build a resilient tomorrow and advance our sustainability agenda.”

to install microgrids across 200 villages, with value added services implemented for our rural customers, including EMI schemes, Energy Efficient Applications and Micro Financing Institute (MFI) linkage for commercial and industrial customers.

Going beyond our thrust areas, we continued to work relentlessly to support responsible citizens in augmenting energy and resource conservation across the country. Owing to the pandemic, we could not conduct on ground programmes but capitalised on digital platforms to introduce 'E-learning Fridays' and bi-weekly webisode series for children and their parents. These efforts encouraged people to adopt sustainable living practices amid the lockdown with a successful 35,000 views across the webisode series.

Transforming sustainably to empower millions

We will continue to draw on our collaborative spirit to transform and ensure the resilience of our Company through new challenges in the coming years. There is much to do and we have a clear direction and a strategy for the future. I have strong faith in our leaders and employees, who continue to effectively execute strategy and deliver sustainable value to all our stakeholders.

Before I conclude, I must extend my heartfelt gratitude to all our go-getters-frontline workers who overcame challenges posed by the pandemic to ensure uninterrupted power supply to millions of citizens across the country. We will continue to focus on sustainable growth while delivering future ready solutions to our customers and empowering the nation.

Yours sincerely,

Dr. Praveer Sinha

CEO & MD

The Tata Power Company Limited

Delivering with responsibility
















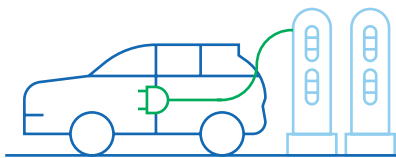
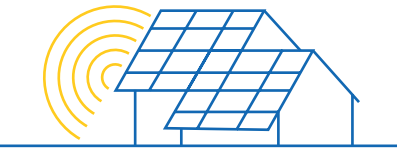

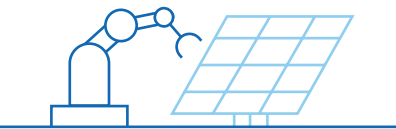
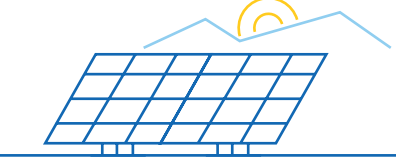
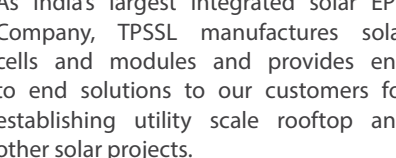
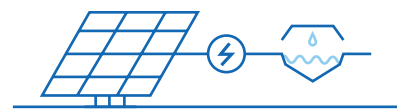
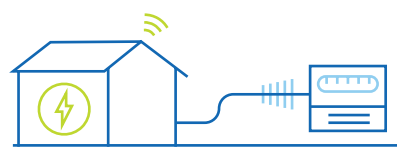
As India's largest integrated power company, we aim to be the partner of choice for all our stakeholders and usher in a future of smart energy solutions for our customers

	<p>The integrated and responsible use of our Natural, Financial and Manufactured capitals boosts our efforts to provide smart, future ready energy solutions for our customers</p>	<p>Responsible resource consumption</p> <p> 0.687 tCO₂e/MWh Carbon intensity</p> <p> 7.5% reduction in coal consumption</p>	<p>Robust financial growth</p> <p> ₹33,079 crore Revenue generated</p> <p> ₹1,439 crore Profit After Tax</p>	<p>Enhanced generation & distribution of power</p> <p> 31% Clean & green capacity</p> <p> 500+ MW Rooftop solar</p> <p> 4 Discoms acquired in Odisha</p> <p> 30,000+ Solar pumps</p>
	<p>We create a culture of innovation, facilitating our inspired workforce to develop energy efficient technologies and sustainable solutions</p>	<p>Diverse & talented workforce</p> <p> 8.6% New employee hire rate</p> <p> 20% women leaders on Tata Power's Board of Directors</p>	<p>Innovations to deliver operational excellence</p> <p> 40 member Innovation council across divisions</p> <p> 6 patents filed in FY21</p>	
	<p>We engage and empower our customers and other stakeholders to embrace tomorrow's smart energy solutions</p>	<p>Improving the lives of our customers and communities</p> <p> 532 Public EV charging points in over 92 cities, showcasing our commitment towards green mobility installed</p> <p> 161 microgrids Commissioned with over 4.8 MW installed capacity, building a future ready rural India</p>		

Enabling smart energy solutions for a future ready customer

At Tata Power, we aim to translate promise into action and build a future that supports sustainable energy transition. With a 107 year old legacy, we continue to empower customers to be #Futureready and pave the way for a smarter and greener tomorrow. Driven by the ambition to contribute to the global agenda of sustainable development, our vision and innovation driven culture enable us to leverage sustainable solutions to become a benchmark in the utility sector. Our integrated

presence across the energy value chain has been further strengthened with our diverse business portfolio supporting our ambition as the first power utility in India to commit to 'Carbon Neutrality' before 2050. ¹ We have a focused 3-D framework of Decarbonization, Decentralization and Digitalization. Additionally, to foster collaborative growth, we regularly interact with government bodies, institutions, NGOs and industry players across a myriad of member platforms.

Our Businesses	Our Vision	Our value generated outcomes			
<ul style="list-style-type: none">  Renewable Energy Generation  Transmission & Distribution  Manufacturing  Utility scale solar EPC  Conventional Energy Generation  New Business  Power trading  Services Business 	<p>Our Vision</p> <p> Empower a billion lives through sustainable, affordable and innovative energy solutions</p> <hr/> <p>Our Mission</p> <ul style="list-style-type: none">  Keeping the customer at the center of all we do  Operating assets and executing projects at benchmark level through technology & innovation  Sustainable growth with a focus on profitability and market leadership  Creating an empowered workforce driven by passion & purpose  'Leadership with Care' for all stakeholders 	<p>Our value generated outcomes</p> <p> Power Supply With strengthened partnerships and a collective vision to deliver uninterrupted power supply, Tata Power goes beyond the meter to deliver solutions that enhance customer experience and satisfaction with presence across the entire value chain.</p> <p> EV Charging Tata Power drives innovative and seamless Electric Vehicle (EV) charging experiences for its customers across Home, Offices, Malls, Hotels, Retail Outlets and places of public access, enabling green mobility.</p>	<p> Solar Rooftops As India's undisputed solar rooftop leader, Tata Power provides Engineering, Procurement and Construction (EPC) solutions pan India, across residential, commercial, industrial and institutional consumers.</p> <p> Solar Pumps Tata Power provides a range of sustainable solar water pumps that provide myriad solutions to empower communities and drive the renewables growth agenda of India.</p>	<p> Solar modules and cells As one of the globally recognised Tier-1 bankable solar module manufacturers, we consistently augment technology innovation with cutting edge manufacturing capabilities.</p> <p> Microgrids To augment the provision of dependable, affordable and clean power supply to rural households and enterprises, Tata Power continues to scale up innovative microgrid solutions through robust partnerships and unique collaborations.</p> <p> Utility scale solar EPC As India's largest integrated solar EPC Company, TPSSL manufactures solar cells and modules and provides end to end solutions to our customers for establishing utility scale rooftop and other solar projects.</p>	<p> Solar RO systems To address the challenge of availability and accessibility to clean and safe drinking water, Tata Power provides solar powered water purifier solutions with the latest technologies of Reverse Osmosis (RO) or Ultra Filtration (UF) in remote and rural India.</p> <p> Home automation solutions In our endeavor to drive energy efficiency, we offer innovative home automation solutions for all our consumers, enabling the convenient and remote use of home appliances along with safe and satisfied user experience.</p>

Our memberships and associations are provided in Annexure 1. We have 59 subsidiaries (inclusive of 7 foreign-based), 33 Joint Ventures (JV) and 5 associates which are further detailed in Annexure 2. Of the subsidiaries, 3 companies have been classified as JVs under Indian Accounting Standards (Ind AS).

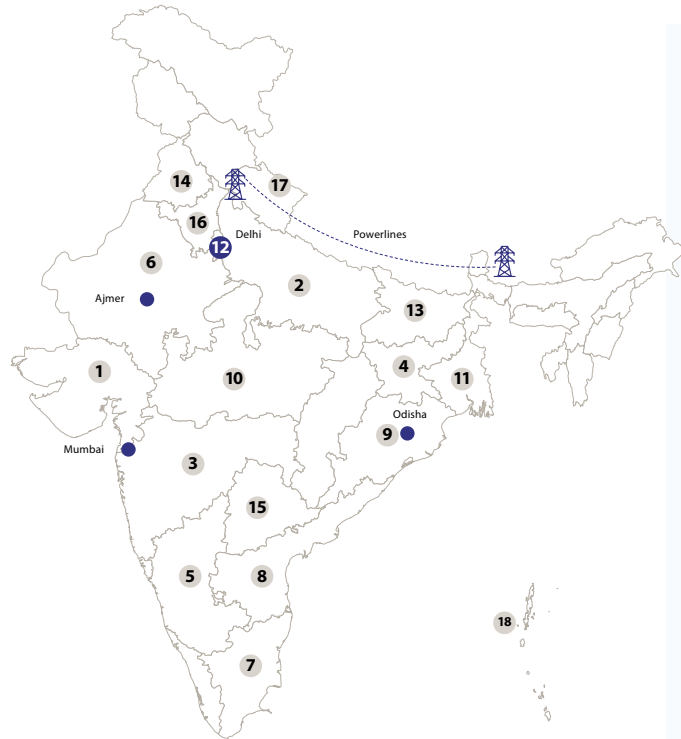
¹ <https://www.tatapower.com/pdf/investor-relations/edelweiss-esg-conference-mar2021.pdf>

NATIONAL REACH

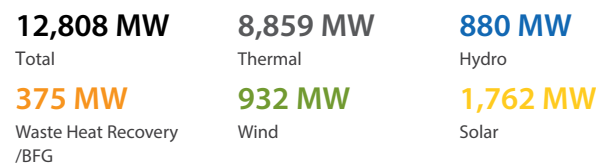
Powering India at scale

Tata Power has a significant global footprint with 12,808 MW generation capacity. Together with our subsidiaries and Joint Ventures (JVs), we have built a strong presence across the entire value chain of conventional and renewable energy as well as next-generation energy solutions for customers. We have now begun to expand in the Energy as a Service (EaaS) space. Tata Power's

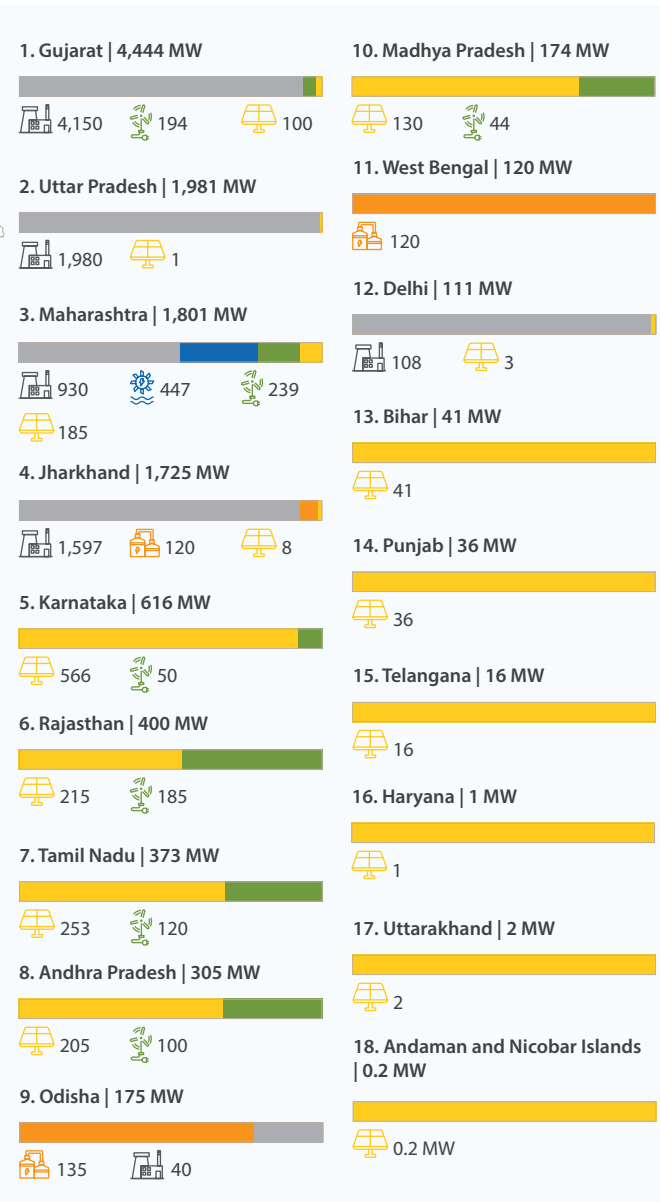
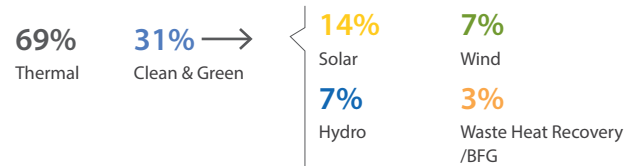
holding structure is detailed in the AOC-I on page 441. For FY21, there have been no significant changes in the location of suppliers, structure of the supply chain or relationships with suppliers. The share capital structure has undergone a change since last year with the shareholding of Tata Sons increasing from 35.27% in FY20 to 45.21% in FY21.



Fuel Mix (Both Domestic + International)



Distribution of installed capacity (Domestic & International)



AWARDS AND ACCOLADES

Winning at the centre stage

- Ranked as **one of India's most respected companies** by Business World
- Honored with **best risk management framework & systems award** - Power & Risk Governance Award
- Won a gold at **Brandon Hall 2020 human capital management excellence awards** under "best advance in competencies and skill development" category
- Received **Environment Excellence Award** by Indian Chamber of Commerce
- Won the gold award for **"rooftop solar EPC company of the year"** under industrial category at the India Rooftop Solar Congress
- Won two gold awards for **CSR Initiatives Saheli World (e-com platform launched during Covid) and Adhikaar (financial inclusivity) volunteering** in 9th ACEF Asia Leadership Award
- Won gold award for **best financial reporting** from Institute of Chartered Accountants of India

- Recognized as one of **the most sustainable company of India** by Sustain Labs Paris with a rank of 13 and A+ rating across 31 diverse parameters
- Honored with **Edison award** for its Club Enerji #switchoff2switchon campaign under social innovation category and social energy solutions subcategory
- Won **5 platinum and 5 gold awards** at the CII National Kaizen Competition-2021 and a platinum award at CII National 3M Competition-2021
- Won the **best ESG disclosure award** under ESG category midcap at investor relations society awards held jointly with BSE and KPMG
- Won **best asset management team** EPC utility solar in the RE Asset Management Awards ceremony



KEY MILESTONES

A century of leading with sustainability

Tata Power has been championing sustainability since its inception in 1915

1915 Commissioned first hydroelectric power generating system of 40 MW, subsequently upgraded to 72 MW at Khopoli
1922 Commissioned second hydro power station of 40 MW, subsequently upgraded to 72 MW at Bhivpuri
1927 Commissioned third hydro power station of 90 MW, subsequently upgraded to 150 MW at Bhira
2007 Completed 50.4 MW Khandke wind farm project
2011 Commissioned 3 MW Mulshi solar plant in Maharashtra
2012 Commissioned 25 MW solar plant at Mithapur, Gujarat

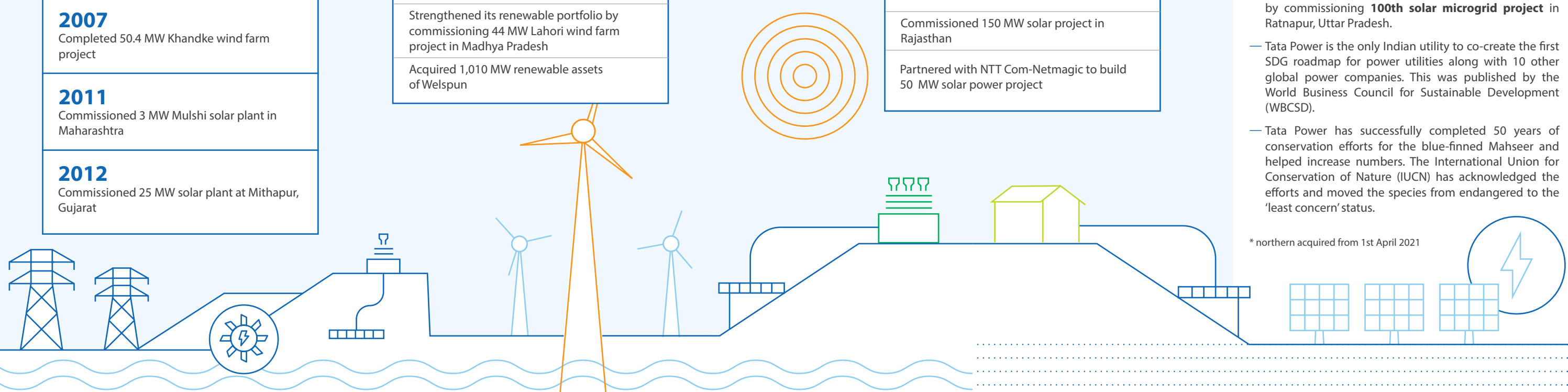
2014 Acquired 39.2 MW wind farm near Dwarka, Jamnagar in Gujarat Completed commissioning of 32 MW wind farm project in Maharashtra Commissioned 28.8 MW solar power project at Palaswadi, Maharashtra
2015 Commissioned first cross border hydro power project registered under the United Nation Framework Convention on Climate Change's (UNFCCC) Clean Development Mechanism for 126 MW at Dagachhu, Bhutan
2016 Commissioned 120 MW Itezhi tezhi hydro power project in Zambia Strengthened its renewable portfolio by commissioning 44 MW Lahori wind farm project in Madhya Pradesh Acquired 1,010 MW renewable assets of Welspun

2017 Constructed 187 MW hydro project in Georgia Increased non-fossil operating capacity to 3060 MW
2018 Integrated EV charging stations in Mumbai Launched extensive residential solar rooftop solution across India Developed 250 MW of solar projects in Tumkur, Karnataka and commissioned 100 MW Anantapur solar park in Andhra Pradesh
2019 Won 105 MWp bid for one of the world's largest floating solar plant to be installed at Kayamkulam, Kerala Recognised for addressing the challenge of open defecation by the Government of Netherlands Developed a 100 MW and a 250 MW solar project in Gujarat Commissioned 150 MW solar project in Rajasthan Partnered with NTT Com-Netmagic to build 50 MW solar power project

Our key achievements FY21

- Committed to achieve Carbon Neutrality before 2050.
- Reduced carbon intensity in FY21 to **0.687t/Mwh** from 0.695t/Mwh in FY20.
- **10.4%** reduction in SOx emissions in FY21.
- No further development of coal based capacity and phasing out of existing capacities.
- Increased our outreach for power distribution in central, western, southern and northern* parts of Odisha.
- Signed a Power Purchase Agreement (PPA) with Tata Motors Limited, **commissioning India's largest carport to reduce ~1.6 lakh tonnes of carbon emissions of Tata Motors** in its lifetime.
- Signed a PPA with Apollo Gleneagles Hospital, commissioning biggest carport in Indian Health Sector to **reduce 80 kgs of carbon emission annually**.
- Collaborated with central railway to **launch EV charging points at Mumbai's railway stations**.
- Signed a PPA with The Indian Hotels Company Limited to **provide ~60% of green energy to reduce nearly 22.9 million kg of CO₂ emissions**.
- Signed a PPA with Tata Steel Limited to **develop a 15 MW solar project** at Jamshedpur, Jharkhand.
- TP Renewable Microgrid Ltd. marked its first anniversary by commissioning **100th solar microgrid project** in Ratnapur, Uttar Pradesh.
- Tata Power is the only Indian utility to co-create the first SDG roadmap for power utilities along with 10 other global power companies. This was published by the World Business Council for Sustainable Development (WBCSD).
- Tata Power has successfully completed 50 years of conservation efforts for the blue-finned Mahseer and helped increase numbers. The International Union for Conservation of Nature (IUCN) has acknowledged the efforts and moved the species from endangered to the 'least concern' status.

* northern acquired from 1st April 2021



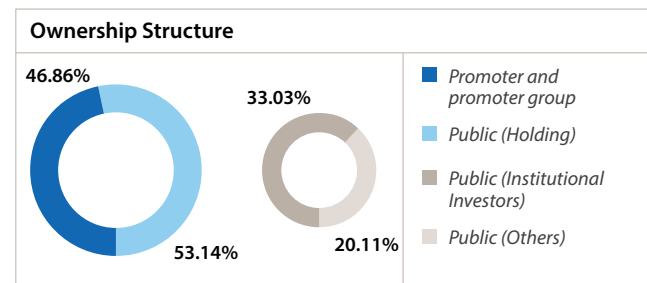
Custodians of responsible governance

At Tata Power, we leverage our vision and responsible governance practices to create value for our stakeholders

■ Chairperson
 ■ Non-Executive
 ■ Non-Independent
 ■ Nominee
 ■ Independent
 ■ CEO & Managing Director

We are guided by the principles of the Tata Code of Conduct and the Tata Business Excellence Model. These principles guide the organisation's growth along a sound and sustainable pathway. Our esteemed Board comprises of experts with rich experience across diverse fields.

Our Board represents the highest authority across the Company's governance and management paradigm. It continues to exemplify trust, transparency and integrity, supported by Tata Power's ethical and inclusive Corporate Governance (CG) mechanism. This responsible approach to governance enables us to maximise value for all our stakeholders in line with a balanced and sustainable strategy to achieve our long-term business objectives and aspirations.



Sustainability governance

The Board of Directors at Tata Power have guided the organization's strategy based on the Company's external and regulatory environment, material issues and stakeholder requirements. We have a robust sustainability model that is driven by a beyond compliance approach. With our core objective of 'Leadership with Care', we aim to drive initiatives that are material to the Company and its stakeholders as well as in line with national thrust areas for development. Furthermore, we have strengthened our sustainability strategy in line with our goal to become carbon neutral before 2050. An augmented element of sustainability to Tata Power's core governance structure has paved the way for numerous sustainability related policies that effectively govern our strategic direction and value creation process.

We hold periodic sessions during the year to appraise the Board of Directors on regulatory changes, CSR and sustainability related matters to gain valued perspective and strategic orientation for the future performance of the Company. In addition, we have implemented a Senior Leaders' Development Programme (SLDP) in partnership with IIM, Ahmedabad. This is a 15 month on campus leadership development journey which covers diverse modules, such as emerging business models, customer centric strategic planning, digital transformation, design thinking and disruptive innovation among others. In FY21, we also introduced e-trainings on "COVID-19: Building a Resilient Response", Business Continuity Management and Managing Shifting Realities and so on.

Tata Power's Policies

- Corporate Environment Policy
- Health and Safety Policy
- Corporate Sustainability Policy
- Human Rights Policy
- Whistle Blower Policy
- Responsible Supply Chain Management Policy
- Risk Management Policy
- Safety Code of Conduct

Further details on our policies are available on www.tatapower.com

Leading with responsibility and empathy

Tata Power employs a responsible approach to enhance organizational performance across the economic, environment, social and governance paradigm. We consciously conduct business in an ethical and fair manner, propagating a corporate culture that is socially and environmentally responsible. For FY21, there were no cases pending in line with unfair trade practices, irresponsible advertising and/or anti-competitive behaviour. Additionally, there were no cases of corruption with reference to our employees or our business partners.



We strongly encourage respect for human rights and the dignity of all people in line with Tata Power's core values. We are humbled to state that there have been no complaints concerning the rights of indigenous people, child labour, forced labour, freedom of association, the right of collective bargaining and gender or social discrimination. Besides, we comply with product and service regulations in regard to health and safety impacts, marketing communication as well as information and labelling. In FY21, there were no pending or unresolved show-cause notices issued from the Central Pollution Control Board (CPCB) or State Pollution Control Board (SPCB). At Tata Power, compliance is fundamental to our value creation story and we are proud to state that there have been no significant regulatory fines or sanctions for non-compliance with environmental or social, local and national laws.

The status of stakeholder complaints received in FY21 have been provided below:

Stakeholder	Received in FY21	Satisfactorily resolved by the management (%)
Investors	13	100
Employees	63 (including 9 contract employees)*	97
Vendors	15	100
Customer	1	100

*Inquiry is under progress for 2 concerns

Efficacious tax governance

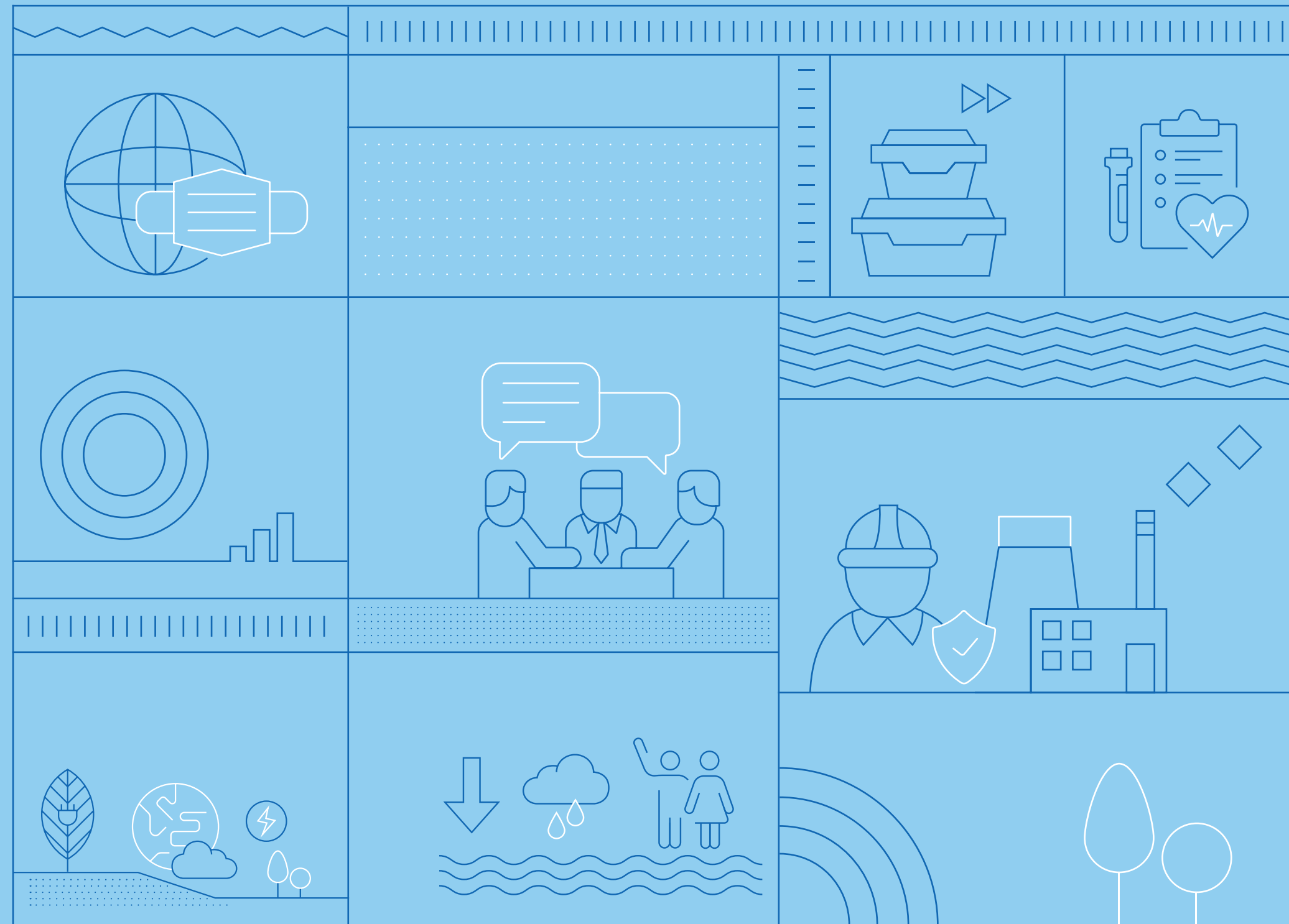
Tata Power carries out a detailed assessment with regard to the tax planning for the Annual Business Plan (ABP) period, which ranges from one to five years. The taxation department at Tata Power is headed by a senior officer responsible for the tax planning and litigation of Tata Power Group Companies operating in India. We also ensure a routine tax compliance which is overseen by the Chief Financial Officers (CFOs) of respective subsidiaries/joint ventures to maintain consistency in the Company's management approach. Actual tax liability versus the ABP estimation is compared every year and during the Union Budget exercise, we submit respective representation to the Government of India, proposing benefits accrued to the sector and in best interest of the Industry. Tax to the government is accrued as per relevant provisions and we are humbled to state that there have been no non-compliances with regard to taxation, with the exception of any ambiguity in the provision which would be subject to litigation in the best interest of the Company.

We track tax compliance details as well as timelines on our compliance portal which is updated in a timely manner with the status of compliance against due dates. In order to ensure the effective monitoring and review of tax compliance, the compliance report is also provided independently to senior management by the risk and compliance department. In order to mitigate unethical or unlawful behaviour, we maintain all tax workings and positions for future reference and advance tax payments are made only with the approval from the Financial Controller (FC) and Chief Financial Officer (CFO). We also prepare contingent liability statements every quarter and revise all pending litigations with a regular update of tax positions. Further information on our Corporate Governance structure and committees are detailed in our Report on Corporate Governance, page 184.



Our emphasis on value

- 20 **Our Strategy**
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- 40 **Value Creation Model**
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- 44 **Stakeholder Engagement**
- 46 **Materiality Assessment**



Strategically positioned to deliver value and empower lives

As India's largest integrated power company, Tata Power is committed to its vision to 'Empower a billion lives through sustainable, affordable and innovative energy solutions.' We prioritise long-term value creation to deliver sustainable outcomes and equitable benefits to all our stakeholders. In FY21, we conducted a 360 degree review of business impact on all our stakeholders, bringing the Environment Social and Governance (ESG) paradigm and commitment to carbon neutrality to the core of our business strategy.

At Tata Power, we have an established and integrated approach to formulate and implement a purpose driven strategy. We conduct an annual strategy review, enabling efficacious performance assessment, evaluation of the current strategy and establishing avenues to capitalize on our stakeholder's needs. A thorough assessment of our existing business activities as well as their interdependence is conducted with regard to the evolving external and regulatory environment, geo-political challenges, macro economic environment and innovation, among others. Our 4 phase approach representing a feedback loop supports the seamless and effective implementation of our strategy and forms the core of our strategic planning process.

Translating promise into action

We understand that progress in sustainability is driven by enhancing value generated for our stakeholders. Building on our vision, we aim to understand our role in society, our ability to facilitate enhanced economic activity, progress towards holistic development and ultimately augment our capabilities to create value. A strong foundation of our values guided by our vision and customer-centric approach, enables us to SCALE new heights and establish robust Strategic Business Objectives (SBOs) through an interactive feedback loop. We then leverage our key businesses to strategically translate our SBOs into long-term sustainable outcomes.

Tata Power's Vision

Empower a billion lives through sustainable, affordable and innovative energy solutions.

Our Values



SAFETY

Safety is a core value over which no business objective can have a higher priority



CARE

Care for Environment, Shareholders, Customers (both existing and potential), our Community and our People (our Employees and Partners)



AGILITY

Speed, Responsiveness and being Proactive, achieved through Collaboration and Empowering Employees



LEARNING

Building future ready skill sets through learning and training. Maximise usage of e-learning platforms



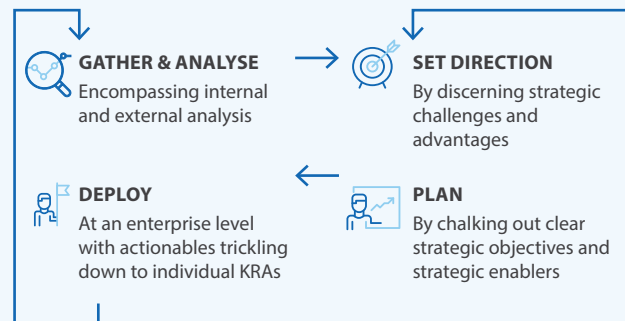
ETHICS

Achieve the most admired standards of Ethics through Integrity and mutual trust

Tata Power's Customer-Centric Approach

SCALE new heights

Feedback loop



Our Strategic Business Objectives and targets

SBO 1

Profitable scale-up of Renewables, Distribution, Services and Energy Solutions business

Targets

- Increase share of clean and green energy in Company's portfolio to 80% by FY30
- 40 million customer base across distribution businesses by FY26
- Being the leading EV charging network provider in India with over 1 lakh chargers installation by FY26

SBO 2

Focus on Sustainability with an intent to attain carbon neutrality

- Attain Carbon Neutrality before 2050
- Reduce specific fuel consumption by improving operational efficiency
- Benchmark in waste management (Gainful fly ash utilisation)

SBO 3

Maintaining financial leverage at targeted levels

- Strengthening of balance sheet by reducing debt to a more sustainable level
- Adopt debt-light models through innovative financial engineering and restructuring

SBO 4

Leverage digital platforms to drive new customer centric businesses

- Establish digital platforms for new businesses like EV Charging, Home Automation and Energy Services
- Leveraging data analytics to deliver customized solutions and Value Added Services (VAS) to customers
- Generating insights from various customer data across businesses to improve offerings

SBO 5

Develop future energy products and solutions

- Focus on adapting and introducing new models for satisfying energy needs of the customers
- Becoming the one stop solution provider for varied customer needs on energy through integrated offerings

SBO 6

Create an engaged, agile, customer centric and future ready workforce

- Enhancing employee engagement and targeting to be amongst the employers of choice
- Building organizational capabilities to drive customer-centricity
- Create next generation leaders
- Focus on Diversity & Inclusion
- Nurture existing core competencies and build new competencies in the areas of innovation, technology and digital platform

SBO 7

Minimizing coal cost under recovery in CGPL

- Optimising the coal cost under recovery through better coal sourcing, optimal blending and freight management
- Operating plant at optimum efficiency levels and achieving better operational parameters

SBO 8

Set new benchmarks in operational excellence and financial returns for existing businesses

- Achieve benchmark performance in various operational parameters in Thermal and Hydro plants
- Maximise incentives in regulated business
- Operating RE portfolio at benchmark and above design parameters to increase the yield
- AT&C loss reduction in Odisha Discoms
- Improve asset performance by maximizing digital initiatives

Leveraging our strategic business objectives to power a sustainable future

Renewables

Solar and wind generation, Solar cell and module manufacturing, Utility scale EPC, Floating Solar, microgrids Solar rooftop and pumps

Conventional Energy Generation

Hydroelectric, Thermal and Waste Heat Recovery Plants

Transmission & Distribution

Transmission services, Distribution services, Demand Side Management programmes, Energy Management Solutions, SMART meters

Primary Services Business

O&M Management Services
Project Management Services
Corporate Management Services

Next generation power solutions

EV Charging solutions, Home automation, Smart electrical appliances, Battery storage, Round-the-clock renewables, Hybrid renewables

Power Trading

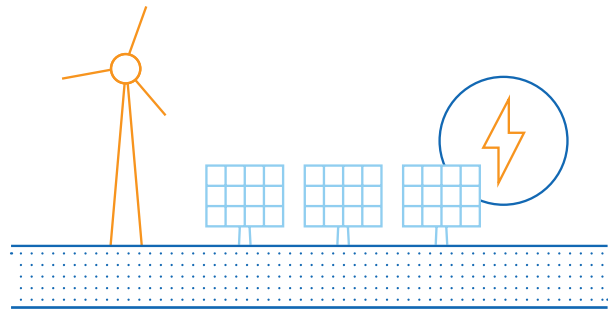
Trading power through exchanges

Aspirations that drive us forward

At Tata Power, we are always inspired by the challenges and opportunities and strive to energize our customers for smart, future ready energy solutions. We take conscious and measurable actions to transform our business in response to the evolving

needs and preferences of our stakeholders. Additionally, we take cognizance of the diverse range of stakeholder perspectives to build our strategy and strengthen our performance.

2025

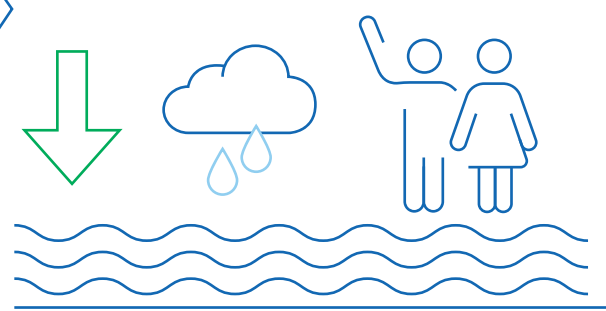


Pursue 2 GW of solar and hybrid capacities annually to grow from 4 GW to 15 GW

353 Villages to be empowered through microgrids

Expand clean and green capacity* to 60%

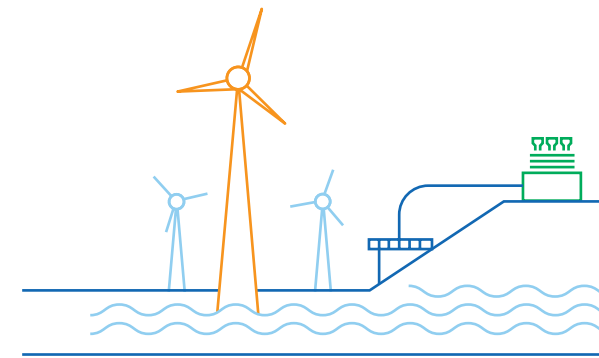
2026



Achieve 100% water neutrality and zero waste to landfill (biodegradable)

Positively impact 30 million lives

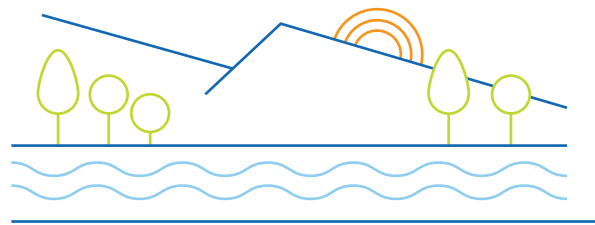
2030



Achieve clean & green capacity* of 80%

Pursue 2 GW of solar and hybrid capacities annually to grow more than 25 GW

2050



Achieve carbon neutrality

Become 100% water positive

*Clean & green Capacity – Includes wind, solar, hydro and waste heat gas based capacity

Guiding a sustainable future

At Tata Power, we are committed to building a vibrant and sustainable future. Our Enterprise Risk Management (ERM) supports an efficient and risk-conscious business strategy, delivering minimum disruption to business and creating value for our stakeholders.

Risk governance and management

Considering the pervasiveness of industry risks, diversity of our business portfolio and geographical locations of our operations, we have devised a robust Risk Management Policy. Our process for risk identification is consciously guided by the Company's objectives, external environment, industry reports as well as internal and external stakeholders, among others. This process ensures that the Company is adequately positioned to

understand and develop mitigation measures as a response to risks that could potentially impact the execution of our strategy and ability to create value. In FY21, we implemented a new concept in our Risk Management System, termed 'Risk Velocity', which measures how fast a risk exposure can impact the organization. We also ensure regular monitoring of the mitigation measures for high velocity risks.

Risk Identification and management at Tata Power

<p>Risks are identified across sector specific, technology, regulatory, commercial, financial, business, climate change and business continuity parameters</p>	<p>We designate a risk owner and champion responsible for structuring mitigation plans against identified risks</p>	<p>The outcomes of the first two stages are collectively mapped into our internal system with designated responsibilities and timelines to achieve risk-related targets</p>	<p>Our risk management system enables Cluster Risk Management Committees (CRMCs) to ensure seamless monitoring and review of current and future risk plans</p>
<p>A Risk Mitigation Completion Index (RMCI) is employed to determine and monitor the level of completion of mitigation actions</p>	<p>When the RMCI percentage is lower than the target, the deviation in mitigation action areas are reviewed for requisite intervention</p>	<p>Insights from the risk mitigation process are further incorporated in the risk plan to enable cross functional learning across the organization and enable efficacious risk management</p>	<p>Tata Power's risk register lays out concise and complete details of our identified risks and mitigation plans</p>

We have also established a Board Risk Management Committee (RMC) as per SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (amended), which constitutes of 3 Independent Directors and 2 Non-executive Directors. The RMC met three times in FY21 to review critical risks, which are additionally monitored at the Cluster Risk Management Committees (CRMC) level. We also discuss and implement any corrective actions and revise mitigation plans, as and when required.

Risk compliance

Our risk management approach lends impetus to ensure compliance with relevant legislations. Additionally, we have established proprietary software to run an effective Compliance Management System (CMS) that allows for keen monitoring of the compliance status with regard to applicable laws and regulations. The CMS at Tata Power also provides a robust governance structure and a streamlined reporting system that ensures cohesive compliance reporting to the management. The regulatory compliance status report is presented to the Tata Power Board on a quarterly basis.

Compliance Monitoring Cell (CMC)

Apex Compliance Committee (ACC)

Chief-Internal Audit & Risk Management

Business cluster and corporate function heads

Senior Management

Compliance reports are regularly updated by the Compliance Department and independently reviewed by senior management, allowing for efficacious oversight across compliance practices.

The CMS covers Tata Power and all material domestic subsidiaries.

The extensive benefits of the software capture alerts that inform us of changes in laws/regulations, while also updating the database. If any legislations are no longer applicable, they are accordingly disabled in the system.



RISK MANAGEMENT

Our operating context and identified risks

At Tata Power, we have established robust processes to warrant an efficacious system for Internal Financial Controls (IFCs). The support of an internal audit function ensures continued effectiveness of IFCs through a strategic and effective management approach. Our internal audit team has integrated IFCs into the Risk Control Matrix of enterprise processes in line with the requirements of the Companies Act, 2013. These processes are additionally tested with regard to approved internal audit plans. We also conduct periodic reviews of the current anti-fraud framework and Standard Operating Practices (SOPs) to ensure the relevance of our processes. With our internal audit monitoring and equivalent

actions taken, there are no material adverse observations which could have a financial or commercial impact or material non-compliances that have not been addressed. Furthermore, we employ a Control Self-Assessment (CSA) process which enables the response of each process owner to be used in order to access internal controls in each process. This, in turn supports enhanced process improvement plans and enables certifications from CEO/CFO for internal controls. Details of our identified risks, mitigation strategy and linkage to our strategic business objectives are provided below.

Classification of risk	Description	Mitigation strategy	Strategic Linkage
Sector-specific risk	<ul style="list-style-type: none"> — Poor financial performance of state Discoms — Credit worthiness and business continuity of the customers 	<ul style="list-style-type: none"> — Close monitoring of Distribution Companies (Discoms) — Sustained advocacy authorities — Diversification of renewable portfolio across various procurers, tariff structures and states 	SBO 1 SBO 8
Technology risk	<ul style="list-style-type: none"> — Cyber security risk threatening data privacy and having the potential to impede operational transactions. 	<ul style="list-style-type: none"> — Automated detection and preventive solutions — Reinforcement of security policies and procedures — Enterprise wide training and awareness programs on information security — Inputs from Computer Emergency Response Team (CERT) and other private cyber intelligence agencies — Periodic testing to validate effectiveness of controls through vulnerability assessment and penetration testing — Regular internal and external audits — Investment in cyber insurance — ISO27001 certification for Digitalization & Information Technology (D&IT) — Implementation of Security Operations Centre (SOC) as service 	SBO 4 SBO 5
Regulatory risk	<ul style="list-style-type: none"> — CGPL coal under-recovery — Continuity of businesses post expiry of PPAs — Water securitization of hydro plants: Risk of reduced generation — Risk of violating environment norms — Non cost reflective tariff leading to accumulation of regulatory assets. 	<ul style="list-style-type: none"> — Advocacy with Ministry and regulatory bodies at various levels — New avenues to utilise fly ash in ready mix concrete, slag cement, fertiliser among others for 100% ash utilization, implementation of Flue Gas Desulphurization plant (FGD) 	SBO 7 SBO 8

Classification of risk	Description	Mitigation strategy	Strategic Linkage
Commercial risk	<ul style="list-style-type: none"> — Non-compliance and renegotiations of PPAs — Risk accumulation in large projects, EPC business and rooftop solar — Moderation of solar and wind tariff putting pressure on margin in renewable sector — Meeting set Aggregated Technical and Commercial (AT&C) losses in initial years for Odisha Discoms — Disallowance of costs / schemes in transmission 	<ul style="list-style-type: none"> — Policy advocacy at the central and state level and legal remedial action, selective bidding and avoiding specific identified states — Credit risk assessment of private customers, advocacy for enforcement of payment security mechanism of Letter of credit — Mitigation through prudent operations management, resource optimization and prudent bidding practices — Focus on installation of new meters and replacement of faulty meters; increasing efficiency in billing — Advocacy with State Transmission Utility (STU)/ regulator for acceptance of schemes through cost-benefit analysis 	SBO 1 SBO 5 SBO 8
Financial risk	<ul style="list-style-type: none"> — Availability of cost-effective capital: Availability of debt — High leverage: Increased borrowings over last few years primarily due to losses in CGPL — Renewal of operating license of investments — Liquidation of regulatory assets 	<ul style="list-style-type: none"> — Diversification of lenders base — Monetization of non-core assets — Advocacy with relevant government authorities — Advocacy with regulators and government for tariff increase 	SBO 1 SBO 3
Business Risk	<ul style="list-style-type: none"> — Availability of fuel for thermal plant at optimal cost 	<ul style="list-style-type: none"> — Exploration of alternate coal sources 	SBO 8
Climate change and business continuity linked risks	<ul style="list-style-type: none"> — Climate change linked transitional risk: Possibility of capping of carbon emissions — Climate change linked Physical risks: <ul style="list-style-type: none"> — For operations located in coastal area — Rise in water temperature potentially affecting processes — Extreme weather events such as floods and draughts, fuel and water scarcity — Risk of pandemic and other natural disasters 	<ul style="list-style-type: none"> — Lowering of carbon intensity by focusing more on the renewable portfolio as well as venturing into energy efficient businesses like rooftop solar, EV charging, microgrids etc. — Improvement in operational efficiency for thermal power plants — Installation of pollution control and energy efficient equipment — Establishment of robust Business Continuity and Disaster Management Plan (BCDMP) evidenced through recertification on ISO 22301:2012 from the British Standards Institute (BSI) 	SBO 1 SBO 2 SBO 8

Plan. Protect. Enhance (PPE)

Tata Power deployed a 'PPE' strategy, further to our Business Continuity Plan (BCP), to safeguard its employees, stakeholders and the larger community from the adverse impacts of the COVID-19 pandemic.

COVID-19 extracted a huge toll on lives and livelihoods of millions of people in India and other parts of the world. It also severely impacted the Indian economy and all other industries including the power sector which observed a decline in electricity demand, disruption in the power supply chain and financial stress due to the lockdown. The worst decline was observed in the southern and western regions with national demand reducing by 19%. Despite being an essential service, the sector grappled with multiple challenges to serve power to the citizens.






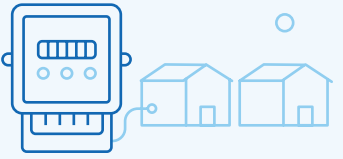



At the onset of the pandemic, Tata Power experienced challenges across its business activities and operations. However, with the efforts of a dedicated workforce, we managed uninterrupted generation, transmission and distribution of power across the country. 70 renewable plants, 11 hydro generation and thermal plants of Tata Power, along with its transmission network across five cities ran at full capacity to ensure power supply across various locations during the pandemic.

The Tata Power Company Limited

	<h1>Plan</h1> → Page no. 31
	<h1>Protect</h1> → Page no. 32
	<h1>Enhance</h1> → Page no. 38



A glimpse into Tata Power's COVID-19 interventions

 <p>10,03,251 people supported with food grains, meal donation and Public Distribution System (PDS) linkages</p>	 <p>8,322 migrant workers surveyed for essential service benefits</p>	 <p>Distributed digital devices to students across Delhi Government Schools to support education for all during the pandemic</p>
 <p>6,42,880 people covered under health awareness, disinfectant spray and drinking water initiatives</p>	 <p>7,08,238+ masks created and distributed by women artisans at DHAAGA (Tata Power initiative) across states</p>	 <p>Promoted self-meter reading to ensure consumer safety</p>
 <p>2,262 Tata Power employees contributed 1-day salary to Tata Community Initiative Trust for COVID-19 response</p>	 <p>68,400 kgs vegetable supplied by 5,000 Self Help Group members & farmers to local mandis</p>	 <p>9,000 people Across 71 location were covered by mobile dispensaries deployed by us</p>

OUR COVID-19 RESPONSE

Powering through the pandemic

During the pandemic, Tata Power identified various challenges across its operations, workforce and communities as well as adopted strategic measures to combat identified adverse impacts. These measures are broadly categorised under our PPE approach (Plan. Protect. Enhance), which includes our

robust BCP, protection of our workforce by ensuring adequate health and safety measures and contributions made towards the communities. It also focuses on the enhancement of our technological interventions to minimize COVID-19 risk and optimize our business operations.



 **Plan**

Though the COVID-19 pandemic represented an unprecedented crisis, Tata Power through its robust BCP, ensured minimum impact of adverse events on its business activities and employees. The BCP supported our efforts to ensure our plants would run at full capacity. Furthermore, we implemented a ROTA system for employees, factoring in backups followed by dry backup teams who could take charge if one of the ROTA teams was impacted. Additionally, we are equipped with a workforce who are trained by continuous mock drills and disaster management exercises for possible emergency situations. Taking into account 'The New Normal' we have devised a long-term business continuity plan which accommodates risks such as plant locations declared as containment zones or disruption of supply chain and restricted mobility due to lockdowns.



SOME OF THE STRATEGIES OF OUR LONG-TERM BCP INCLUDE:

- Alternate access for mobility and basic supplies
- Planning for minimum workforce confinement inside facility
- Usage of e-platforms for managing businesses remotely
- Identifying local expertise to perform onsite activities
- Maintaining stocks of critical equipment and mutual agreement with industries for sharing them
- Increasing fuel reserve period
- Pooling inventory



Protect



Employees

Tata Power undertook various initiatives to assist its employees and contractual workforce during the pandemic.

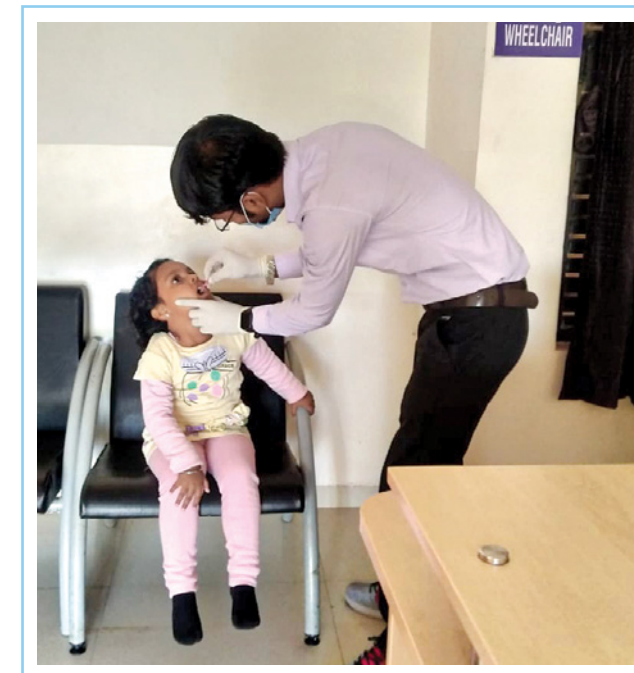
SOME OF THE INITIATIVES INCLUDE:

- Conducted vaccination drives, organized camps to conduct rapid antigen test drive at plant premises and ensured availability of oxygen, beds, ambulance, quarantine facilities, testing and injections in collaboration with Tata Medica, Mission Hospital, Apollo Hospital, Tata Motors Hospital, Tinplate Hospital and Tata Main Hospital. Vaccination for contract employees was also facilitated through tie-ups with government hospitals.
- Provided benefits such as work from home and Group Term Life Insurance through a tie up with Mediassist and one-to-one helpline to ensure employees' mental wellbeing.
- Ensured the supply of emergency logistics and medicines to employees and their families during the lockdown. The initiative was extended to our retired employees.
- Acquired approvals from regulatory authorities to allow the travel of employees in local trains
- Created awareness among employees and contract work force while maintaining regular communication through virtual meetings to ensure transparency and emergency preparedness on critical risks. We also ensured wages to all workmen who could not report for duty during the lockdown.
- Ensured adherence to COVID-19 protocols by issuing guidelines for individuals, families, housing societies, offices and travelling. Post COVID-19 guidelines were also circulated to manage post-recovery vulnerabilities.
- Provided advisory protocols on safety and precautionary measures regularly and frequent awareness sessions on COVID-19 by an in-house doctor
- Launched a 24*7 helpline for employees to connect to the business HR team in case of any emergency
- Ensured regular sanitisation and disinfection at all sites/offices



- Processed salaries on time and provided advance cash to our contractual workforce
- Provided special attention to women employees with children
- Ensured smooth operations by providing regular IT support
- Partnered with institutions such as TMTC, TPSDI and Coursera for conducting virtual workshops to enhance the knowledge of our employees on safety, managerial skills and project management
- Provided dedicated transport service to contract work force to ensure their health and safety
- Conducted tele-OPD for the employees staying in Trombay colony and provided voluntary OPD facility for non-hospitalization expenses.

- Provided facilities like cashless mediclaim and medical advance to most of the COVID-19 positive cases at various corporate hospitals. We also provided special sick leaves for affected employees and a term policy with minimum premium.
- Prepared sanitizers in our DM plants and distributed to our employees
- Provided PPE kits to security teams
- Provided 24*7 occupational health center in plant premises for taking care of outsourced workmen with medicines, consultancy and health checkups.
- Provided special COVID-19 leaves for employees who are tested positive
- Formed emergency response teams at central and local levels to aid employees with all COVID related emergencies
- Launched 'Doctors Speak' awareness session throughout the organization to address the concerns of employees related to COVID-19 and create awareness amongst them
- Tied up with Hotel Siddharth at Jamshedpur to provide isolation centers and medical assistance to our COVID affected employees



24x7

occupational health center provided in plant premises



Doctors speak

awareness session launched

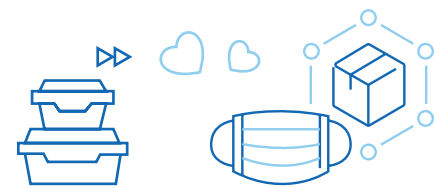


Government

Tata Power, in liaison with government agencies took initiatives to strengthen the battle against COVID-19.

SOME OF OUR INITIATIVES INCLUDE:

- Requested Discoms to reduce the requirement of hard copies of Joint Meter Reading (JMR) as it became a challenge during the pandemic due to the safety protocols. Ministry of New and Renewable Energy (MNRE) and Solar Energy Corporation of India (SECI) also released an official circular for the same.
- Ensured business continuity of organizations by requesting Discoms to adapt to e-meetings and e-hearings as restricted movement represented a challenge in conducting operations
- Supported Haldia Development Authority with COVID healthcare facilities



- Associated with Ministry of Social Justice, Government of India and 'Khana Chahiye' to initiate community kitchen operations enabling food and livelihood security in Mumbai amidst the lockdown
- Provided 4,000 rapid Antigen kits and 3 oxygen concentrators to support district government authorities

4,000
rapid Antigen kits provided to support District Government Authorities



Communities

At Tata Power, caring for the community is an enduring commitment. We have rolled out initiatives for communities across various locations.

SOME OF OUR INITIATIVES INCLUDE:

- Distributed 7.00 lakh reusable masks and over 50,000 grocery kits, food, fruits and sanitisers to over 2.4 lakh workers across 10 states. Similarly, food packets and 1,000 masks were distributed across villages of Uttar Pradesh (UP) and Bihar.
- Formed a Corona Village Disaster Management committee to ensure the health and safety of villagers.
- Supported anganwadi sevikas, health workers and field animators throughout the course of the pandemic
- Enabled 39.49 lakh worth order of tailoring & stitching, essence sticks and mushroom farming for women Special Help Groups (SHGs)
- Conducted COVID-19 general awareness sessions by putting banners, leaflets and initiatives like "COVID Rath".
- Provided medicines to local primary health care centers in Gujarat, benefitting ~300 households
- Prepared and distributed food for more than 9,000 labourers and slum dwellers with the help of government officials



- Efforts were made by Mumbai transmission team to remove the overhead conductor and make way for the 1,000 bed make-shift COVID-19 hospital at Bandra Kurla Complex (BKC) ground.
- Distribution of ration/grocery kits including daily essentials to over 2,500 beneficiaries was done by TPDDL with the support of Tata Realty, who distributed nutrition and hygiene kits to 1,000 migrant workers across Delhi.
- TPDDL, in partnership with the Delhi Government, sponsored 3 lakh meals to underprivileged communities and migrant workers. We also coordinated with Taj Hotels and provided 4,000+ meals/day to doctors, nurses, medical staff and COVID-19 patients in government hospitals in Delhi.
- TPDDL along with Tata Motors provided manpower to disinfect 500 Delhi Transport Corporation (DTC) buses and 1,000 auto rickshaws daily during lockdown.
- TPDDL ensured continuous portable water supply to over 1 lakh people every day and operated and maintained RO plants at 22 locations, 8 Jhuggi Jhopri clusters and 14 government schools which were all converted into isolation wards and shelter homes
- Initiated helplines to implement COVID-19 relief packages and benefitted ~45,000 people.
- Provided tele-medical facility for maternal and child health services to 5,000 people with partnership of Integrated Child Development Services (ICDS).

OUR COVID-19 RESPONSE

- Provided 500 home isolation kits, 3 machines for sanitization at adjoining villages, 10,000 RAT kits to district administration and 300 beds and mattresses to COVID care hospital set up by district administration
- Supported farmers with paddy seeds to ensure food security and enhance livelihood options during the pandemic which benefitted 1,350 farmers.
- Provided thermal scanners, disposable masks and grocery items to police station and tahsildar office at Karjat
- Provided bus facility for villagers to get vaccinated at Patnus gram panchayat
- Assisted government hospital at Shirolu to establish vaccination center in Patnus by providing one nursing assistant, one computer system, 3 beds, PPE kits for staff and transportation facility
- Distributed over 6,100 PPE kits, 15,250 immunity booster herbal support items, 7,625 hand sanitizers, 30,500 filter based SHG-95 Masks and 12,200 tablets across regions in the country
- Donated over 2,000 oxygen concentrators at Odisha and Delhi through Tata COVID-19 task force. We also provided 5,000 oximeters, 5 generators and 250 cylinders along with PPE kits and sanitizers to Delhi.



- Contributed ₹3.5 lakh to art of living foundation for facilitating virtual sessions on COVID resilience mind sets and techniques
- Enabled over 100 SHG women to produce technically superior filter-based cotton masks (SHG-95) by collaborating with the innovative Billion Social Masks Alliance and produced over 20,000 masks as a part of the first phase.
- All our employees contributed to a fund to support around 350 families with 2 week ration during lockdown in Karandih, Gadra and nearby locations
- Shared video clips to bust the myths associated with COVID by using a network of 2,500 SHG members
- Provided passes to vehicles with advocacy from APMC for carrying out agricultural activities during lockdown which led to marketing of 80 tons of melons and generated income of ₹8 lakh to 50 farmers.

2,000
oxygen concentrators donated at
Odisha and Delhi



Locations

We ensured that adequate measures are taken to manage the COVID-19 crisis across all our sites/locations.

Some of our initiatives include:

- **TP Ajmer Distribution Limited** – Implemented COVID-19 protocols such as social distancing, wearing masks, thermal screening and glass partitions, among others to avoid direct contact with consumers and ensured these measures were being strictly followed at the consumer service centre
- **Maithon Power Limited** – Executed the annual overhaul activity of unit 2 by strictly adhering to COVID-19 SOPs at site. The activity was planned in a phased manner with an established quarantine centre. We ensured all workmen were shifted to the hostel only after 100% RT-PCR tests were conducted. This was followed by a safety induction training at TPSDI and continuous monitoring by the medical team till the end of the activity
- **Tata Power Delhi Distribution Limited** – Conducted COVID-19 management in an appropriate manner by constituting an Apex Committee for regular monitoring of initiatives. A ROTA system was implemented along with several initiatives for the workforce such as work from home, work from site, adhering to Health & Safety SOPs, disposable PPE kits for lineman, mapping of operation staff, hostel facility and ensuring adequate quantity and availability of protective gears and medicines



- **Tata Power Haldia Plant** – Conducted COVID-19 awareness sessions with Self Help Groups in neighbouring villages.
- **Coastal Gujarat Power Limited** – Coordinated with authorities for plying of fodder trucks in the field along with providing uninterrupted supply of water for fishermen and preparing masks for distribution. We also conducted several awareness sessions towards government schemes such as PM Garibkalyan Yojna for extra food support.
- Provided 50 oxygen cylinders at Mangaon and Mulshi, 6 at Jamshedpur and 10 at KPO facility along with 30 oxygen concentrators at Maithon, 5 at Pratapgarh, 6 at Neemuch, 3 at Prayagraj, 2 at Jojobera and 2 at KPO facility. COVID resilience kits were also distributed across 64 sites.



Enhance

Business Operations

Despite the challenges faced due to the COVID-19 pandemic, we continued to run our operations at optimal level by endeavoring power connectivity across all locations.

SOME OF OUR INITIATIVES INCLUDE:

- Ensured availability of critical spares at ~70 sites across 11 states, despite the restriction of movement during the lockdown by coordinating with communities as well as local, district and state authorities.
- Achieved a minimum downtime of critical equipment by making safe accommodation arrangements for contracts and employees at the control room.
- Promptly obtained necessary permissions and resumed our operations at all project locations amidst the lockdown ensuring seamless business activity.
- Provided accommodations to workers and other staff members to resume work and avoid their interaction with the community to ensure their health & safety.
- Enhanced our operations by expanding our manufacturing facilities with high degree of automation. This was carried out with the support of our engineers and officials in Germany through telephonic conversations and video conference.
- Provided green power to new shops, household consumers and a bucket manufacturing plant at Bakhara village of Muzaffarpur district in Bihar.
- Successfully executed the first-ever transportation of solar modules by rail to National Thermal Power Corporation (NTPC) Central Public Sector Undertakings (CPSU) project site in Rajasthan.



- Ensured adherence to Government Regulations of restricted mobility by appealing our customers to use digital platforms for making payments. Our customer touchpoints were also operated with limited resources via e-mail and SMS.
- Initiated a social media challenge of taking a pledge with a single action and posting a picture of the same. This challenge was named as #MyTataPowerPledge.
- Our employees focussed on optimising our business operations diligently. They continued to work at remote sites on a shift basis and 400 of them volunteered to contribute over 800 hours in TPSSL.
- Ensured 100% adherence to operations and maintenance schedules of the plants and completed 3 annual shutdowns successfully.
- Regularly conducted COVID-19 Task force meetings, Cross-functional Team (CFT) audits and tabletop exercise to ensure preparedness level at site.
- Formed COVID Core Committee at Jamshedpur to carry out health care responsibilities.

Innovation & Technological Advancements

Tata Power adopted a variety of technological innovations across its business activities to combat the challenges of COVID-19, thus ensuring the safety of its employees and enhancing our ability to create value.

- Integrated portable cameras, apps and CCTV surveillance on the mobile for remote diagnosis and safety of our workforce.
- Equipped with UV-C sanitization boxes for disinfecting portable tools and electronic items, among others at Transmission & Distribution (T&D) Mumbai.
- Installed a contactless hand sanitizer dispenser for sanitising hands without touching at Industrial Energy Limited (IEL), Kalinganagar
- Established an extended control room for addressing concerns related to operations of Boiler Turbine & Generator (BTG) equipment and logistical challenges. It was also used as a substitute for central control room in case of any COVID-19 case.

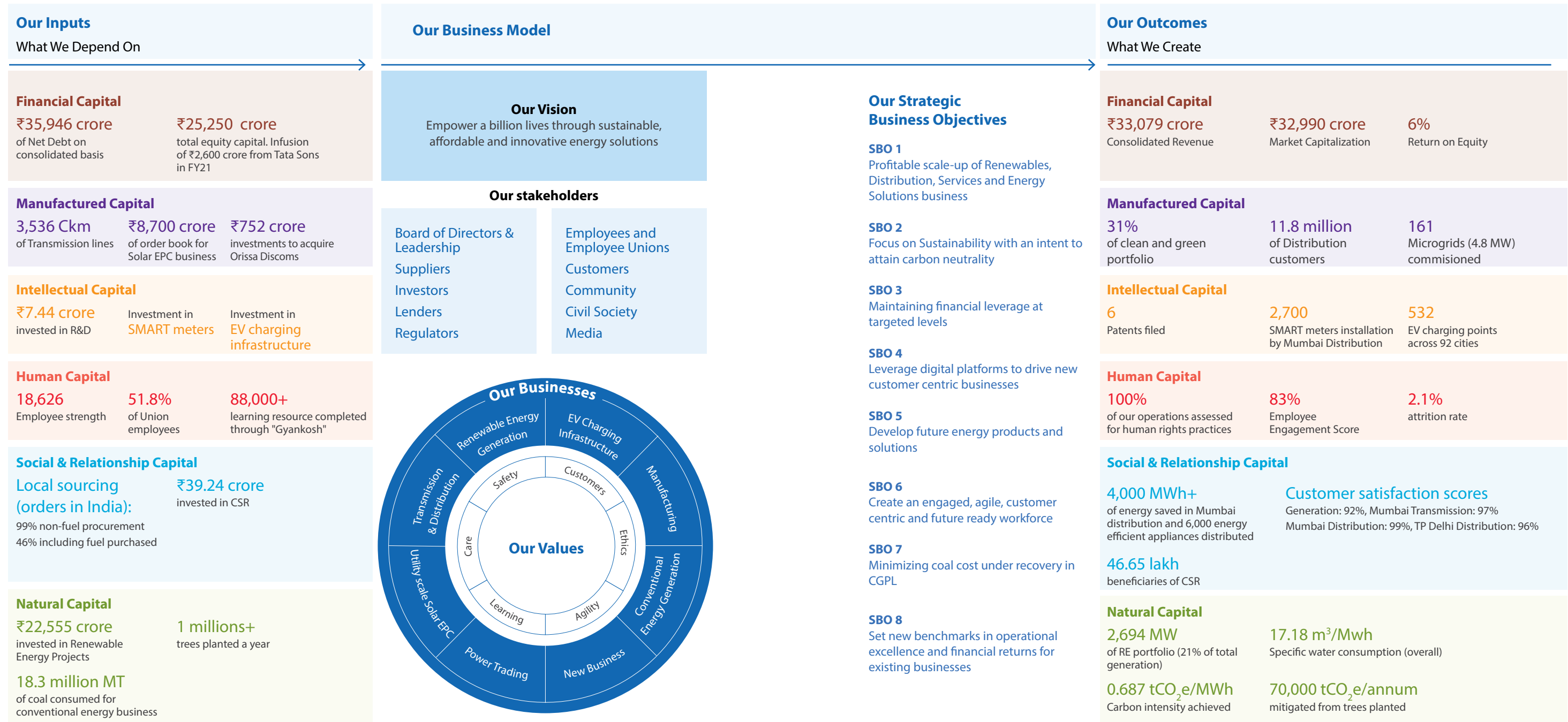
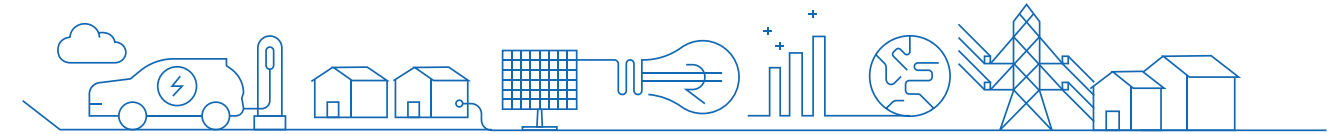
- Installed UV-C sanitisation system to disinfect the surfaces and various other regular use items. A portable form of this system was also installed to sanitize the electronic instruments at offices.
- Installed a tabletop social distancing device at T&D Mumbai that buzzed in case of any breach in adhering to the protocol.
- Incorporated smart wearable and safe pass system for social distancing alert. It also measure the temperature, provided the facility of contact tracing and real time alerts and notifications.
- Enhanced the surveillance and automatic analysis of videos at remote sites by integrating Artificial Intelligence in our CCTV camera network. It also ensured social distancing, compliance to PPE and safety rules.
- Implemented digital aspects for operational activities to avoid physical contact



100%
adherence to operations and maintenance schedule of plant

Co-creating sustainable value for all




Our business model builds on the integrated approach of Tata Power's businesses to transform the entire power value chain. With a customer-centric approach, we leverage our strategic objectives to create sustainable value for our stakeholders and generate tangible outcomes across the six capitals



Transforming the way we do business




We are steadily augmenting our capabilities to remain future ready and empower our customers for tomorrow's world. This is part of our collective endeavour to deliver value-accretive outcomes across the triple bottom line parameters. Our long-term strategy takes into cognisance the issues highlighted by the 17 Sustainable Development Goals (SDGs). We reinforced our commitment to the SDGs by undertaking an SDG-mapping study in FY18, identifying SDG focus areas, high-impact initiatives and an established roadmap to achieve our goals. Additionally, we have adopted three-year targets for each of our prioritised businesses and CSR thrust areas in alignment with relevant UN SDGs. The interconnected nature of the SDGs and our enhanced efforts will amplify our impact and enable us to achieve our goals.

SDGs Action areas

SDGs	2050 Goals	Business Area	Solutions
	Achieve Carbon Neutrality	Renewables and Next Generation Power Solutions	<ul style="list-style-type: none"> - Expand clean and green, energy efficient power generation capacity - Development, construction and operation of wind and solar power assets - Operating Renewable Energy (RE) assets at benchmark levels - Solar rooftop and pumps - Microgrid - EV charging solutions - Home automation
	Benchmark in the utility sector	Tata Power Renewable Microgrid Limited	<ul style="list-style-type: none"> - Mitigation of irregular, low-voltage or no power supply - Offset of extensive kerosene or diesel consumption - Local power usage monitoring through connection of microgrid and battery bank with computers
	100% zero waste to landfill	Conventional Generation	<ul style="list-style-type: none"> - Benchmark water and waste management - Benchmark operation efficiency parameters - Waste heat recovery measures - Coal blending to optimize cost with a focus on GHG emissions



SDGs Action areas

SDGs	2026 Goals	CSR Thrust Area	Objectives
	100% coverage of marginalized and deprived communities to access government entitlements Support target communities & regional institutions by enabling capacities & skills for water recharge & management, health & nutrition	Financial inclusivity	<ul style="list-style-type: none"> - Empowering women through Self-Help Groups (SHGs) - Ensuring social safety nets for the marginalized population
	Benefit 4 lakh youth - directly & indirectly through digitally enabled, integrated vocational training centers Build capacities of 25,000 SHGs in target regions Co-develop 10 unique sustainable/recycled products, services Facilitate scalability & regular business pipeline for SHGs	Livelihood & skill building	<ul style="list-style-type: none"> - Enhancing food security by diversified crop production - Enhancing income of farmers and youth - Ensure sustainability of initiatives
	Train 10,000 Trainers/Community Leaders to deliver blended learning through Govt. schools/training institutions	Education	<ul style="list-style-type: none"> - Improving learning level of children in primary education and reducing dropouts - Encouraging adolescents to complete their schooling - Promoting students from Affirmative Action (AA) communities for higher education

Building stronger relationships


As India's largest integrated power company, we are profoundly connected to the environment and communities of our operations. At Tata Power, our ability to create, preserve and deliver value is strengthened through our strategic partnerships and robust relationships with our stakeholders. Our transparent communication and established stakeholder engagement strategy is instrumental for co-creation of value and sustainable growth.

Our approach for efficacious stakeholder engagement

At Tata Power, we consciously look to our stakeholders for their valued inputs and guidance that enables us to capitalise on opportunities and strengthen existing partnerships. In order to really make a difference, we engage with our stakeholder groups to understand what matters most to them and how we can meet their expectations. Through transparent dialogue, we enhance our outlook towards relevant material issues for our stakeholders and business. This process helps identify key improvement areas and also drives organizational strategy.





We stand strong with our stakeholders








The COVID-19 pandemic substantially impacted the lives of all our stakeholders. During this tumultuous period, we ensured extensive interaction with all our stakeholders to address key challenges. We undertook various initiatives to support our stakeholders during the pandemic which can be accessed on page 28.



Engaging with our stakeholders

Key details of our stakeholder engagement mechanisms and outcomes have been provided below.

Stakeholder Groups	Why are they important?	Engagement Mechanisms	Stakeholder Recommendations	Tata Power's response to stakeholder recommendations
 Investors	Provide equity capital	<ul style="list-style-type: none"> - Scheduled investor meets - Quarterly results call - Participation in events/ platforms organised by investors 	<ul style="list-style-type: none"> - Reduce leverage - Growth and profitability of ESG oriented business - Better communication to stakeholders 	<ul style="list-style-type: none"> - Divestment of non-core assets. - Thrust on growing through energy efficient businesses - Regular communications and interaction with investors
 Lenders	Provide debt capital	<ul style="list-style-type: none"> - Periodic meetings 	<ul style="list-style-type: none"> - Financial status of Distribution Companies (Discoms) - Increased disclosure on ESG aspects 	<ul style="list-style-type: none"> - Regular monitoring of the health of Discoms and portfolio diversification - Ensuring transparency and periodic communication with lenders
 Regulatory Authorities	Provide guidance for conducting business and resolving disputes	<ul style="list-style-type: none"> - Scheduled meetings - Regular liaisoning - Industry forums 	<ul style="list-style-type: none"> - Climate change related rules/ regulations - Optimal tariff to consumers - Optimal utilisation of natural resources 	<ul style="list-style-type: none"> - Regular engagement, communications and advocacy with regulatory authorities - Strict compliance with rules and regulations-tracking compliance through digital platforms
 Customers	Ultimate recipient of our products and services	<ul style="list-style-type: none"> - Customer satisfaction surveys - Formal and informal feedback 	<ul style="list-style-type: none"> - Quality and reliability of power supply - Improved notifications of disruption, failures, or maintenance for customer transparency 	<ul style="list-style-type: none"> - Improvement of operational efficiency measures. - Reduction in forced outages - Cost effective energy solutions - Regular safety awareness campaigns for customers

Stakeholder Groups	Why are they important?	Engagement Mechanisms	Stakeholder Recommendations	Tata Power's response to stakeholder recommendations
 Board of Directors & Leadership	Provide collective guidance and direction for the Company's strategy and operations	<ul style="list-style-type: none"> - Scheduled Board Meetings - Scheduled and special Board Committee meetings 	<ul style="list-style-type: none"> - Market Leadership - Maximise shareholder value - Focus on sustainable businesses - Focus on customer-centric policies and ethical business conduct - Proactive interaction with investors for ESG initiatives and strategy - Periodic review of perceived risks and mitigation strategy 	<ul style="list-style-type: none"> - Periodic review of business strategy and performance - Greater emphasis on growth through non-fossil-based business ventures - Increased focus towards ESG disclosures and clear communication on ESG aspirations - Sustained focus on CSR activities for identified thrust areas
 Employees	Forms the backbone of our business activities	<ul style="list-style-type: none"> - Training and seminars - Meetings and reviews - HR programmes - Employee satisfaction surveys - Departmental meetings - Townhall meetings - Quarterly management communication 	<ul style="list-style-type: none"> - Work-life balance - Transparent appraisal and promotion policy - Stability of internal policy - Fair remuneration structure 	<ul style="list-style-type: none"> - Successful implementation of work from home, ROTA system. - Robust appraisal system and redressal process - Implementation of internal audit and control system - Benchmarking salary structure to be among the best in the industry
 Suppliers/ Vendors	Help us develop our business ecosystem, support our sustainability initiatives, and create shared value	<ul style="list-style-type: none"> - Regular Supplier / Vendor meets - Contract revision and negotiation meetings 	<ul style="list-style-type: none"> - Formal supplier assessment to verify ESG performance - Increased awareness to partner green initiatives 	<ul style="list-style-type: none"> - Evaluation of vendors/suppliers through ESG criterion - Shared common vision through vendor meets - Contractual clauses to reflect organisational expectations on ESG parameters
 Civil Society	Enable better implementation of our environment and social initiatives and give feedback	<ul style="list-style-type: none"> - Project-based stakeholder meets - Periodic meetings 	<ul style="list-style-type: none"> - Augmented community involvement - Transparency in business practices and their impacts 	<ul style="list-style-type: none"> - Robust internal and financial control system - Emphasis on community development and affirmative action initiatives
 Local Community	Provide a better socio-economic context in our operating environment	<ul style="list-style-type: none"> - Project-based stakeholder meets - Participation in CSR activities - Relief work for COVID-19 	<ul style="list-style-type: none"> - Increased infrastructure for training community members - Safety and security of facilities as well as electricity supply 	<ul style="list-style-type: none"> - Training and skill development of contractors undertaken by Tata Power Skill Development Institute (TPSDI) - Regular safety awareness campaigns undertaken for customers and other community stakeholders.
 Media	Plays a vital role in keeping our stakeholders informed of business developments, new products and services as well as the impact of our business operations	<ul style="list-style-type: none"> - Media briefings - Press releases - Marketing communication 	<ul style="list-style-type: none"> - Increased transparency and clarity in shared information 	<ul style="list-style-type: none"> - Presence of a robust corporate communications team - A strong media and communication strategy across the Company
 Employee Unions	Help set standards for education, skill-levels, wages, health, and employee benefits and working conditions of our employees	<ul style="list-style-type: none"> - Scheduled meetings - Dedicated surveys 	<ul style="list-style-type: none"> - Ethical and responsible business conduct - Equal opportunities for all 	<ul style="list-style-type: none"> - Adherence to Tata Code of Conduct for all employees - Continuous support of management to promote diversity - Formulation and implementation of Human Rights policy - Support for collective bargaining through union employees

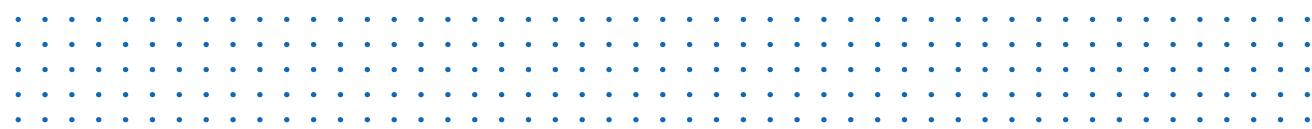
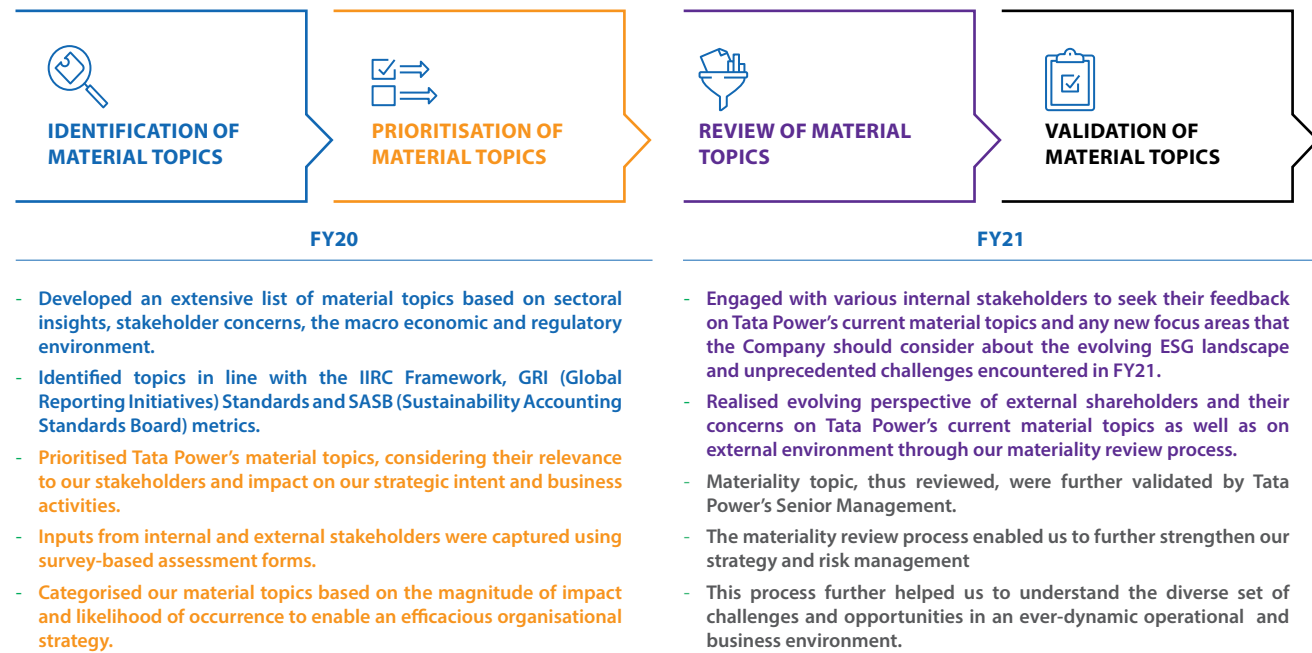
What really counts

We judiciously apply the principle of materiality to determine the contours of our Integrated Report. We leverage the perspectives of our management and stakeholder fraternity to validate and review key material topics that could impact the Company's strategy, business activities and our capabilities to create and preserve value over time.

Our materiality determination process

Our materiality assessment represents an opportunity to understand material topics relevant to our stakeholders and our business activities, in addition to providing insight on how we create value on Environment, Social and Governance (ESG) landscape. Considering the unprecedented challenges and evolving ESG landscape in FY21, we undertook a detailed materiality review for the reporting period. This process led to the addition of seven material topics, further to those reported in FY20.

Our materiality determination process is further elaborated below.



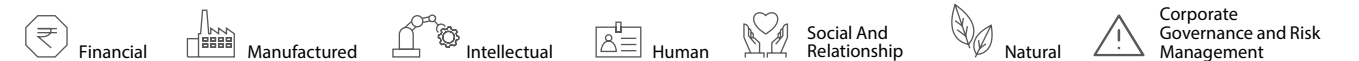
Tata Power's material topics FY21

Our material topics guide our strategic planning process, operational management and capital investment decisions

Material topics	KPI's	SDGs in focus	Reference
Climate Change Management	<ul style="list-style-type: none"> - Increase in renewables portfolio - Carbon emission management - Operational efficiency - Demand-side management 		
Environmental Stewardship	<ul style="list-style-type: none"> - Waste and Water Management - Resource availability - Biodiversity 		
Workforce Wellbeing	<ul style="list-style-type: none"> - Training, education and development - Occupational health and safety - Human rights 		
Future Ready and Business Continuity	<ul style="list-style-type: none"> - Impact on business due to change in coal pricing - Sustainable investing - Innovation in process, service and solutions - Digitization* - Cybersecurity* - Disaster management and planning* - Local sourcing* 		
Corporate Governance	<ul style="list-style-type: none"> - ESG compliance* - Risk management* 		
Customer Relationships	<ul style="list-style-type: none"> - Customer satisfaction 		

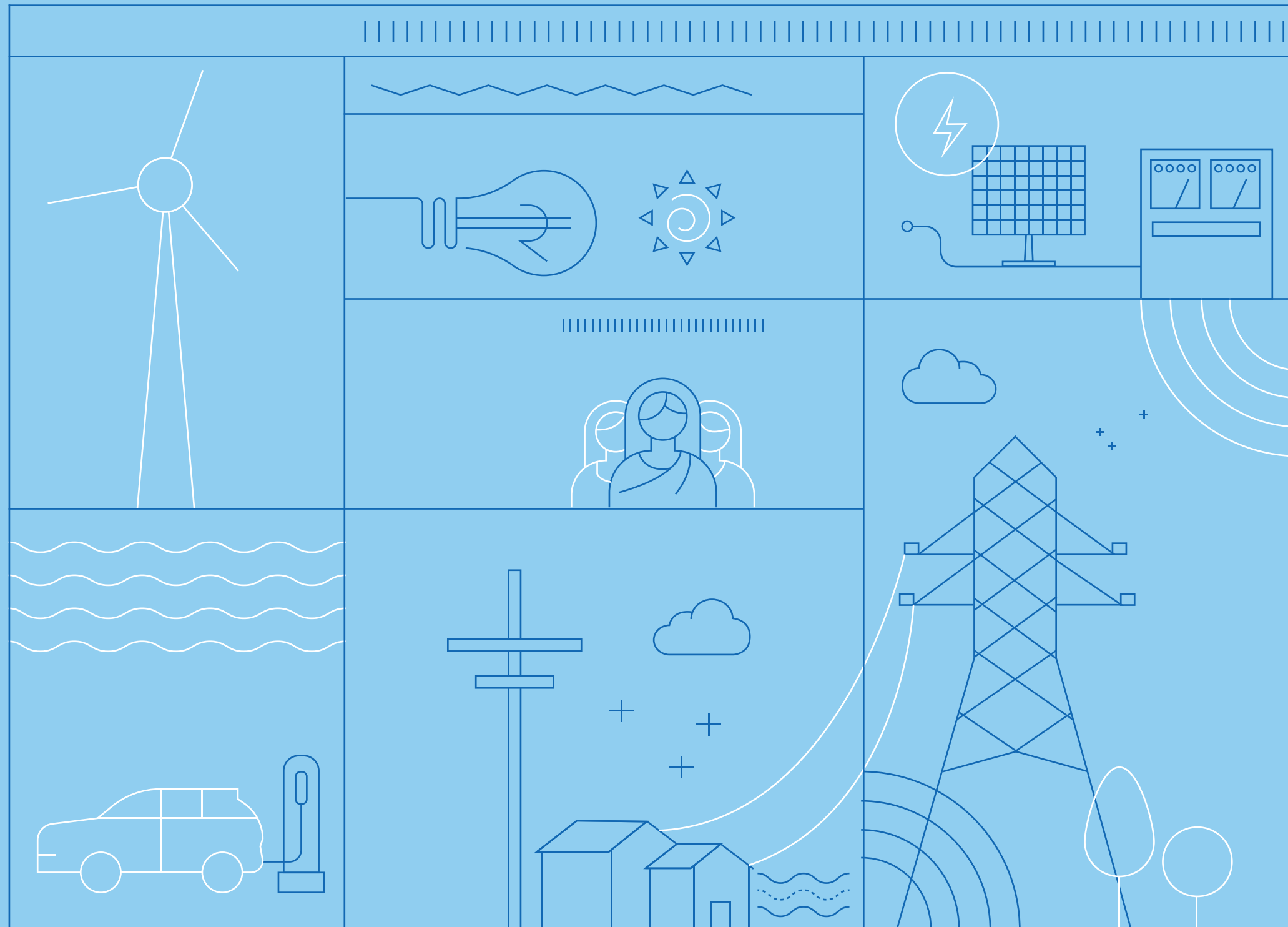
* New Materiality topic FY21

IR reference



Our value-creation paradigm

- 50 **Manufactured Capital**
- 66 **Intellectual Capital**
- 72 **Human Capital**
- 86 **Social and Relationship Capital**
- 104 **Financial Capital**
- 110 **Natural Capital**





Co-creating the future of sustainable energy



Tata Power is committed to fulfilling the growing energy requirements of a developing India in a sustainable manner. We have embarked on an ambitious journey to transform our energy generation portfolio towards 'clean and green' energy sources and attain carbon neutrality before 2050.

Our ambition and commitment stem from our vision and purpose to serve our customers' needs as well as address the risks associated with climate change. We are focused on overcoming the challenges associated with sourcing of materials, regulatory pressures, and uncertainty in renewables, to develop and deliver eco-friendly energy to our customers.

Strategic Business Objectives

- SBO1:** Profitable scaleup of Renewables, Distribution, Services and Energy Solutions business
- SBO5:** Develop future energy products and solutions
- SBO8:** Set new benchmarks in operational excellence and financial returns for existing businesses

Governance enablers

- Risk Management Committee
- Executive Committee of the Board
- Committee of Directors
- Risk Management Policy
- Corporate Sustainability Policy

Material topics

- Increase in renewables portfolio
- Operational efficiency

Key performance indicators

- Installed capacity
- Clean and green capacity %
- Investments made in RE portfolio

Key risks addressed

- Technology risk
- Regulatory risk
- Commercial risk

Sustainable Development Goals



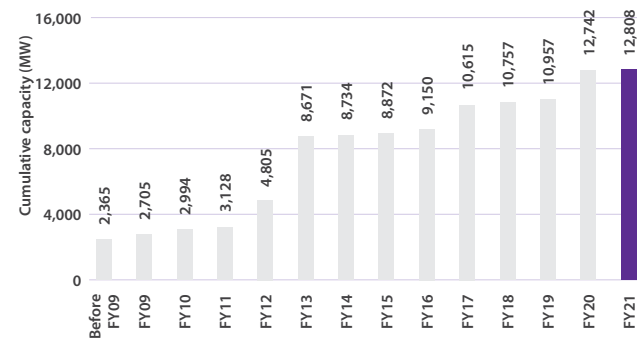
Interaction of manufactured capital with other capitals

	HUMAN	INTELLECTUAL	FINANCIAL	SOCIAL & RELATIONSHIP	NATURAL
Capital tradeoffs	Enhancing generation and manufacturing capacity provides suitable work opportunities for our employees	Dedicated thrust in our clean and green capacity enables us to deliver future ready products for our customers	Profitable growth in renewables business through prudent bidding and cost optimization, generation of income through Carbon Emission Reduction (CER) trading	Leveraging our products and services to delight customers with future-ready energy solutions	Our clean and green capacity enable us to reduce carbon emissions and other negative environmental impacts
Impact across the <IR> capitals	8.6% new employee hire rate in FY21	225 MW of hybrid RE asset under construction	₹5,888 crore revenue from renewable segment-higher by 48% from FY20	Over 30,000 customers for solar rooftop	2,694 MW of renewable portfolio domestically

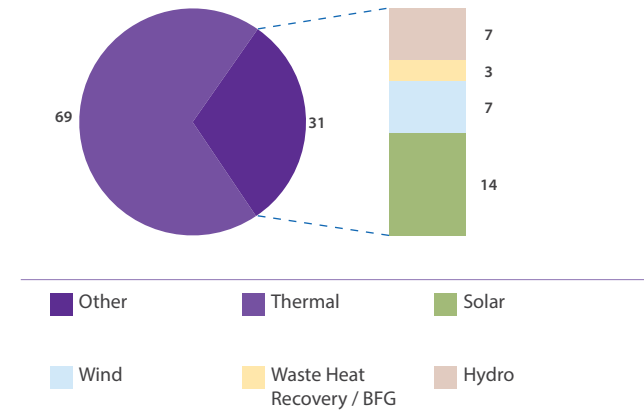
Powering a sustainable economy – our generation capacity

We have consistently increased our generation capacity to meet the growing demands of our consumers and help elevate the quality of life of millions of people. We have witnessed over four fold growth in capacity addition in the past decade. While the initial growth phase was primarily from fossil fuel based generation (coal / oil / gas), we are now primarily focusing on growing through renewables, transmission & distribution, services and energy solutions business to address the future requirements and challenges. The absence of any thermal addition in the reporting period is a testament to this commitment.

Cumulative Annual Capacity growth

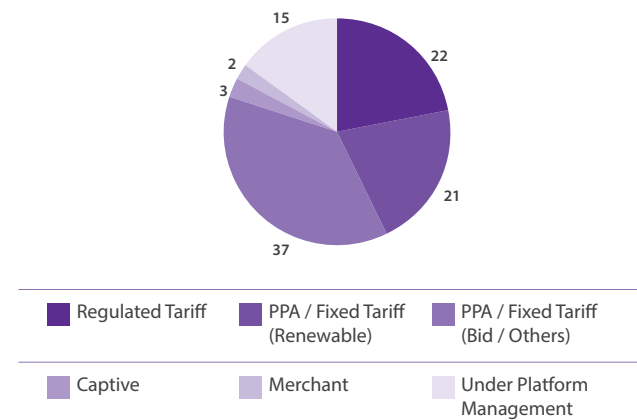


Fuel mix (domestic + international)

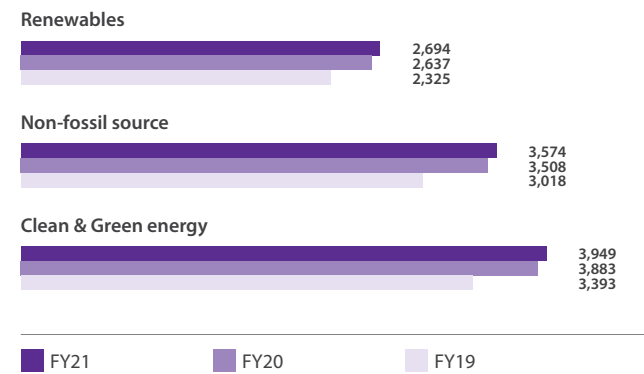


As on 31st March 2021, our total generation capacity nationally and internationally was 12,321 MW and 487 MW, respectively.

Business Model



Eco-friendly generation capacity (MW)



Note:
Renewables: Solar and Wind capacity
Non-fossil source: Renewables and Hydro
Clean & Green energy: Non-fossil source and Waste Heat Recovery

Domestic Assets

Fuel source	State / Union Territory	Location	Normative capacity under management (MW)	PPA tenure	Return profile	Total capacity by fuel source (MW)
Thermal (Coal / Gas / Oil)	Gujarat	Mundra	4,150	Long-term	Bid-based	8,805
	Maharashtra	Mumbai	930	Medium-term	Regulated	
	Jharkhand	Maithon	1,050	Long-term	Regulated	
	Jharkhand	Jojobera	547	Long-term	- Regulated returns - Bilaterally negotiated (captive)	
	Odisha	Kalinganagar	40	Long-term	Tolling / Fixed tariff	
	Uttar Pradesh	Prayagraj	1,980	Long-term	- 90% Regulated - 10% Merchant	
Thermal (Waste heat recovery)	New Delhi	Rithala (Gas based)	108*	None	Non-operational	375
	Jharkhand	Jamshedpur	120	Long-term	Bilaterally negotiated (captive)	
	Odisha	Kalinganagar	135	Long-term	Bilaterally negotiated (captive)	
Hydro	West Bengal	Haldia	120	Short-term	Merchant sale and bilateral contracts	447
	Maharashtra	Bhira	300	Medium-term	Regulated	
	Maharashtra	Khopoli	72	Medium-term	Regulated	
Renewables	Maharashtra	Bhivpuri	75	Medium-term	Regulated	2,694
	Maharashtra, Gujarat, Madhya Pradesh, Karnataka, Tamil Nadu, Rajasthan, and Andhra Pradesh	Wind Farms	932	Long-term	Feed-in tariff and bid-driven contracts	
	Andaman & Nicobar, Andhra Pradesh, Bihar, New Delhi, Gujarat, Haryana, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Punjab, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh and Uttarakhand	Solar Photovoltaic (PV)	1,762	Long-term	Feed-in tariff and bid-driven contracts	
Total domestic capacity						12,321

*Classified as assets held for sale

MANUFACTURED CAPITAL

International Assets

Fuel source	State / Union Territory	Location	Normative capacity under management (MW)	PPA tenure	Return profile	Total capacity by fuel source (MW)
Thermal (Coal / Gas / Oil)	Indonesia	PT Citra Kusuma Perdana	54	Long-term	Bilaterally negotiated (captive)	54
Hydro	Bhutan	Dagachhu	126	Short-term	Merchant sale	246
	Zambia	Itezhi Tezhi	120	Long-term	PPA/Fixed tariff	
	Georgia		187	Long-term	PPA/Fixed Tariff	187
Total international capacity						487

Our portfolio has a diverse mix of PPA/ Fixed tariff and Return on Equity (RoE) based regulated tariff which provides a natural balance and guarantees a stable return even in fluctuating business conditions especially in a lower margin renewable environment due to competitive bidding. For details of our business portfolio, you may also refer page 161 Management Discussion and Analysis.

Creating a greener India – our renewables story

Climate change is one of the biggest challenges of the 21st century, with the energy sector contributing 25% (Source: IPCC AR5 2014) to the global GHG emissions. As energy is an essential requirement for economic growth and societal wellbeing, renewable energy (RE) is gaining prominence globally and is at the centre of all our GHG mitigation plans.

Aligning with our commitment towards environmental stewardship, we commissioned our first wind asset at Supa in Maharashtra in 2001 and first solar asset at Mulshi in Maharashtra in 2011. Additionally, our largest renewable acquisition of Welspun Energy (in 2016) accelerated our commitment towards increasing the renewables portfolio. Today, we have an impressive renewable portfolio of 2,694 MW domestically, which makes over 22% of our domestic generation portfolio and has under construction capacity of 1,314 MW.

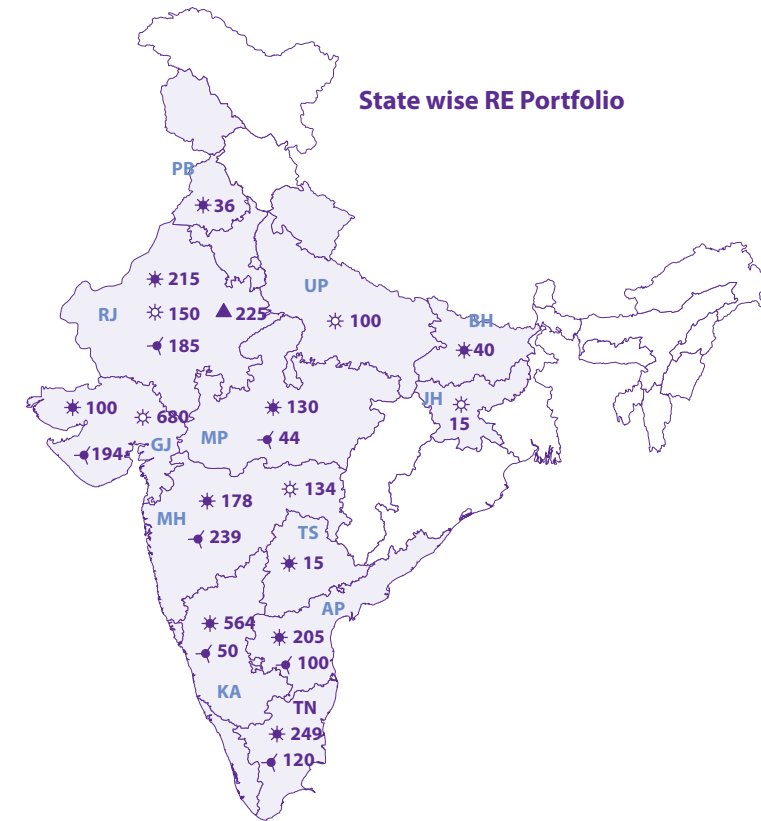
Furthermore, we have our presence across value chains of renewable business, be it products (solar pumps, solar RO system, solar modules and cells), utility scale solar EPC, solar rooftop solutions, Microgrids, hybrid renewables, floating solar as well new future ready business ventures.

Our 100% subsidiary, Tata Power Solar Systems Limited (TPSSL), is India's largest utility scale solar EPC company with presence across 11 states in India and has order book of over 2,800 MW with value of around ₹8,700 crore as on 31st March 2021.

It has also been manufacturing solar cells and modules since 1989 (oldest in India) and has enabled us to provide end-to-end solutions to our customers.

During this financial year, we have made significant expansion of our state of the art manufacturing facility in Bengaluru, taking the total production capacity of the cells and modules to 1,100 MW.

Leveraging the opportunities to offset carbon emissions, Tata Power currently has five renewable projects registered under the Clean Development Mechanism (CDM) programme by the United Nations Framework Convention on Climate Change (UNFCCC). These include wind assets at Gadag (Karnataka), Khandke (Maharashtra), Samana and NewGen Saurashtra (Gujarat), and solar assets in Mithapur (Gujarat).



Total RE Portfolio
4,008 MW

Solar
2,851 MW[#]

Wind
932 MW

Hybrid
225 MW[@]

- Operating Wind Asset
- Operating Solar Asset
- Under Construction Solar Asset
- Under Construction Hybrid Asset

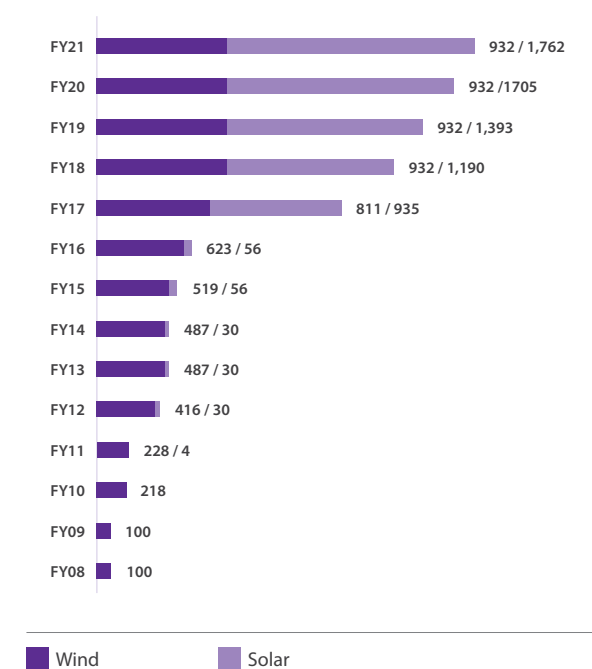
[#] includes u/c solar capacity of 1,089 MW @ u/c Hybrid capacity of 225 MW

A total of 87,351 Certified Emission Reductions (CERs), better known as carbon credits, were traded from these projects in FY21, generating gross revenues of around ₹ 1.77 crore. Walwhan Renewable Energy Limited (WREL) has eight CDM registered projects but no CERs were issued or traded in FY21.

Empowered by our rich experience in the renewable sector and a very clear vision towards the future, we are well poised to strengthen our industry position and brand recall. We are committed to take our clean and green portfolio from 31% in 2021 to around 80% by 2030.



Cumulative capacity of renewable energy installed (MW)



MANUFACTURED CAPITAL

Tata Power's Renewable Portfolio

State / Union Territory	Solar (MW)	Wind (MW)	Total (MW)
Andaman & Nicobar	0.2	Nil	0.2
Andhra Pradesh	205	100	305
Bihar	41	Nil	41
New Delhi	3	Nil	3
Gujarat	100	194	294
Haryana	1	Nil	1
Jharkhand	8	Nil	8
Karnataka	566	50	616
Madhya Pradesh	130	44	174
Maharashtra	185	239	424
Punjab	36	Nil	36
Rajasthan	215	185	400
Tamil Nadu	253	120	373
Telangana	16	Nil	16
Uttar Pradesh	1	Nil	1
Uttarakhand	2	Nil	2
Total	1,762	932	2,694

Financial assistance from government

- ₹50.76 crore exemption of customs duty on import of raw materials to manufacture solar modules and solar cells and import of solar inverters and solar trackers for large projects
- Viability Gap Funding of ₹49.10 crore receivable from Solar Energy Corporation of India Limited for 100 MW Ananthapuram Project and 30 MW Palaswadi Project.

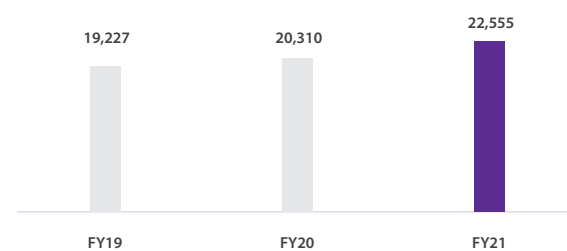
#FutureReady technologies implemented in RE portfolio:

- Maintenance of drones to detect offline strings, Hot spots, diode defaults, revers faults, string mismatch, microcracks and surface faults
- Robotic waterless cleaning
- String level monitoring on real-time basis to track the output and performance of solar panels

Focus areas envisaged to be #FutureReady:

- Competitive bidding to ensure profitable growth
- Hybrid project opportunities
- Round the clock renewables solutions
- Offshore wind projects
- Strategic tie-ups for battery storage projects
- Floating solar (coupled with hydro power)
- Hydrogen as alternate fuel - Green Hydrogen

Cumulative Investments in Renewable Energy (in ₹crore)



Our steady increase in Investments in renewable assets underlines our commitment to grow responsibly without compromising the energy need of customers. Government of India is also providing impetus to the growth of non fossil based energy solutions in the country through increased focus and financial assistance, which is expected to increase further in future.



Microgrids — making rural India future ready

Despite the Government's efforts to improve electricity access in India through household electrification, energy crisis is a big challenge in many parts of rural India. The situation is further worsened by the poor financial health of Discoms, impairing the service quality in villages. The lack of reliable and affordable power supply and grid connectivity compels the inhabitants to switch to polluting diesel generators. This situation in large measure restricts the overall growth opportunities of rural India, and also adds to the country's carbon footprint.

We have embarked upon an ambitious new initiative to help transform rural India through many micro-enterprises, powered by clean, affordable and reliable energy from renewable microgrids. So far, we have set up microgrids in rural regions of Bihar (6 districts) and Uttar Pradesh (3 districts).

MANUFACTURED CAPITAL

Tata Power's Aspirations

- Electrify villages using renewable mini grids in selected states.
- Provide affordable, reliable, high-quality 24x7 service to customers
- Roll out value-added services e.g. water treatment plant to provide clean drinking water in rural India
- Drive economic growth via small enterprises and agriculture
- Promoting affordable and energy efficient appliances
- Work with relevant central and state governmental bodies to advance thoughtful policy reforms

Highlights

Installed microgrids 161 (4.8 MW)	Microgrids under construction 40 (1.2 MW)
Villages covered 200	Customers connected 3,887

Tata Power's efforts on energy transition is targeted to bridge the gap between unreliable power supply for micro-enterprises and socio-economic development of the country. We have rolled out microgrids in rural India to provide innovative solutions for the under-served communities and expanded our global microgrid footprint. We are constantly looking for ways to further scale up this business.

Rooftop Solar

As a leading player promoting rooftop solar solutions, we are encouraging the shift of consumers to prosumers and maximising our solar potential through innovative models. We have also launched a campaign across India titled 'SOLAROOOF' Kamai Badhaye Dildaar Banaye to promote solar rooftops as a solution to conserve energy, reduce energy costs and help protect the environment. This is augmented by our customised offerings for a diverse set of consumers (residential, MSMEs, commercial and industrial).

We have over two decades of pioneering excellence in the rooftop solar segment and are a partner of choice for over 30,000 customers. Our solar rooftops business continued its growth trajectory with over 6,000 customer sites in FY21, approximately 100% growth over that of previous financial year. Our accomplishments have been acknowledged by the leading Renewable Consultancy Bridge to India, which has recognised us as the No.1 EPC rooftop player for seven years in a row.

Flagship Projects



World's largest solar-powered cricket stadium - Brabourne Stadium, Mumbai



India's largest carport installation in Pune

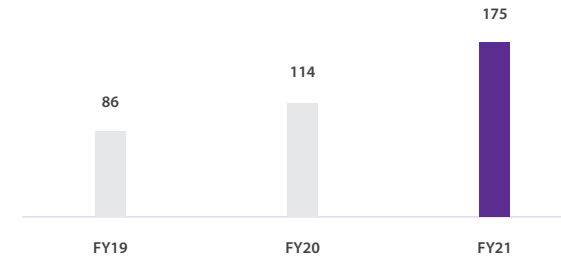


India's largest vertical solar farm for Dell in Bengaluru



World's largest rooftop solar system at Radha Swamy Satsang Beas, Punjab

Rooftop business Y-o-Y installations (MW)



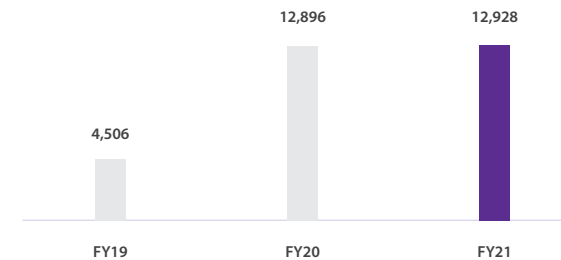
Highlights

Cumulative customers 30,000+	Residential customers 15,000+
Installed 500+ MW ~40% CAGR (FY18-21)	Pan India network of 250+ channel partners
Ranked No 1 Solar EPC Player for 7 years in a row	

Solar Water Pumps

A large proportion of India's population still depends on agriculture for their sustenance. The high dependence on monsoons to irrigate crops leads to opportunity losses for farmers in drier months, as well as increases the use of expensive, polluting fuels to operate conventional irrigation systems. Solar water pumps are a cheaper and cleaner alternative to farmers, which enables them to improve their productivity throughout the year. This further benefits society through the creation of environment friendly employment opportunities and less hardship on women and children while carrying water.

Annual sales (no. of pumps)



Highlights

Pumps across India 30,000+	Turn Around Time (TAT) reduced by 50-70%
Leading player in solar pumps	
Customers have benefited with ₹200+ crore subsidy from government under the KUSUM programme	

To propagate its twin priorities of agriculture and renewable energy, the Government of India is heavily focusing on distribution of solar water pumps. It aims to benefit 3.5 million farmers by providing them solar pumps with 60% subsidy through the Pradhan Mantri Kisan Urja Suraksha Evam Utthan Mahabhiyan (KUSUM) scheme. Tata Power is proud to support this future focused initiative of the Government of India and is leveraging its strong network to reach out to rural geographies of the country. Till date, we have built a portfolio of 30,000+ solar water pumps across India. Thus, we are enabling sustainable growth of the agriculture sector through dedicated focus on setting up around 1 million solar pumps by FY26.



#Futureready renewable energy solutions for tomorrow

Hybrid/ Round the Clock/ Solar plants with battery

Tata Power is of the belief that going forward the emerging trend and general direction of growth in the renewables sectors would be in the form of hybrid/Round the clock RE solutions. The hybrid solutions would include a combination of wind and solar plants along with some battery electric storage solutions (BESS). In this regard, Tata Power is already constructing our first hybrid project of 225 MW, developing land bank for wind site and engaging into strategic tie up with Wind Turbine manufacturers. Tata Power has already an operational 10 MW/10 MWH BESS solution in their TPDDL facility. Tata Power is leveraging on this experience of assimilating BESS technology and operating the largest BESS installation in India to undertake strategic tieup with Battery Original Equipment Manufacturers (OEM). It has also developed the engineering team to evaluate the rapid changes in battery chemistry and specification to be able to have the optimum techno commercial solution for the future opportunities. These opportunities could range from small scale storage with Roof top solutions to utility scale application for peaking shifting and ancillary services required for frequency regulation.



Floating Solar

We are executing 70 MW floating solar project at Kayamkulam in Kerala, on backwaters owned by NTPC in Rajiv Gandhi Combined Cycle Power Plant. This will be the second largest floating solar project in India and largest in the state of Kerala. We expect to commission it by the end of this year.

Being #FutureReady – Our New Services Business



Electric Vehicle (EV) Charging-Greener Mobility

A complementary mix of policies is being carefully laid out by the Government of India to promote EV adoption in India. In addition to reducing the pollution load on the roads, especially in urban areas, this shift promises more jobs in the EV manufacturing space. To complement the EVs being sold, presence of a suitable public charging infrastructure is crucial for successful transformation of mobility in India.

Tata Power has made significant impact in developing an EV ecosystem and encouraging EV adoption in the country. We are committed to playing a key role along with our stakeholders to achieve the national goal of transition to Green mobility.

In addition to its partnership with Tata Motors and Jaguar Land Rover in FY21, Tata Power has also partnered with MG Motors, for developing EV charging infrastructure for their customers and dealers.

Charging points for public
532

National Highways catered
27 city pairs

Cities served
92

Home chargers installed
3,000

In FY21, we have launched our software platform and mobile application which plays a crucial role in a customer's journey of EV charging by helping them to locate EV charging stations, charging EVs and paying bills online. Our charging platform has been conferred Gold Award by India Smart Grid Forum to recognise the innovative solutions deployed through it. We expect to expand our current network of 532 EV charging points across 92 cities to over 1 lakh charging points across the country by FY26.

Energy Services

Our interventions via a dedicated Energy Service Company (ESCO) business encourage large commercial and industrial clients to embrace digitalisation and monitor energy savings. The ESCO vertical aims to substantially reduce carbon footprint and lower the energy consumption through its integrated Energy as a Service (EaaS) offerings supported with digital technologies. We have associated with multiple partners including global companies, which are into smart energy management and have commenced offering solutions to clients primarily in industrial and commercial segments. We envision ESCO to be the one-stop solution by leveraging on the diverse offerings in the power value chain.

Energy saving services

- Audits
- Design and retrofit
- Financing
- Implementing solutions
- Real-time monitoring

Energy management

- Transactions from exchange
- Optimizing power procured
- Open Access power
- Monitoring energy consumption patterns
- Renewable Purchase Obligation (RPO) compliance

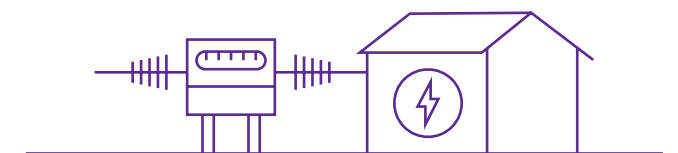
We plan to leverage our diverse offerings in various segments of the power value chain to create a one stop solution for our customers. This would enable us to provide enhanced service level to our clients to meet their present, latent and future energy requirements. We anticipate a steep rise in revenue from ESCO to the tune of over ₹3,500 crore by FY26.

Home Automation-Smart Energy Management

India is home to a growing middle class population with the ambition and drive to improve their quality of life. Aligning with Tata Group's philosophy, we aim to cater to the rising needs of these consumers by providing innovative solutions at affordable prices. Empowering our customers is key to our pursuit of our new-age energy solutions.

Home automation solutions are aligned to enable cost savings, energy efficiency and consequently reduce emissions. Being the leader in green and sustainable initiatives, Tata Power developed Internet of Things (IoT) based home automation solutions as part of its smart energy management tools. We introduced Tata Power EZ Home products for customers across the country. This helps Customers to monitor, operate and schedule any kind of home appliances such as ACs, geysers, lights, fans from anywhere through EZ Home app. The solution has the analytical capability to track and optimise energy consumption at appliance/room/home level and predict monthly consumption.

We have launched the Tata Power EZ Home products in Delhi, Mumbai, Pune, Bengaluru, Bhubaneswar and Surat so far through rooftop solar channel partners. We are also planning to sell our Home Automation products through E-commerce platforms such as Amazon, Flipkart, Tata CLiQ and modern retail stores such as Croma. We are planning to introduce more categories of products to have a wide product range and are targeting to sell 2.0 lakh EZ Home devices through various network throughout the country in FY22.



Saluting our stalwarts – future of conventional energy generation

Guided by our founder’s vision that clean, cheap and abundant power is one of the basic ingredients for the economic progress of a City, State or Country, we commissioned our first generation capacity of clean energy i.e. Hydro Power Plant of 40 MW at Khopoli in Maharashtra in 1915. Ensuring stability and sovereignty of electricity is of paramount importance to a developing India. With a combination of hydroelectric and fossil fuel based thermal capacity, we are providing equitable power to people for over 104 years.

This approach has also enabled us to meet our customers’ needs at affordable rates. However, as the energy demands continue to grow and we became cognizant of the harmful impacts of burning fossil fuels, we have taken a conscious business decision to not develop any new projects based on fossil fuels. The equity acquisition of Prayagraj Power Generation Company Limited (PPGCL) by our foreign JV, Resurgent, in the previous year remains to be our last foray in this sector.

Tata Power’s aspirations in thermal sector

- No new coal based capacity to be developed
- No further acquisition of coal based stressed assets
- Phase out coal based generation upon end of asset life or expiry of existing PPAs
- Selective waste heat based thermal generation through Tata Group companies to be pursued

Our domestic hydro portfolio, currently at 447 MW, continues to operate strong due to our focused interventions in management and optimisation of the assets. We undertake risk assessment for existing projects as well as planned expansions or new

undertakings to ensure long-term availability of electric supply. In addition, we also ensure that the impacts of hydro projects on the surrounding biodiversity is minimised and we aspire to add value to the lives of the neighbouring communities.



Focus areas for Hydros

- Maximise Plant Load Factor
- Centralised operation of plants
- Hydro Analytics – Inflow prediction and integrated maintenance with drone and video
- Support micro & mini hydro generation
- Large scale afforestation
- Western ghats biodiversity hotspot conservation

Illuminating lives – Transmission & Distribution

Efficiently transporting the power generated from stations to the end users is an important segment in the power value chain. Transmission and Distribution (T&D) is poised to attract 25% of the investment in power sector between FY21 and FY25, with suitable policies and regulations playing an important role to initiate the investment cycle. An opportunity can be realised, wherein the need for inter-regional corridor, dedicated green corridor (for RE), enhanced capacity and improved efficiencies will drive growth in the T&D space. Tata Power is further focusing on creating a ‘Utility of the Future’ by developing an integrated management system for advanced real time monitoring and control of operations, which would further enhance customer experience.

Our strategic focus on customer-centricity has enabled us to emerge as one of India’s largest private power distribution company. We have a well-established T&D portfolio in Mumbai and New Delhi to serve our customers most effectively. We also operate distribution service in Ajmer (franchisee based) to cater to end user requirements. In line with the Company’s expansion strategy in distribution, we have recently acquired four distribution companies in Odisha through competitive bidding and expanded our customer base to 11.8 million. This business vertical provides an opportunity to closely interact with our customers. We envisage serving 40 million customers by FY26.

To help conserve the environment, we go beyond our business priorities to encourage our customers to reduce their energy consumption. This is achieved through Demand Side Management (DSM) initiatives, which helps reduce the customer’s energy bills. Further details can be found on page 92.

MANUFACTURED CAPITAL

Current T&D Portfolio

Transmission-Circuit KM	FY21	FY20
Mumbai Transmission	1,211	1,206
Powerlinks (Joint Venture)	2,325	2,325
Total	3,536	3,531

Distribution-Consumers (in million)	Business Model	FY21	FY20
Mumbai	Distribution License	0.73	0.72
Delhi	Distribution License	1.82	1.75
Ajmer	Distribution Franchisee	0.15	0.15
Central Odisha	Distribution License	2.71	Nil
Western Odisha	Distribution License	2.14	Nil
Southern Odisha	Distribution License	2.34	Nil
Northern Odisha *	Distribution License	1.91	Nil
Total		11.80	2.62

*Acquired 51% stake w.e.f. 1st April 2021

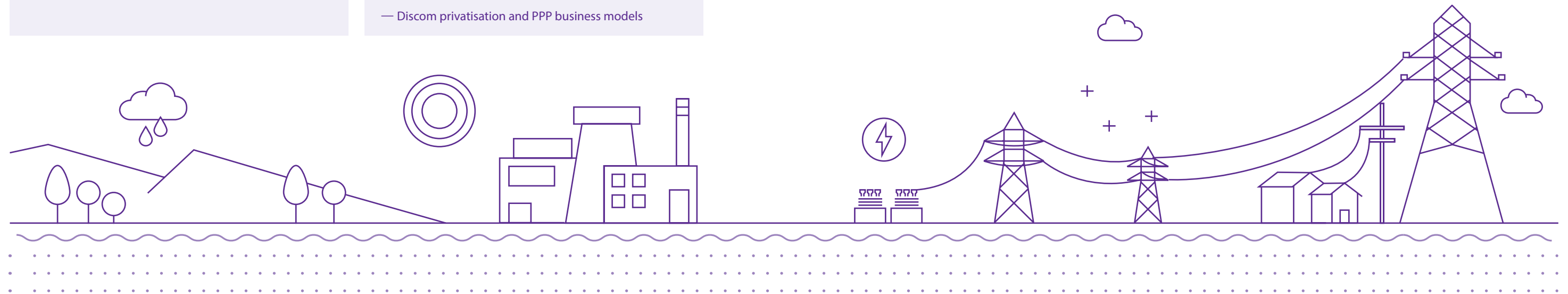
Aggregated Technical & Commercial Losses	FY21	FY20
Mumbai Distribution	0.7%	1.4%
Delhi Distribution	7.3%	7.9%
Ajmer Distribution	10.2%	10.0%

Focus areas for Transmission business

- Mergers and acquisitions
- Greenfield opportunities to leverage project execution strength

Focus areas for Distribution business

- Acquiring new distribution areas
- SMART meter installations
- Process outsourcing, advisory and consultancy
- Discom privatisation and PPP business models



Initiatives to reduce AT&C losses

To reduce the length and load on 66kV and 33kV feeders, we conducted policy advocacy and introduced more 220kV grids near load areas. This has not only led to the reduction in circuit length of incoming circuits, but also ensured reliable power supply to our customers. To reduce AT&C losses further, we continued our activities across the following three focus areas:



Process Management

- Special electricity court for theft and electricity dues
- Focus on meter reading & billing quality check
- High revenue customer data analysis
- Mass enforcement raids in high loss areas
- Camp connections in slum areas
- Optimizing revenue billing cycle
- Data analytics – defaulter / theft prediction
- Energy audit module developed to calculate loss



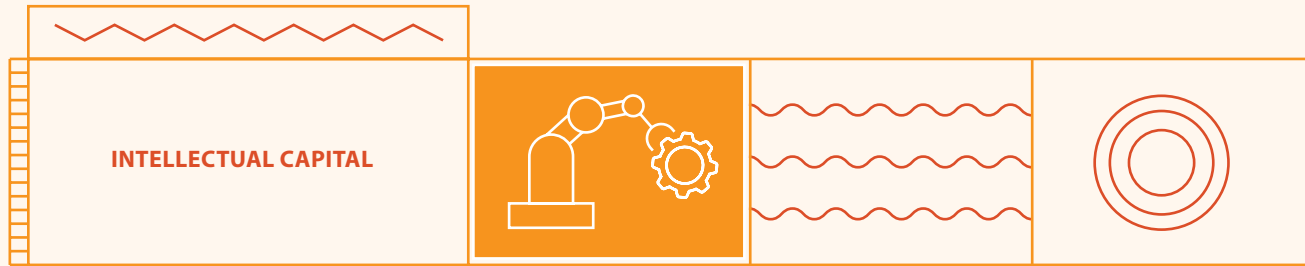
Commercial Management

- Outsourcing collection of outstanding amounts
- Customer counselling group leading recovery
- Disconnection drives along with zonal staff for recovery
- Recovery of arrears from 'disconnection with due' cases

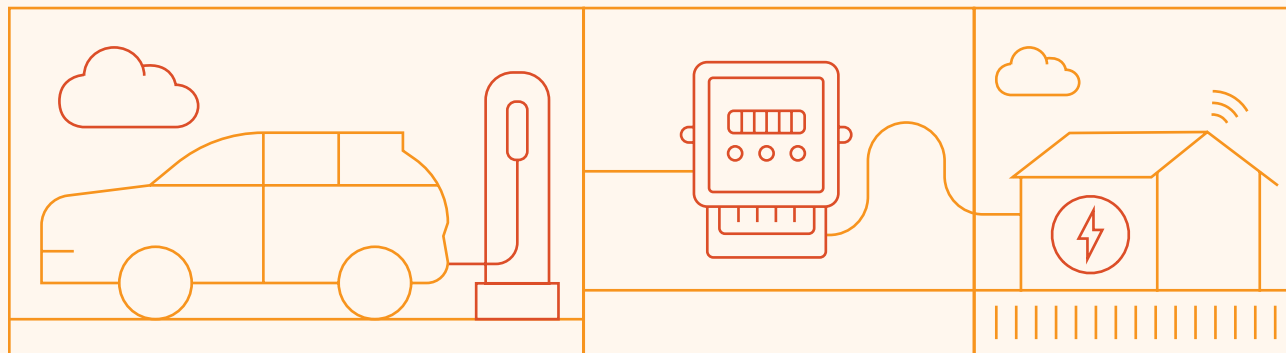


Infrastructure

- Installation of electronic meters and automated meter reading for high revenue customers
- Revision of meter specifications
- Increasing payment avenues for augmenting digital payments, improving collection efficiency and liquidating backlogs
- SMART metering: Tie-ups with manufacturers and backward integration



Innovation to reinvent energy for tomorrow



Innovation is the key catalyst of value creation at Tata Power. The intellectual capital that we have nurtured and grown for years resides at the core of our strategy and operational excellence. Our approach is to leverage on our intellectual capital and steadily enhance and enrich our business portfolio to drive sustainable growth and deliver smart energy solutions, empowering our customers to be future ready.

Strategic Business Objectives

- SBO1:** Profitable scale-up of Renewables, Distribution, Services and Energy Solutions busines
- SBO4:** Leverage digital platforms to drive new customer centric businesses
- SBO5:** Develop future energy products and solutions

Key performance indicators

- Research and Development (R&D) activities and business collaboration
- Energy efficiency and renewable energy technologies
- Distributed energy
- Transmission and distribution technologies
- Advance generation and technologies
- Innovation sustainability related services

Governance enablers

- Committee of Directors
- Apex Management Committee

Key risks addressed

- Technology risk
- Climate change and business continuity linked risks

Material topics

- Increase in renewables portfolio
- Innovation in process, services and solutions
- Digitisation
- Cybersecurity

Sustainable Development Goals



Interaction of intellectual capital with other capitals

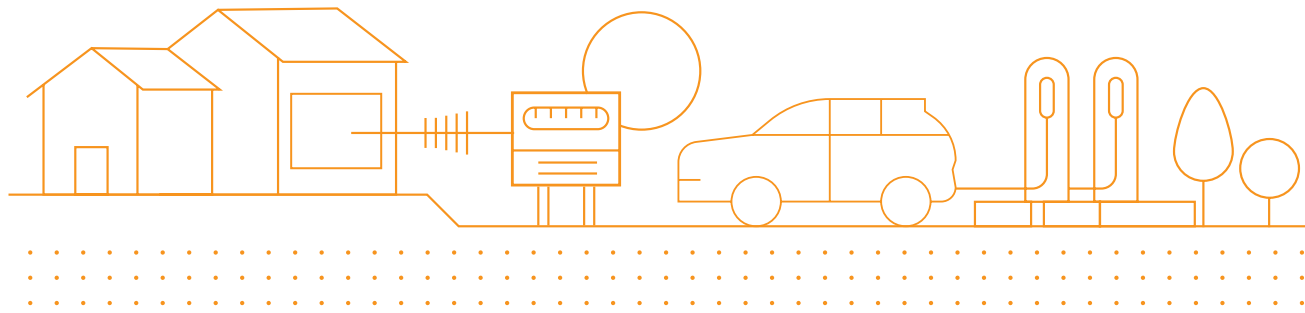
	HUMAN	MANUFACTURED	FINANCIAL	SOCIAL & RELATIONSHIP	NATURAL
Capital tradeoffs	Employee are key partners in Innovation process. Enhancing capabilities of our workforce by leveraging through various digital learning platforms	Developing innovative technologies enhances our future ready product portfolio	Innovative future ready solutions in developing new customer base in energy efficient businesses such as home automation, ESCO and thereby contributing to bottom-line	Energy efficient solutions and digitalisation augments customer satisfaction and improves the quality of life for our communities	Innovative and clean technology improves operational efficiency, reduces GHG emissions and reduces waste
Impact across the <IR> capitals	1,668 new ideas generated in our innovation workshop with our employees	2 patents granted in FY21 to improve the metering system and performance of Solar PV installations, respectively	₹3,500 crore expected revenue from ESCO business by FY 2026	2 collaboration projects rolled out in FY21	10,000 m ³ of DM water saved in CGPL due to innovative water conservation measures



Entrenching innovation at the heart of our operations

With a 107 year old history, Tata Power's intellectual capital represents the Company's knowledge and capability, inclusive of patents, copyrights, software, rights and licenses intrinsic to our business activities. We leverage digital solutions and innovative technologies to enhance and enrich our market leading portfolio, enabling smart and value generated outcomes for all our stakeholders. We continue to strengthen our investments towards SMART grid technologies such as SMART meters, sensors

and IOT based technological solutions to ensure an intelligent and efficient network (**The Power of SMART**). Additionally, we provide impetus to the development and upgradation of energy storage and battery systems to meet the high energy demand of EV charging solutions as well as renewable business. This approach enables us to inculcate fresh perspective across Tata Power's strategy to augment value creation and empower our customers to be future ready.



Leveraging our intellectual capital for value creation

To accelerate our value creation journey and push the edge of our innovation envelope, we follow a three step process to capitalise on market differentiating opportunities and deliver value added services for our customers.



Ideate and strategise

- We build innovative capabilities through employee training programmes and across competitions. Forums such as Power Innovista, Shikhar, ACE, Idea Crucible and Hackathon.
- Tata Power also participates at group level innovation activities such as Tata Innovista and e-Hackathon.
- We assess market needs to establish short, medium and long-term technology roadmaps with regard to emerging customer requirements.
- We leverage partnerships with academic institutions such as IIT Bombay, industry partners such as Tata Trusts and the Government of India to encourage and implement sustainable, high quality and affordable solutions.

KEY HIGHLIGHTS

- Established the Clean Energy International Incubation Centre (CEIIC) in 2018. This centre provides state of the art laboratory facilities with qualified experts, specialists and sector leaders for trials and testing of products and services.
- Identified improvement areas to implement technologies to ensure a resilient distribution grid and automated support for our customers. Along with this it also encouraged value added services such as demand response, home automation, solar rooftop and energy efficiency initiatives.
- Identified opportunities to transition towards Energy as a Service (EaaS) Business Model.
- 8 major collaboration projects are in the implementation phase, of which 2 have been rolled out in FY21.



Guide innovative thinking

- The Innovation Council set up at the divisional level propels a stimulating work culture. It ensures seamless implementation of ground breaking ideas and prioritised projects.
- We continue to enhance our innovation hub along with the Tata Group Innovation Management System (GIMS), which represents an integrated platform to post and track theme based as well as 'Blue Sky' ideas and innovative solutions.
- We evaluate and shortlist ideas to current business priorities and emerging customer needs.

KEY HIGHLIGHTS

- Tata Power's divisional innovation council includes a diverse set of members, which is built on a strong foundation of inclusivity.
- Tata Power has filed 6 patents in FY21
- Granted 2 patents for 'Tamperproof Metering System' and 'Method to recover and prevent potential induced power degradation in solar photovoltaic devices' in FY21.
- Enabled development of in-house projects such as Remote Breaker Rack In/Out BoT platform, among others.



Drive efficacious implementation

- Our innovation projects are reviewed at divisional and corporate levels.
- We conduct an annual business planning exercise to track progress and improvements in projects across divisions/functions.
- Tata Power's Board of Directors approves the final investment decisions.
- The Company implements a stage gate process to launch a potential innovative product or service.
- We earmark a separate budget to undertake work on innovation projects that meet a certain minimum criterion defined in the stage gate process

KEY HIGHLIGHTS

- In FY21, our R&D expenditure stood at ₹7.44 crore.
- In FY21, Tata Power completed projects such as Uniflow Generator, Painting BoT and Low Voltage High Intensity Lighting. Projects such as Solar Panel Cleaning BoT, Air Gap inspection, Transmission Line Inspection, Solar Panel Hot & Cold Detection, Switchyard Inspection, PID, Clean Coal Centre with IITB and AI integration for Discoms are still in progress.
- Our innovative technology to address grease leakage as well as pitch bearing failure across our wind operations won the **Gold Award in the 39th National CII Kaizen Competition in FY21**.

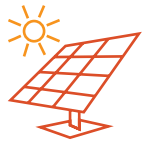
Investing in best in class technology to drive sustainable growth

At Tata Power, we believe in accelerating innovation to drive maximum value for our businesses and stakeholders. We ensure continuous improvement to enhance overall operational efficiency and propel innovative products or services across the organisation. Taking into cognisance the macroeconomic environment, regulatory changes, technology disruption and future global challenges, we have developed a technology roadmap with emphasis on evolving business opportunities. These include hydrogen as an energy source, carbon capture and valorisation, Energy as a Service (EaaS), Battery Storage, SMART metering solutions and growth in innovative solutions in renewables like hybrid, round the clock model, floating solar among others.



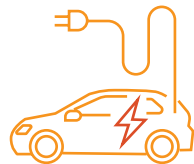
ENERGY AS A SERVICE (EAAS)

- Introduced multitude Demand Side Management initiatives to augment CO₂ reduction
- Lighting scheme for LED and Anti-Bac LED bulbs
- Electric Leakage Circuit Breaker (ELCB) at discounted rates
- Dedicated EaaS programme for ESCO opportunities
- Discount base AC scheme for all consumers
- Customer Engagement Interface at TPDDL Connect for frequently requested services



RENEWABLE ENERGY SOLUTIONS

- Implemented 17 grid-injected solar plants with a total capacity of 1.7 MWp. This includes the largest Utility Owned 1MWp grid-connected roof-top solar plant commissioned in 2010.



DISTRIBUTED ENERGY SOLUTIONS

- EV products and services
- DC fast charge
- Battery swap stations
- Demand response Hot Spot
- Energy transition with renewables based tariff for open access consumers



TRANSMISSION AND DISTRIBUTION TECHNOLOGIES

- 10 MWh system Battery Energy Storage System (BESS) installed at Rohini Grid Station. This system addresses peak load management, enhances solar grid capacity and supports the Delhi Metro during exigencies, among others.
- Implementation of Advanced Metering Infrastructure (AMI) and roll-out 2,700 smart meter in Mumbai distribution
- Launch of SMART Meter Reading and Dispatch app (SMRD)



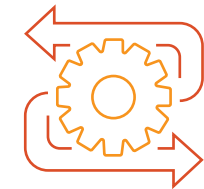
INNOVATIVE SUSTAINABILITY RELATED SERVICES

- Deployed Radio Frequency (RF) mesh canopy in areas of operation and rolled out smart meters for customers.
- Initiated smart metering on NBLoT communication technology for non-smart clusters with a target of 20,000 NBLoT smart metering in FY21.
- **Tata Power and Social Alpha have jointly invested in Industrial IOT startup 'URJA' - an innovative solution consisting of Smart Sensors and Analytics platform.** URJA has been awarded a patent on the sensor technology and analytics platform that generates 'real-time actionable insights' for factory floor monitoring & automation. With this offering, Tata Power aims to be a fully integrated Energy as a Service (EaaS) solution provider with niche Smart Energy Management offerings.



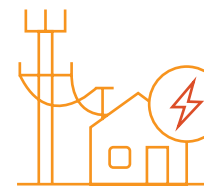
TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

- Launched a Health Advisory System to provide healthcare recommendations with regards to the COVID-19 pandemic and work-from-home challenges.
- Introduced automated solutions such as load demand prediction, dues verification and a Unified Functional Testing tool (UFT) for SAP application, meter reading entry, billing, invoice purchase requisition or order creation, among others. We also implemented a selenium tool for automation testing of web applications.
- Encouraged implementation of analytics and e-security initiatives such as cloud based analytics delivery for distribution utilities and ThreatCop Phishing Simulation Solution to reduce security risks to the organization.
- Implemented Network topology correction to leverage the use of smart meter data analytics and provide prescriptive anomalies in DT to CA mapping, derived from smart meter events



KNOWLEDGE-BASED PLATFORMS

- Robust presence of group level knowledge based platforms such as Tata Ideas/ Idealogy, Tata Edge and Tata Innovista
- **Enhanced our in-house platforms to capture explicit and tacit knowledge such as:**
 - SHINERGY (platform for registering of improvement projects)
 - Gyan Sangam (repository for SEEKH Sessions organised throughout the organisation)
 - IMS process approval and document availability
 - IMS and 6S Audit System
 - Business Excellence Maturity Index



ADVANCED GENERATION AND TECHNOLOGIES

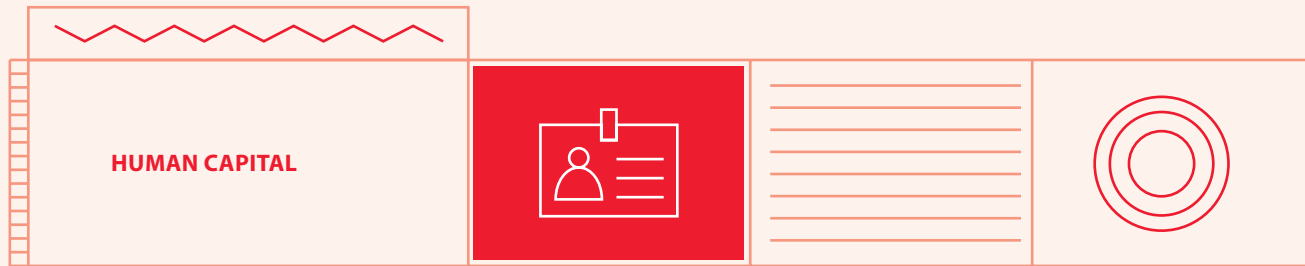
- Urban Micro Grids to enhance power supply to rural areas without the need of laying long rural feeders.
- Ground fault neutraliser system to enhance reliability and help with earth fault without the need of any outage.
- Low Voltage Automation through Internet of Things (IoT) to support in load balancing and stable voltages.
- Community Storage at Distribution Transformer (DT) level for customized bus arrangement and battery storages for reducing asset stress during peak hours.
- Tariff Reforms and subsidy design to enable better policy advocacy.
- Network optimization and RE impact to help reduce technical losses and forecast RE impacts.
- Deployed projects such as EV charging, Demand Response (DR) & Energy Transition (ET) and I-Electrix.



COLLABORATIVE PROJECTS FOR INNOVATION

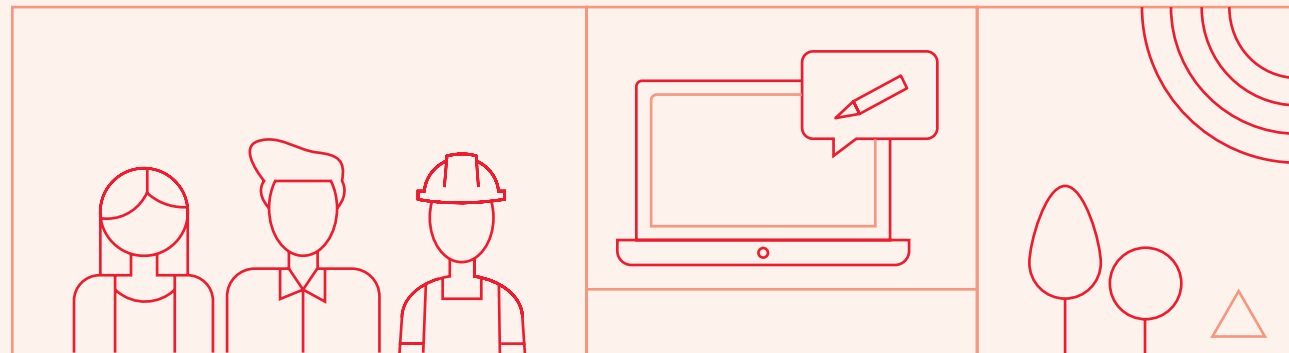
- Tata Power set up the Central Control Room for Renewable Assets (CCRA) in 2019 to ensure regular monitoring of assets, predictive maintenance analytics and enhance our overall initiatives across the renewable power generation business.
- Implemented an in-built peak power control at our solar operating plant to compensate for energy loss during peak hours.
- Introduced new products such as solar trees, solar artefacts, solar car ports and elevated solar solutions across our EPC business.
- SAT-Bifacial system to harness energy from bifacial solar module maximizing the reflection from the rear side.

Further details regarding our digital initiatives and technologies can be accessed in Management Discussion and Analysis (MD&A) Page 174 and in Board Report Annexure III (Page 146-149) respectively.



HUMAN CAPITAL

Fostering a differentiated employee value proposition



At Tata Power, our human capital is not only a strategic differentiator, but is at the heart and soul of our existence. We consistently strive to create an environment that supports our employees' growth and aspirations. Together with a 107-year old legacy, we leverage our robust and collective pool of knowledge, skills, competence, technical expertise, experience and innovative culture to drive shared organisational objectives and maximise stakeholder value.

Strategic Business Objectives

SBO6: Create an engaged, agile, customer centric and future ready workforce

Governance enablers

- Tata Code of Conduct
- Human Rights Policy
- HR Policies
- Prevention of Sexual Harassment Policy

Material topics

- Employee well-being
- Training, education and development
- Occupational health and safety
- Human Rights

Key performance indicators

- Labour management relations
- Diversity and equal opportunity
- Non-discrimination
- Risk of incidents concerning child and forced labor
- Freedom of association and collective bargaining
- Human rights assessment and training
- Average hours of training for employees
- Regular performance and career development for employees
- Programs to upgrade employee skills
- Hazard identification, risk assessment and incident investigation
- Worker training on Occupational Health and Safety (OHS)
- Work related injuries and ill health

Key risks addressed

- Technology risk
- Climate change and business continuity linked risks
- Talent retention and succession

Sustainable Development Goals

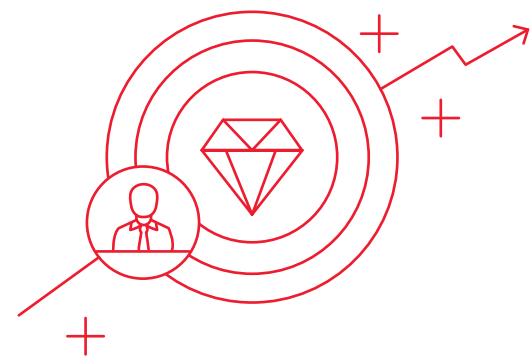


Interaction of human capital with other capitals

	INTELLECTUAL	MANUFACTURED	FINANCIAL	SOCIAL & RELATIONSHIP	NATURAL
Capital tradeoffs	Building a culture of innovation and out of the box thinking helps build a future ready organization with innovative offerings and solutions	Learning and development programmes designed to augment and enhance employee skill set and build capabilities resulting in growth in new business initiatives and development of future ready technology and energy solutions	Depletion of financial capital to increase investments in employee training and development. Strategic programmes would enable significant return on investment in the medium and long term	Channeling employee skill sets and productivity levels to enhance customer satisfaction and drive value creation for our communities	Presence of sustainability awareness across our workforce to promote green initiatives and reduce environmental impact
Impact across the <IR> capitals	Increased employee participation in Power Innovista and Shikhar	Required availability maintained even during the time of pandemic for generation, transmission & distribution networks	₹4.94 crore spend on training & development of workforce to enable strategic financial decision-making	17,000 employees volunteered across 1,380 CSR activities	Over 1,000 green heroes as part of the Greenolution initiative

Leading the way for value creation

At Tata Power, we nurture a high performance and innovation driven culture. Our Human Resource (HR) strategy aims to create a work environment that is driven by our purpose and values. We continue to focus on strengthening employee capabilities in alignment with the Company's objectives, while safeguarding the welfare of our workforce. Additionally, we leverage seven focus areas of our HR strategy to enhance employee engagement and development to deliver sustained growth.



Tata Power's workforce FY21*

Employee Category	Female	Male	Aged <30 years	Aged 30-50 years	Aged >50 years	Total
Senior Management	17	351	0	125	243	368
Middle Management	71	1,100	2	796	373	1,171
Junior Management	762	4,860	1,407	3,765	450	5,622
Workmen**	377	9,273	292	6,167	3,191	9,650
FDA***	265	1,550	788	661	366	1,815
Total	1,492	17,134	2,489	11,514	4,623	18,626
Contractual Workforce	1,792****	40,025****	N/A	N/A	N/A	41,817
Permanent employees with disabilities*****	3	33	1	18	17	36

* Includes only manpower numbers of Tata Power, TPREL, CGPL, TPSSL, TPRMG, PTL, WREL, MPL, IEL, TPTCL, TPADL, TERPL, TPCDT, FENR, NELCO, TPDDL, TPSODL, TPCODL, TPWODL

** Workmen includes Non-Management Employees

*** FDA includes employees and supervisory trainees on direct contract with the Company

****The gender wise data for contractual workforce is an estimate

*****Excludes data for TPCODL

Employee engagement and wellbeing

At Tata Power, employee well-being represents the cornerstone of our HR strategy. We continue to enhance our human capital by understanding our employees' aspirations and ambitions through a two-way open channel. We ensure that our workforce is engaged, committed and deeply connected to Tata Power's core values and vision.

Together with our employees, we co-create our HR policies, ensuring regular communication across various forums. These policies are further hosted on an online platform to enable easy access and feedback across geographies.

Additionally, we recognise the integrated nature of employee performance and a sustainable work culture. We understand the value of employee engagement and welcome a blended nature of work that ensures employee productivity and organisational success. In addition, our Employee Engagement Survey (EES) provides deep insight into the level of satisfaction and points towards key organisational attributes that influence workforce productivity.

Building on our Best Employer Category- Employee Engagement Score of 83% in FY20, we are in the process of implementing focused action plans to keep our workforce engaged and enhance productivity levels. We seek continuous feedback from our employees to identify improvement areas. It also helps us to understand key requirements of our employees on which we remain committed in a timebound manner. Besides, we monitor employee engagement action plans through SAMIKSHA and our Engagement Action Planning Dashboard.

Consistent focus on employee well-being helps build a dedicated and motivated workforce. We also put enough emphasis on a healthy work-life balance. The COVID-19 pandemic disrupted the traditional workplace with a profound adverse impact on the lives of our people. While it was a period tainted by physical and emotional challenges, we implemented myriad initiatives to support our employees through various mental health programmes. We also augmented health insurance schemes with required top-ups and additional provisions catering to the special needs of the hour.



Detailed initiatives into Tata Power's COVID-19 response for its employees

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HUMAN CAPITAL

A glimpse into our employee engagement platforms and wellness initiatives are provided below.

Employee Engagement Platforms

MD AND SENIOR LEADERSHIP COMMUNICATION MEET
Virtual communication with leadership

TOWN HALLS AND #LEADERS SPEAK
Virtual communication with leadership

BAATON-BAATON MEIN ON MS TEAMS LIVE AND COFFEE WITH MANAGER
Virtual communication with leadership

REWARDS & RECOGNITION PLATFORM AND POLICY
Employee awards and recognition

YOUTH POWER CONFLUENCE AND TALENT NEXT
Leadership and talent recognition platform

HR CONNECT
HR outreach platform

ACTION PLANNING WORKSHOPS
Involving employees in journey to improve engagement

PERFORMANCE MANAGEMENT SYSTEM
The Leadership Competency Model - AMP (Aspire-Motivate-Perform)

FORGOTTEN PASSIONS
Encouraging employees to talk about their hobbies

Employee Wellbeing Initiatives

EMPLOYEE ASSISTANCE PROGRAMME (EAP)
Professional counselling services

MEDICAL ADVANCE FACILITY ON HOSPITALISATION
(Self and Immediate Family)

DOCTOR SPEAK : ASK THE EXPERT SESSION
Addressing all doubts and guiding scientifically

VIRTUAL FAMILY GET TOGETHER
Continuing our efforts to involve families even during COVID

GROUP TERM LIFE INSURANCE LAUNCHED
Helping employees to build peace of mind and security

CRECHE AND "NANNY @ HOME" FACILITY FOR WOMEN EMPLOYEES
Supporting Diversity

FLEXIBLE WORKING OPTIONS FOR WOMEN EMPLOYEES RETURNING FROM MATERNITY LEAVE
Supporting Diversity

TRANSPORT FACILITIES FOR WOMEN EMPLOYEES WORKING LATE
Ensuring safe transit of women employees

ONLINE SESSION ON YOGA & MEDITATION
Furthering Mental Wellness



COVID-19-Taking care of mental health

During these tough times, Tata Power has been sensitive to the employees' needs to ensure overall wellbeing. **'Power Within'** was launched as an initiative to engage them in small competitive activities, based on physical and mental health, encouraging exercise, healthy food habits, and expressing gratitude to family and colleagues. Employees were encouraged to share their experiences on the internal social media platform, which brought about a sense of connectedness, despite limited in person interactions.

Special sessions focusing on healing through yoga, breathing techniques and meditation were organised for employees to help lift morale during stressful times. This also enabled them to continue to be pillars of support at home and at work.

'Forgotten Passions' initiative utilised the time saved due to the lack of work-related travel to enable employees revisit old hobbies and interests. Employees could engage and share their skills in areas such as growing vegetables, cooking, crafts, photography, poetry, and painting, thereby connecting them with others sharing similar interests.

Since the beginning of the pandemic, we leveraged our partnership with '1to1help' to spread awareness through mailers, webinars, mindfulness sessions and workshops to identify early signs of stress in colleagues. In addition to benefiting from articles and webinars, the counselling sessions were attended by 120+ employees across the Company.

Talent management strategy

Our commitment to building a diverse workforce and vibrant work culture is at the core of Tata Power's talent management strategy. We support our employees to effectively manage their careers and augment professional growth. In this regard, we continue to deploy effective talent acquisition practices, implement learning and development programmes as well as help employees to enhanced performance through suitable opportunities and job rotations to deliver value for all our stakeholders and build a meritocratic workplace. As we journey through the COVID-19 pandemic and prepare for the aftermath, we emphasize on the importance of attracting and retaining

talented and committed professionals to support evolving business needs. We thus continue to empower our employees with specific skill-sets to hone their inherent talents in new focus areas. Along with encouraging diverse and innovative thinking, our talent management strategy identifies and assesses training and functional behavioral skill sets with a systematic approach to workforce upskilling and realising each employee's professional goals.

TATA POWER'S TALENT MANAGEMENT STRATEGY



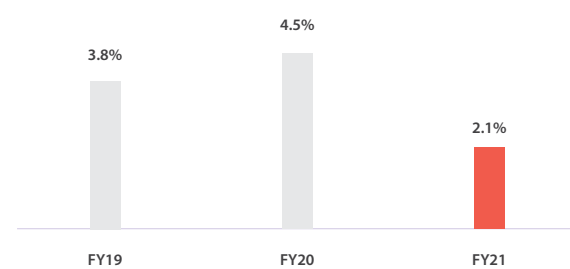


Our performance management system is at the heart of our talent management strategy. In line with our strategic business objectives, we aim to create an engaged, agile, customer centric and future ready workforce. In this regard, we focus on building core capabilities to drive innovation and customer centricity, supporting our workforce to deliver sustainable solutions to our customers. Furthermore, our performance management system ensures efficacious talent management with all our employees having received regular performance appraisal and feedback in FY21.

We consistently aim to attract and retain a diverse and talented workforce in line with the evolving requirements of the power industry. We also have robust internal mechanisms to ensure fair and transparent recruitment practices across the organisation. Furthermore, the presence of numerous diversity policies at Tata Power have enabled a holistic and progressive workplace with women who represent 8% of our total workforce. In FY21, notwithstanding the adverse impact of the COVID-19 pandemic, we were able to provide employment opportunities and witnessed a 8.6% new employee hire rate. Furthermore,

our employee engagement and benefit programmes helped us retain talent and led to only 2.1% attrition. We maintain a constant communication with our employees using various digital platforms. Also, for any operational or significant developments in the organisation's management or strategy, we provide a minimum notice period of 3 months to all our employees.

Attrition rate



New Joinee & Attrition

Type	Female	Male	Aged <30 years	Aged 30-50 years	Aged >50 years	Total
New Joinees FY21*	252	1,355	1,170	367	70	1,607
Attrition FY21*	51	331	127	98	157	382

* Includes data of Tata Power, TPREL, CGPL, TPSSL, TPRMG, PTL, WREL, MPL, IEL, TPTCL, TPADL, TERPL, TPCDT, FENR, NELCO, TPDDL, TPSODL, TPCODL, TPWODL
 ** Employee figures include only Management, Non-Management and Supervisory trainees on direct contract with the Company

Learning and development

Learning and development is one of our core values at Tata Power. We employ numerous avenues of learning such as internal and external training, focused group training, e-learning, coaching, mentoring, on the Job training (OJT), and action learning and higher education, among others.

In light of the COVID-19 pandemic, we shifted from classroom training to live instructor led virtual trainings. These training modules continue to evolve and encompass a variety of areas such as Safety, Job specific Functional & Technical skills, Behavioral skills, Leadership skills, Contractor Safety Code of Conduct, Tata Code of Conduct (TCoC), Prevention of Sexual Harassment (POSH), Sustainability Leadership, Business Excellence, etc. A glimpse into our training programmes and talent development initiatives has been provided below:

Tata Power's training modules and programmes

ASPIRE-MOTIVATE-PERFORM (AMP) LEADERSHIP COMPETENCY MODEL

- Leadership model for behavioral competencies
- Competency model based on existing and future competencies

FUNCTIONAL CAPABILITY BUILDING

- Future skill academies - digital & data analytics, sales project management and culture centricity
- Gyankosh - certifications and technical courses
- ढ़aksha – reskilling and redeployment
- Capacita – technical and domain-specific skill building
- PACE - Progressive Approach to Competency Enhancement System (T&D cluster)

LEADERSHIP DEVELOPMENT AND TRANSITION ASSISTANCE PROGRAMMES

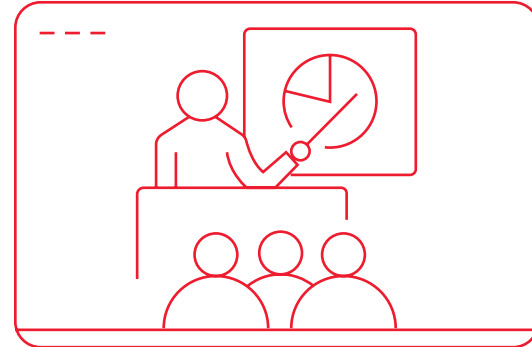
- **Advanced Management Programme** - A 15 month leadership development journey for Apex and Senior Leaders at IIM Ahmedabad.
- **myCoach** – A coaching intervention for Apex and Senior Leaders comprising of a Hogan assessment, stakeholder discussions and chemistry meetings
- **Achieving your Leadership Potential (AYLP)** – A 6-month leadership development journey for high performing and high potential mid-level officers

HIGHER EDUCATION AND CAREER GROWTH

- External training programmes
- Higher Education Sponsorship Programme (HESP) policy.
- Integrated Senior Leaders' Development Program (SLDP).
- Organising Work Integrated Learning Programme (WILP)

HUMAN CAPITAL

Our eLearning platform 'Gyankosh' has over 88,000 learning resources, accessible round the clock, across any device. It has been extremely popular with all our employees, having achieved global benchmarks in terms of a user adoption rate of 99.69% in FY20 and 98.52% in FY21 and a learning resource completion rate of 80.24% in FY20 and 77.84% in FY21, respectively. 'Gyankosh' has also won Skillsoft's Programme of the year Award 2020 for excellence in the digital learning space. In FY21, our employees completed over 5,09,872 learning modules on 'Gyankosh'.



88,000+
learning resources

Average hours of training per employee FY21*

Employee Category	Male	Female
Senior Management	26.2	30.6
Middle Management	29.8	36.2
Junior Management	34.2	32.9
All employees (Including workmen and FDA)	20.1	27.0

* Includes only training data of Tata Power, TPREL, CGPL, TPSSL, TPRMG, PTL, WREL, MPL, IEL, TPTCL, TPADL, TERPL, TPCDT, FENR, TPDDL

Human Rights

Our human rights management is embedded in our core values with Tata Brand name synonymous with respect and upholding of Human Rights. Our Human Rights Policy is aligned to the principles of the International Labour Organisation (ILO) and United Nations Global Compact (UNGC). This Policy is refined periodically to ensure its relevance with global standards and practices. Along with stringent adherence to the Tata Code of Conduct, our pre-induction training and periodic refresher modules span varied programmes on the protection of human rights.

We consistently uphold fundamental human rights across our operations and have a zero tolerance approach towards discrimination on any ground. As a responsible company, we strictly prohibit child and forced labour across our value chain. Furthermore, we consistently strive to ensure that our work environment is free from any prejudice or harassment. We uphold the freedom of association and collective bargaining among employees, enabling strong support for our labour unions to address matters across employee health and safety, notice periods and wages, among others.

Our security personnel and contractors adhere to the Tata Code of Conduct, which includes detailed aspects of human rights

No complaints raised on the grounds of child or forced labour, human rights and discriminatory employment

51.8% (workmen cadre) of our employees are covered by collective bargaining agreements

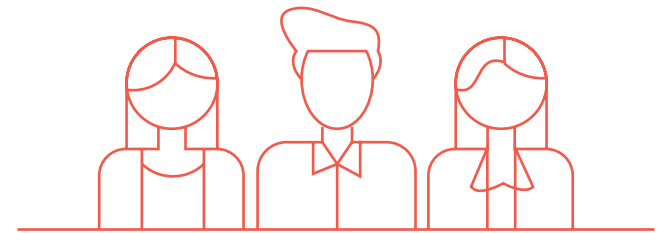
No violations of the rights of indigenous people

100% of our operations have undergone human rights reviews

Resolved all 3 cases of sexual harassment

A canvas of diversity

Diversity at Tata Power is the foundation for our Company's success. We enable a value-creation journey that is efficient, insightful and resilient leveraging upon diverse and varied capabilities, skill sets and competencies covering across gender and different cross sections of society. Being an equal opportunity employer, we aim to create an inclusive workplace to create sustainable competitive advantage and build a well-functioning meritocracy.



A glimpse into our policies to safeguard the diversity of our workforce are provided below.



Gender Diversity and Inclusion Policy

Empowering women and an inclusive work environment



Maternity and Paternity leave

Tata Power provided 6 months of maternity leave before mandated by law



Health and Wellness Policy

Supporting our employees and their families for chronic illness



Medical Fund

Industry benchmark for employee benefits over and above the Medclaim scheme



Policy on Prevention of Sexual Harassment of Women

Supporting women's right to work with dignity in a welcoming environment

Employee category*	Ratio of basic salary of women to men	Ratio of total remuneration of women to men
Senior Management	1 : 1.04	1 : 1.06
Middle Management	1 : 0.93	1 : 0.93
Junior Management	1 : 1.04	1 : 1.14
Trainees	1 : 1	1 : 1

*NOTE: Considers remuneration for employees of Tata Power, TPREL, CGPL, TPSSL, TPRMG, PTL, WREL, MPL, IEL, TPTCL, TPADL, TERPL, TPCDT, FENR only

Parental Leave:

191 employees availed of paternity leave

41 employees availed of maternity leave

95% return to work rate (male employees)

78% return to work rate (female employees)



Building a safe work environment

Tata Power remains committed to establishing a safe work environment for its employees, union workforce, contractual labor, suppliers, visitors and partners. Tata Power Safety Management Framework covers all our business activities and is aligned with the Tata Group Health and Safety Management System as well as ISO 45001:2018 requirements. In line with our aspiration to be a leader in safe work premises and practices, we have an established Hazard Identification and Risk Assessment (HIRA) process for both routine and non-routine jobs. We regularly provide HIRA and Job Safety Assessment (JSA) trainings to our operation, maintenance and service engineers. Furthermore, through our internal audit process, we identify key improvement areas to strengthen workplace safety. In this regard, we also have an established SAP-EHSM platform to ensure efficacy through incident reporting and investigation. This reassures our workers and encourages them to report any unsafe work conditions, with immediate action taken to resolve safety aspects that pose a risk to our workforce. This is further facilitated by leveraging digital tools, such as the Suraksha mobile application, for convenient and swift reporting of unsafe conditions and tracking of subsequent remedial measures.

We have established Safety Committees at division and site levels to provide requisite guidance on all health and safety matters. We value our workers feedback and ensure that their inputs are taken into consideration during the HIRA process, safety capability building sessions and incident investigations, among others. Additionally, we also ensure that our workers are apprised of requisite health and safety information, provided across the incident learning platform such as Red Stripe Bulletin, among others. We also organise safety campaigns and drives to ensure maximum worker participation and awareness outreach. Our Enterprise Process Model (EPM) process is established across divisions. This enables us to continuously improve our health and safety management systems. It also guides our critical safety procedures and provides instructions for safe operations and maintenance.

To safeguard the health of our workers, we have an established process to minimise risks and enable effective identification and elimination of work related hazards. Additionally, we provide regular health and safety trainings to improve the effectiveness of our health, safety and emergency management systems across our business operations.



OCCUPATIONAL HEALTH SERVICES

- Presence of on-site trained and experienced medical professionals with a formal qualification in industrial and occupational health
- Established in-house laboratory to help implement periodic statutory health check ups
- Robust partnerships with various ISO certified laboratories to enable workplace occupational health checks at smaller sites
- Periodic maintenance of health check reports for individual risk mitigation through an online health management system
- Annual internal audits to ensure quality of services provided
- Daily inspection of all laboratory instruments for quality checks, annual services and calibration with authorised vendors

CONFIDENTIALITY OF WORKERS AND HEALTH-RELATED INFORMATION

- All employee health records are maintained online with password protection
- Access to our cloud-based storage of employee health records is available with only those vendors who have signed a confidentiality agreement with Tata Power
- Only aggregate health data (without employee details) is provided for management review meetings
- Our partnerships with outsourced laboratories are subject to confidentiality agreements with Tata Power
- As mandated by law, occupational health reports are only shared with relevant Government authorities or certified doctors and surgeons
- Analysis of aggregate health records supports us in implementing group level initiatives for the top occupational health risks identified
- No information is provided to any other private medical group or pharmaceutical group for any favourable or unfavourable treatment of our workers

Occupational health and safety training

Tata Power safety capability building model (Employees)

- Safety training provided at an induction and lateral movement stage
- Certifications for critical safety procedures
- Trainings for established health and safety management systems
- Safety behaviour and leadership programmes
- First aid and firefighting programmes
- Emergency response and preparedness programmes
- E-learning modules for critical safety procedures

Tata Power safety capability building (Contract workers)

- Trainings and certifications provided by Tata Power Skill Development Institute (TPSDI)
- Job specific safety programs provided during induction
- Supervisor certification programs
- First aid and firefighting programs
- Emergency response and preparedness programs
- Safety behaviour programs

PERMANENT EMPLOYEES

Safety Induction Training

23,396 Manhours

Safety Capability Training

49,224 Manhours

CASUAL/ TEMPORARY/ CONTRACTUAL EMPLOYEES

Safety Induction Training

73,608 Manhours

Safety Capability Training

3,56,528 Manhours

In FY21, 16,777 trainees from our contractual workforce benefitted from health and safety trainings conducted by TPSDI, 67% of total trainees.

At Tata Power, we adopt a proactive and responsible approach to safeguard the welfare of our employees. In this regard, we provide many non-occupational and voluntary health services for our employees and workforce.

- Medical fund and V-OPD insurance schemes to support medical expenses not covered by insurance
- Medical advance policy for hospitalization without cashless facility
- Out Patient Department (OPD) facility for employees and their families for consultation, testing and treatment of acute cases
- Disbursement of medicines for diverse chronic conditions like Diabetes, HT and TB, etc.
- Programmes on diet and nutrition
- Walkathon programs to promote physical activity
- Monthly health seminars on managing diabetes, hypertension, cancer awareness, among others
- Annual health check-up
- 'Doctor Speak - Ask the Expert' online session for employees and their families

Our safety performance

The nature of our industry exposes our employees and workers to common work-related hazards, such as working close to live electrical systems, working at heights, among others. Our robust and comprehensive health and safety management system ensures effective hazard identification, risk management and implementation of appropriate control measures at all our sites. Further, we undertake a systematic investigation when any incident occurs, which includes conducting a root cause analysis as well as sharing learnings with other sites for implementing preventive measures. Our efforts ensured that there were no incidents of work related ill health or occupational health hazard in FY21.



Safety linked metrics

Permanent employees	Male	Female
Fatalities (as a result of work related injury)	0	0
High consequence work related injuries (excluding fatalities)	2	0
Recordable work related injuries	4	0
Lost days	143	0
Manhours worked	1,46,06,268	21,72,200
*Rate of fatalities	0	0
*Rate of high consequence work related injuries	0.14	0
*Rate of recordable work related injuries	0.27	0
*Lost day rate	9.79	0

Safety linked metrics

Contract employees	Male	Female
Fatalities (as a result of work related injury)	2	0
High consequence work related injuries (excluding fatalities)	7	0
Recordable work related injuries	13	0
Lost days	12,222	0
Manhours worked	5,07,99,366	10,26,600
*Rate of fatalities	0.04	0
*Rate of high consequence work related injuries	0.14	0
*Rate of recordable work related injuries	0.26	0
*Lost day rate	240.59	0

*Rates have been calculated as per 10,00,000 manhours worked



Collective growth through shared value



As India's largest integrated power company, we strive to delight our customers with smart and future ready energy. We continue to co-create a sustainable future along with our stakeholders by building a resilient society and drive sustainable growth.



Strategic Business Objectives

- SBO 2:** Focus on sustainability with an intent to attain carbon neutrality
- SBO4:** Leverage digital platforms to drive new customer centric businesses
- SBO5:** Develop future energy products and solutions

Governance enablers

- Tata Code of Conduct
- Corporate Social Responsibility Committee
- Stakeholders Relationship Committee

Material topics

- Demand side management
- Customer satisfaction
- Local sourcing
- Cybersecurity

Key performance indicators

- Demand side management
- Energy savings for customers
- Proportion of local suppliers
- Consumer health and safety initiatives
- Products/services information, labelling and marketing
- Compliances
- Customer Privacy

Risk and opportunities

- Climate change and business continuity linked risks

Sustainable Development Goals



Interaction of Social & Relationship capital with other capitals

	HUMAN	MANUFACTURED	FINANCIAL	INTELLECTUAL	NATURAL
Capital tradeoffs	Tata Power's strong sense of commitment towards social value provides our employees with a sense of purpose and motivation	Our ethical and responsible business partners ensure a robust supply chain to consistently build assets and provide us with necessary impetus to come up with innovative and future ready energy solutions.	Investments in CSR activities and local businesses enable robust collective financial growth of our communities	Evolving needs of our customers propel us to develop innovative and future ready technologies	Increasing adoption of energy efficient appliances and smart technologies significantly mitigate any adverse impact on our environment and biodiversity
Impact across the <IR> capitals	57,257 hours volunteered by employees collectively	200 villages covered under Microgrids, connecting 3,887 customers	99% non-fuel procurement was locally sourced	2,700 SMART meters installed in Mumbai Distribution	4,000+ Mwh of energy saved in Mumbai Distribution area through various DSM schemes.

Empowering customers for future-ready utility

Customer-centricity is at the heart of Tata Power's strategy. We strive to empower our relationship with customers by strengthening our presence as a B2C company. Tata Power applies a 'Trust, Act, Transform and Assess' (TATA) approach for all its customer-centric initiatives. Our [corporate customer service policy](#) guides these initiatives to ensure that we deliver value-added services and consistently exceed their expectations. Furthermore, we partner with our customers in various energy-saving initiatives thus reinforcing our commitment towards environmentally responsible growth.



TRUST

Engaging with our customers through multiple touchpoints to build trust and strengthen transparency, while addressing their queries and concerns.

- Customer Relationship Centre (CRC) (24/7 support)
- Email
- Customer web portal
- Customer support chatbot
- Call centre
- Mobile app
- SMS
- WhatsApp
- Twitter
- Facebook
- Communication by letter
- Microsoft Kaizala

ACT

Delivering quality products and services to meet the expectations of our customers, while safeguarding their health, safety and data privacy

- No incidents of non-compliances pertaining to products/services information and labelling, marketing communication and health and safety
- Conducted lifecycle assessments for all products/services across our portfolio to implement the highest standards of health and safety
- Zero complaints regarding customer privacy breach or customer data leak, theft or loss.

TRANSFORM

Transforming our business activities to augment customer-centric initiatives, empowering them for tomorrow's world.



Solar rooftop, Solar Pumps & EPC Business

- Enhancing experience of over 30,000 customers through various digital assets such as:
 - Solar calculator to save energy cost
 - Chatbot on websites and mobile applications
 - 3D visualisation and sizing tool
- Supporting 275 channel partners through Channel Partners' (Sales) Incentive
- Solar EPC solution for customers
- Schemes during COVID-19 pandemic to help grow their business
- Changing the landscape of rural India through dedicated focus on setting up around 1 million Solar Pumps by FY26

Microgrids

- Benefited about 3,887 rural customers with adequate and cheap power supply, and provided green jobs to local youth
- Commissioned 161 microgrids with over 4.8 MW installed capacity
- Launched mobile application for monitoring and ease of payment options

EV Charging

- Installed 532 public charging points in over 92 cities, so far, on our way to create a thriving EV ecosystem for customers
- Launched our software platform and mobile application to help customers locate EV charging stations, charge EVs and pay bills online
- Aim to integrate 1 lakh EV charging stations by FY26
- Invest in and promote the development of Charging Point Operators (CPOs) in the next four years



ESCO

- Energy Service Company (ESCO) business dedicated to encourage large commercial and industrial clients to embrace digitalisation for effective monitoring and saving of energy
- Associated with multiple partners to provide integrated Energy as a Service (EaaS) offerings, supported with digital technologies
- Committed to providing enhanced service to our clients and meet their present, latent and future energy needs by leveraging our reach throughout the power value chain



New Business Services

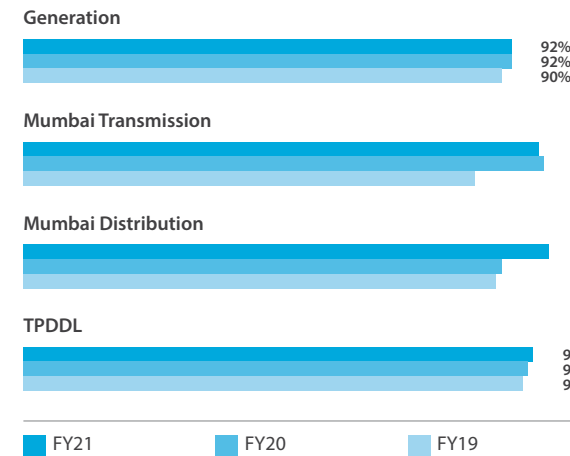
- Leveraging our reach in the power value chain and existing Discoms experience to provide customised new-age solutions and enhance customer experience:
 - Home automation (Tata Power EZ home products and EZ home app) – IoT based efficient and cost effective home automation solutions to enable customers to monitor, operate and schedule home appliances
 - Value added services – e.g. Energy Analytics, Energy Storage
 - Floating solar – Augment the energy potential of existing hydro projects by utilising reservoir surface
 - Battery storage solutions – Ensuring uninterrupted power availability for customers



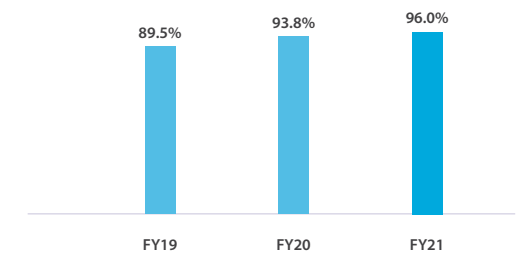
ASSESS

Addressing customer feedback effectively through grievance redressal mechanisms (supported by SAP-CRM system) and conducting annual customer satisfaction surveys.

CSAT score



Average CSAT score



Enhancing customer experience

Customer concerns	Concern redressal and service improvement
Network reliability	<ul style="list-style-type: none"> — Reducing the forced outage of equipment — Improving customer communication on service interruptions — Optimising utilisation of assets — Commissioning additional lines for interconnecting with other Discoms to improve the reliability of power supply
Availability of lines	<ul style="list-style-type: none"> — Commissioning new gas insulated switchgears and transformers at receiving stations to meet load growth — Reducing outage time through remote operation of line isolators carried out from Supervisory Control and Data Acquisition (SCADA) system — Implementing hot line working and carrying out hot line washing
Tripping of transmission lines due to bird hits	<ul style="list-style-type: none"> — Ensuring line patrolling, thermal vision scanning and sensitising local stakeholders about safety hazards around transmission lines — Installing bird repelling contraptions on transmission towers
Failures and tripping of lines; quality of power	<ul style="list-style-type: none"> — Installing Power Quality meters such as SMART Meter Reading and Dispatch (SMRD) application — Implementing systems to reduce fault level and impact of voltage fluctuations at receiving stations — Carrying out detailed energy audit for consumers — Replacing old insulators
Voltage fluctuations	<ul style="list-style-type: none"> — Adding capacitor banks at receiving stations
Electrical safety awareness among communities	<ul style="list-style-type: none"> — Sensitising communities (through partnerships) about safety precautions around transmission lines and importance of ISI marked electrical equipment — Conducting safety awareness sessions and audits for consumers
Quick response and flexibility in incorporating changes for EPC projects	<ul style="list-style-type: none"> — Communicating through clearly defined modes – contractual and formal — Improving Turn Around Time (TAT) and adhering to project schedule through stronger review mechanisms
Continuous and affordable electricity supply through Microgrids	<ul style="list-style-type: none"> — Providing 24 hour supply for domestic and commercial establishments — Introducing EMI options for connection charge

Demand side management

Energy conservation is at the forefront of all our endeavours and we partner with our customer on various energy saving initiatives. Going above and beyond our business operations and priorities, we continue to promote customer focused, energy efficient solutions to reduce energy cost for the customers. We provide seamless online registration facilities for our customers on the Tata Power website, which also enable monitoring of the energy saved.

Demand Side Management (DSM) initiatives in FY21:

Awareness and energy-efficient programmes

- Brushless Direct Current (BLDC) super efficient ceiling fans programme
- ACs exchange programme
- LED tube light programme
- Energy audit to identify energy saving opportunity
- Discount based energy efficient program with Crompton Greaves

→ Energy saved
4,000+ MWh

→ Load shifted
2 MW

Benefits



CUSTOMERS

- Reduced energy expenditure
- Improved productivity
- Improved service value
- Encouraged safe behavior

UTILITY

- Reduced cost of service
- Improved customer service
- Improved operational efficiency
- Reduced capital needs

SOCIAL

- Reduced environment degradation
- Maximized customer welfare
- Mitigated impacts of climate change



Enhancing energy efficiency

We have arranged for energy efficient appliances such as LED tube light, BLDC ceiling fans, refrigerators, and AC, among others, to our Mumbai customers at discounted prices, enabling them to increase energy efficiency and reduce energy bills. With an approved rebate from the Maharashtra Electricity Regulatory Commission (MERC), 6,000 appliances were arranged for our consumers in FY21. This led to over 4,000 MWh of energy savings in Mumbai Distribution. In FY21, a total of 6,750 customers in Mumbai Distribution owned rooftop solar plants with a collective capacity of 174 MWp. We also motivate our bulk consumers to carry out energy audits through accredited auditors from the Bureau of Energy Efficiency (BEE), to identify the potential for energy savings.

Green power tariff

Aligning with the Government of India's ambitious goals of carbon emission mitigation, Indian corporates are increasingly seeking to shoulder the responsibility and become a zero carbon company. Tata Power is humbled to support their endeavours by offering 100% green energy to customers by levying a Green Power Tariff.

Tata Power brought this concept for the first time in Maharashtra, enabling customers to source 100% RE power by paying Green Power Tariff of ₹0.66/kWh in addition to regular tariff. We also issue Green Energy Certificate to consumers opting for 100% green energy for their monthly consumption, adding credibility to the customer's stance of being a zero carbon enterprise.

Promoting solar rooftops

We have actively encouraged widespread adoption of solar rooftops to add value at scale to our society and the planet. Our campaigns under "#TataPowerSolar" have promoted the affordability and cost saving potential of solar rooftops and urged existing customers to be Solar Ambassadors.

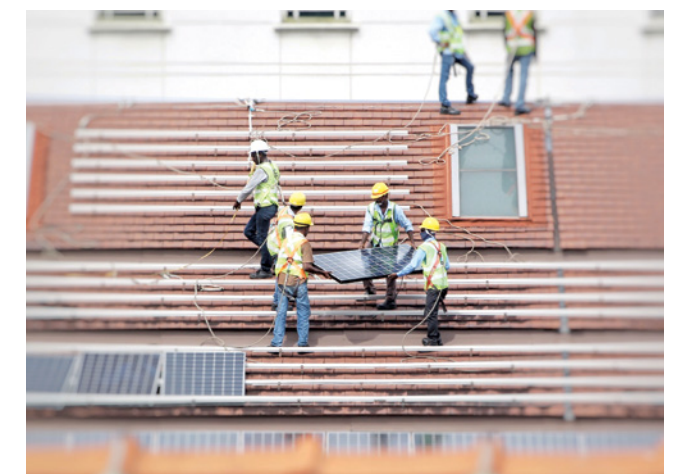
Twitter campaigns under #TataPowerSolar

1,02,312
Reach

8,183
Post clicks

284
Likes, Comments & Shares

1,50,552
Impressions



Responsible supply chain management

We have a Responsible Supply Chain Management (RSCM) Policy (<https://www.tatapower.com/pdf/aboutus/RSCM-14.pdf>) that guides our engagement with vendors and suppliers, and promotes fair and transparent business practices. It also provides guidelines to select responsible suppliers and service providers. The policy is an integral part of our supplier relations to ensure alignment with Environment, Health and Safety, Human Rights, Ethics and Compliance parameters.

We ensure that our service providers, suppliers and vendors comply with all statutory norms and fundamental labour principles. The Tata Code of Conduct supports the RSCM policy by requiring all our associates to conduct business with fairness and transparency. Our Procurement Policy caters to multiple business requirements across fuel sourcing, materials and services procurement, material management and inventory management. No significant changes were observed in our supply chain during FY21.

We ensure a responsible supply chain through:

Our approach to sustainable supply chain

Supplier assessment

- Assessment of Business Associates (BAs) to ensure strong commitment on Environmental, Social and Governance (ESG) policies
- Evaluation of quantifiable measurement of willingness exhibited by the BA towards a positive ESG impact

Promotion of Sustainable and Local sourcing

- Enhance skill and capacity development of the local workforce and community for higher safety, productivity and quality standards
- Ensuring BAs comply with Human Rights clauses in all significant contracts issued (non-fuel contracts)
- Encouraging local business, with 99% of non-fuel procurement being locally sourced in FY21. A total of 46% of overall procurement budget (including fuel) was spent on local suppliers

Affirmative Action (AA)

- Promoting the inclusion of SC/ST in business opportunities, driven at the corporate and division/site level
- Encouraging entrepreneurship skill among communities through vendor enlistment and ordering (for FY21, ₹9.63 crore order to 24 vendors from SC/ST community)
- Supporting Self-Help Group (SHG) members, youth, women, farmers, and fishermen through skillset and livelihood initiatives.

e-Business Associates meet 2021

A one of a kind initiative, where we conducted a digital event for our stakeholders and partners to provide support and solidarity during the pandemic



Highlights

100% of our new suppliers with PO value more than ₹5 crore (other than traders), were screened through ESG criteria in FY21.

These vendors represent 62% of total value of POs (other than fuel) issued in FY21

24,914 TPSDI trainees

- 7% unemployed youth trained (of which 28.61% belonged to SC/ST community)
- 69% eligible youth provided with employment opportunities

In FY21, all our suppliers were found to have no negative (significant or potential) social and environmental impact

Driving valued impact - Empowering target communities

As a responsible corporate citizen, we continue to leverage our partnerships with stakeholders for betterment of life in our local communities and deliver long term value. We envision our communities to be sustainable and future ready by improving education and livelihoods while empowering the women, youth, institutions, and community collectively. Through the Tata Power Community Development Trust (TPCDT), we introduce initiatives that focus on diverse community based projects that support causes close to our hearts. Our approach is collaborative, data driven and outcome based for all community initiatives enabling us to translate our values into scalable impact across communities.

Our CSR Vision 2026

To impact 30 million lives positively around the regions we operate in

Aligning action towards UNSDGs



Encouraging employees to volunteer for 15 hours every year

Fostering sustainable interventions through programme management excellence

Furthering livelihoods readiness, life skills, digital and financial literacy

Creating sustainable partnership with civil societies, governments, corporates, and academia

Affirmative Action and social inclusion efforts for systematically marginalized groups

Highlights

₹39.24 crore
CSR expenditure

102%
CSR expenditure target achieved

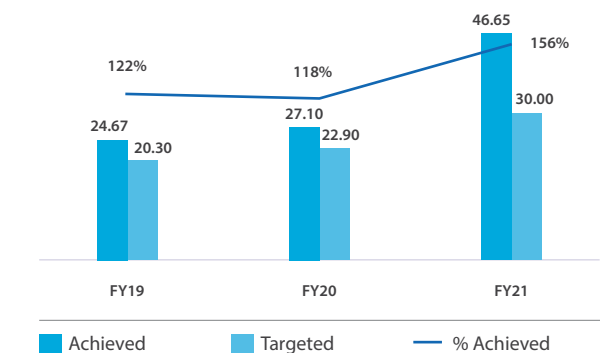
46.65 lakh
beneficiaries against target of 30 lakh

56%
of all CSR beneficiaries are women

57,257
hours volunteered collectively by around 17,000 employees across 1,380 activities

CSR Beneficiaries

(in lakh)



Contributing to a thriving and resilient society

At Tata Power, we leverage our resources to build a thriving and empowered society. Our CSR vision and strategic objectives are translated into action across our thrust areas. Additionally, our CSR activities are guided by a robust governance system which enables us to refine our initiatives in line with independent monitoring and evaluation frameworks.

Our CSR approach is detailed below.

Thrust Areas	CSR Aspirations 2026
Community Welfare	
Education	— Train 10,000 Trainers/Community Leaders to deliver blended learning through Govt. schools/training institutions
Community Empowerment	
Skilling & Livelihoods Readiness	<ul style="list-style-type: none"> — Benefit 4 lakh youth - directly & indirectly through digitally enabled, integrated vocational training centers — Build capacities of 25,000 SHGs in target regions — Co-develop 10 unique sustainable/recycled products and services — Facilitate scalability & regular business pipeline for SHGs
Financial and digital inclusivity	<ul style="list-style-type: none"> — Coverage of marginalised and deprived communities to access government entitlements and schemes — Support target communities & regional institutions by enabling capacities & skills for water recharge & management, health & nutrition

Tata Power's Corporate Social Responsibility Governance

CSR committee

- 3 Board Directors (including 2 independent directors)
- Guides the CSR policy
- Identifies, outlines and reviews thematic focus areas, geographies, target communities, and resource allocation for CSR activities
- Deploy development interventions through Tata Power Community Development Trust (TPCDT) and other not for profit partnerships
- Activities implemented by a team of over 35 community development professionals

We extended our COVID-19 response to 15 states across India with enhanced focus towards migrant and vulnerable communities. We are humbled to report that the Company covered 16.59 lakh beneficiaries through its COVID-19 community response and relief activities, which can be accessed on page 28 of this report.

Tata Power – a responsible utility

At Tata Power, our CSR activities are guided by our Corporate Social Responsibility policy. We monitor the outcomes and milestones of our programmes regularly, and commission independent impact assessments in three to five year cycles.

We are cognisant of the significant impacts that some of our power generation activities have had on local communities. These impacts are associated with land acquisition, air pollution and consumption of industrial water supply among others.

To address these impacts, we have implemented necessary preventive measures, ecological legislative compliances, voluntary conservation efforts and community enabling programmes to sustain their livelihood and income.

As a socially conscious company, we ensure consistent improvements across our CSR programmes and translate our promise of 'Care for Community' into a shared value creation as well as generating long term employment.



SOCIAL & RELATIONSHIP CAPITAL

Our CSR Programmes

Our CSR focuses on areas covering education, health and sanitation, livelihood and skill building, water and financial inclusivity. We are humbled to have contributed ₹39.24 crore for the welfare and empowerment of communities which benefited over 3 million people.

Community welfare

Education

Vidya

The initiatives under Vidya includes remedial coaching for children, digital education, training for teachers, academic coaching and counselling up to primary level.

Explored partnerships with digital service providers like TCSiON, learning delight, ALIG and provided solutions to ensure continuity of curriculum in rural and urban schools.



Water security

Amrutdhara

11.85 lakh beneficiaries covered under demand and supply side management of water initiatives across Delhi, Maharashtra, Gujarat, Rajasthan, Madhya Pradesh, Jharkhand and Tamil Nadu. We collaborate with various government schemes to enhance our outreach.

- Implemented innovative irrigation practices across the farming sector
- Provided integrated sustainable drinking water management systems



Health and sanitation

Arogya

This programme includes initiatives for maternal and child health, sanitization, immunization and health awareness. We also collaborate with NGOs and government health services to spread awareness regarding behavioral change amongst communities.

- Provided Tele Medicine support to community members
- Increased health awareness and access to government health services

Community empowerment

Financial and digital inclusion

Adhikaar

Aims to inform, enable and empower marginalised communities including SHGs

4.59 lakh beneficiaries covered worth ₹312 crore under various government schemes

Won Gold award in 9th ACEF Asian Leaders Forums for excellence in CSR for Adhikaar.

Inculcating awareness across communities on various government schemes and facilitating linkage with them.



SOCIAL & RELATIONSHIP CAPITAL

Livelihood and skill building

ACHIEVED

- Adopted microenterprise-based capacity building activities for upskilling and improving livelihood opportunities for women and Self-Help Group members.
- Provided vocational skills to the youth for augmentation of household income
- Strengthened village institutions through trainings and enhanced leadership skills
- 1,239 Self Help Group (women) with 14,325 members involved in various flagship initiatives including Dhaaga, Abha, Bijuli didi, Sakhi, Roshni and Samridhhi, generating cumulative revenue of ₹4.70 crore.



TPSDI

- Empowering the youth and addressing the skill-gap challenge
- Provided modular training and certification on employable skills
- 6 TPSDI training centres in India
- Trained over 17,000 youth on safety and soft skills

<p>TPSDI-ABHA Promoting employment for women through skill development initiatives Over 1,700 women trained</p>	<p>TPSDI – skills on wheels Providing mobile skill training to neighboring electricians, along with Recognition for Prior Learning (RPL), domestic wiring, and solar skills</p>
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Anokha Dhaga & Saheli World

- Upskills women's SHGs in stitching & tailoring, generating income and participating in the economic value chain of identified goods & services
- Promoted and sold through Saheli World (e-commerce platform)
- Provided around 6 lakh reusable cotton masks. New SHG 95 - Filter based mask introduced by SHG members



Maval Dairy Enterprise Facilitation Project

- Supports women empowerment through an association with the Maval Dairy Board, local leaders and technical partners.
- Over 1,500 women have been skilled, supported and enabled to further this community-led enterprise benefiting over 20 villages in the vicinity.



Daksh

- Augmenting skill building among the youth to provide employment opportunities.
- Over 47,000 youth skilled (11% belonging to the AA community)



Tata Power- Youth employment programme

- Collaborating with TCS to increase employment rate of youth in organized sectors
- Providing training on soft skills, business communication and etiquette
- Qualified candidates are placed in the BPS/KPO services of TCS



Samridhhi

Creating opportunities for communities, particularly farmers to build assets, adopt new livelihoods and seek opportunities for growth.



ABHAs, Bijuli Didis & SAKHI Programme

- TPDDL evolved a unique model furthering women's livelihoods, customer care & safety and shared value generation by upskilling & involving women's SHGs in Metering, Billing & Collections operations.
- This is being successfully furthered in Delhi, Odisha and Mumbai serving a large customer-base in slum & rural areas.
- Over 1,900 women benefit from this inclusive business model

Beyond our thrust areas

Social Inclusivity & Affirmative Action policy

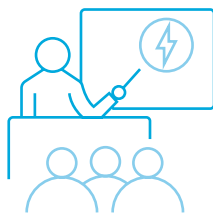
As part of Tata philosophy & focus on social inclusivity, Tata Power continues to focus on the upliftment of target communities from Scheduled Castes and Scheduled Tribes through defined 'E's- Employment, Entrepreneurship, Employability, Education and Essential amenities around our operating sites. In FY21, we have covered over 4 lakh beneficiaries under AA initiatives. Additionally, the Tata Power Skill Development Institute (TPSDI)

inducted 25% trainees from AA communities and ensured exemplary placements after training. We also support SHG members with the provision of income generation activities. Additionally, we supported youth, women, farmers and fishermen through skilling and livelihood initiatives. These initiatives demonstrated an overall increase in income level and supported us to make community members self-reliant.



Club Enerji

Club Enerji is Tata Power's nationwide movement relentlessly working towards spreading the message of being responsible citizens by conserving energy and resources across the country with a strategic focus on nation building.



EDUCATE
School children about energy conservation measures



ENGAGE
With peers and community to spread awareness



ENHANCE
Initiatives by increasing participation from schools



EMPOWER
Communities through self-sustaining mini clubs



Won Gold for "Say No to Plastics" module in multimedia CD Rom based presentation in ABCI 2020

The programme was launched 12 years ago with the aim to create awareness among school students on energy and resource conservation. Through a myriad of learning modules, Club Enerji has become a holistic movement to save energy and natural resources enabling children to become responsible citizens and proactive leaders of the future.

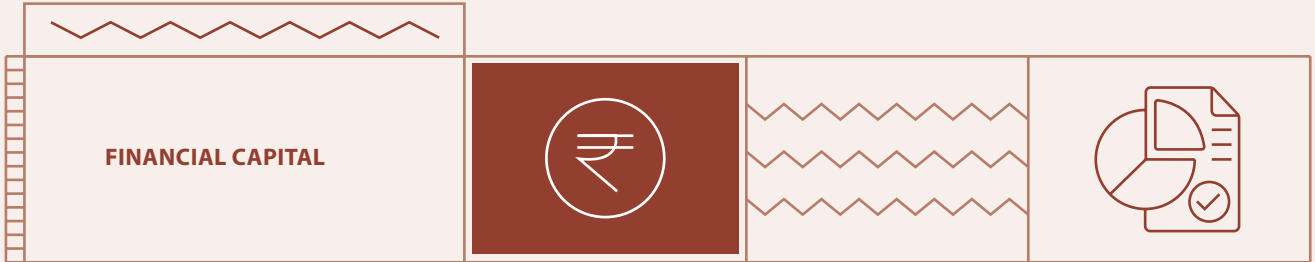
In FY21, due to the COVID-19 pandemic, we could not conduct any on-ground programmes. However, we have launched our 'E-learning Fridays' module, which comprises bi-weekly webisode



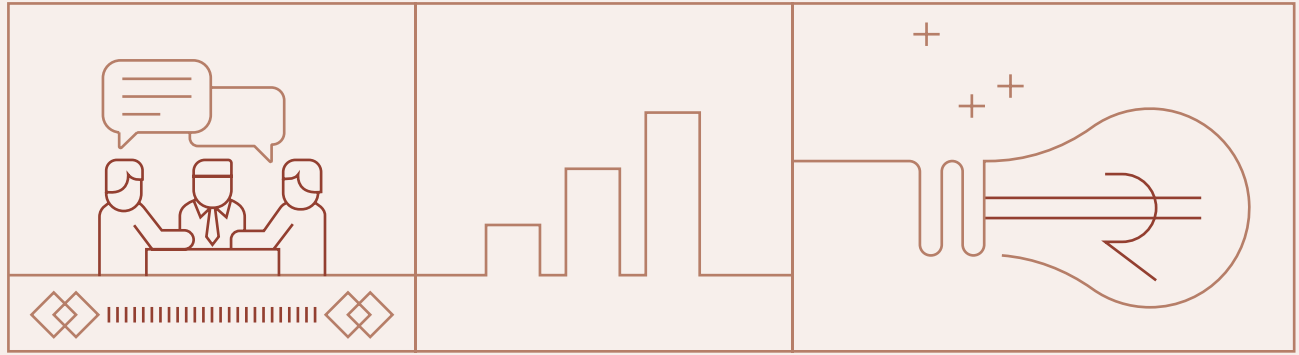
Won Silver for "Switch Off to Switch On" campaign under "Most admired Not for Profit Marketing" category at 9th ACEF Leaders Forum Award

series and quizzes for children and their parents. The webisode series aims to help them adopt sustainable living practices amid the lockdown. 'E-learning Fridays' supports us to reach out to the future generation through a digital platform and deliver relevant and practical information regarding sustainability. These modules covered topics on energy and resource conservation, fuel conservation, water management, afforestation, 'Say No to Plastic' and disaster management, among others. The success of the same was reflected through 35,000 views for the webisode series.





Creating lasting value with a prudent approach



At Tata Power, we consistently strive towards sustained value creation of all our stakeholders. With the confidence and undeterred support of our shareholders, we continue to secure cost effective resources required to scale-up our business and generate risk adjusted sustainable returns for our shareholders.



Strategic Business Objectives

- SBO1:** Profitable scale-up of Renewables, Distribution, Services and Energy Solutions business
- SBO2:** Maintaining financial leverage at targeted levels
- SBO3:** Minimizing coal cost under recovery in CGPL

Governance enablers

- Audit Committee
- Risk Management Committee
- Finance Committee
- Internal Financial Controls (IFC)
- Internal Audit System

Material topics

- Impact on business due to change in coal pricing
- Sustainable investing
- Reduce leverage

Key performance indicators

- Return on Equity (RoE)
- Return on Capital Employed (RoCE)
- Improvement in leverage ratios
- Free cashflow generated
- Investment in renewable, transmission and distribution business
- Market capitalisation

Key risks addressed

- Availability of cost- effective capital including debt capital
- High leverage
- Liquidation of regulatory assets

Sustainable Development Goals



Interaction of financial capital with other capitals

	HUMAN	INTELLECTUAL	MANUFACTURED	SOCIAL & RELATIONSHIP	NATURAL
Capital tradeoffs	Investments in learning and development to augment and enhance employee skill set and also build capability	Investments in R&D enable development of innovative technologies and improves our patent profile	Provides the required capital for enhancing our asset portfolio and manufacturing pipeline	Funding CSR initiatives and an increased share of spending on local suppliers enhances the livelihood of our local communities	Investment in improvement measures and operational efficiency technology to reduce GHG emissions. Also focus investments renewable ventures help reduce CO2 intensity numbers
Impact across the <IR> capitals	₹4.94 crore investments in training programs to enhance employee skill sets	₹7.44 crore investment in R&D	₹22,555 crore cumulative investment in renewable energy	₹39.24 crore CSR expenditure (consolidated basis)	₹5.48 crore spent in various environment & sustainability activities in FY21

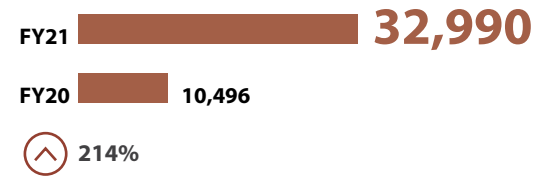
FINANCIAL CAPITAL

Our overarching objective has always been to create sustainable value for all stakeholders, despite macro - economic headwinds and industry challenges. We realised that financial fitness is the key to the future of the Company. In the last 2 years, all efforts were towards deleveraging the Balance Sheet.

This is evident from the increase in the market capitalisation of the Company from ₹10,496 crore in FY20 to ₹32,990 crore in FY21, registering 214% increase. The Company raised ₹2,600 crore by way of issue of equity shares on preferential basis to Tata Sons Private Limited, helping the Company in its objective of deleveraging.

The Company repaid external debt amounting to ₹7,613 crore during the previous year and the net external debt stands at ₹35,946 crore as at FY21 on a consolidated basis.

Market Capitalisation (in ₹ crore)



As of 31st March 2021

The initiatives that helped the Company in deleveraging are:

- Prudent management of operations and working capital
- Disinvestment of non-core assets
- Cost optimisation
- Infusion of Equity by the Promoters

All the above actions as well as optimal refinancing have resulted in upgrade in credit rating from AA- to AA. This has helped us reduce our average interest cost to 7.40% p.a compared to 8.30% p.a last year.

We continue to channelise our efforts towards expanding our renewables portfolio, distribution and emerging businesses of rooftop solar panels, solar pumps and electric vehicle charging infrastructure and push the bar on performance across the value chain.

The Company's capital allocation principles are based on a balanced approach towards risk and rewards with clear preference to Renewables, Transmission & Distribution and new consumer business.

The support of all our stakeholders helps strengthen our commitment to positively impact lives. Understanding and being responsive to the interests of our stakeholders through effective dialogue and engagement is critical to delivering on our commitment.

AA

upgrade in credit rating



GOLD award from Institute of Chartered Accountants of India for "Best Financial Reporting" for FY20

'Best ESG Disclosure' Award under the ESG Category - Midcap at the IR Society – Investor Relations Awards 2020 held jointly with BSE & KPMG

Focus Areas

Consistent Revenue Growth

- Develop balanced portfolio of business
- Prudent bidding for diverse projects
- Cost management
- Efficient working capital management

Strengthen Balance Sheet

- Simplify corporate structure by reducing the number of subsidiaries
- Deleveraging through divestment of non-core investments
- Long-term resolution for Mundra project
- Asset and debt light growth structure



Economic Value Creation at Tata Power

Tata Power generated a positive economic value retained for the last 2 years aided by the initiatives on deleveraging, cost optimisation and efficient working capital management.

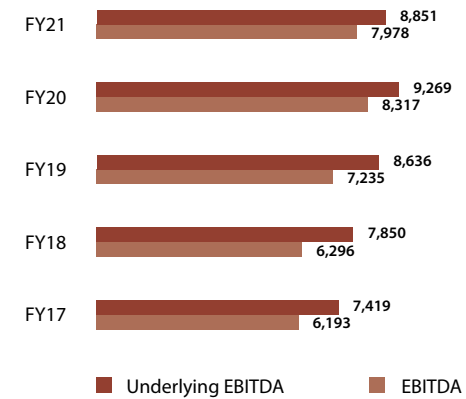
Particulars (in ₹ crore)	FY18	FY19	FY20	FY21
Revenue Generated ¹	26,863	30,370	29,510	33,518
Economic value distributed	28,673	30,592	29,110	33,161
Operating costs ²	21,491	24,151	22,352	26,090
Employee wages and benefits	1,382	1,339	1,441	2,156
Payments to providers of capital ³	5,158	4,557	4,674	4,429
Payments to government by country ⁴	602	506	609	447
Community investments-CSR	40	39	34	39
Economic value retained = Direct economic value generated less economic value distributed.	(1,810)	(222)	400	357

Notes:

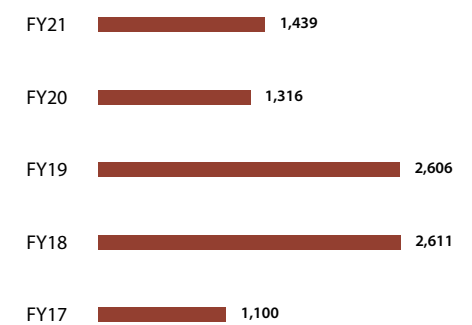
1. Revenue generated including other income and movement in regulatory deferral balance
2. Operating cost including Cost of power purchased, Cost of Fuel, Transmission charges, Raw material consumed, Purchase of finished goods, increase/decrease in WIP, depreciation & other expenses excluding CSR.
3. Payment to providers of capital includes finance cost paid, dividend paid to shareholders & Distribution on Unsecured Perpetual Securities
4. Payments to government by country include income tax paid (net of refund received)

Key Financial Trends and Ratios

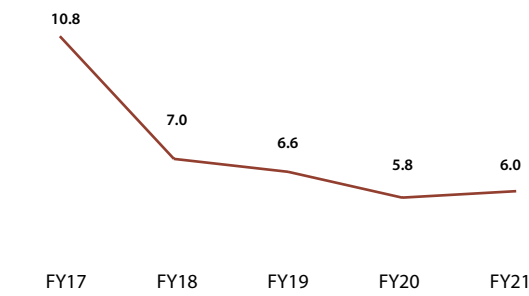
EBITDA (in ₹ crore)



Net Profit After Tax (in ₹ crore)

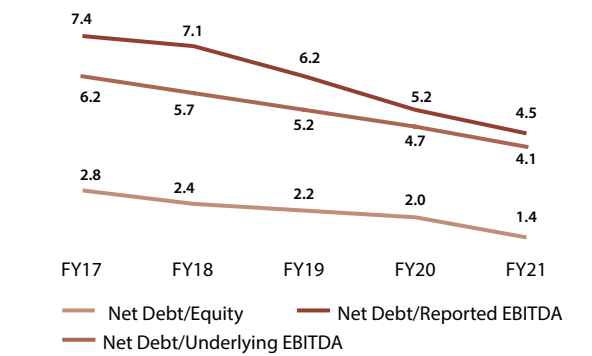


Return on Equity* (%)

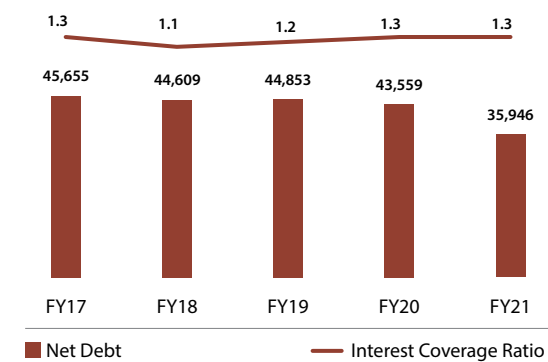


* figures before exceptional items

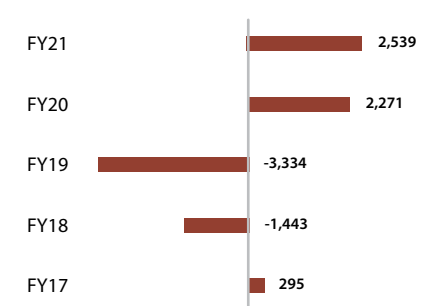
Net Debt/Equity and Net Debt/EBITDA



Net Debt (in ₹ crore) and Interest Coverage Ratio



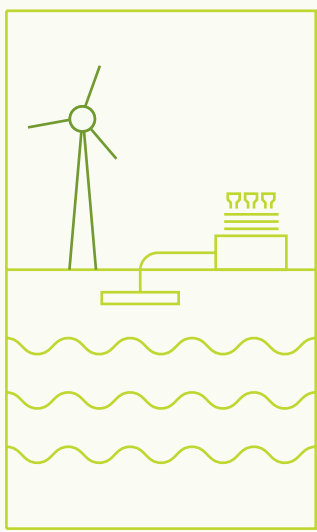
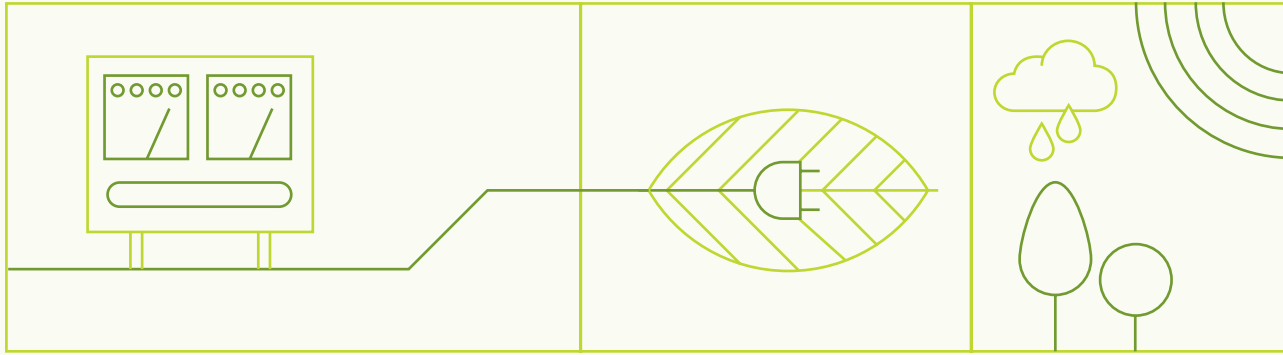
Free Cash Flow (in ₹ crore)



You may refer to "Management Discussion and Analysis" section on page number 161 for more details on financial performance of the Company.



Catering to our customers' needs in harmony with nature



As India's largest integrated power company, Tata Power is cognizant about the scale of impact its operations has on the environment. Proudly embracing our responsibilities, we have chosen to lead by example on environmental stewardship and ensure a positive outcome for our customers, communities and other stakeholders. We have taken ambitious targets to realize our vision of being carbon neutral, internalising circular economy on water and waste management and being a benchmark in the utility sector.

Strategic Business Objectives

- SBO1:** Profitable scale-up of Renewables, Distribution, Services and Energy Solutions business
- SBO2:** Focus on Sustainability with an intent to attain carbon neutrality
- SBO8:** Set new benchmarks in operational excellence and financial returns for existing businesses

Governance enablers

- Risk Management Committee
- Risk Management Policy
- Corporate Sustainability Policy
- Corporate Environment Policy

Material topics

- Carbon emission management
- Operational efficiency
- Resource availability
- Waste management
- Biodiversity

Key performance indicators

- GHG emissions (Scope 1, 2 and 3) and mitigation
- Auxiliary power consumption
- Station Heat rate
- Water consumption and recycling
- Waste generated & disposed
- Habitats protected/restored

Key risks addressed

- Regulatory risk
- Climate change and business continuity linked risks

Sustainable Development Goals



Interaction of natural capital with other capitals

	HUMAN	MANUFACTURED	FINANCIAL	SOCIAL & RELATIONSHIP	INTELLECTUAL
Capital tradeoffs	Interventions across eco-friendly initiatives instils a sense of environmental stewardship across our workforce	Our drive towards carbon neutrality and circular economy creates a suitable environment for the proliferation of renewables and energy-efficient products	Operational efficiency measures not only reduces GHG emission, it also reduces costs and impacts profitability	Responsibly managing waste and water pollutants as well as reducing our emissions creates a healthy environment for the communities in which we operate	Unique challenges in attaining sustainability targets spurs innovative and integrated thinking across the Company
Impact across the <IR> capitals	49 employees of CGPL participated in garden plant nursery initiative and sapling distribution	0.687 tCO2e/MWh of carbon intensity achieved	₹1.77 crore Income from CER trading from designated projects in FY 21	6,750 customers own rooftop solar plants with 174 mWp capacity	100% Fly ash utilized in Jojobera due to innovative solutions such as reduction in drying time and increase in depth of Ash pond.

Progressively reducing our environmental impact

We are committed to amplify our climate action and create a positive impact for the community and environment in which we operate. Leading by example, Tata Power became India's first power utility to publicly pledge to 'Carbon neutrality' before 2050. We aim to leverage our unparalleled synergies across the Renewables Energy (RE) value chain to deliver scalable growth in the renewables space and realise our climate ambitions.

We continue to consciously align our efforts with the UN SDGs and the goals of the Paris Agreement, and have committed to setting scientific emission reduction targets through Science Based Targets initiative (SBTi). The targets will be aligned to keeping global temperature rise well below 2°C, compared to pre-industrial levels. The SBTi aligned targets will also provide the pathway to develop integrated solutions for becoming carbon neutral. To fulfil these commitments, Tata Power plans to conduct a thorough scenario analysis to identify interventions areas. Our overarching strategy and goals for decarbonisation, circular economy and thought leadership can be read on page 22.



Our approach to managing GHG emissions:

BUSINESS

- Phasing out coal-based power plants and ramping up renewables and other forms of clean energy
- Improving operational efficiencies
- Providing clean energy to customers through RE 100 commitments*
- Exploring viable technologies
 - Storage technology (hydrogen)
 - Carbon capture / mitigation
- Undertaking afforestation
- Implementing zero waste to landfill (biodegradable waste)
- Promotion of E-billing-1.5 lakh customer opted for e-billing in Mumbai distribution which saved around 2,630 trees.

EMPLOYEES

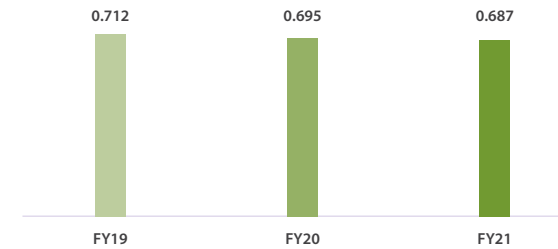
- Reducing travel by utilising digital forums
- Tracking travel emissions through a mobile application to identify reduction opportunities
- Promoting paperless office
- Implementing energy-saving initiatives
- Volunteering in afforestation programmes
- Championing 'Greenolution' with 1000+ Green Heroes

* RE100 is the global initiative bringing together hundreds of large and ambitious businesses committed to 100% renewable electricity.

GHG emission scope	Million tCO ₂ e*
Scope 1	34.500
Scope 2	0.031
Scope 3	0.003
Total	34.534

*GHG emission includes T&D losses

CO₂ intensity (tCO₂e/MWh)



In line with our sustainability commitments, we have steadily expanded our renewable energy portfolio over the years. This along with our operational efficiency measures has led to the decrease in our carbon emissions per unit of energy we produce, enabling us to serve our customers with cleaner energy every year.

Addressing air pollution

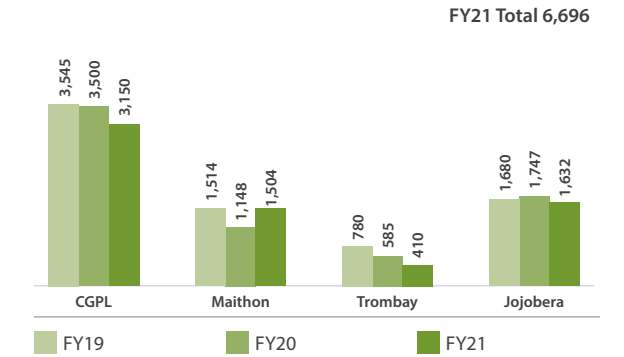
In addition to GHG, we are conscious about other air pollutants released from our operations. Further to compliance with regulatory norms, we have implemented measures to reduce emissions at source and ensure a healthy environment for our communities in which we operate. Acting on the precautionary principles, Tata Power curtailed SOx emissions from both units of Trombay thermal power plant by installing sea water-based Flue Gas Desulphurisation (FGD) units. This was undertaken much before the recent regulatory notification on control of SOx emissions was released. To address the issue of NOx emissions, 'Low Burners' and 'Over Fire Air Dampers' have been made an integral part of the installed boilers.

Air emissions trends from our four major thermal power plants (CGPL, Maithon, Trombay and Jojobera) are provided below:

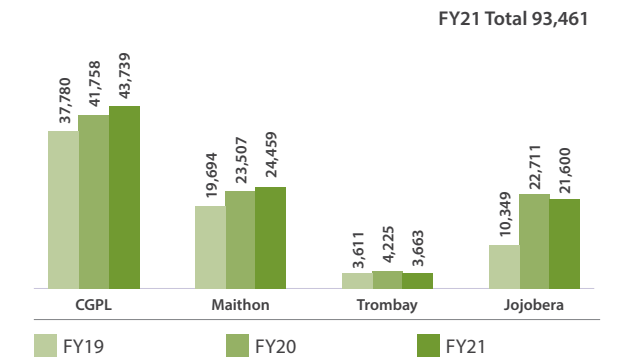
Initiatives to reduce air pollution

- Electrostatic precipitators made an integral part of boilers
- FGD installation planned at all coal plants by 2024 to reduce SOx emissions
- Reduced carbon monoxide generation through close monitoring of air fuel mix
- NOx emissions controlled through
 - Combustion optimisation over fire damper
 - Proper burner tilt operation

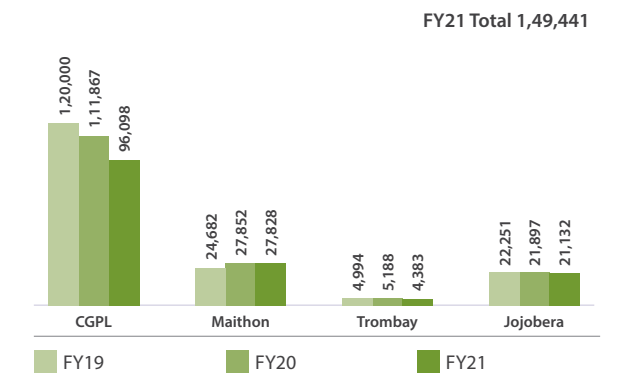
PM emissions (in MT)



NOx emissions (in MT)



SOx emissions (in MT)



Delivering power efficiently

In the business of generating and delivering energy to our consumers, we also consume a part of this energy for our own operations to ensure that we deliver without interruptions. We drive efficiencies in our processes to conserve maximum energy and provide more output to our customers.

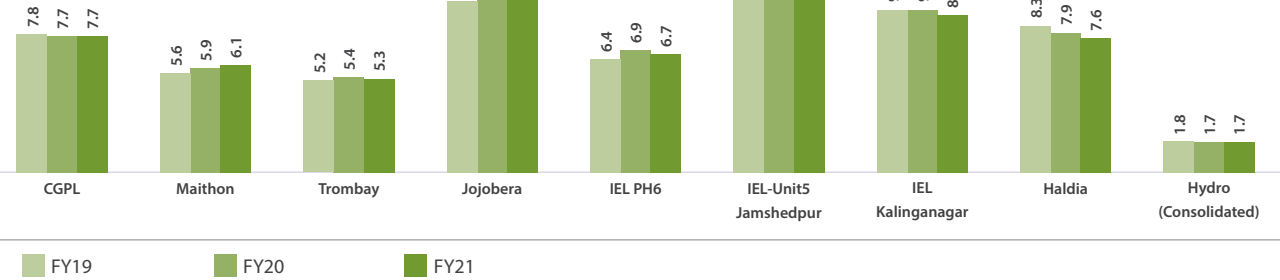
Auxiliary Power Consumption (APC)

Initiatives taken to reduce APC

- Stoppage of Cooling Tower fans during winter season and low load operation
- Stoppage of high-tension equipment during low load operation
- Optimisation of excess O2 in boilers
- Conventional lamps replaced by LED lights in section of operational area of boiler and thermal generation
- Reducing operating pressure in feed water system

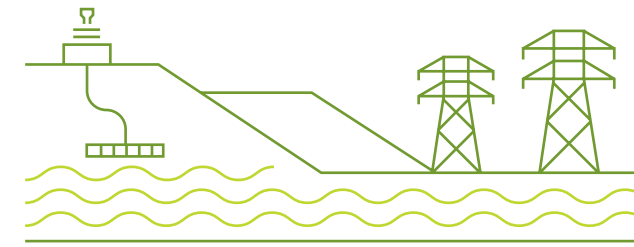
Aux energy consumption (% of total energy consumed)

Total 11.78 million GJ

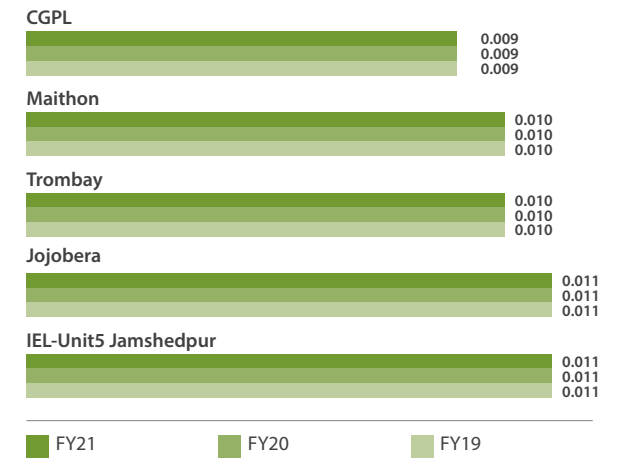


Station Heat Rate (SHR)

Further to our efforts to reduce auxiliary power requirements at the power station, we also focus on improving the conversion efficiency of our power generation systems. Reducing the heat rate not only results in lower coal consumption without compromising on customer energy requirements, but also reduces GHG emissions. Our SHR has remained consistent despite aging of plant.



Station Heat Rate (GJ/kWh)



Initiatives taken to reduce SHR

CGPL

- Laser-based combustion and temperature optimisation
- Power consumption optimisation of electrostatic precipitator and compressed air system

Maithon

- Optimisation of set points regarding coal flow, air flow, burner tilt position and so on
- Optimisation in steam consumption required for soot-blowing

Trombay

- Maintenance optimisation under Reliability Centered Maintenance (RCM) approach and Asset Performance Management (APM) analytics

Jojobera

- Optimisation of mill and Cooling Water Pump (CWP) operation
- Boiler Feed Pump de-staging for optimising APC
- Compressed air optimisation through low-pressure and high-volume independent conveying air compressors

IEL Kalinganagar

- Modified the Coke Oven Gas (COG) burner

Haldia

- Replacement of existing cooling tower glass-reinforced plastic blade fans with high efficiency light weight fiberglass-reinforced plastic blades fans

Generating power responsibly

Water stewardship

India is projected to experience severe shortage of water availability especially in the urban areas. Impacts of climate change has only exacerbated this risk further. Currently, a majority of the country's power requirements are met by thermal power plants which consume a significant amount of water for daily operations. To ensure a water secure future for our citizens, we are making conscious efforts to reduce our dependence on freshwater and maximise the potential recycle and reuse of our process water in line with principles of circularity.

These efforts have led us to be water neutral in thermal generation business and water positive in the T&D and RE business, supporting our progress to be a benchmark in water management within the Indian utility sector. Going beyond our operations, we have developed rainwater harvesting structures and are also scaling up our participatory groundwater management programmes to increase groundwater recharge and ensure water availability for our communities.

Fresh water (Total Dissolved Solids <1000 mg/l) consumption (all figures are in million litres):

Source of water withdrawal	Plant	Water withdrawn	Water discharged	Water consumed	
Surface water	Maithon	15,156	Nil	15,156	
	Trombay	4	Nil	4	
	IEL Kalinganagar	392	Nil	392	
	Bhira	7,72,800	7,72,800	Nil	
	Bhivpuri	2,34,040	2,34,040	Nil	
	Khopoli	2,16,887	2,16,887	Nil	
	Wind	Nil	Nil	Nil	
	Solar	73	Nil	73	
	Total		12,39,352	12,23,727	15,625
	Ground water	Solar	194	Nil	194
Total		194	Nil	194	
Third-party water*	Trombay	878	91	787	
	Jojobera	9,119	Nil	9,119	
	IEL PH6	2,446	Nil	2,446	
	IEL Kalinganagar	2,902	Nil	2,902	
	Haldia	2,281	Nil	2,281	
	Wind	3	Nil	3	
	T&D	80	Nil	80	
	Total	17,709	91	17,618	
Total fresh water		12,57,255	12,23,818	33,437	

*Third party water data comprises of water purchased from municipal corporation, third-party treated effluent (e.g. Tata Steel provides clarified/treated water at IEL Kalinganagar) and packaged drinking water

Other water (Total Dissolved Solids <1000 mg/l) consumption

Source of water withdrawal	Plant	Water withdrawn	Water discharged	Water consumed
Seawater*	CGPL	46,93,967**	45,08,765	1,85,202
	Trombay	6,72,824	6,15,519	57,305
Total other water	Total	53,66,791	51,24,284	2,42,507

*Sea water is used for cooling only

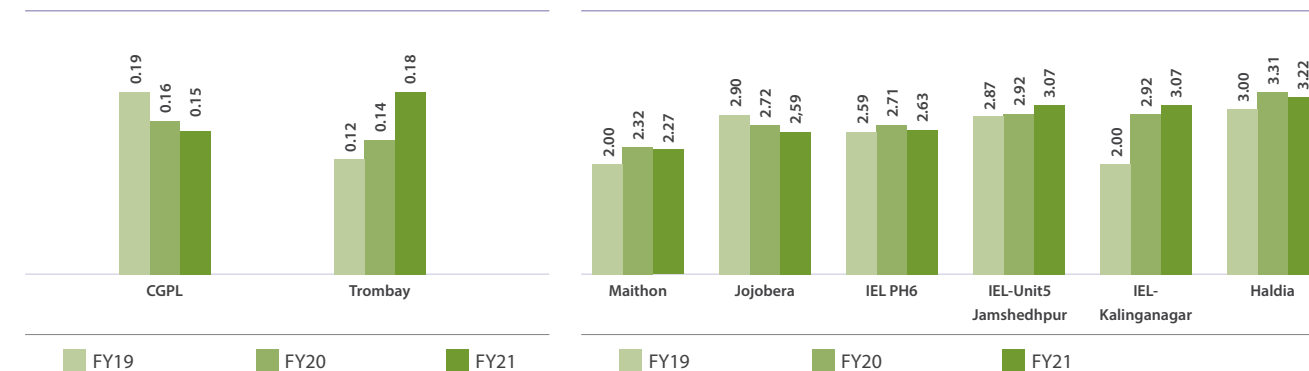
**Water withdrawn from water stress area

Note: All figures are in million liters

Our major thermal power plants have Zero-Liquid Discharge (ZLD) (except sea water used for cooling), wherein the waste water is treated and reused. The quality of effluent discharge is ensured as per regulatory requirements at all applicable locations. Our hydro operations use minimal water for facility inhabitants and Sewage Treatment Plants are installed for

recycling waste water for gardening. Almost all of the water withdrawn for power generation is discharged into lower reservoir maintaining acceptable quality. In FY21, there were no incidents of non-compliance pertaining to the discharge limits at any locations.

Specific water consumption (m³/MWh)



Note: Specific water consumption at CGPL and Trombay considers water used for steam generation only. Cooling requirements are excluded as both plants utilise sea water for cooling.

Initiatives taken to reduce water consumption

CGPL

- Reduced Demineralized (DM) Water consumption through:
 - Commissioning of condensate drain transfer system
 - Optimisation of steam consumption by reducing pressure
 - Strengthened system of daily checks with dashboard for monitoring deviation in DM water consumption
 - Achieved specific water consumption of 0.15 m³/MWh against the target of 0.170 m³/MWh and saved over 10,000 m³ of DM water in FY21
- Reduced service water consumption through:
 - Phase wise replacement of Mild Steel (MS) water pipeline with Carbon Steel (CS) having internal coating for corrosion resistance thereby reducing leakages
 - Treated guard pond water used for dust suppression system
 - Led to savings of 2,054 m³ of service water daily

Maithon

- Reduced fresh water consumption by recovering water from storm water drain and buffer pit

Hydro

- Loading hydro stations at their best efficiency to reduce water consumption and generate more units led to savings of 15.27 million m³ of water which is equivalent to 19 MUs.
- Utilising 2,100 m³ of water during monsoon for ground water recharge and gardening led to reduction in auxiliary consumption thereby reducing the loss and cost to the Mumbai consumers.

Trombay

- Several initiatives taken in combination to optimise raw water consumption and reduce DM water requirements
 - Rain water harvesting structure commissioned with expected collection potential of 15,000 m³
 - Cross-functional team set up to swiftly identify and address leaks in water lines
 - Diverted overflow water in the separator tank of vacuum pump towards gardening requirements

Jojobera

- Unused recovery water from ash pond is filtered and used as make-up water for unit basin thereby reducing freshwater requirement

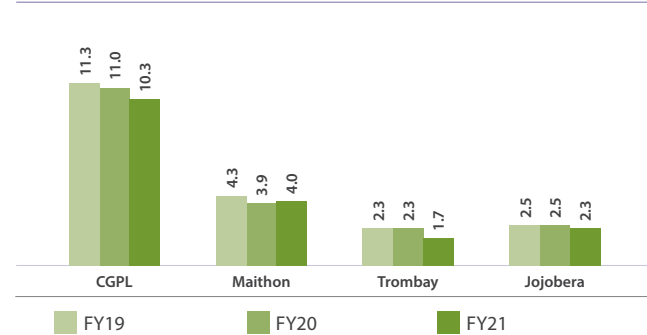
Judicious management of raw materials

As we transition towards renewable energy, we are reducing our dependence on conventional fuels and the risks associated with their availability. This has a substantial benefit on our environment in terms of decreasing the risks arising from the natural resource extraction process. As we phase out our conventional generation operations at the end of life, we anticipate decreasing trends in consumption of these resources. Our superior monitoring and improvement of operational efficiency measures also reduce resource consumption significantly. Further, we plan our operations and maintenance prudently to minimise forced shutdowns, thereby reducing consumption of light diesel oil and heavy furnace oil.

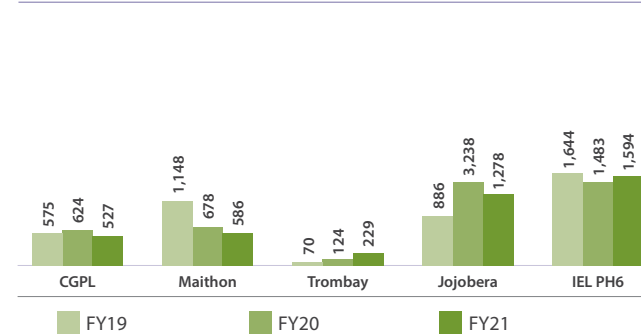


Power station	Coal (MT)	Light diesel oil (KL)	Heavy furnace oil (KL)	Natural gas (MT)
CGPL	1,03,04,531	527	4,272	N/A
Maithon	40,20,482	586	726	N/A
Trombay	16,75,287	229	584	3,02,483
Jojobera	22,69,890	1,278	N/A	N/A
IEL PH 6	N/A	1,594	N/A	N/A

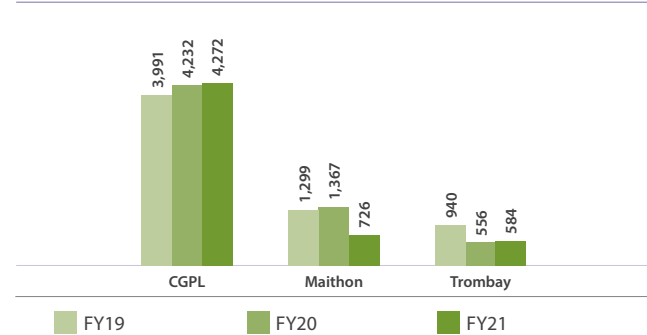
Coal consumption (in MT)



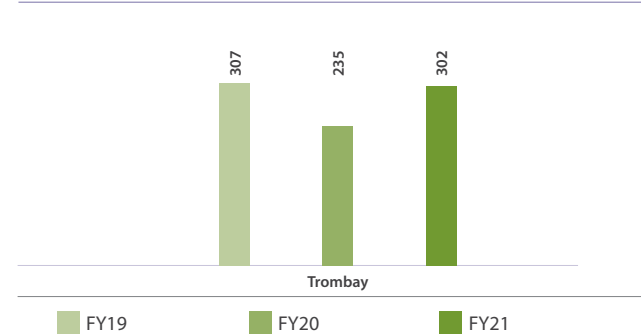
Light diesel oil (in KL)



Heavy furnace oil (in KL)



Natural gas (in '000 MT)



Preparing for a circular economy through waste management

Tata Power takes pride in going beyond compliance and has taken bold steps to improve waste management practices across its operations. We aim to benchmark our waste management practices in the industry, facilitate circular economy and maximise fly ash utilisation in the Indian utility sector thereby progressing towards zero waste to landfill.

We take a precautionary approach when we explore new business opportunities. In line with regulations, all business processes are assessed for probable waste generation before the start of operations. To minimise waste generation and optimise waste management, we evaluate various options of resources, technologies and processes which are further approved by statutory authorities.

During business operations, these processes are continuously reviewed and improvement initiatives are suitably undertaken and monitored for effectiveness.



Objectives

Benchmark waste & fly-ash management

(100% utilization)

Zero waste to landfill

biodegradable waste by 2026



NATURAL CAPITAL

Quantifying waste management:

Plant	Type of waste	Generated (MT)	Diverted from disposal (MT)	Diverted to disposal (MT)
CGPL	Hazardous	28.3	7.6	20.7
	Non-hazardous	7,59,555	5,83,437.1	53,563.9
MPL	Hazardous	20.7	20.7	Nil*
	Non-hazardous	16,15,834	7,64,468	19,06,906
Trombay	Hazardous	30.3	30.2	0.1
	Non-hazardous	42,398.2	34,200.2	8,873
Jojobera	Hazardous	14.3	14.3	Nil*
	Non-hazardous	8,41,452.1	5,99,690	4,49,515
IEL PH 6	Hazardous	14.5	14.5	Nil
IEL Kalinganagar	Hazardous	184.7	Nil	184.7
	Non-hazardous	495.5	Nil	495.5
Haldia	Hazardous	0.6	Nil	0.6
Bhira	Hazardous	16.0	16.0	Nil
	Non-hazardous	119.0	119.0	Nil
Bhivpuri	Hazardous	4.3	4.3	Nil
	Non-hazardous	179.0	179.0	Nil
Khopoli	Non-hazardous	114.3	114.3	Nil
Wind	Hazardous	0.1	Nil	0.1
	Non-hazardous	0.3	Nil	0.3
Total	Hazardous	313.8	107.6	206.2
	Non-hazardous	32,60,147.4	19,82,207.6	24,19,353.7

Note 1: Waste diverted from or to disposal may include leftover stock from waste generated in FY20

Note 2: Hazardous waste includes e-waste, battery waste and biomedical waste for the purpose of reporting here

*Negligible amount of biomedical waste generated, which is disposed of through incineration at Common Biomedical Waste Treatment Facility

Waste diverted from disposal	Onsite (MT)	Offsite (MT)	Total (MT)
Hazardous waste			
Reuse	Nil	Nil	Nil
Recycling	4.3	58.5	62.8
Other recovery options	Nil	44.8	44.8
Total	4.3	103.3	107.6
Non-hazardous waste			
Reuse	8	Nil	8
Recycling	Nil	19,82,180.6	19,82,180.6
Other recovery options	Nil	19.0	19.0
Total	8	19,82,199.6	19,82,207.6

Waste diverted to disposal	Onsite (MT)	Offsite (MT)	Total (MT)
Hazardous waste			
Incineration	Nil	20.8	20.8
Landfilling	Nil	4.5	4.5
Other disposal options	Nil	180.9	180.9
Total	Nil	206.2	206.2
Non-hazardous waste			
Incineration	Nil	Nil	Nil
Landfilling	Nil	24,17,593	24,17,593
Other disposal options	1,213	547.7	1760.7
Total	1,213	24,18,140.7	24,19,353.7

Waste management initiatives and practices:

CGPL

- Waste generation points analysed for prioritisation and collection
- Enhanced awareness on waste segregation and management among employees and residents
- Food waste transported to Ashiyana Township for composting
- In association with M/s NEPRA, collection centre and Material Recycle Facility (MRF) at plant as well as township were set up to systematically manage waste and increase waste recycled

Maithon

- Coal reject stone and ash gainfully utilised in road repair
- Ensured that biomedical waste is disposed in an environment-friendly manner by implementing a barcode system for tracking (through GPS) till the authorised disposal centre.

Trombay

- Fly ash utilised for manufacturing Ready Mix Concrete (RMC) and bricks
- Bottom ash utilised for quarry filling (outside plant premises) and as a substrate for green lawns (within premises)
- Procuring biodegradable plastic and ensuring safe plastic waste disposal through government approved vendor
- Reducing waste oil generation by reconditioning used oil through filtration machine

IEL Kalinganagar

- Supported customer (Tata Steel) in complying with statutory requirements by collaborating in waste management practices and efficient handling of hazardous waste

Jojobera

- Reduced ash generation by using coal with low ash percentage (utilising the Government's Shakti Scheme)
- Reduced oil waste generation through RCM process and condition monitoring, along with the use of additives and offline filtration to maintain oil quality
- Waste oil undergoes the centrifuge separation and ultrafiltration process to reduce contamination and enable oil to be recycled, leading to ₹7,146 per barrel savings
- Metallic scrap value increased after segregation and separate auctioning process as per metal types

Haldia

- 90% of used oil recycled through different filter machines (Centrifuge, Low Vacuum Dehydration & Degasification (LVDH) & Electrostatic Liquid Cleaner (ELC))
- Minimised wooden packaging waste by encouraging suppliers to use minimal metal structure which is reusable (added advantage of reducing fire load)
- Reusing damaged metal boiler tubes as structural handrail, safety barricade, cycle/helmet stand, canopy and so on.
- Empty chemical jars in unusable condition were cleaned thoroughly and used as containers for plants and trash
- Reject cartridge filters from DM plant are reused to improve aquarium water quality
- ₹6.5 lakh cost savings on procurement of fresh materials in addition to waste minimisation, safety empowerment and community satisfaction



Case study

Ash management at Jojobera



Challenges:

- High ash content (30-45%) in Indian coal, leading to the generation of fly ash of 4000MT/day (80% fly ash, 20% bottom ash)
- Unfavourable conditions – difficult rail route, dense population, high cost of disposal

Partnerships to address the issues:

- Tie up with fly-ash consumers Nuvoco (nearby) and Shree Cement (within 90 km)
- Negotiated with Shree Cement and Damia in West Bengal to dispatch 30% of ash generated and maintain higher utilisation pace
- Modernisation at Nuvoco led to increased demand, accounting for 40-45% fly ash utilisation

Policy advocacy to improve utilisation

- Discussions with NHAI to supply pond ash to use as sub-base for road construction, as well as embankment filler
- Discussions with nearby industries to fill bare land and reduce costs
- Discussions with real estate organisations for another avenue to improve utilisation and reduce costs

Upcoming plans to reduce disposal costs:

- Reducing moisture content in pond ash
- Council of Scientific and Industrial Research (CSIR) Jamshedpur research for brick manufacturing from pond ash
- Increase number of trips using one-time tare weighment facility and installation of higher-sized weigh bridge
- Improving drying time and larger operation depth in ash ponds by using smart cutting technology

Greenolution

Our teams drive our progress. We encourage them to contribute to developing future-ready solutions to today's waste problems thereby turning employees into 'Green Heroes'. We support their ideas on waste recycle/reuse and inform them about the positive impacts in terms of environmental and financial benefits.

Caring for our common habitat – Enhancing biodiversity

We, at Tata Power, are deeply committed to conserving natural habitats and strengthening biodiversity.

We firmly believe that our operations are in harmony with the environment in which we operate. We ensure that we undertake initiatives across our operations not only to minimize our impact on the surrounding biodiversity but also enhance it. Our aspirations have triggered a change in our approach from conservation of species to entire ecosystems, providing a holistic outcome to our efforts. We have a formal governance structure and execution strategy in place which enables us to effectively manage biodiversity across the organization.

Tata Power's principles for biodiversity management

- Integrating biodiversity into our operations
- 'Beyond the Fence' projects – i.e. outside the area of impact
- Creating a culture of care for biodiversity



ENTERPRISE

- Providing governance expertise
- Issuing guidance documents
- Partnering with experts

SITE-SCALE

- Developing action plan
- Monitoring compliance
- Managing impacts

INDIVIDUAL LEVEL

- Promoting sensitisation through exposure
- Volunteering

Mahseer

Tata Power has completed 50 years of Mahseer conservation for the blue-finned Mahseer (Tor Khudree), protecting and increasing the numbers of these Tiger of the Waters. The consistent efforts along with state fisheries department and communities has brought this species back from the brink of extinction and The International Union for Conservation of Nature (IUCN) has acknowledged Tata Power's efforts and upgraded the species from Endangered to the 'Least Concern' category



NATURAL CAPITAL

Highlights of our biodiversity initiatives:

Grassland ecosystem conservation (at solar sites)

- First of its kind of project focused around Grassland ecosystem conservation
- Outcome of the change in our approach from species conservation to ecosystem conservation
- Temperature and humidity levels are beneficially affected by grassland, thereby improving efficiency of solar panels
- Seasonal biodiversity is assessed for harmonious integration of plantation initiatives
- The International Union for Conservation of Nature (IUCN) critically endangered species are being identified for planning conservation efforts
- Facilitates in water conservation, soil erosion and carbon storage in soil
- This approach will be replicated across additional solar installations

Tree Mitra: A large-scale afforestation drive

- More than 3.5 million trees planted till date (mitigating approx. 70,000 tCO₂e/annum)
- Over 1 million trees planted a year.
- An area of 6,000 hectares was aurally dispersed with over 100 tons of seeds of different tree species before onset of monsoon.
- Indigenous species selected to preserve ecosystem and improve survival rate
- Fruit bearing trees being included to increase benefit to community
- Wild orchid propagation and medicinal plant cultivation undertaken
- Involving diverse stakeholders: Customers, communities (Club Energi), Employees (Greenolution), MoEFCC (species selection) etc.
- E-Platform under development to enable pledging for tree plantation during pandemic induced lockdown

Western Ghats biodiversity hotspot conservation

As the Hydro operations are in the proximity of pristine areas of high biodiversity value, Tata Power has set the following objectives to be observed by such sites:

- Protecting the existing flora and fauna
- Increasing green cover
- Preventing soil erosion and reducing siltation

Highlights of our conservation efforts include:

- Over 50 years of Mahseer conservation efforts (more than 12.6 million fish seeds produced till date)
- 300 fishery scientists trained
- 5 endemic and endangered orchid species selected for profleration
- 5 national workshops held for Knowledge Exchange
- Published books on "Birds of Lonavla and Khandala", "Wild orchids of the Northern Western Ghats", "Reptiles of Northern Western Ghats" and a monograph on "The Mighty Mahseer"

Transmission corridors

For operational transmission lines, trees are trimmed to maintain safe distance. Area adjacent to the corridor remains untouched, except for occasional maintenance requirement. This helps conserve and sustain habitat in and around the transmission lines. To support the conservation efforts, seeds and saplings are planted in the green belt areas.

Case study

Going beyond compliance at CGPL



- Coastal Gujarat Power Limited (CGPL) had a regulatory mandate of maintaining 33% green cover (as per Environmental Clearance obtained). As CGPL procured 1,242 hectares of land in total, 409.86 hectares of greenbelt was to be developed. However, CGPL developed additional 11.53 hectares to promote environmental conservation in its operations, aligning with SDG 13 and SDG 15.
- This was not a one-off initiative – dedicated protocol was set to obtain reliable ground-based Measurement, Reporting and Verification (MRV). 133 unique species were observed in the greenbelt. Since inception, CGPL has planted 62 different plant species belonging to 12 different groups (e.g. climber, grass, herbs, shrub, tree etc.)
- Results were confirmed using GIS (Geographic Information System) based mapping study, which also identified new plantation areas for further coverage. This study further recommended additional species to be considered for plantation based on agro-climatic zone and ecological characteristics of the region.
- Manmade ponds were developed in the green belt using recycled water. These ponds are intended to serve as potential eco-restoration zones and provide suitable habitat for diverse local and migratory species.
Additional initiative undertaken along with employees – Garden plant nursery 'NIDHIVAN'
 - 165 m² nursery developed for nurturing plants and distributing saplings
 - Reused discarded items (e.g. paper cups, trays, empty drums etc.) used as sapling containers. Scrap material used to build nursery shed
 - Local seeds used for growing saplings
 - 300 nos of saplings (Mango and Papaya) distributed
 - 49 employees participated

GRI Content Index

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Organizational Profile			
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	GRI 102-3: Location of headquarters	Back cover	Back cover
	GRI 102-4: Location of operations	National Reach	12
	GRI 102-5: Ownership and legal form	About this report Corporate governance	2 & 16
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GRI EU 8	"Research and development activity and expenditure aimed at providing reliable electricity and promoting sustainable development"	Innovation to reinvent energy for tomorrow - Intellectual Capital	69-71
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GRI 404: Training and Development 2016	GRI 404-1: Average hours of training per year per employee	Learning and development - Human Capital	80	
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GRI 403: Occupational Health & Safety 2018	GRI 403-1: Occupational health and safety management system	Building a safe work environment - Human Capital	82	
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GRI EU 18	Percentage of contractor and subcontractor employees that have undergone relevant health and safety training	Building a safe work environment - Human Capital	84	
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GRI 103: Management Approach 2016	GRI 103-1: Explanation of the material topic and its boundary	Collective growth through shared value - Social & Relationship Capital	87-103	
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GRI 308: Supplier Environmental Assessment 2016	GRI 308-1: New suppliers that were screened using environmental criteria	Responsible supply chain management - Social & Relationship Capital	94	
	GRI 308-2: Negative environmental impacts in the supply chain and actions taken		94	
GRI 414: Supplier social assessment 2016	GRI 414-1: New suppliers that were screened using social criteria		94	
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GRI 417: Marketing and Labelling 2016	GRI 417-1: Requirements for product and service information and labelling	Empowering customers for future-ready utility - Social & Relationship Capital	89, 90, 92 & 93
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GRI 418: Customer Privacy 2016	GRI 418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	Empowering customers for future-ready utility - Social & Relationship Capital	88
Demand-side management			
GRI G4 DMA (EU)	Demand-side management programs including residential, commercial, institutional and industrial programs Net Investment made in the DSM Programs & corresponding MWh saved or MW load shifted	Empowering customers for future-ready utility - Social & Relationship Capital	92
Natural Capital			
GRI 103: Management Approach 2016	GRI 103-1: Explanation of the material topic and its boundary	Catering to our customers' needs in harmony with nature - Natural Capital	111-125
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GRI 302: Energy 2016	GRI 302-1: Energy consumption within the organization	Delivering power efficiently - Natural Capital	114
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	GRI 302-4: Reduction of energy consumption		115
	GRI 305-1: Direct (Scope 1) GHG emissions		112
GRI 305: Emissions 2016	GRI 305-2: Energy indirect (Scope 2) GHG emissions	Progressively reducing our environmental impact - Natural Capital	112
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GRI 306: Effluents and Waste 2016	GRI 306-1: Waste generation and significant waste-related impacts	Preparing for circular economy through waste management - Natural Capital	119-122
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	GRI 306-5: Waste directed to disposal		120
Biodiversity			
GRI 304: Biodiversity 2016	GRI 304-1: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Caring for our common habitat – Enhancing biodiversity - Natural Capital	124 & 125
	GRI 304-3: Habitats protected or restored		123-125
	GRI 304-4: IUCN Red List species and national conservation list species with habitats in areas affected by operations		123 & 124
Financial Capital and MDA			
GRI 103: Management Approach 2016	GRI 103-1: Explanation of the material topic and its boundary	Management Discussion & Analysis	161-166
	GRI 103-2: The management approach and its components		166-167
	GRI 103-3: Evaluation of the management approach		167-176
GRI 201: Economic Performance 2016	GRI 201-1: Direct economic value generated and distributed	Economic value creation at Tata Power - Financial Capital	108
Future ready			
Non-GRI	Frequency of strategy review and planning	Our Strategy	20 & 21
Sustainable investing			
Non-GRI	Reallocation of capital by divestment of coal business to transition to more sustainable fuels	Our Strategy Saluting our stalwarts - Future of conventional energy generation - Manufactured Capital	20, 21 & 62
Impact on business due to change in Coal tax or coal pricing			
Non-GRI	Investments in renewable energy to reduce impact from changes in coal tax	Creating a Greener India – Our Renewables Story - Manufactured Capital	56
Corporate Governance			
GRI 205: Anti-Corruption 2016	GRI 205-2: Communication and training about anti-corruption policies and procedures	Report on Corporate Governance	185 & 210
	GRI 205-3: Confirmed incidents of corruption and actions taken	Corporate governance	17
GRI 206: Anti-competitive Behaviour 2016	GRI 206-1: Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Corporate governance	17
GRI 406: Non Discrimination 2016	GRI 406-1: Incidents of discrimination and corrective actions taken	Corporate governance Human Rights - Human Capital	17 & 80
GRI 407: Freedom of Association and Collective Bargaining 2016	GRI 407-1: Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Corporate governance Human Rights - Human Capital	17 & 80
GRI 408: Child Labour 2016	GRI 408-1: Operations and suppliers at significant risk for incidents of child labour	Corporate governance Human Rights - Human Capital	17 & 80
GRI 409: Forced and Compulsory labour 2016	GRI 409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labour	Corporate governance Human Rights - Human Capital	17 & 80

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GRI 411: Rights of Indigenous Peoples 2016	GRI 411-1: Incidents of violations involving rights of indigenous peoples	Human Rights - Human Capital	80
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GRI 307: Environmental Compliance 2016	307-1: Non-compliance with environmental laws and regulations	Corporate governance	17
GRI 419: Socioeconomic Compliance 2016	419-1: Non-compliance with laws and regulations in the social and economic area	Corporate governance	17

Overview

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Annexure 1 – List of Memberships

The Tata Power Company Limited – Memberships

Association of Power Producers	Bombay Chamber of Commerce & Industry	Central Power Research Institute
Confederation of Indian Industry	Electrical Research and Development Association	IMC Chambers of Commerce and Industry
India Energy Exchange	Indian Wind Power Associations	National Safety Council

Annexure 2 – List of Subsidiaries

The Tata Power Company Limited – Domestic subsidiaries

Af-Taab Investment Company Limited	Chirasthayee Saurya Limited	Clean Sustainable Solar Energy Private Limited
Coastal Gujarat Power Limited	Dreisatz Mysolar24 Private Limited	Dugar Hydro Power Limited#
Industrial Energy Limited#	Maithon Power Limited	MI Mysolar24 Private Limited
NDPL Infra Limited	NELCO Limited	Nelco Network Products Limited
Nivade Windfarm Limited	Northwest Energy Private Limited	Poolavadi Windfarm Limited
Powerlinks Transmission Limited#	Solarsys Renewable Energy Private Limited	Supa Windfarm Limited
Tata Power Delhi Distribution Limited	Tata Power Green Energy Limited	Tata Power Jamshedpur Distribution Limited
Tata Power Renewable Energy Limited	Tata Power Solar Systems Limited	Tata Power Trading Company Limited
Tatanet Services Limited	TCL Ceramics Limited (formerly known as Tata Ceramics Limited)	TP Ajmer Distribution Limited
TP Akkalkot Renewable Limited	TP Central Odisha Distribution Limited	TP Kirnali Limited
TP Kirnali Solar Limited	TP Renewable Microgrid Limited (formerly known as Industrial Power Utility Limited)	TP Roofurja Renewable Limited
TP Saurya Limited	TP Solapur Limited	TP Solapur Solar Limited
TP Southern Odisha Distribution Limited	TP Western Odisha Distribution Limited	TP Wind Power Limited (formerly Indo Rama Renewables Jath Limited)
Vagarai Windfarm Limited	Walwhan Energy RJ Limited	Walwhan Renewable Energy Limited
Walwhan Solar AP Limited	Walwhan Solar BH Limited	Walwhan Solar Energy GJ Limited
Walwhan Solar KA Limited	Walwhan Solar MH Limited	Walwhan Solar MP Limited
Walwhan Solar PB Limited	Walwhan Solar Raj Limited	Walwhan Solar RJ Limited
Walwhan Solar TN Limited	Walwhan Urja Anjar Limited	Walwhan Urja India Limited
Walwhan Wind RJ Limited		

The Tata Power Company Limited – Foreign Subsidiaries

Bhira Investments Pte Limited (formerly known as Bhira Investments Limited)	Bhivpuri Investments Limited	Far Eastern Natural Resources LLC
Khopoli Investments Limited	PT Sumber Energi Andalan Tbk	Tata Power International Pte. Limited
Trust Energy Resources Pte. Limited		

The Tata Power Company Limited – Joint Ventures

Adjaristsqali Georgia LLC	Adjaristsqali Netherlands B.V.	Candice Investments Pte. Limited
Indocoal KPC Resources (Cayman) Limited	Indocoal Resources (Cayman) Limited	Itezhi Tezhi Power Corporation Limited
Koromkheti Georgia LLC	Koromkheti Netherlands B.V.	LTH Milcom Private Limited
Mandakini Coal Company Limited	Prayagraj Power Generation Company Limited	PT Antang Gunung Meratus
PT Arutmin Indonesia	PT Baramulti Suksesarana Tbk	PT Citra Kusuma Perdana
PT Citra Prima Buana	PT Dwikarya Prima Abadi	PT Guruh Agung
PT Indocoal Kalsel Resources	PT Indocoal Kaltim Resources	PT Kalimantan Prima Power
PT Kaltim Prima Coal	PT Marvel Capital Indonesia	PT Mitratama Perkasa
PT Mitratama Usaha	PT Nusa Tambang Pratama	Renascent Power Ventures Private Limited
Resurgent Power Ventures Pte. Limited	Solace Land Holding Limited	Tubed Coal Mines Limited

The Tata Power Company Limited – Associates

Brihat Trading Private Limited	Dagachhu Hydro Power Corporation Limited	Tata Projects Limited
The Associated Building Company Limited	Yashmun Engineers Limited	

Classified as Joint Ventures as per Indian Accounting Standards (Ind AS)

Board's Report

To the Members,

The Directors are pleased to present to you the second Integrated Report (prepared as per the International Integrated Reporting Council (IIRC) framework and in accordance with Global Reporting Initiatives (GRI) standards: Core options) and One Hundred and Second Annual Report on the business and operations of your Company along with the audited Financial Statements of Account for the financial year ended 31st March 2021.

1. Financial Results

Figures in ₹ crore

Sl. No.	Particulars	Standalone		Consolidated	
		FY21	FY20	FY21	FY20
(a)	Net Sales / Income from Other Operations*	6,480	7,075	33,079	28,948
(b)	Less: Operating Expenditure	4,387	4,794	25,474	21,078
(c)	Operating Profit	2,093	2,281	7,605	7,870
(d)	Add/(Less): Forex Loss	24	(11)	(66)	(116)
(e)	Add: Other Income	1,249	583	439	563
(f)	Less: Finance Cost	1,519	1,510	4,010	4,494
(g)	Profit before Depreciation and Tax	1,847	1,343	3,968	3,823
(h)	Less: Depreciation & Amortisation	669	686	2,745	2,634
(i)	Profit Before Share of Profit of Associates and Joint Ventures	1,178	657	1,223	1,189
(j)	Add: Share of Profit of Associates and Joint Ventures	NIL	NIL	873	953
(k)	Profit Before Exceptional Item	1,178	657	2,096	2,142
(l)	Add/(Less): Exceptional Item	(109)	(306)	(109)	226
(m)	Profit/ (Loss) before Tax	1,069	351	1,987	2,368
(n)	Add/(Less): Tax Expenses /(Credit)	(101)	(208)	(502)	(641)
(o)	Net Profit after Tax from Continuing Operations	968	559	1,485	1,727
(p)	Profit/ (Loss) before Tax from Discontinued Operations	(220)	(443)	(220)	(443)
(q)	Add/(Less): Tax Expenses /(Credit) from Discontinued Operations	174	32	174	32
(r)	Net Profit/(Loss) after Tax from Discontinued Operations	(46)	(411)	(46)	(411)
(s)	Net Profit for the year	922	148	1,439	1,316
(t)	Net Profit for the year attributable to -				
	- Owners of the Company	922	148	1,127	1,017
	- Non-controlling interests	NIL	NIL	311	299
(u)	Other Comprehensive income (Net of Tax)	185	(53)	(380)	836
(v)	Total Comprehensive Income for the year	1,107	95	1,059	2,153
(w)	Total Comprehensive Income attributable to -				
	- Owners of the Company	1,107	95	747	1,856
	- Non-controlling interests	NIL	NIL	312	297

*Including rate regulatory income/(expense)

2. Financial Performance and the State of the Company's Affairs

2.1. Consolidated

The Operating Revenue was at ₹ 33,079 crore in FY21 compared to ₹ 28,948 crore in FY20 on a consolidated basis. This is mainly due to acquisition of three Odisha Distribution Companies (Discoms) and execution of major solar engineering, Procurement and Construction (EPC) projects during the year. Operating Profit was at ₹ 7,605 crore which is marginally lower by 3% compared to previous year mainly due to favourable tariff order in Maithon Power Limited (MPL) in previous year, lower PLF from wind farms offset by lower losses in Coastal Gujarat Power Limited

(CGPL) on account of lower coal prices and higher profit from Prayagraj acquisition. Finance costs decreased from ₹ 4,494 crore to ₹ 4,010 crore mainly due to repayment of loans from sale of non-core assets, issue of preferential capital and lower rate of interest. The profits from Joint Ventures (JV) and Associates were lower mainly due to lower profits from Indonesian coal mines due to lower coal prices.

The Consolidated Profit after tax in FY21 was at ₹ 1,439 crore compared to ₹ 1,316 crore in FY20 mainly due to lower losses in CGPL on account of lower coal prices, higher profit from Prayagraj acquisition and lower finance cost.

Board's Report

2.2. Standalone

The Operating Revenue stood at ₹ 6,480 crore in FY21 compared to ₹ 7,075 crore in FY20 on a standalone basis. The decrease was mainly due to lower generation and sales on account of lower demand from procurers and customers due to COVID-19 pandemic. The profit in FY21 was ₹ 922 crore as compared to ₹ 148 crore in FY20. The increase in the profit was mainly due to higher dividend from foreign subsidiary and lower impairment loss in Strategic Engineering Division (SED) compared to the previous year.

Refer to Management Discussion and Analysis (MD&A) (Pages 161-183) for more details.

No material changes and commitments have occurred after the close of the year under review till the date of this Report which affect the financial position of the Company.

2.3. Annual Performance

Details of your Company's annual financial performance as published on the Company's website and presented during the Analyst Meet, after declaration of annual results, can be accessed using the following link: <https://www.tatapower.com/pdf/investor-relations/analyst-presentation-may-21.pdf>.

2.4. Integrated Report

Continuing with your commitment towards a sustainable future and focus towards governance-based reporting, your Company has progressed to second Integrated Report highlighting the Company's efforts to empower all categories of customers and stakeholders with future-ready, smart, energy solutions.

3. Improvement in Leverage Ratios and Cash from Operations

Your Company's Net Debt/Underlying EBIDTA ratio has shown improvement from 4.7 to 4.1 from FY20 to FY21 on a consolidated level reinforcing the Company's commitment to deleverage its balance sheet. Consequently, Net Debt/Equity on a consolidated level has improved from 2.0 to 1.4 from FY20 to FY21. Your Company's efficient working capital management has resulted in an increase of 15% in cash from operations over FY20 (FY21-₹ 8,458 crore vis-à-vis FY20-₹ 7,375 crore). A brief discussion on the highlights of financial performance of your Company and financial & return ratios is presented in the financial capital section of Integrated Report (Pages 104-109).

4. Management Discussion and Analysis

The Management Discussion and Analysis, as required in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), is annexed to this Report.

5. Dividend

The Directors of your Company recommend a dividend of ₹ 1.55 per share of ₹ 1 each subject to the approval of the Members.

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the shareholders w.e.f. 1st April 2020 and the Company is required to deduct tax at source (TDS) from dividend paid to the Members at prescribed rates as per the Income-tax Act, 1961.

The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 19th June 2021 to Monday, 5th July 2021 (both days inclusive) for the purpose of payment of dividend for the financial year ended 31st March 2021.

According to Regulation 43A of the Listing Regulations, the top 1000 listed entities based on market capitalization, calculated as on 31st March of every financial year are required to formulate a dividend distribution policy which shall be disclosed on the website of the listed entity and a web-link shall also be provided in their annual reports. Accordingly, the Dividend Policy of the Company can be accessed using the following link: <https://www.tatapower.com/pdf/aboutus/dividend-policy.pdf>.

6. Current Business

Your Company is present across the entire value chain of power business viz Generation, Transmission, Distribution, Power Trading, Power Services, Coal Mines and Logistics, Solar PV manufacturing and associated EPC services, Consumer-facing businesses such as solar rooftop, solar pumps, EV charging, home automation and microgrid. Leading position in many of these segments places your Company as one of India's largest integrated power companies.

As on 31st March 2021, your Company had an installed capacity of 12,808 MW out of which 3,948 MW is from "Clean and Green sources" (Hydro, waste heat recovery, wind and solar) which constitutes about 31% of the total portfolio.

Moving away from conventional coal based power plants with a commitment to reduce carbon footprint and dependency on fossil fuel based resources like coal and gas, your Company has decided to focus on renewable generation, consumer-facing businesses like solar rooftop, solar pumps, EV charging, home automation as well as tapping into opportunities to widen its distribution network and broaden its customer base. Your Company has acquired four (4) Discoms in Odisha through competitive bidding which will cater to around 9 million consumers and pursuing similar growth opportunity in distribution. Your Company has installed around 161 microgrid projects as on 31st March 2021 with another 40 projects in the

pipeline in line with its commitment to provide the rural population with affordable, clean and reliable power.

Furthermore, your Company has launched smart energy solutions with the idea of “power of smart” through Internet of Things (IOT) based Home Automation solutions, smart energy management tools and various other home automation products encouraging customers to implement efficient and cost-effective home automation solutions to manage electricity usage.

Focussing on achieving growth in an environmentally responsible and sustainable manner, your Company has added 50 MW Solar PV assets in operating portfolio for supply of power to captive consumers and around 6 MW of rooftop projects in the balance sheet of Tata Power Renewable Energy Limited (TPREL). Your subsidiary, Tata Power Solar Systems Limited (TPSSL) has built a portfolio of 406 MW of solar rooftop projects and have an order book of over 2,800 MW with value of around ₹ 8,700 crore as on 31st March 2021. In the solar products domain, your Company is a leading player, with a portfolio of over 33,000 solar agricultural pumps in 16 states. Your Company's business portfolio has been discussed in a greater detail in the Manufactured Capital of Integrated Report (Pages 50-65).

6.1 Preferential Allotment of Equity Shares to Tata Sons Private Limited

Subsequent to approval accorded by the shareholders at the 101st Annual General Meeting of the Company on 30th July 2020, the Company issued and allotted 49,05,66,037 Equity Shares of the Company to its Promoter, Tata Sons Private Limited, at a price of ₹ 53 (including a premium of ₹ 52) per Equity Share, aggregating up to ₹ 2,600 crore, for cash consideration, on a preferential basis. The proceeds of the said Preferential Issue were utilized for repayment of debts of the Company and its subsidiaries.

6.2 Scheme of Amalgamation

With a view to simplify the Corporate structure, your Company has filed the following schemes of merger with the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench, under the applicable provisions of the Companies Act, 2013 (the Act):

- Scheme of Amalgamation of Af-Taab Investment Company Limited with the Company.
- Composite Scheme of Arrangement of Coastal Gujarat Power Limited and Tata Power Solar Systems Limited with the Company along with capital re-organisation after the merger.

The aforesaid Schemes are in the interest of the shareholders, creditors and all other stakeholders of the parties and is not prejudicial to the interests of the

concerned shareholders, creditors of the parties or the public at large.

Both the schemes are pending approvals from Regulatory authorities including NCLT.

7. Reserves

As per Standalone financials, the net movement in the reserves of the Company for FY21 and FY20 is as follows:

Particulars	Figures in ₹ crore	
	As at	As at
	31st March 2021	31st March 2020
Capital Redemption Reserve	2	2
Capital Reserve	62	62
Securities Premium	8,186	5,635
Debenture Redemption Reserve	297	297
General Reserve	3,854	3,854
Retained Earnings	3,370	3,027
Equity Instruments through OCI	128	(45)
Statutory Reserve	660	660

The Board of Directors has decided to retain the entire amount of profits for FY21 in P&L account.

8. Subsidiaries/Joint Ventures/Associates

As on 31st March 2021, the Company had 59 subsidiaries (44 are wholly owned subsidiaries), 33 JVs and 5 Associates. Of the subsidiaries, 3 companies have been classified as JVs under Indian Accounting Standards (Ind AS).

During the year under review, the following changes occurred in your Company's holding structure:

- The Company has acquired 51% stake in the following Odisha Discoms:
 - TP Central Odisha Distribution Limited
 - TP Western Odisha Distribution Limited
 - TP Southern Odisha Distribution Limited

Note: The Company has also acquired 51% stake in TP Northern Odisha Distribution Limited on 1st April 2021.
- The following companies have been incorporated as subsidiaries of the Company:
 - TP Kirnali Solar Limited
 - TP Solapur Solar Limited
 - TP Saurya Limited
 - TP Akkalkot Renewable Limited
 - TP Roofurja Renewable Limited

Board's Report

A report on the performance and financial position of each of the subsidiaries, JVs and Associates has been provided in Form AOC-I as per Section 129(2) of the Act.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company at <https://www.tatapower.com/investor-relations/annual-reports-subsidiaries.aspx>.

The policy for determining material subsidiaries of the Company has been provided in the following link: <https://www.tatapower.com/pdf/aboutus/policy-for-determining-material-subsidiaries.pdf>.

9. Directors' Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the Statutory Auditors and the reviews performed by management and the relevant board committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during FY21.

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirms that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a going concern basis;
- v. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

10. Directors and Key Managerial Personnel

During the year under review, there was no change in the composition of the Board.

In accordance with the requirements of the Act and the Company's Articles of Association, Mr. N. Chandrasekaran retires by rotation and is eligible for re-appointment. Members' approval is being sought at the ensuing 102nd Annual General Meeting (AGM) for his re-appointment.

During the year under review, the Non-Executive Directors (NEDs) of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and commission, as applicable, received by them.

In terms of Section 149 of the Act, Ms. Anjali Bansal, Ms. Vibha Padalkar, Mr. Sanjay V. Bhandarkar, Mr. Kesava M. Chandrasekhar and Mr. Ashok Sinha are the Independent Directors of the Company. The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the Act and the Listing Regulations.

In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based upon the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

Ms. Anjali Bansal, Ms. Vibha Padalkar and Mr. Sanjay Bhandarkar were appointed as Independent Directors by the Members on 23rd August 2017, for a period of five years commencing with effect from 14th October 2016 upto 13th October 2021.

The Board, on 12th May 2021, based on the recommendations of Nomination and Remuneration Committee (NRC) and pursuant to performance evaluation of Ms. Bansal, Ms. Padalkar and Mr. Bhandarkar respectively as a Member of the Board and considering their background, experience and contribution, the continued association of these individuals would be beneficial to the Company,

recommended their respective re-appointments as Independent Directors of the Company, not liable to retire by rotation, for a second term of five (5) years commencing with effect from 14th October 2021 upto 13th October 2026 for approval of the Members by way of a Special Resolution at the ensuing 102nd AGM of the Company.

Accordingly, Members' approval is being sought at the ensuing 102nd AGM for their respective re-appointments.

Eight Board Meetings were held during the year under review. For further details, please refer to the Report on Corporate Governance, which forms part of the Annual Report.

In terms of Section 203 of the Act, the following are the Key Managerial Personnel (KMP) of the Company as on 31st March 2021:

- Dr. Praveer Sinha, CEO and Managing Director
- Mr. Ramesh N. Subramanyam, Chief Financial Officer
- Mr. Hanoz M. Mistry, Company Secretary

11. Annual Evaluation of Board Performance and Performance of its Committees and Individual Directors

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and Listing Regulations.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors based on criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members based on criteria such as the composition of committees, effectiveness of Committee meetings, etc.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of the Executive Director and NEDs.

The NRC reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on 5th January 2017.

In a subsequent Board meeting, the performance of the Board, its Committees, and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

12. Policy on Board Diversity and Director Attributes and Remuneration Policy for Directors, Key Managerial Personnel and Other Employees

In terms of the provisions of Section 178(3) of the Act and Regulation 19 read with Part D of Schedule II to the Listing Regulations, the NRC is responsible for determining qualification, positive attributes and independence of a Director. The NRC is also responsible for recommending to the Board, a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. In line with this requirement, the Board has adopted the Policy on Board Diversity and Director Attributes, which is provided in Annexure - I to this Report and Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company, which is reproduced in Annexure - II to this Report.

13. Committees of the Board

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority.

The following statutory Committees constituted by the Board function according to their respective roles and defined scope:

- Audit Committee of Directors
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders Relationship Committee
- Risk Management Committee

Details of the composition, terms of reference and number of meetings held for respective committees are given in the Report on Corporate Governance, which forms part of the Annual Report.

The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of Independent Directors as laid down in the Act. The same can be accessed using the following link: <https://www.tatapower.com/pdf/aboutus/Code-of-Conduct-NEDs.pdf>.

Board's Report

All Senior Management personnel have affirmed compliance with the Tata Code of Conduct (TCoC). The CEO & Managing Director has also confirmed and certified the same. The certification is enclosed as Annexure - I at the end of the Report on Corporate Governance.

14. Conservation of Energy and Technology Absorption

Your Company continues its journey of growth in a sustainable and responsible manner and has achieved significant conservation of energy through its various Demand Side Management (DSM) initiatives as well as fostering energy efficient appliances at highly discounted prices among its customers. More than 6,000 energy efficient appliances like ceiling fans, air conditioners and LED tube lights have been provided to customers in FY21. Furthermore, around 4,000 Mwh of energy savings have been achieved due to the DSM programme in Mumbai license area. These initiatives have been discussed in greater details in the information on Conservation of Energy and Technology Absorption stipulated under Section 134 (3) (m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014, which is attached as Annexure - III to this Report.

15. Corporate Governance

Pursuant to Regulation 34 of the Listing Regulations, Report on Corporate Governance along with the certificate from a Practicing Company Secretary certifying compliance with conditions of Corporate Governance forms part of the Annual Report.

16. Vigil Mechanism

Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. In line with the TCoC, any actual or potential violation, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the TCoC cannot be undermined.

Pursuant to Section 177(9) of the Act, a vigil mechanism was established for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chief Ethics Counsellor/Chairman of the Audit Committee of the Company for redressal. No person has been denied access to the Chairman of the Audit Committee.

17. Risk Management

Your Board has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee

is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. Furthermore, your Company has set up a robust internal audit function which reviews and ensures sustained effectiveness of internal financial controls by adopting a systematic approach to its work. The development and implementation of risk management policy has been covered in the Integrated Report (Pages 24-27).

Internal Financial Control Systems and their Adequacy

Your Company's internal control systems are commensurate with the nature of its business, the size and complexity of its operations and such internal financial controls with reference to the Financial Statements are adequate. Your Company has implemented robust processes to ensure that all internal financial controls are effectively working. For details on internal financial control systems, please refer Integrated Report (Page 26).

18. Details of Significant and Material Orders

No significant and materials orders were passed by the regulators or courts or tribunals impacting the going concern status and your Company's operations in future.

19. Statutory and Branch Auditors

Members of the Company at the AGM held on 23rd August 2017, approved the appointment of M/s. SRBC & CO. LLP (SRBC) (ICAI Firm Registration Number: 324982E/E300003), as the statutory auditors of the Company for a period of five years commencing from the conclusion of the 98th AGM held on said date until the conclusion of 103rd AGM of the Company to be held in 2022.

The Company has in its Notice sought approval from the Members for passing a resolution vide Item No.8 authorizing the Board to appoint Branch Auditors of any Branch office of the Company, whether existing or which may be opened/acquired, outside India, to act as Branch Auditors.

20. Statutory Auditors' Report

The standalone and the consolidated financial statements of the Company have been prepared in accordance with Ind AS notified under Section 133 of the Act.

The Statutory Auditor's report does not contain any qualifications, reservations, adverse remarks or disclaimers.

The Statutory Auditors were present in the last AGM.

21. Cost Auditor and Cost Audit Report

Your Board has appointed M/s. Sanjay Gupta and Associates (Firm Registration No.000212), Cost Accountants,

as Cost Auditors of the Company for conducting cost audit for the FY22. A resolution seeking approval of the Members for ratifying the remuneration of ₹ 6,50,000 (Rupees Six lakh fifty thousand) plus applicable taxes, travel and actual out-of-pocket expenses payable to the Cost Auditors for FY22 is provided in the Notice to the ensuing 102nd AGM. Maintenance of cost records as specified by the Central Government under Section 148 (1) of the Act is not applicable to the Company.

22. Secretarial Audit Report

M/s. Makarand M. Joshi & Co., Company Secretaries (Peer Review Number: P2009MH007000), were appointed as Secretarial Auditors of your Company to conduct a Secretarial Audit of records and documents of the Company for FY21. The Secretarial Audit Report confirms that the Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines and that there were no deviations or non-compliances except the observation that the Annual Performance Report (APR) for Itezhi Tezhi Power Corporation Limited (ITPC) is still in the process of filing. This was on account of the delay in approval of accounts by ITPC board. The Secretarial Audit Report is provided in Annexure - IV to this Report.

The Secretarial Audit report does not contain any qualifications, reservations, adverse remarks or disclaimers.

As per the requirements of the Listing Regulations, Practicing Company Secretaries of the material unlisted subsidiary of the Company have undertaken secretarial audit for FY21. The Audit Report of such material unlisted subsidiary confirms that they have complied with the provisions of the Act, Rules, Regulations, and Guidelines and that there were no deviations or non-compliances.

The Secretarial Audit Report of the unlisted material subsidiary viz. Tata Power Delhi Distribution Limited has been annexed along with the report of the Company.

23. Compliance with Secretarial Standards

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

24. Loans, Guarantees, Securities and Investments

Your Company, being an infrastructure company, is exempt from the provisions as applicable to loans, guarantees, security and investments under Section 186 of the Act. Therefore, no details are required to be provided.

25. Related Party Transactions

In line with the requirements of the Act and the Listing Regulations, the Company has formulated a Policy on Related Party Transactions and the same can be accessed using the following link: <https://www.tatapower.com/pdf/aboutus/rpt-policy-framework-guidelines.pdf>.

During the year under review there were no material transactions of the Company with any of its related parties. Therefore, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY21 and hence the same is not provided.

26. Sustainability

Your Company remains committed to sustainable growth, resource conservation, energy efficiency, habitat protection as a responsible corporate citizen with an aim to achieve carbon neutrality. Your Company's efforts on sustainability were recognized at various platforms and a testimony to this were the various awards bestowed upon it. Your Company won the best Environment Social and Governance (ESG) disclosure at the Investor Relations Award 2020 and ranked 13th in India's most sustainable companies with an A+ rating by BW Business world and Sustain lab Paris. Your Company is the only Indian power utility to co-create Sustainability Development Goal (SDG) roadmap for Electric Utilities with World Business Council for Sustainable Development (WBCSD) along with 10 global power utilities.

26.1 Care For Our Community/Community Relations

Your Company focusses on five thrust areas viz. education, health and sanitation, livelihood and skill building, water and financial inclusivity. In these areas, key flagship interventions were undertaken, Tata Power (Standalone) covered around 12.85 lakh people from Maharashtra, Jharkhand and West Bengal and at group level, your Company's CSR Initiatives covered around **46.65 lakh** beneficiaries across 61 locations in 15 states. The Initiatives are aligned to 6 UN SDGs and Schedule VII to the Act.

As a part of its COVID-19 response initiatives, your Company extended extensive support with a focus on migrant and vulnerable communities to 15 states across the country impacting around 16.59 lakh beneficiaries.

Flagship initiatives undertaken across various locations during FY21 can be summarized as below:

- Financial inclusivity program was undertaken across all major locations with 4.59 lakh beneficiaries

Board's Report

covered with resources worth ₹ 312 crore accessed under various Government Schemes by communities.

- 1,239 Self-Help Group (SHG) (women) covering 14,325 members involved in various flagship initiatives such as Dhaaga, Abha, Sakhi, Roshni and Samriddhi with cumulative revenue generation of ₹ 4.70 crore.
- New integrated Vocational Training (VT) centres (Roshni) intervention was launched across Bihar, Maharashtra, Karnataka, Jharkhand, Odisha and Tamil Nadu. Total 13 VT centres were set up across all the locations with 88% candidates employed/self-employed through these centers.
- Over 70,000 youth were skilled under Daksh intervention and TPSDI initiatives with 25% youth from Affirmative Action (AA) community benefit from the intervention.
- Water Initiatives resulted in a coverage of 11.85 lakh beneficiaries under demand and supply side management of water initiatives across Delhi, Maharashtra, Gujarat, Rajasthan, Madhya Pradesh, Jharkhand and Tamil Nadu.

The CSR policy of the Company has been provided on the Company's website at <https://www.tatapower.com/pdf/aboutus/csr-policy.pdf>.

The Company's standalone CSR spend for FY21 stood at ₹ 3.45 crore against the 2% CSR obligation of ₹ 3.45 crore. Details of the consolidated CSR activities of your Company and its key subsidiaries are described in Social and Relationship Capital of Integrated Report (Pages 86-103) as well as in the Business Responsibility Report (BRR). The annual report on CSR activities (standalone) is provided in Annexure - V to this Report. On a consolidated basis, the Tata Power Group entities' expenditure on CSR activities stood at ₹ 39.24 crore against the CSR obligation of ₹ 38.60 crore (calculated as per Section 135 of the Act) in FY21.

26.2 Affirmative Action

As a part of AA, your Company continued in its journey of working with local vendors and promoting inclusion of SC/ST in business opportunities. This is driven by Corporate Contracts department with a single point of contact at the Corporate level, as well as at Division/Site level (Procurement Heads at Division level) to facilitate inclusion of SC/ST vendors. AA process for vendor enlistment and ordering was deployed to encourage and evolve entrepreneurship skill among the communities and enable them to be a part of business ecosystem. It also made them compete with positive discrimination element by offering a price preference of 5% over the L1 bidder and gives incentive of 1% of contract value for engaging

50% workforce from SC/ST community. Your Company also promoted entrepreneurship at community level by supporting enterprise development. In this year, business worth ₹ 9.63 crore was given to 24 vendors from SC/ST community. SHG members were also supported through income generation activities. Your Company supported youth, women, farmers and fishermen through skilling and livelihood initiatives with a focus to increase the income level making community members self-reliant. This has been further described in greater detail in Social and Relationship Capital of Integrated Report.

26.3 Sustainability Reporting

Your Company has adopted the IIRC-IR Framework to prepare its second Integrated Report 2020-21. SEBI recommended Integrated Reporting to be adopted on a voluntary basis by the top 500 companies, which are required to prepare BRR, in February 2017. The content of the report is in accordance with the Global Reporting Initiative (GRI) standards: Core option and espouses linkages from the National Voluntary Guidelines (NVG) on Social, Environmental and Economic responsibilities of the business as well as the United Nations SDGs. The Integrated Report communicates Tata Power's performance on financial and non-financial aspects to all stakeholders, underlying the importance of our leadership and strategy towards value creation as well as commitment to empower the customers for future-ready energy providing smart energy solutions paving the way for a sustainable future.

1. Environment

Your Company continues to strive for efficiency in operations and maintenance through adoption of best practices optimizing its efficiency parameters like heat rate and auxiliary resulting in lower resource consumption and lower carbon emissions. Continuing on its path to be a pioneer for environmental stewardship in power industry, your Company further focusses on efficient use of water, prudent recycling and waste disposal measures and remains committed to comply with regulations. Your Company also has been strategically focussing on scaling up renewables business, venturing into new energy efficient green business initiatives like Microgrids, EV charging, Home Automations, Solar Rooftop as well as exploring new opportunities in distribution businesses. All these initiatives reinforces your Company's commitment towards sustainable "Green" growth and encouraging the customer to avail energy efficient, future-ready, smart energy solutions. A brief outline of your Company's efforts towards protection of environment and biodiversity is given in the Natural Capital section of Integrated Report (Pages 110-125).

2. Health and Safety

Your Company is consciously committed to health and safety of all employees and other stakeholders with a defined safety vision "To be a leader in Safety Excellence in the global power and energy business". Your Company employs a pro-active and pre-emptive approach to occupational health and safety and is committed to actively drive the agenda through the length and breadth of the organization. Consequently, 100% of your contractual workforce is trained on various aspects of Occupational health and safety. Close monitoring of the safety management system helped your company to enhance standard of Health and Safety. Suraksha mobile app is one such monitoring intervention that enables employees to conveniently report unsafe conditions. Furthermore, your Company's commitment towards ethos of safety was further demonstrated on various responses during COVID-19 pandemic with a working theme of "**Learn from disaster and prepare for a safer future**". The key focus of this theme was to ensure that health and safety of employees as well as other stakeholders who are fundamental to business are protected and to strengthen your safety measures through numerous rigorous innovation. Furthermore, your Company has already started venturing towards application of advanced technologies like usage of drones, remote monitoring, safe systems for high risk activities etc. to eliminate and minimize the risks associated with various activities for betterment of safety performance. More deployment of advanced technologies is planned in near future for further enhancement of safety performance. A detailed description of Health and Safety including COVID-19 initiatives taken by your Company is outlined in Human Capital section of Integrated Report (Pages 72-85).

3. Customer Relationship

Your Company is working consistently towards a dedicated theme of energizing and sensitizing your customers for smart and future-ready energy solutions to ensure a sustainable future. This involves various IOT based home automations and smart metering solutions for customers across all segments as well as various DSM programs. Furthermore, your Company has been instrumental in raising energy conservation awareness and reducing the energy cost for the consumers through initiatives such as "Be Green", solar rooftop off-grid solutions and other awareness campaigns. Your Company is steadily transitioning from a B2B or a B2G company to a B2C company with enhanced customer-centricity. The customer base is getting more divergent with ventures such as rural electrification

(microgrids), solar rooftop solutions, Electric Vehicle (EV) charging etc. Your Company has numerous touchpoints to be in constant communication with customers as well as a structured process of tracking complaints and ensuring resolution within pre-defined timelines. Your Company has also been a pioneer in leveraging digital technology to serve customers efficiently. Few of such initiatives are Know Your Energy Consumption (KYE), Webchat integrated chatbot TINA, e-Nach, all women customer relations centre, etc. Webchat integrated chatbot TINA went live on customer portal on 6th January 2021 through which consumer can have live communication with Company officials. Furthermore, through implementation of e-billing, your Company reinforces its commitment towards saving of trees and ecosystem. In FY21, your Company has added more than 1 lakh customers resulting in a total of more than 1.4 lakh customers availing the facilities of e-billing in Mumbai license area. A detailed description of your customer relation measures is given in the Social and Relationship Capital section in the Integrated Report (Pages 86-103).

4. Human Resource Management

A key area of focus for your Company is to safeguard health and well-being of employees and their families while the employees remain steadfast in their service to the nation by providing electricity. Many policies and benefits were introduced and innovative work formats were implemented to maximize safety during pandemic situation. Your Company also continues to endeavour to create a work environment which is collaborative and learning and growth oriented to enable employees to perform at their full potential. Your Human Resource (HR) strategy adopts a multipronged approach covering all the key facets of employee development. Learning as a stated value of the Company also sets the tone of your Company's aim to develop competencies to rise to new challenges especially posed by venturing into various segments of renewable energy and new business initiatives. Some of the key HR programmes of your Company are Talent Next, Youth Power Confluence, Gyankosh, Reward & Recognition, etc. A detailed description is given in the Human Capital section of the Integrated Report (Pages 79-80).

26.4 Business Responsibility Report

The BRR is in line with the SEBI requirement based on the "National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business" notified by MCA, Government of India, in July 2011. Your Company reported its performance for FY21 as per the BRR framework, describing initiatives taken from an environmental, social and governance perspective.

Board's Report

As per Regulation 34 of the Listing Regulations, the BRR is attached as a part of this Annual Report. Since the Company is publishing Annual Report under IIRC, report on the nine principles of the NVG on social, environmental and economic responsibilities of business as framed by the MCA, is provided in relevant sections of Integrated Report with suitable references to the BRR.

26.5 Prevention of Sexual Harassment

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 have been provided in the Report on Corporate Governance as well as MD&A.

27. Annual Return

Pursuant to Section 92 of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return is available on the website of the Company on the following link: <https://www.tatapower.com/pdf/investor-relations/Annual-Return-MGT-20-21.pdf>

28. Particulars of Employees and Remuneration

The information required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached as Annexure - VI.

Statement containing particulars of top 10 employees and the employees drawing remuneration in excess of limits prescribed under Section 197 (12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annexure forming part of this report. IntermsofprovisotoSection136(1)oftheAct,theReportandAccounts are being sent to the Members excluding the aforesaid Annexure. The said Statement is also available for inspection with the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary at investorcomplaints@tatapower.com.

Officers of the organisation are classified into five management work levels i.e. MA, MB, MC, MD and ME. The work levels are further divided into grades. Non-management employees are across different grades and also have been classified as unskilled, semi-skilled, skilled and highly skilled.

29. Disclosure requirements

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and such systems are adequate and operating effectively.

30. Deposits

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the Balance Sheet.

31. Foreign Exchange - Earnings and Outgo

Figures in ₹ crore

Particulars - Standalone	FY21	FY20
Foreign Exchange Earnings	809	125
Foreign Exchange Outflow mainly on account of:	843	1,301
• Fuel purchase	706	1,070
• Interest on foreign currency borrowings, NRI dividends	4	3
• Purchase of capital equipment, components and spares and other miscellaneous expenses	133	228

32. Acknowledgements

On behalf of the Directors of the Company, I would like to place on record our deep appreciation to our shareholders, customers, business partners, vendors - both international and domestic, bankers, financial institutions and academic institutions for all the support rendered during the year.

The Directors are thankful to the Government of India, the various ministries of the State Governments, the central and state electricity regulatory authorities, communities in the neighbourhood of our operations, municipal authorities of Mumbai and local authorities in areas where we are operational in India; as also partners, governments and stakeholders in international geographies where the Company operates, for all the support rendered during the year.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety, to fight this pandemic.

Finally, we appreciate and value the contributions made by all our employees and their families for making the Company what it is.

On behalf of the Board of Directors,

N. Chandrasekaran
Chairman

Mumbai, 12th May 2021

(DIN: 00121863)

Annexure - I : POLICY ON BOARD DIVERSITY AND DIRECTOR ATTRIBUTES

(Ref.: Board's Report, Section 12)

1. Objective

- 1.1 The Policy on Board Diversity ("the Policy") sets out the approach to diversity on the board of directors ("the Board") of The Tata Power Company Limited ("the company").
- 1.2 The company recognises that diversity at board level is a necessary requirement in ensuring an effective board. A mix of executive, independent and other non-executive directors is one important facet of diverse attributes that the company desires. Further, a diverse board representing differences in the educational qualifications, knowledge, experience, gender, age, thought and perspective results in delivering a competitive advantage and a better appreciation of the interests of stakeholders. These differences should be balanced against the need for a cohesive, effective board. All board appointments shall be made on merit having regard to this policy.

2. Attributes of Directors

- 2.1 The following attributes need to be considered in considering optimum board composition:
 - i) **Gender diversity**
Having at least one woman director on the Board with an aspiration to reach three women directors.
 - ii) **Age**
The average age of board members should be in the range of 60 - 65 years.
 - iii) **Competency**
The board should have a mix of members with different educational qualifications, knowledge and with adequate experience in finance, accounting, economics, legal and regulatory matters, the environment, green technologies, operations of the company's businesses, energy commodity markets and other disciplines related to the company's businesses.

- iv) **Independence**

The independent directors should satisfy the requirements of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the 'independence' criterion.

Additional Attributes

- The directors should not have any other pecuniary relationship with the company, its subsidiaries, associates or joint ventures and the company's promoters, besides sitting fees and commission.
- The directors should not have any of their relatives (as defined in the Act and Rules made thereunder) as directors or employees or other stakeholders (other than with immaterial dealings) of the company, its subsidiaries, associates or joint ventures.
- The directors should maintain an arm's length relationship between themselves and the employees of the company, as also with the directors and employees of its subsidiaries, associates, joint ventures, promoters and stakeholders for whom the relationship with these entities is material.
- The directors should not be the subject of allegations of illegal or unethical behaviour, in their private or professional lives.
- The directors should have ability to devote sufficient time to the affairs of the Company.

3. Role of the Nomination and Remuneration Committee

- 3.1 The Nomination and Remuneration Committee ("the NRC") shall review and assess board composition whilst recommending the appointment or reappointment of independent directors.

4. Review of the Policy

- 4.1 The NRC will review this policy periodically and recommend revisions to the board for consideration.

Board's Report

Annexure - II : REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

(Ref.: Board's Report, Section 12)

The philosophy for remuneration of directors, Key Managerial Personnel ("KMP") and all other employees of The Tata Power Company Limited ("company") is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("Act") and Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178(4) of the Act, which are as under:

- "(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals."

Key principles governing this remuneration policy are as follows:

- **Remuneration for independent directors and non-independent non-executive directors**
 - o Independent directors ("ID") and non-independent non-executive directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits.
 - o Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
- o Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the company (taking into consideration the challenges faced by the company and its future growth imperatives).
- o Overall remuneration should be reflective of size of the company, complexity of the sector/industry/company's operations and the company's capacity to pay the remuneration.
- o Overall remuneration practices should be consistent with recognized best practices.
- o Quantum of sitting fees may be subject to review on a periodic basis, as required.
- o The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
- o The NRC will recommend to the Board the quantum of commission for each director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by directors other than in meetings.
- o In addition to the sitting fees and commission, the company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his/her role as a director of the company. This could include reasonable expenditure incurred by the director for attending Board/Board committee meetings, general meetings, court convened meetings, meetings with shareholders/creditors/management, site visits, induction and training (organised by the company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/her duties as a director.

- **Remuneration for managing director (“MD”)/executive directors (“ED”)/KMP/rest of the employees¹**

- o The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be:
 - Market competitive (market for every role is defined as companies from which the company attracts talent or companies to which the company loses talent).
 - Driven by the role played by the individual.
 - Reflective of size of the company, complexity of the sector/industry/company’s operations and the company’s capacity to pay.
 - Consistent with recognized best practices.
 - Aligned to any regulatory requirements.
- o In terms of remuneration mix or composition:
 - The remuneration mix for the MD/EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
 - Basic/fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
 - In addition to the basic/fixed salary, the company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalisation through re-imbursing or insurance cover and accidental death and dismemberment through personal accident insurance.
 - The company provides retirement benefits as applicable.

- In addition to the basic/fixed salary, benefits, perquisites and allowances as provided above, the company provides MD/EDs such remuneration by way of commission, calculated with reference to the net profits of the company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD/EDs would be based on performance as evaluated by the Board or the NRC and approved by the Board.
- The company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the company.

- **Remuneration payable to Director for services rendered in other capacity**

The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such director in any other capacity unless:

- a) The services rendered are of a professional nature; and
- b) The NRC is of the opinion that the director possesses requisite qualification for the practice of the profession.

- **Policy implementation**

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

¹Excludes employees covered by any long term settlements or specific term contracts. The remuneration for these employees would be driven by the respective long term settlements or contracts.

Board's Report

Annexure - III : CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

(Ref.: Board's Report, Section 14)

A. Conservation of Energy

The steps taken for impact on conservation of energy:

Your Company is a pioneer in cultivating energy conservation and operational efficiency with an ultimate goal to reduce emissions, pollutants and deliver cost effective and environment friendly energy solutions to customers.

In Mumbai License area, your Company has distributed more than 6,000 energy efficient appliances at discounted prices encouraging customers to save on their electricity consumption cost as well as fostering energy conservation measures in FY21. More than 4,000 Mwh of energy has been saved in the year in Mumbai as a result of various Demand Side Management (DSM) schemes of your Company.

One of the significant steps taken in Mumbai is introduction of the concept of "paperless office" through e-billing. During the year, around 1.5 lakh customers opted for e-billing in Mumbai resulting in saving of approximately 2,630 trees.

Your Company continues to strive for new avenues to improve operational efficiency across generation, renewables and transmission and distribution businesses leading to conservation of energy and optimization of resource consumption.

Generation Business

Major initiatives taken in Generation business is highlighted below:

1. Installation of Sonic Soot blower in Regenerative Air Preheater (RAPH) at Maithon Power Limited.
2. Optimisation of mill and Cold Work Pressure (CWP) operation in Jojobera.
3. Optimization under Reliability Centric Maintenance (RCM) approach and GE APM analytics in Trombay.
4. Coke-oven Gas (COG) burner modification in Industrial Energy Limited (Kalinganagar).
5. Laser based combustion & temperature optimization solution and power consumption optimization of Electrostatic Precipitators (ECP) in Coastal Gujarat Power Limited.

Renewables Business

Major initiatives taken in renewables business is highlighted below:

1. Re-conduiting & upliftment of DC power cables in solar sites.
2. Installation of inverters with reactive power compensation in solar sites to reduce auxiliary power.
3. Rooftop solar Arrangement for SCADA back-up.
4. Protection of Wind Turbine Generator (WTG) transformer and PM3000 in Inox Make WTG in wind sites.

Transmission and Distribution Business

Major initiatives taken in Transmission and Distribution business is highlighted below:

1. Introduced Smart Meter Reading and Bill Distribution (SMRD) for improving process efficiency in meter reading and bill dispatch activities.
2. Centralized monitoring of operational parameters of LT feeder helping in load balancing and stable voltages.
3. Battery storage with preferred bus arrangements for reducing asset stress during peak.
4. Installation of energy efficient Microgrid that can supply power to consumers in rural areas.
5. Introduction of SMART Meters for automated Meter reading.
6. Use of Artificial Intelligence (AI) model for auto segregation and auto email responses.
7. Use of Intelligent Voice Chat bot for customers.
8. Voice operated switchgear for safe operation.
9. Unmanned automated Substation.
10. 100% automated billing activity to avoid manual error.

11. Completed installation of 2,700 Smart meters in March 2021 in Mumbai license area out of which 930 Smart meters installed at M/s J P Elara, making it the first residential complex in Mumbai where supply released through 100% smart metering system.

Your Company has also initiated net metering for rooftop solar and integration of consumer solar plants with Tata Power grid in Mumbai facilitating customers to harness solar energy. Consumers are able to export excess generation to grid and get a set-off in their electricity bill. In Mumbai area 64 customers owned rooftop solar PV plants having a capacity of around 1.5 Mwp which have been integrated with grid in FY21.

Furthermore, your Company facilitated energy audits and walk down energy surveys for industrial and commercial consumers through energy auditors accredited by Bureau of Energy Efficiency (BEE) helping them to get precise and actionable recommendations for energy saving.

Your Company remains committed to deliver superior customer value by leveraging on digital technologies. In FY21, webchat integrated chatbot TINA were made live on customer portal enabling consumer to interact with the Company officers directly through live chat. Furthermore, your Company introduced availability of hourly, daily and monthly consumption graphs, peer consumption comparison, alerts for consumption slab cross overs and increase in daily consumptions by Smart Meter Analytics are few of the initiatives undertaken to enhance customer experience.

Your Company's mission of '*being the lead adopter of technology with a spirit of pioneering and calculated risk taking*' is geared to make the Company future ready for all technological disruption coming up in the near future.

Board's Report

B. Research and Development

1	Specific area in which R&D carried out by the Company	<ul style="list-style-type: none">a) Robotic applications for maintenance and inspection of plant equipment.b) Low-cost industrial safety products.c) Electric Vehicle charging stations.d) Wearable industrial thermal inspection device.e) Use of hydrogen as fuel for power generation.f) In association with IIT Bombay, different CO₂ Capture and storage solutions being developed at lab scale.g) Underwater inspection Device for leakage identification.h) Air Gap inspection BOT for large vertical generator.i) Deployment of energy storage/battery and EV charging station.
2	Benefits derived as a result of the above R&D	<ul style="list-style-type: none">a) Energy Conservation/improvement in Efficiency.b) Reduction in Carbon Footprint.c) Sustaining plant availability by reduction in equipment breakdown.d) Improvement in equipment and overall plant performance.e) Improvement in efficiency and reduced maintenance cost of Solar Panels.f) Good business potential by upscaling of low-cost customized products / devices.
3	Future Plan of Action	<ul style="list-style-type: none">a) Investments towards SMART grid technologies such as Smart Meters, Sensors, IOTs to make network more intelligent and efficient.b) Development and upgradation of energy storage and battery system specially to meet high energy demand due to EV charging solutions, etc.

C. Technology Absorption

1	Efforts, in brief, made towards Technology Absorption, adaptation and innovation	<ul style="list-style-type: none">a) Deployment of Unmanned Aerial Vehicles with customized payloads for industrial applications like, Switchyard Thermography, Hydro Penstock and DAM Inspection, Solar Plant Thermography, Structures and Chimney Inspections.b) Deployment of Remotely Operated Vehicle (ROV) for under water inspections and leakage identification.c) Deployment of robotics for large vertical generator air gap and tunnel inspection.d) Deployment of IoT based solution for home energy monitoring and remote site monitoring.
2	Benefits derived as a result of the above efforts	<ul style="list-style-type: none">a) Increased equipment availability by reducing downtime.b) Reduction in cost, time and efforts for preventive maintenance and inspection.c) Better planning of critical equipment outages.d) Digitization of inspected objects for future reference.e) Lowering the inspection time with quality output and enhanced safety.

3	In case of imported technology (imported during the last five years reckoned from the beginning of the financial year), the following information may be furnished:	
	a) Technology Imported	
	b) Year of Import	Nil
	c) Has technology been fully absorbed?	
	d) If not fully absorbed, areas where this has not taken place, reasons thereof and future plans of action	
4	Expenditure on R & D (in ₹ crore)	a) Business Collaboration Pilot Project (Indigenization and digitalization) - ₹ 0.6 crore
	a) Capital	SED- ₹ 6.74 crore
	b) Revenue	b) ₹ 0.10 crore

On behalf of the Board of Directors,

N. Chandrasekaran
Chairman
(DIN: 00121863)

Mumbai, 12th May 2021

Board's Report

Annexure - IV : Secretarial Audit Report

(Ref.: Board's Report, Section 22)

FORM No. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year
Ended 31st March, 2021
[Pursuant to Section 204 (1) of the
Companies Act, 2013 and rule 9 of the
Companies (Appointment and Remuneration
of Managerial Personnel) Rules, 2014]

To,
The Members,
The Tata Power Company Limited,
Bombay House,
24 Homi Mody Street,
Mumbai - 400001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **The Tata Power Company Limited** (hereinafter called '**the Company**'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 (hereinafter called the '**Audit Period**') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment; **(External Commercial Borrowings Not Applicable to the Company during the Audit Period);**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Take overs) Regulations, 2011;
 2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 3. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 4. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company during the Audit Period)**
 5. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 6. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 7. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the Company during the Audit Period)** and;
 8. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period).**

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc mentioned above *except the Annual Performance Report (APR) for Itezhi Tezhi Power Corporation Limited which is still in the process of filing.*

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- (i) The Electricity Act, 2003
- (ii) The Indian Electricity Rules, 1956
- (iii) The rules, regulations and applicable order(s) under Central and State Electricity Regulatory Commissions/Authority
- (iv) The Energy Conservation Act, 2001

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Further, there were no changes in the composition of the Board of Directors that took place during the Audit period.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has

- (i) the Company has issued and allotted 37,000 Unsecured, Redeemable, Taxable, Listed, Rated, Non-Convertible Debentures (NCDs) amounting to ₹ 3,700 crore.
- (ii) the company has increased Authorized Share Capital vide shareholders approval through postal ballot dated 24th June, 2020 from ₹ 5,79,00,00,000 to ₹ 7,79,00,00,000. Subsequently, the Company altered the provisions of Memorandum of Association.
- (iii) the Company has issued and allotted 49,05,66,037 Equity Shares at a price of ₹ 53/- per Equity Share to Tata Sons Private Limited aggregating to ₹ 26,00,00,00,000/- through preferential issue.

For Makarand M. Joshi & Co.
Practicing Company Secretaries

Makarand Joshi
Partner
FCS No. 5533
CP No. 3662
UDIN: F005533C000283140
Peer Review No: P2009MH007000

Place: Mumbai
Date: 12th May, 2021

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Board's Report

'Annexure A'

To,
The Members,
The Tata Power Company Limited,
Bombay House, 24 Homi Mody Street,
Fort, Mumbai - 400001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Makarand M. Joshi & Co.
Practicing Company Secretaries

Makarand Joshi
Partner
FCS No. 5533
CP No. 3662
UDIN: F005533C000283140
Peer Review No: P2009MH007000

Place: Mumbai
Date: 12th May, 2021

Secretarial Audit Report of Tata Power Delhi Distribution Limited (The Unlisted Material Subsidiary)

FORM No. MR-3 SECRETARIAL AUDIT REPORT For the Financial Year Ended 31st March 2021 [Pursuant to Section 204 (1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Tata Power Delhi Distribution Limited
NDPL House,
Hudson Lines, Kingsway Camp,
Delhi 110 009

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Tata Power Delhi Distribution Limited** having **CIN U40109DL2001PLC111526** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of **Tata Power Delhi Distribution Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March 2021** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Tata Power Delhi Distribution Limited** ("the Company") for the financial year ended on **31st March 2021** according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **Not Applicable**
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
The Company has complied with the provisions, rules & regulations of FEMA to the extent applicable. The Company is not having any FDI, ODI and ECB.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') including any statutory modification or re-enactment thereof: -
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable**
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **Not Applicable**
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable**
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable**
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable**
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable** and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable**

We further report that, having regard to the compliance system prevailing in the Company and on the examination of relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the following laws applicable specifically to the Company

- The Electricity Act, 2003
- The Electricity (Supply) Act, 1948

Board's Report

- The Indian Electricity Rules, 1956
- The Rules, regulations and applicable order(s) under Central and State Electricity Regulatory Commission/Authority
- The Energy Conservation Act, 2001

The Company has also complied with various provisions of Labour Laws and Environment Laws to the extent applicable to the Company.

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India: Secretarial Standard-1 on the Meetings of the Board of Directors and Secretarial Standard-2 on General Meetings.
- ii. The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable; **Not Applicable**

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. as aforesaid.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors, Women Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company had no specific events or actions which are having a major bearing on the Company's Affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above except as under:

Increase in Authorised Share Capital of the Company and amendment in the Capital Clause of the Memorandum of Association by Capitalization of reserves of the Company through issue and allotment of New Bonus Equity Shares at par amounting to ₹ 500 crore to the existing shareholders of the Company

The Company had increased its authorized share capital from the existing authorised share capital of ₹ 1,250,00,00,000/- (Rupees One Thousand Two Hundred and Fifty Crore only) divided into 75,00,00,000 (Seventy Five Crore) Equity Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 750,00,00,000 (Rupees Seven Hundred and Fifty Crore only) and 5,00,00,000 (Five Crore), 12% Cumulative Redeemable Preference Shares of ₹ 100/- (Rupees Hundred Only) each aggregating to ₹ 500,00,00,000 (Rupees Five Hundred Crore only) to ₹ 1,750,00,00,000/- (Rupees One Thousand Seven Hundred and Fifty Crore only) divided into 125,00,00,000 (One Hundred Twenty Five Crore) Equity Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 1,250,00,00,000 (Rupees One Thousand Two Hundred and Fifty Crore only) and 5,00,00,000 (Five Crore) 12% Cumulative Redeemable Preference Shares of ₹ 100/- (Rupees Hundred Only) each aggregating to ₹ 500,00,00,000 (Rupees Five Hundred Crore only) by creation of additional 50,00,00,000 (Fifty crore) Equity Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 500,00,00,000 (Rupees Five Hundred Crore only) ranking pari-passu with the existing equity shares of the Company.

The Company had capitalized a sum of ₹ 500 crore standing to the credit of the capital redemption reserve account of the Company for the purpose of issue and allotment of New Bonus Equity Shares (50 crore of ₹ 10/- each) at par, credited as fully paid-up equity shares to the holders of the existing equity shares of the Company in consideration of their shareholding i.e. 51% of total bonus equity shares to The Tata Power Company Limited, which holds 51% shares in the Company and 49% of total bonus equity shares to Delhi Power Company Limited, which holds 49% shares in the Company.

**For Siddiqui & Associates
Company Secretaries**

**Place: New Delhi
Date: 14th April 2021**

**K.O.SIDDIQUI
FCS 2229; CP 1284
UDIN:F002229C000087041**

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,
The Members,
Tata Power Delhi Distribution Limited
NDPL House,
Hudson Lines, Kingsway Camp,
Delhi 110 009

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Siddiqui & Associates
Company Secretaries**

**Place: New Delhi
Date: 14th April 2021**

**K.O.SIDDIQUI
FCS 2229; CP 1284
UDIN: F002229C000087041**

Board's Report

ANNEXURE - V : ANNUAL REPORT ON CSR ACTIVITIES

(Ref.: Board's Report, Section 26)

1. Brief outline on CSR Policy of the Company:

Tata Power is committed to ensuring the social wellbeing of the communities in the vicinity of its business operations through Corporate Social Responsibility initiatives (CSR) in alignment with Tata Group Focus Initiatives.

Tata Power shall engage with the community by undertaking the following principles and activities:

- Consult pro-actively with the community and other key stakeholders for understanding needs and designing initiatives for the social wellbeing of the community.
- Undertake activities as per 5 major thrust areas, which include: -
 1. Education
 2. Health and Sanitation
 3. Livelihood & Skill Building
 4. Financial Inclusivity
 5. Water (Drinking and Irrigation)

The Company focussed on synergy, scale and simplification for process improvement. 15 key initiatives across locations helped to achieve scale and deliver sustainable results and change to the communities. Tata Power Community Development Trust (TPCDT) has internal capabilities to execute CSR programs effectively and efficiently. The Company's CSR policy, including overview of projects or programs undertaken or proposed to be undertaken, is provided on the Company's website.

2. Composition of CSR Committee:

Sl. No.	Name of the Director	Category of Directorship	No. of CSR Committee Meetings held during tenure	No. of CSR Committee Meetings attended
(i)	Ms. Anjali Bansal, Chairperson	Independent, Non-Executive	4	4
(ii)	Mr. K. M. Chandrasekhar	Independent, Non-Executive	4	4
(iii)	Dr. Praveer Sinha	Executive	4	4

3. Web-link where composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

<https://www.tatapower.com/corporate/board-committees.aspx>
<https://www.tatapower.com/pdf/aboutus/csr-policy.pdf>
<https://www.tatapower.com/sustainability/social-capital/thrust-areas.aspx>

4. Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set off for the financial year, if any (in ₹)
-----NA-----			

6. Average net profit of the company as per section 135(5): ₹ 172.63 crore

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 3.45 crore
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.: NA
 (c) Amount required to be set off for the financial year, if any: NA
 (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 3.45 crore
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 3.45 crore	-----NA-----				

- (b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
			State	District					Name	CSR Registration number
-----NA-----										

Board's Report

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in ₹ crore)	(7) Mode of Implementation - Direct (Yes/No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Education	Item (ii)	Yes	• Maharashtra • West Bengal	Pune Purba Medinipur	0.14	Yes	TPCDT	CSR00002946
2.	Health and Sanitation	Item (i)	Yes	• Maharashtra • West Bengal	Mumbai & Pune Purba Medinipur	0.54	Yes	TPCDT	CSR00002946
3.	Livelihood and Skill Building	Item (ii)	Yes	• Maharashtra • West Bengal	Mumbai, Pune & Palghar Purba Medinipur	2.21	Yes	TPCDT	CSR00002946
4	Financial Inclusivity	Item (i)	Yes	Maharashtra	Mumbai & Pune	0.28	Yes	TPCDT	CSR00002946
5	Others	Item (ii) (x)	Yes	Maharashtra	Mumbai & Pune	0.22	Yes	TPCDT	CSR00002946
TOTAL						3.39			

(d) Amount spent in Administrative Overheads: ₹ 0.06 crore

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 3.45 crore

(g) Excess amount for set off, if any: Nil

Sl. No.	Particular	Amount (in ₹ crore)
(i)	Two percent of average net profit of the company as per section 135(5)	3.45
(ii)	Total amount spent for the Financial Year	3.45
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding Financial Year (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
-----NA-----							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing
-----NA-----								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): NA

(a) Date of creation or acquisition of the capital asset(s): NA

(b) Amount of CSR spent for creation or acquisition of capital asset: NA

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc: NA

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA

Praveer Sinha
CEO & Managing Director
 (DIN: 01785164)

Anjali Bansal
Chairperson, CSR Committee
 (DIN: 00207746)

Mumbai
 12th May 2021

Board's Report

Annexure - VI : DISCLOSURE OF MANAGERIAL REMUNERATION

(Ref.: Board's Report, Section 28)

- a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name of Director	Ratio of Director's remuneration to the median remuneration of the employees of the Company for the financial year
Mr. N. Chandrasekaran [§]	N.A.
Ms. Anjali Bansal	4.71
Ms. Vibha Padalkar	5.05
Mr. Sanjay V. Bhandarkar	5.05
Mr. K. M. Chandrasekhar	4.67
Mr. Hemant Bhargava	3.83
Mr. Saurabh Agrawal [#]	N.A.
Mr. Banmali Agrawala [#]	N.A.
Mr. Ashok Sinha	5.01
Dr. Praveer Sinha, CEO and Managing Director	50.90

- b) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name of Director and Key Managerial Personnel	Percentage increase in remuneration in the financial year
Mr. N. Chandrasekaran [§]	N.A.
Ms. Anjali Bansal	20.22
Ms. Vibha Padalkar	12.58
Mr. Sanjay V. Bhandarkar	18.82
Mr. K. M. Chandrasekhar	21.11
Mr. Hemant Bhargava	28.23
Mr. Saurabh Agrawal [#]	N.A.
Mr. Banmali Agrawala [#]	N.A.
Mr. Ashok Sinha	64.17
Dr. Praveer Sinha, CEO and Managing Director (KMP)	33.64
Mr. Ramesh N. Subramanyam, Chief Financial Officer (KMP)	(5.57)
Mr. Hanoz M. Mistry, Company Secretary (KMP)	0.01

[§] As a policy, Mr. N. Chandrasekaran, Chairman, has abstained from receiving Commission from the Company and hence, not stated.

[#] In line with the internal guidelines of the Company, no payment is made towards Commission to the Non-Executive Directors of the Company, who are in full time employment with another Tata Company and hence, not stated.

- c) The percentage increase in the median remuneration of employees in the financial year: (11.36%).
- d) The number of permanent employees on the rolls of the company: 2,673.
- e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year, its comparison with the percentile increase in the managerial remuneration, justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

- Average percentile increase in the salaries of employees other than managerial personnel was 7%.

- Average increase in remuneration of Managers (defined as MD and ED on the Board of your Company) was 33.64%.

- f) Affirmation that the remuneration is as per the remuneration policy of the Company:

It is affirmed that the remuneration is as per the 'Remuneration Policy for Directors, Key Managerial Personnel and other employees' adopted by the Company.

On behalf of the Board of Directors,

N. Chandrasekaran
Chairman

Mumbai, 12th May 2021

(DIN: 00121863)

Management Discussion & Analysis

1. Industry Developments Global Power Sector

The global power sector is on the cusp of a major transformation with new energy sources and new players entering the arena of energy supply. Nations, corporates, individuals across the globe are rising to the cause of climate change, and are consciously opting for greener sources of energy, resulting in the rising share of renewables in the debate on power sector's transition portfolio mix. The COVID-19 pandemic has further stimulated the debate on power sector's transition from fossil fuels to cleaner energy sources. Additionally, electric vehicles, digitalisation, battery storage, cyber security, big data analytics, hydrogen fuel are some of the key emerging trends that could profoundly define the way the global power and renewable markets operate in the coming years.

The COVID-19 pandemic brought about unprecedented changes in 2020 to the power sector worldwide, with significant demand disruptions, supply chain bottlenecks, decline in fuel prices, changes in energy consumption profiles, asset sales and acquisitions. It imparted the worst ever impact delivered by any crisis on the global economy and the power sector. Global Gross Domestic Product (GDP) posted the biggest decline of -3.3% as per IMF April 2021 report in the past 20 years and the power demand contraction of 1% was the sharpest registered in more than 50 years. Power demand is likely to recover slowly from the COVID-19 disruptions, driven by developing economies such as China and India, which have shown growth resilience and a steady increase in power demand, following the easing of lockdown measures. While the extent of demand revival in 2021 remains to be seen, the roll out of vaccines and policy support-led revival in economic activities (6% world GDP growth projected for 2021 by IMF) create grounds for the recovery of power demand in most countries.

With an increasing number of nations responding to the challenge of climate change, the energy landscape is undergoing change, with greater focus being lent to cleaner sources of energy. More than 100 countries have pledged carbon neutrality by 2050 and many more such commitments are on the horizon. Similar announcements on the corporate front have gathered pace worldwide. Be it energy companies or those in the IT/technology space, both utility and non-utility companies are undertaking 100% carbon free initiatives.

Falling costs of wind and solar power are making way for increased investments in renewables that are now the preferred mode for energy generation and sourcing. Renewable capacity addition has beaten all previous records, with more than 260 GW being added in 2020, exceeding 2019 growth by 50% as per the report released

by International Renewable Energy Agency (IRENA). Share of renewables in new capacity additions rose considerably for the second year in a row, accounting for more than 80% of the capacity additions, with solar and wind accounting for 91% of the renewables. As per International Energy Agency (IEA) World Energy Outlook 2020, renewables are expected to overtake coal as the primary means of producing global electricity in 2025.

While the general sentiment is against coal globally, coal projects are unlikely to be halted overnight. The global coal plant pipeline remains concentrated in the Asian economies, mostly in China. Coal capacity expansion is expected to face an overall squeeze, with global financiers increasingly withdrawing from coal projects and global capital focusing on Environmental, Social and Governance (ESG) norms as an investment criterion. Even non-power companies are not unscathed by this transformation.

The lucrative renewables market has garnered interest among oil and gas majors as well, with many increasingly investing in green energy, prompted by revenue diversification, future-readiness and government regulation on carbon emissions. Declining oil prices and rising share of renewables in the global primary energy mix is promoting the increased energy transition of oil and gas companies into renewables. Many have announced huge renewable plans while foraying into other segments such as retail power and gas distribution and Electric Vehicle (EV) charging.

Reduction in costs of newer technologies is helping greater penetration of such technologies and shifting the power profile towards more variable capacities. The same is leading to rising flexibility needs for power systems. Coal and gas fired power plants are currently the main source of flexibility in many systems, with additional contributions from hydro and nuclear. Energy storage systems are gaining strength, as evidenced from the rising number of new solar projects that come with battery storage, lower costs, improved performance indices and policy support are creating opportunities for battery storage market. The global energy storage market grew significantly even in the pandemic year, achieving record installations of 5.3 GW in 2020 from 3.4 GW in 2019, led by China, and followed by the US and Europe. It is expected to grow substantially in the next couple of years, with the Asia-Pacific region accounting for more than 50% of the global market share.

EV have been in the spotlight for a while now and are witnessing significant growth owing to growing environmental concerns and the rising demand for sustainable and energy-efficient transportation. Governments across the world have introduced various schemes to incentivize EV purchase over conventional vehicles. Strong demand for EVs in a tough year was a

Management Discussion & Analysis

bright spot in the automotive industry. Sales grew by 39% to 3.1 million units in 2020, compared to a 14% sales decline in the total passenger car market in the year. Several car manufacturers are announcing new EV targets and this is encouraging industry participants to invest in the EV supply chain, including large power utilities and oil majors who are investing in EV charging infrastructure through acquisitions. This market segment is also attracting a lot of start-ups with new innovative charging solutions.

Green hydrogen is the next level of technological advancement that is gaining traction. This has captured the attention of political and market players, given the immense role it can play in energy transition. Recognising its potential to disrupt the energy sector, some countries have already set ambitious targets to advance their green hydrogen strategies. The global race to develop this nascent and costly technology gathered momentum with 2021 witnessing over 30 countries release their hydrogen roadmaps. As per a Hydrogen Council report, there are more than 200 large-scale projects for a combined \$ 300 billion of proposed investment through 2030. Around \$ 80 billion of this amount has gone into advanced planning or has passed a final investment decision or has gone to projects that are under construction or have been commissioned. Scaling up of projects with the right policy framework in place, could help in faster decline of costs, making green hydrogen a strong contender among green technologies.

Decarbonisation of power systems is resulting in decentralised power generation, which is making digitalisation essential to serve varied needs. The three Ds – Decentralisation, Decarbonisation and Digitalisation – are driving transformation of the energy sector, creating opportunities for new business models like Energy-as-a-Service (EaaS), which is likely to further disrupt the utility sector. The future of power utilities is not about just selling energy, but also technology, analytics, personalised services and even access to the grid. The focus is shifting from asset-focused, centralised power generation and its sale to consumers, to offering end-to-end management of a customer's energy assets and services. Digitalisation forms the most important element in offering such customised services, thus giving IT and technology firms the extra edge. Given the requirements of physical, communication and digital infrastructure, a wide range of players can be a part of the future power market, capitalising on their strengths and leading to a lot of collaboration and Merger & Acquisition (M&A) activities. Though still relatively nascent, this market is poised to grow and diversify, especially with the advent of EVs, smart cities and energy storage.

Indian Power Sector

India's power sector witnessed many successes in the recent years, including energy access being extended to millions of households, the adoption of energy-efficient LED lighting by most households and expansion of renewable power sources, led by solar. However, the COVID-19 crisis has complicated the efforts to resolve other pressing issues that loom large across the power value chain. Among these are reliable power supply, the ailing financial health of Distribution Companies (Discoms) and rising pollution levels.

The year 2020 was marked by one of the biggest health challenges faced by the world. It impacted all segments of the economy, and the power sector was no exception. India's demand for power fell significantly by 8.5% in the first half of FY21 but picked up pace in the second half of the fiscal, with the easing of lockdown measures. In fact, the country recorded the highest ever peak power utilisation of 190 GW in FY21.

India's growing urban population, revival in economic activities in the coming quarters after a sizable population gets vaccinated and its quest for affordable, clean and reliable power provide a huge scope for continued growth in power demand.

The coal sector is set for revival in 2021, buoyed by improving economic activities, although the government's thrust on renewable energy sources continues and the need for clean energy appearing to be more pressing than in pre-COVID times. The Government of India is focussing on renewable energy growth in alignment with sustainability and carbon emission reduction targets. It plans to raise renewable energy capacity from targeted level of 175 GW in 2022 to 450 GW by 2030. Even India's coal behemoth, Coal India Limited (CIL), and its largest thermal power PSU, NTPC Limited, are diversifying into cleaner energy technologies.

Another major focus area of the government has been increased participation of private players in the Transmission and Distribution (T&D) space, through the Tariff-based Competitive Bidding (TBCB) route in transmission and PPP (Public-Private Partnership) or franchisee models in the distribution segment in a bid to improve performance. Distribution continues to be the weakest link in the power value chain, which faces challenges of high Aggregate Technical & Commercial (AT&C) losses, insufficient tariff hikes resulting in a widening Average Cost of Supply (ACS)–Average Revenue Realised (ARR) gap, accumulation of regulatory assets and cross-subsidisation. COVID-19 induced challenges

led to further deterioration in the financial position of Discoms as the deferment of bill payments by consumers reduced collections, thereby putting pressure on their revenues and limiting their ability to pay the Generating Companies (Gencos). This is further adding to the stress in the sector. Given the importance of the segment, the government focused on power sector reforms even during COVID-19 with some landmark initiatives to help Discoms overcome the challenges.

Government has over the last year moved several regulatory and legislative changes to bring in reforms in the sector. Some of these changes are covered in the following section and the key highlights include privatization of Discoms in States and Union Territories, a special one-time liquidity infusion of ₹ 90,000 crore (that was scaled up to ₹1.35 lakh crore), focus on consumer rights through the Draft Electricity (Rights of Consumers) Rules, 2020, impetus to domestic solar manufacturing through Basic Custom Duty (BCD) imposition and Performance Linked Incentives (PLI) scheme, opening up commercial mining for private players, and announcement of ₹3.05 trillion reform-based result linked scheme for distribution. The success of some of these interventions like privatisation of Odisha Discoms will be key for setting trend in the sector.

Generation

India's installed generation capacity stands at 382.15 GW as on 31st March 2021, which excludes 55 GW of captive generation capacity. Grid connected capacity addition during FY21 was 12 GW vis-à-vis 14 GW in FY20.

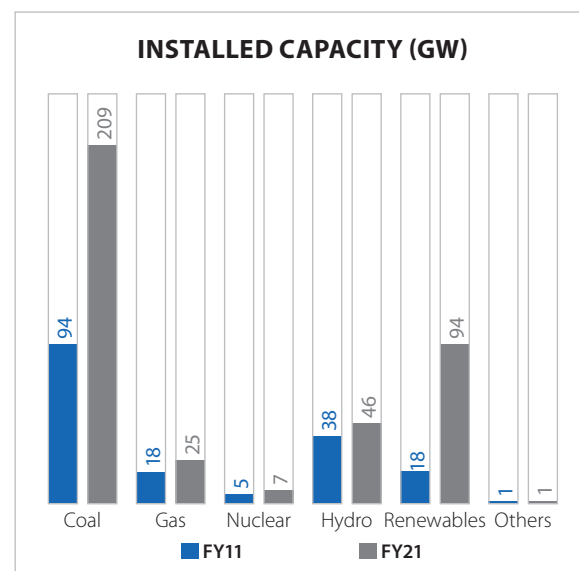
Thermal Generation

Coal-based capacities still account for more than half of India's total installed capacity, though the share has been consistently declining over the past ten years from 75% in FY11 to about 55% in FY21, indicating subdued investor interest in the sector. This is also evident in the Plant Load Factor (PLF) of thermal plants that have witnessed a declining trend in the last decade, falling from 75% in FY11 to 54.49% in FY21.

Renewable Generation

Installation of renewables capacity has been on the rise from 11% share in FY11 to 25% in FY21. Several policy initiatives by the government have provided the much-needed boost to the sector. Favourable cost economics has also provided impetus for the rapid increase in renewable based capacities. The government's push towards clean

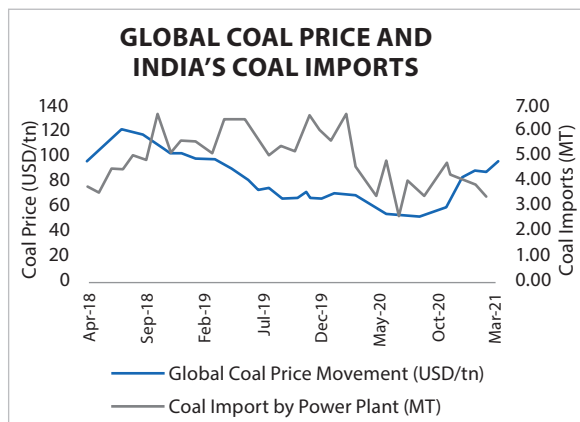
energy has garnered interest among global investors, and this is reflected in project tenders getting oversubscribed amid strong participation by global investors and the cost of solar projects dropping further, as seen in the new record low tariff of ₹ 1.99/unit discovered in 500 MW solar projects of the Gujarat Urja Vikas Nigam Ltd. (GUVNL). Sustained enabling regulations for the renewables sector are visible through various policy interventions by the government, catering to both the demand and supply side, such as the 'Must Run' status for renewables, lifting of the tariff cap, thrust on domestic solar manufacturing, enhancing the Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan (PM-KUSUM) scheme, priority sector lending, Domestic Content Requirement (DCR) projects and so on. However, delay in Power Purchase Agreement (PPA) tie-ups, renegotiation/cancellation of bids, land issues, supply chain disruptions, etc. are some of the challenges that need to be resolved for the sector to meet its targeted growth



Fuel

Coal produced by CIL and its subsidiaries declined by 1% during FY21 to 596 MT (from 602 MT in the previous fiscal), missing its FY21 target of 660 MT. The decline is mainly due to lower demand from power plants during the fiscal amid reduced electricity requirement. Thermal coal imports declined sharply by 18% due to firm prices and high freight rates in the international market.

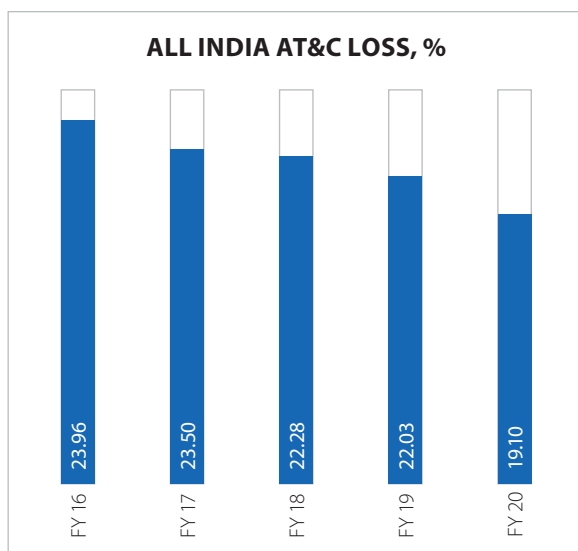
Management Discussion & Analysis



Transmission

The backbone transmission system in India is mainly through 765 kV, 400 kV and 220 kV AC networks, with the highest transmission voltage level being 800 kV (HVDC). Total transmission lines and substation capacity reached nearly 4.42 lakh Ckms and 10.25 lakh MVA respectively, reflecting an increase of about 16,750 Ckms and 57,575 MVA over the previous year. The National Electricity Plan (Volume II-Transmission) i.e. NEP-Trans, has been notified to review the development of transmission system during the 12th Plan Period, the current planning period 2017-22 and the subsequent period 2022-27.

With changing power generation mix on account of increase in renewables, the government is emphasizing on augmenting the transmission infrastructure to support demand growth. In order to expedite the development of



(Source: PFC Report on Performance of State Power Utilities 2018-19, UDAY portal)

transmission lines for solar parks under Green Corridor II (Under Green Corridor-I, Power Grid Corporation of India Limited is responsible for strengthening transmission networks and constructing inter-state transmission network for connecting renewable energy-rich states) and open-up private participation, which is still limited to 7%, the government has decided to award these projects to private players through TBCB.

Distribution

The distribution sector in India is going through a transformation. The issues of AT&C losses, payables to Gencos and overall effective management of the utility have been affecting the performance of the sector over the years. Discoms' overdue to Gencos had crossed the ₹ 1 lakh crore mark in FY21 and stood at ₹ 67,417 crore as of February 2021, indicating the stress in the sector. The government has announced schemes and decisions towards addressing the issues in the sector with a liquidity injection of ₹ 90,000 crore (scaled up to ₹ 1.35 lakh crore) being announced under the COVID-19 relief package in May 2020. It also announced the push for the privatisation of Discoms of Union Territories (UT) and states. The Electricity Amendment Bill under discussion also highlights several measures planned, including delicensing the distribution business to increase competition in the sector and improve services for the customers. The Union Budget 2021-22 also saw a ₹3.05 trillion reform scheme for system improvement and smart metering in the distribution sector. Effective implementation of the proposed reforms would be key to ensuring the long term recovery and sustenance of the sector in the country.

The past year saw the distribution utilities of Odisha (CESU, WESCO, NESCO & SOUTHCO) entering into PPP for improving their performance. The bids for privatisation in UTs of Chandigarh, Dadra and Nagar Haveli and Daman and Diu had also been floated and are in advanced stages. Many other states and UTs are also evaluating the PPP route, which opens the opportunity for better supply and services for 4.5 crore customers across the country. With reform schemes focusing on operational and financial performance improvement, opportunities for services segment including smart meters, smart grids, LED street lighting and advisory services projects are also expected to get an impetus.

Power Trading

Around 133 Billion Units (BUs) of electricity were traded in the short-term power market during FY21, as compared to a total of 137 BUs traded during FY20. Out of this, about 47% of the trading took place on power exchange platforms. The trading margins were under immense pressure due to the stiff competition amongst traders. The market is concentrated among ~10 larger players, with the remaining traders operating in regional pockets largely for trading their own power.

At ₹ 2.819 per unit, the average clearing price for spot markets in FY21 decreased by 6% as compared to the previous fiscal. This decrease is largely attributable to lower demand, primarily because of the impact of COVID-19 in FY21 on the economy and the manufacturing sector, and higher merchant capacity available for power sale on exchange platforms.

Regulatory and Policy Developments

Regulatory and policy reforms in the sector are critical, given the current challenges across the value chain. The Ministry of Power issued the Electricity Amendment Bill 2021, which, *inter alia*, proposes to replace the process of distribution license with the proposed Discom registration process. This would ultimately enable consumers to choose one from multiple Discoms. Essentially, the Electricity Amendment Bill 2021 delicenss the distribution business, brings in competition, the appointment of member from law background in every commission, strengthens the Appellate Tribunal for Electricity (APTEL) and prescribes rights and duties of consumers.

In addition, Electricity (Rights of Consumers) Rules, 2020, notified on 31st December 2020, establishes the rights of consumers, including the rights of prosumers. Further, the Rules *inter alia* have stringent provisions for timelines for new connections and mandatory use of smart/prepayment meters and so on. The State Commissions are expected to notify the standards of performance for the distribution licensees.

The Ministry of Power also notified the Electricity (Late Payment Surcharge) Rules, 2021 on 22nd February 2021. In the said Rules, late payment surcharge is linked to marginal cost of funds-based lending rate for one year of the State Bank of India.

On 26th February 2021, the Ministry of Power issued a letter on the 'Implementation of Smart pre-payment meter/pre-payment meter'. Vide the said letter, Discoms are, *inter alia*, required to provide all new connections through smart pre-payment meters/pre-payment meters.

On 31st March 2021, the Ministry of Environment, Forest and Climate Change (MoEFCC) issued the Environment (Protection) Amendment Rules, 2021 to further amend the Environment (Protection) Rules, 1986. The aforesaid amendment specifies relaxed timelines for compliance with the emission norms for thermal generating plants that fall in different categories determined by a task force constituted by the Central Pollution Control Board. Penal provision in the form of Environmental Compensation has been introduced if there is delay in completion of installation of the emission control equipment.

Following are some of the important regulatory and policy changes introduced in FY21:

Maharashtra:

- Maharashtra Electricity Regulatory Commission (MERC) notified the **Consumer Grievance Redressal Forum & Electricity Ombudsman Regulations, 2020**, directing the distribution licensees to establish a forum and web-based portal for redressal of consumer grievances/complaints. The forum shall take cognisance and redress the grievances as per the priority order set out in the regulations
- MERC notified the **Electricity Supply Code and Standards of Performance of Distribution Licensees including Power Quality Regulations, 2021**. As per the said regulations, special system of supply, including multiple source of supply for specific consumers, may be adopted. Further, the regulations specify that the cost of network for providing connection to an extra high voltage consumer shall be borne by the Transmission Licensee. The Commission vide the said regulations has also directed that all the new connections shall be released with smart meter or meter having the facility of remote reading.
- MERC notified the **State Grid Code, 2020** with the aim to lay down the rules, guidelines and standards to be followed by state entities and users of Intra-State Transmission System (InSTS).

CERC & JSERC

- Jharkhand State Electricity Regulatory Commission (JSERC) notified the **Multi Year Tariff (MYT) Regulations, 2020**, applicable for the control period from FY22 to FY26, wherein the Hon'ble Commission has mostly kept the financial norms like the CERC Tariff Regulations 2019, except for few variations.
- **CERC (Terms and Conditions of Tariff) (First Amendment) Regulations, 2020.**
CERC (Terms and Conditions of Tariff) (Second Amendment) Regulations, 2021.

As envisaged in the Principal Regulations, the Central Electricity Regulatory Commission (CERC) has amended the Principal Regulations through First Amendment dated 3rd February 2021, to specify the regulatory framework including financial parameters, operational parameters and recovery mechanism for determination of supplementary tariff for emission control system related to the Gencos covered under the jurisdiction of the Commission [Section 62 projects].

The Second Amendment dated 19th February 2021 is meant for the Genco that has integrated mines and stipulates provisions pertaining to determination of input price of coal or lignite from integrated mine.

Management Discussion & Analysis

Coal contract of work (Ccow) license for KPC expires on 31st December 2021. The Company has already applied for extension 2x10 years. Ministry of Mines and Energy is reviewing the application. So far all relevant data pertaining to resources and reserves, exploration, etc. has been submitted.

2. Tata Power Business Portfolio, Opportunities and Outlook

Your Company's generation business operates under various business models across divisions in the domestic as well as international markets, with the PPA/Fixed Tariff model contributing to the largest share of the generation segment. The following is a summary of the different business models under which various generation assets of your Company operate:

Model	Returns	Project	Capacity (MW)	% Overall Capacity
Regulated Tariff	Regulated return on equity	Mumbai operations (Trombay and Hydro), Maithon, Jojobera (Unit No 2 and 3), TPDDL-Rithala	2,775	21.7
PPA/ Fixed Tariff (Renewables)	Feed In Tariff+ Bid Driven	Wind and Solar Projects (Domestic)	2,694	21.0
PPA/ Fixed Tariff (Bid/ Others)	Bilateral Agreement +Bid Driven	Jojobera (Unit 1 and 4), CGPL, Itezhi-Tezhi, Hydro Projects, Georgia Hydro, Kalinganagar-IEL-40 MW	4,684	36.6
Captive	Bilateral Captive Agreement	IEL (Unit 5, PH6, KPO), CKP (Indonesia)	429	3.3
Merchant	Market Driven	Haldia, Dagachhu	246	1.9
Under platform management	PPA Based	Prayagraj	1,980	15.5
Total			12,808	100

In the last fiscal year, your Company had significantly expanded its footprint in power distribution business through PPP model and is now present in the following areas:

Model	Returns	Distribution Area / Entity	No. of Customers (million)
Distribution Licensee	Regulated return on equity	Mumbai Distribution	0.73
Public-Private-Partnership (PPP)	Regulated + Bid conditions driven	TPDDL, TPCODL, TPWODL, TPSODL and TPNODL*	10.92
Distribution Franchisee (DF)	Input energy growth and investment driven	TPADL	0.15
Total			11.80

*TPNODL acquired from 1st April 2021

The Indian market continues to remain the primary focus of business for your Company. Currently, the domestic market accounts for more than 90% of its generation capacity. As highlighted earlier, your Company has plans in place to grow in the areas of renewable generation, transmission, distribution and new and service-led businesses.

Renewables Generation

Your Company is a leading player in the renewable generation space, with presence across the value chain. With the focus of the government on clean energy transition, specifically solar-based generation, significant growth opportunities in renewables (both organic and inorganic) are expected to arise in the future. Your Company plans to increase its footprint by capitalising on those opportunities through value-accretive projects. It will also evaluate opportunities for growth through

upcoming models of hybrid, round-the-clock (RTC) supply and renewables with storage. Opportunities in the captive space for renewable generation are also being evaluated by your Company. With significant focus on 'Make in India', your Company is also planning to expand its solar cells and modules manufacturing capacity in the coming year to support its expansion plan as well as the renewables Engineering, Procurement and Construction (EPC) Business for DCR tenders. Your Company had leveraged this opportunity in last year and had doubled its solar PV manufacturing capacity to 1,100 MW of cell and modules under Tata Power Solar Systems Limited (TPSSL).

Thermal and Hydro Generation

In line with its intent of achieving carbon neutrality before 2050, your Company plans to limit its exposure to coal-based projects and does not intend to expand its existing portfolio. Your Company does not have any

greenfield or brownfield expansion plans in the near term but would continue to maintain the existing thermal and hydro operations in a sustainable manner. Your Company will, however, be evaluating inorganic opportunities that might come up in hydro power generation assets. It is also looking at opportunities in Industrial Energy Limited (IEL) waste heat recovery (WHR) based portfolio through its Joint Venture (JV) with Tata Steel Limited.

Additionally, your Company is evaluating growth opportunities in services for thermal and hydro plants by leveraging its technical and operation expertise.

Transmission

Your Company is significantly focusing on augmenting and upgrading transmission infrastructure in its Mumbai operations. In addition, it will also look for suitable opportunities including acquiring a few stressed assets through M&A. While expanding its footprint, your Company will also look at models for keeping the expansions debt light.

Distribution

With a view to improve the financial health of the distribution sector in India, the government is actively looking at adopting the PPP route for state-run distribution utilities. The last fiscal year saw a significant progress towards this intent, with bids for many utilities of states and UTs under the PPP model. Your Company foresees a considerable number of opportunities in this space in the near future. During the last year, your Company acquired 4 new distribution entities in Odisha state (CESU, WESCO, SOUTHCO and NESCO). With this, your Company now distributes electricity in the entire state of Odisha. It will continue to pursue similar opportunities through the PPP route in other states and UTs to fortify its leadership position in this space. Moreover, it will continue to explore services business opportunities in both domestic and international markets.

Consumer Businesses

Your Company has major plans to scale up Consumer businesses such as rooftop solar, EV charging, solar pumps, microgrids, energy efficiency solutions and home automation.

It has collaborated with Original Equipment Manufacturers (OEMs) to roll out EV charging infrastructure and aims to expand its presence further in many cities of India. Your Company has also developed a robust software platform for customers of EV charging and has released a mobile-based application (Tata Power EZCharge) towards the

same effect. This would enable your Company to offer value-added services to its customers. With the increase in EV adoption, your Company plans to cover the segments of home, workplace and captive charging (including e-Bus charging) through different models and approaches. It is also actively evaluating opportunities in the electric 3-wheeler and 2-wheeler charging market.

In the space of rooftop solar, your Company has presence in more than 180 districts of India and has rolled out differentiated value-added services with its offerings across segments (residential, commercial and Industrial, including corporates, owners, MSMEs, institutions and small commercial establishments). Your Company has recognised the opportunities arising in rooftop solar and is developing new offerings and models to enhance its adoption among consumers, including financing solutions, extending the EPC model, recurring revenue model and other value-added offerings.

Your Company has rolled out microgrids in rural India to provide innovative solutions for the under-served communities and expand the global microgrid footprint. It has installed around 161 microgrids till March 2021 and is evaluating different approaches and models for scaling up this business.

Your Company has identified eight business-wide Strategic Business Objectives (SBO) for a focused approach towards capitalising on the opportunities. You may refer to page number 21 of the Integrated Report for a detailed explanation of these SBOs along with goals and action plans to achieve these objectives.

3. Business Performance

Consolidated operations of your Company can be categorised into four segments: Generation, Transmission & Distribution, Renewables and Others. Report on the performance and financial position of each of the subsidiaries, JVs and associate companies has been provided in Form AOC-1.

Your Company's business performance in FY21 was mainly impacted by lower losses in Coastal Gujarat Power Limited (CGPL), lower financing cost due to repayment of borrowings and stable operational performance across all businesses. A sizable portfolio of your Company's business under the regulated framework provides a steady and reliable source for its finances. Also, your Company's portfolio is suitably structured to capitalise on favourable market conditions for market-linked businesses in its portfolio while ensuring stable returns from the regulated businesses.

Management Discussion & Analysis

Highlights of the operational performance of key entities are listed below:

Renewables

Tata Power Renewable Energy Limited - TPREL (1,246 MW)

Type of entity: Wholly owned subsidiary

Particulars	FY21	FY20
Generation Sales (MUs)	2,329	2,162
Net sales (₹ crore)	1,025	975
PAT (₹ crore)	13	(51)

TPREL's higher sales were due to addition of 56 MW solar capacity during the year and full year of operation of the capacity commissioned in FY21. During the year, the company added 50 MW solar PV assets in operating portfolio for the supply of power to captive consumers and 6 MW of rooftop solar assets.

PAT for the year increased due to dividend income from Walwhan Renewable Energy Limited (WREL) and lower interest cost on account of decrease in borrowing rates. FY20 includes one-time impact of transition to the new tax regime.

TPREL and its subsidiaries are executing 1,314 MW solar PV projects under long-term PPAs in Gujarat, Uttar Pradesh, Maharashtra, Rajasthan and Jharkhand; 400 MW of this capacity will be based out of solar parks located in Gujarat with long-term power tie up with GUVNL, and additional 120 MW is in non-solar park in Gujarat with long-term tie up with GUVNL. The company has also signed PPA with Tata Power Mumbai Distribution (TPC-D) for supply of 150 MW from a project in Rajasthan. The company has signed a 100 MW PPA each with Uttar Pradesh Power Corporation Limited (UPPCL), Noida Power Corporation Limited (NPCL) and Maharashtra State Electricity Distribution Company Limited.

The commissioned capacity at the end of FY21 was 1,246 MW, TPREL has entered into an agreement with Tata Power for the purchase of 252 MW of renewable energy assets through a Business Transfer Agreement.

Walwhan Renewable Energy Limited – WREL (Consolidated Financial statement) (1,010 MW)

Type of entity: Wholly owned subsidiary (through TPREL)

WREL is a wholly-owned subsidiary of TPREL. It has an operating capacity of 1,010 MW, out of which 864 MW is solar and 146 MW is wind power. A major part of the capacity is in Tamil Nadu, followed by Rajasthan, Madhya Pradesh, Karnataka and Andhra Pradesh.

The generation achieved by WREL in FY21 was 1,645 MUs, marginally higher than 1,639 MUs achieved in FY20. In FY21, the availability of wind and solar assets of WREL has

improved by 4.2% and 0.3% respectively, through various initiatives taken during these two years.

Particulars	FY21	FY20
Generation Sales (MUs)	1,645	1,639
Net Sales (₹ crore)	1,190	1,203
PAT (₹ crore)	320	183

PAT has increased mainly due to reversal of Minimum Alternate Tax (MAT) credit in FY20 on adoption of the new tax regime, coupled with lower debt servicing cost in FY21 on account of interest rate reset and prepayment of loans.

Tata Power Solar Systems Limited – TPSSL

Type of entity: Wholly owned subsidiary

Particulars	FY21	FY20
Net sales (₹ crore)	5,119	2,141
PAT (₹ crore)	208	123

TPSSL continues to demonstrate significant growth driven by growing demand for renewable power in the country and capabilities of the company which have been augmented over time.

The sales from the Large Projects segment, which contributes a major portion of sales for TPSSL, has increased by over three (3) times as compared to the previous year. Further, the revenue from Rooftop Solar and Products segments increased by 56% and 30% respectively as compared to the previous year. As a result of improved operations, the Company has seen an increase in PAT by approximately two (2) times as compared to the previous year.

During the year, TPSSL commissioned 406 MW of utility-scale solar projects out of which 356 MW was for various third parties.

During the year, TPSSL doubled its manufacturing capacity to 1,100 MW of cell and modules manufacturing. In the solar products domain, the company was declared a market leader, with over 30,000 solar agricultural pumps installed in 16 states, a growth of more than 180% from the previous year.

During the financial year, TPSSL saw significant growth in the rooftop solar domain and achieved a portfolio of 406 MW of rooftop solar projects. The company also has an open order book of over 2,800 MW with value of around ₹ 8,700 crore as on 31st March 2021.

TP Renewable Microgrid Limited - TPRMG

Type of entity: Wholly owned subsidiary

TPRMG has been setting up microgrids in rural villages of Bihar (six districts) and Uttar Pradesh (three districts). The company, as of 31st March 2021, has commissioned 161 microgrids with an installed capacity of 4.83 MW, while

around 40 more microgrids (1.2 MW) are in various stages of execution. The rural consumer base of the company has increased to 3,887 and the consumers are getting power supply from 156 operational microgrids.

As part of the value-added services delivery for its rural consumers, the company has launched mobile apps as well as EMI scheme for new connections for its consumers. Further, the company has enabled the availability of energy-efficient appliances and Micro finance institution (MFI) linkage for Commercial and Industrial (C&I) consumers. In yet another sustainability initiative to enable microenterprises and farmers to save money and safeguard environment, the company has aided migration of consumers using diesel generator to electric power supply from the microgrid.

This business is a pioneering effort in meeting the energy needs of rural villages through a viable business model.

Renewables Division on Balance Sheet of the Parent Company (379 MW)

Type of entity: Division

Particulars	FY21	FY20
Generation Sales (MUs)	555	643

The portfolio comprises 376 MW of wind assets and 3 MW of solar assets at Mulshi. The Company has entered into business transfer arrangement for transfer of 349 MW wind and solar assets to wholly-owned subsidiaries, TPREL and Tata Power Green Energy Limited (TPGEL), effective on or after 1st April 2021. This resulted in one-time benefit on account of the reversal of deferred tax liability amounting to ₹ 131 crore.

Tata Power Hydros (447 MW)

Type of entity: Division

Particulars	FY21	FY20
Generation Sales (MUs)*	1,500	1,493

*Includes sales to Company's distribution division

Availability for the year was 98.64% which was also higher compared to the previous year as fewer major outages were planned during the year. Significant reduction in Auxiliary Power Consumption (APC) was achieved through various energy conservation measures under sustainability initiatives.

CGPL, Coal and Related Infrastructure Companies Coastal Gujarat Power Limited - CGPL (4,150 MW)

Type of entity: Wholly owned subsidiary

Particulars	FY21	FY20
Generation Sales (MUs)	24,536	24,463
Net sales (₹ crore)	7,006	7,017
PAT (₹ crore)	(637)	(891)

Loss in FY21 was lower as compared to FY20 mainly due to lower fuel under-recovery on account of lower benchmark coal price, effective coal procurement strategy and reduction in finance cost on pre-payment of long-term loans.

Under-recovery of fuel cost is listed below:

Particulars	FY21	FY20
Total Revenue* (₹ crore)	7,006	7,037
EBITDA (₹ crore)	922	810
Fuel under-recovery**		
(in ₹ crore)	(1,019)	(1,066)*
(in ₹ per kWh)	(0.42)	(0.44)*

* Total revenue consists of Revenue from Operations and other income

** Fuel under-recovery consists of total coal cost under recovery (Fuel revenue net of coal costs).

** Fuel under-recovery includes ₹ 230 crore Ind-AS 116 non-cash positive impact for FY20.

It is pertinent to note that the increase in EBITDA in CGPL is due to lower fuel under-recovery (due to lower benchmark coal price and blending) partially offset by negative fuel-tariff escalation rate and higher forex loss pertaining to coal and freight exposures in FY21.

CGPL is also making efforts to reduce losses through initiatives like sourcing of low-cost coal from other geographies and increasing blending of low calorific value coal.

Coal & Infrastructure Companies

Your Company, through its subsidiaries, holds a 30% stake in PT Kaltim Prima Coal (KPC) and a 26% stake in PT Baramulti Suksessarana Tbk (BSSR), which are strategic assets to hedge imported coal price exposure at CGPL and form an important part of the supply chain for its coal off-take requirements.

Management Discussion & Analysis

Your Company has signed an agreement to sell its 30% stake in PT Arutmin Indonesia and associated companies in coal trading and infrastructure. The aggregate consideration for the stake is \$401 million, subject to certain closing adjustments and restructuring actions. The Company received \$225 million till March 2021. Your Company is pursuing steps to conclude this transaction.

The mining license for KPC is due for renewal in December 2021. KPC has made an application for renewal of license and has submitted all necessary documents. The Government of Indonesia has amended the Mining Law, which now gives more clarity on certain conditions for the extension. KPC is working with the Government of Indonesia to secure the extension in accordance with the prevailing laws.

PT Kaltim Prima Coal, Indonesia

Particulars	FY21	FY20
Coal Production (Million Tons)	59.1	61.2
Net sales* (₹ crore)	21,996	24,628
PAT* (₹ crore)	910	1,206

*Figures are on 100% basis. Your Company's share is 30%.

The coal price realisation for the year was at \$48.8/tonne as compared to \$55.22/tonne in the previous year. KPC's profitability was adversely affected due to drop in the international coal price index.

PT Baramulti Suksessarana Tbk, and PT Antang Gunung Meratus Indonesia

Particulars	FY21	FY20
Coal Production (Million Tons)	10.7	11.7
Net sales* (₹ crore)	2,358	2,936
PAT* (₹ crore)	219	277

*Figures are on 100% basis. Your Company's share is 26%.

PAT is lower mainly due to lower average price realisation at \$29.7/tonne as compared to \$35.1/tonne in the previous year.

The status of the infrastructure company at Indonesia, PT Nusa Tambang Pratama was as under:

PT Nusa Tambang Pratama, Indonesia

Particulars	FY21	FY20
Net sales* (₹ crore)	935	1,065
PAT* (₹ crore)	653	639

*Figures are on 100% basis. Your Company's share is 30%.

Trust Energy Resources Pte. Limited – TERPL

Type of entity: Wholly owned subsidiary

Particulars	FY21	FY20
Net sales (₹ crore)	1,003	1,086
PAT (₹ crore)	608	185

PAT for FY21 includes gain from the sale of three (3) vessels (MV Trust Agility, MV Trust Integrity and MV Trust Amity) along with contracts owned by TERPL. Post sale of vessels, TERPL continues to perform freight services for CGPL at an optimised freight rate under the Unified Freight Contract.

Thermal Generation

Maithon Power Limited – MPL (1,050 MW)

Type of entity: Subsidiary (Tata Power: 74%, DVC: 26%)

Particulars	FY21	FY20
Generation Sales (MUs)	5,819	6,340
Net sales* (₹ crore)	2,503	2741
PAT* (₹ crore)	311	338

*Figures are on 100% basis. Your Company's share is 74%.

Profit for FY21 is lower mainly due to the impact of favourable CERC orders in the previous year.

MPL maintained its strong financial position as evident from the ratings given by CARE and CRISIL for the long-term facilities (CARE AA Stable & CRISIL AA+) and short-term (CRISIL A1+) bank facilities. MPL completed a railway infrastructure project for coal transportation.

After getting in-principle approval from CERC, construction work for setting up of the flue gas desulphurisation system has started.

Industrial Energy Limited – IEL (415 MW)

Type of entity: Subsidiary (Tata Power: 74%, Tata Steel: 26%) (Joint Venture under Ind AS)

Particulars	FY21	FY20
Generation Sales (MUs)	2,845	2,829
Net sales* (₹ crore)	298	301
PAT* (₹ crore)	112	149

*Figures are on 100% basis. Your Company's share is 74%.

IEL operates a 120 MW tolling coal-based plant in Jojobera. It also operates a 120 MW co-generation plant (Powerhouse #6) in Jamshedpur, inside the Tata Steel plant, which is based on blast furnace and coke oven gas. Two out of the three units of 67.5 MW each of co-generation plant at Kalinganagar, Odisha, are also under operation by deploying production gases from Tata Steel's plant.

PAT for the year is lower due to one-time impact in the previous year on reversal of deferred tax liability amounting to ₹ 48 crore on account of the company opting for the new tax regime from FY32 post full utilisation of MAT credit.

The company has started executing the third turbine of 67.5 MW co-generation plant at Kalinganagar, Odisha, based on discussions with Tata Steel for Phase II of the steel plant. MoU has been signed with Tata Steel for multiple captive projects, including Captive Power Plant # 2, various Coke Dry Quenching (CDQ) facilities, TRT projects, DG projects and thermal projects.

Trombay (930 MW)

Type of entity: Division

Particulars	FY21	FY20
Generation Sales (MUs)*	4,703	5,576

*Includes sales to your Company's distribution division.

The station achieved an availability of 92.3% in FY21 (compared to last year's availability of 93.6%). Unit 5 overhauling was successfully completed (all three turbine modules were overhauled). The plant had undertaken several operational improvement measures, including reduction in make-up losses, optimising operational expenses and reducing store inventory etc. The lower station generation is because Unit #8 was out of service for 184 days for zero scheduling due to the pandemic situation.

Jobbera (428 MW)

Type of entity: Division

Particulars	FY21	FY20
Generation Sales (MUs)	2,523	2,681

Jobbera plant achieved availability of 93% in FY21 from the previous year level of 97%. This is mainly due to lower offtake from Tata Steel on account of the COVID-19 pandemic. The Jobbera Division secured 5.7 lakh MT coal from Shakti B (iii) coal linkage auction in FY21.

Haldia (120 MW)

Type of entity: Division

Particulars	FY21	FY20
Generation Sales (MUs)	614	693

Generation sales in FY21 were lower than the previous year mainly due to lower flue gas availability from Tata Steel coke oven plant, mainly due to lower demand of coke on account of the COVID-19 pandemic. Further, generation was restricted due to non-availability of short term open access (STOA) buyer for surplus available power.

Transmission

Mumbai Transmission

The transmission assets, which are a part of the Mumbai licence area, had a grid availability of 99.89% in FY21 as against the MERC norm of 98%. Availability was maintained at high levels by proactive actions taken to reduce forced shutdowns. These included effective preventive maintenance practices, adoption of new technology and digitalisation initiatives for condition monitoring and optimisation of planned outages by judicious planning and execution.

Particulars	FY21	FY20
Grid Availability (%)	99.89	99.75
Transmission Capacity (MVA)	10,583	9,838

Powerlinks Transmission Limited – PTL

Type of entity: Subsidiary (Tata Power: 51%, PGCIL: 49%) (Joint Venture under Ind AS)

Particulars	FY21	FY20
Net sales* (₹ crore)	117	92
PAT* (₹ crore)	102	121

*Figures are on 100% basis. The Company's share is 51%.

The average availability of the lines was maintained at 99.96% during FY21 (previous year availability stood at 99.97%) as against the minimum stipulated availability of 98.50%. The current year profit after tax is lower as compared to that of the previous year mainly due to higher MAT credit on account of one-time impact due to change in MAT rate from 18.5% to 15% in FY20 as per the New Tax Ordinance.

Distribution

Mumbai Distribution

The highlights of the Mumbai Distribution business are as follows:

Particulars	FY21	FY20
Sales (MUs)	4,184	4,573
Consumer Base (Nos.)	7,30,515	7,20,310

Mumbai Distribution has added about 10,000 customers in FY21. However, overall sales MUs dropped during the year when compared to last year due to ongoing pandemic.

Some key highlights of the Mumbai Distribution Business, including certain initiatives to improve customer experience, are:

- Mumbai city witnessed a rare power blackout during October last year, with supply getting disrupted for many areas of the city and attracted lot of public attention. Subsequently three committees were formed by Central Electricity

Management Discussion & Analysis

Authority (CEA), Government of Maharashtra and Maharashtra Electricity Regulatory Commission (MERC) for investigation of the grid disturbance and recommending corrective actions to be taken. The assessment of the committees identified that the cause of power shutdown was mainly due to outages of the transmission lines at MSETCL system and dependence of Mumbai demand from outside Mumbai Metropolitan Region (MMR) generation and the quality of systemic response to the emergency. The committee has recommended actions to be taken in a time bound manner. Most of the recommendations by various committees, which were to be completed in short term, have been complied with by the Company. The Company is also in the process of implementing additional recommendations for more precise operations and response mechanisms.

- Mumbai Distribution is now IMS certified (ISO 9001:2015 for Quality Management System, ISO 14001:2015 for Environmental Management System, ISO 45001:2018 for Occupational Health and Safety Management System).
- Won Platinum Award at ISGF Innovation Awards 2020 for 'Most Reliable Supply of Electricity by Utility in India'.
- Introduced a real time tracking solution where customers can track the real time location of complaint management crew.
- Smart Meter Reading and Dispatch (SMRD) app was rolled out for meter reading, online spot billing and collection.
- Became the first power utility to launch Kaizala, in collaboration with Microsoft, a one-stop window for information/alert sharing, bill and meter-related information, and complaint management for consumers.
- Added another all-women Customer Relations Centre at Ghatkopar, Mumbai, taking the total number to 4.
- Launched Know Your Electricity Consumption (KYEC) as part of the value-added services which help consumers monitor and analyse energy usage; made available in intervals of 15 minutes, to help consumers take decisions.
- Green Power Tariff communication to all High Revenue Billing (HRB) and High Tension (HT) consumers.
- Completed installation of 2,700 smart meters in March 2021.
- Installed 930 smart meters at M/s J P Elara, making it the first residential complex in Mumbai where supply is released through 100% smart metering system
- 1.34 lakh e-bill registered consumers as on 31st March 2021.
- Completed subsidy tendering process for the Ministry of New and Renewable Energy (MNRE); 8 vendors empaneled. MNRE subsidy scheme launched (made live).

Tata Power Delhi Distribution Limited – TPDDL

Type of entity: Subsidiary (Tata Power: 51%, Government of National Capital Territory (NCT) of Delhi: 49%)

Particulars	FY21	FY20
Distribution Sales (MUs)	8,347	9,051
Net sales (₹ crore)	7,007	7,888
PAT (₹ crore)	428	414

In FY21, TPDDL had a registered customer base of 18.24 lakh, spanning across an area of 510 sq. km. in north and north-west parts of Delhi. The AT&C losses for the year stood at 7.3% (calculation based on collection adjustment from FY21 to FY20, considering lockdown in the last week of March 2020) as against 7.9% last year.

TPDDL was able to reduce the System Average Interruption Duration Index (SAIDI) to a level of 16.63 hours against 23.74 hours in the previous year. Compared to the previous year, the performance is better by 22%.

TPDDL has adopted Total Quality Management (TQM) framework for taking operational excellence to the next level.

Average System Availability Index has improved from 99.70% to 99.80%. Data Quality Index (DQI) introduced for improving the quality of input data for System Average Interruption Duration Index (SAIDI)/System Average Interruption Frequency Index (SAIFI), No Current Complain (NCC), energy audit and safety.

Customer Delight Index (CDI) has moved to 96 from 94 in FY19 and Dissatisfaction Index (DSI) has improved to 0.1 from 0.5 in FY19 (reduction of 80%). This indicates jump by one level in the band from 91-95 to 96-100 and achievement of the target band of 96-100 in FY21.

Key initiatives undertaken by TPDDL during the year are:

- Digital Payment Index has increased by 12.4% to 77.5% current year against 68.91% during previous year.
- 7 MW of Rooftop capacity added; ~800 new connections for EVs added upto FY21.

- Smart Grid Lab recognised as 'In-house R&D Unit' by Department of Scientific and Industrial Research (DSIR)
- Implementation of Advanced Metering Infrastructure (AMI) and roll-out Smart Meter for its customers. Upto FY21, 2.30 lakh Smart Meters were installed within the licensed area. To increase transparency and customer satisfaction, the data generated from the Smart Meters has been integrated with Tata Power-TPDDL Mobile app. Revamped TPDDL Connect App, where consumers with Smart Meters can monitor electricity consumption pattern.
- Launched an interactive bill service through WhatsApp with the feature of audio description of bill, 6 months bill history details, nearby payment avenues along with existing offers and schemes.
- Launched various energy efficiency Programs like 5-star AC Replacement Scheme, Super-Efficient BLDC Fan, LED Lighting Products which helped 55 MUs energy Saving & 35531 MT CO2 reduction since FY-2015.
- Under the Horizon 2020 program, funded by the European Union, TPDDL is carrying out a pilot exercise of deploying an Energy Islanding System at one of its Distribution sub-stations with the aim of creating a model for individual community-based storage systems. The project has deployed a holistic approach including community engagement and technology deployment to create a successful model.
- Partnered with SUN Mobility to set up a Network of Swap Points in New Delhi to cater the growth of two and three-wheeler EV market. It has recently established the Battery swapping station in Azadpur, Delhi.
- Collaborated with Nexcharge to power up India's First grid connected – Community Energy Storage System (CESS) at Rani Bagh, Delhi.

TP Ajmer Distribution Limited – TPADL

Type of entity: Wholly owned subsidiary

Particulars	FY21	FY20
Distribution Sales (MUs)	461	483
Net sales (₹ crore)	418	401
PAT (₹ crore)	0.36	1.02

TPADL, a wholly-owned subsidiary of your Company, has been operating as a franchisee for the supply and distribution of power in Ajmer city over the past four years.

The total area under the franchisee is around 190 sq. km. The total consumer base in FY21 is 1.54 lakh and total peak demand is 93.5 MW, which decreased by 28% compared to last year due to the COVID-19 pandemic and lockdown.

In FY21, PAT is lower mainly due to increase in AT&C loss from 9.96% in FY20 to 10.2% in FY21 due to the COVID-19 pandemic and lockdown.

For enhancing customer-centricity and reliability, various initiatives were implemented, resulting in improvement in business performance. This led to reduced customer complaints by 10.71% compared to the previous year, zero-meter faulty pendency within 30 days, reduction in provisional billing from 1.81% in FY20 to 1.59% in FY21, increase in digital payment from 33.4% in FY20 to 49.0% in FY21. The average restoration time of tripping also improved from 4.20 minutes in FY20 to 3.1 minutes in FY21 (30% reduction).

Acquisition of Odisha Discoms

During the year, your Company acquired a 51% stake in TP Central Odisha Distribution Limited (TPCODL), TP Western Odisha Distribution Limited (TPWODL) and TP Southern Odisha Distribution Limited (TPSODL) as a licensee to carry out the function of distribution and retail supply of electricity covering the distribution circles of central, western and southern Odisha for a period of 25 years effective from 1st June 2020, 1st January 2021 and 1st January 2021 respectively, thereby adding around 7 million customers in its portfolio.

Additionally, in April 2021, your Company has acquired 51% stake in TP Northern Odisha Distribution Limited (TPNODL) as a licensee to carry out the function of distribution and retail supply of electricity covering the distribution circles of Balasore, Bhadrak, Baripada, Jajpur and Keonjhar in the state of Odisha for a period of 25 years effective from 1st April 2021. This added a further 1.91 million to your Company's customer base.

Other Businesses

Services

In FY21, the Services division provided O&M management services for 1,980 MW capacity, project management services for 3,150 MW, corporate management services for 1,425 MW and asset management services for 4 MW of wind assets. In addition, the division also provided advisory services for O&M, asset management systems and other services to various clients with total capacity of 9,818 MW.

Management Discussion & Analysis

Tata Power Trading Company Limited – TPTCL

Type of entity: Wholly owned subsidiary

Particulars	FY21	FY20
Generation Sales (MUs)	10,626	10,155
Net sales (₹ crore)	265	248
PAT (₹ crore)	33	41

TPTCL's sales volumes are better than last year despite the COVID-19 pandemic. However, PAT is lower compared to last year owing to shrinking trading margins and loss from the renewable assets shutdown due to COVID-19. Also, last year, PAT was higher on account of lower tax expenses benefit that followed from shifting to the new tax regime in the current year. There is significant improvement in the working capital cycle and efficient receivable management, resulting in lower finance costs. The Company has repaid all its long-term borrowings and can be termed as a debt free company.

Consumer Businesses- EV Charging

Your Company has made a significant impact in developing EV ecosystem and encouraging EV adoption in the country. Your Company is committed to playing a key role along with other stakeholders in achieving the national goal of transition to electric-mobility. Tata Power partnered with Tata Motors Limited, Morris Garages India Limited and Jaguar Land Rover for developing EV charging infrastructure for their customers and dealers and installed 532 charging points across the country, including those for e-buses used by multiple state transport utilities. During the year, your Company rolled out Version 2.0 of its software platform and mobile app that plays a crucial role in EV charging by helping customers in locating EV charging stations, charging EVs and making bill payments online. Tata Power EV charging points are now present in 92 cities and various key highways under various business models and market segments. Your Company aims to increase its presence both in terms of a greater number of charging stations and larger geographical presence across the country.

Consumer Businesses- Home Automation

Your Company has developed an IoT based home automation solution and introduced home automation products as a part of its Smart Energy Management Tool. The purpose is to encourage customers to implement efficient and cost-effective home automation solutions to manage their electricity usage. These products enable customers to monitor, operate and schedule any kind of home appliances such as AC, geyser, light and fan from anywhere through EZ Home app and can also be operated through voice-enabled devices. The Tata Power EZ Home

products have been launched in six cities – Delhi, Mumbai, Pune, Bengaluru, Bhubaneswar and Surat through rooftop solar channel partners. In addition, we are also planning to sell our home automation products through e-commerce platforms and modern retail stores.

International Businesses

Dagachhu Hydro Power Corporation Limited – DHPC (126 MW)

Type of entity: Associate (Tata Power 26%, DGPC & Affiliates: 74%)

Particulars	FY21	FY20
Generation Sales (MUs)	536	513
Net sales* (₹ crore)	181	143
PAT* (₹ crore)	65	(43)

*Figures are on 100% basis. Your Company's share is 26%.

Adjaristsqali Georgia LLC - AGL

Type of entity: Joint Venture (Tata Power through TPIPL):50%, Clean Energy Invest: 50%

AGL has developed a 187 MW hydropower project (Shuakhevi and Skhalta projects) on the Adjaristsqali River and its tributaries in Georgia. This is one of the largest infrastructure investments in Georgia. After restoration work at the tunnels, both the 89 MW units of Shuakhevi HPP have been tested and re-commissioned and have commenced commercial operations in March 2020.

Further, the company concluded its negotiation with the Government of Georgia for a 15-year PPA for power generated from the Shuakhevi project.

The 9 MW Skhalta HPP, which is also a component of the overall project, was commissioned in March 2021 and PPA for this plant has also been executed for 15 years.

The company also negotiated a restructuring package with the project lenders to sustain the viability of the project.

Digital Initiatives

Your Company is focusing on leveraging digital technologies and solutions across business segments to improve operational efficiency, enhance customer experience and better customer service, create competitive differentiation and support business growth. Tata Power Digital & IT service has aligned with the accepted global benchmarks with its sustained certification for Integrated Management System (IMS) under ISO 27001:2013 and ISO 9001:2015.

Some of the key initiatives across business/functions during the year are as follows:

Initiatives to enhance customer experience

- Customer portal enabled with live webchat facility by interactive chatbots.
- Availability of hourly, daily and monthly consumption graphs, peer consumption comparison, alerts for consumption slab crossover and increase in daily consumption etc. by Smart Meter Analytics.
- Energy calculator and bill calculations for customers on portal during the lockdown period.
- Deployment of customer meter read upload feature on customer portal and mobile app.
- Enabling customers on portal to opt for instalment payment during the lockdown period.
- Tata Power rewards application for customers to view and redeem their reward points.
- Automation of process related to Consumer Grievance Redressal Forum and Electricity Ombudsman made available on customer portal.
- Migrating customers from physical bill to e-bill by assuring them an alternative option on customer portal to register request for duplicate bill.
- DSM (Demand side management) green initiative campaigns for energy-efficient appliances.

Initiatives to enhance employee productivity, experience and learning

- Implementation of chatbot for quick online assistance to employees.
- Introduction of employee health management portal for employee well-being.
- Implementation of 'Knowledge Management' and 'Achievers' portals to enhance employee engagement.
- Implementation of employee facing applications like 'Manager Connect', 'COVID-19 Declaration Form' to connect employees and managers during times of pandemic.
- Implementation of the onboarding portal for enhancing new joiners' experience and enhance brand image. Enhancing HR department productivity by automating the entire joining process.
- Adoption of digital event platform to successfully conduct E-AGM, strategy meet, Board Meetings and various other business initiatives.
- Successfully delivered efficient end-user support during COVID-19 WFH scenario.
- IT helpdesk continues to service 24/7 even when WFH, leveraging remote infrastructure management.

Initiative for business growth

- New features introduced in EV platform like Radio Frequency Identification (RFID) based charging, switch profile facility, anchor charging, additional payment avenues like Billdesk/Tata Power Account, charge by units/amount/time/state of charge etc.
- Launched mobile app and chatbot for rooftop solar campaign.
- Tata Power Home Automation solutions with mobile app and consumption analytics launched for customers.
- Dealers' management: Implementation of Leads to Opportunity to enhance business growth.

Initiatives to enhance Operational Efficiency (Asset performance and digitisation of processes)

- SAP implementation for TPCODL to enhance business processes in terms of productivity, better inventory management, effective human resource management, etc.
- Complete life cycle management of coal supply chain process from coal sourcing, coal handling, inventory, quality and final consumption by deployment of different new-age IT analytical applications in thermal generation plants.
- Introduction of hybrid infrastructure for smart meter and unified Personal Identifier (PI) with new Human-Computer Interaction (HCI) technology and IPV6 Network protocol to improve agility, reliability and security of the infrastructure.
- Improved IT-OT integration by enhancing the perimeter firewall under unified PI project at all generation plants.
- Automated asset management process to achieve 95% asset accuracy with digitalised asset registered by integrating with Security Operation Centre (SOC).
- Deployment of Intelligent Operational Excellence Centre (i-OEC) tools - Real-time monitoring dashboards and visualisation of auxiliary power consumption.
- Virtual forecasting for change overload prediction for Mumbai Distribution.
- Real time monitoring and predictive analytics for improvement in availability and performance of solar sites.
- Power manager: Real time power management product in collaboration with power system control centre.

Awards/recognition

- Your Company has won the SAP ACE Award for the year 2020 for successfully deploying AI-ML based email automation model where machine identifies complaint

Management Discussion & Analysis

category and customer sentiments, which helps in prioritising the response.

- Your Company has won the ISGF Innovation Gold Award for Innovative EV Design and EV/EVSE Rollouts of the year 2021.

4. Financial Performance – Standalone

Your Company recorded a profit after tax of ₹ 1,107 crore during the financial year ended 31st March 2021 (PAT was ₹ 148.12 crore in FY20). Both the basic and the diluted earnings per share were at ₹ 2.49 for FY21.

The analysis of major items of the Standalone Financial Statements is shown below:

Revenue

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Revenue from Operations	6,180	7,726	(1,546)	(20)
Regulatory Deferral Balances including deferred tax recoverable/(payable)	300	(651)	951	146
Total	6,480	7,075	(595)	(8)

The decrease in revenue is mainly due to lower generation and sales on account of lower demand from procurers and customers due to the COVID-19 pandemic.

Other Income

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Interest Income	177	120	57	48
Dividend Income	996	369	627	170
Gain/(Loss) on Investments	17	22	(5)	(23)
Other Non-operating Income	59	72	(13)	(18)
Total	1,249	583	666	114

The increase in Other Income is mainly due to higher dividend income from foreign subsidiary and higher interest income from loans given to subsidiaries.

Cost of Power Purchased and Cost of Fuel

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Cost of Power Purchased	504	458	46	10
Cost of Fuel	2,186	2,766	(580)	(21)

Cost of fuel was lower mainly due to lower generation and lower fuel price.

Transmission Charges

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Transmission Charges	258	214	44	21

Transmission charges were lower in Mumbai Regulated Business on account of MYT order issued by MERC.

Employee Benefit Expenses

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Employee benefit expenses	649	611	38	6

Employee Benefit Expenses are higher mainly due to normal increment and impact of reversal of performance pay provision in the previous year offset by reduction in retiral provisions on account of transfer of employees to Odisha Discoms acquisition during the year.

Finance Costs

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Finance Costs	1,519	1,510	9	1

Finance Costs were higher mainly due to increase in borrowings to meet the fund requirement of the subsidiary company. Your Company has earned incremental interest income on loan given to subsidiary company amounting to ₹ 106 crore.

Depreciation and Amortisation

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Depreciation and Amortisation	669	686	(17)	(2)

Depreciation has decreased mainly due to reduction in depreciation rate for winds assets being offset by the capitalisation during the year.

Operations and Other Expenses

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Repairs and maintenance	329	312	17	5
Others	437	445	(8)	(2)
Total	766	757	9	1

Repairs and Maintenance Expenses are higher mainly due to generator replacement during the scheduled outage. Other Expenses are lower mainly due to the reduction in rates and taxes and forex gain offset by increase in

the provision for doubtful debts, consultancy fees and insurance expenses.

Exceptional Items – Continued Operation

(₹ in crore)				
Particulars	FY21	FY20	Change	Change %
Reversal of Impairment of Non-current Investments and related obligation	Nil	235	(235)	(100)
Standby Litigation	(109)	(276)	167	61
Remeasurement of Deferred Tax Recoverable on account of New Tax Regime (net)	Nil	(265)	265	100
Total	(109)	(306)	197	64

Standby Litigation

In the previous year, MERC vide its order dated 30th March 2020, allowed the recovery of part of the total standby litigation amount from consumers. During the year, MERC vide its order dated 21st December 2020, revised its earlier order and disallowed the recovery of said standby charges. Consequently, your Company has recognised an expense of ₹ 109 crore (including carrying cost) and disclosed it as an exceptional item.

Exceptional Items- Discontinued Operation (Strategic Engineering Division)

(₹ in crore)				
Particulars	FY21	FY20	Change	Change %
Impairment Loss on Remeasurement to Fair Value	(160)	(361)	201	57

During the year, the Company completed the sale of its Strategic Engineering Division (SED) to Tata Advanced Systems Ltd. (TASL) and received upfront consideration of ₹ 597 crore (net of borrowings of ₹ 537 crore transferred to TASL after certain adjustment as specified in the scheme ('Contingent Consideration')). During the year, your Company reassessed the fair value of the Contingent Consideration receivable and recognised an additional impairment loss of ₹ 160 crore.

Tax Expenses for Continued Operations

(₹ in crore)				
Particulars	FY21	FY20	Change	Change %
Current Tax	205	19	186	979
Deferred Tax	(104)	73	(177)	(243)
Deferred Tax relating to earlier Year	Nil	(25)	25	100
Total	101	(208)	309	(149)

(₹ in crore)

Particulars	FY21	FY20	Change	Change %
Remeasurement of deferred tax on account of new tax regime (net)	Nil	(275)	275	100
Total	101	(208)	309	(149)

Current tax is higher mainly due to higher dividend received from the foreign subsidiary.

Deferred Tax

During the year, your Company entered into a Business Transfer Agreement with TPREL and TPGEL, wholly-owned subsidiaries, for the transfer of renewable assets (forming part of renewable segment) as a 'going concern' on a slump sale basis effective on or after 1st April 2021. Consequently, as per the requirement of Ind AS 12, your Company has reassessed its deferred tax balances including its unrecognised deferred tax assets on capital losses and has recognised gain of ₹ 131 crore.

Tax Expenses for Discontinued Operations

(₹ in crore)				
Particulars	FY21	FY20	Change	Change %
Current Tax	(101)	Nil	(101)	(100)
Deferred Tax	(72)	(32)	(40)	(125)
Total	(173)	(32)	(141)	(436)

During the year, your Company completed sale of its SED to TASL. Consequently, your Company has recognised current tax credit by deduction for impairment loss in MAT calculation and reversal of deferred tax on account of difference between the written down value as per books and as per Income-tax Act.

Property, Plant and Equipment, Investment Property & Intangible Assets

(₹ in crore)				
Particulars	FY21	FY20	Change	Change %
Property, plant and equipment	8,201	7,974	227	3
Intangible Assets	55	62	(7)	(11)
Capital Work-in-Progress	286	403	(117)	(29)
Total	8,542	8,439	103	1

The above assets increased mainly due to higher capitalisation offset by depreciation and amortisation for FY21.

Management Discussion & Analysis

Non-Current Investments

Particulars	(₹ in crore)			
	FY21	FY20	Change	% Change
Investment in Subsidiary, JV and Associate	25,524	20,743	4,781	23
Statutory Investments	168	168	Nil	Nil
Others	437	416	21	5
Total	26,129	21,327	4,802	23

Non-current Investments increased mainly due to infusion of additional investments in CGPL for repayment of external loans and acquisition of three Discoms in Odisha, namely TP Central Odisha Distribution Limited, TP Southern Odisha Distribution Limited and TP Western Odisha Distribution Limited during the year.

Current Investments

Particulars	(₹ in crore)			
	FY21	FY20	Change	% Change
Mutual Funds (Unquoted)	240	20	220	1100
Total	240	20	220	1100

Current Investment is higher mainly due to higher investment in mutual funds during the year.

Trade Receivables

Particulars	(₹ in crore)			
	FY21	FY20	Change	% Change
Non-current	Nil	Nil	Nil	Nil
Current	911	1,109	(198)	(18)
Total	911	1,109	(198)	(18)

Decrease in Trade Receivables is mainly due to recovery of dues from BEST in Mumbai Operations and from TANGEDCO for wind farms.

Loans

Particulars	(₹ in crore)			
	FY21	FY20	Change	% Change
Non-current	490	42	448	1,064
Current	1,524	550	974	177
Total	2,014	592	1,422	240

Increase in loans is mainly due to higher loans given to related parties.

Finance Lease Receivable

Particulars	(₹ in crore)			
	FY21	FY20	Change	% Change
Non-current	530	553	(23)	(4)
Current	37	32	5	16
Total	567	585	(18)	(3)

Finance Lease Receivable reduced due to recovery of lease rentals during the year.

Other Financial Assets

Particulars	(₹ in crore)			
	FY21	FY20	Change	% Change
Non-current	620	223	397	178
Current	120	236	(116)	(49)
Total	740	459	281	61

Other Financial Assets increased mainly due to higher receivable from sale of SED business offset by decrease in recoverable from consumers in the Mumbai Regulated Business.

Other Assets

Particulars	(₹ in crore)			
	FY21	FY20	Change	% Change
Non-current	1,180	1,010	170	17
Current	192	146	46	31
Total	1,372	1,156	216	19

Other Assets increased mainly due to increase in recoverable from consumers in Mumbai Regulated Business and increase in pre-paid expenses.

Assets Classified as Held for Sale

Particulars	(₹ in crore)			
	FY21	FY20	Change	% Change
Land	302	302	Nil	Nil
Building	9	9	Nil	Nil
Investments	454	298	156	52
Loan and other receivables (including interest accrued)	23	23	Nil	Nil
Transmission Lines	9	127	(118)	(93)
Assets of Discontinued Operations	Nil	1,880	(1,880)	(100)
Total	797	2,639	(1,842)	(70)

Assets held for sale reduced due to completion of the sale of SED to TASL and receipt of reimbursement of expenses for Vikhroli Transmission lines from MERC.

Liability Classified as Held for Sale

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Liability of Discontinued Operations	Nil	1,032	(1,032)	(100)
Other Liabilities	114	4	110	2,572
Total	114	1,036	(922)	(89)

Liability held for sale has reduced mainly due to completion of the sale of SED to TASL.

Regulatory Deferral Account – Asset/ (Liability)

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Regulatory Deferral – Asset	574	258	316	122
Less: Regulatory Deferral – Liability	Nil	Nil	Nil	Nil
Total	574	258	316	122

Regulatory Deferral Assets (Net) pertains to regulatory receivables in the Mumbai Distribution Business. The same has increased mainly due to lower sales volume on account of the COVID-19 pandemic.

Total Equity

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Equity Share Capital	320	271	49	18
Unsecured Perpetual Securities	1,500	1,500	Nil	Nil
Other Equity	16,559	13,491	3,068	23
Total	18,379	15,262	3,117	20

Total Equity has increased mainly due to allotment of equity shares to Tata Sons Private Limited on a preferential basis, amounting to ₹ 2,600 crore.

Borrowings

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Non-Current	13,168	9,826	3,342	34
Current	5,596	6,212	(616)	(10)
Current Maturity of Non-Current	1,788	1,764	24	1
Total	20,552	17,802	2,750	15

Borrowing increased mainly due to issue of Non-Convertible Debentures, offset by the repayment of commercial papers.

Lease Liability

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Non-current	210	237	(27)	(12)
Current	27	42	(15)	(36)
Total	237	279	(42)	(15)

Lease Liability decreased mainly due to payment of lease rent during the year.

Trade Payables

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Non-current	Nil	Nil	Nil	Nil
Current	1,137	1,002	135	13
Total	1,137	1,002	135	13

Trade payable increased mainly on account of payable for fuel in the Mumbai Regulated Business.

Other Financial Liabilities

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Non-current	12	15	(3)	(17)
Current	3,043	2,622	421	16
(Less): Current Maturity of Non-Current Borrowings	(1,788)	(1,764)	(24)	(1)
Total	1,267	873	394	45

Other Financial Liabilities increased mainly due to increase in fuel adjustment charges payable to the consumers in Mumbai Distribution Business, repayment of standby charges recovered from consumers as per MERC order and higher interest accrued but not due on borrowings.

Other Liabilities

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Non-current	156	161	(5)	(3)
Current	472	503	(31)	(6)
Total	628	664	(36)	(5)

Other Liabilities decreased mainly due to reduction in statutory liabilities and liability towards consumers.

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Provisions

Particulars	(₹ in crore)			
	FY21	FY20	Change	% Change
Non-current	261	222	39	17
Current	25	62	(37)	(59)
Total	286	284	2	1

No major movement in Provisions during the year.

Tax Liability/(Assets)

Particulars	(₹ in crore)			
	FY21	FY20	Change	% Change
Current Tax Liability	133	108	25	24
Deferred Tax Liability (Net)	135	307	(172)	(56)
(Less): Current Tax Assets	(135)	(135)	Nil	Nil
Total	133	280	(147)	(32)

During the year, your Company entered into a Business Transfer Agreement with TPREL and TPGEL, wholly-owned subsidiaries, for the transfer of renewable assets (forming part of renewable segment) as a 'going concern' on a slump sale basis effective on or after 1st April 2021. Consequently, as per the requirement of Ind AS 1, your Company reassessed its deferred tax balances including its unrecognised deferred tax assets on capital losses and has recognised gain of ₹ 131 crore. This resulted in the reduction in the Net Tax Liability during the year.

5. Financial Performance – Consolidated

Particulars	(₹ in crore)			
	FY21	FY20	Change	% Change
Total Income*	33,518	29,510	4,008	14
Depreciation & Amortisation	2,745	2,634	111	4
Finance Costs	4,010	4,494	(484)	(11)
PBT before Exceptional item	2,096	2,142	46	2
Exceptional Item	(109)	226	(335)	(148)
Profit Before Taxes	1,987	2,368	(381)	(16)
Profit for the year	1,439	1,316	122	9%

*Includes Regulatory Income/(Expenses)

- Total Income increased primarily due to acquisition of three Odisha Discoms and execution of solar EPC projects.
- Depreciation increased primarily due to increased capitalisation.
- Finance Costs were lower mainly due to repayment of loans and reduction in interest rate.
- Exceptional items in FY21 included disallowance of recovery of standby charges by MERC.

- Exceptional items in FY20 included gain on sale of investments in Cennergi and reversal of impairments, offset by remeasurement of deferred tax recoverable and regulatory deferral balance on account of the new tax regime.

Property, Plant and Equipment, Investment Property & Intangible Assets

Particulars	(₹ in crore)			
	FY21	FY20	Change	% Change
Property, plant and Equipment	48,749	44,663	4,086	9
Intangible Assets	1,346	1,362	(16)	(1)
Capital Work-in-Progress	3,600	1,612	1,988	123
Total	53,695	47,637	6,058	13

The above assets increased mainly on account of acquisition of three Odisha Discoms, increased capitalisation in TPDDL and Mumbai Regulated Business.

Goodwill

Particulars	(₹ in crore)			
	FY21	FY20	Change	% Change
Goodwill	1,795	1,642	153	9

Goodwill increased on account of acquisition of three Odisha Discoms during the year.

Non-Current Investments

Particulars	(₹ in crore)			
	FY21	FY20	Change	% Change
Investments in Joint Ventures & Associates	11,921	13,203	(1,282)	(10)
Statutory Investments	168	168	Nil	Nil
Others	561	464	97	21
Total	12,650	13,835	(1,185)	9

Decrease in Non-current investment is mainly due to higher dividend declared by the foreign joint venture companies.

Current Investments

Particulars	(₹ in crore)			
	FY21	FY20	Change	% Change
Statutory Investments	Nil	Nil	Nil	Nil
Investments in Mutual Funds	500	700	(200)	(29)
Total	500	700	(200)	(29)

Current Investments are lower mainly due to lower investment in mutual fund in WREL, TPDDL and Aftaab Investment Company Limited offset by increase in investment by Tata Power.

Trade Receivables

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Non-current	605	30	575	1,917
Current	5,001	4,426	575	13
Total	5,606	4,456	1,150	26

Increase in Trade Receivables was mainly due to increase in receivable in TPSSL on account of execution of solar EPC projects during March 2021.

Loans

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Non-current	58	81	(23)	(28)
Current	31	33	(2)	(7)
Total	89	114	(25)	(22)

Decrease in loan is mainly due to write-off of security deposit paid for Russian Coal Mine project.

Finance Lease Receivable

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Non-current	599	589	10	2
Current	41	33	8	25
Total	640	622	18	3

Finance Lease Receivable increased due to reduction in unearned finance income during the year.

Other Financial Assets

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Non-current	1,577	579	998	173
Current	310	1,412	(1,102)	(78)
Total	1,887	1,991	(104)	(5)

Non-current Financial Assets increased mainly due to increase in deposit with maturity more than 12 months on account of acquisition of Odisha Discoms and increase in receivable from sale of SED division of Tata Power. Current Financial assets decreased mainly as previous year included receivable on sale of investment in Cennergi and fair valuation gain on derivative contracts.

Other Assets

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Non-current	1,465	1,185	280	24
Current	917	770	147	19
Total	2,382	1,955	427	22

Non-current Assets increased mainly due to increase in recoverable from consumers in Mumbai Regulated Business and increase in capital advance in CGPL and MPL due to Flue Gas Desulphurisation system (FGD) projects. Current Assets increased mainly due to increase in advances to vendors on acquisition of three Orissa Discoms and higher pre-paid expenses in Tata Power.

Assets/(Liability) Classified as Held For Sale

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Assets classified as held for sale	3,047	6,253	(3,206)	(51)
(Less): Liability classified as held for sale	(140)	(1,063)	923	87
Total (Net)	2,907	5,190	(2,283)	(44)

Assets/(Liability) classified as held for sale decreased mainly on account of completion of the sale of SED to TDSL and receipt of reimbursement of expenses for Vikhroli Transmission lines from MERC.

Regulatory Deferral Account – Asset/ (Liability)

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Regulatory Deferral – Asset	6,478	5,480	998	18
Less: Regulatory Deferral – Liability	(61)	Nil	(61)	(100)
Total Regulatory Deferral – Asset (Net)	6,417	5,480	937	17

Regulatory Deferral Assets (Net) pertains to regulatory receivables in TPDDL, Odisha Discoms and Mumbai Distribution Business. This has increased mainly due to lower sales volume on account of the COVID-19 pandemic and acquisition of three Odisha Discoms during the year.

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Total Equity

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Equity Share Capital	320	271	49	18
Unsecured Perpetual Securities	1,500	1,500	Nil	Nil
Other Equity	20,503	17,795	2,708	15
Total	22,323	19,566	2,757	14

Total Equity of your Company has increased mainly due to allotment of equity shares to Tata Sons Private Limited on a preferential basis amounting to ₹ 2,600 crore.

Borrowings

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Non-Current	30,045	32,695	(2,650)	(8)
Current	8,436	11,844	(3,408)	(29)
Current maturity of Non-Current	4,690	3,837	853	22
Total	43,171	48,376	(5,205)	(11)

Decrease in borrowing is mainly due to repayment of loans in CGPL and reduction in loan in lieu of dividend from foreign joint venture.

Lease Liability

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Non-Current	3,142	3,180	(38)	(1)
Current	395	380	15	4
Total	3,537	3,560	(23)	(1)

Lease Liability decreased mainly due to payment of lease rent during the year.

Trade Payables

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Non-current	17	Nil	17	100
Current	7,120	5,095	2,025	40
Total	7,137	5,095	2,042	40

Trade Payable increased mainly in TPSSL on account of payable to vendors for execution of solar EPC projects.

Other Financial Liabilities

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Non-current	1,391	722	669	93
Current	12,296	7,503	4,793	64
(Less): Current maturity of Non-Current Borrowings	(4,690)	(3,837)	(853)	22
Total	8,997	4,388	4,609	105

Other Financial Liabilities have increased mainly due to acquisition of three Odisha Discoms, advance received from sale of investments in Bhira and TERPL, additional suppliers' credit in CGPL, increase in fuel adjustment charges payable to the consumers in Mumbai Distribution Business and repayment of standby charges recovered from consumers as per MERC order.

Other Liabilities

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Non-current	6,218	2,085	4,133	198
Current	2,052	1,453	599	41
Total	8,270	3,538	4,732	134

Other Liabilities increased mainly due to acquisition of three Orissa Discoms, increase in advance from customers in TPSSL and increase in statutory liabilities in Tata Power.

Provisions

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Non-current	840	407	433	106
Current	270	116	154	132
Total	1,110	523	587	112

Provision increased mainly due to the acquisition of three Odisha Discoms during the year.

Tax Liabilities /(Assets)

(₹ in crore)				
Particulars	FY21	FY20	Change	% Change
Non-Current Tax Liability	3	3	Nil	Nil
Current Tax Liability	198	129	69	53
Deferred Tax Liabilities (Net)	976	1,174	(198)	(17)
(Less): Non-Current Tax Assets	(328)	(342)	14	(4)
(Less): Deferred Tax Assets	(184)	(74)	(110)	148
Total (Net)	665	890	225	(25)

During the year, your Company entered into a Business Transfer Agreement with TPREL and TPGEL, wholly-owned subsidiaries, for transfer of renewable assets (forming part of renewable segment) as a 'going concern' on a slump sale basis effective on or after 1st April 2021. Consequently, as per the requirement of Ind AS 12, your Company has reassessed its deferred tax balances including its unrecognised deferred tax assets on capital losses and has recognised a gain of ₹ 131 crore. In addition, MPL and TPDDL has also reversed the deferred tax liability earlier recognised. These have led to reduction in the Net Tax Liability during the year.

Report On Corporate Governance

“The Tata philosophy of management has always been, and is today more than ever, that corporate enterprises must be managed not merely in the interests of their owners, but equally in those of their employees, of the consumers of their products, of the local community and finally the country as a whole.”

- Jamsetji N. Tata

Company’s Philosophy on Corporate Governance

The essence of Corporate Governance is about maintaining the right balance between economic, social, individual and community goals. At Tata Power, good corporate governance is a way of life and the way we do our business, encompassing every day’s activities and is enshrined as a part of our way of working. The Company is focused on enhancement of long-term value creation for all stakeholders without compromising on integrity, societal obligations, environment and regulatory compliances. Our actions are governed by our values and principles, which are reinforced at all levels of the organisation. These principles have been and will continue to be our guiding force in future.

For your Company, good corporate governance is a synonym for sound management, transparency and adequate disclosure, encompassing good corporate practices, procedures, standards and implicit rules which propel a company to take sound decisions. As a Company with a strong sense of values and commitment, Tata Power believes that profitability must go hand in hand with a sense of responsibility towards all stakeholders. This is an integral part of Tata Power’s business philosophy. The cardinal principles such as independence, accountability, responsibility, transparency, trusteeship and disclosure serve as means for implementing the philosophy of Corporate Governance.

This philosophy is reflected and practised through the Tata Code of Conduct (TCoC), the Tata Business Excellence Model (TBEM), and the Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices. Further, these codes allow the Board to make decisions that are independent of the management. The Company is committed to focus its energies and resources in creating and positively leveraging shareholders’ wealth and, at the same time, safeguarding the interests of all stakeholders. This is our path to sustainable and profitable existence and growth.

The Company has adopted Governance Guidelines to cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, Director’s term, retirement age and committees of the Board. It also covers aspects relating to nomination, appointment, induction of Directors, Director’s remuneration, subsidiary oversight, Board effectiveness review.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time, including relaxations granted by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) from time to time on account of the COVID-19 pandemic, with regard to corporate governance.

The various material aspects of corporate governance and the Company’s approach to them are discussed in the table below:

Table 1

Material Aspect	Company’s Approach
Avoidance of conflict of interest	Chairmanship of the Board is a non-executive position and separate from that of the Chief Executive Officer and Managing Director (CEO & Managing Director). The Code of Conduct for Non-Executive Directors (NEDs) and for Independent Directors (IDs) carries explicit clauses covering avoidance of conflict of interest. Likewise, there are explicit clauses in the TCoC prohibiting any employee - including the Managing Director (MD) and Executive Directors (EDs) - from accepting any position of responsibility, with or without remuneration, with any other organisation without the Company’s prior written approval. For MD and EDs, such approval must be obtained from the Board.
Board independence and minority shareholders’ interests	The TCoC, which defines the governance philosophy at Tata Power, emphasizes fairness and transparency to all stakeholders. Shareholders can communicate any grievance to the Company Secretary’s office through a well-publicized channel, where complaints are tracked to closure. The Stakeholders’ Relationship Committee oversees the redressal of these complaints. The Annual General Meeting (AGM) is another forum where they can interact with the Board.

Material Aspect	Company's Approach
Values, Ethics and compliance	<p>Tata Power consistently adheres to the highest principled conduct and has earned its reputation for trust and integrity in the course of building a highly successful global business. The Company's core values are SCALE viz. Safety, Care, Agility, Learning and Ethics.</p> <p>TCoC, which every employee signs at the time of joining the Company, serves as a moral guide and a governing framework for responsible corporate citizenship. Periodic refresher courses are conducted to ensure continued awareness of the code, and employee communications from the leadership reiterate the importance of our values and the TCoC.</p> <p>Customers and suppliers are made aware of the TCoC principles in contract discussions, and through inclusion of specific clauses in proposals and contracts. The Tata Power Supplier Code of Conduct is shared with suppliers as part of the procurement process and is published on the Tata Power website.</p> <p>Changes to legislation are closely monitored, risks are evaluated and effectively managed across our operations. Avenues have been provided for all employees and stakeholders to report concerns or non-compliance which are investigated and addressed by following due process. At the apex level, the Audit Committee of Directors oversees compliance to internal policies and external regulations.</p>
Succession planning	<p>Succession planning is an integral part of the operations of the Company.</p> <p>Succession planning of senior management is reviewed by the Board. Business or unit heads are invited to present on specific topics at Board meetings from time to time, offering an opportunity for the directors to assess their values, competencies and capabilities.</p>

Board of Directors

- i. The Board is the focal point and custodian of corporate governance for the Company. The Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, gender and other distinctions between directors. These differences will be considered in determining the optimum composition of the Board and when possible, will be balanced appropriately.

ii. **The size and composition of the Board as on 31st March 2021 is as under:**

As on 31st March 2021, the Company has 10 (ten) Directors. Out of 10, 5 (five) (i.e. 50%) are Independent, Non-Executive; 4 (four) (i.e. 40%) are Non-Independent, Non-Executive (including a Nominee Director) and 1 (one) (i.e. 10%) is Executive.

None of the Directors held Directorship in more than 7 (seven) listed companies. Further, none of the IDs of the Company served as an ID in more than 7 (seven) listed companies. None of the IDs serving as a whole-time director/managing director in any listed entity, serves as an ID of more than 3 (three) listed entities. None of the Directors held directorship in more than 20 (twenty) Indian companies, with not more than 10 (ten) public limited companies.

None of the Directors is a member of more than 10 committees or acted as chairperson of more than 5 committees (being Audit Committee and Stakeholders Relationship Committee, as per Regulation 26(1) of the Listing Regulations) across all the public limited companies in which he/she is a Director. The necessary disclosures regarding committee positions have been made by the Directors.

All IDs of the Company have been appointed as per the provisions of the Companies Act, 2013 (the Act) and Listing Regulations. The Chairman of the Company is a NED and not related to the CEO & Managing Director.

- iii. The composition of the Board is in compliance with the requirements of the Act and Regulation 17 of the Listing Regulations. The profile of the Directors can be accessed on our website at <https://www.tatapower.com/corporate/board-of-directors.aspx>
- iv. Eight Board meetings were held during the year under review and the gap between two meetings did not exceed 120 days. The said Meetings were held on 5th May 2020, 19th May 2020, 2nd July 2020, 12th August 2020, 10th September 2020, 10th November 2020, 4th February 2021 and 10th March 2021. Due to exceptional circumstances caused by the COVID - 19 pandemic and consequent relaxations granted by MCA and SEBI, all Board meetings in FY21 were held through Video Conferencing.
- v. There are no inter-se relationships between the Board members.

Report on Corporate Governance

vi. **The details of each member of the Board as on 31st March 2021 and their attendance at Board Meetings during the year and last AGM are provided hereunder:**

Table 2

Sl. No.	Name of the Director	Category of Directorship	Number of Board Meetings attended during FY21	Whether attended last AGM held on 30th July 2020	No. of other Directorships*		No. of Committee positions held**		No. of shares held in the Company	Directorship in other listed entities including debt listed (Category of Directorship)
					Chair-person	Member	Chair-person	Member		
1.	Mr. N. Chandrasekaran, Chairman DIN: 00121863	Non-Independent, Non-Executive	8	Yes	6	0	0	0	7,00,000	Tata Consultancy Services Limited @ Tata Steel Limited @ Tata Motors Limited @ The Indian Hotels Company Limited @ Tata Consumer Products Limited @ (formerly Tata Global Beverages Limited) Tata Chemicals Limited @
2.	Ms. Anjali Bansal DIN: 00207746	Independent, Non-Executive	8	Yes	0	7	0	3	Nil	Apollo Tyres Limited # Voltas Limited # Piramal Enterprises Limited # Siemens Limited # Tata Power Renewable Energy Limited (Debt Listed) #
3.	Ms. Vibha Padalkar DIN: 01682810	Independent, Non-Executive	8	Yes	0	3	1	2	Nil	HDFC Life Insurance Company Limited (MD & CEO)
4.	Mr. Sanjay V. Bhandarkar DIN: 01260274	Independent, Non-Executive	7	Yes	0	7	4	4	16,262 (As a joint holder)	HDFC Asset Management Company Limited # S Chand and Company Limited # Walwhan Renewable Energy Limited (Debt Listed) # Tata Power Renewable Energy Limited (Debt Listed) # Tata Projects Limited (Debt Listed) #
5.	Mr. K. M. Chandrasekhar DIN: 06466854	Independent, Non-Executive	8	Yes	0	7	0	4	Nil	Coastal Gujarat Power Limited (Debt Listed) #
6.	Mr. Hemant Bhargava (Nominee of Life Insurance Corporation of India (LIC) as an equity investor) DIN: 01922717	Non-Independent Non-Executive	8	Yes	0	3	0	1	Nil	Voltas Limited ^ Larsen & Toubro Limited ^ ITC Limited ^
7.	Mr. Saurabh Agrawal DIN: 02144558	Non-Independent Non-Executive	8	Yes	4	2	0	2	Nil	Tata Steel Limited @ Voltas Limited @ Tata ALG General Insurance Company Limited (Debt Listed) @ Tata Capital Limited (Debt Listed) @

Sl. No.	Name of the Director	Category of Directorship	Number of Board Meetings attended during FY21	Whether attended last AGM held on 30th July 2020	No. of other Directorships*		No. of Committee positions held**		No. of shares held in the Company	Directorship in other listed entities including debt listed (Category of Directorship)
					Chair-person	Member	Chair-person	Member		
8.	Mr. Banmali Agrawala DIN: 00120029	Non-Independent Non-Executive	8	Yes	4	2	1	0	Nil	Tata Realty and Infrastructure Limited (Debt Listed) @ Tata Housing Development Company Limited (Debt Listed) @ Tata Projects Limited (Debt Listed) @
9.	Mr. Ashok Sinha DIN: 00070477	Independent, Non-Executive	8	Yes	0	6	4	1	Nil	Cipla Limited # J. K. Cement Limited # Navin Fluoroine International Limited # Coastal Gujarat Power Limited (Debt Listed) # Maithon Power Limited (Debt Listed) #
10.	Dr. Praveer Sinha®, CEO & Managing Director DIN: 01785164	Executive	8	Yes	3	4	0	0	Nil	Tata Power Renewable Energy Limited (Debt Listed) @

Category of Directorship held:

@ Non-Independent, Non-Executive # Independent, Non-Executive ^ Nominee Director

* Excludes directorship in the Company, private companies, foreign companies and companies under Section 8 of the Act.

** Pertains to memberships/chairpersonships of the Audit Committee and Stakeholders' Relationship Committee of Indian public companies (excluding the Company) as per Regulation 26(1)(b) of the Listing Regulations.

& Dr. Praveer Sinha, CEO & Managing Director is not an ID of any other listed company.

- vii. The Company has not issued any convertible instruments.
- viii. Necessary disclosures regarding Committee positions in other public companies as on 31st March 2021 have been made by the Directors.
- ix. IDs are NEDs as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the IDs, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management. Further, declaration on compliance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended by MCA Notification dated 22nd October 2019, regarding the requirement relating to enrolment in the Data Bank created by MCA for IDs, has been received from all the IDs.
- x. **Skills/expertise/competencies of the Board of Directors**
The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, diversity and independence. The Board provides leadership, strategic guidance, objective and an independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure. The Board periodically evaluates the need for change in its composition and size.
The Company requires skills/expertise/competencies in the areas of strategy, finance, leadership, technology, governance, mergers and acquisitions, human resources, etc. to efficiently carry on its core businesses such as generation, distribution and transmission of thermal/renewables/hydro power, power trading, solar photovoltaic (PV) manufacturing and associated engineering, procurement and construction (EPC) services, coal mines and logistics.

Report on Corporate Governance

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Table 3

Name of the Director	Area of skills/expertise/competence							
	Strategy	Finance	Leadership	Technical	HR	Governance	M&A	Government/Regulatory
Mr. N. Chandrasekaran	√	√	√	√	√	√	√	√
Ms. Anjali Bansal	√	√	√	√	√	√	-	-
Ms. Vibha Padalkar	√	√	√	-	√	√	√	-
Mr. Sanjay V. Bhandarkar	√	√	√	-	-	√	√	-
Mr. K. M. Chandrasekhar	√	√	√	-	√	√	-	√
Mr. Ashok Sinha	√	√	√	√	√	√	√	√
Mr. Hemant Bhargava	√	√	√	-	√	√	√	√
Mr. Saurabh Agrawal	√	√	√	-	-	√	√	√
Mr. Banmali Agrawala	√	-	√	√	√	√	-	√
Dr. Praveer Sinha	√	-	√	√	√	√	√	√

xi. Changes in Board composition

There are no changes in board composition during FY21.

xii. Term of Board membership

The Nomination and Remuneration Committee (NRC) determines the appropriate characteristics, skills and experience required for the Board as a whole and for individual members. Board members are expected to possess the required qualifications, integrity, expertise and experience for the position. They also possess expertise and insights in sectors/areas relevant to the Company and have ability to contribute to the Company's growth. As per the existing policy, the retirement age for MD/EDs is 65 years, NEDs is 70 years and IDs is 75 years.

xiii. Selection and appointment of new directors

The Board is responsible for the appointment of new directors. The Board has delegated the screening and selection process for new directors to the NRC. Considering the existing composition of the Board and requirement of new domain expertise, if any, the NRC reviews potential candidates. The assessment of members to the Board is based on a combination of criteria that include ethics, personal and professional stature, domain expertise, gender diversity and specific qualification required for the position. The potential Independent Director is also assessed on the basis of independence criteria defined in Section 149(6) of the Act read with rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. If the Board approves, the person is appointed as an Additional Director whose appointment is subject to the approval of the Members at the Company's general meeting.

xiv. Letter of appointment issued to Independent Directors

The IDs on the Board of the Company are given a formal appointment letter *inter alia* containing the term of appointment, role, duties and responsibilities, time commitment, remuneration, insurance, code of conduct, training and development, performance evaluation process, disclosure, confidentiality, etc. The terms and conditions of appointment of IDs are available on the Company's website at <https://www.tatapower.com/pdf/investor-relations/Terms-&-conditions-of-IDs-appointment.pdf>.

xv. Information provided to the Board

During FY21, information as mentioned in Part A of Schedule II of the Listing Regulations, has been placed before the Board for its consideration.

xvi. Meeting of Independent Directors

During the year under review, two separate meetings of the IDs were held on 18th December 2020 and 10th March 2021. At the said meetings, the IDs discussed strategic issues affecting the Company and updated themselves on the sector outlook. They also reviewed the performance of NEDs, of the Board as a whole and the Chairman, after considering the view of the CEO & MD and NEDs. They also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board.

xvii. **Details of familiarisation programmes for Directors including Independent Directors**

All Board members of the Company are accorded every opportunity to familiarize themselves with the Company, its management, its operations and above all, the industry perspective and issues. They are made to interact with senior management personnel and proactively provided with relevant news, views and updates on the Company and sector. All the information/documents sought by them are also shared with them for enabling a good understanding of the Company, its various operations and the industry of which it is a part. Separate sessions are organised with external domain experts to enable Board members to update their knowledge of the sector.

Details of the familiarisation program on cumulative basis are available on the Company's website at <https://www.tatapower.com/pdf/investor-relations/familiarisation-programme-for-directors-20-21.pdf>.

xviii. **Code of Conduct**

The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of Independent Directors as laid down in the Act. All Board members and senior management personnel have affirmed compliance with their respective Code of Conduct. The CEO & Managing Director has also confirmed and declared the same. The declaration is reproduced at the end of this Report and marked as Annexure I.

xix. **Tata Code of Conduct for Prevention of Insider Trading & Code of Corporate Disclosure Practices**

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Board of Directors of the Company has adopted the Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices (the Code).

Mr. Ramesh N. Subramanyam, Chief Financial Officer (CFO) of the Company is the 'Compliance Officer' in terms of this Code.

xx. **Remuneration to Directors**

Details of remuneration to NEDs during and for the year under review:

(Gross Amount in ₹) Table 4

Sl. No.	Name of the Director	Sitting Fees paid during FY21	Commission for FY21*
1.	Mr. N. Chandrasekaran [§] Chairman	3,30,000	N.A.
2.	Ms. Anjali Bansal	6,00,000	60,00,000
3.	Ms. Vibha Padalkar	5,70,000	65,00,000
4.	Mr. Sanjay V. Bhandarkar	5,70,000	65,00,000
5.	Mr. K. M. Chandrasekhar	5,40,000	60,00,000
6.	Mr. Ashok Sinha	5,10,000	65,00,000
7.	Mr. Hemant Bhargava [@]	3,60,000	50,00,000
8.	Mr. Saurabh Agrawal [#]	3,60,000	N.A.
9.	Mr. Banmali Agrawala [#]	3,90,000	N.A.

* Commission relates to the financial year ended 31st March 2021, which was approved by the Board on 12th May 2021, to be paid during FY22.

§ As per the policy, Mr. N. Chandrasekaran has abstained from receiving commission from the Company.

@ Sitting fees for attending meetings are paid to Mr. Bhargava and the Commission is paid to LIC.

In line with the internal guidelines, no payment is made towards Commission to Mr. Saurabh Agrawal and Mr. Banmali Agrawala, NEDs of the Company, who are in full-time employment with another Tata company.

The NEDs are paid remuneration by way of Commission and Sitting Fees. The distribution of Commission amongst the NEDs is placed before the NRC and the Board. The Commission payment for the financial year ended 31st March 2021 was distributed based on the Company's performance and keeping in mind the attendance of Directors at Board and Committee meetings and their contribution at these meetings.

None of the NEDs had any pecuniary relationship or transactions with the Company other than the Directors' sitting fees and commission, as applicable, received by them. The Company reimburses the out-of-pocket expenses, if any, incurred by the Directors for attending meetings.

Report on Corporate Governance

Details of remuneration and perquisites paid to the CEO & Managing Director during FY21:

(Gross Amount in ₹) Table 5

Name	Salary & allowances	Commission for FY21 [@]	Perquisites & Benefits	Retirement Benefits	Total
Dr. Praveer Sinha	1,51,47,000	4,50,00,000	84,99,320	26,24,400	7,12,70,720

@ Commission (variable component) relates to the financial year ended 31st March 2021, which was approved by the Board on 12th May 2021, to be paid during FY22.

Salient features of the agreement executed by the Company with the CEO & Managing Director:

Table 6

Terms of Agreement	
Period of appointment	01.05.2018 to 30.04.2023
Remuneration	Basic salary upto a maximum of ₹ 15,00,000 p.m.
Commission	Within the limits stipulated under the Act.
Incentive Remuneration	Not exceeding 200% of basic salary.
Benefits, perquisites and allowances (excluding Company's contribution to Provident Fund, Superannuation, Gratuity, Leave Encashment)	As may be determined by the Board from time to time.
Notice period	The Agreement may be terminated by either party giving to the other party six months' notice or the Company paying six months' remuneration in lieu thereof.
Severance fees	There is no separate provision for payment of severance fees.
Stock Option	Nil

Board Committees

The Committees constituted by the Board focus on specific areas and take informed decisions within the framework designed by the Board and make specific recommendations to the Board on matters in their areas or purview. All decisions and recommendations of the Committees are placed before the Board for information or for approval, if required. To enable better and more focused attention on the affairs of the Company, the Board has delegated particular matters to the Committees of the Board set up for the purpose.

The Board has seven committees as on 31st March 2021, comprising five statutory committees and two non-statutory committees that have been formed considering the needs of the Company. Details of the statutory and non-statutory committees are as follows:

❖ Statutory Committees

The Board has the following statutory Committees as on 31st March 2021:

- (i) Audit Committee of Directors
- (ii) Nomination and Remuneration Committee
- (iii) Corporate Social Responsibility Committee
- (iv) Stakeholders Relationship Committee
- (v) Risk Management Committee

Audit Committee of Directors

The composition of the Committee as on 31st March 2021 and attendance details of meetings during FY21, are as follows:

Table 7

Name of the Director	No. of meetings held during FY21	No. of meetings attended
Mr. Ashok Sinha, Chairman	4	4
Mr. Sanjay V. Bhandarkar	4	4
Ms. Vibha Padalkar	4	3
Mr. Saurabh Agrawal	4	4
Ms. Anjali Bansal	4	4
Mr. K. M. Chandrasekhar	4	4

All members are financially literate and bring in expertise in the fields of finance, accounting, development, strategy and management.

Meetings of the Committee were held on 18th May 2020, 11th August 2020, 9th November 2020 and 3rd February 2021, with the requisite quorum.

The CFO assists the Committee in discharge of its responsibilities. The Committee invites such employees or advisors as it considers appropriate to attend. The CFO, the head of internal audit and statutory auditors are generally invited to attend meetings unless the Committee considers otherwise. Quarterly Reports are sent to the members of the Committee on matters

relating to the Insider Trading Code. The Company Secretary acts as the Secretary of the Committee.

The Internal Auditors and Statutory Auditors of the Company discuss their audit findings and updates with the Committee and submit their views directly to the Committee. Separate discussions are held with the Internal Auditors to focus on compliance issues and to conduct detailed reviews of the processes and internal controls in the Company. The permissible non-audit related services undertaken by the Statutory Auditors are also pre-approved by the Committee.

The Board has approved the Charter of the Audit Committee defining *inter alia* its composition, role, responsibilities, powers and processes.

The terms of the Charter broadly include:

- Oversee the processes that ensure the integrity of financial statements.
- Oversee the adequacy and effectiveness of the processes and controls for compliance with laws and regulations.
- Oversee the adequacy and effectiveness of the process by which confidential or anonymous complaints or information regarding financial or commercial matters are received and acted upon. This includes the protection of whistle-blowers from victimization and the provision of access by whistle-blowers to the Chairman of the Committee.
- Approval/modification of the transactions with related parties.
- Enquiry into reasons for any default by the Company in honouring its obligations to its creditors and members.
- Oversee the quality of internal accounting controls and other controls.
- Oversee the system for storage (including back-up).
- Oversee the quality of the financial reporting process, including the selection of the most appropriate of permitted accounting policies.
- Ensure the independence of the auditor.
- Recommend to the Board the appointment and remuneration of the auditors (including cost auditors).
- Framing of rules for the hiring of any current or former employee of the audit firm.
- Scrutinize inter-corporate loans and investments.
- Monitor the end use of funds raised through public offers.
- Conducting the valuation of any undertaking or asset of the Company.
- Oversee the internal audit function and approve the appointment of the Chief Internal Auditor.

- Bring to the notice of the Board any lacunae in the TCoC and the vigil mechanism (whistle blowing process) adopted by the Company.
- Reviewing with the CEO and the CFO of the Company the underlying process followed by them in their annual certification to the Board of Directors.
- Approving the appointment of the CFO.

All the recommendations made by the Committee during the year under review were accepted by the Board.

Mr. Ashok Sinha, Chairman of the Committee, was present at the last AGM held on 30th July 2020.

Nomination and Remuneration Committee

The composition of the Committee as on 31st March 2021 and attendance details of meetings during FY21, are as follows:

Table 8

Name of the Director	No. of meetings held during FY21	No. of meetings attended
Mr. Sanjay V. Bhandarkar, Chairman	3	3
Mr. N. Chandrasekaran	3	3
Ms. Vibha Padalkar	3	3

Meetings of the Committee were held on 19th May 2020, 10th November 2020 and 10th March 2021, with the requisite quorum.

In terms of the provisions of Section 178(3) of the Act and Regulation 19(4) read with Part D of Schedule II to the Listing Regulations, the Committee is responsible for *inter alia* formulating the criteria for determining qualification, positive attributes and independence of a Director. The Committee is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Board has adopted the Policy on Board Diversity & Director Attributes and Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company, which are attached as Annexures I and II respectively to the Board's Report. The Company does not have any Employee Stock Option Scheme.

The Board has also approved the Charter of the Committee defining its composition, powers, responsibilities, reporting, evaluation, etc. The terms of the Charter broadly include Board composition and succession planning, evaluation, remuneration, board development and review of HR Strategy, Philosophy and Practices.

Mr. Sanjay V. Bhandarkar, Chairman of the Committee, was present at the last AGM held on 30th July 2020.

Report on Corporate Governance

Corporate Social Responsibility Committee

The composition of the Committee as on 31st March 2021 and attendance details of meetings during FY21, are as follows:

Table 9

Name of the Director	No. of meetings held during FY21	No. of meetings attended
Ms. Anjali Bansal, Chairperson	4	4
Mr. K. M. Chandrasekhar	4	4
Dr. Praveer Sinha	4	4

Meetings of this Committee were held on 18th May 2020, 11th August 2020, 9th November 2020 and 3rd February 2021 with the requisite quorum.

The Company has adopted a CSR policy which indicates the activities to be undertaken by the Company as specified in Schedule VII to the Act. The policy, including overview of projects or programs proposed to be undertaken, is provided on the Company's website at <https://www.tatapower.com/pdf/aboutus/csr-policy.pdf>

Brief Terms of Reference/Roles and Responsibilities:

- Formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act.
- Recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy.
- Monitor the CSR Policy.

Ms. Anjali Bansal, Chairperson of the Committee, was present at the last AGM held on 30th July 2020.

Stakeholders Relationship Committee

The composition of the Committee as on 31st March 2021 and attendance details of meetings during FY21, are as follows:

Table 10

Name of the Director	No. of meetings held during FY21	No. of meetings attended
Mr. Banmali Agrawala, Chairman	2	2
Mr. Hemant Bhargava	2	2
Ms. Anjali Bansal	2	2

Meetings of this Committee were held on 26th November 2020 and 24th March 2021 with the requisite quorum.

The Committee specifically discharges duties of servicing and protecting the various aspects of interest of shareholders, debenture holders and other security holders.

The Board has approved the Charter of the Committee defining its composition, powers, responsibilities, etc. The terms of the Charter broadly include:

- Review statutory compliances relating to all security holders.
- Resolve the grievances of all security holders.
- Oversee compliances in respect of dividend payments and transfer of unclaimed amounts to the Investor Education and Protection Fund.
- Oversee and review of all matters related to the transfer of securities of the Company.
- Ensure setting of proper controls and oversight of performance of the Registrar and Share Transfer Agent (RTA).
- Approve issuance of duplicate share certificates of the Company.
- Approve transmission of securities.
- Review movements in shareholding and ownership structure of the Company.
- Recommend measures for overall improvement of the quality of investor services.
- Conduct a Shareholder Satisfaction Survey to judge the level of satisfaction amongst shareholders.
- Suggest and drive implementation of various shareholder-friendly initiatives.
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/ amendment or modification as may be applicable.

Name, designation and address of the Compliance Officer:

Mr. H. M. Mistry, Company Secretary
Bombay House, 24, Homi Mody Street, Mumbai 400 001
Tel: 022 6665 8282

In accordance with Regulation 6 of the Listing Regulations, the Board has appointed Mr. H. M. Mistry, Company Secretary as the Compliance Officer. He is authorised to approve share transfers/transmissions, in addition to the powers with the members of the Committee. Share transfer formalities are regularly attended to and at least once a fortnight. All investor complaints which cannot be settled at the level of the Compliance Officer, are placed before the Committee for final settlement.

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

Table 11

Sl. No.	Description	Total		
		Received	Replied	Pending
A. Letters received from Statutory Bodies				
	Securities & Exchange Board of India	3	3	1*
	Stock Exchanges	4	4	0
	Depositories (NSDL/CDSL)	1	1	0
	Ministry of Corporate Affairs	5	5	0
	Consumer Forum	0	0	0
B. Dividends				
	Non-receipt of dividend/ interest warrants (pending reconciliation at the time of receipt of letters)	0	0	0
Total		13	13	1*

* 1 complaint of Mr. J. P. Balasubramanian, received through SEBI and brought forward from last year, remains pending.

Mr. Banmali Agrawala, Chairman of the Committee, was present at the last AGM held on 30th July 2020.

Risk Management Committee

The composition of the Committee as on 31st March 2021 and attendance details of meetings during FY21, are as follows:

Table 12

Name of the Director	No. of meetings held during FY21	No. of meetings attended
Ms. Vibha Padalkar, Chairperson	3	3
Mr. Sanjay V. Bhandarkar	3	3
Mr. Ashok Sinha	3	3
Mr. Hemant Bhargava	3	2
Mr. Banmali Agrawala	3	3

Meetings of this Committee were held on 15th July 2020, 26th November 2020 and 24th March 2021 with the requisite quorum.

The Board has adopted Risk Management Strategy Document which specifies the objective, benefits of Risk Management, Risk Management Policy, Risk Management Process, Risk Organization Structure, Risk Culture, etc. The Board has also approved the Charter of the Committee defining its composition, powers, responsibilities, etc.

The terms of the Charter broadly include:

- Reviewing the Company's risk governance structure, risk assessment and risk management practices and guidelines, policies and procedures for risk assessment and risk management including the risk management plan.

- Reviewing and approving Enterprise-wide Risk Management (ERM) framework.
- Review the alignment of the ERM framework with the strategy of the Company.
- Monitor the Company's risk appetite and strategy relating to key risks, including credit risk, liquidity and funding risk, market risk, cyber security risk, forex risk, commodity risk, product risk and reputational risk, as well as the guidelines, policies and processes for monitoring and mitigating such risks.
- Oversee Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels.
- Review and analyse risk exposure related to specific issues, concentrations and limit excesses, and provide oversight of risk across organisation.
- Review compliance with risk policies, monitor breaches / trigger trips of risk tolerance limits and direct action.
- Nurture a healthy and independent risk management function in the Company.
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/ amendment or modification as may be applicable.

Ms. Vibha Padalkar, Chairperson of the Committee, was present at the last AGM held on 30th July 2020.

❖ Non-statutory Committees

The Board has also constituted the following non-statutory Committees:

- Executive Committee of the Board
- Committee of Directors

Executive Committee of the Board

The Committee comprises the following as on 31st March 2021:

- Mr. N. Chandrasekaran, Chairman
- Mr. Sanjay V. Bhandarkar
- Dr. Praveer Sinha

Terms of Reference:

The Committee covers a detailed review of the following matters before they are presented to the Board:

- Business and strategy review.
- Long-term financial projections and cash flows.
- Capital and revenue budgets and capital expenditure programmes.
- Acquisitions, divestments and business restructuring proposals.
- Any other item as may be decided by the Board.

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The said matters were discussed in various Board meetings held during the year under review in the presence of the Executive Committee of the Board with the intent to avail expertise of all Board members.

Committee of Directors

The Committee comprises the following as on 31st March 2021:

- Mr. Sanjay V. Bhandarkar, Chairman
- Mr. Banmali Agrawala
- Dr. Praveer Sinha

Terms of Reference:

The role of this Committee is as follows:

- Borrowings of the Company subject to outstanding facilities not exceeding an amount of ₹ 12,500 crore of term loans and ₹ 8,000 crore of working capital facilities.
- Create security on the assets of the Company to secure the borrowings of the Company subject to these being within the limit approved by the shareholders of the Company under Section 180(1)(a) of the Act.
- Issue of corporate guarantees to secure the borrowings of wholly owned subsidiaries / step-down subsidiaries of wholly owned subsidiaries of the Company.
- Change in authorised signatories for the existing borrowings including working capital facilities of the Company.
- Commitment to capex item exceeding ₹ 200 crore (within Board approved Annual Business Plan) in a financial year.
- Enter into any coal, fuel and freight contracts having tenure above 5 years.
- Write off of receivables exceeding ₹ 10 crore in a financial year.
- Claim settlement and dispute exceeding ₹ 25 crore per instance and ₹ 50 crore in aggregate in a financial year.
- Waiver of delayed payment surcharge exceeding ₹ 50 crore in a financial year.

- Approve investments and recommend investment proposals to Tata Power group companies within overall Board approved framework.
- Framing of Investment Guidelines outlining prudential norms for investing in Mutual Funds, Fixed Deposits, Inter-Corporate Deposits with approved corporates, Central and State Government securities and any subsequent amendments.
- Modification/addition/deletion of authorised signatory list to give effect to investments within the Prudential Investment Norms.
- Reconstitution of the Boards of Trustees of The Tata Power Consolidated Provident Fund, The Tata Power Company Limited Staff Superannuation Fund and Tata Power Gratuity Fund.
- Change in operating instructions involving the Company's bank accounts.
- Submit Request for Qualification for any project and authorise execution of all documents, including Powers of Attorney, in connection with the same.
- All other matters earlier delegated by the Board/ Committee thereof, to a Committee comprising the CEO & Managing Director and COO & Executive Director.
- To change the authorised signatories for all transactions, contracts, agreement etc., entered into by the Company in the ordinary course of business.
- Grant authority to the Company's officers to exercise powers of a higher Work level under the Company's Schedule of Authorities.

The said matters were discussed in various Board meetings held during the year under review in the presence of the Committee of Directors with the intent to avail expertise of all Board members.

General Body Meetings

a) The details of the last three AGMs of the Company:

Table 13

Year ended	Day, Date & Time	Venue	Special Resolutions passed
31st March 2020	Thursday, 30th July 2020 at 3 p.m. (IST)	Virtual Meeting through Video Conferencing / Other Audio Visual Means	• Issuance of Equity Shares to Tata Sons Private Limited, Promoter of the Company, on a Preferential basis
31st March 2019	Tuesday, 18th June 2019 at 3 p.m. (IST)	Birla Matushri Sabhagar, Sir Vithaldas Thackersey Marg, 19, New Marine Lines, Mumbai 400 020	• Nil
31st March 2018	Friday, 27th July 2018 at 3 p.m. (IST)		• Private placement of Non-Convertible Debentures/ Bonds

b) Extraordinary General Meeting:

No Extraordinary General Meeting of the Members was held during FY21.

c) Details of the meeting convened in pursuance of the order passed by the National Company Law Tribunal (NCLT):

During the year, pursuant to an order dated 5th January 2021, passed by the Hon'ble National Company Law Tribunal, Mumbai Bench in the Company Scheme Application No. 1140/MB/2020, a meeting of the Equity Shareholders of the Company was held through Video Conferencing / Other Audio Visual Means on Tuesday, 16th February 2021 at 3 p.m. (IST) to consider and approve the Composite Scheme of Arrangement amongst Coastal Gujarat Power Limited and Tata Power Solar Systems Limited and The Tata Power Company Limited and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Act and the Rules thereunder.

d) Postal Ballot:**(i) Details of special resolutions passed by postal ballot:**

During the year under review, two ordinary resolutions were passed by means of postal ballot on 24th June 2020, the details of which are as follows:

- Increase in the Authorised Share Capital of the Company; and
- Alteration of the Memorandum of Association of the Company.

(ii) Details of Voting Pattern:

Table 14

Ordinary Resolution No	Ballots Received	Total Shares	In favour		Against		Invalid	
			Ballots	Votes	Ballots	Votes	Ballots	Votes
a)	2,306	2,01,16,51,392	2,194	2,00,67,30,821	112	49,20,571	Nil	Nil
b)	2,306	2,01,16,55,314	2,176	2,00,67,70,930	130	48,84,384	Nil	Nil

(iii) Person who conducted the aforesaid postal ballot exercise:

Mr. P. N. Parikh (ICSI Membership No. FCS 327), Practising Company Secretary of Parikh & Associates conducted the aforesaid postal ballot exercise in a fair and transparent manner.

(iv) Whether any special resolution is proposed to be conducted through postal ballot:

No Special Resolution is currently proposed to be conducted through postal ballot.

(v) Procedure followed for Postal Ballot:

Pursuant to Sections 108, 110 and other applicable provisions, if any, of the Act, (including any statutory modification or re-enactment thereof for the time being in force) read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (the Rules), as amended from time to time, the General Circular No. 14/ 2020 dated 8th April 2020 and the General Circular No. 17/ 2020 dated 13th April 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19" issued by the MCA, Government of India (the "MCA Circulars") and pursuant to other applicable laws and regulations,

the Company provided only the remote e-Voting facility to its Members, to enable them to cast their votes electronically.

The Company engaged the services of National Securities Depository Limited (NSDL) for facilitating remote e-Voting to enable the Members to cast their votes electronically.

Due to non-availability of postal and courier services, on account of the threat posed by COVID-19 and in terms of the MCA Circulars, the Company sent the Postal Ballot Notices in electronic form only to its registered shareholders whose e-mail IDs were registered/available with the Depository Participants (DPs)/Registrars and Share Transfer Agents (RTA) as on a cut-off date.

Voting rights were reckoned on the paid-up value of the shares registered in the names of the Members as on the cut-off date i.e. 19th May 2020. Members desiring to exercise their votes by electronic mode were requested to vote before close of business hours on the last date of e-Voting.

The scrutinizer, after the completion of scrutiny, submitted his report to Mr. H. M. Mistry, Company Secretary who was authorised to accept, acknowledge

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and countersign the Scrutinizer's Report as well as declare the voting results in accordance with the provisions of the Act, the Rules framed thereunder and the Secretarial Standard 2 on General Meetings. The consolidated results of the voting by postal ballot and e-Voting were then announced by Mr. Mistry. The results were also displayed at the Registered Office and the Corporate Office of the Company and on the Company's website at <https://www.tatapower.com/pdf/investor-relations/postal-ballot-voting-results-24jun20.pdf> besides being communicated to BSE Limited (BSE), National Stock Exchange of India Limited (NSE) and NSDL. The results were announced on 24th June 2020.

Means of Communication to the shareholders

a) Calendar of financial year ended 31st March 2021

The Company follows April-March as the financial year. The meetings of the Board of Directors for approval of quarterly and annual financial results for the financial year ended 31st March 2021 were held on the following dates:

Table 15

Particulars	Date
Quarter ended 30th June 2020	12th August 2020
Quarter/half-year ended 30th September 2020	10th November 2020
Quarter/nine months ended 31st December 2020	4th February 2021
Quarter/year ended 31st March 2021	12th May 2021

b) Quarterly, Half-yearly and Annual Results

Quarterly, half-yearly and annual financial results of the Company are published in widely circulated national newspapers, as per the details given below:

Table 16

Name of the Newspaper	Region	Language
Indian Express - All editions	Ahmedabad, Vadodara, Mumbai, Chandigarh, New Delhi, Kolkata, Lucknow, Nagpur and Pune	English
Financial Express	Mumbai, Pune, Ahmedabad, New Delhi, Lucknow, Chandigarh, Kolkata, Hyderabad, Bengaluru, Kochi and Chennai	English
Loksatta - All editions	Ahmednagar, Mumbai, Pune, Nagpur, Aurangabad and New Delhi	Marathi
Jam-e-Jamshed Weekly	Mumbai	Gujarati
Vyapar + Phulchhab	Vyapar (Mumbai) and Phulchhab (Rajkot)	Gujarati

Post results, an Investor Conference call is held where members of the financial community are invited to participate in the Q&A session with the Company's management. The key highlights are discussed and investor/analyst queries are resolved in this forum. The quarterly, half-yearly and annual financial results are also uploaded on the Company's website at <https://www.tatapower.com/investor-relations/quarterly-results.aspx>

- c) **Annual Reports and Annual General Meetings:** The Annual Reports are emailed/posted to Members and others entitled to receive them. The Annual Reports are also available on the Company's website at <https://www.tatapower.com/investor-relations/annual-reports-archive.aspx> in a user-friendly downloadable form. The Company also provides live webcast facility of its AGM in co-ordination with NSDL. In line with the MCA Circulars dated 5th May 2020 and 13th January 2021 and SEBI Circulars dated 12th May 2020 and 15th January 2021, the Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories.
- d) **News Releases, Presentations, etc.:** Official news releases, detailed presentations made to media, analysts, institutional investors, etc. are displayed on the Company's website at <https://www.tatapower.com/investor-relations/analyst-presentation-archive.aspx>. Official media releases, sent to the Stock Exchanges, are given directly to the press.
- e) **Website:** Comprehensive information about the Company, its business and operations, Press Releases and investor information can be viewed at the Company's website at www.tatapower.com. The 'Investor Relations' section serves to inform the investors by providing key and timely information like financial results, annual reports, shareholding pattern, presentations made to analysts, etc.

- f) NSE Electronic Application Processing System (NEAPS) and BSE Online Portal:** NSE has provided online platform NEAPS wherein the Company submits all the compliances/disclosures to the Stock Exchanges in the SEBI prescribed format. Similar filings are made with BSE on their online Portal viz. BSE Corporate Compliance & Listing Centre.
- g) eXtensible Business Reporting Language (XBRL):** XBRL is a standardized and structured way of communicating business and financial data in an electronic form. XBRL provides a language containing various definitions (tags) which uniquely represent the contents of each piece of financial statements or other kinds of compliance and business reports. BSE and NSE provide XBRL based compliance reporting featuring identical and homogeneous compliance data structures between Stock Exchanges and MCA. XBRL filings are done on the NEAPS portal as well as the BSE online portal.
- h) Web-based Query Redressal System:** Members also have the facility of raising their queries/complaints on share related matters through an option provided on the Company's website at <https://www.tatapower.com/investor-relations/investor-queries.aspx>.
- i) SEBI Complaints Redressal System (SCORES):** A centralised web-based complaints redressal system, which serves as a centralised database of all complaints received, enables uploading of Action Taken Reports (ATRs) by the concerned company and online viewing by the investors of actions taken on the complaint and its current status.
- j) Dedicated email ID for communication with Investor Education and Protection Fund Authority:** The Company has a dedicated e-mail ID iepf@tatapower.com for communication with the IEPF Authorities. Investors are requested to send their IEPF claim documents at iepfclaim@tsrdarashaw.com.
- k) Reminder to investors:** Reminders to collect unclaimed dividend on shares or debenture redemption/interest are sent to the concerned shareholders and debenture holders.
- (c) Dividend** : Dividend of ₹ 1.55 per Equity share of ₹ 1 each fully paid up (155%) for the financial year 2020-21 has been recommended by the Board of Directors to Members for their approval. If approved by the Members, payment will be made on and from Wednesday, 7th July 2021. For the Members who are unable to receive the dividend directly in their bank accounts, the Company shall dispatch the dividend warrant to them, on resumption of normal activities.
- (d) Book Closure** : From Saturday, 19th June 2021 to Monday, 5th July 2021 (both days inclusive)
- (e) E-Voting Dates:** The cut-off date for the purpose of determining the shareholders eligible for e-Voting is 28th June 2021. The e-Voting commences on Thursday, 1st July 2021 at 9 a.m. (IST) and ends on Sunday, 4th July 2021 at 5 p.m. (IST).
- (f) International Securities Identification Number (ISIN):**
INE245A01021
- (g) Corporate Identity Number (CIN):**
L28920MH1919PLC000567
- (h) Listing on Stock Exchanges:**
Listing of Equity Shares: The Company's Equity Shares are listed on two Stock Exchanges in India viz. (a) BSE Limited (Regional Stock Exchange), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 and (b) National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai 400 051.
- Listing of GDS and GDRs:** In February 1994, the Company jointly with the erstwhile The Tata Hydro-Electric Power Supply Company Limited and The Andhra Valley Power Supply Company Limited issued Global Depository Shares (GDS) in the International Market which have been listed on Luxembourg Stock Exchange, 35 Boulevard Joseph II, 1840, Luxembourg and have been accepted for clearance through Euroclear and Cedel. They have also been designated for trading in the PORTAL System of the National Association of Securities Dealers, Inc.
- In July 2009, the Company raised USD 335 million through offering of Global Depository Receipts (GDRs). The GDRs are listed and traded in Euro MTF market of Luxembourg Stock Exchange and are also available for trading on IOB (International Order Board) of London Stock Exchange.

General Shareholder Information

- (a) Details of AGM:** Monday, 5th July 2021 at 3 p.m. (IST)
In accordance with the Circulars issued by MCA and SEBI, the AGM will be held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) only.
- (b) Financial Year** : 1st April to 31st March

Number of outstanding GDS as on 31st March 2021:

- 436 (Issued in 1994 to Citibank NA)
- 2,180 (Issued in 2009 to Bank of New York, Mellon)

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Listing of Debt Securities: The various series of Debentures issued by the Company are listed as under:

Table 17

Sl. No.	Series	Amount outstanding as on 31st March 2021 (₹ in crore)	Listed on	Name of the Debenture trustees with full contact details
1.	9.15% Secured, Non-Convertible, Non-Cumulative, Redeemable, Taxable Debentures with Separately Transferable Redeemable Principal Parts	100	NSE	Centbank Financial Services Limited Central Bank of India, MMO Bldg., 3rd Floor (East Wing), 55, Mahatma Gandhi Road, Fort, Mumbai 400 001. Tel: 022 2261 6217 Fax: 022 2261 6208 E-mail : info@cfsli.in
2.	9.15% Secured, Non-Convertible, Non-Cumulative, Redeemable, Taxable Debentures with Separately Transferable Redeemable Principal Parts	90	NSE	
3.	9.40% Redeemable, Transferable, Secured, Non-Convertible Debentures	210	NSE	
4.	10.75% Unsecured Debentures	1,500	NSE	
5.	11.40% Perpetual Bonds	1,500	BSE & NSE	
6.	7.99% Unsecured, Redeemable, Non-Convertible Debentures	1,200	BSE	IDBI Trusteeship Services Limited Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai 400 001. Tel: 022 4080 7000 Fax: 022 6631 1776 E-mail : itsl@idbitrustee.com
7.	9% Series I Unsecured, Redeemable, Taxable, Listed, Rated, Non-Convertible Debentures	250	NSE	
8.	8.84% Series II Unsecured, Redeemable, Taxable, Listed, Rated, Non-Convertible Debentures	500	NSE	
9.	8.84% Series III Unsecured, Redeemable, Taxable, Listed, Rated, Non-Convertible Debentures	750	NSE	
10.	7.60% Unsecured, Redeemable, Non-Convertible Debentures	1000	NSE	SBICAP Trustee Company Limited Apeejay House, 6th Floor, 3, Dinshaw Wachha Road, Churchgate, Mumbai 400 020 Tel: 022 4302 5555 Fax: 022 2204 0465 Email: corporate@sbicaptrustee.com
11.	6% Unsecured, Redeemable, Non-Convertible Debentures	1000	NSE	
12.	8.21% Unsecured, Redeemable, Non-Convertible Debentures	300	NSE	
13.	6.18% Unsecured, Redeemable, Non-Convertible Debentures	400	BSE	Axis Trustee Services Limited The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai 400 028 Tel: 022 6230 0603 Mob: 98191 37920 Email: kulkarni.makarand@axistrustee.com
14.	7.05% Unsecured, Redeemable, Non-Convertible Debentures	500	BSE	
15.	7.77% Unsecured, Redeemable, Non-Convertible Debentures	500	BSE	

(i) Listing and Custodial Fees:

The Company has paid the requisite Annual Listing and Custodial Fees to the Stock Exchanges and Depositories viz. Central Depository Services (India) Limited (CDSL) and NSDL, respectively for the financial years 2020-21 and 2021-22.

(j) Listing Details:

Table 18

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

(k) Market Price Data: Month wise High, Low and trading volumes of the Company's Equity Shares during the last financial year at BSE and NSE are given below:

Table 19

Stock Exchange	BSE			NSE		
	Month	High (₹)	Low (₹)	No. of shares traded	High (₹)	Low (₹)
April 2020	36.50	30.20	97,96,045	36.50	30.15	22,08,97,513
May 2020	36.90	27.35	3,57,26,976	36.90	27.30	84,34,43,518
June 2020	46.35	39.55	5,38,42,806	46.35	39.45	90,21,99,083
July 2020	52.55	46.00	4,20,80,116	52.50	46.10	70,59,05,429
August 2020	62.70	48.75	5,32,39,856	62.65	48.75	83,96,43,695
September 2020	61.00	50.35	3,08,05,672	60.95	50.45	53,24,63,877
October 2020	56.15	52.15	1,90,55,204	56.15	52.10	34,36,93,775
November 2020	64.95	52.65	4,30,71,972	64.90	52.65	54,81,80,944
December 2020	77.20	67.95	5,89,06,626	77.20	67.95	86,80,38,315
January 2021	86.05	75.40	5,15,29,304	86.05	75.40	68,15,15,058
February 2021	96.05	79.85	7,94,95,763	96.00	79.90	102,09,63,949
March 2021	113.25	97.80	11,79,26,430	113.25	97.90	159,70,82,988

(l) The market share price in comparison to broad-based indices like BSE Sensex and Nifty are given below:

(i) **Comparison of the Company's Share Price with BSE Sensex and BSE Power Sensex in FY21:**

Table 20

Months	Tata Power closing price at BSE	BSE Sensex	BSE Power Sensex
April 2020	31.75	33,717.62	1,490.51
May 2020	36.60	32,424.10	1,481.53
June 2020	44.90	34,915.80	1,574.86
July 2020	48.70	37,606.89	1,538.93
August 2020	58.70	38,628.29	1,669.87
September 2020	53.15	38,067.93	1,652.97
October 2020	52.15	39,614.07	1,729.35
November 2020	64.95	44,149.72	1,999.37
December 2020	75.65	47,751.33	2,062.13
January 2021	75.40	46,285.77	2,004.65
February 2021	95.10	49,099.99	2,418.77
March 2021	103.20	49,509.15	2,475.13

(ii) **Comparison of the Company's Share Price with NSE Nifty and NSE Nifty Energy in FY21:**

Table 21

Months	Tata Power closing price at NSE	Nifty	Nifty Energy
April 2020	31.70	9,859.90	13,154.70
May 2020	36.55	9,580.30	13,060.50
June 2020	44.85	10,302.10	14,396.55
July 2020	48.70	11,073.45	15,309.15
August 2020	58.75	11,387.50	15,605.25
September 2020	53.30	11,247.55	15,026.95
October 2020	52.15	11,642.40	14,977.80
November 2020	64.90	12,968.95	16,251.85
December 2020	75.65	13,981.75	16,922.50
January 2021	75.40	13,634.60	16,159.20
February 2021	95.15	14,529.15	18,793.35
March 2021	103.25	14,690.70	18,185.10

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(iii) Performance in comparison to broad-based indices:

Table 22

Company's Share Price	BSE	NSE
As at 01.04.2020	31.55	31.55
As at 31.03.2021	103.20	103.25
Change (%)	227.10	227.26

Table 23

Indices	Sensex	Nifty
As at 01.04.2020	28,265.31	8,253.80
As at 31.03.2021	49,509.15	14,690.70
Change (%)	75.16	77.99

(m) None of the Company's securities have been suspended from trading.

(n) (i) **Registrars and Share Transfer Agents:** TSR Darashaw Consultants Private Limited (TSRD) (formerly known as TSR Darashaw Limited), C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400 083, Tel: 022 6656 8484, Fax : 022 6656 8494, Email: csg-unit@tcplindia.co.in, Website: www.tcplindia.co.in

(ii) Branches of TSRD:

1. C/o. Mr. D. Nagendra Rao, "Vaghdevi" 543/A, 7th Main, 3rd Cross, Hanumanthnagar, Bengaluru - 560019, Tel: +91-80-2650 9004; Email: tsrdlbang@tcplindia.co.in
2. C/o Link Intime India Private Limited, Vaishno Chamber, Flat No.502 & 503, 5th Floor, 6, Brabourne Road, Kolkata - 700001, Tel: +91-33-4008 1986; Email: tsrdlcal@tcplindia.co.in
3. C/o Link Intime India Private Limited, Noble Heights, 1st Floor, Plot No NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi - 110058, Tel: +91-11-4941 1030; Email: tsrdldel@tcplindia.co.in

(p) Shareholding details of the Company:

i. Distribution of Equity Shareholding as on 31st March 2021:

Table 25

Range of Holdings	Number of shares				Number of shareholders					
	Physical	Demat	Total	%	Physical	%	Demat	%	Total	%
1 - 5000	1,97,99,433	26,70,05,594	28,68,05,027	8.98	15,602	90.84	9,76,149	98.25	9,91,751	98.12
5001 - 10000	78,43,645	7,00,18,980	7,78,62,625	2.44	1,136	6.61	9,750	0.98	10,886	1.08
10001 - 20000	41,99,133	6,28,57,222	6,70,56,355	2.10	300	1.75	4,481	0.45	4,781	0.47
20001 - 30000	15,75,737	3,22,18,651	3,37,94,388	1.06	66	0.38	1,299	0.13	1,365	0.14
30001 - 40000	12,78,500	1,80,44,304	1,93,22,804	0.60	36	0.21	517	0.05	553	0.05
40001 - 50000	5,24,580	1,46,08,265	1,51,32,845	0.47	12	0.07	324	0.03	336	0.03
50001 - 100000	10,83,400	3,88,46,809	3,99,30,209	1.25	17	0.10	550	0.06	567	0.06
100001 and above	19,74,340	265,34,60,954	265,54,35,294	83.10	6	0.04	521	0.05	527	0.05
Total	3,82,78,768	315,70,60,779	319,53,39,547*	100.00	17,175	100.00	9,93,591	100.00	10,10,766	100.00

*It only represents number of listed Equity shares. It excludes 28,32,060 equity shares not allotted but held in abeyance, 44,02,700 equity shares cancelled pursuant to a Court Order, 4,80,40,400 equity shares of the Company held by the erstwhile The Andhra Valley Power Supply Co. Ltd. cancelled pursuant to the Scheme of Amalgamation sanctioned by the High Court of Judicature at Bombay and 16,52,300 forfeited equity shares.

4. Bungalow No. 1, 'E' Road, Northern Town Bistupur, Jamshepur - 831001, Tel: +91-657-2426937; Email: tsrdljsr@tcplindia.co.in

5. C/o Link Intime India Private Limited, 5th Floor, 506 to 508, Amarnath Business Centre-1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off. C.G. Road, Ellisbridge, Ahmedabad - 380006, Tel: +91-79-26465179; Email: csg-unit@tcplindia.co.in

For the convenience of Members, all communications/ documents are also accepted at the abovementioned branches/ agency of TSRD between 10.00 a.m. to 3.30 p.m. (Monday to Friday except bank holidays).

(o) Share transfer system:

All the transfers are processed by the RTA and are approved by the Stakeholders' Relationship Committee. All share transfer and other communications regarding share certificates, change of address, dividends, etc. should be addressed to the RTA.

Compliance of Share Transfer formalities

As per the requirement of Regulation 40(9) of the Listing Regulations, the Company has obtained half-yearly certificates from the Company Secretary in practice for due compliance of share transfer formalities.

The number of shares transferred/transmitted in physical form during the last two financial years are given below:

Table 24

Shares transferred/ transmitted in physical form	FY21	FY20
Number of transfers/ transmissions	581	1,046
Number of shares	9,02,808	22,40,811

ii. Shareholding pattern of the Company as on 31st March 2021:

Table 26

Particulars	Equity Shares of ₹ 1 each	
	No. of Shares	%
Promoters (including Promoter Group)	149,72,57,565	46.86
Directors and their relatives	7,16,262	0.02
Insurance Companies	33,84,20,490	10.59
Financial Institutions/Banks	1,06,71,777	0.33
Mutual Funds / UTI	28,20,71,479	8.83
Provident Funds/ Pension Funds	25,40,735	0.08
Clearing Members	1,74,44,396	0.54
Corporate Bodies	3,78,90,107	1.19
Body Corporate-NBFC	55,175	0.00
Limited Liability Partnership-LLP	9,01,914	0.03
Alternate Investment Fund	75,43,949	0.24
Trusts	10,31,819	0.03
Resident Individuals & HUF	53,84,12,544	16.85
Central / State Governments	2,56,09,803	0.80
Foreign Portfolio Investors - Corporate	38,87,58,487	12.17
OCBs	4,000	0.00
OCBs-DR	3,73,990	0.01
Foreign National-DR	5,631	0.00
Global Depository Receipts	4,14,300	0.01
Non-Resident Indians	3,63,52,770	1.14
IEPF Suspense A/c	88,62,354	0.28
Total	319,53,39,547	100.00

iii. Top 10 Shareholders of the Company as on 31st March 2021

Table 27

Sl. No.	Name of Shareholder	Total holdings	% to capital
1	Tata Sons Private Limited	144,45,13,021	45.21
2	Life Insurance Corporation of India	16,41,25,329	5.14
3	Matthews Pacific Tiger Fund	14,93,84,497	4.68
4	ICICI Prudential Value Discovery Fund	8,91,12,249	2.79
5	Tata Steel Limited	3,91,22,725	1.22
6	General Insurance Corporation of India	3,81,00,100	1.19
7	Franklin India Equity Advantage Fund	3,22,07,715	1.01
8	HDFC Life Insurance Company Limited	3,15,96,717	0.99
9	The New India Assurance Company Limited	2,63,43,839	0.82
10	Nippon Life India Trustee Limited- Funds	2,44,33,343	0.76
	Grand Total	203,89,39,535	63.81

Persons holding 1% or more of the equity shares in the Company as on 31st March 2021 excluding the list of top 10 shareholders of the Company: None

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(q) Details of Equity Shares in dematerialised and physical form as on 31st March 2021:

The Company's shares are compulsorily traded in dematerialised form and are available for trading through both the Depositories in India viz. NSDL and CDSL. The details of number of equity shares of the Company which are in dematerialised and physical form are given below:

Table 28

Particulars of Shares	Shares of ₹ 1 each		Shareholders	
	Number	% to total	Number	% to total
Dematerialised form				
NSDL* (A)	294,95,61,001	92.31	3,36,555	33.30
CDSL (B)	20,74,99,778	6.49	6,57,036	65.00
Sub-total (A+B)	315,70,60,779	98.80	9,93,591	98.30
Physical form	3,82,78,768	1.20	17,175	1.70
Total	319,53,39,547	100.00	10,10,766	100.00

* includes shares held by Tata Sons and promoter group representing 46.86% of the total shareholding.

(r) Commodity price risk or foreign exchange risk and hedging activities:

The Company has adopted the Commodity Price Risk Management Policy to manage its risks associated with commodity imports (presently only Coal) from international markets. The objective of this policy is to ensure protection from risk arising out of adverse and volatile movement in commodity prices by proper monitoring of the exposures and taking timely actions to keep risks to acceptable levels. In terms of SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/000000141 dated 15th November 2018, the required information is provided as under:

- i) Risk management policy of the Company with respect to commodities including through hedging: The Commodity Price Risk Management Policy is available on the Company's website at <https://www.tatapower.com/pdf/aboutus/commodity.pdf>.
- ii) Exposure of the Company to commodity and commodity risks faced by the Company throughout the year:
 - Total exposure of the listed entity to commodities in ₹: Total coal exposure of the Company in FY 2020-21 is approx. ₹ 1,191.53 crore.
 - Exposure of the listed entity to various commodities:

Table 29

Commodity Name	Exposure in ₹ towards the particular commodity	Exposure in quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market	Total	
			OTC	Exchange	OTC		Exchange
Coal	<ul style="list-style-type: none"> • Trombay Plant - ₹ 588.85 crore • Jojobera Plant - ₹ 602.68 crore 	<ul style="list-style-type: none"> • Trombay Plant - 1.72 Million MT (imported) • Jojobera Plant - 1.54 Million MT (domestic) 	Nil	Nil	Nil	Nil	Nil

- Commodity risks faced by the Company during the year and how they have been managed are given below: The Company has its coal based power generation plants situated at Trombay, Mumbai and Jojobera, Jamshedpur (Jharkhand). The Trombay Plant imports coal from Indonesia under long term index linked contract in accordance with Indonesian price regulation, while Jojobera Plant uses domestic coal (Indigenous coal) which is governed by notified price declared by Coal India Limited.

The Company, therefore, inherently faces commodity price risk from use of coal for its power generation facilities. However, as both the aforesaid plants are regulated business and the cost of coal is pass-through, the Company does not have any risk towards fluctuation of price of coal being sourced for these plants. Therefore, the price risk on imported as well as domestic coal is not hedged.

To address short term price volatility and assure supply, the Company has entered into long term coal procurement agreements. Further, to manage sourcing, the Company has a dedicated Fuel Procurement team with strong understanding of coal markets. This team works closely with coal suppliers and the Company's operations team to plan and source its coal supplies through reliable and lowest cost supply chain.

The foreign exchange variation on the imported coal is allowed as a full cost pass-through in the tariff of the two regulated businesses and is, therefore, not hedged.

(s) Plant locations of the Company and Group Companies:

Table 30

Type of plants	Address of plants
Thermal Power Generating Plants	Trombay Generating Station, Mahul Road, Chembur, Mumbai, Maharashtra
	Jojobera Power Plant, Jojobera, Jamshedpur, Jharkhand
	Haldia Power Plant, HFC Complex, Patikhali, Haldia, District Purb, East Medinipur, West Bengal
	Coastal Gujarat Power Limited, Mundra Ultra Mega Power Plant, Tunda-Vandh Road, Village Tunda, Taluka Mundra, Kutch, Gujarat
	Maithon Power Limited, Village Dambhui, P.O. Barbindia, P.S. Nirsra, District Dhanbad, Jharkhand
	Industrial Energy Limited, Inside of Tata Steel Limited, Kalinganagar, Jajpur, Jajpur Road, Duburi, Odisha
	Tata Power Delhi Distribution Limited, Rithala CCGT Power Plant, 2/9, Sub Station Building, Behind Char Dham Apartment, Sector 9, Rohini, New Delhi
Hydro Generating Stations	Hydro Generating Station, Bhira P.O. Bhira, Taluka Mangaon, District Raigad, Maharashtra
	Hydro Generating Station, Bhivpuri, P.O. Bhivpuri Camp, Taluka Karjat, District Raigad, Maharashtra
	Hydro Generating Station, Khopoli, P.O. Khopoli Power House, Taluka Khalapur District Raigad, Maharashtra
	Itezhi Tezhi Power Corporation Limited, Unit No. 13D, 2nd Floor Pangaea Office Park, Plot 2374, Great East Road, Show Grounds Area, Postnet 239, Private Bag E891 Mandahill, Lusaka, Zambia
	Dagachhu Hydro Power Corporation Limited, Dagapela, Dagana, Bhutan
	Adjaristaqali Georgia LLC: <ul style="list-style-type: none"> - Shuakhevi - 178 MW (2 x 89 MW) - Shuakhevi Hydro Power Plant, Adjara Region Shuakhevi Municipality, Village Akhaldaba, Georgia - Skhalta - 9 MW (3 x 3 MW) - Skhalta Hydro Power Plant, Adjara Region Khulo Municipality, Village Tsablana, Georgia
Wind Farms	Walwhan Wind RJ Limited, 132 KV Dhalmoosubstation, Village Dhalmoos, Tehsil Pratapgarh, District Pratapgarh, Rajasthan
	Walwhan Energy Rajasthan Limited, Dangri Wind Farm, Village Dangri, District Jaisalmer, Rajasthan
	Tata Power Renewable Energy Limited: <ul style="list-style-type: none"> - Agaswadi Wind Farm, Village Kannarwadi, Hiwarwadi & Agaswadi, Taluka Khatav, District Satara, Maharashtra - Poolavadi Wind Farm, Villages Anikaduvu, Mongilphuluvu, Illupunagaram, Taluka Madathukulam, District Tripur, Tamil Nadu - Samana Wind Farm, Village Mota Panchdevda, Taluka Kalavad, District Jamnagar, Gujarat - Gadag Wind Farm, Hosur, Kanavi, Mulgund, Shiroland Harti, District Gadag, Karnataka - Dalot Wind Farm, Village Raipur, Jungle, Khanpur, Talabkheda, Karaikhede, Taluka Arnod, District Pratapgarh, Rajasthan - Rojmal Phase I Wind Farm, Village Sukhpur, Taluka Babra, District Amreli, Gujarat - Rojmal Phase II Wind Farm, Village Sukhpur, Taluka Babra, District Amreli, Gujarat - Dwarka Wind Farm, Village Bhatiya, District Khambhalia, Gujarat - Lahori Wind Farm, Village Lahori, District Shajapur, Madhya Pradesh - Dangri Wind Farm, Village Dangri, District Jaisalmer, Rajasthan - Nimbagallu Wind Project, Nimbagallu Village, Uravakonda (Mandal), District Anantapur, Andhra Pradesh - Visapur 32 MW Wind Farm, Village Kokrale, Visapur, Girijashankarwadi & Rajachekurle, Taluka Khatav, District Satara, Maharashtra
	Tata Power Green Energy Limited: <ul style="list-style-type: none"> - Supa Wind Farm, Kauda Dongar, Village Shahjahanpur & Pimpalgaon Kauda, Taluka - Parner, District Ahmednagar, Maharashtra - Khandke Wind Farm, Village Ranjani Agadgaon, Deogaon & Mehkari, District Ahmednagar, Maharashtra - Bramanvel Wind Farm, Village Valve, Taluka Sakri, District Dhulia, Maharashtra - Sadawaghapur Wind Farm, Village Sadawaghapur, Taluka Patan, District Satara, Maharashtra
	The Tata Power Company Limited: <ul style="list-style-type: none"> - Nivade Wind Farm, Village Sawarghar and Niwade, Taluka Patan, District Satara, Maharashtra - Visapur 10 MW Wind Farm, Village: kakrole, Visapur, taluka - Khatav, District - Satara
	TP Wind Power Limited, Jath, Dist-Sangli, Pin-416404, Maharashtra
	Vagarai Wind Farm Limited, Appayampatti Village, Oddan Chatram Taluk, District Dindigul, Tamil Nadu

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Type of plants	Address of plants
Solar Plants	Walwhan Urja Anjar Limited, Village Khirasara, Taluka Anjar, District Kutch, Gujarat
	Walwhan Solar Energy GJ Limited, Village Khirasara, Taluka Anjar, District Kutch, Gujarat
	MI MySolar 24 Private Limited, Village Fatepur, Taluka Dasada, District Surendranagar, Gujarat
	Dreisatz MySolar 24 Private Limited, Village Fatepur, Taluka Dasada, District Surendranagar, Gujarat
	Walwhan Solar Raj Limited, Khasra No. 44, Village Rawra, Tehsil Bap, Phalodi District, Jodhpur, Rajasthan
	Northwest Energy Private Limited, Khasra No. 240/1, Village Rawra, Tehsil Bap, Phalodi District, Jodhpur, Rajasthan
	Walwhan Solar AP Limited, Village Shrimandrup Nagar and Rawra, Tehsil Phalodi, District Jodhpur, Rajasthan
	Walwhan Solar RJ Limited, Village Deh, Tahsil Kolayat, District Bikaner, Rajasthan
	Walwhan Solar MP Limited:
	- 105 MW Solar Power plant, Village Bhagwanpura, Diken Area, Tehsil Jawad, District Neemuch, Madhya Pradesh
	- 25 MW Solar Power plant, Village Padaliya, Ratangarh Area, Tehsil Singoli, District Neemuch, Madhya Pradesh
	Walwhan Solar MH Limited, MIDC Mangalwedha (G.C.), Taluka Mangalwedha, Maharashtra
	Walwhan Renewable Energy Limited,
	C/o Clean Sustainable Solar Energy Private Limited, Village Shirshuphal, Baramati, Pune, Maharashtra
	Walwhan Renewable Energy Limited:
	- 30 MW Site, Survey No. 863 & 864, Near Lomada Village, Shimadripuram Mandal, Pulivendula Taluka, District Kadapa, Andhra Pradesh
	- 70 MW Site Vermalapudu, Owk - Mandal Tq, Kurnool District, Andhra Pradesh
	- 16 MW Site Rajapura Village, Molakalmuru Tq, Chitradurga District, Karnataka
	- 34 MW Site, Kodihalli Village, Hiriyuru Tq, Chitradurga District, Karnataka
	- 50 MW Site Bedareddyhalli Village, Challakere Tq, Chitradurga District, Karnataka
	- 50 MW Solar Site, Panchapatti, Veeriyapalayam Village, Krishnarayauram Taluk, Karur District
	- 50 MW Solar Site, Iyermai, Karupathur & Vayalur Village, Krishnarayauram Taluk, Karur District
	- Kayathar - 50 MW Plant, Metupirancheri Village, Manur Taluk, Tirunelveli, District 627352, Tamilnadu
	- Honda Cars India Limited, Plot No. A-1, Sector - 40/41, Surajpur Kasna Road, Greater Noida, Uttar Pradesh
	- Honda Cars India Limited, SPL-1, Tapukara Industrial Area, Khuskhera, Alwar District, Rajasthan
	Walwhan Solar KA Limited, Villages Nagasamudra & Heruru Taluka Molakalamuru, District Chitradurga, Karnataka
	Walwhan Solar PB Limited, Villages Jagaram Tirath & Teona Pujarian, Tehsil Talwandi Sabo, Bhatinda, Punjab
	Walwhan Solar TN Limited, Musri & TT PET - 100MW, Krishnapuram Village, Valaiyeduppu Post, Musiri Taluk, Trichy District, Tamil Nadu
	Walwhan Solar BH Limited:
	- Bahera, Block: Dobhi, P.O. Barachatti Anchal, Gaya, Bihar
	- Savkala & AMP, Khaira Khurd, Block Amas, P.O.: Sherghati Anchal, Sherghati, Gaya, Bihar
	Walwhan Solar MH Limited, Village Dhalmu, Pratapgarh, Rajasthan
	Tata Power Renewable Energy Limited:
	- Mulshi Solar Plant, Mulshi (Khurd), Post Male, Taluka Mulshi, District Pune, Maharashtra
	- Roof top Solar, Delhi
	- Bidar, Srinivasapura, Kanakagiri, Karnataka
	- Noamundi Solar Power Plant, Jharkhand
	- Palsawade Solar Plant, Palsawade, Taluka Maan, District Satara, Maharashtra
	- Sastra University, Maharashtra
	- Mithapur Solar Plant, Plot B, Survey No. 78, Mithapur, District Jamnagar, Gujarat
	- Belampalli Village, Ankepalli and Venkapalli, Mandal, Tandur, District Mancherial, Telangana
	- Plot No.6, Gujarat Solar Park Charanka, District Patan, Gujarat
	- 400 MW Solar Power Plants (blocks # 15,17, 18, 19, 21, 27, 32 and 34) @ 2000 MW Solar Park, Thirumani Village, Pavagada Taluka, Tumkur District, Karnataka
	- Plot - P4&P5, Ananthapuramu Ultra Mega Solar Park, Thumkuntha Village, Galiveedu Mandal, Raychoti Taluka, Kadapa, Andhra Pradesh
	- 150 MW TPREL MSEDCL Chhayana Solar PV Plant, Chhayana I, Pokhran, District Jaisalmer, Rajasthan
	Poolavadi Windfarm Limited, Netmagic 50 MW, Gholasgaon, Taluka: Akkalkot, District Solapur, Maharashtra, PIN: 413218

Type of plants	Address of plants
Transmission and Distribution Division	Ambernath Receiving Station, Murbad road, Varap, P O (Via) Kalyan, Dist. Thane, Mumbai - 421301, Maharashtra
	Backbay Receiving Station, 148, Lt. Gen. J. Bhonsle Marg, Nariman Point, Mumbai - 400021, Maharashtra
	BKC Substation, Near Asian Heart Hospital, Opposite Bharat Diamond Bourse, Bandra Kurla Complex, Bandra (E), Mumbai – 400051, Maharashtra
	Borivali Receiving Station, Tata Power House Road, Borivali (E), Mumbai- 400066, Maharashtra
	Bhokarpada Receiving Station, Hiranandani Business Park, Opposite Maharashtra Jeevan Pradhikaran at - Bhokarpada Village, Post Poyanje, Panvel, District – Raigad, Mumbai – 410206, Maharashtra
	Carnac Receiving Station, 34, Sant Tukaram Road, Carnac Bunder, Mumbai - 400009, Maharashtra
	Chembur Receiving Station, PO Box H O 18801, RCF Premises, Near Gate No.2, Chembur, Mumbai - 400074, Maharashtra
	Dharavi Receiving Station, Matunga, Near Shalimar Industrial Estate, Dharavi, Mumbai - 400019, Maharashtra
	Kalyan Receiving Station, Transmission Division, Shil Road, Netivli, Kalyan, Dist. Thane, Mumbai - 421301, Maharashtra
	Kolshet Sub Station, Ghodbunder Road, Manpada, Thane (W), Mumbai - 400601, Maharashtra
	Kurla Receiving Station, Tata Power, Kirol Road, Kamani, (Inside HDIL Premier SRA project, opposite building No. 29), Kurla(W), Mumbai - 400070, Maharashtra
	Malad Sub Station, Malad Marve Road, Malad (W), Mumbai - 400 095, Maharashtra
	Mankhurd Sub Station, Near Mankhurd – Ghatkopar Highway, Mumbai Pune Road, Mankhurd, Mumbai - 400088, Maharashtra
	Mahalaxmi Sub-Station, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, Maharashtra
	Parel Receiving Station, G D Ambekar Marg (Parel Tank Road), Parel, Mumbai - 400 033, Maharashtra
	Panvel Receiving Station, Old Mumbai Pune Road, Behind MSEDCL Bhingari, substation, Bhingari Panvel, Dist Raigad, Maharashtra
	Powai Receiving Station, Near MTNL Hiranandani Kailas Complex Road, Powai, Mumbai - 400076, Maharashtra
	Saki Receiving Station, 42, Saki Vihar Road, Andheri (East), Mumbai - 400072, Maharashtra
	Sahar Receiving Station, Near Hotel Leela, Sahar T2 Airport Road, Andheri East, Mumbai - 400 059, Maharashtra
	Salsette Receiving Station, Lake Road, Bhandup, Mumbai - 400 078, Maharashtra
Versova Sub Station, Off Andheri - Malad Link Road, Andheri (West), Mumbai - 400053, Maharashtra	
Vikhroli Sub Station, Godrej Soap Premises, Vikhroli (East), Mumbai 400079, Maharashtra	
Distribution Division, Senapati Bapat Marg, Lower Parel, Mumbai 400013, Maharashtra	
Karanjade, Transmission project Site, Plot no 81A, Sector 5A, Karanjade Village, Panvel, Mumbai - 410206, Maharashtra	
Waghiwali, Transmission project Site NMIA, Waghiwali Sector 17A, Navi Mumbai, Panvel, Mumbai - 400027, Maharashtra	
Antophill, Transmission project Site, Shaikh Misree Road, Antop Hill, Wadala Landmark- Near Wamanrao Mahadik MCGM School Mumbai- 400037, Maharashtra	

- (t) **Address for correspondence:** The Tata Power Company Limited
Bombay House, 24, Homi Mody Street, Mumbai 400 001.
Tel.: 022 6665 8282 Fax: 022 6665 8801,
Email: tatapower@tatapower.com; Website: www.tatapower.com

(u) **Credit Rating:**

During the year under review, Credit Rating Information Services of India Limited (CRISIL) has upgraded its rating on the long term bank facilities and Non-Convertible Debentures (NCDs) (including perpetual and subordinated NCD) from CRISIL AA-/Positive to CRISIL AA/Stable. The rating of AA/Stable awarded by CRISIL reflects high degree of safety regarding timely servicing of financial obligations and also indicates that such instruments carry very low credit risk. The rating of A1+ for the Company's short-term bank facilities and Commercial Paper has also been reaffirmed by CRISIL. This highest rating of A1+ indicates a very strong degree of safety with regard to timely payment of interest and principal. Such instrument carry lowest credit risk.

Further, ICRA Limited (ICRA) has reaffirmed its rating on NCDs of the Company as AA- but revised the outlook from Stable to Positive. The rating indicates highest degree of safety regarding timely servicing of financial obligation and the rated instruments carry very low credit risk.

Care Analysis and Research Limited (CARE Ratings) has assigned the rating of AA/Stable to the long term bank facilities of the Company and reaffirmed the rating on NCDs (including perpetual bonds) of the Company, as Care AA with the Stable Outlook.

India Ratings & Research Private Limited (Ind-Ra), a Fitch Group Company, assigned the rating of IND A1+ to the Commercial Papers issued by the Company and affirmed the rating on NCDs (NCD program) as IND AA/Stable.

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Other Disclosures:

Table 31

Particulars	Regulation/Schedule of Listing Regulations	Details and Web link
Web link where policy for determining material subsidiaries is disclosed	Regulation 16 (1)(c) and Schedule V (C) 10(e)	The policy for determining material subsidiaries, adopted by the Board, is uploaded on the Company's website. https://www.tatapower.com/pdf/aboutus/policy-for-determining-material-subsidiaries.pdf
Code of Conduct	Regulation 17	The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them. A certificate by the CEO & Managing Director on the compliance of same, is reproduced at the end of this report and marked as Annexure I.
Details of establishment of Vigil Mechanism, Whistle Blower policy, and affirmation that no personnel has been denied access to the Audit Committee	Regulation 22 and Schedule V (C) 10(c)	The Company has adopted a Whistle Blower Policy & Vigil Mechanism for directors, employees and stakeholders to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The said policy has been posted on the Company's website. The Company affirms that no personnel have been denied access to the Chairman of the Audit Committee of Directors. https://www.tatapower.com/pdf/aboutus/whistle-blower-policy-and-vigil-mechanism.pdf
Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large and Web link for policy on dealing with related party transactions	Regulation 23 and Schedule V (C) 10(f)	There are no material related party transactions during the year under review that have conflict with the interest of the Company. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arm's length basis and were approved by the Audit Committee of Directors. Certain transactions, which were repetitive in nature, were approved through omnibus route. The Board has received disclosures from senior management relating to material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large. The policy on dealing with related party transactions adopted by the Company is uploaded on the Company's website. https://www.tatapower.com/pdf/aboutus/rpt-policy-framework-guidelines.pdf
Subsidiary Companies	Regulation 24	The Audit Committee of Directors reviews the financial statements of subsidiaries of the Company. It also reviews the investments made by such subsidiaries, the statement of all significant transactions and arrangements entered into by the subsidiaries, if any, and the compliances of each materially significant subsidiary on a periodic basis. The minutes of board meetings of the unlisted subsidiary companies are placed before the Board. Composition of the Board of material subsidiaries is in accordance with Regulation 24(1) of the Listing Regulations.
Familiarisation Program	Regulation 25(7) read with Regulation 46	Details of familiarisation program imparted to IDs are available on the Company's website. https://www.tatapower.com/pdf/investor-relations/familiarisation-programme-for-directors-20-21.pdf
Archival Policy and Policy on Preservation of Documents	Regulation 30 and Regulation 9	The Archival Policy and Policy on Preservation of Documents, adopted by the Board, are uploaded on the Company's website. https://www.tatapower.com/pdf/aboutus/archival-policy.pdf https://www.tatapower.com/pdf/aboutus/preservation-policy-documents.pdf
Policy on Determination of Materiality for Disclosures	Regulation 30	The Policy on determination of materiality for disclosures, adopted by the Board, is uploaded on the Company's website. https://www.tatapower.com/pdf/aboutus/determining-policy.pdf

Particulars	Regulation/Schedule of Listing Regulations	Details and Web link
Dividend Distribution Policy	Regulation 43A	The Dividend Policy, adopted by the Board, is uploaded on the Company's website. https://www.tatapower.com/pdf/aboutus/dividend-policy.pdf
Terms and conditions of Appointment of IDs	Regulation 46	Terms and conditions of appointment/re-appointment of IDs are available on the Company's website. https://www.tatapower.com/pdf/investor-relations/Terms-&-conditions-of-IDs-appointment.pdf
Details of mandatory requirements and adoption of the non-mandatory requirements	Schedule II Part E	All mandatory requirements of the Listing Regulations have been complied with by the Company. The status of compliance with the discretionary requirements, as stated under Part E of Schedule II to the Listing Regulations, is as under: <ul style="list-style-type: none"> • Shareholder Rights: The half-yearly financial performance of the Company is sent to all the Members possessing email IDs. The results are also posted on the Company's website. • Modified opinion(s) in Audit Report: The auditors have expressed an unmodified opinion in their report on the financial statements of the Company. • Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee of Directors.
Details of non - compliance by the Company, penalty, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets	Schedule V (C) 10(b)	There were no instances of non-compliance, penalties, strictures imposed on the Company by the Stock Exchanges, SEBI or any statutory authority, on any matter related to capital markets, during the last 3 years.
Disclosures of commodity price risks and commodity hedging activities	Schedule V (C) 10(g)	The disclosure of commodity price risks and hedging activities is provided under section 'General Shareholder Information'. The policy on Commodity Price Risk Management adopted by the Company is uploaded on the Company's website. https://www.tatapower.com/pdf/aboutus/commodity.pdf
Details of utilisation of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32(7A)	Schedule V (C) 10(h)	At the AGM of the Company held on 30th July 2020, the Members approved the issuance of 49,05,66,037 Equity Shares of ₹ 1 each at ₹ 53 per share for an amount aggregating ₹ 2,600 crore to Tata Sons Private Limited on preferential basis. The Company has allotted the said shares to Tata Sons Private Limited on 13th August 2020. The Company has utilized the sum of ₹ 2,600 crore for repayment of debts of the Company and its subsidiaries.
A certificate from Company Secretary in practice for non-debarment/disqualification	Schedule V (C) 10(i)	A certificate from the Practicing Company Secretaries has been received stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/MCA or any such statutory authority and the same is reproduced at the end of this report and marked as Annexure IV.
Disclosure with respect to non-acceptance of any recommendation of any Committee of the Board which is mandatorily required, along with reasons thereof	Schedule V (C) 10(j)	All the recommendations of the various mandatory committees were accepted by the Board.

Report on Corporate Governance

Other Disclosures:

1. The Company has maintained an integrated compliance dashboard which provides assurance to the Management and the Board of Directors regarding effectiveness of timely compliances. All the compliances applicable to the Company have been captured in the dashboard and are mapped amongst the respective users. The timelines are fixed based on the legal requirement and the system is aligned in such a manner that it alerts the users in a timely manner.
2. In terms of Regulation 17(8) of the Listing Regulations, the CEO & Managing Director and the CFO made a certification to the Board of Directors in the prescribed format for the year under review, which has been reviewed by the Audit Committee and taken on record by the Board. The same is reproduced at the end of this report and marked as Annexure II.
3. The Company has obtained compliance certificate from the Practising Company Secretaries on corporate governance. The same is reproduced at the end of this report and marked as Annexure III.
4. Details of fees paid/payable to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditor is a part, by the Company and its subsidiaries during the year, are given below:

(₹ in crore) Table 32

Particulars	By the Company*	By Subsidiaries*	Total Amount
Statutory Audit	4.03	3.33	7.36
Other Services	0.38	1.57	1.95
Out-of-pocket expenses	0.02	0.11	0.13
Total	4.43	5.01	9.44

* The above fees are exclusive of applicable tax.

5. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has always believed in providing a safe and harassment-free workplace. The Company has complied with the applicable provisions of the aforesaid Act, and the rules framed thereunder, including constitution of the Internal Complaints Committee. The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the same is available on the Company's website at

<https://www.tatapower.com/pdf/aboutus/Sexual-harass-policy.pdf>. All employees (permanent, contractual, temporary and trainees, etc.) are covered under this Policy.

Status of complaints as on 31st March 2021:

Table 33

Sl. No.	Particulars	Number of Complaints
1.	Number of complaints filed during the financial year	3
2.	Number of complaints disposed off during the financial year	3
3.	Number of complaints pending at the end of the financial year	0

6. The Company has complied with all the requirements of Corporate Governance Report as stated under sub-para (2) to (10) of section (C) of Schedule V to the Listing Regulations.
7. The Company follows Indian Accounting Standards (Ind-AS) in the preparation of its financial statements.
8. As required under Regulation 36(3) of the Listing Regulations and the secretarial standards, particulars of Directors seeking re-appointment at the forthcoming AGM are given in the Notice of the AGM to be held on 5th July 2021.
9. **Directors and Officers Liability Insurance:**

As per the provisions of the Act and in compliance with Regulation 25(10) of the Listing Regulations, the Company has taken a Directors and Officers Liability Insurance (D&O) on behalf of all Directors including IDs, Officers, Managers and Employees of the Company for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

Other Shareholder Information:

> Transfer of unclaimed/unpaid amounts to Investor Education and Protection Fund:

In accordance with the provisions of Sections 124, 125 and other applicable provisions, if any, of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as 'IEPF Rules') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the Unpaid Dividend Account is required to be transferred to the Investor Education and Protection Fund (IEPF) maintained by the Central Government. In pursuance of this, the dividend remaining unclaimed in respect of dividends declared upto the financial year ended 31st March 2013 have been transferred to the IEPF.

The details of the unclaimed dividends so transferred are available on the Company's website at <https://www.tatapower.com/investor-relations/unclaimed-dividends.aspx> and on the website of MCA at <http://www.iepf.gov.in/>.

In accordance with Section 124(6) of the Act, read with the IEPF rules, all the shares in respect of which dividend has remained unclaimed for a period of seven consecutive years or more from the date of transfer to the unpaid dividend account are required to be transferred to the demat account of the IEPF Authority. Accordingly, all the shares in respect of which dividends were declared upto the financial year ended 31st March 2013 and remained unclaimed were due to be transferred to the IEPF. The Company had sent notices to all such Members in this regard and published a newspaper advertisement and, thereafter, transferred the shares to the IEPF during financial year 2020-21. The details of such shares transferred have been uploaded in the Company's website at <https://www.tatapower.com/investor-relations/unclaimed-dividends.aspx>.

The details of unclaimed dividends and equity shares transferred to IEPF during the year 2020-21 are as follows:

Table 34

Amount of unclaimed dividend transferred	Number of Equity shares transferred
₹ 1,57,33,419.10	8,65,891

The below table gives information relating to various outstanding dividends and the dates by which they can be claimed by the Members from the Company's RTA:

(Amount in ₹) Table 35

Date of dividend declaration	Unclaimed Dividend (As on 31st March 2021)	Last date for claiming payment from TSRD
13.08.2014	2,12,95,013.48	15.09.2021
05.08.2015	2,31,04,085.61	07.09.2022
21.09.2016	2,73,73,049.60	24.10.2023
23.08.2017	2,69,52,552.90	20.09.2024
27.07.2018	2,56,19,046.70	20.08.2025
18.06.2019	2,43,83,340.70	17.07.2026
30.07.2020	2,39,23,964.80	30.08.2027

It may be noted that the unclaimed dividend for the financial year 2013-14 declared on 13th August 2014, is due to be transferred to the IEPF. The same can, however, be claimed by the Members by 15th September 2021. Members who have not encashed the dividend warrant(s) from the financial year ended 31st March 2014 onwards may forward their claims to TSRD before they are due to be transferred to the IEPF.

The Members whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in e-Form IEPF-5 available on www.iepf.gov.in. No claim shall lie against the Company in respect of the dividend/shares so transferred.

➤ **Shares held in electronic form:** Members holding shares in electronic form may please note that:

- For the purpose of making cash payments to the investors through Reserve Bank of India approved electronic mode of payment (such as ECS, NECS, NEFT, RTGS, etc), relevant bank details available with the depositories will be used. Members are requested to update their bank details with their DPs.
- Instructions regarding change of address, nomination and power of attorney should be given directly to the DPs.

➤ **Shares held in physical form:** To facilitate better servicing, Members holding shares in physical form are requested to notify/send to TSRD any change in their address/mandate/bank details in which they wish their dividend to be credited, in case they have not been furnished earlier.

➤ **Payment of dividend or interest or redemption or repayment:**

As required under Regulation 12 read with Schedule I to the Listing Regulations, companies are directed to use, either directly or through the depositories or through their RTA, electronic clearing services (local, regional or national), direct credit, real time gross settlement, national electronic funds transfer, etc. for making payment of dividend/interest on securities issued/redemption or repayment amount to the investors. For investors holding shares in demat mode, relevant bank details from the depositories will be sought. Investors holding shares in physical form, are requested to register instructions regarding their bank details with the RTA. Only in cases where either the bank details such as Magnetic Ink Character Recognition (MICR), Indian Financial System Code (IFSC), etc., that are required for making electronic payment, are not available or the electronic payment instructions have failed or have been rejected by the bank, physical payment instruments for making cash payments to the Investors may be used.

➤ **Investor contact:**

In compliance with Regulation 62 of the Listing Regulations, a separate e-mail ID investorcomplaints@tatapower.com has been set up as a dedicated e-mail ID solely for the purpose of dealing with Members' queries/complaints.

The Company maintains a TOLL-FREE Investor Helpline No. 1800-209-8484 to give Members the convenience of one more contact point with TSRD, for redressal of grievances/responses to queries.

Report on Corporate Governance

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

Contact Person: Mr. J. E. Mahernosh Tel.: 022 6665 7508

➤ **E-Voting:**

E-voting is a common internet infrastructure that enables investors to vote electronically on resolutions of companies. The Company will also have the e-Voting facility for the items to be transacted at this AGM. The MCA has authorised NSDL and CDSL for setting up electronic platform to facilitate casting of votes in electronic form. The Company has entered into agreements with NSDL and CDSL for availing e-Voting facilities.

➤ **Nomination Facility:**

Pursuant to the provisions of Section 72 of the Act, Members are entitled to make nominations in respect of shares held by them. Members holding shares in physical form and intending to make/change the nomination in respect of their shares in the Company, may submit their requests in Form No. SH-13 to TSRD. Members holding shares in electronic form are requested to give the nomination request to their respective DPs directly.

Form No. SH.13 can be obtained from TSRD or downloaded from the Company's website under the section 'Investor Relations' at <https://www.tatapower.com/pdf/nomination-form-14.pdf>

➤ **Depository Services:**

Members may write to the respective Depository or to TSRD for guidance on depository services. Address for correspondence with the Depositories is as follows:

National Securities
Depository Limited
Trade World, 4th Floor,
Kamala Mills Compound,
Senapati Bapat Marg,
Lower Parel,
Mumbai 400 013
Tel. No. : 022 2499 4200
Fax No. : 022 2497 6351
e-mail : info@nsdl.co.in
website : www.nsdl.co.in

Central Depository Services
(India) Limited
Marathon Futurex, A-Wing,
25th floor, N. M. Joshi Marg,
Lower Parel,
Mumbai 400 013
Tel. No. : 022 2272 3333
Fax No. : 022 2272 3199
e-mail : investor@cdslindia.com
website : www.cdslindia.com

➤ **Secretarial Audit:**

In terms of the Act, the Company appointed M/s. Makarand M. Joshi & Co, Practising Company Secretaries, to conduct Secretarial Audit of records and documents of the Company for FY21. The Secretarial Audit Report is provided as Annexure IV to the Board's Report.

➤ **Reconciliation of Share Capital Audit:**

A Company Secretary in practice carried out a quarterly Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit report confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL). The Audit report is disseminated to the Stock Exchanges on quarterly basis and is also available on our website <https://www.tatapower.com/investor-relations/stock-exchange-intimation.aspx>

➤ **Description of voting rights:**

All Equity shares issued by the Company carry equal voting rights.

➤ **Awareness Sessions/Workshops:**

Employees across the Company as well as those forming part of the Tata Power group are being sensitized about the various policies and governance practices of the Company. The Company had developed a system of keeping its employees educated about TCoC, Vigil Mechanism and Whistle Blower Policy, Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, SEBI Insider Trading Regulations, etc. through emails, presentations and workshops.

➤ **Stakeholder Engagement:**

The Company has a dedicated department which facilitates an on-going dialogue between the Company and its stakeholders. The communication channels include:

For external stakeholders - Analyst/investors meet, meeting with key stakeholders, factory visits for shareholders, online service and dedicated e-mail service for grievances, corporate website and access to business media to respond to queries, etc.

For internal stakeholders - Employee satisfaction surveys, employee engagement surveys for improvement in employee engagement processes, circulars and messages from management, corporate social initiatives, welfare initiatives for employees and their families, online updates for conveying topical developments, helpdesk facility, etc.

➤ **Investor safeguards:**

In pursuit of the Company's objective to mitigate/avoid risks while dealing with shares and related matters, the following are the Company's recommendations to its Members:

- i) **Open Demat Account and dematerialise your shares**
Members are requested to convert their physical holdings into electronic holdings.

ii) **Consolidate your multiple folios**

Members are requested to consolidate their shareholdings held under multiple folios. This facilitates one-stop tracking of all corporate benefits on the shares and would reduce time and efforts required to monitor multiple folios. It will also help in avoidance of multiple mailing.

iii) **Confidentiality of security details**

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

iv) **Dealing with Registered Intermediaries**

Members should transact through a registered intermediary. In case the intermediary does not act professionally, Members can take up the matter with SEBI.

v) **Obtain documents relating to purchase and sale of securities**

A valid Contract Note/Confirmation Memo should be obtained from the broker/sub-broker, within 24 hours of execution of the trade. It should be ensured that the Contract Note/Confirmation Memo contains order no., trade no., trade time, quantity, price and brokerage.

vi) **Prevention of Frauds**

There is a possibility of fraudulent transactions relating to folios which lie dormant. Hence, we urge you to exercise diligence and notify the Company of any change in address, as and when required.

vii) Weblinks of Corporate policies and Charters are available on the Company's website at <https://www.tatapower.com/corporate/policies.aspx>.

Annexure I

DECLARATION

As required by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I affirm that Board Members and the Senior Management Personnel have confirmed compliance with the Codes of Conduct, as applicable to them, for the year ended 31st March 2021.

For **The Tata Power Company Limited**

Praveer Sinha
CEO & Managing Director
DIN: 01785164

Mumbai, 12th May 2021

Report on Corporate Governance

Annexure II

Chief Executive Officer (CEO) & Chief Financial Officer (CFO) Certification

To
The Board of Directors
The Tata Power Company Limited

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of **The Tata Power Company Limited** ("the Company"), to the best of our knowledge and belief certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March 2021 and to the best of our knowledge and belief, we state that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) There are no transactions entered into by the Company during the financial year, which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
 - (i) significant changes, if any, in the internal control over financial reporting during the year;
 - (ii) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Mumbai, 12th May 2021

Praveer Sinha
CEO & Managing Director
(DIN:01785164)

R. N. Subramanyam
Chief Financial Officer

Practicing Company Secretaries' Certificate on Corporate Governance

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To

The Members,

The Tata Power Company Limited

We have examined the compliance of conditions of Corporate Governance by **The Tata Power Company Limited** ("the Company") for the year ended on March 31, 2021, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and representations made by the management, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For **Makarand M. Joshi & Co.**

Makarand Joshi

Partner

FCS No. 5533

CP No. 3662

UDIN: F005533C000282689

Peer Review No: P2009MH007000

Place: Mumbai

Date: 12th May 2021

Report on Corporate Governance

Annexure IV

Practicing Company Secretaries' Certificate on Independent Directors

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34 (3) and Schedule V Para C Clause (10) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
THE TATA POWER COMPANY LIMITED

We have examined the relevant disclosures provided by the Directors (as enlisted in Table A) to **THE TATA POWER COMPANY LIMITED** having CIN **L28920MH1919PLC000567** and having registered office at **Bombay House, 24, Homi Mody Street, Mumbai, Maharashtra, 400001** (hereinafter referred to as 'the Company') for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para C clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and based on the disclosures of the Directors, we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as Directors of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority for the period ended as on March 31, 2021.

Table A

Sl. No.	Name of the Directors	Director Identification Number	Date of appointment in the Company
1.	Mr. Chandrasekaran Natarajan	00121863	11/02/2017
2.	Ms. Anjali Bansal	00207746	14/10/2016
3.	Ms. Vibha Padalkar	01682810	14/10/2016
4.	Mr. Sanjay Vijay Bhandarkar	01260274	14/10/2016
5.	Mr. Kesava Menon Chandrasekhar	06466854	04/05/2017
6.	Mr. Hemant Bhargava	01922717	24/08/2017
7.	Mr. Saurabh Mahesh Agrawal	02144558	17/11/2017
8.	Mr. Banmali Agrawala	00120029	17/11/2017
9.	Mr. Ashok Sinha	00070477	02/05/2019
10.	Dr. Praveer Sinha	01785164	01/05/2018

For Makarand M. Joshi & Co.
Practicing Company Secretaries

Kumudini Bhalerao
Partner
FCS No. 6667
CP No. 6690

Place: Mumbai
Date: 3rd May 2021
UDIN: F006667C000227206

Business Responsibility Report

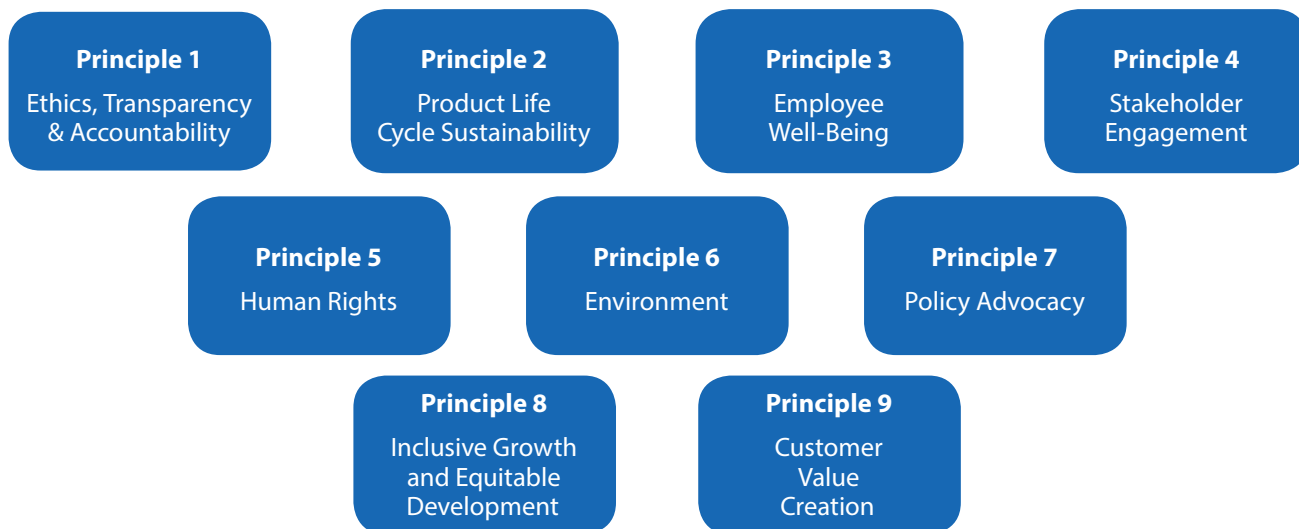
The Tata Power Company Limited (Tata Power), India's largest integrated power company has a presence across the power value chain viz. generation of renewable as well as conventional power including hydro and thermal energy; transmission and distribution and trading. In line with the Company's view on sustainable and clean energy development, Tata Power is steering the transformation of traditional utilities to providers of integrated solutions by initiating new business models in EV charging, Solar pumps and rooftops, Microgrids, Home automation and Smart meters.

Tata Power believes in conducting its business activities in a responsible and sustainable manner. Tata Power's vision is to **'Empower a billion lives through sustainable, affordable and innovative energy solutions'**. Tata Power has a pivotal role to play in the global efforts to achieve the United Nation's Sustainable Development Goals (SDGs) and the Company's contribution is essential to the success of SDGs and for fulfilling India's commitment to achieve SDGs by 2030. Tata Power undertook a detailed SDG mapping study which resulted in the prioritization of 10 SDGs, 4 business SDGs and 6 CSR SDGs, for guiding our sustainability efforts.

As on 31st March 2021, the Tata Power group of companies has a generation capacity of 12,808 MW based on various fuel sources - thermal (coal, gas and oil), hydroelectric power, renewable energy (wind and solar PV) and waste heat recovery. The Company (including its subsidiaries) has nearly 31% of its capacity (in MW terms) in clean and green generation sources (hydro, wind, solar and waste heat recovery).

The Business Responsibility Report (BRR) is aligned with National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business, issued by the Ministry of Corporate Affairs (MCA), and is in accordance with clause (f) of sub-regulation (2) of Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your Company's Business Performance and Impacts are disclosed based on the 9 Principles as mentioned in the NVGs.



Section A: General Information about the Company

1.	Corporate Identity Number (CIN) of the company	L28920MH1919PLC000567
2.	Name of the company	The Tata Power Company Limited
3.	Registered address	Bombay House, 24, Homi Mody Street, Mumbai - 400 001
4.	Website	www.tatapower.com
5.	E-mail ID	tatapower@tatapower.com
6.	Financial Year reported	2020-21
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	NIC Code: 351 Electric Power Generation, Transmission and Distribution Sector Description: Power Generation, Transmission & Distribution, Power Trading, Electronic products and Services Business
8.	List three key products/services that the Company manufactures/provides (as in Balance Sheet)	<ul style="list-style-type: none"> - Power through Conventional and Renewable Generation - Transmission and Distribution of electricity - Power Trading - Next Generation Power Solutions – Solar Rooftop, EV Charging infrastructure, Home Automation and Microgrids

Business Responsibility Report

9. Total number of locations where business activity is undertaken by the Company

- a. Number of International Locations (Provide details of major 5): **Singapore, Georgia, Zambia, Indonesia and Bhutan**
 b. Number of National Locations: Tata Power has **145 locations**. The operational status as on 31st March 2021 is given below:

States	No. of Project locations	Hydros	Wind	Solar	Thermal	Transmission	Distribution
Andhra Pradesh	6		1	5			
Andaman & Nicobar	1			1			
Bihar	2			2			
Delhi	28			25	1	1	1
Gujarat	12		5	6	1		
Haryana	1			1			
Jharkhand	9			6	3		
Karnataka	13		1	12			
Madhya Pradesh	2		1	1			
Maharashtra	35	3	9	20	1	1	1
Odisha	4				1		3
Punjab	1			1			
Rajasthan	10		4	5			1
Tamil Nadu	9		2	7			
Telangana	4			4			
Uttar Pradesh	4			3	1		
Uttarakhand	3			3			
West Bengal	1				1		
Total	145	3	23	102	9	2	6

10. Markets served by the Company:

Local/ State/ National				International
Delhi License Area	Mumbai License Area	Ajmer License Area	Odisha License Area	Singapore
Andhra Pradesh	Jharkhand (Jamshedpur Circle)	Rajasthan	West Bengal	Georgia
Bihar	Madhya Pradesh	Karnataka	Jharkhand	Zambia
Delhi	Maharashtra	Tamil Nadu	Uttarakhand	Bhutan
Gujarat	Odisha	Telangana		Indonesia
Haryana	Punjab	Uttar Pradesh		

Section B: Financial Details of the Company

1. Paid up capital (INR)	₹ 320 crore
2. Total Turnover (INR)	₹ 6,480 crore
3. Total profit after taxes (INR)	₹ 922 crore
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after taxes (%)	2%*

*Calculated as per Section 135 of the Companies Act, 2013

List of activities in which expenditure in the above has been incurred

Tata Power undertakes CSR initiatives in alignment with the 5 Thrust areas as outlined in the CSR Policy. Tata Power (Parent) covered 12.85 lakh people from Maharashtra, Gujarat, Jharkhand and West Bengal and at Tata Power group level CSR Initiatives covered 46.65 lakh beneficiaries across 61 locations in 15 states. Further, Tata Power Standalone (Maharashtra, Gujarat, Jharkhand and West Bengal) covered 12.85 lakh people. The Initiatives are aligned to 6 UN SDGs and Schedule VII to the Companies Act, 2013 (the Act).

Tata Power Standalone FY21 CSR spend:

Thrust Areas	% Spend
Education	10
Health and Sanitation	20
Livelihood and Skill Building	52
Water	5
Financial Inclusivity	3
Misc. & Club Enerji	10

The highlights of Tata Power Group entities' CSR Interventions are reported in Social and Relationship Capital section of Integrated Report (Reference Pg. 95)

Section C: Other Details

1. Does the Company have any Subsidiary Company/ Companies?

As on 31st March 2021, the Company had 59 subsidiaries (44 are wholly owned subsidiaries), 33 Joint Ventures (JVs) and 5 Associates. Of the subsidiaries, 3 companies have been classified as JVs under Indian Accounting Standards (Ind AS).

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

All the Company's subsidiaries are guided by Tata Code of Conduct (TCoC) to conduct their business in an ethical, transparent and accountable manner. The Company positively influences and encourages its subsidiaries to adopt Business Responsibility (BR) initiatives as recommended by their respective CSR Committees. All subsidiaries are aligned to the CSR Strategy and CSR Policy and implement activities under the 5 Thrust areas.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, more than 60%]

2. a. Principle-wise (as per NVGs) BR Policy/ policies (Reply in Y/N)

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for....	Yes								
2	Has the policy been formulated in consultation with relevant stakeholders?	Yes								
3	Does the policy conform to any national / international standards? If yes, specify.	Yes								
		Tata Power policies are based on the NVG principles and conform to the International standards like ISO 9000, 14000, and 45001, UNGC principles, ILO principles and United Nations Sustainable Development Goals (SDGs). Tata Power follows GRI standards (Global Reporting Initiative) for measuring and reporting its sustainability performance, reports to Carbon Disclosure Project (CDP) on Climate Change and Water and has also committed to Science based target Initiative (SBTi).								
4	Has the policy been approved by the Board? If yes, has it been signed by the MD /owner/CEO/ appropriate Board Director?	Policies are designed to ensure employee feedback, industry norms and legal norms are met in true spirit. The policies have been developed as per the need and are duly signed by the CEO & Managing Director.								
5	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	The policies at Tata Power strengthen internal governance structures on compliance and beyond compliance efforts. All the policies are mapped to the respective business functions and their implementation is based on the commitment framework. The Company has set various processes to monitor the effectiveness of these policies.								
6	Indicate the link to view the policy online	https://www.tatapower.com/corporate/policies.aspx								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes								
8	Does the Company have in-house structure to implement its policy/policies?	Yes								
9	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to policy/policies?	Yes								
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Policies are reviewed periodically for their implementation based on the commitment framework and related risk controls are set in place. Policies related to workforce benefits and well-being are co-created, in which employees' inputs are taken and incorporated in the policy building process. These inputs along with internal and external benchmarking, form the pillars of policy.								

Tata Power collaborates with all relevant stakeholders for sustainability initiatives. The Company's suppliers/ vendors are critical for operations and are engaged through the Responsible Supply Chain Management (RSCM) policy which covers guidance on Health & Safety, Environment, Human Rights and Ethics & Compliance. The suppliers/ vendors are required to ensure conformance to the RSCM policy in addition to the Tata Code of Conduct (TCoC).

Section D: Business Responsibility (BR) Information

1. Details of Director/ Directors responsible for BR

a. Details of the Director/ Directors responsible for implementation of the BR policy/ policies

DIN Number	01785164
Name	Dr. Praveer Sinha
Designation	CEO & Managing Director

b. Details of BR Head

DIN No.	06716024
Name	Ms. Jyoti Kumar Bansal
Designation	Chief- Branding, Corp. Communications, CSR & Sustainability
Contact	022 67171666

Business Responsibility Report

3. Governance related to BR

a. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

Sustainability performance at Tata Power represents a long-standing Board agenda, consistently monitored by the CSR Committee and Apex Leadership. With established quarterly meetings, the CSR Committee also recommends the activities to be undertaken by the Company as specified in Schedule VII to the Act or prescribed by the rules. The CEO & Managing Director reviews the sustainability performance of Tata Power once every two months.

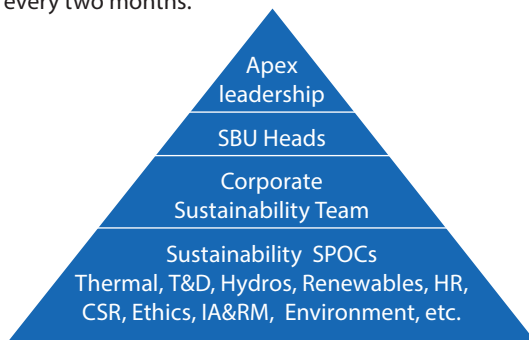


Fig. Sustainability Governance Structure

b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Yes, Tata Power is publishing an Integrated Annual Report for FY21 based on the IIRC framework. The Company also published Sustainability Reports in previous years in accordance with Global Reporting Initiative (GRI) standards annually. These reports can be viewed at <https://www.tatapower.com/sustainability/disclosures/iirc-alignment.aspx>.

Section E: Principle-Wise Performance

Principle 1 (P1): Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?

Being a Tata Group company, Tata Power abides by the TCoC, which is a comprehensive document with an ethical road map for all internal and external stakeholders of the Company, thus covering 100% of its operations.

TCoC consists of 10 sections with sub-clauses that cover employees, customers, communities and the environment, value chain partners, financial stakeholders, governments and group companies. The TCoC extends to Group Joint Ventures/ Subsidiaries/Suppliers/Contractors.

2. How many stakeholders' complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Stakeholder	Received in FY20-21	Satisfactorily resolved by the management (%)
Employees including contract employees	54 from on roll employees & 9 from contract employees	97
Vendor	15	100
Company	0	NA
Society/ Community	0	NA
Customers	1	100
Investor	13	100

Principle 2 (P2): Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 products or services whose design has incorporated social or environmental concerns, risks, and/or opportunities.

Tata Power is organised in four business clusters namely Thermal Generation and Coal mining, Transmission & Distribution, Renewables and New Businesses.

Generation: At all generating stations, conformance to environmental norms, safety, occupational, health of the employees (permanent/ contract) is considered a priority. All thermal stations of Tata Power are IMS compliant. Our renewable generation is focused on achieving growth in an environmentally responsible and sustainable manner. Tata Power commissioned around 50 MW of solar PV and rooftop projects in FY21.

Transmission: Tata Power has always propagated the importance of electrical safety awareness amongst communities living in and around its operational areas. As a responsible company, Tata Power takes utmost care of the biodiversity around its transmission lines.

Distribution: Initiatives like Safety audits, Energy audits in consumer premises, Club Enerji, energy efficient appliance exchange Demand Side Management (DSM) programs under 'Be Green' initiative creates awareness for customers/ society at large on energy efficiency and its

conservation, safety, and reducing the carbon footprint. Tata Power has secured IGBC Green building certification for its new as well as existing GIS buildings in Mumbai.

Manufactured Capital in Integrated Report (Reference Pg. 54-55, 57-59 & 60-61)

Social & Relationship Capital in Integrated Report (Reference Pg. 89-90 & 92-93)

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

i. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

Various environment management measures resulting in reduction in auxiliary power consumption, zero water discharge, rainwater harvesting, ash utilization, energy conservation, and scrap utilization, etc. are in place at all operating locations. Tata Power has improved ash utilization at all coal fired power plants and is continuously working on reducing fresh-water consumption at thermal power plants. Tata Power is in the process of minimizing atmospheric pollution by installing Desulphurization Systems at coal fired power plants. Natural Capital (Reference Pg. 114-118)

ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?
Social & Relationship Capital (Reference Pg. 92)

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

Tata Power practises responsible sourcing with respect to environment, safety, human rights and ethics, apart from economic considerations. Strict conformation to labour principles and related laws are mandatory requirements for all suppliers to qualify. Work method and standards, along with performance of supply and services, form a critical part of our technical evaluation. In addition, safety evaluation and qualification are an integral part for the award and online vendor registration process.

Tata Power has established a formal mechanism of supplier assessment to verify their ESG performance. The evaluation is based on specific ESG criterion for which they need to secure a minimum score for onboarding.

In addition to engaging local workforce and community development, which is part of project development commitments, Tata Power as part of national skill/ capacity development programme, trains local youth in various

trades/skill sets including entrepreneurship through Tata Power Skill Development Institute (TPSDI) training centres for enhancing employability.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company engaged with community in the neighbourhood as indirect workforce through business associates and contractors based on relevant skill set and nature of job. The contract workforce is trained at TPSDI on various industrial vocations and safety aspects to enhance their skills and efficiency in work practices. Thus, the Company contributes to capability building of the contractors and their workforce to ensure that the workforce is adequately trained to safely perform the job efficiently with higher productivity and quality standards. In FY21, the total number of TPSDI trainees were 24,914 out of which 69% of eligible youth were provided placement.

5. Does the Company have mechanism to recycle products and waste? If yes, what is the percentage of recycling waste and products?

Yes, the Fly Ash generated from thermal power stations is the major waste. This is redirected towards construction (RMC as per Fly Ash Notification) and Quarry filling (as per SPCB NOC). Tata Power's endeavour is to utilize 100% Fly ash at all locations and initiatives are in place to utilize the bottom ash as well. For the renewable operations, Tata Power conducted a study on end-of-life considerations for photovoltaic solar panels. The study portrays future projections with respect to PV panel waste quantum, disposal problems and how to address them through technology and advocacy.

Natural Capital (Reference Pg. 120)

Principle 3 (P3): Businesses should promote the wellbeing of all employees

- 1. Please indicate the total number of employees.**
Total number of employees are 2673 as on 31st March 2021 for Tata Power Standalone.
- 2. Please indicate the total number of employees hired on temporary/ contractual/casual basis.**
The total number of contract employees are 6473 as on 31st March 2021.
- 3. Please indicate the number of permanent women employees.**
Total number of permanent women employees are 295 as on 31st March 2021.

Business Responsibility Report

4. Please indicate the number of permanent employees with disability.

Total number of permanent employees with disabilities are 3 (2 officers + 1 staff) as on 31st March 2021.

5. Do you have an employee association that is recognised by management?

Yes, there is an employee association that is recognized by the management - Union

6. What percentage of your permanent employees are a member of this recognised employee association?

30% of the permanent employees are unionized and members of the employee union.

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Tata Power firmly supports human rights and the rights of all its stakeholders. The Company is proud to declare that it has not received any complaints regarding violation of rights of indigenous people, child labour, forced labour, freedom of association, right of collective bargaining and discrimination based on gender or social vulnerability.

Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
Child labour/ forced labour/ involuntary labour	0	0
Sexual harassment	3	0
Discriminatory employment	0	0

8. What percentage of your employees were given safety & skill up-gradation training in the last year?

Health and Safety management is the Company's topmost priority with a defined safety vision. Your Company employs a pro-active and pre-emptive approach to occupational health and safety and is committed to achieve goal of zero injuries and fatalities. 100% of contractual workforce are trained on various aspects of Occupational health and safety.

Permanent Employees (includes women employees and employees with disabilities)	FY20-21 (Manhours)
Safety Induction Training	23,396
Safety Capability Training	49,224
Casual/Temporary/Contractual Employees	
Safety Induction Training	73,608
Safety Capability Training	3,56,528

Principle 4 (P4): Businesses should respect the interests of, and be responsive to the needs of all stakeholders, especially those who are disadvantaged, vulnerable, and marginalised.

1. Has the Company mapped its internal and external stakeholders?

Yes, Tata Power conducted a comprehensive Stakeholder engagement and materiality assessment in 2020. We undertook a materiality review in FY21 considering the evolving ESG scenario, and this led to addition of 7 material issues for Tata Power to focus. The Company engages with various stakeholder groups like Lenders, Investors, Regulatory authorities, Board of Directors, Customers, Employees, Suppliers, NGO partners, Community, media, etc. through dedicated listening mechanisms. This transparent communication helps us to understand the expectations and co-create value. The interactions with stakeholders enables us to develop a better perspective on relevant material matters for Tata Power. This in turn helps to improve the overall strategy and orientation of businesses.

Stakeholder Engagement (Reference Pg. 44 & 45)

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders?

Social & Relationship Capital (Reference Pg. 102)

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable, and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.

Tata Power's Community Empowerment program is an interlinked socio-economic and governance-based initiative which aims to inform, enable and empower marginalized communities through skill building and livelihood generation. The program also involves Self-Help Groups (SHGs) and other vulnerable sections of society. Community Empowerment Interventions are run collaboratively with various implementation partners.

The Company has developed and enhanced the capacity of the SHG members and provided them opportunity to keep the Company cafeteria/canteens operational for the employee and contractors. Numerous initiatives including market linkages have been provided to help them generate sustained income and continuous livelihood opportunities.

The present COVID-19 pandemic has put our corporate social responsibility programs to test. Tata Power is striving to modify its approach, forge new partnerships with NGOs, work with the district administrations to deploy innovative response during this unprecedented situation to sustain the livelihood of our neighbouring communities spread across 15 states i.e. Maharashtra, Delhi, Gujarat, Odisha, West Bengal, Jharkhand, Telangana, Madhya Pradesh, Andhra Pradesh, Karnataka, Bihar, Uttar Pradesh, Rajasthan, Tamil Nadu and Punjab. We have strategized and deployed our programs and initiatives to address both immediate and long-term needs of our community.

Social & Relationship Capital (Reference Pg. 102)

Principle 5 (P5): Businesses should respect and promote human rights.

1. Does the policy of the company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Tata Power respects Human Rights and has a dedicated Policy on Human Rights with a commitment framework. This policy is aligned with the UN Human Rights Declaration, International Labour Organisation (ILO) fundamental conventions and other fundamental labour principles. Through the policy, Tata Power ensures conformance to fundamental labour principles including the prohibition of child labour, forced labour, freedom of association and protection from discrimination in all its operations by imparting relevant training and aligning the conduct of its employees.

Human Capital (Reference Pg. 80)

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

Tata Power have had no instance of violation of any of the human rights and have not received any complaints in this regard, which showcases our commitment towards the protection of human rights. Human Capital (Reference Pg. 80)

Principle 6 (P6): Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?

Tata Power has a dedicated Environment policy along with policies on Energy conservation, Sustainability, E-waste management etc. The Environment policy encourages the Company to conserve resources, reduce environmental impact and seeks to enhance the awareness among employees. The Company is conscious of its environmental responsibility and considers it for future decision-making. The Joint Ventures/Suppliers have developed their own policies taking guidance from the Company policy. However, the RSCM policy has environment protection as one of its criteria applicable to all the vendors, contractors and service providers.

Natural Capital (Reference Pg. 122-124)

Social & Relationship Capital (Reference Pg. 94)

2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.?

The energy sector has been at the centre of the climate change debate globally. As the largest integrated power utility in India, Tata Power is conscious of its responsibilities and has committed to a focused 3-D framework of Decarbonization, Decentralization and Digitalization. Tata Power is also the first power utility in India to publicly commit to Carbon neutrality by 2050. The Company has put forth a commitment for no further coal-based growth and to retire coal-based capacity on reaching end-of-life. This will be supplemented by rapid growth in renewables leading to an increase from 31% in 2021 through clean sources to 60% by 2025, growth through distribution and smart energy solutions for empowering customers and committing to SBTi.

Tata Power collaborated with WBCSD and 10 global electric utilities to co-create a report on the Sector Transformation:

An SDG roadmap for Electric Utilities. Tata Power was the only Indian company involved in its development. The roadmap provides a vision, direction and a platform for collaboration that will enable the electric utilities sector to drive forward the SDGs on the road to 2030.

3. Does the Company identify and assess potential environmental risks?

Yes, environment and climate change related risks are identified and added to the risk register for periodic reviews. A risk owner and risk champion are assigned to each identified risk who then analyse the risk for required

Business Responsibility Report

mitigation measures. The senior management team and Risk Management Committee of the Board reviews the key risks along with status of mitigation measures on a regular basis.

Risk Management (Reference Pg. 26-27)

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Yes, the Company has Clean Development Mechanism (CDM) projects registered with United Nations Framework Convention on Climate Change (UNFCCC). Tata Power currently has five of its renewable projects registered under the CDM program by UNFCCC. These projects include Wind projects at Gadag (Karnataka), Khandke (Maharashtra), Samana and NewGen Saurashtra (Gujarat). The Company also has Mithapur Solar project registered in Gujarat under CDM. In FY21, volume of 87,351 Carbon Credits (CERs) were traded from these projects combined. The gross revenue generated from such sale is ~ ₹ 1.77 crore. Walwhan Renewable Energy Limited (WREL) has eight CDM registered projects but no CERs were issued or traded in FY21.

5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc.? Y/N.

Tata Power has been a pioneer in technology development through innovation and digitization. Intellectual Capital (Reference Pg. 70-71)

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, Tata Power conforms to the prescribed permissible limits as per Central Pollution Control Board (CPCB)/State Pollution Control Board (SPCB) for air emissions, effluent quality and discharge, solid and hazardous waste generation and disposal. Compliance reports/statements are submitted to SPCB as well as Regional office, Ministry of Environment, Forest & Climate Change (MoEF&CC) regularly, as applicable.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

There are no pending or unresolved show cause/ legal notices received from CPCB/SPCB as on 31st March 2021.

Principle 7 (P7): Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

The Company is member of various trade and chamber associations. The major ones are:

- Confederation of Indian Industry
- Bombay Chamber of Commerce and Industry
- Indian Energy Exchange Ltd
- National Safety Council
- India Energy Forum

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Tata Power does not engage in any form of lobbying activities. Advocacy policy is in place to enhance competitiveness, effectiveness and positively contribute to the development of the Power sector. The broad areas under the purview of Advocacy policy include Energy Security, Governance and Administration, enhancing competition and transparency in power sector, structural changes for facilitating capacity addition, overcoming coal related challenges, electricity distribution reforms and promotion of renewable energy.

Principle 8 (P8): Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

There are programs aimed at providing inclusive growth opportunities. The TPSDI is a flagship program with strategic intent of training at least 25% of rural youth particularly from SC/ST communities. So far, it has achieved training of 28.61% of rural youth from SC/ST communities against its stated intent. Also, the focus areas of Affirmative Action program, Education, Employability, Entrepreneurship and Essential Amenities support the marginalized communities. The Company continues to support developmental projects related to garment making unit at Maval (Maharashtra) and Mushroom and Vermicompost making units established in Jojobera and Maithon (Jharkhand). Both these projects have incorporated effective use of fly ash into value proposition creating economic benefit to the community at large. Also, the financial inclusivity interventions have enabled access to various Government schemes resulting in 4.59 lakh beneficiaries on socio-economic aspects.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ Government structures/any other organisation?

Tata Power has a Community Relations function which sets the strategy and plan for the community development initiatives. Tata Power Community Development Trust (TPCDT), a registered trust formed by the Company is the implementing vehicle for Tata Power group entities. TPCDT partners with NGOs and Government organizations to leverage synergies in delivering community development initiatives under the thematic areas. Tata Power encourages its employees to volunteer for cause of their choice in pre-defined aspects that are aligned to community development initiatives. Tata Power employees also actively participate 1380 activities during the Tata Volunteering week dedicatedly for four weeks. In FY21, 17,000 employees participated and clocked 57,257 volunteering hours.

3. Have you done any impact assessment of your initiative?

The Company has developed a scientific process of measuring Social Performance using Community Engagement Index at location level. Besides this, flagship programs effectiveness is also measured on an annual basis and reviewed by the CSR Committee under all five thematic areas. Social Return on Investment Study was conducted for 3 flagship initiatives and year on year trend analysis showed increase by ₹ 5.04 return on every Rupee Spent (70% improvement on YOY basis).

4. What is your Company's direct contribution to community development projects-Amount in INR and the details of the projects undertaken?

Tata Power as a Group contributed ₹ 39.24 crore as direct contribution to community development projects in FY21 which included CSR expenses incurred by Joint Ventures (Industrial Energy Limited and Powerlinks Transmission Limited) which are considered as subsidiaries as per the Act. Excluding Industrial Energy Limited and Powerlinks Transmission Limited, ₹ 33.89 crore was direct contribution to community development projects in FY21.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

The process of community engagement begins right from business development stage, to projects and operations stage. The socio-economic study and baselines form the basis for identification of prioritized needs followed by program planning with help of external experts. This process is reviewed once every 3-5 years with the objective of giving back to community. Every year, the Company implements programs in consultation with the

location teams who assess community needs. Tata Power CSR programs have impacted 46.65 lakh beneficiaries across 15 states against a target of 30 lakh. The numbers include the 16.6 lakh beneficiaries impacted through digital and Covid related interventions.

Principle 9 (P9): Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

As on 31st March 2021, none of the customer complaints/consumer cases beyond turnaround time (TAT) are pending.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws?

Tata Power has been fully compliant with products and service regulations concerning health and safety impacts, marketing communication, information and labelling. Tata Power has displayed safety signage at prominent locations including the sub-stations and Customer Relations Centers. In addition, the Company is also creating safety awareness among consumers through various virtual platforms.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year?

There are no cases pending with regard to unfair trade practices, irresponsible advertising and/ or anti-competitive behavior as on 31st March 2021.

Corporate Governance (Reference Pg. 17)

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

Tata Power conducts Customer Satisfaction Surveys to measure both customer satisfaction and dissatisfaction levels on quarterly basis across all segments i.e. commercial, industrial and residential consumers using a 5 point rating scale. The results of the survey are shared with the concerned departments to assess the improvement areas and take necessary action. Overall Customer Satisfaction Assessment total (CSAT) score in percentage for FY21 is given below:

Customer	Satisfaction (%)
Residential	97
Industrial	100
Commercial	100

Independent Auditor's Report

To the Members of The Tata Power Company Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of The Tata Power Company Limited ("the Company"), which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial

Statements' 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 statements 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Management's assessment of appropriateness of Going Concern assumption (as described in Note 42.4.3 of the standalone Ind AS financial statements)	
<p>The Company has current liabilities of Rs. 10,434.06 crores and current assets of Rs. 3,874.50 crores as at March 31, 2021.</p> <p>Current liabilities exceed current assets as at the year end. Given the nature of its business i.e. contracted long term power supply agreements and a significant composition of cost plus contracts leading to significant stability of cashflows and profitability, management is confident of refinancing and consider the liquidity risk as low and accordingly, the Company uses significant short term borrowings to reduce its borrowing costs.</p> <p>Management has made an assessment of the Company's ability to continue as a Going Concern as required by Ind AS 1 Presentation of Financial Statements considering all the available information and has concluded that the going concern basis of accounting is appropriate.</p> <p>Going Concern assessment has been identified as a key audit matter considering the significant judgements and estimates involved in the assessment and its dependence upon management's ability to complete the planned divestments, raising long term capital and / or successful refinancing of certain current financial obligations.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the process and tested the internal controls associated with the management's assessment of Going Concern assumption. • Discussed with management and assessed the assumptions, judgements and estimates used in developing business plan and cash flow projections having regards to past performance and current emerging business trends affecting the business and industry. • Assessed the Company's ability to refinance its short term obligation based on the past trends, credit ratings, analysis of solvency and liquidity ratios and ability to generate cash flows and access to capital. • Assessed the adequacy of the disclosures in the standalone Ind AS financial statements.
Revenue recognition and accrual of regulatory deferrals (as described in Note 19 and Note 30 of the standalone Ind AS financial statements)	
<p>In the regulated generation, transmission and distribution business of the Company, the tariff is determined by the regulator on cost plus return on equity basis wherein the cost is subject to prudential norms. The Company invoices its customers on the basis of pre-approved tariff which is based on budget and is subject to true up.</p> <p>The Company recognizes revenue as the amount invoiced to customers based on pre-approved tariff rates agreed with regulator. As the Company is entitled to a fixed return on equity, the difference between the revenue recognized and entitlement as per the regulation is recognized as regulatory assets / liabilities. The Company has recognized Rs. 1,148.45 crore for generation and transmission business and Rs. 573.60 crore for distribution business as accruals as at March 31, 2021.</p> <p>Accruals are determined based on tariff regulations and past tariff orders and are subject to verification and approval by the regulators. Further the costs incurred are subject to prudential checks and prescribed norms. Significant judgements are made in determining the accruals including interpretation of tariff regulations. Further certain disallowances of claims have been litigated by the Company which are in various stages of dispute.</p> <p>Revenue recognition and accrual of regulatory deferrals is a key audit matter considering the significance of the amount and significant judgements involved in the determination.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • Read the Company's accounting policies with respect to accrual of regulatory deferrals and assessed its compliance with Ind AS 114 "Regulatory Deferral Accounts" and Ind AS 115 "Revenue from Contract with Customers". • Performed test of controls over revenue recognition and accrual of regulatory deferrals through inspection of evidence of performance of these controls. • Performed substantive audit procedures including: <ul style="list-style-type: none"> o Evaluated the key assumptions used by the Company by comparing it with prior years, past precedents and the opinion of management's expert. o Considered the independence, objectivity and competence of management's expert. o Assessed management's evaluation of the likely outcome of the key disputes based on past precedents and / or advice of management's expert. o Assessed the impact recognized by the Company In respect of tariff orders received. o Assessed the disclosures in accordance with the requirements of Ind AS 114 "Regulatory Deferral Accounts" and Ind AS 115 "Revenue from Contract with Customers".

Independent Auditor's Report

Recognition and Measurement of Deferred Tax <i>(as described in Note 35 of the standalone Ind AS financial statements)</i>	
<p>The Company has recognized Minimum Alternate Tax (MAT) credit receivable of Rs. 437.51 crores as at March 31, 2021. The Company also has recognized deferred tax assets of Rs. 492.56 crores on long term capital loss on sale of investments.</p> <p>Further, pursuant to the Taxation Laws (Amendment) Act, 2019 (new tax regime), the Company has measured its deferred tax balances expected to reverse after the likely transition to new tax regime, at the rate specified in the new tax regime.</p> <p>The recognition and measurement of MAT credit receivable and deferred tax balances; is a key audit matter considering the significance of the amount, judgement involved in assessing the recoverability of such credits, estimation of the financial projections for determination of the year of transition to new tax regime and judgements involved in the interpretation of tax regulations and tax positions adopted by the Company.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • Read Company's accounting policies with respect to recognition and measurement of tax balances in accordance with Ind AS 12 "Income Taxes" • Performed test of controls over recognition and measurement of tax balances through inspection of evidence of performance of these controls. • Performed substantive audit procedures including: <ul style="list-style-type: none"> o Involved tax specialists who evaluated the Company's tax positions basis the tax law and also by comparing it with prior years and past precedents o Discussed the future business plans and financial projections with the management o Assessed the management's long-term financial projections and the key assumptions used in the projections by comparing it to the approved business plan, projections used for estimation of likely year of transition to the new tax regime and projections used for impairment assessment where applicable. • Assessed the disclosures in accordance with the requirements of Ind AS 12 "Income Taxes".
Impairment of assets <i>(as described in Note 5 and Note 7 of the standalone Ind AS financial statements)</i>	
<p>At the end of every reporting period, the Company assesses whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or CGU.</p> <p>The determination of recoverable amount, being the higher of fair value less costs to sell and value-in-use involves significant estimates, assumptions and judgements of the long-term financial projections.</p> <p>The Company is carrying impairment provision amounting to Rs. 3,555.00 crores with respect to Mundra CGU (comprising of investment in companies owning Mundra power plant, coal mines and related infrastructure), Rs. 446.09 crores for investment in Company owning hydro power plant in Georgia and Rs. 100 crores with respect to a generating unit in Trombay. During the year, as the indication exists, the Company has reassessed its impairment assessment with respect to the specified CGUs.</p> <p>Impairment of assets is a key audit matter considering the significance of the carrying value, estimations and the significant judgements involved in the impairment assessment.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • Read the Company's accounting policies with respect to impairment in accordance with Ind AS 36 "Impairment of assets" • Performed test of controls over key financial controls related to accounting, valuation and recoverability of assets through inspection of evidence. • Performed substantive audit procedures including: <ul style="list-style-type: none"> o Obtained the management's impairment assessment o Evaluated the key assumptions including projected generation, coal prices, exchange rate, energy prices post power purchase agreement period and weighted average cost of capital by comparing them with prior years and external data, where available. o Obtained and evaluated the sensitivity analysis • Assessed the disclosures in accordance with the requirements of Ind AS 36 "Impairment of assets".

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are 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 these standalone Ind AS financial statements.

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 standalone Ind AS financial statements, 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. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone Ind AS financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 statements 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.

Independent Auditor's Report

- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent 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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the

Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

- (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note 38 to the standalone Ind AS financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 24 to the standalone Ind AS financial statements;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

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

per Abhishek Agarwal
Partner

Mumbai
Date: May 12, 2021

Membership Number: 112773
UDIN: 21112773AAAADG2459

Annexure 1 to the Independent Auditor's Report referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date on the standalone Ind AS financial statements of The Tata Power Company Limited

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (i) (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (i) (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company except for
 - a. immovable properties aggregating to Rs. 0.88 crore acquired during merger of Chemical Terminal Trombay Limited in the earlier year for which registration of title of deeds is in progress.
 - b. immovable properties aggregating to Rs. 8.01 crore acquired in earlier years for which registration of title of deeds is in progress.

Further registration of title deed is in progress in respect of leasehold land classified under Asset held for sale aggregating to Rs. 215.56 crore (Gross value Rs. 225.65 crore).

According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are pledged with the banks and not available with the Company as described in note 22 of standalone Ind AS financial statements. The same has not been independently confirmed by the bank and hence we are unable to comment on the same.

- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

- (iii) (a) The Company has granted loans to sixteen companies covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the Company's interest.

- (iii) (b) The Company has granted loans to seventeen companies covered in the register maintained under section 189 of the Companies Act, 2013. The schedule of repayment of principal and payment of interest has been stipulated for the loans granted and the repayment/receipts are regular.

- (iii) (c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made, guarantees and securities given have been complied with by the Company.

- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal, Reserve Bank of India or any Court or any other Tribunal.

- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to generation, transmission and distribution of electricity, arms and ammunitions, Radar, radio navigational aid apparatus and electricals or electronic machinery are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

Independent Auditor's Report

- (vii) According to the information and explanations given to us in respect of statutory dues:
- (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of custom, cess and other statutory dues applicable to it.
- (b) No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, service tax, sales tax, custom duty, excise duty, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues of income tax, sales tax, service tax, custom duty, excise duty, value added tax and cess on account of any dispute are as follows:

Name of Statute	Nature of dues	Amount in Crores	Period to which amount relates	Forum where the dispute is pending
The Customs Act, 1962	Customs Duty	34.43	2011-12 and 2012-13	The Customs Excise and Service Tax Appellate Tribunal (CESTAT)
		3.60	2004-05 to 2005-06	CESTAT
		1.37	2004-05 to 2005-06 and 2009-10	Principal Commissioner of Customs
The Central Excise Act, 1944	Excise Duty	0.81	1993-94 to 1995-96	CESTAT
The Water (Prevention & Control of Pollution) Cess Act, 1977	Cess	1.13	2009-10	Chairman, Maharashtra Pollution Control Board (MPCB)
Income Tax Act, 1961	Income Tax	8.99	2008-09	Income Tax Appellate Tribunal
		1.08	2009-10	
		100.19	2011-12 - 2014-15	
	Tax deducted at source	50.19	2016-17	Commissioner of Income Tax (Appeals)
The Finance Act, 1994	Service Tax	375.29	July 2012 to June 2017	High Court
		5.86	2011-12 to 2014-15	CESTAT
		0.25	2007-08	Joint Commissioner (Appeals)

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- (ix) In our opinion and according to the information and explanations given by the management and audit procedures performed by us, the Company has utilized the monies raised by way of debt instruments in the nature of debentures and term loans for the purposes for which they were raised. According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer.

- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone Ind AS financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone Ind AS financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given by the management and audit procedures performed by us, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the preferential allotment of shares during the year. According to the information and explanations given by the management,

we report that the amounts raised, have been used for the purposes for which the funds were raised. Further, according to the information and explanations to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of fully or partly convertible debentures during the year.

- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

per Abhishek Agarwal
Partner
Membership Number: 112773
UDIN: 21112773AAAADG2459

Mumbai
Date: May 12, 2021

Independent Auditor's Report

Annexure 2 to the Independent Auditor's Report of even date on the standalone Ind AS financial statements of The Tata Power Company Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013, as amended ("the Act")

We have audited the internal financial controls over financial reporting of The Tata Power Company Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Ind AS Financial Statements

A company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements

and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

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

per Abhishek Agarwal
Partner
Membership Number: 112773
UDIN: 21112773AAAADG2459

Mumbai
Date: May 12, 2021

Standalone Balance Sheet

as at 31st March, 2021

	Notes	Page	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
ASSETS				
Non-current Assets				
(a) Property, Plant and Equipments	5	246	8,200.75	7,974.07
(b) Capital Work-in-Progress			285.45	402.87
(c) Intangible Assets	6	250	55.39	62.22
(d) Financial Assets				
(i) Investments	7	252	26,128.40	21,327.20
(ii) Loans	9	258	490.18	42.10
(iii) Finance Lease Receivables	10	260	529.57	553.03
(iv) Other Financial Assets	11	261	619.88	222.77
(e) Non-current Tax Assets (Net)	12	262	135.00	135.00
(f) Other Non-current Assets	13	262	1,179.50	1,009.64
Total Non-current Assets			37,624.12	31,728.90
Current Assets				
(a) Inventories	14	263	632.94	635.01
(b) Financial Assets				
(i) Investments	15	263	240.01	20.00
(ii) Trade Receivables	8	257	910.87	1,108.68
(iii) Unbilled Revenue			75.37	83.41
(iv) Cash and Cash Equivalents	16	264	123.67	158.54
(v) Bank Balances other than (iv) above	17	265	19.00	20.40
(vi) Loans	9	258	1,523.89	550.09
(vii) Finance Lease Receivables	10	260	36.52	31.89
(viii) Other Financial Assets	11	261	120.38	235.58
(c) Other Current Assets	13	262	191.85	146.26
Total Current Assets			3,874.50	2,989.86
Assets Classified as Held For Sale	18a.	265	796.73	2,639.40
Total Assets before Regulatory Deferral Account			42,295.35	37,358.16
Regulatory Deferral Account - Assets	19	268	573.60	258.32
TOTAL ASSETS			42,868.95	37,616.48
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	20a.	269	319.56	270.50
(b) Unsecured Perpetual Securities	20b.	270	1,500.00	1,500.00
(c) Other Equity	21	270	16,559.00	13,491.47
Total Equity			18,378.56	15,261.97

Standalone Balance Sheet

as at 31st March, 2021 (Contd.)

	Notes	Page	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Liabilities				
Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	22	272	13,168.52	9,825.33
(ii) Lease Liabilities	23	275	209.72	237.03
(iii) Other Financial Liabilities	24	276	12.09	14.60
(b) Deferred Tax Liabilities (Net)	25	276	135.36	307.25
(c) Provisions	26	277	261.38	222.46
(d) Other Non-current Liabilities	27	285	155.70	161.34
Total Non-current Liabilities			13,942.77	10,768.01
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	28	285	5,595.70	6,212.31
(ii) Lease Liabilities	23	276	27.39	41.82
(iii) Trade Payables				
(a) Total outstanding dues of micro enterprises and small enterprises			17.69	7.72
(b) Total outstanding dues of trade payables other than micro enterprises and small enterprises			1,119.31	994.15
(iv) Other Financial Liabilities	24	276	3,042.60	2,621.62
(b) Current Tax Liabilities (Net)	29	285	133.47	107.67
(c) Provisions	26	277	25.37	62.02
(d) Other Current Liabilities	27	285	472.53	502.87
Total Current Liabilities			10,434.06	10,550.18
Liabilities directly associated with Assets Classified as Held For Sale	18b.	266	113.56	1,036.32
Total Liabilities before Regulatory Deferral Account			24,490.39	22,354.51
Regulatory Deferral Account - Liability	19	268	Nil	Nil
TOTAL EQUITY AND LIABILITIES			42,868.95	37,616.48

See accompanying notes to the Standalone Financial Statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.324982E/E300003

per ABHISHEK AGARWAL

Partner

Membership No. 112773

Mumbai, 12th May, 2021

For and on behalf of the Board,

PRAVEER SINHA

CEO & Managing Director

DIN 01785164

RAMESH SUBRAMANYAM

Chief Financial Officer

Mumbai, 12th May, 2021

BANMALI AGRAWALA

Director

DIN 00120029

HANOZ M. MISTRY

Company Secretary

Standalone Statement of Profit and Loss

for the year ended 31st March, 2021

	Notes	Page	For the year ended 31st March, 2021	For the year ended 31st March, 2020	
			₹ crore	₹ crore	
I	Revenue from Operations	30	286	6,180.59	7,726.39
II	Other Income	31	290	1,248.96	582.62
III	Total Income			7,429.55	8,309.01
IV	Expenses				
	Cost of Power Purchased			504.30	457.59
	Cost of Fuel			2,186.38	2,765.61
	Transmission Charges			258.18	214.00
	Employee Benefits Expense (Net)	32	291	649.07	610.71
	Finance Costs	33	291	1,518.77	1,510.38
	Depreciation and Amortisation Expenses	5 & 6	246 & 250	668.89	685.75
	Other Expenses	34	292	765.68	756.69
	Total Expenses			6,551.27	7,000.73
V	Profit/(Loss) Before Movement in Regulatory Deferral Balance, Exceptional Items and Tax			878.28	1,308.28
	Add/(Less): Net Movement in Regulatory Deferral Balances	19	268	258.00	(792.24)
	Add/(Less): Net Movement in Regulatory Deferral Balances in respect of earlier years	19	268	Nil	(21.32)
	Add/(Less): Deferred Tax Recoverable/(Payable)	19	268	41.62	162.16
				299.62	(651.40)
VI	Profit/(Loss) Before Exceptional Items and Tax			1,177.90	656.88
	Add/(Less): Exceptional Items				
	Reversal of Impairment of Non-current Investments and related obligation	7	252	Nil	235.00
	Standby Litigation	39a.	299	(109.29)	(276.35)
	Remeasurement of Deferred Tax Recoverable on account of New Tax Regime (Net)	35	293	Nil	(265.00)
				(109.29)	(306.35)
VII	Profit/(Loss) Before Tax from Continuing Operations			1,068.61	350.53
VIII	Tax Expense/(Credit)				
	Current Tax	35	293	205.31	18.61
	Deferred Tax	35	293	(104.34)	73.08
	Deferred Tax relating to earlier years	35	293	Nil	(24.51)
	Remeasurement of Deferred Tax on account of New Tax Regime (Net)	35	293	Nil	(275.00)
				100.97	(207.82)
IX	Profit/(Loss) for the Year from Continuing Operations			967.64	558.35
X	Profit/(Loss) before tax from Discontinued Operations	18c.	266	(59.84)	(81.64)
	Impairment Loss related to Discontinued Operations on remeasurement to Fair Value	18c.	266	(160.00)	(361.00)
XI	Tax Expense/(Credit) of Discontinued Operations				
	Current Tax			(101.48)	Nil
	Deferred Tax			(72.17)	(32.41)
	Tax Expense/(Credit) of Discontinued Operations			(173.65)	(32.41)
XII	Profit/(Loss) for the Year from Discontinued Operations	18c.	266	(46.19)	(410.23)
XIII	Profit/(Loss) for the Year			921.45	148.12

Standalone Statement of Profit and Loss

for the year ended 31st March, 2021 (Contd.)

	Notes	Page	For the year ended 31st March, 2021	For the year ended 31st March, 2020
			₹ crore	₹ crore
XIV Other Comprehensive Income/(Expenses) - Continuing Operations				
<i>Add/(Less):</i> (i) Items that will not be reclassified to profit or loss				
(a) Remeasurement of Defined Benefit Plans	26	277	16.83	(51.79)
(b) Equity Instruments classified at FVTOCI			17.63	(3.50)
(c) Assets Classified as Held For Sale - Equity Instruments classified at FVTOCI			155.87	(15.84)
(ii) Tax relating to items that will not be reclassified to profit or loss				
(a) Current Tax	35	293	Nil	0.77
(b) Deferred Tax	35	293	(4.61)	17.40
			185.72	(52.96)
XV Other Comprehensive Income/(Expenses) - Discontinued Operations				
<i>Add/(Less):</i> Items that will not be reclassified to profit or loss	26	277	(0.34)	0.20
XVI Other Comprehensive Income/(Expenses) For The Year (Net of Tax)			185.38	(52.76)
XVII Total Comprehensive Income for the Year (XIII + XVI)			1,106.83	95.36
XVIII Basic and Diluted Earnings Per Equity Share (of ₹ 1/- each) (₹)	40	300		
(i) From Continuing Operations before net movement in regulatory deferral balances			1.99	3.23
(ii) From Continuing Operations after net movement in regulatory deferral balances			2.64	1.44
(iii) From Discontinued Operations			(0.15)	(1.52)
(iv) Total Operations after net movement in regulatory deferral balances			2.49	(0.08)

See accompanying notes to the Standalone Financial Statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.324982E/E300003

per ABHISHEK AGARWAL

Partner

Membership No. 112773

Mumbai, 12th May, 2021

For and on behalf of the Board,

PRAVEER SINHA

CEO & Managing Director

DIN 01785164

RAMESH SUBRAMANYAM

Chief Financial Officer

Mumbai, 12th May, 2021

BANMALI AGRAWALA

Director

DIN 00120029

HANOZ M. MISTRY

Company Secretary

Standalone Cash Flow Statement

for the year ended 31st March, 2021

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
A. Cash Flow from Operating Activities		
Profit/(loss) before tax from continuing operations	1,068.61	350.53
Profit/(loss) before tax from discontinued operations	(219.84)	(442.64)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	668.89	685.75
Interest income	(201.01)	(107.44)
Interest on income-tax refund	Nil	(10.96)
Delayed payment charges	(7.02)	(6.61)
Dividend income	(996.03)	(368.81)
Finance cost (Net of capitalisation)	1,543.68	1,546.53
(Gain)/loss on disposal of property, plant and equipment (Net)	(16.80)	(0.35)
(Gain)/loss on sale/fair value of current investment measured at fair value through profit and loss	(16.93)	(13.41)
(Gain)/loss on sale of non-current investments (including fair value change)	Nil	(9.06)
Guarantee commission from subsidiaries and joint ventures	(21.82)	(60.63)
Amortisation of service line contributions	(8.25)	(7.99)
Transfer to statutory consumer reserve	11.00	17.00
Bad debts	2.43	6.05
Allowance for doubtful debts and advances (Net)	30.49	2.85
Provision for standby litigation	109.29	Nil
Reversal of impairment of non-current investments and related obligation	(8.00)	(235.00)
Impairment loss on remeasurement to fair value related to discontinued operations	160.00	361.00
Effect of exchange fluctuation (Net)	0.10	(2.44)
	1,250.02	1,796.48
	2,098.79	1,704.37
Working Capital adjustments:		
Adjustments for (increase) / decrease in assets:		
Inventories	(16.43)	(34.65)
Trade receivables	317.31	(10.04)
Finance lease receivables	18.83	6.93
Loans - current	(2.01)	(2.39)
Loans - non-current	0.07	9.25
Other current assets	(239.92)	141.11
Other non-current assets	(163.12)	123.64
Unbilled revenue	(103.09)	(26.24)
Other financial assets - current	57.00	1.18
Other financial assets - non-current	(7.28)	(41.15)
Regulatory deferral account - assets	(315.28)	740.68
	(453.92)	908.32
	1,644.87	2,612.69

Standalone Cash Flow Statement

for the year ended 31st March, 2021 (Contd.)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Adjustments for increase / (decrease) in liabilities:		
Trade payables	172.74	(277.60)
Other current liabilities	193.21	139.56
Other non-current liabilities	(2.68)	0.70
Current provisions	(14.93)	(12.66)
Non-current provisions	37.40	25.03
Other financial liabilities - current	376.90	(80.47)
Other financial liabilities - non current	0.29	(24.05)
	762.93	(229.49)
Cash flow from/(used in) operations	2,407.80	2,383.20
Income tax paid (Net of refund received)	(80.03)	(74.40)
Net cash flows from/(used in) Operating Activities	A	2,327.77
B. Cash Flow from Investing Activities		
Capital expenditure on property, plant and equipment (including capital advances)	(913.49)	(705.05)
Proceeds from sale of property, plant and equipment (including property, plant and equipment classified as held for sale)	257.40	26.53
Proceeds from sale of Strategic Engineering Division (Net) (Refer Note 18c)	420.85	Nil
Purchase of non current investments	(4,801.23)	(284.11)
Proceeds from sale of non-current investments (including investments classified as held for sale)	Nil	271.28
(Purchase)/proceeds from/ to sale of current investments (Net)	(203.08)	35.41
Interest received	133.36	107.83
Delayed payment charges received	7.02	6.61
Loans given	(6,514.95)	(3,259.41)
Loans repaid	5,093.16	2,824.04
Dividend received	996.03	449.97
Guarantee commission received	18.70	56.16
Bank balance not considered as cash and cash equivalents	(0.01)	(0.25)
Net cash flow from/(used in) Investing Activities	B	(5,506.24)
C. Cash Flow from Financing Activities		
Proceeds from issue of shares	2,600.00	Nil
Proceeds from non-current borrowings	5,318.58	3,403.59
Repayment of non-current borrowings	(2,107.27)	(2,568.35)
Proceeds from current borrowings	20,542.23	30,776.85
Repayment of current borrowings	(21,157.79)	(31,295.20)
Interest and other borrowing costs	(1,442.76)	(1,524.17)
Dividends paid	(419.24)	(351.99)
Distribution on unsecured perpetual securities	(171.00)	(171.00)
Increase in capital/service line contributions	5.29	7.03
Payments of lease liabilities	(30.99)	(29.34)
Net Cash Flow from/(used in) Financing Activities	C	3,137.05
Net increase/(decrease) in Cash and Cash Equivalents	(A + B + C)	(41.42)
Cash and Cash Equivalents as at 1st April (Opening Balance)	165.09	79.86
Cash and Cash Equivalents as at 31st March (Closing Balance)	123.67	165.09

Standalone Cash Flow Statement

for the year ended 31st March, 2021 (Contd.)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Cash and Cash Equivalents include:		
(a) Balances with banks		
In current accounts	123.67	158.54
(b) Bank overdraft	Nil	(1.05)
Cash and Cash Equivalents related to Continuing Operations	123.67	157.49
(a) Balances with banks		
In current accounts	Nil	7.62
(b) Book overdraft	Nil	(0.02)
Cash and Cash Equivalents related to Discontinued Operations	Nil	7.60
Total of Cash and Cash Equivalents	123.67	165.09

See accompanying notes to the Standalone Financial Statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.324982E/E300003

per ABHISHEK AGARWAL

Partner

Membership No. 112773

Mumbai, 12th May, 2021

For and on behalf of the Board,

PRAVEER SINHA

CEO & Managing Director

DIN 01785164

RAMESH SUBRAMANYAM

Chief Financial Officer

Mumbai, 12th May, 2021

BANMALI AGRAWALA

Director

DIN 00120029

HANOZ M. MISTRY

Company Secretary

Standalone Statement of Changes in Equity

for the year ended 31st March, 2021

A. Equity Share Capital

	No. of Shares	₹ crore
Balance as at 1st April, 2019		Amount
Issued during the year	270,47,73,510	270.50
Balance as at 31st March, 2020		270.50
	270,47,73,510	
Balance as at 1st April, 2020		270.50
Issued during the year (Refer Note 21(5))	49,05,66,037	49.06
Balance as at 31st March, 2021		319.56
	319,53,39,547	

B. Unsecured Perpetual Securities

	No. of Securities	₹ crore
Balance as at 1st April, 2019		Amount
Issued during the year	15,000	1,500.00
Balance as at 31st March, 2020		1,500.00
	15,000	
Balance as at 1st April, 2020		1,500.00
Issued during the year	Nil	Nil
Balance as at 31st March, 2021		1,500.00
	15,000	

C. Other Equity (Refer Note 21)

Description	Reserves and Surplus				Equity Instrument through Other Comprehensive Income	Total		
	General Reserve	Securities Premium	Debt Redemption Reserve	Capital Redemption Reserve			Capital Reserves	Statutory Reserve
Balance as at 1st April, 2019	3,853.98	5,634.98	421.95	1.85	660.08	2,954.12	330.48	13,919.10
Profit/(Loss) for the year	Nil	Nil	Nil	Nil	Nil	148.12	Nil	148.12
Other Comprehensive Income/(Expenses) for the year (Net of Tax)	Nil	Nil	Nil	Nil	Nil	(33.42)	(19.34)	(52.76)
Total Comprehensive Income	Nil	Nil	Nil	Nil	Nil	114.70	(19.34)	95.36
Dividend paid (including tax on dividend)	Nil	Nil	Nil	Nil	Nil	(351.99)	Nil	(351.99)
Transfer to/(from) Debt Redemption Reserve	Nil	Nil	(125.00)	Nil	Nil	125.00	Nil	Nil
Transfer to Retained Earnings on sale of shares	Nil	Nil	Nil	Nil	Nil	356.25	(356.25)	Nil
Distribution on Unsecured Perpetual Securities	Nil	Nil	Nil	Nil	Nil	(171.00)	Nil	(171.00)
Balance as at 31st March, 2020	3,853.98	5,634.98	296.95	1.85	660.08	3,027.08	(45.11)	13,491.47
Balance as at 1st April, 2020	3,853.98	5,634.98	296.95	1.85	660.08	3,027.08	(45.11)	13,491.47
Profit/(Loss) for the year	Nil	Nil	Nil	Nil	Nil	921.45	Nil	921.45
Other Comprehensive Income/(Expenses) for the year	Nil	Nil	Nil	Nil	Nil	11.88	173.50	185.38
Total Comprehensive Income	Nil	Nil	Nil	Nil	Nil	933.33	173.50	1,106.83
Share Premium collected during the year (Refer Note 21(5))	Nil	2,550.94	Nil	Nil	Nil	Nil	Nil	2,550.94
Dividend paid	Nil	Nil	Nil	Nil	Nil	(419.24)	Nil	(419.24)
Distribution on Unsecured Perpetual Securities	Nil	Nil	Nil	Nil	Nil	(171.00)	Nil	(171.00)
Balance as at 31st March, 2021	3,853.98	8,185.92	296.95	1.85	660.08	3,370.17	128.39	16,559.00

See accompanying notes to the Standalone Financial Statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.324982/E300003

per ABHISHEK AGARWAL

Partner

Membership No. 112773

Mumbai, 12th May, 2021

For and on behalf of the Board,

PRAVEER SINHA

CEO & Managing Director

DIN 01785164

RAMESH SUBRAMANYAM

Chief Financial Officer

Mumbai, 12th May, 2021

BANMALI AGRAWALA

Director

DIN 00120029

HANZO M. MISTRY

Company Secretary

Notes to the Standalone Financial Statements

1. Corporate Information:

The Tata Power Company Limited (the 'Company') is a public limited company domiciled and incorporated in India under the Indian Companies Act, 1913. The registered office of the Company is located at Bombay House, 24, Homi Mody Street, Mumbai 400001, India. The Company is listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The principal business of the Company is generation, transmission and distribution of electricity.

The Company was amongst the pioneers in generation of electricity in India more than a century ago.

The Company has an installed generation capacity of 2,304 MW in India and a presence in all the segments of the power sector viz. Generation (thermal, hydro, solar and wind), Transmission and Distribution.

2. Significant Accounting Policies:

2.1 Statement of compliance

The Standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 (as amended from time to time).

2.2 Basis of preparation and presentation

The Standalone Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value

- derivative financial instruments;
- certain financial assets and liabilities measured at fair value (Refer accounting policy regarding financial instruments);
- employee benefit expenses (Refer Note 26 for accounting policy)

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

3. Other Significant Accounting Policies

3.1 Foreign Currencies

The functional currency of the Company is Indian Rupee (₹).

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated. Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

3.2 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- expected to be realised or intended to be sold or consumed in normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realised within twelve months after the reporting period, or

3. Other Significant Accounting Policies (Contd.)

- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in normal operating cycle,
- it is held primarily for the purpose of trading,
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

3.3 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities measured at fair value through profit or loss are recognised immediately in the statement of profit and loss.

3.4 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

3.5 Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest rate method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3.5.1 Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Equity Instruments through Other Comprehensive Income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

Notes to the Standalone Financial Statements

3. Other Significant Accounting Policies (Contd.)

3.5.2 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading. Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

3.5.3 Investment in subsidiaries, jointly controlled entities and associates

Investment in subsidiaries, jointly controlled entities and associates are measured at cost less impairment as per Ind AS 27 - 'Separate Financial Statements'.

Impairment of investments:

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is recorded in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the Investment is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the cost of the Investment. A reversal of an impairment loss is recognised immediately in statement of profit or loss.

3.5.4 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- the right to receive cash flows from the asset have expired, or
- the Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

3.5.5 Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

3.6 Financial liabilities and equity instruments

3.6.1 Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

3.6.2 Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

3.6.3 Financial liabilities

Financial liabilities are subsequently measured at amortised cost using the effective interest method or FVTPL. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the Effective Interest Rate (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on

3. Other Significant Accounting Policies (Contd.)

acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss.

3.6.4 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

3.6.5 Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 - 'Financial Instruments' and the amount recognised less cumulative amortisation.

3.7 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit and loss immediately.

3.8 Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

3.9 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.10 Dividend distribution to equity shareholders of the Company

The Company recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at its discretion. A corresponding amount is recognised directly in equity.

4. Critical accounting estimates and judgements

In the application of the Company's accounting policies, management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Notes to the Standalone Financial Statements

4. Critical accounting estimates and judgements (Contd.)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Standalone Financial Statements.

The areas involving critical estimates or judgements are:

Estimations used for impairment of property, plant and equipments of certain cash generating units (CGU) - Note 5

Estimations used for fair value of unquoted securities and impairment of investments - Note 7

Estimation of defined benefit obligation - Note 26

Estimations used for determination of tax expenses and tax balances (including Minimum Alternate Tax credit) - Note 35

Estimates related to accrual of regulatory deferrals and revenue recognition - Note 19 and Note 30

Estimates and judgements related to the assessment of liquidity risk - Note 42.4.3

Judgement to estimate the amount of provision required or to determine required disclosure related to litigation and claims against the Company - Note 38

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

5. Property, Plant and Equipments

Accounting Policy

Property, plant and equipments is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price (net of trade discount and rebates) and any directly attributable cost of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalised in accordance with the Ind AS 23. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. When significant parts of plant and equipments are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipments as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

The accounting policy related to Right-of-Use Assets has been disclosed in Note 23.

Depreciation

Depreciation commences when an asset is ready for its intended use. Freehold land and assets held for sale are not depreciated.

Regulated Assets:

Depreciation on Property, plant and equipments in respect of electricity business of the Company covered under Part B of Schedule II of the Companies Act, 2013, has been provided on the straight line method at the rates specified in tariff regulation notified by respective state electricity regulatory commission.

Non-Regulated Assets:

Depreciation is recognised on the cost of assets (other than freehold land and properties under construction) less their residual values over their estimated useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

5. Property, Plant and Equipments (Contd.)

Estimated useful lives of the Regulated and Non-Regulated assets are as follows:

Type of assets	Useful lives
Hydraulic Works	40 years
Buildings-Plant	5 to 40 years
Buildings-Others	25 to 60 years
Coal Jetty	25 years
Railway Sidings, Roads, Crossings, etc.	25 to 40 years
Plant and Equipments (excluding Computers and Data Processing units)	5 to 40 years
Plant and Equipments (Computers and Data Processing units)	3 years
Transmission Lines, Cable Network, etc.	25 to 40 years
Furniture and Fixtures	10 to 40 years
Office equipments	5 years
Motor Cars	5 years
Motor Lorries, Launches, Barges etc.	25 to 40 years
Helicopters	25 years

Derecognition

An item of Property, plant and equipments is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipments is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

Impairment

Impairment of tangible and intangible assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

Impairment losses of tangible and intangible assets are recognised in the statement of profit and loss.

5. Property, Plant and Equipments (Contd.)

A. Owned Assets

Description	Freehold Land	Hydraulic Works	Buildings- Plant	Buildings- Others@	Coal Jetty	Roads, Railway sidings, crossings	Plant and Equipment	Transmission lines and cable network	Furniture and Fixtures	Office Equipment	Motor Vehicles, Launches, Barges	Helicopters	Total
Cost													
Balance as at 1st April, 2020	117.25	536.37	1,001.07	240.38	106.10	46.76	9,896.78	3,413.96	61.79	25.88	36.19	35.30	15,517.83
Additions	73.43	9.35	109.86	1.05	Nil	Nil	340.41	371.44	1.20	2.23	1.31	Nil	910.28
Disposals	Nil	(0.43)	(1.46)	(1.02)	Nil	Nil	(49.09)	(4.06)	(2.13)	(1.72)	(8.88)	Nil	(68.79)
Balance as at 31st March, 2021	190.68	545.29	1,109.47	240.41	106.10	46.76	10,188.10	3,781.34	60.86	26.39	28.62	35.30	16,359.32
Accumulated depreciation and impairment													
(Refer Note 1 below)													
Balance as at 1st April, 2020	Nil	306.23	297.56	101.84	61.61	24.74	5,684.76	1,336.41	40.50	22.58	28.40	31.73	7,956.36
Depreciation Expense - Continuing Operations	Nil	10.33	33.84	8.37	5.60	1.18	400.90	154.03	3.58	0.82	2.21	0.02	620.88
Disposals	Nil	(0.31)	(0.67)	(1.01)	Nil	(0.04)	(41.07)	(3.18)	(1.83)	(1.64)	(8.00)	Nil	(57.75)
Balance as at 31st March, 2021	Nil	316.25	330.73	109.20	67.21	25.88	6,044.59	1,487.26	42.25	21.76	22.61	31.75	8,499.49
Net carrying amount													
As at 31st March, 2021	190.68	229.04	778.74	131.21	38.89	20.88	4,143.51	2,294.08	18.61	4.63	6.01	3.55	7,859.83

Description	Freehold Land	Hydraulic Works	Buildings- Plant	Buildings- Others@	Coal Jetty	Roads, Railway sidings, crossings	Plant and Equipment	Transmission lines and cable network	Furniture and Fixtures	Office Equipment	Motor Vehicles, Launches, Barges	Helicopters	Total
Cost													
Balance as at 1st April, 2019	143.63	536.46	937.09	217.35	106.10	46.51	9,883.14	3,163.18	65.47	27.09	42.44	37.01	14,905.47
Additions	Nil	0.04	64.24	24.41	Nil	0.53	333.45	251.57	1.97	0.84	0.94	Nil	677.99
Disposals	Nil	Nil	(0.58)	(0.93)	Nil	(0.05)	(49.02)	(0.10)	(5.66)	(2.05)	(7.19)	Nil	(65.58)
Reclassified from held for sale (Refer Note 18a.)	0.04	Nil	0.97	0.34	Nil	Nil	29.23	Nil	0.01	0.01	Nil	Nil	30.60
Reclassified as held for sale (Refer Note 18a.)	(26.42)	(0.13)	(0.65)	(0.79)	Nil	(0.23)	(0.02)	(0.69)	Nil	(0.01)	Nil	(1.71)	(30.65)
Balance as at 31st March, 2020	117.25	536.37	1,001.07	240.38	106.10	46.76	9,896.78	3,413.96	61.79	25.88	36.19	35.30	15,517.83
Accumulated depreciation and impairment													
(Refer Note 1 below)													
Balance as at 1st April, 2019	Nil	293.86	266.80	95.99	56.01	23.49	5,297.08	1,198.70	41.53	22.99	29.81	33.25	7,359.51
Depreciation Expense - Continuing Operations	Nil	12.37	30.22	6.64	5.60	1.30	404.16	137.79	4.20	1.52	4.67	0.01	608.48
Disposals	Nil	Nil	(0.31)	(0.91)	Nil	(0.05)	(41.16)	(0.08)	(5.24)	(1.94)	(6.08)	Nil	(55.77)
Reclassified from held for sale (Refer Note 18a.)	Nil	Nil	0.85	0.12	Nil	Nil	24.68	Nil	0.01	0.01	Nil	Nil	25.67
Reclassified as held for sale (Refer Note 18a.)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(1.53)	(1.53)
Balance as at 31st March, 2020	Nil	306.23	297.56	101.84	61.61	24.74	5,684.76	1,336.41	40.50	22.58	28.40	31.73	7,936.36
Net carrying amount													
As at 31st March, 2020	117.25	230.14	703.51	138.54	44.49	22.02	4,212.02	2,077.55	21.29	3.30	7.79	3.57	7,581.47

@ Buildings include cost of ordinary shares in co-operative housing societies.

Notes:

- During the earlier years, the Company had recorded an impairment charge of ₹ 100 crore in respect of Unit 6 generating station (Generation Segment) located at Trombay.
- Refer Note 22 for charge created on Property, Plant and Equipments.
- The title deeds of immovable properties included in Property, Plant and Equipments are held in the name of the Company, except for:
 - immovable properties aggregating to ₹ 0.88 crore (31st March, 2020 - ₹ 0.88 crore) acquired during merger of Chemical Terminal Trombay Ltd. in the earlier years for which registration of title of deeds is in progress;
 - immovable properties aggregating to ₹ 8.01 crore (31st March, 2020 - ₹ 8.01 crore) acquired in earlier years for which registration of title of deeds is in progress;
 - immovable properties aggregating to ₹ Nil (31st March, 2020 - ₹ 27.57 crore) for which the title deed is in dispute and pending resolution as at 31st March, 2021.
- The Company has received advance of ₹ 113.56 crore towards the sale of Dehrand land having net book value of ₹ 215.55 crore (31st March, 2020 - ₹ 215.55 crore) (Gross value ₹ 225.65 crore). The title deed of the above land is pending registration. (Refer Note 18b)
- During the year ended 31st March, 2021, the Company has entered into a Business Transfer Agreement with Tata Power Renewable Energy Limited and Tata Power Green Energy Limited, wholly owned subsidiaries, for transfer of renewable assets (forming part of renewable segment) as a "going concern" on a slump sale basis effective on or after 1st April, 2021.

5. Property, Plant and Equipments (Contd.)

B. Right-of-Use Assets (Refer Note 23)

Description	₹ crore		
	Leasehold Land and Sub-surface rights	Plant and Equipments	Total
Cost			
Balance as at 1st April, 2020	420.95	11.43	432.38
Additions	Nil	Nil	Nil
Disposals	(48.72)	Nil	(48.72)
Balance as at 31st March, 2021	372.23	11.43	383.66
Accumulated depreciation and impairment			
Balance as at 1st April, 2020	35.21	4.57	39.78
Depreciation Expense	18.35	4.57	22.92
Disposals	(19.96)	Nil	(19.96)
Balance as at 31st March, 2021	33.60	9.14	42.74
Net carrying amount			
As at 31st March, 2021	338.63	2.29	340.92

Description	₹ crore		
	Leasehold Land and Sub-surface rights	Plant and Equipments	Total
Cost			
Balance on transition to Ind AS 116 as at 1 April 2019	395.56	11.43	406.99
Additions during the year	69.31	Nil	69.31
Reclassified as held for sale	(43.92)	Nil	(43.92)
Balance as at 31st March, 2020	420.95	11.43	432.38
Accumulated depreciation and impairment			
Balance as at 1st April, 2019	Nil	Nil	Nil
Depreciation Expense	35.21	4.57	39.78
Balance as at 31st March, 2020	35.21	4.57	39.78
Net carrying amount			
As at 31st March, 2020	385.74	6.86	392.60

Description	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Net carrying amount		
A. Owned Assets	7,859.83	7,581.47
B. Right-of-Use Assets	340.92	392.60
Total	8,200.75	7,974.07

Notes to the Standalone Financial Statements

6. Intangible Assets

Accounting Policy

Intangible Assets acquired separately

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Internally generated Intangible Assets

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Derecognition of Intangible Assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is derecognised.

Useful lives of Intangible Assets

Intangible assets with finite lives are amortised over the useful economic life on straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Estimated useful lives of the intangible assets are as follows:

Type of assets	Useful lives
Computer softwares	5 years
Copyrights, patents, other intellectual property rights, services and operating rights	5 years
Licences and franchises	5 years

6. Intangible Assets (Contd.)

Description				₹ crore
	Computer softwares \$	Copyrights, patents, other intellectual property rights, services and operating rights #	Licences and franchises \$	Total
Cost				
Balance as at 1st April, 2020	249.79	0.57	0.26	250.62
Additions	18.26	Nil	Nil	18.26
Disposals	(0.11)	Nil	(0.26)	(0.37)
Balance as at 31st March, 2021	267.94	0.57	Nil	268.51
Accumulated amortisation and impairment				
Balance as at 1st April, 2020	187.64	0.50	0.26	188.40
Amortisation expense	25.04	0.05	Nil	25.09
Disposals	(0.11)	Nil	(0.26)	(0.37)
Balance as at 31st March, 2021	212.57	0.55	Nil	213.12
Net carrying amount				
As at 31st March, 2021	55.37	0.02	Nil	55.39

Description				₹ crore
	Computer softwares \$	Copyrights, patents, other intellectual property rights, services and operating rights #	Licences and franchises \$	Total
Cost				
Balance as at 1st April, 2019	233.97	0.57	0.26	234.80
Additions	15.82	Nil	Nil	15.82
Balance as at 31st March, 2020	249.79	0.57	0.26	250.62
Accumulated amortisation and impairment				
Balance as at 1st April, 2019	150.16	0.49	0.26	150.91
Amortisation expense	37.48	0.01	Nil	37.49
Balance as at 31st March, 2020	187.64	0.50	0.26	188.40
Net carrying amount				
As at 31st March, 2020	62.15	0.07	Nil	62.22

Notes:

Internally generated intangible assets.

\$ Other than internally generated intangible assets.

Depreciation/Amortisation - Continuing Operations:

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Depreciation on Tangible assets	620.88	608.48
Depreciation on Right-of-Use Assets	22.92	39.78
Amortisation on Intangible assets	25.09	37.49
Total	668.89	685.75

Notes to the Standalone Financial Statements

7. Non-Current Investments

	As at 31st March, 2021	As at 31st March, 2020	Face Value (in ₹ unless stated otherwise)	As at 31st March, 2021	As at 31st March, 2020
	Quantity	Quantity		₹ crore	₹ crore
I Investments carried at cost less accumulated impairment, if any					
(A) Investment in Subsidiaries					
(i) Investment in Equity Shares fully paid-up					
Quoted					
NELCO Ltd.	1,10,99,630	1,10,99,630	10	11.07	11.07
				11.07	11.07
Unquoted					
Tata Power Trading Co. Ltd.	1,60,00,000	1,60,00,000	10	37.09	37.09
Maithon Power Ltd.	111,65,99,120	111,65,99,120	10	1,116.83	1,116.83
Coastal Gujarat Power Ltd. (Refer Note 9 below)	800,04,20,000	800,04,20,000	10	8,593.25**	8,593.25**
Bhira Investments Pte. Ltd.	10,00,000	10,00,000	USD 1	4.10	4.10
Bhivpuri Investments Ltd.	7,46,250	7,46,250	Euro 1	4.08	4.08
Tata Power Green Energy Ltd.	50,000	50,000	10	0.02	0.02
Khopoli Investments Ltd.	4,70,07,350	4,70,07,350	USD 1	255.20	255.20
Trust Energy Resources Pte. Ltd.	12,91,53,344	12,91,53,344	USD 1	607.95	607.95
Tata Power Delhi Distribution Ltd. (Refer Note 8 below)	53,65,20,000	28,15,20,000	10	200.93	200.93
TP Ajmer Distribution Ltd.	1,00,00,000	1,00,00,000	10	10.00	10.00
Tata Power Jamshedpur Distribution Ltd.	80,50,000	80,50,000	10	8.05**	8.05**
TP Renewable Microgrid Ltd. (formerly Industrial Power Utility Ltd.)	4,01,00,000	1,10,000	10	40.10	0.11
TCL Ceramics Ltd. (Refer Note 6 Below) (formerly Tata Ceramics Ltd.)	Nil	Nil	2	Nil*	Nil*
Tata Power Renewable Energy Ltd. (Refer Note 9 below)	104,51,07,715	104,51,07,715	10	1,054.03	1,054.03
Tata Power Solar Systems Ltd.	2,29,77,567	2,29,77,567	100	322.98	322.98
Tata Power International Pte. Ltd.	6,77,30,650	6,77,30,650	USD 1	577.55**	577.55**
Af-Taab Investment Co. Ltd.	10,73,000	10,73,000	100	68.68	68.68
TP Central Odisha Distribution Ltd. (Refer Note 7 below)	15,30,00,000	Nil	10	178.95	Nil
TP Southern Odisha Distribution Ltd (Refer Note 7 below)	10,20,00,000	Nil	10	127.52	Nil
TP Western Odisha Distribution Ltd (Refer Note 7 below)	15,30,00,000	Nil	10	255.04	Nil
Supa Windfarm Ltd.	1,10,00,000	Nil	10	10.95	Nil
TP Kirnali Solar Ltd.	1,15,65,090	Nil	10	11.57	Nil
TP Solapur Solar Ltd.	50,000	Nil	10	0.05	Nil
TP Saurya Ltd.	50,000	Nil	10	0.05	Nil
TP Akkalkot Renewable Energy Ltd	50,000	Nil	10	0.05	Nil
				13,485.02	12,860.85
** Less: Impairment in the value of Investments (Refer Note 11 below)				4,009.14	4,009.14
				9,475.88	8,851.71
Carried forward.....				9,486.95	8,862.78

7. Non-current Investments (Contd.)

	As at 31st March, 2021	As at 31st March, 2020	Face Value (in ₹ unless stated otherwise)	As at 31st March, 2021	As at 31st March, 2020
	Quantity	Quantity		₹ crore	₹ crore
Brought forward.....				9,486.95	8,862.78
(ii) Investment in Perpetual Securities					
Unquoted					
Tata Power Renewable Energy Ltd. (Refer Note 5 below)	N.A.	N.A.		3,895.00	3,895.00
Coastal Gujarat Power Ltd. (Refer Note 5 below)	N.A.	N.A.		11,183.89	7,035.89
				15,078.89	10,930.89
				24,565.84	19,793.67
(B) Investment in Associates					
Investment in Equity Shares fully Paid-up					
Unquoted					
Yashmun Engineers Ltd.	19,200	19,200	100	0.01	0.01
The Associated Building Co. Ltd.	1,400	1,400	900	0.13	0.13
Tata Projects Ltd.	9,67,500	9,67,500	100	85.01	85.01
Dagachhu Hydro Power Corporation Ltd.	10,74,320	10,74,320	Nu 1,000	107.43	107.43
				192.58	192.58
(C) Investment in Joint Ventures					
Investment in Equity Shares fully Paid-up					
Unquoted					
Tube Coal Mines Ltd.	1,01,97,800	1,01,97,800	10	10.20**	10.20**
Itezhi Tezhi Power Corporation (Refer Note 9 below)	Nil	Nil	ZMW 1	Nil*	Nil*
Mandakini Coal Company Ltd. (Refer Note 9 below)	3,93,00,000	3,93,00,000	10	39.30**	39.30**
Powerlinks Transmission Ltd. (Refer Note 9 below)	23,86,80,000	23,86,80,000	10	238.68	238.68
Industrial Energy Ltd. (Refer Note 9 below)	49,28,40,000	49,28,40,000	10	492.84	492.84
LTH Milcom Pvt. Ltd.	Nil	Nil	10	Nil*	Nil*
Dugar Hydro Power Ltd.	4,34,25,002	4,34,25,002	10	43.42**	43.42**
				824.44	824.44
** Less: Impairment in the value of Investments				59.50	67.50
				764.94	756.94
Sub-total I (A) + I (B) + I (C)				25,523.36	20,743.19
Carried forward.....				25,523.36	20,743.19

Notes to the Standalone Financial Statements

7. Non-current Investments (Contd.)

	As at 31st March, 2021	As at 31st March, 2020	Face Value (in ₹ unless stated otherwise)	As at 31st March, 2021	As at 31st March, 2020
	Quantity	Quantity		₹ crore	₹ crore
Brought forward.....				25,523.36	20,743.19
II Investments designated at Fair Value through Other Comprehensive Income					
Investment in Equity Shares fully Paid-up					
Quoted					
Voltas Ltd.	2,33,420	2,33,420	1	23.39	11.13
Tata Consultancy Services Ltd.	766	766	1	0.24	0.14
Tata Teleservices (Maharashtra) Ltd.	Nil	Nil	10	Nil*	Nil*
Bharti Airtel Ltd.	62,919	Nil	10	3.25	Nil
				26.88	11.27
Unquoted					
Tata Services Ltd.	1,112	1,112	1,000	Nil	Nil
Tata Industries Ltd. #	58,28,126	58,28,126	100	102.69	102.69
Tata Sons Pvt. Ltd. #	6,673	6,673	1,000	241.95	241.95
Haldia Petrochemicals Ltd.	2,24,99,999	2,24,99,999	10	56.48	56.48
Tata International Ltd. (Refer Note 8 below)	5,250	3,500	1,000	8.67	3.75
Tata Teleservices Ltd.	Nil	Nil	10	Nil*	Nil*
Others				0.50	Nil
				410.29	404.87
				437.17	416.14
III Investments carried at Amortised Cost					
(A) Investment in Subsidiaries					
Investment in Preference Shares fully Paid-up					
TCL Ceramics Ltd.(Refer note 6 below) (formerly Tata Ceramics Ltd.)	Nil	Nil	100	Nil*	Nil*
				Nil	Nil
(B) Government Securities (Unquoted) fully Paid-up					
				3.03	40.00
(C) Statutory Investments					
Contingencies Reserve Fund Investments					
Government Securities (Unquoted) fully Paid-up				164.84	127.87
Sub-total III (A) + III (B) +III (C)				167.87	167.87
Total				26,128.40	21,327.20

* Refer Asset Held For Sale (Refer Note 18a.).

The cost of these investments approximate their fair value because there is a wide range of possible fair value measurements and the cost represents the best estimate of fair value within that range.

Notes:

- Aggregate Market Value of Quoted Investments 236.28 161.01
- Aggregate Carrying Value of Quoted Investments 37.95 22.34
- Aggregate Carrying Value of Unquoted Investments (Net) 26,090.45 21,304.86
- Aggregate amount of impairment in value of Investments 4,068.64 4,076.64
- The Company has invested in unsecured subordinated perpetual securities issued by Tata Power Renewable Energy Ltd. and Coastal Gujarat Power Ltd., its subsidiary companies. These securities are redeemable at the issuer's option and carry non-cumulative interest coupon at the rate of dividend paid on the issuer's ordinary shares. The interest can be deferred if the issuer does not pay any dividend on its ordinary shares for the financial year. The issuer has classified this instrument as equity under Ind AS - 32 'Financial Instruments Presentation'. Accordingly, the Company has classified this investment as Equity Instrument and has accounted at cost as per Ind AS - 27 'Separate Financial Statements'.

7. Non-current Investments (Contd.)

6. The Company, along with its subsidiary, has 30.68% shareholding in TCL Ceramics Ltd (formerly known as Tata Ceramics Ltd.). Further, TCL Ceramics Ltd. has issued Redeemable Cumulative Convertible Preference Shares which have been fully subscribed by the Company and its subsidiaries. As the dividend on the said Preference Shares has remained unpaid for more than two years, the preference shareholders have assumed voting rights along with the equity shareholders. The aggregate voting power (together with voting power on preference shares) with the Company along with its subsidiaries is at 57.07%. As the Company has sufficient dominant voting interest to direct TCL Ceramics Ltd.'s relevant activities, investment in the said Company has been considered as investment in subsidiary.

Pursuant to the Share Purchase Agreement ('Agreement') dated 4th January, 2020, the Company had transferred its Equity and Preference share to the purchasers as a part of the conditions mentioned in the Agreement subject to final closing. The said shares has been pledged back to the Company by the purchasers till the final closure. As all the conditions related to the closing has not been completed, the Company believes that it still controls TCL Ceramics Ltd. till all the conditions are fulfilled. Hence, no impact of sale of share has been accounted in the Standalone financial statements. The impact of the sale on the Company's Standalone financial statement will not be significant.

7. During the year ended 31st March, 2021, the Company has acquired 51 % stake in TP Central Odisha Distribution Limited ('TPCODL'), TP Western Odisha Distribution Limited ('TPWODL') and TP Southern Odisha Distribution Limited ('TPSODL') for ₹ 178.95 crore, ₹ 255.04 crore and ₹ 127.52 crore respectively. TPCODL, TPWODL and TPSODL are the licensees to carry out the function of distribution and retail supply of electricity covering the distribution circles of Central, Western and Southern Odisha for a period of 25 years effective from 1st June, 2020, 1st January, 2021 and 1st January, 2021 respectively.
8. During the year, the Company has received bonus equity shares 25,50,00,000 Nos from Tata Power Delhi Distribution Ltd and subscribed to right issue of equity shares 1,750 Nos from Tata International Ltd.
9. Shares pledged :
The Company has pledged shares of subsidiaries and joint ventures with the lenders for borrowings availed by the respective subsidiaries and joint ventures.

Details	Category	31st March, 2021 Nos.	31st March, 2020 Nos.
Coastal Gujarat Power Ltd.	Subsidiary	4,08,02,14,200	3,10,25,44,200
Tata Power Renewable Energy Ltd.	Subsidiary	25,81,14,935	25,81,14,935
Itezhi Tezhi Power Corporation *	Joint Venture	4,52,500	4,52,500
Mandakini Coal Company Ltd.	Joint Venture	2,00,43,000	2,00,43,000
Powerlinks Transmission Ltd.	Joint Venture	23,86,80,000	23,86,80,000
Industrial Energy Ltd.	Joint Venture	25,13,48,400	25,13,48,400

* Classified as Asset Held For Sale (Refer Note 18a.)

10. 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. The aforesaid schemes have been approved by shareholders of the Company and are subject to the necessary approvals from regulatory authorities including National Company Law Tribunal. 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.
11. (a) The Company holds investments in Coastal Gujarat Power Ltd. (CGPL) (a wholly owned subsidiary of the Company operating 4,000 MW Mundra power plant), Indonesian mining companies PT Kaltim Prima Coal (KPC) and PT Baramulti Suksesarana TBK (BSSR) through intermediate holding companies (associates operating coal mines in Indonesia and supplying coal to CGPL) and Trust Energy Resources Pte. Ltd. (TERPL) (shipping company in Singapore providing freight services for coal shipment to CGPL). All these companies constitute a single cash generating unit (CGU) and form part of same segment due to interdependency of cash flows. CGPL is incurring significant losses on account of significant increase in coal prices due to change in Indonesian laws which is offset by the profits earned by the mining companies.

Notes to the Standalone Financial Statements

7. Non-current Investments (Contd.)

The Company has performed the impairment assessment and determined the value in use based on estimated cash flow projections over the life of the assets included in CGU. The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. For Mundra power plant, future cash flows is estimated based on remaining period of long term power purchase agreement (PPA) and thereafter based on management's estimate on tariff and other assumptions. Cash flow projection of Mines is derived based on estimated coal production considering the renewal of license for operating the Mines. In the past, the Company had recognised an impairment provision of ₹ 3,555 crore in CGU. A reassessment of the assumptions used in estimating the impact of impairment of the cash generating unit (CGU) comprising of Coastal Gujarat Power Ltd. and the Indonesian coal mines, combined with the significant impact of unwinding of a year's discount on the cash flows, would have resulted in a reversal of ₹ 1,625 crore of provision for impairment. Considering the significant uncertainties arising from ongoing renegotiation of the Mundra Power Purchase Agreement, as recommended by the High Powered Committee, and the pending renewal of the mining license at the Indonesian coal mines, the Company has not effected such a reversal. The reversal of impairment has not resulted from any significant improvement in the estimated service potential of the concerned CGU.

Key assumptions used for value in use calculation include coal prices, energy prices post the PPA period, discount rates and exchange rates. Short term coal prices and energy prices used in three to five years projections are based on market survey and expert analysis report. Afterwards increase in cost of coal and exchange rates are considered based on long term historical trend. Further, the Management strongly believes that mine licenses will be renewed post expiry. Discount rate represents the current market assessment of the risk specific to CGU taking into consideration the time value of money. Pre tax discount rate used in the calculation of value in use of investment in power plant is 10.50% p.a. (31st March, 2020: 10.87% p.a.) and investment in coal mines and related infrastructure companies is 14.11% p.a. (31st March, 2020: 12.68% p.a.).

- (b) Tata Power International Pte. Ltd. (TPIPL) (a wholly owned subsidiary of the Company) holds investments in Adjaristsqali Netherlands B.V.(ABV) (a joint venture of TPIPL) operating 187 MW hydro power plant in Georgia. During the previous year, the Company has recognised a reversal of ₹ 235.00 crore comprising of reversal of ₹ 103.74 crore towards financial guarantee obligation and impairment loss reversal of ₹131.26 crore which was disclosed as an exceptional item in the statement of profit and loss.

8. Trade Receivables

(Unsecured unless otherwise stated)

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Current		
Considered Good - Secured (Refer Note 1 below)	245.75	234.48
Considered Good (Refer Note 2 below)	689.41	886.82
Credit Impaired	31.51	30.09
	966.67	1,151.39
<i>Less: Allowance for Doubtful Trade Receivables</i>	<i>55.80</i>	<i>42.71</i>
Total	910.87	1,108.68

Note:

1. Company holds security deposits of ₹ 245.75 crore (31st March, 2020 - ₹ 234.48 crore) in respect of electricity receivables.
2. The carrying amount of trade receivable of ₹ 205.00 crore does not include receivables which are subject to a factoring arrangement. Under this arrangement, the Company has transferred the relevant receivables to the factor in exchange for cash on non recourse basis. The Company, therefore, has derecognised the said receivables under the factoring arrangement.

8.1 Trade Receivables

As at 31st March, 2021, ₹ 495.13 crore (31st March, 2020 - ₹ 639.18 crore) is due from Brihanmumbai Electric Supply & Transport Undertaking, Maharashtra State Electricity Transmission Company Ltd., Tamil Nadu Generation and Distribution Corporation and Tata Steel Ltd. which represents Company's large customers who owe more than 5% of the total balance of trade receivables.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Ageing of Receivables	Expected Credit loss (%)	
	As at 31st March, 2021	As at 31st March, 2020
Within the credit period	0.28%	0.00%
1-90 days past due	0.20%	0.03%
91-182 days past due	0.37%	0.10%
More than 182 days past due	15.28%	5.92%

Age of Receivables	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Within the credit period	515.68	550.31
1-90 days past due	210.85	340.41
91-182 days past due	95.64	50.04
More than 182 days past due	144.50	210.63

Movement in the allowance for doubtful trade receivables	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Balance at the beginning of the year	42.71	46.75
<i>Add: Expected credit loss allowance on trade receivables calculated at lifetime expected credit losses for the year</i>	<i>13.09</i>	<i>(4.04)</i>
Balance at the end of the year	55.80	42.71

The concentration of credit risk is very limited due to the fact that the large customers are mainly government entities and remaining customer base is large and widely dispersed and secured with security deposit.

Notes to the Standalone Financial Statements

9. Loans

(Unsecured unless otherwise stated)

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Non-current - At Amortised Cost		
(i) Security Deposits		
Considered Good	35.90	36.59
Credit Impaired	32.01	30.16
	67.91	66.75
<i>Less: Allowance for Doubtful Deposits</i>	32.01	30.16
	35.90	36.59
(ii) Loans to Related Parties (Refer Note 41)		
Considered Good	450.00	Nil
Credit Impaired	54.38	55.66
	504.38	55.66
<i>Less: Allowance for Doubtful Loans</i>	54.38	55.66
	450.00	Nil
(iii) Other Loans		
Loans to Employees		
Considered Good	4.28	5.51
Total	490.18	42.10
Current - At Amortised Cost		
(i) Security Deposits		
Considered Good	5.48	3.47
	5.48	3.47
(ii) Loans to Related Parties (Refer Note 41)		
Considered Good	1,518.41	546.62
Credit Impaired	12.00	12.00
	1,530.41	558.62
<i>Less: Allowance for Doubtful Loans</i>	12.00	12.00
	1,518.41	546.62
Total	1,523.89	550.09

9. Loans (Contd.)

Disclosure under Regulation 53(f) and 34(3) read together with paragraph A Schedule V of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Loans and advances in the nature of loans given to Subsidiaries, Joint Ventures and Associates:

Name of the Company	Relationship	₹ crore			
		Amount Outstanding as at the year end		Maximum Principal Amount Outstanding during the year (excluding interest accrued)	
		31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
Chirasthaayee Saurya Ltd.	Subsidiary	255.00	Nil	255.00	Nil
Coastal Gujarat Power Ltd.	Subsidiary	182.00	Nil	740.70	252.00
TP Wind Power Limited (formerly Indo Rama Renewables Jath Ltd.)	Subsidiary	8.00	Nil	8.00	Nil
Industrial Energy Ltd.	Joint Venture	Nil	Nil	2.60	Nil
Maithon Power Ltd.	Subsidiary	Nil	Nil	Nil	200.00
Mandakini Coal Company Ltd. \$	Joint Venture	54.39	54.39	54.39	54.39
Nelito Systems Ltd. \$ (ceased to be an Associate w.e.f. 6th June, 2019)	Associate	Nil	1.27	Nil	1.27
Powerlinks Transmission Ltd.	Joint Venture	Nil	Nil	Nil	1.00
Prayagraj Power Generation Company Ltd	Joint Venture	Nil	Nil	Nil	13.43
Tata Power Green Energy Ltd.	Subsidiary	29.82	0.07	37.07	0.07
Tata Power Renewable Energy Ltd.	Subsidiary	789.60	450.00	1,974.50	450.00
Tata Power Solar Systems Ltd	Subsidiary	509.83	Nil	586.82	100.00
Tata Power Trading Company Ltd.	Subsidiary	Nil	Nil	30.00	80.00
TCL Ceramics Ltd. \$	Subsidiary	12.00	12.00	12.00	17.69
TP Ajmer Distribution Ltd.	Subsidiary	95.00	95.00	115.00	190.00
TP Kirnali Ltd.	Subsidiary	4.00	Nil	4.00	Nil
TP Kirnali Solar Ltd.	Subsidiary	24.70	Nil	40.00	Nil
TP Renewable Microgrid Ltd. (formerly Industrial Power Utility Ltd)	Subsidiary	27.95	1.55	39.74	1.55
TP Saurya Ltd.	Subsidiary	1.00	Nil	1.00	Nil
TP Solapur Solar Ltd.	Subsidiary	33.00	Nil	33.00	Nil
Vagarai Windfarm Ltd.	Subsidiary	8.50	Nil	8.50	Nil
Walwhan Solar MP Ltd.	Subsidiary	Nil	Nil	Nil	15.09
Walwhan Solar TN Ltd.	Subsidiary	Nil	Nil	Nil	81.00
Welspun Renewable Energy Pvt Ltd.	Subsidiary	Nil	Nil	207.00	200.00
		2,034.79	614.28		
Itezhi Tezhi Power Corporation #	Joint Venture	18.59	18.59	18.59	18.59
Total		2,053.38	632.87		

Notes:

\$ Provided for.

Reclassified as held for sale (including interest accrued).

Notes to the Standalone Financial Statements

10. Finance Lease Receivable - At Amortised Cost

(Unsecured unless otherwise stated)

Accounting Policy

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating lease. Amount due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term.

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Finance Lease Receivable - Non-current	529.57	553.03
Finance Lease Receivable - Current	36.52	31.89
Total	566.09	584.92

10.1 Leasing Arrangements

The Company has entered into Power Purchase Agreements (PPA) with a customer for its assets located at Jojobera. The assets relate to 30 years of take or pay agreements with the customer to supply electricity at a fixed plus variable charge. The customer, during the term of the PPAs has a right to purchase the assets and at the end of the contract is obligated to purchase the same on the basis of the valuation to be determined as per the PPAs. The Company has recognised an amount of ₹ 84.66 crore (31st March, 2020 - ₹ 88.91 crore) as income for finance lease during the year ended 31st March, 2021.

10.2 Amount receivable under Finance Lease

	Minimum Lease Payments as at 31st March, 2021	Minimum Lease Payments as at 31st March, 2020
	₹ crore	
Less than a year	113.49	111.96
One to two years	109.62	108.66
Two to three years	108.46	107.66
Three to four years	107.36	106.57
Four to five years	105.56	105.57
Total (A)	544.49	540.42
More than five years (B)	535.95	630.10
Total (A+B)	1,080.44	1,170.52
Unearned finance income	514.35	585.60
Present Value of Minimum Lease Payments Receivable	566.09	584.92

Lessor - Operating Lease

The Company has entered into operating leases for its certain building, plant and machinery and other equipments. These typically have lease terms of between 1 and 10 years. The Company has recognized an amount of ₹ 13.29 crore (31st March, 2020 - ₹ 11.16 crore) as rental income for operating lease during the year ended 31st March, 2021.

11. Other Financial Assets - At Amortised Cost (Unless otherwise stated)

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Non-current		
(i) Accruals		
Doubtful		
Interest Accrued on Loans to Related Parties	1.24	1.24
	1.24	1.24
Less: Allowance for Doubtful Interest	1.24	1.24
	Nil	Nil
(ii) Others		
Unsecured, considered good		
Advance towards Equity (Refer Note 1a,1b,1c below)	204.16	178.50
Balances with Banks:		
In Deposit Accounts (with remaining maturity of more than twelve months) (Refer Note 2 below)	0.96	3.14
Receivable on sale of Strategic Engineering Division (at fair value through profit or loss) (Refer Note 18c) (Refer Note 3 below)	365.99	Nil
Other Assets	48.77	41.13
Total	619.88	222.77

Notes:

- 1a. Odisha Electricity Regulatory Commission ('OERC') had issued a request for proposal (RFP) for sale of controlling interest in distribution business of North Electricity Supply Utility of Odisha. The Company had bid for it and has been identified as the successful bidder. As per the requirement of RFP, the Company had deposited ₹ 191.24 crore with OERC. Pending signing of sale agreements for the completion of sale, the amount deposited is disclosed as non-current financial assets and will be converted to equity after signing of sale agreements.
- 1b. During the year, the company paid an advance of ₹ 12.92 crore for subscription of equity shares of TP Akkalkot Renewable Ltd. Pending allotment of the shares as on 31st March, 2021, it has been disclosed as non-current financial asset.
- 1c. During the year, pursuant to the vesting order by the OERC for the completion of sale, the amount deposited of ₹ 178.50 crore with OERC in the previous year for the acquisition of Central Electricity Supply Utility of Odisha has been converted to equity shares.
2. Balances with Banks held as Margin Money Deposits against Guarantees.
3. Represents contingent consideration on sale of SED, receivable by the company on achievement of certain milestone.

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Current		
(i) Accruals		
Unsecured, considered good		
Interest Accrued on Inter-corporate/Bank Deposits	0.64	0.50
Interest Accrued on Investments	3.48	3.51
Interest Accrued on Finance Lease Receivable	6.63	6.85
Interest Accrued on Loans to Related Parties	47.28	3.09
Doubtful		
Interest Accrued on Loans to Related Parties	0.55	0.55
Interest Accrued on Inter-corporate Deposits	1.40	1.40
	59.98	15.90
Less: Allowance for Doubtful Interest	1.95	1.95
	58.03	13.95
(ii) Others		
Unsecured, considered good		
Recoverable from Consumers	58.13	221.45
Other Receivables	0.03	0.18
Balances with Banks: (Refer Note 1 below)		
In Deposit Accounts (with remaining maturity of less than twelve months)	4.19	Nil
	62.35	221.63
Total	120.38	235.58

Note:

- 1 Balances with Banks held as Margin Money Deposits against Guarantees.

Notes to the Standalone Financial Statements

12. Non-Current Tax Assets

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Advance Income-tax (Net)	135.00	135.00
Total	135.00	135.00

13. Other Assets

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Non-current		
(i) Capital Advances		
Unsecured, considered good	8.87	5.06
Doubtful	0.11	0.12
	8.98	5.18
<i>Less: Allowance for Doubtful Advances</i>	0.11	0.12
	8.87	5.06
(ii) Balances with Government Authorities		
Unsecured, considered good		
Advances	0.61	0.90
Amount Paid Under Protest	0.33	16.22
VAT/Sales Tax Receivable	7.81	25.73
	8.75	42.85
(iii) Others		
Unsecured, considered good		
Prepaid Expenses	0.82	0.89
Recoverable from Consumers	1,161.06	960.84
	1,161.88	961.73
Total	1,179.50	1,009.64
Current		
(i) Balances with Government Authorities		
Unsecured, considered good		
Advances	6.83	4.86
VAT/Sales Tax Receivable	7.89	Nil
Doubtful	0.37	0.46
	15.09	5.32
<i>Less: Allowance for Doubtful Advances</i>	0.37	0.46
	14.72	4.86
(ii) Others		
Unsecured, considered good		
Prepaid Expenses	93.39	38.58
Advances to Vendors	57.49	102.07
Other Advances	26.25	0.75
Doubtful	0.19	0.13
	177.32	141.53
<i>Less: Allowance for Doubtful Advances</i>	0.19	0.13
	177.13	141.40
Total	191.85	146.26

14. Inventories

Accounting Policy

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on moving weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Cost of inventory includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Unserviceable/damaged stores and spares are identified and written down based on technical evaluation.

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Inventories		
(a) Fuel	226.36	289.75
Fuel-in-Transit	89.13	60.62
(b) Stores and Spares (Refer Note 2 below)	129.19	133.80
(c) Loose Tools	0.28	0.27
(d) Others		
Property under development	187.98	150.57
Total	632.94	635.01

Notes:

1. Refer Note 22 for Inventories pledged as security for liabilities.
2. During the year ended 31st March, 2021, the Company has recognised ₹ 1.67 crore (31st March, 2020 - ₹ 6.83 crore) as an expense for the write down of unserviceable stores and spares inventory.

15. Current Investments

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Investments carried at Fair Value through Profit and Loss		
Mutual Funds (Unquoted)	240.01	20.00
Total	240.01	20.00

Note:

Aggregate Carrying Value of Unquoted Investments. 240.01 20.00

Notes to the Standalone Financial Statements

16. Cash and Cash Equivalents - At Amortised Cost

Accounting Policy

Cash and cash equivalents comprise cash at banks and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents include balances with banks which are unrestricted for withdrawal and usage.

For the purpose of the Statement of Cash Flows, cash and cash equivalents comprise of cash at banks and short-term deposits, as defined above, net of outstanding bank overdraft as they are considered an integral part of the Company's cash management.

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Balances with Banks:		
In Current Accounts	123.67	158.54
Cash and Cash Equivalents as per Balance Sheet	123.67	158.54
Bank Overdraft	Nil	(1.05)
Cash and Cash Equivalents as per Statement of Cash Flows - Continuing Operations	123.67	157.49
(i) Balances with Banks:		
In Current Accounts	Nil	7.62
(ii) Book Overdraft	Nil	(0.02)
Cash and Cash Equivalents as per Statement of Cash Flows - Discontinued Operations	Nil	7.60
Cash and Cash Equivalents as per Statement of Cash Flows	123.67	165.09

Reconciliation of Liabilities from Financing Activities

Particulars	As at 1st April, 2020	Cash flows		Changes related to Discontinued Operations	Non-cash Transactions	₹ crore
		Proceeds	Repayment			As at 31st March, 2021
Non-current Borrowings (including Current Maturities of Non-current Borrowings)	11,589.35	5,318.58	(2,107.27)	57.83	97.58	14,956.07
Current Borrowings (excluding Bank Overdraft)	6,211.26	20,542.23	(21,157.79)	Nil	Nil	5,595.70
Lease liabilities	278.85	Nil	(30.99)	Nil	(10.75)	237.11
Total	18,079.46	25,860.81	(23,296.05)	57.83	86.83	20,788.88

Particulars	As at 1st April, 2019	Cash flows		Reclassified as part of Discontinued Operations	Non-cash Transactions	₹ crore
		Proceeds	Repayment			As at 31st March, 2020
Non-current Borrowings (including Current Maturities of Non-current Borrowings)	10,720.72	3,403.59	(2,568.35)	28.59	4.80	11,589.35
Current Borrowings (excluding Bank Overdraft)	6,729.61	30,776.85	(31,295.20)	Nil	Nil	6,211.26
Lease liabilities	225.00	Nil	(11.78)	Nil	65.63	278.85
Total	17,675.33	34,180.44	(33,875.33)	28.59	70.43	18,079.46

17. Other Balances with Banks - At Amortised Cost

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
(a) In Deposit Accounts (Refer Note below)	Nil	2.00
(b) In Earmarked Accounts-		
Unpaid Dividend Account	19.00	18.40
Total	19.00	20.40

Note:

Balances with banks held as margin money deposits against guarantees.

18a. Assets Classified as Held For Sale

Accounting Policy

Non-current assets or disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset or disposal group and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. As at each balance sheet date, the management reviews the appropriateness of such classification.

Non-current assets or disposal group classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Property, plant and equipments and intangible assets once classified as held for sale are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss. Additional disclosures are provided hereunder. All other notes to the Standalone financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Land (Refer Note (i) below)	301.58	301.66
Building and Plant and Equipments (Refer Note (ii,iii and iv) below)	8.67	8.67
Investments carried at Fair Value through Other Comprehensive Income	178.68	22.81
Investments carried at Cost in Associates and Joint Ventures	275.75	275.75
Loans and other receivables from Joint Venture	22.74	22.74
Transmission Lines - Capital Work in Progress (Refer Note (v) below)	9.31	127.70
Assets of Discontinued Operations (Refer Note 18c)	Nil	1,880.07
Total	796.73	2,639.40

Notes:

- (i) During the year, the Company sold Hadapsar land at the sale value of ₹ 26.44 crore (Book Value ₹ 0.08 crore) which was classified as held for sale. The resultant gain of ₹ 26.36 crore has been disclosed in statement of profit and loss under Other Income.
- (ii) During the previous year, the Company sold Metropolitan building at the sale value of ₹ 13.90 crore (Book Value ₹ 0.89 crore) The resultant gain of ₹ 13.01 crore has been disclosed in the statement of profit and loss.

Notes to the Standalone Financial Statements

18a. Assets Classified as Held For Sale (Contd.)

- (iii) During the previous year, the Company has reclassified following assets from held for sale to Property, Plant and Equipments :
- Building at Erangal ₹ 0.23 crore.
 - Oil Tankage unit at Trombay (Land ₹ 0.04 crore, Building and Plant and Equipments ₹ 4.68 crore).
- (iv) During the previous year, the Company has classified Helicopter (Book Value ₹ 0.17 crore) from Property, Plant and Equipments to held for sale.
- (v) During the previous year, Maharashtra Electricity Regulatory Commission ('MERC') had ordered termination of Vikhroli Transmission Lines project, carried out by the Company and decided to invite fresh bids for completion of the project. MERC had also ordered that cost incurred by the Company shall be reimbursed by the successful bidder. Accordingly, the Company reclassified the said project as held for sale. During the year, the Company has received an amount of ₹ 118.27 crore against the said project.

18b. Liabilities directly associated with Assets Classified as Held For Sale

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Liabilities of Discontinued Operations	Nil	1,032.07
Advance received for land classified as held for sale	113.56	4.25
Total	113.56	1,036.32

18c. Assets Classified as Held For Sale - Discontinued Operations

During the earlier year, the Company approved sale of its Strategic Engineering Division (SED) to Tata Advanced Systems Ltd. (TASL) [a wholly owned subsidiary of Tata Sons Pvt. Ltd.] as a going concern on slump sale basis, subject to regulatory approvals at an enterprise value of ₹ 2,230 crore (out of which ₹ 1,040 crore payable at the time of closing and ₹ 1,190 crore payable on achieving certain milestones). Accordingly, defence business segment is presented as discontinued operations. On 31st October, 2020, the Company has completed the sale of its SED to TASL and has received upfront consideration of ₹ 597.00 crores (net of borrowings of ₹ 537.00 crore transferred to TASL) after certain adjustments as specified in the scheme.

Results of Strategic Engineering Division for the year are presented below:

Particulars	For the year ended 31st March, 2021 ₹ crore	For the year ended 31st March, 2020 ₹ crore
		₹ crore
Income		
Revenue from Operations	193.63	343.77
Other Income	23.52	Nil
Total Income	217.15	343.77
Expenditure		
Cost of Components Consumed	139.28	244.22
Employee Benefits Expense	52.66	90.04
Finance Costs	24.91	36.15
Other Expenses	60.14	55.00
Total Expenses	276.99	425.41
Profit/(Loss) before tax from Discontinued Operations	(59.84)	(81.64)
Impairment Loss on Remeasurement of Fair Value (Refer Note below)	(160.00)	(361.00)
Tax Expense/(Income)		
Current Tax/(Credit)	(101.48)	Nil
Deferred Tax	(72.17)	(32.41)
	(173.65)	(32.41)
Profit/(Loss) after tax from Discontinued Operations	(46.19)	(410.23)
Other Comprehensive Income/(Expense)	(0.34)	0.20
Tax on Other Comprehensive Income	Nil	Nil
Total Comprehensive Income/(Expense)	(46.53)	(410.03)

18c. Assets Classified as Held For Sale - Discontinued Operations (Contd.)

Major classes of Assets and Liabilities of Strategic Engineering Division which was classified as held for sale are as follows:

Particulars	As at 31st March, 2020 ₹ crore
Assets	
Non-Current Assets	
Property, Plant and Equipments	382.27
Capital Work-in-Progress	422.58
Intangible Assets	124.13
Intangible Assets Under Development	356.71
Non-current Financial Assets	3.68
Other Non-current Assets	35.40
Current Assets	
Inventories	83.30
Current Financial Assets	663.67
Other Current Assets	169.33
Assets Classified as Held For Sale	2,241.07
Less: Impairment Loss on Remeasurement of Fair Value	(361.00)
Total Assets Classified as Held For Sale	1,880.07
Liabilities	
Non-current Liabilities	
Financial Liabilities	594.76
Provisions	27.68
Current Liabilities	
Financial Liabilities	258.99
Provisions	9.76
Other Current Liabilities	140.88
Total Liabilities directly associated with Assets Classified as Held For Sale	1,032.07
Net Assets directly associated with Discontinued Operations	848.00

Note:

During the year the Company had reassessed the fair value of consideration receivable from TASL and had recognised an impairment loss of ₹ 160.00 crore (31st March, 2020, ₹ 361.00 crore) in the Standalone financial statements. The fair value on consideration had been determined based on the expected value of the consideration using discounted present value technique. The fair value had been categorised under Level 3 inputs, the key assumption being achievement/non achievement of milestones as defined in the scheme of arrangement.

Net cash flows attributable to Strategic Engineering Division are as follows:

Particulars	From 01 April 2020 to 31st October, 2020	For the year ended 31st March, 2020
	₹ crore	₹ crore
Net Cash Flow from/(used in) in Operating Activities	286.62	127.80
Net Cash Flow from/(used in) in Investing Activities	(32.30)	(44.99)
Net Cash Flow from/(used in) in Financing Activities	(85.62)	(81.32)
Net Increase/(Decrease) in Cash and Cash Equivalents	168.70	1.49
Cash and Cash Equivalents as at 1st April (Opening Balance)	7.60	6.11
Cash and Cash Equivalents (Closing Balance)	176.30	7.60
Less: Transferred on sale of Strategic Engineering Division	(176.30)	Nil
Total of cash and cash equivalents (Net)	Nil	7.60

Notes to the Standalone Financial Statements

19. Regulatory Deferral Account

Accounting Policy

The Company determines revenue gaps (i.e. surplus/shortfall in actual returns over returns entitled) in respect of its regulated operations in accordance with the provisions of Ind AS 114 - 'Regulatory Deferral Accounts' read with the Guidance Note on Rate Regulated Activities issued by The Institute of Chartered Accountants of India (ICAI) and based on the principles laid down under the relevant Tariff Regulations/Tariff Orders notified by the Electricity Regulator and the actual or expected actions of the regulator under the applicable regulatory framework. Appropriate adjustments in respect of such revenue gaps are made in the regulatory deferral account of the respective year for the amounts which are reasonably determinable and no significant uncertainty exists in such determination. These adjustments/accruals representing revenue gaps are carried forward as Regulatory deferral accounts debit/credit balances (Regulatory Assets/Regulatory Liabilities) as the case may be in the Standalone financial statements, which would be recovered/refunded through future billing based on future tariff determination by the regulator in accordance with the electricity regulations. The Company presents separate line items in the balance sheet for:

- the total of all regulatory deferral account debit balances and related deferred tax balances; and
- the total of all regulatory deferral account credit balances and related deferred tax balances.

A separate line item is presented in the Statement of Profit and Loss for the net movement in regulatory deferral account.

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Regulatory Deferral Account - Liability - Current		
Regulatory Liabilities	Nil	Nil
Regulatory Deferral Account - Assets - Non-current		
Regulatory Assets	573.60	258.32
Net Regulatory Assets/(Liabilities)	573.60	258.32

Rate Regulated Activities

- As per Ind AS 114 - 'Regulatory Deferral Accounts', the business of electricity distribution is a Rate Regulated activity wherein Maharashtra Electricity Regulatory Commission ('MERC'), determines Tariff to be charged from consumers based on prevailing regulations.

MERC Multi Year Tariff Regulations, 2019 ('MYT Regulations'), is applicable for the period beginning from 1st April, 2020 to 31st March, 2024. These regulations require MERC to determine tariff in a manner wherein the Company can recover its fixed and variable costs including assured rate of return on approved equity base, from its consumers. The Company determines the Revenue, Regulatory Assets and Liabilities as per the terms and conditions specified in MYT Regulations.

- Reconciliation of Regulatory Assets/Liabilities of distribution business as per Rate Regulated Activities is as follows:

		As at 31st March, 2021	As at 31st March, 2020
		₹ crore	₹ crore
Opening Regulatory Assets (Net of Liabilities)	(A)	258.32	999.00
Regulatory Income/(Expenses) during the year			
(i) Power Purchase Cost		1,885.99	2,212.00
(ii) Other expenses as per the terms of Tariff Regulations including return on equity		892.10	779.00
(iii) Billed during the year as per approved Tariff		(2,520.09)	(3,460.00)
(iv) Amount Collected in respect of earlier years (Net)		Nil	(323.24)
Net Movement in Regulatory Deferral Balances (i + ii + iii + iv)	(B)	258.00	(792.24)
Regulatory Assets/(Liabilities) on carrying cost recognised as revenue	(C)	3.00	24.00
Recovery from/(Payable to) Company's Generation Business	(D)	12.66	(15.28)
Net Movement in Regulatory Deferral Balances in respect of earlier years (Refer Note below)	(E)	Nil	(21.32)
Regulatory Assets/(Liabilities) on Deferred Tax Expense/(Income)	(F)	41.62	162.16
Regulatory Assets/(Liabilities) on Deferred Tax Expense/(Income) on account of New Tax Regime (Refer Note 35)	(G)	Nil	(98.00)
Closing Regulatory Assets (Net of Liabilities)	(A + B + C + D + E + F + G)	573.60	258.32

Note:

During the previous year, pursuant to receipt of true-up tariff order from the MERC for the year 2017-18 and 2018-19, the Company had recognised a charge of ₹ 21.32 crore to revenue from operations.

20a. Share Capital

	As at 31st March, 2021		As at 31st March, 2020	
	Number	₹ crore	Number	₹ crore
Authorised				
Equity Shares of ₹ 1/- each				
At the beginning of the year	350,00,00,000	350.00	350,00,00,000	350.00
Add: Increase during the year	200,00,00,000	200.00	Nil	Nil
Outstanding at the end of the year		550.00		350.00
Cumulative Redeemable Preference Shares of ₹ 100/- each	2,29,00,000	229.00	2,29,00,000	229.00
		579.00		579.00
Issued				
Equity Shares [including 28,32,060 shares (31st March, 2020 - 28,32,060 shares) not allotted but held in abeyance, 44,02,700 shares cancelled pursuant to a Court Order and 4,80,40,400 shares of the Company held by the erstwhile The Andhra Valley Power Supply Company Ltd cancelled pursuant to the Scheme of Amalgamation sanctioned by the High Court of Judicature, Bombay]	325,22,67,007	325.23	276,17,00,970	276.17
Subscribed and Paid-up				
Equity Shares fully Paid-up [excluding 28,32,060 shares (31st March, 2020 - 28,32,060 shares) not allotted but held in abeyance, 44,02,700 shares cancelled pursuant to a Court Order and 4,80,40,400 shares of the Company held by the erstwhile The Andhra Valley Power Supply Company Ltd cancelled pursuant to the Scheme of Amalgamation sanctioned by the High Court of Judicature, Bombay]	319,53,39,547	319.54	270,47,73,510	270.48
Less: Calls in arrears [including ₹ 0.01 crore (31st March, 2020 - ₹ 0.01 crore) in respect of the erstwhile The Andhra Valley Power Supply Company Ltd and the erstwhile The Tata Hydro-Electric Power Supply Company Ltd]		0.04		0.04
		319.50		270.44
Add: Equity Shares forfeited - Amount paid	16,52,300	0.06	16,52,300	0.06
Total Subscribed and Paid-up Share Capital		319.56		270.50

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

	As at 31st March, 2021		As at 31st March, 2020	
	Number	₹ crore	Number	₹ crore
Equity Shares				
At the beginning of the year	270,64,25,810	270.50	270,64,25,810	270.50
Issued during the year [Refer Note 21(5)]	49,05,66,037	49.06	Nil	Nil
Outstanding at the end of the year	319,69,91,847	319.56	270,64,25,810	270.50

(ii) Terms/rights attached to Equity Shares

The Company has issued only one class of Equity Shares having a par value of ₹ 1/- per share. Each holder of Equity Shares is entitled to one vote per share. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

(iii) Details of shareholders holding more than 5% shares in the Company

	As at 31st March, 2021		As at 31st March, 2020	
	Number	% Holding	Number	% Holding
Equity Shares of ₹ 1/- each fully paid				
Tata Sons Pvt. Ltd.	144,45,13,021	45.21	95,39,46,984	35.27
Life Insurance Corporation of India	16,41,25,329	5.14	17,15,81,237	6.34
Matthews Pacific Tiger Fund	14,93,84,497	4.68	18,03,16,487	6.67
ICICI Prudential Bharat Consumption Funds *	8,91,12,249	2.79	21,83,11,309	8.07

* Shareholding has been reported based on common Permanent Account Number

Notes to the Standalone Financial Statements

20b. Unsecured Perpetual Securities

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
11.40% Unsecured Perpetual Securities	1,500.00	1,500.00
Movement during the year	Nil	Nil
Total	1,500.00	1,500.00

In an earlier year, the Company raised ₹ 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. 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. Subsequent to the year end, pursuant to debenture trust deed dated 23rd June, 2011, the Company has exercised the call option to redeem the Securities on 2nd June, 2021 along with final interest.

21. Other Equity

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
General Reserve	3,853.98	3,853.98
Securities Premium		
Opening Balance	5,634.98	5,634.98
Add: Increase on issue of shares during the year (Refer Note 5 below)	2,550.94	Nil
Closing Balance	8,185.92	5,634.98
Capital Redemption Reserve	1.85	1.85
Capital Reserves	61.66	61.66
Statutory Reserve	660.08	660.08
Debenture Redemption Reserve		
Opening Balance	296.95	421.95
Add/(Less): Amount transferred from/(to) Retained Earnings (Net)	Nil	(125.00)
Closing Balance	296.95	296.95
Retained Earnings (Refer Note 1 below)		
Opening Balance	3,027.08	2,954.12
Add/(Less): Profit/(Loss) for the year	921.45	148.12
Transfer from Debenture Redemption Reserve (Net)	Nil	125.00
Transfer from Equity Instrument through Other Comprehensive Income (Refer Note 3 below)	Nil	356.25
Other Comprehensive Income/(Expense) arising from Remeasurement of Defined Benefit Obligation (Net of Tax)	11.88	(33.42)
Payment of Dividend (Refer Note 2 below)	(419.24)	(351.99)
Distribution on Unsecured Perpetual Securities	(171.00)	(171.00)
	343.09	72.96
Closing Balance	3,370.17	3,027.08

21. Other Equity (Contd.)

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Equity Instruments through Other Comprehensive Income		
Opening Balance	(45.11)	330.48
Add/(Less): Transfer to Retained Earnings (Refer Note 3)	Nil	(356.25)
Change in Fair Value of Equity Instruments through Other Comprehensive Income	17.63	(3.50)
Change in Fair Value of Equity Instruments classified as held for sale	155.87	(15.84)
Closing Balance	128.39	(45.11)
Total	16,559.00	13,491.47

Notes:

1. Includes gain on fair valuation of land which is not available for distribution ₹ 222.31 crore (31st March, 2020 - ₹ 222.31 crore).
2. The shareholders of the Company in their meeting held on 30th July, 2020 approved final dividend of ₹ 1.55 per share aggregating ₹ 419.24 crore for the financial year 2019-20. The said dividend was paid to the holders of fully paid equity shares on 3rd August, 2020.
3. Represents gain/(loss) on sale of certain investments carried at fair value through other comprehensive income transferred to Retained Earnings.
4. In respect of the year ended 31st March, 2021, the directors have proposed a dividend of ₹1.55 per share to be paid on fully paid shares. This equity dividend is subject to approval at the annual general meeting and has not been included as a liability in the Standalone financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 495.72 crore.
5. During the year, the shareholders 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 crores to Tata Sons Pvt Ltd on preferential basis. The Company has allotted the said equity shares to Tata Sons Pvt Ltd on 13th August, 2020.

Nature and purpose of reserves:

General Reserve

General Reserve is used to transfer profits from retained earnings for appropriation purposes. The amount is to be utilised in accordance with the provision of the Companies Act, 2013.

Securities Premium

Securities Premium is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

Debenture Redemption Reserve

The Company was required to create a Debenture Redemption Reserve 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 16th August, 2019, the Company is not creating additional debenture redemption reserve (DRR) from the effective date of amendment. DRR created till previous years will be transferred to retained earnings on redemption of debentures.

Capital Redemption Reserve

Capital Redemption Reserve represents amounts set aside on redemption of preference shares.

Capital Reserve

Capital Reserve consists of forfeiture of the amount received from Tata Sons Pvt. Ltd. on preferential allotment of convertible warrants in the Company, on the lapse of the period to exercise right to convert the said warrants and on forfeiture of amounts paid on Debentures.

Statutory Reserve

Statutory Reserve consists of Special Appropriation towards Project Cost, Development Reserve and Investment Allowance Reserve.

Special appropriation to project cost - Due to high capital investment required for the expansion in the electricity industry, the Maharashtra State Government permits part of the capital cost of approved projects to be collected through the electricity tariff and held as a special appropriation.

Development Reserve / Investment Allowance Reserve - Until 1978, the Companies made appropriations to a Development Reserve and an Investment Allowance Reserve as required by the Income Tax Act, 1956. New appropriations to these reserves are no longer required due to changes in law.

Notes to the Standalone Financial Statements

21. Other Equity (Contd.)

Retained Earnings

Retained Earnings are the profits of the Company earned till date net of appropriations.

Equity Instruments through Other Comprehensive Income

This reserve represents the cumulative gains and losses arising on revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those equity instruments are disposed off.

22. Non-current Borrowings - At Amortised Cost

	As at 31st March, 2021		As at 31st March, 2020	
	Non-current	Current* Maturities ₹ crore	Non-current	Current* Maturities ₹ crore
(i) Unsecured				
Redeemable Non-Convertible Debentures				
(a) 10.75% Series 2072	1,496.25	Nil	1,494.40	Nil
(b) 7.77% Series 2031	197.47	Nil	Nil	Nil
(c) 7.77% Series 2030	148.09	Nil	Nil	Nil
(d) 7.77% Series 2029	148.09	Nil	Nil	Nil
(e) 7.05% Series 2026	495.74	Nil	Nil	Nil
(f) 9.00% Series 2025	249.81	Nil	249.74	Nil
(g) 7.99% Series 2024	898.16	300.00	1,197.21	300.00
(h) 6.18% Series 2024	396.64	Nil	Nil	Nil
(i) 8.84% Series 2023	748.43	Nil	749.12	Nil
(j) 8.21% Series 2023	300.07	Nil	Nil	Nil
(k) 7.60% Series 2023	995.39	Nil	Nil	Nil
(l) 6.00% Series 2023	985.96	Nil	Nil	Nil
(m) 8.84% Series 2022	499.55	Nil	499.40	Nil
	7,559.65	300.00	4,189.87	300.00
Term Loans from Banks				
(n) ICICI Bank	Nil	225.00	223.56	337.50
(o) Axis Bank	Nil	166.67	166.58	166.67
(p) First Abu Dhabi Bank	65.74	67.00	132.54	67.00
(q) Sumitomo Mitsui Banking Corporation	283.53	215.00	199.70	100.00
	349.27	673.67	722.38	671.17
Deferred Payment Liabilities				
(r) Sales Tax Deferral	Nil	2.83	2.83	5.67
	(A) 7,908.92	976.50	4,915.08	976.84
(ii) Secured				
Redeemable Non-Convertible Debentures				
(a) 8.85% Series 2028	180.95	16.25	197.19	16.25
(b) 9.15% Series 2025	73.92	16.00	89.88	16.00
(c) 9.15% Series 2025	80.00	20.00	99.94	25.00
(d) 9.40% Series 2022	209.80	Nil	209.68	Nil
	544.67	52.25	596.69	57.25
Term Loans from Banks				
(e) HDFC Bank	1,450.44	140.00	1,590.27	74.37
(f) ICICI Bank	386.61	120.00	505.78	150.00
(g) Kotak Mahindra Bank	487.25	161.48	561.77	150.95
(h) State Bank of India	1,078.07	75.64	1,139.25	118.68
(i) Canara Bank	55.00	5.00	Nil	Nil
(j) Axis Bank	290.36	226.67	516.49	226.66
	3,747.73	728.79	4,313.56	720.66
Term Loans from Others				
(k) Housing Development Corporation Ltd	967.20	30.00	Nil	Nil
(l) Asian Development Bank	Nil	Nil	Nil	6.33
(m) Indian Renewable Energy Development Agency Ltd.	Nil	Nil	Nil	2.94
	967.20	30.00	Nil	9.27
	(B) 5,259.60	811.04	4,910.25	787.18
Total	(A) + (B) 13,168.52	1,787.54	9,825.33	1,764.02

* Amount disclosed under Other Current Financial Liabilities (Refer Note 24)

22. Non-current Borrowings (Contd.)

Security

- (i) The Debentures mentioned in (b) 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) The Debentures mentioned in (c) 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) The Debentures mentioned in (d) 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.
- (iv) The Loans mentioned in (a), (e), (g), (h), (i), (j) and (k) have been secured by *pari passu* charge on all movable Fixed Assets (excluding land and building), present and future (except assets of all wind projects both present and future) including movable machinery, machinery spares, tools and accessories, present and future, but excluding vehicles, launches and barges.
- (v) The Loans mentioned in (f) have also been secured by whole of current assets of the Company, present and future, in a first *pari passu* manner.
- (vi) Part of Loan mentioned in (g) is also secured by second charge on all movable fixed assets and current assets.
- (vii) The Loans from Asian Development Bank and Indian Renewable Energy Development Agency Limited mentioned in (l) and (m) respectively have been secured by a charge on the movable and immovable properties situated at Khandke, Brahmanvel and Sadawaghapur in Maharashtra including the projects' current and future receivables.

Terms of Repayment

Particulars	Amount Outstanding as at 31st March, 2021	Financial Year						₹ crore
		FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-31	FY 31-32 and onwards
(i) Unsecured - At Amortised Cost								
Redeemable Non-Convertible Debentures								
(a) 10.75% Series 2072 (Refer Note 1 below)	1,500.00	-	-	-	-	-	-	1,500.00
(b) 7.77% Series 2031	200.00	-	-	-	-	-	200.00	-
(c) 7.77% Series 2030	150.00	-	-	-	-	-	150.00	-
(d) 7.77% Series 2029	150.00	-	-	-	-	-	150.00	-
(e) 7.05% Series 2026	500.00	-	-	-	-	500.00	-	-
(f) 9.00% Series 2025	250.00	-	-	-	250.00	-	-	-
(g) 7.99% Series 2024	1,200.00	300.00	300.00	300.00	300.00	-	-	-
(h) 6.18% Series 2024	400.00	-	-	400.00	-	-	-	-
(i) 8.84% Series 2023	750.00	-	-	750.00	-	-	-	-
(j) 7.60% Series 2023	1,000.00	-	-	1,000.00	-	-	-	-
(k) 8.21% Series 2023	300.00	-	-	300.00	-	-	-	-
(l) 6.00% Series 2023	1,000.00	-	-	1,000.00	-	-	-	-
(m) 8.84% Series 2022	500.00	-	500.00	-	-	-	-	-
Term Loans from Banks (Refer Note 3 below)								
(n) ICICI Bank	225.00	225.00	-	-	-	-	-	-
(o) Axis Bank	166.67	166.67	-	-	-	-	-	-
(p) First Abu Dhabi Bank	133.00	67.00	66.00	-	-	-	-	-
(q) Sumitomo Mitsui Banking Corporation	500.00	215.00	100.00	105.00	45.00	35.00	-	-
Deferred Payment Liabilities								
(r) Sales Tax Deferral (Refer Note 2 below)	2.83	2.83	-	-	-	-	-	-

Notes to the Standalone Financial Statements

22. Non-current Borrowings (Contd.)

Particulars	Amount Outstanding as at 31st March, 2021	Financial Year							₹ crore
		FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-31	FY 31-32 and onwards	
(ii) Secured - At Amortised Cost									
Redeemable Non-Convertible Debentures									
(a) 8.85% Series 2028	197.19	16.25	16.25	16.25	16.25	16.25	115.94	-	
(b) 9.15% Series 2025	90.00	16.00	16.00	16.00	16.00	16.00	10.00	-	
(c) 9.15% Series 2025	100.00	20.00	20.00	20.00	20.00	20.00	-	-	
(d) 9.40% Series 2022	210.00	-	210.00	-	-	-	-	-	
Term Loans from Banks (Refer Note 3 below)									
(e) HDFC Bank	1,593.42	140.00	140.00	140.00	140.00	166.25	648.42	218.75	
(f) ICICI Bank	510.00	120.00	150.00	240.00	-	-	-	-	
(g) Kotak Mahindra Bank	648.75	161.48	61.48	61.48	61.48	87.73	215.10	-	
(h) State Bank of India	1,153.71	75.64	75.65	151.35	302.59	548.48	-	-	
(i) Canara Bank	60.00	5.00	5.00	5.00	5.00	5.00	25.00	10.00	
(j) Axis Bank	516.67	226.67	60.00	130.00	100.00	-	-	-	
Term Loans from Others (Refer Note 3 below)									
(k) Housing Development Corporation Ltd	1,000.00	30.00	60.00	70.00	90.00	120.00	630.00	-	
	15,007.24	1,787.54	1,780.38	4,705.08	1,346.32	1,514.71	2,144.46	1,728.75	
Less: Impact of recognition of borrowing at amortised cost using effective interest method.	51.18								
	14,956.06								

Notes:

- The 10.75% Redeemable Non-Convertible Debentures 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.
- Sales Tax Deferral is repayable in 150 installments commencing from April, 2013 and repayable in full by March, 2022.
- The rate of interest for term loans from banks ranges from 5.45% to 8.50 % (31st March, 2020 - 7.25% to 9.25%) and rate of interest for term loans from others is 7.60% (31st March, 2020 - 9.36%).

23. Lease Liabilities

Accounting Policy

At inception of contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Company allocates consideration in the contract to each lease component on the basis of their relative standalone price.

As a Lessee

i) Right-of-Use Assets

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Plant and Equipment - 2 years
- Leasehold land including Sub-surface rights - 2 to 25 years

The Company presents right-to-use assets that do not meet the definition of investment property in 'Property, Plant and Equipment'.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

iii) Short term leases and leases of low value of assets

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Leasing arrangement as Lessee

The Company has lease contracts for various items of plant, machinery, land, vehicles and other equipments used in its operations. Leases of Leasehold land including sub-surface rights and plant and equipment generally have lease term between 2 and 25 years. Generally, the Company is restricted from assigning and subleasing the leased assets.

Amount recognised in the statement of profit and loss	₹ crore	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Depreciation of Right-of-Use Assets	22.92	39.78
Interest on lease liabilities	19.36	17.56
Expenses related to short term leases	28.85	29.07
Expenses related to leases of low value assets, excluding short term leases of low value assets	0.33	0.38

Refer Note 5B for additions to Right-of-Use Assets and the carrying amount of Right-of-Use Assets. Further, Refer Note 42.4.3 for maturity analysis of lease liabilities.

Notes to the Standalone Financial Statements

23. Lease Liabilities (Contd.)

Amount as per the Statement of Cash Flows	₹ crore	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Total cash outflow of leases	30.99	29.34
	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Non-current		
(i) Lease Liabilities	209.72	237.03
Total	209.72	237.03
Current		
(i) Lease Liabilities	27.39	41.82
Total	27.39	41.82

24. Other Financial Liabilities - At Amortised Cost (Unless otherwise stated)

	As at	
	31st March, 2021	31st March, 2020
	₹ crore	₹ crore
Non-Current		
(a) Security Deposits from Customers	9.77	9.48
(b) Guarantee Commission Obligation	2.32	5.12
Total	12.09	14.60
Current		
(a) Current Maturities of Non-current Borrowings (Refer Note 22)	1,787.54	1,764.02
(b) Interest accrued but not due on Borrowings	284.76	202.23
(c) Interest accrued but not due on Borrowings from Related Party	4.15	Nil
(d) Investor Education and Protection Fund shall be credited by the following amounts namely: **		
Unpaid Dividend	23.16	22.56
Unpaid Matured Debentures	0.09	0.09
(e) Other Payables		
Payables for capital supplies and services	271.22	350.18
Security deposits from electricity consumers	245.75	234.48
Security deposits from others	31.23	6.74
Payable to Consumers	310.53	Nil
Other Financial Liabilities	77.23	41.32
Derivative contracts (Net) (at Fair Value through Profit and Loss)	6.94	Nil
Total	3,042.60	2,621.62

** Includes amounts outstanding aggregating ₹ 1.69 crore (31st March, 2020 - ₹ 1.48 crore) for more than seven years pending disputes and legal cases.

25. Deferred Tax Liabilities (Net)

(Refer Note 35)

	As at	
	31st March, 2021	31st March, 2020
	₹ crore	₹ crore
Deferred Tax Assets	1,028.59	940.99
Deferred Tax Liabilities	1,163.95	1,248.24
Net Deferred Tax Liabilities	135.36	307.25

26. Provisions

Accounting Policy

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Present obligations arising under onerous contracts are recognised and measured as provisions with charge to statement of profit and loss. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Restructuring provisions are recognised only when the Company has a constructive obligation, which is when: (i) a detailed formal plan identifies the business or part of the business concerned, the location and number of employees affected, a detailed estimate of the associated costs, and the timeline; and (ii) the employees affected have been notified of the plan's main features.

Defined contribution plans

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefits plans

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in the statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non routine settlements; and
- Net interest expense or income.

The cost of the defined benefit gratuity plan and other post-employment medical benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

Notes to the Standalone Financial Statements

26. Provisions (Contd.)

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Non-current		
Provision for Employee Benefits		
Compensated Absences	82.70	87.99
Post-Employment Medical Benefits [Refer Note 26 (2.1) and (2.3)]	57.67	59.12
Other Defined Benefit Plans [Refer Note 26 (2.1) and (2.3)]	106.35	63.49
Other Employee Benefits	14.66	11.86
Total	261.38	222.46
Current		
Provision for Employee Benefits		
Compensated Absences	5.80	6.17
Post-Employment Medical Benefits [Refer Note 26 (2.1) and (2.3)]	2.19	2.09
Other Defined Benefit Plans [Refer Note 26 (2.1) and (2.3)]	15.16	53.21
Other Employee Benefits	2.22	0.55
Total	25.37	62.02

Employee Benefit Plans

1. Defined Contribution plan

The Company makes superannuation fund contributions to defined contribution plan for eligible employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs. The Company has no obligation, other than the contribution payable to the fund. The Company recognises contribution payable to the superannuation fund scheme as an expense, when an employee renders the related service.

The Company has recognised ₹ 7.84 crore (31st March, 2020 - ₹ 9.32 crore) for superannuation contribution in the statement of profit and loss. The said amount is excluding of amounts recognised by the Strategic Engineering Division (SED) (Discontinued operations). The contribution payable to the plan by the Company is at rates specified in the rules of the plan.

2. Defined benefit plans

2.1 The Company operates the following unfunded/funded defined benefit plans:

Funded:

Provident Fund

The Company makes Provident Fund contributions to defined benefit plans for eligible employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified are paid to the provident fund trust set by the Company. The Company is generally liable for annual contributions. However, any shortfall in the fund assets based on the government specified minimum rates of return are recognised as an expense in the year it is incurred.

26. Provisions (Contd.)

Having regard to the assets of the fund and the return on the investments, the Company expects net shortfall of ₹ 6.50 crore which has been provided as an expenditure during the year.

The actuary has provided a valuation of provident fund liability based on the assumptions listed and determined the net short fall of ₹ 6.50 crore as at 31st March, 2021 (31st March, 2020 - ₹ 10.52 crore) which has been recognised as an expense during the year.

The significant assumptions used for the purpose of the actuarial valuations were as follows:

Particulars	As at 31st March, 2021	As at 31st March, 2020
Interest rate	7.50% p.a.	8.50% p.a.
Discount rate	6.60% p.a.	6.50% p.a.
Contribution during the year (₹ crore)	19.92	21.15
Short fall recognised as an expenditure for the year (₹ crore)	6.50	10.52

The movements in the net defined benefit obligation for provident fund are as follows:

Funded Plan:	Present value of obligation	Fair value of plan assets	Net Amount
	₹ crore	₹ crore	₹ crore
Balance as at 1st April, 2019	760.31	752.04	8.27
Current service cost	22.02	Nil	22.02
Interest Cost/(Income)	56.34	57.21	(0.87)
Amount recognised in statement of profit and loss	78.36	57.21	21.15
<u>Remeasurement (gains)/losses</u>			
Return on plan assets excluding amounts included in interest cost/(income)	Nil	(40.00)	40.00
Actuarial (gains)/losses arising from changes in demographic assumptions	(1.59)	Nil	(1.59)
Actuarial (gains)/losses arising from changes in financial assumptions	(3.30)	Nil	(3.30)
Actuarial (gains)/losses arising from experience	13.84	Nil	13.84
Amount recognised in Other Comprehensive Income	8.95	(40.00)	48.95
Employer contribution	Nil	21.13	(21.13)
Employee contribution	49.34	49.34	Nil
Benefits paid	(98.17)	(98.17)	Nil
Acquisitions credit/(cost)	8.97	8.97	Nil
Balance as at 31st March, 2020	807.76	750.52	57.24
Balance as at 1st April, 2020	807.76	750.52	57.24
Current service cost	18.87	Nil	18.87
Interest Cost/(Income)	48.84	47.79	1.05
Amount recognised in statement of profit and loss	67.71	47.79	19.92
<u>Remeasurement (gains)/losses</u>			
Return on plan assets excluding amounts included in interest cost/(income)	Nil	68.73	(68.73)
Actuarial (gains)/losses arising from changes in demographic assumptions	Nil	Nil	Nil
Actuarial (gains)/losses arising from changes in financial assumptions	52.89	Nil	52.89
Actuarial (gains)/losses arising from experience	22.34	Nil	22.34

Notes to the Standalone Financial Statements

26. Provisions (Contd.)

Funded Plan:	Present value of obligation	Fair value of plan assets	Net Amount
	₹ crore	₹ crore	₹ crore
Amount recognised in Other Comprehensive Income	75.23	68.73	6.50
Employer contribution	Nil	18.62	(18.62)
Employee contribution	44.14	44.14	Nil
Benefits paid	(124.23)	(116.10)	(8.13)
Acquisitions credit/(cost)	22.80	22.80	Nil
Balance as at 31st March, 2021	893.41	836.51	56.91

Gratuity

The Company has a defined benefit gratuity plan. The gratuity plan is primarily governed by the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the member's length of service and salary at the retirement date. The gratuity plan is funded plan. The fund has the form of a trust and is governed by Trustees appointed by the Company. The Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy in accordance with the trust regulations.

2.2 The principal assumptions used for the purposes of the actuarial valuations for funded and unfunded plan were as follows:

Valuation as at	As at 31st March, 2021	As at 31st March, 2020
Discount Rate	6.60% p.a.	6.50% p.a.
Salary Growth Rate		
- Management	7% p.a.	7% p.a.
- Non-Management	5% p.a.	5% p.a.
Turnover Rate - Age 21 to 44 years		
- Management	6% p.a.	6% p.a.
- Non-Management	0.50% p.a.	0.50% p.a.
Turnover Rate - Age 45 years and above		
- Management	2% p.a.	2% p.a.
- Non-Management	0.50% p.a.	0.50% p.a.
Pension Increase Rate	4% p.a.	3% p.a.
Mortality Table	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult
Annual Increase in Healthcare Cost	8% p.a.	8% p.a.

26. Provisions (Contd.)

2.3 The amounts recognised in the Standalone financial statements and the movements in the net defined benefit obligations over the year are as follows:

Gratuity Fund Plan:	Present value of obligation	Fair value of plan assets	Net Amount
	₹ crore	₹ crore	₹ crore
Balance as at 1st April, 2019*	260.83	(280.29)	(19.46)
Current service cost	15.80	Nil	15.80
Interest Cost/(Income)	20.72	(20.74)	(0.02)
Less: Amount recognised in Statement of Profit and Loss - Discontinued Operations	1.30	Nil	1.30
Amount recognised in statement of profit and loss - Continuing Operations	37.82	(20.74)	17.08
<u>Remeasurement (gains)/losses</u>			
Return on plan assets excluding amounts included in interest cost/(income)	Nil	(8.32)	(8.32)
Actuarial (gains)/losses arising from changes in demographic assumptions	(2.27)	Nil	(2.27)
Actuarial (gains)/losses arising from changes in financial assumptions	16.61	Nil	16.61
Actuarial (gains)/losses arising from experience	(0.95)	Nil	(0.95)
Add/(Less): Amount recognised in Other Comprehensive Income - Discontinued Operations	(0.21)	Nil	(0.21)
Amount recognised in Other Comprehensive Income	13.18	(8.32)	4.86
Benefits paid	(35.80)	Nil	(35.80)
Acquisitions credit/(cost)	(1.05)	Nil	(1.05)
Add: Amounts recognised in current year - Discontinued Operations	(1.08)	Nil	(1.08)
Balance as at 31st March, 2020 *	273.90	(309.35)	(35.45)
Balance as at 1st April, 2020*	273.90	(309.35)	(35.45)
Current service cost	17.38	Nil	17.38
Interest Cost/(Income)	17.49	(20.11)	(2.62)
Less: Amount recognised in Statement of Profit and Loss - Discontinued Operations	(0.89)	Nil	(0.89)
Amount recognised in statement of profit and loss - Continuing Operations	33.98	(20.11)	13.87
<u>Remeasurement (gains)/losses</u>			
Return on plan assets excluding amounts included in interest cost/(income)	Nil	(16.60)	(16.60)
Actuarial (gains)/losses arising from changes in demographic assumptions	Nil	Nil	Nil
Actuarial (gains)/losses arising from changes in financial assumptions	(1.76)	Nil	(1.76)
Actuarial (gains)/losses arising from experience	(3.16)	Nil	(3.16)
Less: Amount recognised in Other Comprehensive Income - Discontinued Operations	(0.34)	Nil	(0.34)
Amount recognised in Other Comprehensive Income	(5.26)	(16.60)	(21.86)
Benefits paid	(24.61)	Nil	(24.61)
Acquisitions credit/(cost)	(22.36)	Nil	(22.36)
Add: Amounts recognised in current year - Discontinued Operations	0.89	Nil	0.89
Balance as at 31st March, 2021 *	256.54	(346.06)	(89.52)

* Net asset is classified as "Other Current Assets".

Notes to the Standalone Financial Statements

26. Provisions (Contd.)

Unfunded:

Post Employment Medical Benefits

The Company provides certain post-employment health care benefits to superannuated employees at some of its locations. In terms of the plan, the retired employees can avail free medical check-up and medicines at Company's facilities.

Pension (including Director pension)

The Company operates a defined benefit pension plan for employees who have completed 15 years of continuous service. The plan provides benefits to members in the form of a pre-determined lumpsum payment on retirement. Executive Director, on retirement, is entitled to pension payable for life including HRA benefit. The level of benefit is approved by the Board of Directors of the Company from time to time.

Ex-Gratia Death Benefit

The Company has a defined benefit plan granting ex-gratia in case of death during service. The benefit consists of a pre-determined lumpsum amount along with a sum determined based on the last drawn basic salary per month and the length of service.

Retirement Gift

The Company has a defined benefit plan granting a pre-determined sum as retirement gift on superannuation of an employee.

Unfunded Plan:	Amount ₹ crore
Balance as at 1st April, 2019	102.69
Current service cost	5.24
Past service cost	Nil
Past service cost - Plan amendments	13.21
Interest Cost/(Income)	9.15
Add/(Less): Amount recognised in statement of profit and loss - Discontinued Operations	0.07
Amount recognised in statement of profit and loss - Continuing Operations	27.67
<u>Remeasurement (gains)/losses</u>	
Actuarial (gains)/losses arising from changes in demographic assumptions	(4.31)
Actuarial (gains)/losses arising from changes in financial assumptions	11.36
Actuarial (gains)/losses arising from experience	(9.48)
Add/(Less): Amount recognised in Other Comprehensive Income - Discontinued Operations	0.41
Amount recognised in Other Comprehensive Income	(2.02)
Benefits paid	(7.19)
Acquisitions credit/(cost)	Nil
Add: Amounts recognised in current year - Discontinued Operations	(0.48)
Less: Transferred to Assets/Liabilities held for sale - Discontinued Operations	Nil
Balance as at 31st March, 2020	120.67
Balance as at 1st April, 2020	120.67
Current service cost	5.38
Past service cost	Nil
Past service cost - Plan amendments	Nil
Interest Cost/(Income)	7.77
Add/(Less): Amount recognised in statement of profit and loss - Discontinued Operations	Nil
Amount recognised in statement of profit and loss - Continuing Operations	13.15

26. Provisions (Contd.)

Unfunded Plan:	Amount
	₹ crore
Remeasurement (gains)/losses	
Actuarial (gains)/losses arising from changes in demographic assumptions	Nil
Actuarial (gains)/losses arising from changes in financial assumptions	1.55
Actuarial (gains)/losses arising from experience	(2.68)
(Less): Amount recognised in Other Comprehensive Income - Discontinued Operations	Nil
Amount recognised in Other Comprehensive Income	(1.13)
Benefits paid	(5.54)
Acquisitions credit/(cost)	(2.79)
Add: Amounts recognised in current year - Discontinued Operations	0.10
Less: Transferred to Assets/Liabilities held for sale - Discontinued Operations	Nil
Balance as at 31st March, 2021	124.46

Employee Benefit Plans

2.4 Sensitivity analysis

The sensitivity of the defined benefit obligations to changes in the weighted principal assumptions is:

Change in assumption	31 st March, 2021		31 st March, 2020	
	31 st March, 2021	31 st March, 2020	31 st March, 2021	31 st March, 2020
	₹ crore	₹ crore	₹ crore	₹ crore
Discount rate	0.50%	0.50%	Decrease by 17.09	15.83
Salary/Pension growth rate	0.50%	0.50%	Increase by 11.05	11.32
Mortality rates	1 year	1 year	Decrease by 5.81	5.43
Healthcare cost	0.50%	0.50%	Increase by 4.60	4.81

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

These plans typically expose the Company to actuarial risks such as: Investment Risk, Interest Risk, Longevity Risk and Salary Risk.

Investment Risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest Risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.
Longevity Risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary Risk	The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Notes to the Standalone Financial Statements

26. Provisions (Contd.)

2.5 The expected maturity analysis of undiscounted defined benefit obligation is as follows:

	Funded - Provident Fund		Funded - Gratuity		Unfunded	
	31st March, 2021 ₹ crore	31st March, 2020 ₹ crore	31st March, 2021 ₹ crore	31st March, 2020 ₹ crore	31st March, 2021 ₹ crore	31st March, 2020 ₹ crore
Within 1 year	61.74	67.02	19.83	20.87	8.98	8.85
Between 1 - 2 years	101.81	105.84	31.63	33.66	9.41	9.08
Between 2 - 3 years	94.42	96.20	31.53	32.08	9.59	9.16
Between 3 - 4 years	93.72	85.16	31.68	30.55	9.48	9.29
Between 4 - 5 years	86.54	84.05	26.77	34.41	9.61	9.15
Beyond 5 years	533.46	413.74	166.99	167.80	54.45	65.39
The weighted average duration of:					As at 31st March, 2021	As at 31st March, 2020
Provident Fund					7.0 Years	7.0 Years
Gratuity Fund					7.4 Years	7.4 Years

The contribution expected to be made by the Company during the financial year 2021-22 is ₹ 19.20 crore.

2.6 Risk exposure:

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility:

The plan liabilities are calculated using a discount rate set with reference to government bond yield. If plan assets underperform this yield, it will result in deficit. These are subject to interest rate risk. To offset the risk, the plan assets have been deployed in high grade insurer managed funds.

Inflation rate risk:

Higher than expected increase in salary and medical cost will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligations is not straight forward and depends upon the combination of salary increase, discount rate and vesting criterion.

2.7 Major categories of plan assets:

Plan assets are funded with the trust set up by the Company. The trust invests the funds in various financial instruments. Major categories of plan assets are as follows:

	Provident Fund				Gratuity			
	As at 31st March, 2021		As at 31st March, 2020		As at 31st March, 2021		As at 31st March, 2020	
	₹ crore	%	₹ crore	%	₹ crore	%	₹ crore	%
Quoted								
Equity Instruments	43.33	5%	30.02	4%	65.75	19%	58.78	19%
Government Securities	450.96	54%	405.28	54%	88.63	26%	89.71	29%
Debt and other Instruments	342.22	41%	315.22	42%	191.68	55%	160.86	52%
	836.51	100%	750.52	100%	346.06	100%	309.35	100%

27. Other Liabilities

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Non-current		
Deferred Revenue - Service Line Contributions from Consumers	112.95	115.91
Deferred Rent Liability	42.75	45.43
Total	155.70	161.34
Current		
Statutory Liabilities	101.00	121.97
Advance from Customers/Public Utilities	178.09	149.68
Statutory Consumer Reserves	179.00	168.00
Liabilities towards Consumers	12.61	60.76
Other Liabilities	1.83	2.46
Total	472.53	502.87

28. Current Borrowings - At Amortised Cost

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Unsecured		
From Banks		
(a) Term Loans		
(i) Repayable on Demand	999.69	500.00
(ii) Others	90.00	90.00
(b) Bank Overdraft - Repayable on Demand	Nil	1.05
From Related Parties	922.20	105.45
From Others		
Commercial Paper [maximum amount outstanding during the year is ₹ 6,925 crore (31st March, 2020 - ₹ 6,700 crore)]	3,523.81	5,455.81
	5,535.70	6,152.31
Secured		
From Banks		
(a) Term Loans	60.00	60.00
	60.00	60.00
Total	5,595.70	6,212.31

Notes:

- The rate of interest for term loans from banks ranges from 6.50% to 8.90% (31st March,2020 - 8.00% to 9.40%) and loan from others ranges from 3.13% to 7.50% (31st March,2020 - 5.56% to 8.04%).
- The term loan mentioned in (a) above have been secured by pari passu first charge over all current assets of the Company, present and future, except for specific wind assets.

29. Current Tax Liabilities

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Income Tax Payable (Net)	133.47	107.67
Total	133.47	107.67

Notes to the Standalone Financial Statements

30. Revenue from Operations

Revenue recognition

Accounting Policy

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Description of performance obligations are as follows :

(i) Sale of Power - Generation (Thermal and Hydro)

Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered.

The Company as per the prevalent tariff regulations is required to recover its Annual Revenue Requirement ('ARR') comprising of expenditure on account of fuel cost, operations and maintenance expenses, financing costs, taxes and assured return on regulator approved equity with additional incentive for operational efficiencies. Accordingly, rate per unit is determined using input method based on the Company's efforts to the satisfaction of a performance obligation to deliver power.

As per tariff regulations, the Company determines ARR and any surplus/shortfall in recovery of the same is accounted as revenue.

(ii) Sale of Power - Generation (Wind and Solar)

Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered at the contracted rate.

(iii) Transmission of Power

Revenue from transmission of power is recognised net of cash discount over time for transmission of electricity. The Company as per the prevalent tariff regulations is required to recover its Annual Revenue Requirement ('ARR') comprising of expenditure on account of operations and maintenance expenses, financing costs, taxes and assured return on regulator approved equity with additional incentive for operational efficiencies.

Input method is used to recognize revenue based on the Company's efforts or inputs to the satisfaction of a performance obligation to deliver power.

As per tariff regulations, the Company determines ARR and any surplus/shortfall in recovery of the same is accounted as revenue.

(iv) Sale of Power - Distribution

Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered at the pre determined rate.

(v) Rendering of Services

Revenue from a contract to provide services is recognised over time based on :

Input method where the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of performance obligation. Revenue, including estimated fees or profits, are recorded proportionally based on measure of progress.

Output method where direct measurements of value to the customer based on survey's of performance completed to date.

Revenue is recognised net of cash discount at a point in time at the contracted rate.

(vi) Consumers are billed on a monthly basis and are given average credit period of 30 to 45 days for payment. No delayed payment charges ('DPC') is charged for the initial 30 days from the date of receipt of invoice by customers. Thereafter, DPC is charged as per the relevant contracts on the outstanding balance once the dues are received. Revenue in respect of delayed payment charges and interest on delayed payments leviable as per the relevant contracts are recognised on actual realisation or accrued based on an assessment of certainty of realisation supported by either an acknowledgement from customers or on receipt of favourable order from regulator / authorities.

(vii) In the regulated operations of the Company where tariff recovered from consumers is determined on cost plus return on equity, the Income tax cost is pass through cost and accordingly the Company recognises Deferred tax recoverable/ payable against any Deferred tax expense/ income. The same is included in 'Revenue from Operations' in case of Generation and Transmission business.

There are no significant judgements involved while evaluating the timing as to when customers obtain control of promised goods and services.

30. Revenue from Operations (Contd.)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
(a) Revenue from Power Supply and Transmission Charges	4,656.54	6,410.55
<i>Add/(Less):</i> Income to be adjusted in future tariff determination (Net)	157.00	(198.98)
<i>Add/(Less):</i> Income to be adjusted in future tariff determination (Net) in respect of earlier years	(8.53)	5.49
<i>Add/(Less):</i> Deferred Tax Recoverable / (Payable)	44.80	31.41
	4,849.81	6,248.47
(b) Revenue from Power Supply - Assets Under Finance Lease	942.03	1,051.27
(c) Project/Operation Management Services	173.90	140.71
(d) Income from Finance Lease	84.66	88.91
(e) Other Operating Revenue		
Rental of Land, Buildings, Plant and Equipments, etc.	13.29	12.15
Income in respect of Services Rendered	60.94	97.60
Income from Storage and Terminalling	16.31	15.22
Amortisation of Service Line Contributions	8.25	7.99
Sale of Fly Ash	0.28	1.86
Sale of Carbon Credits	Nil	6.25
Sale of Renewable Energy certificates	Nil	14.66
Miscellaneous Revenue	31.12	41.30
	130.19	197.03
Total	6,180.59	7,726.39

Details of Revenue from Contract with Customers

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Total Revenue from Contract with Customers	6,048.34	7,590.18
<i>Add:</i> Cash Discount/Rebates etc.	27.24	38.28
Total Revenue as per Contracted Price	6,075.58	7,628.46

Transaction Price - Remaining Performance Obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.

The aggregate value of performance obligations that are partially unsatisfied as at 31st March, 2021, other than those meeting the exclusion criteria mentioned above is ₹ Nil (31st March, 2020 - ₹ 18.59 crore). The Company expects to recognise it as revenue within next one year.

Notes to the Standalone Financial Statements

30. Revenue from Operations (Contd.)

Revenue is disaggregated by type and nature of product or services. The table also includes the reconciliation of the disaggregated revenue with the Company's reportable segment.

Nature of Goods/Services	Revenue from Contracts with Customers		Others		Total	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020	For the year ended 31st March, 2021	For the year ended 31st March, 2020	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore
Generation of Power - Thermal and Hydro						
Sale of Power	1,393.22	1,588.73	Nil	Nil	1,393.22	1,588.73
Sale of Power from Assets Under Lease	942.03	1,051.27	Nil	Nil	942.03	1,051.27
Project/Operation Management Services	144.60	100.94	Nil	Nil	144.60	100.94
Income from Finance Lease	Nil	Nil	84.66	88.91	84.66	88.91
Others	3.37	21.70	14.58	15.52	17.95	37.22
Total (A)	2,483.22	2,762.64	99.24	104.43	2,582.46	2,867.07
Generation of Power - Wind and Solar						
Sale of Power	107.70	95.24	Nil	Nil	107.70	95.24
Others	Nil	14.64	Nil	8.02	Nil	22.66
Total (B)	107.70	109.88	Nil	8.02	107.70	117.90
Transmission and Distribution of Power						
Transmission of Power	828.79	775.15	Nil	Nil	828.79	775.15
Distribution of Power	2,520.09	3,789.37	Nil	Nil	2,520.09	3,789.37
Net Movement in Regulatory Deferral Balances	Nil	Nil	299.62	(651.40)	299.62	(651.40)
Project/Operation Management Services	22.45	33.83	Nil	Nil	22.45	33.83
Others	10.82	44.45	27.23	20.76	38.05	65.21
Total (C)	3,382.15	4,642.80	326.85	(630.64)	3,709.00	4,012.16
Others (D)	34.40	30.76	Nil	Nil	34.40	30.76
Unallocable Revenue (E)	40.87	44.10	5.78	3.00	46.65	47.10
Revenue from Continuing Operations (including Net Movement in Regulatory Deferral Balances) (A + B + C +D + E)	6,048.34	7,590.18	431.87	(515.19)	6,480.21	7,074.99
Revenue from Discontinued Operations	193.63	343.74	Nil	Nil	193.63	343.74
Reconciliation of Revenue					For the year ended 31st March, 2021	For the year ended 31st March, 2020
					₹ crore	₹ crore
Revenue from Continuing Operations as per above table					6,480.21	7,074.99
Less: Net Movement in Regulatory Deferral Balances					299.62	(651.40)
Total Revenue from Operations					6,180.59	7,726.39

30. Revenue from Operations (Contd.)

Contract Balances	As at	As at
	31st March, 2021	31st March, 2020
	₹ crore	₹ crore
Contract Assets		
Recoverable from Consumers		
Non-current	1,161.06	960.84
Total Contract Assets	1,161.06	960.84
Contract liabilities		
Liabilities towards Consumers		
Current	12.61	60.76
Total Contract Liabilities	12.61	60.76
Receivables		
Trade Receivables (Gross)	966.67	1,151.39
Unbilled Revenue for passage of time	75.37	83.41
Recoverable from Consumers	58.13	221.45
(Less): Allowances for Doubtful Debts	(55.80)	(42.71)
Net Receivables	1,044.37	1,413.54
Total	2,218.04	2,435.14

Contract Assets

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract assets are transferred to receivables when the rights become unconditional.

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the performance obligation is satisfied.

Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

Particulars	As at	As at
	31st March, 2021	31st March, 2020
	₹ crore	₹ crore
Opening Balance		
Recoverable from consumers	960.84	1,191.79
Liabilities towards consumers	(60.76)	(11.50)
	(A)	900.08
Income to be adjusted in future tariff determination (Net)	157.00	(198.98)
Income to be adjusted in future tariff determination in respect of earlier years (Net)	(8.53)	5.49
Refund to customers (including Company's distribution business)	57.59	48.87
Deferred tax recoverable/(payable)	44.80	31.41
Deferred tax recoverable/(payable) on account of New Tax Regime [Refer Note 35(i)]	Nil	(167.00)
Others	(2.49)	Nil
	(B)	(280.21)
Closing Balance		
Recoverable from consumers	1,161.06	960.84
Liabilities towards consumers	(12.61)	(60.76)
	(A + B)	900.08

Notes to the Standalone Financial Statements

31. Other Income

Accounting Policy

Dividend and Interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
(a) Interest Income		
(i) On Financial Assets carried at Amortised Cost		
Interest on Banks Deposits	2.36	4.82
Interest on Overdue Trade Receivables	38.59	65.69
Interest on Non-current Investment	11.80	17.43
Interest on Financial Assets - Subsidiaries	124.37	18.58
	177.12	106.52
(ii) Interest on Income-tax Refund	Nil	13.03
	177.12	119.55
(b) Dividend Income		
From Non-current Investments		
Subsidiaries	941.51	267.18
Joint Ventures	47.74	85.09
Associates	Nil	9.68
Others - Equity Investments designated as FVTOCI	6.78	6.86
	996.03	368.81
(c) Gain/(Loss) on Investments		
Gain on sale/Fair Value of current investment measured at FVTPL	16.93	13.41
Gain on sale of Non-current investment measured at Amortised cost	Nil	9.06
	16.93	22.47
(d) Other Non-operating Income		
Guarantee Commission from Subsidiaries and Joint Ventures (Refer Note below)	21.82	60.63
Gain/(Loss) on Disposal of Property, Plant and Equipments (Net)	17.17	3.52
Delayed Payment Charges	7.02	6.61
Other Income	12.87	1.03
	58.88	71.79
Total	1,248.96	582.62

Note:

During the previous year, pursuant to Advance Pricing Agreement with Income Tax Department, the Company has recognised guarantee commission income of ₹ 38.30 crore from its subsidiaries and joint ventures pertaining to earlier years.

32. Employee Benefits Expense

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Salaries and Wages	521.68	468.42
Contribution to Provident Fund	19.92	21.15
Contribution to Superannuation Fund	7.84	9.32
Gratuity	13.87	17.08
Compensated Absences	13.21	24.96
Pension	14.39	10.78
Staff Welfare Expenses	95.72	93.58
	686.63	645.29
<i>Less:</i>		
Employee Cost Capitalised	27.12	24.59
Employee Cost Inventorised	10.44	9.99
	37.56	34.58
Total	649.07	610.71

33. Finance Costs

Accounting Policy

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
(a) Interest Expense:		
On Borrowings - At Amortised Cost		
Interest on Debentures	583.03	412.38
Interest on Loans - Banks, Financial Institutions and Commercial Papers	863.68	1,049.22
Interest on Loans - Related Parties	18.44	4.91
Others		
Interest on Consumer Security Deposits - At Amortised cost	11.05	21.99
Interest on Lease Liabilities - At Amortised cost	19.36	17.56
Other Interest and Commitment Charges	1.70	0.48
	1,497.26	1,506.54
<i>Less: Interest Capitalised</i>	8.38	16.44
<i>Less: Interest Inventorised</i>	10.23	Nil
	1,478.65	1,490.10
(b) Other Borrowing Costs:		
Other Finance Costs	40.12	20.28
	40.12	20.28
Total	1,518.77	1,510.38

Note:

The weighted average capitalisation rate on the Company's general borrowings is 7.64 % p.a. (31st March, 2020 - 8.23 % p.a.).

Notes to the Standalone Financial Statements

34. Other Expenses

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Consumption of Stores and Oil	39.34	36.61
Rental of Land, Buildings, Plant and Equipments	12.17	3.89
Repairs and Maintenance -		
(i) To Buildings and Civil Works	82.22	96.09
(ii) To Machinery and Hydraulic Works	242.26	211.60
(iii) To Furniture and Vehicles	4.54	4.63
	329.02	312.32
Rates and Taxes	53.10	67.62
Insurance	33.92	29.37
Other Operation Expenses	91.35	86.58
Ash Disposal Expenses	12.21	16.84
Travelling and Conveyance Expenses	16.06	18.60
Consultants' Fees	15.14	10.38
Auditors' Remuneration [Refer Note (i) below]	5.23	5.14
Cost of Services Procured	96.77	93.71
Bad Debts	2.43	6.05
Net (gain)/ Loss on Foreign Exchange	(24.08)	10.59
Allowance for Doubtful Debts and Advances (Net)	13.62	(0.19)
Legal Charges	16.47	21.61
Corporate Social Responsibility [Refer Note (ii) below]	3.45	3.80
Transfer to Statutory Consumer Reserve	11.00	17.00
Miscellaneous Expenses	38.48	16.77
Total	765.68	756.69

(i) Payment to the auditors

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
For Statutory Audit	4.03	3.54
For Taxation Matters	0.15	0.12
For Other Services	0.23	0.55
For Reimbursement of Expenses	0.02	0.15
Goods and Service Tax on above	0.80	0.78
Total	5.23	5.14

(ii) Corporate Social Responsibility

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Contribution to Tata Power Community Development Trust	3.28	3.16
Other expenses	0.17	0.64
Total	3.45	3.80

34. Other Expenses (Contd.)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Amount required to be spent as per section 135 of the Companies Act 2013	3.45	3.04
Amount spent during the year on:		
(a) Construction/Acquisition of asset	Nil	Nil
(b) On purposes other than (a) above	3.45	3.80

35. Income taxes

Accounting Policy

Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax related to items recognised outside Statement of Profit and Loss are recognised either in other comprehensive income or in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

For operations carried out under tax holiday period (Section 80IA of Income Tax Act, 1961), deferred tax assets or liabilities, if any, have been recorded for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax related to items recognised outside profit or loss is recognised either in other comprehensive income or in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Notes to the Standalone Financial Statements

35. Income taxes (Contd.)

(i) Income Tax Expenses

1. Income taxes recognised in the statement of profit and loss (Continuing Operations)

	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
	₹ crore	₹ crore
Current tax	205.31	18.61
Deferred tax	(104.34)	73.08
Deferred tax relating to earlier years	Nil	(24.51)
Remeasurement of Deferred Tax on account of New Tax Regime (Net) (Refer Note below)	Nil	(275.00)
Total income tax expense	100.97	(207.82)

Note:

Pursuant to the Taxation Laws (Amendment) Act, 2019 domestic companies have option to pay income tax at 22% plus applicable surcharge and cess ('New Tax Regime') subject to certain conditions. Based on the Company's assessment of the expected year of transition to the New Tax Regime, the Company in the previous year recognised deferred tax income of ₹ 275.00 crores after adjusting the Minimum Alternate Tax credit write off. Further, the Company had also remeasured its regulatory asset balance against deferred tax liabilities and had recognised expense of ₹ 98.00 crores pertaining to distribution business and ₹ 167.00 crores for generation and transmission business.

2. Income taxes recognised in the statement of profit and loss (Discontinued Operations)

	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
	₹ crore	₹ crore
Current tax	(101.48)	Nil
Deferred tax	(72.17)	(32.41)
Total income tax expense	(173.65)	(32.41)

The income tax expense for the year can be reconciled to the accounting profit as follows:

	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
	₹ crore	₹ crore
Profit/(Loss) before tax Continuing Operation	1,068.61	350.53
Profit/(Loss) before tax Discontinuing Operation	(219.84)	(442.64)
Profit/(Loss) Before Tax	848.77	(92.11)
Income tax expense @34.944% being the statutory enacted rate	296.59	(32.19)
Add/(Less) tax effect on account of :		
Dividend income not taxable	(146.65)	(83.27)
Income taxed at lower rate	(72.35)	(3.80)
Non-Deductible expenses	49.50	88.57
Effect of tax holiday period	(66.77)	34.08
Remeasurement of past deferred tax balances on the expected sale of assets (Refer Note 2 below)	(131.00)	Nil
Utilisation of unrecognised capital loss on sale of asset	(11.52)	Nil
Unrecognised tax credit (MAT) for the year	31.30	15.38
Provision for impairment	Nil	122.63
Measurement of deferred tax at 25.17% expected to be reversed in the new tax regime	(20.38)	(275.00)
Reversal of impairment of non-current investments and related obligations	Nil	(82.12)
True up impact basis income tax return	Nil	(24.51)
Others	(1.40)	Nil

35. Income taxes (Contd.)

	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
	₹ crore	₹ crore
Income tax expenses recognised in Statement of Profit and Loss	(72.68)	(240.23)
Tax expense for the Continuing Operations	100.97	(207.82)
Tax expense for the Discontinued Operations	(173.65)	(32.41)
Income tax expense recognised in Statement of Profit and Loss	(72.68)	(240.23)

Notes:

- The rate used for calculation of deferred tax is 34.94% and 25.17% for balances expected to be reversed in the new tax regime.
- During the year ended 31st March, 2021, the Company has entered into a Business Transfer Agreement with Tata Power Renewable Energy Limited and Tata Power Green Energy Limited, wholly owned subsidiaries, for transfer of renewable assets (forming part of renewable segment) as a "going concern" on a slump sale basis effective on or after 1st April, 2021. Consequently, as per the requirement of Ind AS 12, the Company has reassessed its deferred tax balances including its unrecognized deferred tax assets on capital losses and has recognized gain of ₹ 131.00 crore in the Standalone Financial Statements.

3. Income tax recognised in other comprehensive income

	31st March, 2021	31st March, 2020
	₹ crore	₹ crore
Current Tax		
Remeasurement of defined benefit obligation	Nil	(0.77)
Deferred tax		
Remeasurements of defined benefit obligation	4.61	(17.40)
Total income tax recognised in other comprehensive income	4.61	(18.17)
Items that will not be reclassified to statement of profit and loss	4.61	(18.17)

(ii) Deferred Tax

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Deferred Tax Assets	1,028.59	940.99
Deferred Tax Liabilities	1,163.95	1,248.24
Deferred Tax Liabilities (Net)	135.36	307.25

Notes to the Standalone Financial Statements

35. Income taxes (Contd.)

	₹ crore			
2020-21	Opening balance	Recognised in profit or loss (including discontinued operation)	Recognised in other comprehensive Income (including discontinued operation)	Closing balance
Deferred tax assets in relation to				
Allowance for Doubtful Debts, Deposits and Advances	26.85	2.74	Nil	29.59
Provision for Employee Benefits and Others	66.37	5.52	(4.61)	67.28
Minimum Alternate Tax Credit	437.51	Nil	Nil	437.51
Capital loss on sale of investments and indexation benefit available on investments	379.97	112.59	Nil	492.56
Lease liability	12.40	(10.75)	Nil	1.65
Unabsorbed losses	17.89	(17.89)	Nil	Nil
	940.99	92.21	(4.61)	1,028.59
Deferred tax liabilities in relation to				
Property, Plant and Equipments (including finance leases)	1,233.48	(76.29)	Nil	1,157.19
Right-of-use asset	10.00	(8.01)	Nil	1.99
Others	4.76	Nil	Nil	4.76
	1,248.24	(84.30)	Nil	1,163.95
Deferred Tax Liabilities (Net)	307.25	(176.51)	4.61	135.36
				₹ crore
2019-20	Opening balance	Recognised in profit or loss (including discontinued operation)	Recognised in other comprehensive Income (including discontinued operation)	Closing balance
Deferred tax assets in relation to				
Allowance for Doubtful Debts, Deposits and Advances	29.24	(2.39)	Nil	26.85
Provision for Employee Benefits and Others	51.84	(2.87)	17.40	66.37
Minimum Alternate Tax Credit	517.51	(80.00)	Nil	437.51
Capital loss on sale of investments and indexation benefit available on investments	425.62	(45.65)	Nil	379.97
Lease liability	Nil	12.40	Nil	12.40
Unabsorbed losses	Nil	17.89	Nil	17.89
	1,024.21	(100.62)	17.40	940.99
Deferred tax liabilities in relation to				
Property, Plant and Equipments (including finance leases)	1,578.04	(344.56)	Nil	1,233.48
Right of use asset	Nil	10.00	Nil	10.00
Others	29.66	(24.90)	Nil	4.76
	1,607.70	(359.46)	Nil	1,248.24
Deferred Tax Liabilities (Net)	583.49	(258.84)	(17.40)	307.25

The amount and the expiry of unrecognised deferred tax asset is as detailed below:

	₹ crore			
As at 31st March, 2021	Within one year	Greater than one year, less than five years	Greater than five years	Closing balance
Capital Loss on sale of investment and indexation benefit*	Nil	Nil	1,306.80	1,306.80
MAT credit	Nil	Nil	124.94	124.94
Total	Nil	Nil	1,431.74	1,431.74

35. Income taxes (Contd.)

As at 31st March, 2020	Within one year	Greater than one year, less than five years	Greater than five years	₹ crore Closing balance
Capital Loss on sale of investment and indexation benefit*	Nil	Nil	1,310.03	1,310.03
MAT credit	Nil	Nil	97.52	97.52
Total	Nil	Nil	1,407.55	1,407.55

* The unrecognised deferred tax asset on impairment of investments of ₹ 947.99 crore (31st March, 2020 - ₹ 949.86 crore) relating to capital loss shall expire within 8 years from the date of sale of investment.

36. Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

	31st March, 2021	31st March, 2020
	₹ crore	₹ crore
(a) Principal amount remaining unpaid	23.09	7.72
(b) Interest due thereon	0.20	Nil
(c) The amount of Interest paid along with the amounts of the payment made to the supplier beyond the appointed day	Nil	Nil
(d) The amount of Interest due and payable for the year	Nil	Nil
(e) The amount of Interest accrued and remaining unpaid	Nil	Nil
(f) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid, for the purpose of disallowance under section 23.	0.20	Nil

37. Commitments

- (a) Estimated amount of Contracts remaining to be executed on capital account and not provided for ₹ 284.17 crore (31st March, 2020 - ₹ 413.08 crore.)
- (b) Other Commitments
 - (i) In terms of the Sponsor Support agreement entered into between the Company, Coastal Gujarat Power Ltd. (CGPL) and INR term lenders (SBI led consortium) of CGPL, the Company has undertaken to provide support by way of base equity contribution to the extent of 25% of CGPL's project cost and additional equity or subordinated loans to be made or arranged for, if required as per the financing agreements to finance the project. The Sponsor Support Agreement also includes support by way of additional financial support for any overrun in project costs, operational loss and Debt Service Reserve Guarantee as provided under the financing agreements. In terms of the conditions of the financing agreements, the Company has provided support through Unsecured Perpetual securities and Equity of ₹ 19,777.14 crore (31st March, 2020 - ₹ 15,629.14 crore) to CGPL.
 - (ii) The Company has undertaken to arrange for the necessary financial support to its subsidiaries Bhira Investments Pte. Ltd., Khopoli Investments Ltd., Bhivpuri Investments Ltd., TP Renewable Microgrid Ltd. (formerly Industrial Power Utility Ltd.), Tata Power Jamshedpur Distribution Ltd. and Tata Power International Pte. Ltd.
 - (iii) In respect of Maithon Power Ltd. (MPL), the Company jointly with Damodar Valley Corporation (DVC) has undertaken to the lenders of MPL, to provide support by way of base equity contribution and additional equity or subordinated loans to meet the increase in Project Cost. Further, the Company has given an undertaking to MPL to fulfil payment obligations of Tata Power Trading Company Ltd. (TPTCL) and Tata Power Delhi Distribution Ltd. (TPDDL) in case of their default.

Notes to the Standalone Financial Statements

38. Contingent liabilities

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Contingent liabilities including:		
(a) Claims against the Company not probable and hence not acknowledged as debts consists of		
(i) Demand disputed by the Company relating to Service tax on transmission charges received for July 2012 to June 2017 (excluding interest and penalty).	375.29	375.29
(ii) Way Leave fees (including interest) claims disputed by the Company relating to rates charged.	45.87	43.18
(iii) Custom duty claims disputed by the Company relating to applicability and classification of coal.	34.49	34.49
(iv) Access Charges demand for laying underground cables.	30.14	30.14
(v) Rates, Cess, Excise and Custom Duty claims disputed by the Company.	10.20	26.63
(vi) Compensation disputed by private land owners on private land acquired under the provisions of Maharashtra Industrial Development Act, 1961.	Nil	22.00
(vii) Octroi claims disputed by the Company in respect of octroi exemption claimed by the Company.	Nil	5.03
(viii) Other claims against the Company not acknowledged as debts.	44.28	34.51
	540.27	571.27

Notes:

1. Amounts in respect of employee related claims/disputes, regulatory matters is not ascertainable.
2. Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.
3. The above Contingent Liabilities include those pertaining to regulated business which on unfavourable outcome can be recovered from consumers.

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
(b) Other Contingent Liabilities:		
Taxation matters for which liability is disputed by the Company and not provided for (computed on the basis of assessments which have been re-opened / remaining to be completed).	50.93	50.93
In an earlier year, Maharashtra State Electricity Distribution Company Limited (MSEDCL) had raised a demand for determination of fixed charges for unscheduled interchange of power. The Company had filed a petition against the said demand for which stay has been granted by the ATE till the methodology for the determination is fixed. Considering the same, currently, the amount of charges payable is not ascertainable and hence, no provision has been recognized during the year. Further, in case of unfavourable outcome, the Company believes that it will be allowed to recover the same from consumers through future adjustment in tariff.	215.02	215.02
	As at 31st March, 2021	As at 31st March, 2020
	₹ crore*	₹ crore*
(c) Indirect exposures of the Company:		
Guarantees given:		
(i) Coastal Gujarat Power Ltd.	6,909.94	7,544.17
(ii) Khopoli Investments Ltd.	913.97	1,676.21
	(equivalent to USD 125.01 million)	(equivalent to USD 221.89 million)
(iii) Bhira Investments Pte. Ltd.	1,425.75	1,462.64
	(equivalent to USD 195.01 million)	(equivalent to USD 193.62 million)
(iv) Trust Energy Resources Pte. Ltd.	Nil	348.31
	(equivalent to USD Nil)	(equivalent to USD 46.11 million)
(v) Tata Power Renewable Energy Ltd.	2,962.87	1,612.53

38. Contingent liabilities (Contd.)

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore*	₹ crore*
(vi) Tata Power International Pte. Ltd.	732.49	Nil
	(equivalent to USD 100.19 million)	(equivalent to USD Nil)
(vii) Chirasthaayee Saurya Ltd.	Nil	272.12
(viii) Walwhan Renewable Energy Ltd.	1,320.55	1,450.51
(ix) Walwhan Solar TN Ltd.	33.98	126.56
(x) Walwhan Wind RJ Ltd.	83.28	86.03

* The exposure is considered to the extent of borrowings outstanding (including accrued interest) of the respective subsidiaries.

- (d) The Company has provided a Bank Guarantee of USD 90 Million (₹ 657.99 crore) and Corporate Guarantee of USD 40 Million (₹ 292.44 crore) to Oldendorff as per the affreightment contract entered by Trust Energy Resources Pte. Ltd., wholly owned subsidiary of the Company.
- (e) During the year, the Company has acquired 51% stake in TP Central Odisha Distribution Limited ('TPCODL'), TP Western Odisha Distribution Limited ('TPWODL') and TP Southern Odisha Distribution Limited ('TPSODL') to carry out the function of distribution and retail supply of electricity covering the distribution circles of central, western and southern parts of Odisha. Pursuant to these acquisition and as per the terms of the vesting order, the Company has issued bank guarantee to Odisha Electricity Regulatory Commission ('OERC') of ₹150.00 crore, ₹150.00 crore, ₹100.00 crore respectively.
- (f) OERC had issued a request for proposal for sale of controlling interest in distribution business of North Electricity Supply Utility of Odisha. The Company had bid for it and has been identified as the successful bidder and accordingly the Company issued bank guarantees to OERC of ₹150 crore.
- (g) The Company has given performance guarantee and letter of credit on behalf of TP Ajmer Distribution Ltd of ₹106.17 crore (31st March, 2020 ₹105.00 crore) to Ajmer Vidyut Vitran Nigam Ltd as per the distribution franchisee agreement.
- (h) The Company has given performance guarantee on behalf of Trust Energy Resources Pte. Ltd. to Maxpente Shipping Corporation of USD 10 Million (₹ 73.11 crore) (31st March, 2020 USD 10 Million (₹ 74.88 crore) for its obligation under the cost of affreightment contract.

The Company, in respect of the above mentioned contingent liabilities has assessed that it is only possible but not probable that outflow of economic resources will be required.

39. Other disputes

- a. In the previous year, the Company has recognised an expense of ₹ 276.35 crore net of amount recoverable from customers including adjustment with consumer reserve in relation to Hon'ble Supreme Court's judgement on standby litigation. Further in the previous year, Maharashtra Electricity Regulatory Commission (MERC) vide its order dated 30th March, 2020 had allowed the recovery of part of the standby charges amount from the consumers. During the year ended 31st March, 2021, MERC vide its order dated 21st December, 2020, has revised its earlier order and disallowed the recovery of the said amount. Consequently, the Company has recognized an expense of ₹109.29 crore (including carrying cost) and disclosed as an exceptional item.
- b. In the earlier years, Maharashtra Electricity Regulatory Commission has disallowed certain costs amounting to ₹ 419.00 crore (adjusted upto the current year) (31st March, 2020 ₹359.85 crore) recoverable from consumers in the tariff true up order. The Company has filed appeal against the said order to Appellate Tribunal for Electricity which is pending for final disposal.
- c. In an earlier year, Maharashtra Electricity Regulatory Commission has disallowed carrying cost and other costs amounting to ₹269.00 (31st March, 2020 ₹269.00) which was upheld by the Appellate Tribunal for Electricity (ATE). The Company has filed Special Leave Petition (SLP) against the order of ATE with the Supreme Court which is pending for final disposal.

Notes to the Standalone Financial Statements

40. Earnings Per Share (EPS)

Accounting Policy

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the standalone financial statements by the Board of Directors.

Particulars	For the year ended		
	31st March, 2021	31st March, 2020	
	₹ crore*	₹ crore*	
A. EPS - Continuing operations (before net movement in Regulatory Deferral Balances)			
Net Profit/ (Loss) from Continuing Operations	A	967.64	558.35
Net movement in Regulatory Deferral Balances	B	299.62	(651.40)
Remeasurement of Deferred Tax Recoverable on account of New Tax Regime (Net) [Refer Note 35(i)]	C	Nil	(98.00)
Income-tax attributable to Regulatory Deferral Balances	D	(104.70)	261.87
Net movement in Regulatory Deferral Balances (Net of tax)	E=(B+C+D)	194.92	(487.53)
Net Profit/ (Loss) (before net movement in Regulatory Deferral Balances)	F=(A-E)	772.72	1,045.88
Less: Distribution on Perpetual Securities (on accrual basis)	G	(171.00)	(171.00)
Profit/ (Loss) from Continuing Operations attributable to equity shareholders (before net movement in Regulatory Deferral Balances)	H=(F+G)	601.72	874.88
Weighted average number of equity shares for Basic and Diluted EPS		3,01,80,73,391	2,70,76,05,570
EPS - Continuing Operations (before net movement in Regulatory Deferral Balances)			
- Basic and Diluted (In ₹)		1.99	3.23
B. EPS - Continuing Operations (after net movement in Regulatory Deferral Balances)			
Net Profit/ (Loss) from Continuing Operations		967.64	558.35
Less: Distribution on Perpetual Securities (on accrual basis)		(171.00)	(171.00)
Profit/ (Loss) attributable to equity shareholders (after net movement in Regulatory Deferral Balances)		796.64	387.35
Weighted average number of equity shares for Basic and Diluted EPS		3,01,80,73,391	2,70,76,05,570
EPS - Continuing operations (after net movement in Regulatory Deferral Balances)			
- Basic and Diluted (In ₹)		2.64	1.44
C. EPS - Discontinued operations			
Net Profit/ (Loss) from Discontinued Operations		(46.19)	(410.23)
Weighted average number of equity shares for Basic and Diluted EPS		3,01,80,73,391	2,70,76,05,570
EPS - Discontinued Operations			
- Basic and Diluted (In ₹)		(0.15)	(1.52)

40. Earnings Per Share (Contd.)

Particulars	For the year ended	For the year ended
	31st March, 2021	31st March, 2020
	₹ crore*	₹ crore*
D. EPS - Total Operations (after net movement in Regulatory Deferral Balances)		
Net Profit/(Loss) from Operations (after net movement in Regulatory Deferral Balances)	921.45	148.12
Less: Distribution on Perpetual Securities (on accrual basis)	(171.00)	(171.00)
Net Profit/ (Loss) from Total Operations attributable to equity shareholders (after net movement in Regulatory Deferral Balances)	750.45	(22.88)
Weighted average number of equity shares for Basic and Diluted EPS	3,01,80,73,391	2,70,76,05,570
EPS - Total Operations (after net movement in Regulatory Deferral Balances)		
- Basic and Diluted (In ₹)	2.49	(0.08)

* All numbers are in ₹ crore except weighted average number of equity shares and Basic and Diluted EPS

41. Related Party Disclosures

Disclosure as required by Ind AS 24 - "Related Party Disclosures" is as follows:

Names of the related parties and description of relationship:

(a) Related parties where control exists:

(i) Subsidiaries

- | | |
|---|--|
| 1) Af-Taab Investment Company Ltd. | 2) Tata Power Solar Systems Ltd. |
| 3) Tata Power Trading Company Ltd. | 4) Tata Power Green Energy Ltd. |
| 5) NELCO Ltd. | 6) Tatanet Services Ltd. ** |
| 7) Maithon Power Ltd. | 8) Coastal Gujarat Power Ltd. |
| 9) Tata Power Renewable Energy Ltd. | 10) TP Renewable Microgrid Ltd. (Formerly Industrial Power Utility Ltd.) |
| 11) Bhira Investments Pte Limited (Formerly known as Bhira Investments Limited) | 12) Bhivpuri Investments Ltd. |
| 13) Khopoli Investments Ltd. | 14) Tata Power International Pte. Ltd. |
| 15) Trust Energy Resources Pte. Ltd. | 16) Energy Eastern Pte. Ltd.** (Merged with Trust Energy Resources Pte. Ltd. w.e.f. 10th June, 2019) |
| 17) NDPL Infra Ltd. ** | 18) Tata Power Jamshedpur Distribution Ltd. |
| 19) PT Sumber Energi Andalan Tbk ** | 20) Supa Windfarm Ltd. |
| 21) TCL Ceramics Ltd. (Formerly Tata Ceramics Ltd.) | 22) Nivade Windfarm Ltd. ** |
| 23) Poolavadi Windfarm Ltd. ** | 24) Walwhan Renewable Energy Ltd. ** |
| 25) TP Wind Power Limited (Formerly known as Indo Rama Renewables Jath Ltd.)** | 26) Walwhan Solar AP Ltd. ** |
| 27) Walwhan Urja Anjar Ltd. ** | 28) Northwest Energy Pvt. Ltd. ** |
| 29) Walwhan Solar Raj Ltd. ** | 30) Dreisatz MySolar24 Pvt. Ltd. ** |
| 31) Walwhan Solar Energy GJ Ltd. ** | 32) Walwhan Energy RJ Ltd. ** |
| 33) MI MySolar24 Pvt. Ltd. ** | 34) Walwhan Solar MH Ltd. ** |
| 35) Walwhan Solar MP Ltd. ** | 36) Walwhan Solar PB Ltd. ** |
| 37) Walwhan Solar KA Ltd. ** | 38) Walwhan Wind RJ Ltd. ** |
| 39) Walwhan Solar RJ Ltd. ** | 40) Walwhan Solar BH Ltd. ** |
| 41) Walwhan Solar TN Ltd. ** | 42) Walwhan Urja India Ltd. ** |
| 43) Clean Sustainable Solar Energy Pvt. Ltd. ** | 44) Chirasthaayee Saurya Ltd. ** |

Notes to the Standalone Financial Statements

41. Related Party Disclosures (Contd.)

- | | |
|--|--|
| 45) Solarsys Renewable Energy Pvt. Ltd. ** | 46) Vagarai Windfarm Ltd. ** |
| 47) Nelco Network Products Ltd. ** | 48) Far Eastern Natural Resources LLC ** |
| 49) TP Ajmer Distribution Ltd. | 50) Tata Power Delhi Distribution Ltd. |
| 51) TP Solapur Ltd.** | 52) TP Kirnali Ltd.** |
| 53) TP Central Odisha Distribution Ltd. | 54) TP Kirnali Solar Ltd. |
| 55) TP Western Odisha Distribution Ltd. | 56) TP Akkalkot Renewable Ltd |
| 57) TP Southern Odisha Distribution Ltd. | 58) TP Solapur Solar Ltd. |
| 59) TP Saurya Ltd | |

** Through Subsidiary Companies

(ii) Employment Benefit Funds

- | | |
|---|-----------------------------|
| 1) Tata Power Superannuation Fund | 2) Tata Power Gratuity Fund |
| 3) Tata Power Consolidated Provident Fund | |

(b) Other related parties (where transactions have taken place during the year or previous year / balances outstanding) :

(i) Associates and its related entities

- | | |
|---|--|
| 1) Tata Projects Ltd. | 2) Yashmun Engineers Ltd. |
| 3) The Associated Building Co. Ltd. | 4) Dagacchu Hydro Power Corporation Ltd. |
| 5) Nelito Systems Ltd (ceased to be an Associate w.e.f. 6th June, 2019) | 6) Ind Project Engineering (Sanghai) Co Ltd ** |
| 7) TP Luminaire Pvt Ltd. ** | 8) Tata Projects Provident Fund Trust* |

* Fund of Associates

** 100% Subsidiary of Associates

(ii) Joint Venture Companies

- | | |
|--|---|
| 1) Tubed Coal Mines Ltd. | 2) Mandakini Coal Company Ltd. |
| 3) Powerlinks Transmission Ltd. | 4) Itezhi Tezhi Power Corporation |
| 5) PT Antang Gunung Meratus** | 6) PT Kaltim Prima Coal** |
| 7) Adjaristsqali Netherlands BV** | 8) Industrial Energy Ltd. |
| 9) LTH Milcom Pvt. Ltd. | 10) Dugar Hydro Power Ltd. |
| 11) Renascent Power Ventures Pvt. Ltd. ** | 12) Cennergi Pty. Ltd. ** (ceased to be JV w.e.f. 31st March, 2020) |
| 13) Prayagraj Power Generation Co Ltd. ** (w.e.f. 12th December, 2019) | 14) Adjaristsqali Georgia LLC ** |

** Joint Venture of Subsidiaries

- (c) (i) Promoters holding more than 20% - 'Promoter'
- | |
|------------------------|
| 1) Tata Sons Pvt. Ltd. |
|------------------------|
- (ii) Subsidiaries and Jointly Controlled Entities of Promoter - Promoter Group (where transactions have taken place during the year or previous year / balances outstanding) :
- | | |
|--|--|
| 1) Ewart Investments Ltd. | 2) Tata AIG General Insurance Company Ltd. |
| 3) Tata Industries Ltd. (ceased to be Subsidiary and became a Joint Venture w.e.f. 27th March, 2019) | 4) Tata Communications Ltd. |
| 5) Tata Investment Corporation Ltd. | 6) Tata International Ltd. |
| 7) Tata Consultancy Services Ltd. | 8) Tata Ltd. |
| 9) Tata Realty and Infrastructure Ltd. | 10) Tata Sky Ltd. |
| 11) Infiniti Retail Ltd. | 12) Ecofirst Services Ltd. |
| 13) Tata Consulting Engineers Ltd. | 14) Tata Housing Development Co. Ltd. Employees Provident Fund |

41. Related Party Disclosures (Contd.)

- | | |
|--|--|
| 15) Niskalp Infrastructure Services Ltd.
(Formerly Niskalp Energy Ltd.) | 16) Tata Consultancy Services Employees Provident Fund |
| 17) Tata Housing Development Company Ltd. | 18) Tata Capital Financial Services Ltd. |
| 19) Tata AIA Life Insurance Company Ltd. | 20) Tata Teleservices (Maharashtra) Ltd. |
| 21) Tata Teleservices Ltd. | 22) Tata Advanced System Ltd. |
| 23) Tata Unistore Limited (Formerly Tata Industrial Services Limited)
(ceased to be a Subsidiary w.e.f. 27th March, 2019) | 24) Tata Communications Payment Solutions Ltd. |
| 25) Tata Autocomp Systems Limited | 26) Tata International DLT Pvt Ltd |

(d) Key Management Personnel

- | | |
|---|---|
| 1) N. Chandrasekaran | 2) Praveer Sinha CEO and Managing Director |
| 3) Banmali Agrawala | 4) Saurabh Agrawal |
| 5) Kesava Menon Chandrasekhar | 6) Ashok Sinha (w.e.f. 2nd May, 2019) |
| 7) Vibha U. Padalkar | 8) Anjali Bansal |
| 9) Sanjay V. Bhandarkar | 10) Hemant Bhargava |
| 11) Ramesh N. Subramanyam - Chief Financial Officer | 12) Hanoz Minoo Mistry - Company Secretary |
| 13) Deepak M. Satwalekar (ceased to be Director w.e.f. 12th August, 2019) | 14) Nawshir H. Mirza (ceased to be Director w.e.f. 12th August, 2019) |
| 15) Ashok Sethi (ceased to be COO and Executive Director w.e.f. 30th April, 2019) | |

- (e) Relative of Key Managerial Personnel (where transactions have taken place during the year or previous year / balances outstanding) :
- | |
|---|
| 1) Neville Minoo Mistry (Brother of Hanoz Minoo Mistry - Company Secretary) |
|---|

(f) Details of Transactions:

		₹ crore						
Sr. No.	Particulars	Subsidiaries	Associates	Joint Ventures	Key Management Personnel & their relatives	Employee Benefit Funds / Trust	Promoter Group	Promoter
1)	Purchase of goods/power (Net of Discount Received on Prompt Payment)	64.49	-	-	-	-	0.90	-
		62.39	-	-	-	-	-	-
2)	Sale of goods/power (Net of Discount on Prompt Payment)	176.37	-	-	-	-	15.59	-
		221.60	0.01	-	-	-	33.70	-
3)	Purchase of Property, Plant and Equipments and Intangibles	86.07	0.70	-	-	-	7.82	-
		1.20	12.84	-	-	-	0.22	-
4)	Sale of Property, Plant and Equipments	0.02	-	-	0.00 #	-	0.68	-
		-	0.05	-	-	-	-	0.07
5)	Rendering of services	127.57	7.59	83.48	-	-	9.11	2.38
		102.33	7.17	39.76	-	-	8.58	1.25
6)	Receiving of services	9.84	12.46	0.06	0.18	-	40.93	0.33
		4.03	13.55	0.80	0.01	-	27.02	0.42
7)	Brand equity contribution	-	-	-	-	-	-	18.21
		-	-	-	-	-	-	0.87

Notes to the Standalone Financial Statements

41. Related Party Disclosures (Contd.)

Sr. No.	Particulars	Subsidiaries	Associates	Joint Ventures	Key Management Personnel & their relatives	Employee Benefit Funds / Trust	Promoter Group	Promoter
8)	Contribution to Employee Benefit Plans	-	-	-	-	29.93	-	-
		-	-	-	-	34.04	-	-
9)	Guarantee, collaterals etc. given	10,532.81 \$	-	-	-	-	-	-
		5,743.33 \$	-	-	-	-	-	-
10)	Guarantee, collaterals etc. cancelled	9,420.64 \$	-	-	-	-	-	-
		7,717.53 \$	-	-	-	-	-	-
11)	Remuneration paid - short term employee benefits	-	-	-	12.37 *	-	-	-
		-	-	-	10.58 *	-	-	-
12)	Long term employee benefits paid	-	-	-	-	-	-	-
		-	-	-	2.80	-	-	-
13)	Short term employee benefits paid	-	-	-	0.13	-	-	-
		-	-	-	0.68	-	-	-
14)	Interest income	124.37	-	0.00 #	-	-	0.00 #	-
		18.57	-	0.01	-	-	0.01	-
15)	Interest paid (including distribution on unsecured perpetual securities)	18.35	0.08	0.09	-	-	26.44	-
		4.91	0.08	-	-	-	26.44	-
16)	Dividend income	941.51	-	47.74	-	-	0.00 #	6.67
		267.18	9.68	85.09	-	-	0.09	6.67
17)	Dividend paid	-	-	-	-	-	2.11	147.86
		-	-	-	-	-	1.77	109.17
18)	Guarantee commission earned	21.82	-	-	-	-	-	-
		60.63	-	-	-	-	-	-
19)	Loan Taken	3,886.09	-	120.00	-	-	-	-
		5,400.65	-	-	-	-	-	-
20)	Loans given	6,512.35	-	2.60	-	-	-	-
		3,244.98	-	14.57	-	-	-	-
21)	Reversal of Impairment of Investments and related obligation	-	-	8.00	-	-	-	-
		131.46	-	-	-	-	-	-
22)	Equity contribution (includes advance towards equity contribution, rights issue and perpetual bonds)	4,785.08	-	-	-	2.89	-	-
		50.00	-	-	-	-	-	-
23)	Loans provided for as doubtful advances (including interest)	-	-	-	-	-	-	-
		6.85	-	0.14	-	-	-	-
24)	Loans given written off	-	-	-	-	-	-	-
		5.69	-	-	-	-	-	-
25)	Loans taken repaid	3,069.34	-	120.00	-	-	-	-
		5,295.58	-	-	-	-	-	-

41. Related Party Disclosures (Contd.)

Sr. No.	Particulars	Subsidiaries	Associates	Joint Ventures	Key Management Personnel & their relatives	Employee Benefit Funds / Trust	Promoter Group	Promoter
26)	Loans repaid	5,090.55	-	2.60	-	-	-	-
		2,809.63	-	14.43	-	-	-	-
27)	Deposits taken	22.50	-	-	-	-	0.01	-
		-	-	-	-	-	0.19	-
28)	Liability written back	-	-	-	-	-	-	-
		103.54	-	-	-	-	-	-
29)	Advance Given	0.01	13.39	-	-	-	-	-
		-	11.11	-	-	-	-	-
30)	Advance adjusted	-	2.51	-	-	-	-	-
		-	-	-	-	-	-	-
31)	Bad Debts	-	1.16	-	-	-	-	-
		-	-	-	-	-	-	-
32)	Allotment of Equity shares (including securities premium paid)	-	-	-	-	-	-	2,600.00
		-	-	-	-	-	-	-
33)	Consideration received on Sale of SED (Note 18c)	-	-	-	-	-	597.00 **	-
		-	-	-	-	-	-	-
	Balances outstanding							
1)	Unsecured Perpetual Securities	-	0.70	-	-	-	197.50	-
		-	0.70	-	-	-	197.50	-
2)	Redeemable Non-Convertible Debentures	-	-	-	-	-	36.50	-
		-	-	-	-	-	36.50	-
3)	Investments	28,574.98	192.58	1,100.19 @	-	-	290.28 @	241.95
		23,802.81	192.58	1,100.19 @	-	-	129.39 @	241.95
4)	Impairment in value of investments	4,009.14	-	59.50	-	-	-	-
		4,009.14	-	67.50	-	-	-	-
5)	Other receivables	80.44	8.84	17.81 @	-	89.52	371.33	2.12
		27.21	4.17	32.91 @	-	35.45	4.59	1.73
6)	Loans given (including interest thereon)	2030.87	-	72.98 @	-	-	-	-
		561.70	1.27	72.98 @	-	-	-	-
7)	Loans taken (including interest thereon)	926.35	-	-	-	-	-	-
		105.52	-	-	-	-	-	-
8)	Loans provided for as doubtful advances (including interest thereon)	12.00	-	54.39	-	-	-	-
		12.00	1.27	54.39	-	-	-	-
9)	Deposits taken outstanding	22.50	-	-	-	-	0.22	2.00
		-	-	-	-	-	0.21	2.00
10)	Advance given outstanding	0.01	19.64	-	-	-	-	-
		-	8.76	-	-	-	-	-
11)	Guarantees, collaterals etc. outstanding	15,951.26	-	-	-	-	-	-
		14,839.09	-	-	-	-	-	-
12)	Advance towards Equity	12.91	-	-	-	-	-	-
		-	-	-	-	-	-	-

Notes to the Standalone Financial Statements

41. Related Party Disclosures (Contd.)

Sr. No.	Particulars	Subsidiaries	Associates	Joint Ventures	Key Management Personnel & their relatives	Employee Benefit Funds / Trust	Promoter Group	₹ crore
								Promoter
13)	Other payables	68.85	3.33	0.09	7.32	56.91	21.31	16.86
		9.95	4.24	0.27	8.04	43.63	3.66	0.04

Notes:

All outstanding balances are unsecured.

\$ Includes guarantees given and cancelled in foreign currency, converted in Indian currency by applying average exchange rates.

* Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the Standalone financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

** Net off borrowings of ₹ 537 crore transferred to TASL.

Denotes below ₹ 50,000.

@ Includes amount reclassified as held for sale.

42. Financial Instruments

42.1 Fair values

Set out below, is a comparison by class of the carrying amount and fair value of the financial instruments:

	₹ crore			
	Carrying value		Fair Value	
	As at 31st March, 2021	31st March, 2020	As at 31st March, 2021	31st March, 2020
Financial assets #				
Cash and Cash Equivalents	123.67	158.54	123.67	158.54
Other Balances with banks	19.00	20.40	19.00	20.40
Trade Receivables	910.87	1,108.68	910.87	1,108.68
Unbilled Revenues	75.37	83.41	75.37	83.41
Loans	2,014.07	592.19	2,014.07	592.19
Finance Lease Receivables	566.09	584.92	566.09	584.92
FVTPL Financial Investments	240.01	20.00	240.01	20.00
FVTOCI Financial Investments (Refer Note below)	437.17	416.14	437.17	416.14
Amortised Cost financial investments	171.35	171.38	176.76	176.79
Receivable on sale of Strategic Engineering Division (Refer Note 18c)	365.99	Nil	365.99	Nil
Other Financial Assets	370.79	454.84	370.79	454.84
Asset Classified as Held For Sale (Refer Note 18)#				
- Strategic Engineering Division (SED)	Nil	667.35	Nil	667.35
- FVTOCI Financial Investments (Refer Note below)	178.68	22.81	178.68	22.81
- Loans and other receivables (including accrued interest)	22.74	22.74	22.74	22.74
Total	5,495.80	4,323.40	5,501.21	4,328.81
Financial liabilities				
Trade Payables	1,137.00	1,001.87	1,137.00	1,001.87
Floating rate borrowings (including current maturities)	7,981.41	6,579.58	7,981.41	6,579.58
Fixed rate borrowings (including current maturities)	12,836.56	11,386.65	12,811.90	11,397.63
Derivative contracts (Net)	6.94	Nil	6.94	Nil
Other financial liabilities	994.21	707.64	994.21	707.64
	22,956.12	19,675.74	22,931.46	19,686.72

other than investments in subsidiaries, associates and joint ventures accounted at cost in accordance with Ind AS 27 'Separate Financial Statements'.

42. Financial Instruments (Contd.)

Note:

Certain unquoted investments are not held for trading, instead they are held for medium or long term strategic purpose. Upon the application of Ind AS 109 'Financial Instruments', the Company has chosen to designate these investments in equity instruments as at FVTOCI as the management believe this provides more meaningful presentation for medium and long term strategic investments, then reflecting changes in fair value immediately in profit or loss.

The management assessed that the fair value of cash and cash equivalents, other balances with banks, trade receivables, loans, finance lease receivables, unbilled revenues, trade payables, other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values.

- Fair value of the government securities are based on the price quotations near the reporting date. Fair value of the unquoted equity shares have been estimated using market comparable method. The valuation requires management to make certain assumptions about the marketability, active market price, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for those unquoted equity investments.
- The fair value of the remaining FVTOCI financial assets are derived from quoted market price in active markets.
- The fair value of debentures is determined by using the quoted prices. The own non-performance risk as on 31st March, 2021 was assessed to be insignificant.
- The cost of certain unquoted investments approximate their fair value because there is a wide range of possible fair value measurements and the cost represents the best estimate of fair value within that range.
- The fair value of loans from banks, other current financial liabilities and other non-current financial liabilities is estimated by discounting future cash flow using rates currently available for debt on similar terms, credit risk and remaining maturities.

Reconciliation of Level 3 fair value measurement of unquoted equity shares classified as FVTOCI:

	₹ crore	
Unlisted shares irrevocably designated as at FVTOCI (Refer Note below)	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Opening balance	404.87	404.87
Gain/(Loss)		
- in other comprehensive income	2.03	Nil
- in profit or loss	Nil	Nil
- changes on purchase of equity shares	3.39	Nil
Closing balance	410.29	404.87

Note:

All gains and losses included in other comprehensive income related to unlisted shares held at the end of the reporting period and are reported under "Equity Instruments through Other Comprehensive Income".

The significant unobservable input used in the fair value measurement categorized within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31st March, 2021 and 31st March, 2020 are as shown below:

Description of significant unobservable inputs to valuation:

	Valuation techniques	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
Investments in unquoted equity shares	Price of recent transaction (PORT)	Transaction price	Varies on case to case basis	5% (31st March, 2020: 5%) increase (decrease) in the transaction price would result in increase (decrease) in fair value by ₹ 3.26 crores (31st March, 2020: ₹ 2.82 crore).

42.2 Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Quoted prices in an active market (Level 1): Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes quoted equity instruments, government securities and quoted borrowings (fixed rate) that have quoted price.

Notes to the Standalone Financial Statements

42. Financial Instruments (Contd.)

Valuation techniques with observable inputs (Level 2): Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This includes derivative financial instruments and unquoted floating and fixed rate borrowings.

Valuation techniques with significant unobservable inputs (Level 3): Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This includes unquoted equity shares and contingent consideration receivable.

The following table summarizes financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required) :

	Date of valuation	Fair value hierarchy as at 31st March, 2021			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
		₹ crore	₹ crore	₹ crore	
Asset measured at fair value					
FVTPL Financial Investments	31st March, 2021	240.01	Nil	Nil	240.01
FVTOCI Financial Investments:					
- Quoted equity shares	31st March, 2021	26.88	Nil	Nil	26.88
- Unquoted equity shares	31st March, 2021	Nil	Nil	410.29	410.29
- Assets classified as held for sale	31st March, 2021	178.68	Nil	Nil	178.68
Receivable on sale of Strategic Engineering Division	31st March, 2021	Nil	Nil	365.99	365.99
Asset for which fair values are disclosed					
Amortised cost Financial Investments:					
- Government securities	31st March, 2021	176.76	Nil	Nil	176.76
		622.33	Nil	776.28	1,398.61
Fair value hierarchy as at 31st March, 2021					
	Date of valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
		₹ crore	₹ crore	₹ crore	₹ crore
Liabilities measured at fair value					
Derivative financial liabilities	31st March, 2021	Nil	6.94	Nil	6.94
Liabilities for which fair values are disclosed					
Fixed rate borrowings	31st March, 2021	7,430.32	5,381.58	Nil	12,811.90
Floating rate borrowings	31st March, 2021	1,261.88	6,719.53	Nil	7,981.41
Total		8,692.20	12,108.05	Nil	20,800.25
Fair value hierarchy as at 31st March, 2020					
	Date of valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
		₹ crore	₹ crore	₹ crore	₹ crore
Asset measured at fair value					
FVTPL financial investments	31st March, 2020	20.00	Nil	Nil	20.00
FVTOCI financial investments:					
- Quoted equity shares	31st March, 2020	11.27	Nil	Nil	11.27
- Unquoted equity shares	31st March, 2020	Nil	Nil	404.87	404.87
- Assets Classified as Held For Sale	31st March, 2020	22.81	Nil	Nil	22.81
Asset for which fair values are disclosed					
Amortised Cost financial investments:					
- Government securities	31st March, 2020	176.79	Nil	Nil	176.79
		230.87	Nil	404.87	635.74

42. Financial Instruments (Contd.)

	Date of valuation	Fair value hierarchy as at 31st March, 2020			Total ₹ crore
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
		₹ crore	₹ crore	₹ crore	
Liabilities for which fair values are disclosed					
Fixed rate borrowings	31st March, 2020	5,337.13	6,060.50	Nil	11,397.63
Floating rate borrowings	31st March, 2020	Nil	6,579.58	Nil	6,579.58
Total		5,337.13	12,640.08	Nil	17,977.21

There has been no transfer between level 1 and level 2 during the period.

42.3 Capital Management & Gearing Ratio

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the value for shareholders.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. From time to time, the Company reviews its policy related to dividend payment to shareholders, return capital to shareholders or fresh issue of shares. The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio around 50%. The Company includes within net debt, interest bearing loans and borrowings, less cash and bank balances as detailed in the notes below.

The Company's capital management is intended to create value for shareholders by facilitating the meeting of its long-term and short-term goals. Its Capital structure consists of net debt (borrowings as detailed in notes below) and total equity.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

	As at 31st March, 2021	As at 31st March, 2020
Debt (i)	20,840.67	18,003.89
Less: Cash and Bank balances	123.67	160.54
Net debt	20,717.00	17,843.35
Total Capital (ii)	18,378.56	15,261.97
Capital and net debt	39,095.56	33,105.32
Net debt to Total Capital plus net debt ratio (%)	52.99	53.90

(i) Debt is defined as Non-current borrowings (including current maturities) and Current borrowings (excluding derivative, financial guarantee contracts and contingent considerations) and interest accrued on Non-current and Current borrowings.

(ii) Equity is defined as Equity share capital, Unsecured perpetual securities and other equity.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no significant breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2021 and 31st March, 2020.

Notes to the Standalone Financial Statements

42. Financial Instruments (Contd.)

42.4 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables, financial guarantee contracts and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents, other bank balances, unbilled receivables, finance lease receivables and other financial assets that derive directly from its operations. The Company also holds FVTOCI investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a risk committee that reviews the financial risks and the appropriate financial risk governance framework for the Company. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The risk management policies is approved by the board of directors.

42.4.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: currency risk, interest rate risk and equity price risk. The impact of equity price risk is not significant. Financial instruments affected by market risk include loans and borrowings, derivative financial instruments and FVTOCI investments.

The sensitivity analysis in the following sections relate to the position as at 31st March, 2021 and 31st March, 2020.

The sensitivity analysis has been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant. The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets.

a. Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk through its operations in international projects and purchase of coal from Indonesia. The results of the Company's operations can be affected as the rupee appreciates/depreciates against these currencies.

The following table analyses foreign currency assets and liabilities on balance sheet dates:

Foreign Currency Liabilities	As at 31st March, 2021		As at 31st March, 2020	
	Foreign Currency (In Millions)	₹ crore	Foreign Currency (In Millions)	₹ crore
In USD	46.79	342.11	20.50	154.88
In EURO	0.06	0.54	0.31	2.60
In JPY	-	-	300.78	20.92
In CAD	-	-	0.02	0.08
In VND	-	-	790.21	0.25

Foreign Currency Assets	As at 31st March, 2021		As at 31st March, 2020	
	Foreign Currency (In Millions)	₹ crore	Foreign Currency (In Millions)	₹ crore
In USD	9.05	66.16	6.42	48.53
In ZAR	0.41	0.20	0.03	0.01
In SGD	0.04	0.21	0.08	0.41
In VND	56.76	0.02	35.88	0.01
In TAKA	0.20	0.02	0.21	0.02

(i) Foreign currency sensitivity analysis

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's equity is due to changes in the fair value of monetary assets and liabilities is given as under.

42. Financial Instruments (Contd.)

		₹ crore
		Effect on profit before tax and consequential impact on equity
As of 31st March, 2021	Rupee depreciate by ₹ 1 against USD	(-) ₹ 3.77
	Rupee appreciate by ₹ 1 against USD	(+) ₹ 3.77
As of 31st March, 2020	Rupee depreciate by ₹ 1 against USD	(-) ₹ 1.41
	Rupee appreciate by ₹ 1 against USD	(+) ₹ 1.41

Notes:

- +/- Gain/Loss
- The impact of depreciation/appreciation on foreign currency other than USD on profit before tax of the Company is not significant.

ii. Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward to mitigate the risk of changes in exchange rate on foreign currency exposure. The counterparty for these contracts is generally a Bank or a Financial Institution. These derivative financial instrument are valued based on quoted prices for similar asset and liabilities in active markets or inputs that is directly or indirectly observable in the marketplace.

The following table gives details in respect of outstanding foreign exchange forward :

Outstanding Contracts

	Buy/ Sell	As at 31st March, 2021		
		Foreign Currency (in millions)	Nominal Value in ₹ crore	Fair Value in ₹ crore
Other Derivatives				
Forward contracts				
In USD	sell	130.00	950.46	(6.94)
	Buy/ Sell	As at 31st March, 2020		
		Foreign Currency (in millions)	Nominal Value in ₹ crore	Fair Value in ₹ crore
Other Derivatives				
Forward contracts				
In USD		Nil	Nil	Nil

Note: Fair Value in () denote liability

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's equity is due to changes in the fair value of non-designated foreign currency forward contracts is given as under.

		₹ crore
		Effect on profit before tax and consequential impact on equity
As of 31st March, 2021	Rupee depreciate by ₹ 1 against USD	(-) 13.00
	Rupee appreciate by ₹ 1 against USD	(+) 13.00
As of 31st March, 2020	Rupee depreciate by ₹ 1 against USD	Nil
	Rupee appreciate by ₹ 1 against USD	Nil

b. Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings. The Company's policy is to keep between 40% and 60% of its borrowings at fixed rates of interest. To manage this, the Company enters into fixed rate borrowings, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

Interest rate sensitivity:

The sensitivity analysis below have been determined based on exposure to interest rates for term loans and debentures that have floating rate at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period.

If the interest rates had been 50 basis points higher or lower and all the other variables were held constant, the effect on Interest expense for the respective financial years and consequent effect on Company's profit in that financial year would have been as below:

Notes to the Standalone Financial Statements

42. Financial Instruments (Contd.)

	₹ crore			
	As at 31st March, 2021		As at 31st March, 2020	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on loan	(+ ₹ 32.55	(-) ₹ 32.55	(+ ₹ 37.54	(-) ₹ 37.54
Effect on equity/profit before tax	(-) ₹ 32.55	(+ ₹ 32.55	(-) ₹ 37.54	(+ ₹ 37.54

42.4.2 Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including loans and other financial instruments.

	₹ crore	
	As at 31st March, 2021	As at 31st March, 2020
Trade receivables	910.87	1,108.68
Loans	2,014.07	592.19
Finance lease receivables	566.09	584.92
Other financial assets	740.26	458.35
Unbilled Revenue	75.37	83.41
Financial Assets Held for Sale	201.42	712.90
Total	4,508.08	3,540.45

Refer Note 8 for credit risk and other information in respect of trade receivables. Other receivables as stated above are due from the parties under normal course of the business and as such the Company believes exposure to credit risk to be minimal.

The Company has not acquired any credit impaired asset.

42.4.3 Liquidity risk management

The current liabilities of the Company exceeds the current assets. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Having regards to the nature of the business wherein the Company is able to generate fixed cash flows over a period of time and to optimize the cost of funding, the Company, from time to time, funds its long-term investment from short-term sources. The short-term borrowings can be rollforward or, if required, can be refinanced from long term borrowings. Hence, the Company considers the liquidity risk as low.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	₹ crore				
	Up to 1 year	1 to 5 years	5+ years	Total	Carrying Amount
31st March, 2021					
Non-Derivatives					
Borrowings #	8,850.76	12,157.80	11,828.56	32,837.12	20,840.67
Trade Payables	1,137.00	Nil	Nil	1,137.00	1,137.00
Lease Liabilities	43.58	106.22	312.01	461.81	237.11
Other Financial Liabilities	959.21	12.09	Nil	971.30	971.30
Total Non-Derivative Liabilities	10,990.55	12,276.11	12,140.57	35,407.23	23,186.08
Derivatives					
Other Financial Liabilities	6.94	Nil	Nil	6.94	6.94
Total Derivative Liabilities	6.94	Nil	Nil	6.94	6.94
31st March, 2020					
Non-Derivatives					
Borrowings #	9,323.93	9,118.34	11,479.38	29,921.65	18,003.89
Trade Payables	1,001.87	Nil	Nil	1,001.87	1,001.87
Lease Liabilities	61.26	143.49	333.45	538.20	278.85
Other Financial Liabilities	655.37	14.60	Nil	669.97	669.97
Total Non-Derivative Liabilities	11,042.43	9,276.43	11,812.83	32,131.69	19,954.58

The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments, ignoring the call and refinancing options available with the Company. The amounts included above for variable interest rate instruments for non-derivative liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

42. Financial Instruments (Contd.)

The amount included in Note 38(c) for financial guarantee contracts are the maximum amounts the Company could be forced to settle under respective arrangements for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Company considers that it is more likely than not that such amount will not be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

43. Segment Reporting

Information reported to the CODM for the purpose of resource allocation and assessment of segment performance focuses on business segment which comprises of Generation, Renewables, Transmission and Distribution and Others. Specifically, the Company's reportable segments under Ind AS are as follows:

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.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue/assets of the segment and manpower efforts. All other revenue/expenses which are not attributable or allocable to segments have been disclosed as unallocable. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

(a) Segment Information:

Particulars	₹ crore	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Segment Revenue		
Generation	3,843.06	4,456.33
Renewables	228.90	283.49
Transmission and Distribution	3,709.00	4,012.16
Others	34.40	30.76
	7,815.36	8,782.74
(Less): Inter Segment Revenue - Generation	(1,260.60)	(1,589.26)
(Less): Inter Segment Revenue - Renewables	(121.20)	(165.59)
Total Segment Revenue	6,433.56	7,027.89
Discontinued Operations- Others #	193.63	343.74
Revenue / Income from Operations (including Net Movement in Regulatory Deferral Balances)	6,627.19	7,371.63
Segment Results		
Generation	739.58	739.16
Renewables	45.73	102.43
Transmission and Distribution	724.69	825.29
Others	(7.22)	7.78
Total Segment Results	1,502.78	1,674.66
(Less): Finance Costs	(1,518.77)	(1,510.38)
Add/(Less): Exceptional Item - Generation (Refer Note 35(i) and 39a.)	(109.29)	(351.35)
Add/(Less): Exceptional Item - Transmission and Distribution (Refer Note 35(i))	Nil	(190.00)
Add/(Less): Exceptional Item - Unallocable (Refer Note 7(11) (b))	Nil	235.00
Add/(Less): Unallocable Income/(Expense) (Net)	1,193.89	492.60
Profit/(Loss) Before Tax from Continuing Operations	1,068.61	350.53
Profit/(Loss) Before Tax from Discontinued Operations	(59.84)	(81.64)
Impairment Loss on Remeasurement to Fair Value #	(160.00)	(361.00)
Profit/(Loss) Before Tax from Discontinued Operations	(219.84)	(442.64)

Notes to the Standalone Financial Statements

43. Segment Reporting (Contd.)

Particulars	₹ crore	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Segment Assets		
Generation	4,500.96	5,068.61
Renewables	651.96	779.56
Transmission and Distribution	6,819.98	6,123.68
Others	362.23	193.22
Unallocable*	30,533.82	23,571.34
Assets classified as held for sale #	Nil	1,880.07
Total Assets	42,868.95	37,616.48
Segment Liabilities		
Generation	875.94	682.46
Renewables	32.97	21.97
Transmission and Distribution	1,618.77	1,599.16
Others	95.81	20.20
Unallocable*	21,866.90	18,998.65
Liabilities classified as held for sale #	Nil	1,032.07
Total Liabilities	24,490.39	22,354.51
Capital Expenditure		
Generation	51.05	75.22
Renewables	5.40	12.94
Transmission and Distribution	743.19	537.40
Others	66.83	4.04
Discontinued Operations	32.97	45.74
	899.44	675.34
Depreciation/Amortisation (to the extent allocable to the segment)		
Generation	194.84	223.61
Renewables	95.61	133.09
Transmission and Distribution	331.12	318.00
Others	3.17	2.51
	624.74	677.21

Reconciliation of Revenue

Particulars	₹ crore	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Revenue from Operations	6,180.59	7,726.39
Add/(Less): Net Movement in Regulatory Deferral Balances	258.00	(792.24)
Add/(Less): Net Movement in Regulatory Deferral Balances in respect of earlier years	Nil	(21.32)
Add/(Less): Deferred Tax Recoverable/(Payable)	41.62	162.16
Add/(Less): Unallocable Revenue	(46.65)	(47.10)
Total Segment Revenue	6,433.56	7,027.89
Discontinued Operations- Others #	193.63	343.74
Total Segment Revenue as reported above	6,627.19	7,371.63

Pertains to Strategic Engineering Division being classified as Discontinued Operation and disposed of during the year ended 31 March, 2021 (Refer note 18c).

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

Notes:

- Revenue from a DISCOM on sale of electricity with which Company has entered into a Power Purchase Agreement
 - Revenue from another customer (Industrial undertaking) pertaining to Finance lease
 - Revenue from one customer (transmission company) in the current year accounts for more than 10% of Revenue
- Transfer pricing between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

43. Segment Reporting (Contd.)

(b) Geographic Information:

The Company's operations is majorly confined within India. Accordingly there are no reportable geographical segments.

44. Recent pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

45. Impact of COVID-19

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 Statements.

46. The Code on Social Security, 2020

The Code on Social Security 2020 ('Code') has been notified in the Official Gazette on 29th September, 2020. The Code is not yet effective and related rules are yet to be notified. Impact if any of the change will be assessed and recognized in the period in which said Code becomes effective and the rules framed thereunder are notified.

47. Significant Events after the Reporting Period

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

48. Approval of Standalone Financial Statements

The Standalone financial statements were approved for issue by the Board of Directors on 12th May, 2021.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
 ICAI Firm Registration No.324982E/E300003

per ABHISHEK AGARWAL
Partner
 Membership No. 112773
 Mumbai, 12th May, 2021

For and on behalf of the Board,
PRAVEER SINHA
CEO & Managing Director
 DIN 01785164

RAMESH SUBRAMANYAM
Chief Financial Officer

Mumbai, 12th May, 2021

BANMALI AGRAWALA
Director
 DIN 00120029

HANOZ M. MISTRY
Company Secretary

Independent Auditor's Report

To the Members of The Tata Power Company Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of The Tata Power Company Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and joint ventures comprising of the consolidated Balance sheet as at March 31 2021, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2021, their consolidated profit/loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS financial statements' section of our report. We are independent of the Group, associates, joint ventures 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 financial statements 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements..

Emphasis of Matter

We draw attention to Note 46 of the consolidated Ind AS financial statements, wherein it is stated that there exists a material uncertainty about the impact of COVID-19 on the future operations of a joint venture and an associate of the Group. The auditors of respective companies have reported an Emphasis of Matter in this regard in their reports of the respective companies. Our opinion is not modified in respect of this matter..

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Management assessment of appropriateness of Going Concern assumptions (as described in Note 40.4.3 of the consolidated Ind AS financial statements)	
<p>The Group has current liabilities of ₹ 30,768.09 crores and current assets of ₹ 16,371.08 crores as at March 31, 2021.</p> <p>Current liabilities exceed current assets as at the year end. Given the nature of its business i.e. contracted long term power supply agreements and a significant composition of cost plus contracts leading to significant stability of cashflows and profitability, management is confident of refinancing and consider the liquidity risk as low and accordingly, the Group uses significant short term borrowings to reduce its borrowing costs.</p> <p>Management has made an assessment of the Group's ability to continue as a Going Concern as required by Ind AS 1 Presentation of Financial Statements considering all the available information and has concluded that the going concern basis of accounting is appropriate.</p> <p>Going Concern assessment has been identified as a key audit matter considering the significant judgements and estimates involved in the assessment and its dependence upon management's ability to complete the planned divestments, raising long term capital and / or successful refinancing of certain current financial obligations.</p>	<p>Our audit procedures and procedures performed by component auditors, included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the process and tested the internal controls associated with the management's assessment of Going Concern assumption. • Discussed with management and assessed the assumptions, judgements and estimates used in developing business plan and cash flow projections having regards to past performance and current emerging business trends affecting the business and industry. • Assessed the Group's ability to refinance its short term obligation based on the past trends, credit ratings, analysis of solvency and liquidity ratios and ability to generate cash flows and access to capital. <p>Assessed the adequacy of the disclosures in the consolidated Ind AS financial statements.</p>
Revenue recognition and accrual of regulatory deferrals (as described in Note 18 and 28 of the consolidated Ind AS financial statements)	
<p>In the regulated generation, transmission and distribution business of the Group, the tariff is determined by the regulator on cost plus return on equity basis wherein the cost is subject to prudential norms. The Group invoices its customers on the basis of pre-approved tariff which is based on budget and is subject to true up.</p> <p>The Group recognizes revenue as the amount invoiced to customers based on pre-approved tariff rates agreed with the regulator. As the Group is entitled to a fixed return on equity, the difference between revenue recognized and entitlement as per the regulation is recognized as regulatory assets / liabilities. The Group has recognized ₹ 942.71 crores for generation and transmission business and ₹ 6,416.94 crores for distribution business as accruals as at March 31, 2021.</p> <p>Accruals are determined based on tariff regulations and past tariff orders and are subject to verification and approval by the regulators. Further the costs incurred are subject to prudential checks and prescribed norms. Significant judgements are made in determining the accruals including interpretation of tariff regulations. Further certain disallowances of claims have been litigated by the Group which are in various stages of dispute.</p> <p>In the renewables business of the Group, certain customers have raised dispute with respect to the tariff as per the executed power purchase agreement ('PPA') and are making part payment of invoices. Pending outcome of litigation, Company continues to recognize revenue at PPA rate.</p> <p>Revenue recognition and accrual of regulatory deferrals is a key audit matter considering the significance of the amount and significant judgements involved in the determination.</p>	<p>Our audit procedures and procedures performed by component auditors included the following:</p> <ul style="list-style-type: none"> • Read the Group's accounting policies with respect to accrual of regulatory deferrals and assessing its compliance with Ind AS 114 "Regulatory Deferral Accounts" and Ind AS 115 "Revenue from Contract with Customers". • Performed test of controls over revenue recognition and accrual of regulatory deferrals through inspection of evidence of performance of these controls. • Performed substantive audit procedures including: <ul style="list-style-type: none"> • Evaluated the key assumptions used by the Group by comparing it with prior years, past precedents and the opinion of management's expert. • Considered the independence, objectivity and competence of management's expert. • Assessed the management's evaluation of the likely outcome of the key disputes based on past precedents and / or advice of management's expert. • Assessed the impact recognized by the Company in respect of tariff orders received. • Assessed the disclosures in accordance with the requirements of Ind AS 114 "Regulatory Deferral Accounts" and Ind AS 115 "Revenue from Contract with Customers".

Independent Auditor's Report

Recognition and measurement of deferred tax (as described in Note 12 of the consolidated Ind AS financial statements)	
<p>The Group has recognized Minimum Alternate Tax (MAT) credit receivable of ₹ 1,298.79 crores as at March 31, 2021. The Group also has recognized deferred tax assets of ₹ 410.56 crores on long term capital loss on sale of investments.</p>	<p>Our audit procedures and procedures performed by component auditors included the following:</p>
<p>Further, pursuant to the Taxation Laws (Amendment) Act, 2019 (new tax regime), the Company has measured its deferred tax balances expected to reverse after the likely transition to new tax regime, at the rate specified in the new tax regime.</p>	<ul style="list-style-type: none"> • Read Group's accounting policies with respect to recognition and measurement of tax balances in accordance with Ind AS 12 "Income Taxes" • Performed test of controls over recognition and measurement of tax balances through inspection of evidence of performance of these controls. • Performed substantive audit procedures including: <ul style="list-style-type: none"> • Involved tax specialists who evaluated the Group's tax positions basis the tax law and also by comparing it with prior years and past precedents • Discussed the future business plans and financial projections with the management • Assessed the management's long-term financial projections and the key assumptions used in the projections by comparing it to the approved business plan, projections used for estimation of likely year of transition to the new tax regime and projections used for impairment assessment where applicable. • Assessed the disclosures in accordance with the requirements of Ind AS 12 "Income Taxes".
<p>The recognition and measurement of MAT credit receivable and deferred tax balances; is a key audit matter considering the significance of the amount, judgement involved in assessing the recoverability of such credits, estimation of the financial projections for determination of the year of transition to new tax regime and judgements involved in the interpretation of tax regulations and tax positions adopted by the Company.</p>	
Impairment of Assets (as described in Note 4,5, and 6 of the consolidated Ind AS financial statements)	
<p>As per the requirements of Ind AS 36, the Group tests the Goodwill acquired in business combination for impairment annually. For other assets, the Group assesses at the end of every reporting period, whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset or CGU.</p>	<p>Our audit procedures and procedures performed by component auditors, included the following:</p>
<p>The determination of recoverable amount, being the higher of fair value less costs to sell and value-in-use involves significant estimates, assumptions and judgements of the long-term financial projections.</p>	<ul style="list-style-type: none"> • Read the Group's accounting policies with respect to impairment in accordance with Ind AS 36 "Impairment of assets" • Performed test of controls over key financial controls related to accounting, valuation and recoverability of assets through inspection of evidence. • Performed substantive audit procedures including: <ul style="list-style-type: none"> • Obtained the management's impairment assessment • Evaluated the key assumptions including projected generation, coal prices, exchange rate, energy prices post power purchase agreement period and weighted average cost of capital by comparing them with prior years and external data, where available. • Obtained and evaluated the sensitivity analysis • Assessed the disclosures in accordance with the requirements of Ind AS 36 "Impairment of assets".
<p>The Group is carrying Goodwill of ₹1,794.57 crores relating to acquisition of renewable energy businesses. The Group is also carrying impairment provision amounting to ₹ 1,119.77 crores with respect to Mundra CGU (comprising Mundra power plant, investment in companies owning coal mines and related infrastructure), ₹ 221.86 crores for investment in company owning hydro power plant in Georgia and ₹ 100 crores with respect to a generating unit in Trombay. During the year, as the indication exists, the Group has reassessed its impairment assessment with respect to the specified CGUs.</p>	
<p>Impairment of assets is a key audit matter considering the significance of the carrying value, estimations and the significant judgements involved in the impairment assessment.</p>	

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS financial statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and joint ventures 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are 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 these consolidated Ind AS financial statements.

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 consolidated Ind AS financial statements, 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. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditor's Report

- Conclude on the appropriateness of management's 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 ability of the Group and its associates and joint ventures 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 consolidated Ind AS financial statements 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 Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors 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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial

statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

- (a) We did not audit the financial statements and other financial information, in respect of 3 subsidiaries, whose financial statements include total assets of ₹ 11,202.64 crores as at March 31, 2021, and total revenues of ₹ 7,755.16 crores and net cash inflow of ₹ 8.05 crores for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 622.76 crores for the year ended March 31, 2021, as considered in the consolidated Ind AS financial statements, in respect of 9 associates and joint ventures, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the reports of such other auditors.

Certain of these subsidiaries, associates and joint ventures are located outside India whose 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 financial statements of such subsidiaries, associates and joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries, associates 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 audited by us.

- (b) The accompanying consolidated Ind AS financial statements include unaudited financial statements and other unaudited financial information in respect of 6 subsidiaries, whose financial statements and other financial information reflect total assets of ₹ 60.54 crores as at March 31, 2021, and total revenues of ₹ Nil and net cash inflows of ₹ 7.39 crores for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net (loss) of ₹ (25.08) crores for the year ended March 31, 2021, as considered in the consolidated Ind AS financial statements, in respect of 10 associates and joint ventures, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

(b) Attention is drawn to the matters described in Note 44 of the consolidated Ind AS financial statements related to non-availability of certain records, documents and reconciliations pertaining to pre-acquisition period of the three subsidiaries acquired during the year. In our opinion, except for the possible effects of the aforesaid, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) Attention is drawn to the matters described in Note 44 of the consolidated Ind AS financial statements related to non-availability of certain records, documents and reconciliations pertaining to pre-acquisition period related to three subsidiaries acquired during the year. In our opinion, except for the possible effects of the aforesaid, the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies and joint ventures, none of the directors of the Group's companies, its associates and joint ventures, incorporated in India, is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, associate companies and joint ventures, incorporated in India, refer to our separate Report in "Annexure 1" to this report;

Independent Auditor's Report

- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, associates and joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Holding Company, its subsidiaries, associates and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint ventures, as noted in the 'Other matter' paragraph:
- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and joint ventures in its consolidated Ind AS financial statements - Refer Note 36 to the consolidated Ind AS financial statements;
- ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and joint ventures, incorporated in India during the year ended March 31, 2021.

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

per Abhishek Agarwal
Partner

Membership Number: 112773
UDIN: 21112773AAAADI9724

Mumbai
Date: May 12, 2021

Annexure 1 to the Independent Auditor's Report of even date on the Consolidated Ind AS Financial Statements of The Tata Power Company Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of The Tata Power Company Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group its associates and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on, "the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls with reference to consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal

financial controls with reference to consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated Ind AS financial statements included obtaining an understanding of internal financial controls with reference to consolidated Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the Holding Company's internal financial controls with reference to consolidated Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Ind AS financial statements

A company's internal financial control with reference to consolidated Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Independent Auditor's Report

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Ind AS financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on the report issued by other auditors on internal financial controls over financial reporting with reference to these consolidated financial statements in case of subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, as at March 31, 2021:

In our opinion, except for the possible effects of the disclaimer described below on the achievement of the objectives of the control criteria in respect of three subsidiary companies, the Holding Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, have maintained in all material respects, adequate internal financial controls over financial reporting ('ICFR') and such ICFR with reference to these consolidated financial statements were operating effectively as at March 31, 2021, based on the ICFR criteria established by the Holding Company considering the essential components of internal financial controls stated in the Guidance Note on Audit of ICFR issued by the Institute of Chartered Accountants of India ('Guidance Note').

As described in Note 44, during the year, the Group has acquired power distribution businesses in Odisha through three subsidiary companies. Prior to acquisition, these businesses were administered and operated by Odisha Electricity Regulatory Commission through GRIDCO Limited, a State Government Company and the provisions of Companies Act, 2013, including the requirements of ICFR, were not applicable to them. The three subsidiary companies are in the process of strengthening their existing internal controls, including maintenance of sufficient and appropriate records over key processes considering the

essential components of internal financial controls stated in the Guidance Note. We together with the joint auditors of the said subsidiary companies have issued a disclaimer of opinion on ICFR with reference to the standalone financial statements of such subsidiary companies.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated Ind AS financial statements in so far as it relates to three subsidiaries and an associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

We also have audited, in accordance with the Standards on Auditing issued by the ICAI as specified under section 143(10) of the Act, the consolidated Ind AS financial statements of the Holding Company, which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information. The disclaimer of opinion with respect to the subsidiary companies as referred above was considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2021 consolidated Ind AS financial statements of the Holding Company and this report does affect our report dated May 12, 2021, which expressed an unqualified opinion thereon.

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

per Abhishek Agarwal
Partner
Membership Number: 112773
UDIN: 20112773AAAACW7931

Mumbai
Date: May 12, 2021

Consolidated Balance Sheet

as at 31st March, 2021

	Notes	Page	As at	
			31st March, 2021	31st March, 2020
			₹ crore	₹ crore
ASSETS				
Non-current Assets				
(a) Property, Plant and Equipments	4	342	48,748.86	44,662.61
(b) Capital Work-in-Progress			3,599.80	1,611.52
(c) Goodwill	5 a	347	1,794.57	1,641.57
(d) Other Intangible Assets	5 b	347	1,345.85	1,362.18
(e) Investments accounted for using the Equity Method	6 a	349	11,920.63	13,202.65
(f) Financial Assets				
(i) Other Investments	6 c	359	728.88	632.68
(ii) Trade Receivables	7	360	604.71	30.28
(iii) Loans	8	362	58.14	80.88
(iv) Finance Lease Receivables	9	362	598.61	588.92
(v) Other Financial Assets	10	363	1,577.04	578.79
(g) Non-current Tax Assets (Net)	11	365	328.35	342.00
(h) Deferred Tax Assets (Net)	12 a	365	184.02	74.24
(i) Other Non-current Assets	13	370	1,465.06	1,185.12
Total Non-current Assets			72,954.52	65,993.44
Current Assets				
(a) Inventories	14	371	1,884.80	1,752.35
(b) Financial Assets				
(i) Investments	15	372	499.54	699.51
(ii) Trade Receivables	7	360	5,000.97	4,425.90
(iii) Unbilled Revenue			1,573.64	799.42
(iv) Cash and Cash Equivalents	16 a	372	3,782.51	1,861.50
(v) Bank Balances other than (iv) above	16 b	373	2,330.17	232.68
(vi) Loans	8	362	30.71	33.00
(vii) Finance Lease Receivables	9	362	41.45	33.20
(viii) Other Financial Assets	10	363	310.15	1,412.43
(c) Current Tax Assets (Net)	11	365	0.45	1.10
(d) Other Current Assets	13	370	916.69	770.39
Total Current Assets			16,371.08	12,021.48
Assets Classified as Held For Sale	17 a	373	3,047.46	6,253.06
Total Assets before Regulatory Deferral Account			92,373.06	84,267.98
Regulatory Deferral Account - Assets	18	376	6,478.17	5,480.17
TOTAL ASSETS			98,851.23	89,748.15

Consolidated Balance Sheet

as at 31st March, 2021 (Contd.)

	Notes	Page	As at	As at
			31st March, 2021	31st March, 2020
			₹ crore	₹ crore
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	19 a	378	319.56	270.50
(b) Unsecured Perpetual Securities	19 b	379	1,500.00	1,500.00
(c) Other Equity	20	379	20,502.70	17,795.52
Equity attributable to Shareholders of the Company			22,322.26	19,566.02
Non-controlling Interests			2,927.30	2,332.04
Total Equity			25,249.56	21,898.06
Liabilities				
Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	21	382	30,045.03	32,695.14
(ii) Lease Liabilities	22	383	3,142.48	3,180.48
(iii) Trade Payables			17.36	Nil
(iv) Other Financial Liabilities	23	385	1,390.99	721.52
(b) Non-current Tax Liabilities (Net)	24	386	3.03	3.03
(c) Deferred Tax Liabilities (Net)	12 b	365	976.15	1,174.04
(d) Provisions	25	386	839.58	407.40
(e) Other Non-current Liabilities	26	394	6,217.95	2,084.52
Total Non-current Liabilities			42,632.57	40,266.13
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	27	395	8,436.21	11,844.36
(ii) Lease Liabilities	22	383	394.83	379.74
(iii) Trade Payables			7,120.08	5,095.44
(iv) Other Financial Liabilities	23	385	12,296.46	7,502.90
(b) Current Tax Liabilities (Net)	24	386	198.38	129.49
(c) Provisions	25	386	270.11	116.42
(d) Other Current Liabilities	26	394	2,052.02	1,453.08
Total Current Liabilities			30,768.09	26,521.43
Liabilities directly associated with Assets Classified as Held For Sale	17 b	374	139.78	1,062.53
Total Liabilities before Regulatory Deferral Account			73,540.44	67,850.09
Regulatory Deferral Account - Liability	18	376	61.23	Nil
TOTAL EQUITY AND LIABILITIES			98,851.23	89,748.15

See accompanying notes to the Consolidated Financial Statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.324982E/E300003

per ABHISHEK AGARWAL

Partner

Membership No. 112773

Mumbai, 12th May, 2021

For and on behalf of the Board,

PRAVEER SINHA

CEO & Managing Director

DIN 01785164

RAMESH SUBRAMANYAM

Chief Financial Officer

Mumbai, 12th May, 2021

BANMALI AGRAWALA

Director

DIN 00120029

HANOZ M. MISTRY

Company Secretary

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2021

				For the year ended	For the year ended
		Notes	Page	31st March, 2021	31st March, 2020
				₹ crore	₹ crore
I	Revenue from Operations	28	396	32,468.10	29,136.37
II	Other Income	29	403	439.24	562.61
III	Total Income			32,907.34	29,698.98
IV	Expenses				
	Cost of Power Purchased			8,334.41	6,220.46
	Cost of Fuel			9,074.96	9,922.39
	Transmission Charges			504.60	214.00
	Raw Material Consumed	30	404	2,628.19	957.18
	Purchase of Finished Goods and Spares			28.89	111.74
	(Increase)/Decrease in Stock-in-Trade and Work in Progress	30	404	0.41	(15.64)
	Employee Benefits Expense (Net)	31	404	2,156.48	1,440.64
	Finance Costs	32	405	4,010.39	4,493.73
	Depreciation and Amortisation Expenses	4 & 5	342 & 347	2,744.94	2,633.56
	Other Expenses	33	405	2,812.48	2,342.78
	Total Expenses			32,295.75	28,320.84
V	Profit/(Loss) Before Movement in Regulatory Deferral Balances, Exceptional Items, Tax and Share of Net Profit of Associates and Joint Ventures accounted for using the Equity Method			611.59	1,378.14
	Add/(Less): Net Movement in Regulatory Deferral Balances	18	376	529.24	(451.68)
	Add/(Less): Net Movement in Regulatory Deferral Balances in respect of earlier years	18	376	Nil	(21.32)
	Add/(Less): Deferred Tax Recoverable/(Payable)	18	376	81.80	284.31
				611.04	(188.69)
VI	Profit/(Loss) Before Exceptional Items, Tax and Share of Net Profit of Associates and Joint Ventures accounted for using the Equity Method			1,222.63	1,189.45
	Share of Net Profit of Associates and Joint Ventures accounted for using the Equity Method			873.39	952.55
VII	Profit/(Loss) Before Exceptional Items and Tax			2,096.02	2,142.00
	Add/(Less): Exceptional Items				
	Gain on Sale of Investments in Associates	6b (ii)	359	Nil	532.51
	Standby Litigation	37f	413	(109.29)	(276.35)
	Remeasurement of Deferred Tax Recoverable on account of New Tax Regime (Net)	12	365	Nil	(265.00)
	Reversal of Impairment for Investment in Joint Venture & related obligation	6b (i) (b)	359	Nil	235.00
				(109.29)	226.16
VIII	Profit/(Loss) Before Tax for the Year from Continuing Operations			1,986.73	2,368.16
IX	Tax Expense/(Credit)				
	Current Tax	34a	406	647.57	494.30
	Deferred Tax	12	365	(145.69)	330.95
	Deferred Tax relating to earlier years			Nil	(24.51)
	Remeasurement of Deferred Tax on account of New Tax Regime (Net)	12	365	Nil	(159.25)
				501.88	641.49
X	Profit/(Loss) for the Year from Continuing Operations			1,484.85	1,726.67
XI	Profit/(Loss) before tax from Discontinued Operations	17c	375	(59.85)	(81.64)
	Impairment Loss related to Discontinued Operations on remeasurement to Fair Value	17c	375	(160.00)	(361.00)
XII	Tax Expense/(Credit) of Discontinued Operations				
	Current Tax			(101.48)	Nil
	Deferred Tax			(72.17)	(32.41)
	Tax Expense/(Credit) of Discontinued Operations			(173.65)	(32.41)
XIII	Profit/(Loss) for the Year from Discontinued Operations			(46.20)	(410.23)
XIV	Profit/(Loss) for the Year			1,438.65	1,316.44
XV	Other Comprehensive Income/(Expenses) - Continuing Operations				
	A Add/(Less): (i) Items that will not be reclassified to Profit or Loss				
	(a) Remeasurement of the Defined Benefit Plans	25	386	(296.71)	(87.56)

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2021 (Contd.)

	Notes	Page	For the year ended	For the year ended
			31st March, 2021	31st March, 2020
			₹ crore	₹ crore
(b) Movement in Regulatory Deferral Balance			310.07	Nil
(c) Equity Instruments classified at FVTOCI			230.77	(39.72)
(ii) Tax relating to items that will not be reclassified to Profit or Loss				
(a) Current Tax	34a (iii)	408	(1.04)	13.22
(b) Deferred Tax	34a (iii)	408	(4.68)	13.73
(iii) Share of Other Comprehensive Income/(Loss) of Associates and Joint Ventures accounted for using the Equity Method (net of tax)			(3.15)	2.23
B Add/(Less): (i) Items that will be reclassified to Profit or Loss				
(a) Exchange Differences in translating the financial statements of foreign operations			(423.15)	430.63
(b) Effective portion of cash flow hedge			(371.75)	128.84
(ii) Tax relating to items that will be reclassified to Profit or Loss				
(a) Deferred Tax			93.57	(32.43)
(iii) Share of Other Comprehensive Income/(Loss) of Associates and Joint Ventures accounted for using the Equity Method (net of tax)			86.75	407.06
			(379.32)	836.00
XVI Other Comprehensive Income/(Expenses) - Discontinued Operations				
Add/(Less): (i) Items that will not be reclassified to Profit or Loss			(0.34)	0.20
			(0.34)	0.20
XVII Total Other Comprehensive Income for the Year (XV + XVI)			(379.66)	836.20
XVIII Total Comprehensive Income for the Year (XIV + XVII)			1,058.99	2,152.64
Profit for the year attributable to:				
- Owners of the Company			1,127.38	1,017.38
- Non-controlling Interest			311.27	299.06
			1,438.65	1,316.44
Other comprehensive Income for the year attributable to:				
- Owners of the Company			(380.67)	838.25
- Non-controlling Interest			1.01	(2.05)
			(379.66)	836.20
Total Comprehensive Income for the year attributable to:				
- Owners of the Company			746.71	1,855.63
- Non-controlling Interest			312.28	297.01
			1,058.99	2,152.64
XIX Basic and Diluted Earnings Per Equity Share (of ₹ 1/- each) (₹)	38	414		
(i) From Continuing Operations before net movement in regulatory deferral balances			2.33	5.33
(ii) From Continuing Operations after net movement in regulatory deferral balances			3.32	4.64
(iii) From Discontinued Operations			(0.15)	(1.52)
(iv) Total Operations after net movement in regulatory deferral balances			3.17	3.12

See accompanying notes to the Consolidated Financial Statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.324982E/E300003

per ABHISHEK AGARWAL

Partner

Membership No. 112773

Mumbai, 12th May, 2021

For and on behalf of the Board,

PRAVEER SINHA

CEO & Managing Director

DIN 01785164

RAMESH SUBRAMANYAM

Chief Financial Officer

Mumbai, 12th May, 2021

BANMALI AGRAWALA

Director

DIN 00120029

HANOZ M. MISTRY

Company Secretary

Consolidated Statement of Cash Flows

for the year ended 31st March, 2021

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
A. Cash Flow from Operating Activities		
Profit/(Loss) before tax from Continuing Operations	1,986.73	2,368.16
Profit/(Loss) before tax from Discontinued Operations	(219.85)	(442.64)
Adjustments to reconcile Profit Before Tax to Net Cash Flows:		
Depreciation and Amortisation Expense	2,744.94	2,633.56
Transfer to Contingency Reserve	11.00	17.00
Reversal of Impairment of Non-Current Investments and related obligation	(67.76)	(235.00)
Impairment Loss on Remeasurement related to Discontinued Operations	160.00	361.00
(Gain)/Loss on disposal of Property, Plant and Equipment (Net)	(5.60)	24.99
Finance Cost (Net of Capitalisation)	4,035.30	4,529.88
Interest Income	(175.65)	(135.55)
Dividend Income	(6.78)	(85.87)
Gain on sale of Current Investment measured at fair value through Profit and Loss	25.82	(53.39)
Gain on sale of Investment in Joint Venture/Associates accounted for using the equity method	Nil	(532.51)
Allowances for Doubtful Debts and Advances (Net)	24.37	20.71
Bad debts	69.87	Nil
Provision for Warranties	26.50	10.45
Provision for standby litigation	109.29	Nil
Delayed Payment Charges	(66.27)	(49.46)
Transfer from Capital Grants	Nil	(3.15)
Amortisation of Service Line Contributions	(152.19)	(89.18)
Guarantee Commission from Joint Ventures	(8.26)	(9.40)
Share of Net Profit of Associates and Joint Ventures accounted for using the equity method	(873.39)	(952.55)
Amortisation of Deferred Revenue	48.23	38.69
Amortisation of Leasehold Land	1.12	Nil
Effect of Exchange Fluctuation (Net)	(16.75)	(105.59)
	5,883.79	5,384.63
	7,650.67	7,310.15
Working Capital Adjustments:		
Adjustments for (increase) / decrease in Assets:		
Inventories	(93.26)	(21.32)
Trade Receivables	(1,103.76)	(96.56)
Unbilled Revenue	(885.35)	54.23
Finance Lease Receivables	(17.94)	(18.60)
Loans-Current	0.83	(13.17)
Loans-Non-Current	21.95	8.58
Other Current Assets	(270.14)	387.45
Other Non-current Assets	(156.71)	214.01
Other Financial Assets - Current	104.63	10.51
Other Financial Assets - Non-current	3.26	(58.14)
Regulatory Deferral Account - Assets	(998.00)	277.97
Current Investments		
Purchased	(242.80)	(365.48)
Proceeds from sale	400.82	226.15

Consolidated Statement of Cash Flows

for the year ended 31st March, 2021 (Contd.)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Non-Current Investments		
Proceeds from sale	Nil	3.68
Movement in Operating Asset	(3,236.47)	609.31
Adjustments for increase / (decrease) in Liabilities:		
Trade Payables	1,709.92	(796.97)
Other Current Liabilities	729.58	448.63
Other Non-current Liabilities	(6.91)	141.53
Other Financial Liabilities - Current	1,081.05	233.51
Other Financial Liabilities - Non-current	356.79	26.04
Regulatory Deferral Account - Liability	61.23	Nil
Current Provisions	128.52	(57.19)
Non-current Provisions	430.66	69.40
Movement in Operating Liability	4,490.84	64.95
Cash flow from/(used in) Operations	8,905.04	7,984.41
Income tax paid - (net of refund received)	(447.03)	(609.09)
Net Cash Flows from/(used) in Operating Activities	A	7,375.32
B. Cash Flow from Investing Activities		
Capital expenditure on Property, Plant and Equipments (including capital advances)	(3,335.79)	(2,225.81)
Proceeds from sale of Property, Plant and Equipments (including property, plant and equipments classified as held for sale)	1,549.09	36.37
Proceeds from sale of Strategic Engineering Division (Net) (Refer Note 17c)	420.85	Nil
(Purchase)/ proceeds from sale of Current Investments (Net)	83.44	(305.51)
Consideration transferred on business combinations	(720.75)	Nil
Purchase of Non-current Investments	(80.26)	(615.26)
Proceeds from sale of Non-current Investments (Including advance and investments classified as held for sale)	844.32	577.88
Inter-corporate Deposits (Net)	5.46	Nil
Interest Received	161.12	164.92
Delayed Payment Charges received	66.27	49.61
Guarantee Commission Received	3.15	3.84
Dividend Received	1,846.06	1,894.53
Bank Balance not Considered as Cash and Cash Equivalents	(175.36)	(123.50)
Net Cash Flow from/(used in) Investing Activities	B	(542.92)

Consolidated Statement of Cash Flows

for the year ended 31st March, 2021 (Contd.)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
C. Cash Flow from Financing Activities		
Proceeds from Issue of Shares including shares issued to Minority Shareholders	2,996.06	20.07
Increase in Capital/Service Line Contributions	155.16	80.10
Proceeds from Non-current Borrowings	5,602.19	7,188.37
Repayment of Non-current Borrowings	(7,453.61)	(5,607.42)
Proceeds/(repayment) from Current Borrowings (Net)	(4,121.95)	(1,687.99)
Finance Cost Paid	(3,731.42)	(4,002.50)
Payment of Lease Liability	(351.78)	(330.03)
Dividend Paid	(526.29)	(500.57)
Additional Income-tax on Dividend Paid	Nil	(98.60)
Distribution on Unsecured Perpetual Securities	(171.24)	(171.00)
Net Cash Flow from/(used in) Financing Activities	(7,602.88)	(5,109.57)
	C	
Net Increase in Cash and Cash Equivalents (A + B + C)	1,522.73	1,722.83
Cash and Cash Equivalents as at 1st April (Opening Balance)	1,834.39	61.52
Cash and Cash Equivalents Acquired on Business Combinations	446.29	Nil
Effect of Exchange Fluctuation on Cash and Cash Equivalents	(120.55)	50.04
Cash and Cash Equivalents as at 31st March (Closing Balance)	3,682.85	1,834.39
<i>Notes:</i>		
Cash and Cash Equivalents include:		
(a) Balances with banks (Refer Note 16a.)		
(i) In Current Accounts	1,128.34	935.27
(ii) In Deposit Accounts (with original maturity of three months or less)	2,543.84	919.77
(b) Cheques on Hand	45.16	6.44
(c) Cash on Hand	65.17	0.02
(d) Bank Overdraft	(99.66)	(34.71)
Cash and Cash Equivalents relating to Continuing Operations	3,682.85	1,826.79
(a) Balances with banks		
(i) In Current Accounts	Nil	7.62
(b) Book Overdraft	Nil	(0.02)
Cash and Cash Equivalents relating to Discontinued Operations	Nil	7.60
Total Cash and Cash Equivalents	3,682.85	1,834.39

See accompanying notes to the Consolidated Financial Statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.324982E/E300003

per ABHISHEK AGARWAL

Partner

Membership No. 112773

Mumbai, 12th May, 2021

For and on behalf of the Board,

PRAVEER SINHA

CEO & Managing Director

DIN 01785164

RAMESH SUBRAMANYAM

Chief Financial Officer

Mumbai, 12th May, 2021

BANMALI AGRAWALA

Director

DIN 00120029

HANOZ M. MISTRY

Company Secretary

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2021

A. Equity Share Capital

	No. of Shares	₹ crore
Balance as at 1st April, 2019		Amount
Issued during the year	270,47,73,510	270.50
Balance as at 31st March, 2020		
Issued during the year [Refer Note 20(4)]	270,47,73,510	270.50
Balance as at 31st March, 2021		49.05,66,037
	319,53,39,547	319.56

B. Unsecured Perpetual Securities

	No. of Shares	₹ crore
Balance as at 1st April, 2019		Amount
Issued during the year	15,000	1,500.00
Balance as at 31st March, 2020		
Issued during the year	15,000	1,500.00
Balance as at 31st March, 2021		15,000
	15,000	1,500.00

C. Other Equity (Refer Note 20)

Description	Reserves and Surplus					Item of Other Comprehensive Income				Controlling Interests	Non-controlling Interests	Total		
	General Reserve	Securities Premium	Debt Redemption Reserve	Capital Redemption Reserve	Capital Reserve	Special Reserve Fund	Statutory Reserves	Retained Earnings	Equity/Instrument through Other Comprehensive Income				Foreign Currency Translation Reserve	Effective portion of cash flow hedge
Balance as at 1st April, 2019	4,086.53	5,647.80	728.90	515.76	232.09	122.59	660.08	3,265.79	698.52	576.95	Nil	16,535.01	2,166.66	18,701.67
Profit for the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1,017.38	Nil	Nil	Nil	1,017.38	299.06	1,316.44
Other Comprehensive Income/(Expenses) for the year (Net of Tax)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(56.12)	(39.72)	837.68	96.41	838.25	(2.05)	836.20
Total Comprehensive Income	Nil	Nil	Nil	Nil	Nil	Nil	Nil	961.26	(39.72)	837.68	96.41	1,855.63	297.01	2,152.64
Issue of Equity Shares during the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	20.07	20.07
Dividend paid (including tax on dividend)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(424.36)	Nil	Nil	Nil	(424.36)	(151.70)	(576.06)
Transfer to Retained Earnings on sale of shares	Nil	Nil	Nil	Nil	Nil	Nil	Nil	666.34	(666.34)	Nil	Nil	Nil	Nil	Nil
Transfer to/from Debt Redemption Reserve	Nil	Nil	(90.70)	Nil	Nil	Nil	Nil	90.70	Nil	Nil	Nil	Nil	Nil	Nil
Transfer to Special Reserve Fund	Nil	Nil	Nil	Nil	Nil	1.48	Nil	(1.48)	Nil	Nil	Nil	Nil	Nil	Nil
Distribution on Unsecured Perpetual Securities	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(170.76)	Nil	Nil	Nil	(170.76)	Nil	(170.76)
Balance as at 31st March, 2020	4,086.53	5,647.80	638.20	515.76	232.09	124.07	660.08	4,387.49	(7.54)	1,414.63	96.41	17,795.52	2,332.04	20,127.56
Balance as at 31st March, 2020	4,086.53	5,647.80	638.20	515.76	232.09	124.07	660.08	4,387.49	(7.54)	1,414.63	96.41	17,795.52	2,332.04	20,127.56
Profit for the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1,127.38	Nil	Nil	Nil	1,127.38	311.27	1,438.65
Other Comprehensive Income/(Expenses) for the year (Net of Tax)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	3.14	230.77	(336.40)	(278.18)	(380.67)	1.01	(379.66)
Total Comprehensive Income	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1,130.52	230.77	(336.40)	(278.18)	746.71	312.28	1,058.99
Issue of Equity Shares during the year (Refer Note 20(4))	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	396.06	396.06
Share Premium collected during the year	Nil	2,550.94	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	2,550.94	(113.08)	2,550.94
Dividend paid	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(419.24)	Nil	Nil	Nil	(419.24)	(532.32)	(532.32)
Transfer to Retained Earnings on sale of shares	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Transfer to/from Debt Redemption Reserve	Nil	Nil	(13.14)	Nil	Nil	Nil	Nil	13.14	Nil	Nil	Nil	Nil	Nil	Nil
Transfer to Special Reserve Fund	Nil	Nil	Nil	Nil	Nil	2.21	Nil	(2.21)	Nil	Nil	Nil	Nil	Nil	Nil
Distribution on Unsecured Perpetual Securities	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(171.23)	Nil	Nil	Nil	(171.23)	Nil	(171.23)
Balance as at 31st March, 2021	4,086.53	8,198.74	625.06	515.76	232.09	126.28	660.08	4,938.47	223.23	1,078.23	(181.77)	20,502.70	2,927.30	23,430.00

See accompanying notes to the Consolidated Financial Statements

As per our report of even date

For SRBC & CO LLP

Chartered Accountants

ICAI Firm Registration No.324982E/IE300003

per ABHISHEK AGARWAL

Partner

Membership No. 112773

Mumbai, 12th May, 2021

For and on behalf of the Board,

Praveer Sinha

CEO & Managing Director

DIN 01785164

Ramesh Subramanyam

Chief Financial Officer

Mumbai, 12th May, 2021

Banmali Agrawala

Director

DIN 00120029

Hanoz M. Mistry

Company Secretary

Notes to the Consolidated Financial Statements

1. Corporate Information:

The Tata Power Company Limited (the 'Company' or 'Parent Company') is a public limited company domiciled and incorporated in India under the Indian Companies Act, 1913. The registered office of the Company is located at Bombay House, 24, Homi Mody Street, Mumbai 400 001 India. The Company is listed on the Bombay Stock Exchange of India Limited (BSE) and the National Stock Exchange of India Limited (NSE). The principal business of the Company is generation, transmission, distribution and trading of electricity.

The Company and its subsidiaries (collectively referred to as 'the Group') is one of India's largest integrated power companies with an international presence. The Group together with its joint venture companies has an installed gross generation capacity of 12,808 MW and a presence in all the segments of the power sector viz. Fuel Security and Logistics, Generation (thermal, hydro, solar and wind), Transmission, Distribution and Trading. The Group has developed the country's first 4,000 MW Ultra Mega Power Project at Mundra (Gujarat) based on super-critical technology. It is also one of the largest renewable energy players in India with a clean energy portfolio of 3,949 MW. Its international presence includes strategic investments in Indonesia, Singapore, Zambia, Georgia and Bhutan. With its track record of technology leadership, project execution excellence, world class safety processes, customer care and driving green initiatives the Group is poised for multi-fold growth and is committed to 'lighting up lives' for generations to come.

2. Significant Accounting Policies:

2.1 Statement of compliance

The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 (as amended from time to time).

2.2 Basis of preparation and presentation

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- derivative financial instruments,
- certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).
- employee benefit expenses (Refer Note 25 for accounting policy)

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amount of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

2.3 Basis of Consolidation:

The Group consolidates all entities which are controlled by it. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The entities are consolidated from the date control commences until the date control ceases.

2.3.1 Subsidiaries

The consolidated financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain/loss from such transactions are eliminated upon consolidation. These consolidated financial statements are prepared by applying uniform accounting policies in use at the Group. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interest having a deficit balance.

Changes in the Group's holding that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's holding and the non-controlling interests are adjusted to reflect the changes in their relative holding. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Notes to the Consolidated Financial Statements

2. Significant Accounting Policies(Contd.)

2.3.2 Joint Ventures and Associates

Joint Ventures are entities over which the Group has joint control. Associates are entities over which the Group has significant influence but not control. Investments in Joint Ventures and Associates are accounted for using the equity method of accounting. The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the acquisition date. The Group's investment in Joint Ventures and Associates includes goodwill identified on acquisition. (Refer Note 6a)

2.4 Business Combinations

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in consolidated statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfers of interests in entities that are under the common control are accounted at historical costs. The difference between any consideration given and the aggregate historical carrying amount of assets and liabilities of the acquired entity are recorded in shareholders' equity.

In case of bargain purchase, before recognising gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognizes any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amount that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing, directly in equity as capital reserve.

2.5 Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amount to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

2. Significant Accounting Policies (Contd.)

2.6 Details of the Group's subsidiaries at the end of the reporting period considered in the preparation of the consolidated financial statements are as follows:

Name	Country of Incorporation/ Principal Place of Business	% voting power held as at 31st March, 2021	% voting power held as at 31st March, 2020
Subsidiaries (Direct)			
Af-Taab Investment Co. Ltd.	India	100	100
Tata Power Trading Co. Ltd.	India	100	100
NELCO Ltd.	India	50.04	50.04
Maithon Power Ltd.	India	74	74
Tata Power Delhi Distribution Ltd.	India	51	51
Coastal Gujarat Power Ltd.	India	100	100
Bhira Investments Pte. Ltd.	Singapore	100	100
Bhivpuri Investments Ltd.	Mauritius	100	100
Khopoli Investments Ltd.	Mauritius	100	100
Trust Energy Resources Pte. Ltd.	Singapore	100	100
TP Renewable Microgrid Ltd.	India	100	100
TCL Ceramics Ltd. \$	India	57.07	57.07
Tata Power International Pte. Ltd.	Singapore	100	100
Tata Power Solar Systems Ltd.	India	100	100
Tata Power Renewable Energy Ltd.	India	100	100
Tata Power Jamshedpur Distribution Ltd.	India	100	100
TP Ajmer Distribution Ltd.	India	100	100
Tata Power Green Energy Ltd.	India	100	100
Supa Windfarm Ltd.	India	100	100
TP Central Odisha Distribution Ltd.	India	51	Nil
TP Western Odisha Distribution Ltd.	India	51	Nil
TP Southern Odisha Distribution Ltd.	India	51	Nil
TP Kirnali Solar Ltd.	India	74	Nil
TP Solapur Solar Ltd.	India	100	Nil
TP Akkalkot Renewable Ltd.	India	100	Nil
TP Saurya Ltd.	India	100	Nil
TP Roofurja Renewable Ltd.	India	100	Nil
Subsidiaries (Indirect)			
PT Sumber Energi Andalan Tbk. \$	Indonesia	92.50	92.50
NDPL Infra Ltd.	India	51	51
Tatanet Services Ltd. (TNSL) (Consolidated with NELCO Ltd.)	India	50.04	50.04
Poolavadi Windfarm Ltd.	India	74	74
Nivade Windfarm Ltd.	India	100	100
TP Wind Power Ltd. (formerly known as Indo Rama Renewables Jath Ltd.)	India	100	100
TP Solapur Ltd.	India	100	100
TP Kirnali Ltd.	India	100	100
Walwhan Renewable Energy Ltd.	India	100	100
Clean Sustainable Solar Energy Pvt Ltd. @	India	99.99	99.99

Notes to the Consolidated Financial Statements

2. Significant Accounting Policies (Contd.)

Name	Country of Incorporation/ Principal Place of Business	% voting power held as at 31st March, 2021	% voting power held as at 31st March, 2020
Dreisatz Mysolar24 Pvt Ltd. @	India	100	100
MI Mysolar24 Pvt Ltd. @	India	100	100
Northwest Energy Pvt Ltd. @	India	100	100
Solarsys Renewable Energy Pvt Ltd. @	India	100	100
Walwhan Solar Energy GJ Ltd. @	India	100	100
Walwhan Solar Raj Ltd. @	India	100	100
Walwhan Solar BH Ltd. @	India	100	100
Walwhan Solar MH Ltd. @	India	100	100
Walwhan Wind RJ Ltd. @	India	100	100
Walwhan Solar AP Ltd. @	India	100	100
Walwhan Solar KA Ltd. @	India	100	100
Walwhan Solar MP Ltd. @	India	100	100
Walwhan Solar PB Ltd. @	India	100	100
Walwhan Energy RJ Ltd. @	India	100	100
Walwhan Solar TN Ltd. @	India	100	100
Walwhan Solar RJ Ltd. @	India	100	100
Walwhan Urja Anjar Ltd. @	India	100	100
Walwhan Urja India Ltd. @	India	100	100
Chirasthayee Saurya Ltd.	India	100	100
Nelco Network Products Ltd. (Consolidated with NELCO Ltd.)	India	50.04	50.04
Vagarai Windfarm Ltd.	India	72	72
Far Eastern Natural Resources LLC #	Russia	100	100

Based on Unaudited Financial Information, certified by its Management for the year ended 31st March, 2021.

@ Consolidated with Walwhan Renewable Energy Ltd.

\$ Classified as held for sale.

3. Other Significant Accounting Policies, critical accounting estimates and judgements

3.1 Foreign Currencies

The Group's consolidated financial statements are presented in Indian Rupee, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of that balance sheet

3. Other Significant Accounting Policies, critical accounting estimates and judgements (Contd.)

- b) Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- c) All resulting exchange differences are recognised in OCI.

3.2 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- expected to be realised or intended to be sold or consumed in normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realised within twelve months after the reporting period, or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in normal operating cycle,
- it is held primarily for the purpose of trading,
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

3.3 Warranties

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the Group's best estimate of the expenditure required to settle the Group's obligation.

3.4 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities measured at fair value through profit or loss are recognised immediately in consolidated statement of profit and loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expenses over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

3.5 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Notes to the Consolidated Financial Statements

3. Other Significant Accounting Policies, critical accounting estimates and judgements (Contd.)

3.5.1 Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest rate method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3.5.2 Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Group makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to consolidated statement of profit and loss on sale of the investments.

3.5.3 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading. Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

3.5.4 Investment in joint ventures and associates

Investment in joint ventures and associates are accounted using equity method less impairment.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Impairment of investments:

The Group reviews its carrying value of investments carried at cost, amortised cost or equity method annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the Investment is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the cost of the Investment. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

3.5.5 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- the right to receive cash flows from the asset have expired, or
- the Group has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

3. Other Significant Accounting Policies, critical accounting estimates and judgements (Contd.)

When the Group has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

3.5.6 Impairment of financial assets

The Group assesses at each date of balance sheet whether a financial asset or a Group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

3.6 Financial liabilities and equity instruments

3.6.1 Classification as debt or equity

Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

3.6.2 Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

3.6.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in consolidated statement of profit and loss when the liabilities are derecognised as well as through the effective interest rate (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit and loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss.

3.6.4 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

3.6.5 Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 - 'Financial Instruments' and the amount recognised less cumulative amortisation.

3.7 Derivative financial instruments and hedge accounting

The Group enters into a variety of derivative financial instruments such as forward contracts, options contracts and interest rate swaps, to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts and cross currency swaps.

Notes to the Consolidated Financial Statements

3. Other Significant Accounting Policies, critical accounting estimates and judgements (Contd.)

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the consolidated statement of profit and loss. Any gains or losses arising from changes in the fair value of derivatives are taken directly to consolidated statement of profit and loss.

The Group adopts hedge accounting for forward, interest rate and commodity contracts wherever possible. At the inception of each hedge, there is a formal, documented designation of the hedging relationship. This documentation includes, inter alia, items such as identification of the hedged item transaction and nature of the risk being hedged. At inception, each hedge is expected to be highly effective in achieving an offset of changes in fair value or cash flows attributable to the hedged risk. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at the inception and on an ongoing basis. The ineffective portion of designated hedges is recognised immediately in the consolidated statement of profit and loss.

When hedge accounting is applied:

- for fair value hedges of recognised assets and liabilities, changes in fair value of the hedged assets and liabilities attributable to the risk being hedged, are recognised in the consolidated statement of profit and loss and compensate for the effective portion of symmetrical changes in the fair value of the derivatives.
- for cash flow hedges, the effective portion of the change in the fair value of the derivative is recognised directly in other comprehensive income and the ineffective portion is recognised in the consolidated statement of profit and loss. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognised in the consolidated statement of profit and loss in the same period in which the hedged item affects the consolidated statement of profit and loss. In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the consolidated statement of profit and loss as and when they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the consolidated statement of profit and loss for the period.

3.8 Reclassification of financial assets and liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

3.9 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3. Other Significant Accounting Policies, critical accounting estimates and judgements (Contd.)

3.10 Government Grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grant will be received.

Government grants relating to income are determined and recognised in the consolidated statement of profit and loss over the period necessary to match them with the cost that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipments are reduced from the cost of the assets.

The benefit of a Government loan at a below market rate of interest is treated as a Government grant, measured as the difference between proceeds received and the fair value of loan based on prevailing market interest rates.

3.11 Dividend distribution to equity shareholders of the Parent Company

The Parent Company recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at its discretion. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. In case of Interim Dividend, the liability is recognised on its declaration by the Board of Directors.

3.12 Service Concession Agreement (SCA)

A Group entity has entered into contract for design, part finance, engineering, manufacture, supply, erection, testing, commissioning and operation and maintenance for 25 years of Grid Interactive Solar Power Project through Public Private Partnership with a public sector power generator (PSU). The PSU has paid part of the project cost to the Group on commissioning of plant/Handover of Project. Remaining cost and the operations and maintenance cost is being recovered over the period of the project in accordance with the agreement with the PSU.

Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. It requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

As per the arrangement, the share of electricity revenue is divided into three parts i.e. towards deferred payment, interest income and operation and maintenance revenue. The Group has initially measured financial asset at fair value and subsequently at amortized cost by recognising share of electricity sale revenue first towards operation and maintenance revenue. Subsequent thereto, amount is recognised as interest income at computed Internal Rate of Return (IRR) on opening balance of the financial asset. Further, surplus of revenue share over and above operation and maintenance revenue and interest income is recognised as recovery of the financial asset.

3.13 Critical accounting estimates and judgements

In the application of the Group's accounting policies, the Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

Notes to the Consolidated Financial Statements

3. Other Significant Accounting Policies, critical accounting estimates and judgements (Contd.)

The areas involving critical estimates or judgements are:

Estimates and judgements used for impairment assessment of property, plant and equipments of certain cash generating units (CGU) - Note 4

Estimation and judgements for impairment assessment of goodwill - Note 5a.

Estimations used for fair value of unquoted securities and impairment assessment of investments - Note 6

Estimation of defined benefit obligation - Note 25

Estimation of provision for warranty claims - Note 25

Estimates related to accrual of regulatory deferrals and revenue recognition - Note 18 and Note 28

Estimations used for determination of tax expenses and tax balances - Note 34 and Note 12

Estimates and judgements related to the assessment of liquidity risk - Note 40.4.3

Judgement to estimate the amount of provision required or to determine required disclosure related to litigation and claims against the Group - Note 36 and Note 37

Estimates and judgement are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

4. Property, Plant and Equipments

Accounting Policy

Property, plant and equipments is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price (net of trade discount and rebates) and any directly attributable cost of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalised in accordance with Ind AS 23. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Other Indirect expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress. When significant parts of plant and equipments are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipments as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the consolidated statement of profit and loss as incurred.

The accounting policy related to Right-of-Use Assets has been disclosed in Note 22.

Depreciation

Depreciation commences when an asset is ready for its intended use. Freehold land and assets held for sale are not depreciated.

Regulated Assets:

Depreciation on Property, plant and equipments in respect of electricity business of the Group covered under Part B of Schedule II of the Companies Act, 2013, has been provided on the straight line method at the rates specified in tariff regulations notified by respective Electricity Regulatory Commission ('Regulator').

Non Regulated Assets:

Depreciation is recognised on the cost of assets (other than freehold land and properties under construction) less their residual values over their estimated useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipments over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

4. Property, Plant and Equipments (Contd.)

Estimated useful lives of the Regulated and Non Regulated assets are as follows:

Type of asset	Useful lives
Hydraulic Works	40 years
Buildings-Plant	5 to 50 years
Buildings-Others	25 to 60 years
Coal Jetty	25 years
Railway Sidings, Roads, Crossings, etc.	5 to 40 years
Plant and Equipments (excluding Computers and Data Processing units)	3 to 40 years
Plant and Equipments (Computers and Data Processing units)	3 to 6 years
Transmission Lines, Cable Network, etc.	4 to 40 years
Furniture and Fixtures	5 to 40 years
Office Equipments	5 to 15 years
Motor Cars	4 to 15 years
Motor Lorries, Launches, Barges etc.	25 to 40 years
Ships	25 years
Helicopters	25 years

De-recognition

An item of property, plant and equipments is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipments is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in consolidated statement of profit and loss.

Impairment of tangible and intangible assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of or Group of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future post tax cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Group basis its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover the PPA period. To estimate Cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the market in which the asset is used.

Impairment losses of tangible and intangible assets are recognised in the consolidated statement of profit and loss.

Notes to the Consolidated Financial Statements

4. Property, Plant and Equipments (Contd.)

a. Owned Assets

Description	₹ crore														
	Freehold Land	Hydraulic Works	Buildings - Plant	Buildings - Others@	Coal Jetty	Roads, Railway sidings, crossings etc	Plant and Equipments	Transmission lines and cable network	Furniture and Fixtures	Office Equipments	Motor Vehicles, Launches, Barges, etc.	Ships	Helicopters	Assets Under Lease	Total
Balance as at 1st April, 2020	1,048.97	536.37	2,266.78	778.87	106.10	103.63	47,410.14	6,778.74	118.37	188.46	93.60	Nil	35.30	Nil	59,465.33
Additions	142.07	9.35	148.81	8.82	Nil	493.91	1,294.75	826.68	16.95	11.86	10.83	17.93	Nil	Nil	2,981.96
Acquisition through business combination (Refer Note 44)	Nil	Nil	Nil	27.60	Nil	Nil	Nil	3,713.26	0.88	3.36	0.13	Nil	Nil	Nil	3,745.23
Disposals	(0.35)	(0.43)	(1.64)	(1.02)	Nil	Nil	(151.42)	(5.80)	(2.31)	(15.78)	(18.07)	Nil	Nil	Nil	(196.82)
Exchange Movement	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(0.50)	Nil	Nil	(0.50)
Balance as at 31st March, 2021	1,190.69	545.29	2,413.95	814.27	106.10	597.54	48,553.47	11,312.88	133.89	187.90	86.49	17.43	35.30	Nil	65,995.20
Accumulated depreciation and impairment															
Balance as at 1st April, 2020	Nil	306.23	606.61	247.08	61.61	72.65	14,526.82	2,551.90	84.47	87.06	53.53	Nil	31.73	Nil	18,629.69
Depreciation Expense - Continuing Operations	Nil	10.33	73.25	28.30	5.60	1.66	1,891.19	399.68	7.44	16.74	7.19	1.20	0.02	Nil	2,442.60
Disposals	Nil	(0.31)	(0.67)	(1.01)	Nil	(0.04)	(117.70)	(4.31)	(1.98)	(5.95)	(11.96)	Nil	Nil	Nil	(143.93)
Exchange Movement	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.25	Nil	Nil	0.25
Balance as at 31st March, 2021	Nil	316.25	679.19	274.37	67.21	74.27	16,300.31	2,947.27	89.93	97.85	48.76	1.45	31.75	Nil	20,928.61
Net carrying amount															
As at 31st March, 2021	1,190.69	229.04	1,734.76	539.90	38.89	523.27	32,253.16	8,365.61	43.96	90.05	37.73	15.98	3.55	Nil	45,066.59
As at 31st March, 2020	1,048.97	230.14	1,660.17	531.79	44.49	30.98	32,883.32	4,226.84	33.90	101.40	40.07	Nil	3.57	Nil	40,835.64

4. Property, Plant and Equipments (Contd.)

a. Owned Assets

₹ crore

Description	Freehold Land	Hydraulic Works	Buildings - Plant	Buildings - Others @	Coal Jetty	Roads, Railway sidings, crossings etc	Plant and Railway equipments	Transmission lines and cable network	Furniture and Fixtures	Office Equipments	Motor Vehicles, Launches, Barges, etc.	Ships	Helicopters	Assets Under Lease	Total
Cost															
Balance as at 1st April, 2019	1,031.54	536.46	2,185.31	752.79	106.10	102.84	44,923.95	6,200.14	120.44	163.48	101.45	1,691.27	37.01	4.43	57,957.21
Reclassified to Right of Use Assets as at 1st April, 2019 (Refer Note 4b)	Nil	Nil	(0.26)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(4.69)
Additions	40.79	0.04	83.02	28.90	Nil	1.07	2,398.25	580.71	4.18	29.23	11.84	Nil	Nil	Nil	3,178.03
Disposals	(0.15)	Nil	(1.61)	(2.37)	Nil	(0.05)	(129.84)	(1.42)	(6.31)	(4.25)	(19.69)	(566.88)	Nil	Nil	(732.57)
Exchange Movement	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.05	Nil	Nil	156.07	Nil	Nil	156.12
Reclassified from/to as held for sale (Refer Note 17a)	(23.21)	(0.13)	0.32	(0.45)	Nil	(0.23)	217.78	(0.69)	0.01	Nil	Nil	(1,280.46)	(1.71)	Nil	(1,088.77)
Balance as at 31st March, 2020	1,048.97	536.37	2,266.78	778.87	106.10	103.63	47,410.14	6,778.74	118.37	188.46	93.60	Nil	35.30	Nil	59,465.33
Accumulated depreciation and impairment															
Balance as at 1st April, 2019	Nil	293.86	543.28	221.15	56.01	70.72	12,696.40	2,276.43	81.55	72.91	54.46	454.75	33.25	0.94	16,855.71
Reclassified to Right of Use Assets as at 1st April, 2019 (Refer Note 4b)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(0.94)
Depreciation Expense - Continuing Operations	Nil	12.37	63.76	28.15	5.60	1.98	1,824.27	276.14	8.71	18.40	10.35	65.82	0.02	Nil	2,315.57
Disposals	Nil	Nil	(1.28)	(2.34)	Nil	(0.05)	(79.27)	(0.67)	(5.84)	(4.25)	(11.28)	(531.91)	Nil	Nil	(636.89)
Exchange Movement	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.04	Nil	Nil	11.34	Nil	Nil	11.38
Reclassified from/to as held for sale (Refer Note 17a)	Nil	Nil	0.85	0.12	Nil	Nil	85.42	Nil	0.01	Nil	Nil	Nil	(1.54)	Nil	84.86
Balance as at 31st March, 2020	Nil	306.23	606.61	247.08	61.61	72.65	14,526.82	2,551.90	84.47	87.06	53.53	Nil	31.73	Nil	18,629.69
Net carrying amount															
As at 31st March, 2020	1,048.97	230.14	1,660.17	531.79	44.49	30.98	32,883.32	4,226.84	33.90	101.40	40.07	Nil	3.57	Nil	40,835.64
As at 31st March, 2019	1,031.54	242.60	1,642.03	531.64	50.09	32.12	32,227.55	3,923.71	38.89	90.57	46.99	1,236.52	3.76	3.49	41,101.50

Notes:

- During the previous year, the Group had recognised an impairment charge of ₹ 18.07 crore against carrying value of Rithala power generation plant (Net carrying value of ₹ 20.04 crore has been classified as assets held for sale).
 - Total Impairment recognised as at 31st March, 2021 is ₹ 408.18 crore (31st March, 2020 - ₹ 408.18 crore).
- Refer Note 21 for charge created on Property, Plant and Equipments.
- The title deeds of immovable properties included in property, plant and equipments are held in the name of the Group, except for:
 - immovable properties aggregating to ₹ 0.88 crore (31st March, 2020 - ₹ 0.88 crore) acquired during merger of Chemical Terminal Trombay Ltd. in the earlier year for which registration of title of deeds is in progress;
 - immovable properties aggregating to ₹ 8.01 crore (31st March, 2020 - ₹ 8.01 crore) acquired in earlier years for which registration of title of deeds is in progress;
 - immovable properties aggregating to Nil (31st March, 2020 - ₹ 27.57 crore) for which the title deed is in dispute and pending resolution as at 31st March, 2021.
- The Group has received advance of ₹ 113.56 crore towards the sale of Dehradun land aggregating to ₹ 215.55 crore (Gross value ₹ 225.65 crore) (31st March, 2020 - ₹ 215.55 crore). The title deed of the above land is pending registration. (Refer Note 17a).

Notes to the Consolidated Financial Statements

4. Property, Plant and Equipments (Contd.) b. Right-of-Use Assets - ROU (Refer Note 22)

Description						₹ crore
	Land	Plant and Equipments	Building-Plant	Port and Intake Channel	Ships	Total
Cost						
Balance as at 1st April 2020	1,022.01	14.52	11.97	2,362.54	669.98	4,081.02
Exchange Movement	Nil	(0.08)	Nil	Nil	(21.55)	(21.63)
Additions	14.21	Nil	17.82	59.77	Nil	91.80
Disposals	(48.72)	Nil	Nil	Nil	Nil	(48.72)
Balance as at 31st March, 2021	987.50	14.44	29.79	2,422.31	648.43	4,102.47
Accumulated depreciation and impairment						
Balance as at 1st April 2020	119.26	4.88	2.95	73.36	53.60	254.05
Depreciation Expense - Continuing Operations	50.68	5.58	4.20	75.50	52.66	188.62
Disposals	(19.96)	Nil	Nil	Nil	Nil	(19.96)
Exchange Movement	Nil	Nil	Nil	Nil	(2.51)	(2.51)
Balance as at 31st March, 2021	149.98	10.46	7.15	148.86	103.75	420.20
Net carrying amount						
As at 31st March, 2021	837.52	3.98	22.64	2,273.45	544.68	3,682.27
As at 31st March, 2020	902.75	9.64	9.02	2,289.18	616.38	3,826.97

Description						₹ crore
	Land	Plant and Equipments	Building-Plant	Port and Intake Channel	Ships	Total
Cost						
Balance on transition to Ind AS 116 as at 1st April 2019	821.60	11.43	7.73	2,332.32	613.39	3,786.47
Exchange Movement	Nil	Nil	Nil	Nil	56.59	56.59
Additions	69.31	3.09	0.08	30.22	Nil	102.70
Disposals	Nil	Nil	(0.53)	Nil	Nil	(0.53)
Reclassified to ROU at 1st April, 2019 (Refer Note 4a and 5b)	174.71	Nil	4.69	Nil	Nil	179.40
Reclassified as held for Sale (Refer Note 17a)	(43.61)	Nil	Nil	Nil	Nil	(43.61)
Balance as at 31st March, 2020	1,022.01	14.52	11.97	2,362.54	669.98	4,081.02
Accumulated depreciation and impairment						
Depreciation Expense - Continuing Operations	66.63	4.88	2.01	73.36	50.30	197.18
Exchange Movement	Nil	Nil	Nil	Nil	3.30	3.30
Reclassified to ROU at 1st April, 2019 (Refer Note 4a and 5b)	52.63	Nil	0.94	Nil	Nil	53.57
Balance as at 31st March, 2020	119.26	4.88	2.95	73.36	53.60	254.05
Net carrying amount						
As at 31st March, 2020	902.75	9.64	9.02	2,289.18	616.38	3,826.97
As at 1st April, 2019	821.60	11.43	7.73	2,332.32	613.39	3,786.47

Description	₹ crore	
	As at 31st March, 2021	As at 31st March, 2020
Net carrying amount		
a. Owned Assets	45,066.59	40,835.64
b. Right of Use Assets	3,682.27	3,826.97
Total	48,748.86	44,662.61

5 a. Goodwill

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Cost		
Balance at beginning of year	1,641.57	1,641.57
Additions during the year (Refer Note 44)	153.00	Nil
Balance at end of year	1,794.57	1,641.57

Impairment assessment of Goodwill (other than acquired during the year)

In accordance with IND AS 36 "Impairment of Assets" the Group performed impairment testing of Goodwill assigned to each Cash Generating Unit (CGU) as at 31st March, 2021 applying value in use approach across all the CGUs i.e. using cash flow projections based on financial budgets covering contracted power sale agreements with procurers (15 to 20 years) considering a discount rate (pre-tax) in the range of 8.86% per annum. The Group has used financial projections for 15 to 20 years as the tariff rates are fixed as per PPA.

Based on the results of the Goodwill impairment test, the estimated value in use in all CGUs were higher than their respective carrying amount, hence impairment provision recorded during the current year is Nil (31st March, 2020 - Nil). Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the Goodwill.

The key assumptions used in the value in use calculations for the power cash-generating unit are as follows:

Operation & Maintenance cost inflation	Escalation of 5%
Discount Rate	8.86% (31st March, 2020 10.05% to 10.54%) Pre-Tax Discount rate has been derived based on current cost of borrowing and equity rate of return in line with the current market expectations.
Plant load factor (PLF)	Plant load factor is estimated for each CGU based on past trend of PLF and expected PLF in future years

5 b. Other Intangible Assets

Accounting Policy

Intangible Assets acquired separately

Intangible Assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses if any.

Internally generated intangibles

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Derecognition of Intangible Assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in consolidated statement of profit and loss when the asset is derecognised.

Amortisation of Intangible Assets

Intangible assets with finite lives are amortised over the useful economic life on straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Notes to the Consolidated Financial Statements

5 b. Other Intangible Assets (Contd.)

Estimated useful lives of the Intangible Assets are as follows:

Type of asset	Useful lives
Copyrights, patents, other intellectual property rights, services and operating rights	5 years
Right-of-Use Assets (Intake Channel)	5 years
Customer Contracts acquired under business combination	12 to 25 years
Computer Software	3 to 6 years
Power Distribution Rights	20 years

For accounting policy related to impairment has been disclosed in Note 4

Description	₹ crore					
	Copyrights, patents, other intellectual property rights, services and operating rights #	Right-of-Use Assets (Intake Channel) \$	Customer Contracts acquired under business combination	Computer Software \$	Power Distribution Rights @	Total
Cost						
Balance as at 1st April, 2020	4.60	Nil	1,386.14	415.20	70.51	1,876.45
Reclassified to Right-of-Use Assets as at 1st April, 2019 (Refer Note 4b)	Nil	Nil	Nil	Nil	(0.32)	(0.32)
Additions	0.63	Nil	Nil	71.74	25.36	97.73
Disposals	(0.26)	Nil	Nil	(0.11)	(0.06)	(0.43)
Balance as at 31st March, 2021	4.97	Nil	1,386.14	486.83	95.49	1,973.43
Accumulated amortisation and impairment						
Balance as at 1st April, 2020	2.72	Nil	226.36	279.93	5.26	514.27
Amortisation expense - Continuing Operations	2.13	Nil	59.80	47.62	4.17	113.72
Disposals	(0.26)	Nil	Nil	(0.11)	(0.04)	(0.41)
Balance as at 31st March, 2021	4.59	Nil	286.16	327.44	9.39	627.58
Net carrying amount						
As at 31st March, 2021	0.38	Nil	1,099.98	159.39	86.10	1,345.85
As at 31st March, 2020	1.88	Nil	1,159.78	135.27	65.25	1,362.18

Description	₹ crore					
	Copyrights, patents, other intellectual property rights, services and operating rights #	Right-Of-Use Assets (Intake Channel) \$	Customer Contracts acquired under business combination	Computer Software \$	Power Distribution Rights @	Total
Cost						
Balance as at 1st April, 2019	12.92	174.71	1,386.14	393.32	47.09	2,014.18
Reclassified to Right-Of-Use Assets as at 1st April, 2019 (Refer Note 4b)	Nil	(174.71)	Nil	Nil	Nil	(174.71)
Additions	0.75	Nil	Nil	21.91	23.78	46.44
Disposals	(9.07)	Nil	Nil	(0.03)	(0.36)	(9.46)
Balance as at 31st March, 2020	4.60	Nil	1,386.14	415.20	70.51	1,876.45
Accumulated amortisation and impairment						
Balance as at 1st April, 2019	11.22	52.75	162.21	224.15	2.03	452.36
Reclassified to Right of Use Assets as at 1st April, 2019 (Refer Note 4b)	Nil	(52.75)	Nil	Nil	Nil	(52.75)
Amortisation expense - Continuing Operations	0.57	Nil	64.15	55.81	3.23	123.76
Disposals	(9.07)	Nil	Nil	(0.03)	Nil	(9.10)
Balance as at 31st March, 2020	2.72	Nil	226.36	279.93	5.26	514.27

5 b. Other Intangible Assets (Contd.)

Net carrying amount						
As at 31st March, 2020	1.88	Nil	1,159.78	135.27	65.25	1,362.18
As at 31st March, 2019	1.70	121.96	1,223.93	169.17	45.06	1,561.82

Notes:

Internally generated intangible assets.

\$ Other than internally generated Intangible Assets.

@ Power Distribution Rights relate to the value of construction service obligation for construction and upgradation of the power supply infrastructure in Ajmer city as per the agreement with Ajmer Vidyut Vitaran Nigam Ltd.

Depreciation/Amortisation-Continuing Operations

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Depreciation on Tangible Assets	2,442.60	2,315.57
Add: Depreciation on Right-of-Use Assets	188.62	197.18
Add: Amortisation on Intangible Assets	113.72	123.76
Less: Depreciation/Amortisation Capitalised	Nil	2.95
Total	2,744.94	2,633.56

6 a. Investments accounted for using the Equity Method

	As at 31st March, 2021 Quantity	As at 31st March, 2020 Quantity	Face Value (in ₹ unless stated otherwise)	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
I Investment in Associates					
(a) Investment in Equity Shares fully Paid-up					
Unquoted					
Brihat Trading Pvt. Ltd.	3,350	3,350	10	0.01	0.01
The Associated Building Co. Ltd.	1,825	1,825	900	3.69	3.30
Yashmun Engineers Ltd.	19,200	19,200	100	4.28	4.28
Dagachhu Hydro Power Corporation Ltd.	10,74,320	10,74,320	Nu 1,000	97.30	80.47
Tata Projects Ltd.	9,67,500	9,67,500	100	690.73	642.20
	A			796.01	730.26
II Investment in Joint Ventures					
(a) Investment in Equity Shares fully Paid-up					
Unquoted					
PT Kaltim Prima Coal	1,23,540	1,23,540	USD 100	4,395.44 **	4,357.21 **
Indocoal Resources (Cayman) Ltd.	300	300	USD 1	3,192.35	3,794.31
PT Indocoal Kaltim Resources	82,380	82,380	IDR 10,000	0.25	0.32
PT Nusa Tambang Pratama	18,000	18,000	IDR 10,000	746.05	1,521.47
Candice Investments Pte. Ltd.	3	3	SGD 1	25.22	28.86
PT Marvel Capital Indonesia	1,07,459	1,07,459	IDR 10,000	Nil *	Nil *
			IDR		
PT Dwikarya Prima Abadi	10,769	10,769	1,00,000	68.63	284.89
PT Kalimantan Prima Power	7,500	7,500	USD 100	205.16	204.91
Indocoal KPC Resources (Cayman) Ltd.	300	300	USD 1	0.82	0.90
Adjaristsqali Netherlands B.V.	20,573	16,459	Euro 1	231.18 **	265.88 **
Khoromkheti Netherlands B.V.	500	500	Euro 1	Nil	Nil
Resurgent Power Ventures Pte. Ltd.	5,46,319	77,929	USD 1	436.52	353.00
Powerlinks Transmission Ltd. (Refer Note 4 below)	23,86,80,000	23,86,80,000	10	488.80	484.43

Notes to the Consolidated Financial Statements

6 a. Investments accounted for using the Equity Method (Contd.)

	As at 31st March, 2021 Quantity	As at 31st March, 2020 Quantity	Face Value (in ₹ unless stated otherwise)	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Industrial Energy Ltd. (Refer Note 4 below)	49,28,40,000	49,28,40,000	10	700.62	617.54
Dugar Hydro Power Ltd.	4,32,50,002	4,32,50,002	10	31.77	23.55
Tubed Coal Mines Ltd.	1,01,97,800	1,01,97,800	10	Nil	Nil
Mandakini Coal Company Ltd. (Refer Note 4 below)	3,93,00,000	3,93,00,000	10	Nil	Nil
				10,522.81	11,937.27
Quoted					
PT Baramulti Sukessarana Tbk.	68,02,90,000	68,02,90,000	IDR 100	1,339.63 **	1,346.74 **
				11,862.44	13,284.01
** Less: Impairment in the value of Investments [Refer Note 6b (i) (a) & (b)]					
				1,004.68	1,030.69
	B			10,857.76	12,253.32
(b) Investment in Perpetual Securities in Joint Ventures					
Unquoted					
Adjaristsqali Netherlands B.V.		N.A.	N.A.	266.86	219.07
	C			266.86	219.07
Total	A+B+C			11,920.63	13,202.65

Notes:

*Denotes figure below ₹ 50,000

**Impairment in the value of Investments

1. Aggregate Market Value of Quoted Investments	503.41	588.31
2. Aggregate Carrying Value of Quoted Investments (Net of Impairment)	1,069.11	1,067.23
3. Aggregate Carrying Value of Unquoted Investments (Net of Impairment)	10,851.52	12,135.42
4. Shares pledged		

The Group has pledged shares of joint ventures with the lenders for borrowings availed by the respective joint ventures.

Details	Category	31st March, 2021 Nos.	31st March, 2020 Nos.
Itezhi Tezhi Power Corporation \$	Joint Venture	4,52,500	4,52,500
Mandakini Coal Company Ltd.	Joint Venture	2,00,43,000	2,00,43,000
Powerlinks Transmission Ltd.	Joint Venture	23,86,80,000	23,86,80,000
Industrial Energy Ltd.	Joint Venture	25,13,48,400	25,13,48,400

\$ Classified as held for sale

III Details of Material Associates

Details of each of the Group's Material Associates at the end of the reporting period are as follows:

Sr. No.	Name of Associate	Principal Activity	Country of Incorporation and Principal Place of Business	Proportion of Ownership Interest / Voting Rights held by the Group	
				As at 31st March, 2021	As at 31st March, 2020
A	Tata Projects Ltd.	EPC Contracts	India	47.78%	47.78%
B	Dagachhu Hydro Power Corporation Ltd.	Hydro Power Generation Company	Bhutan	26.00%	26.00%

6 a. Investments accounted for using the Equity Method (Contd.)

Summarised Financial Information of Material Associates

A Tata Projects Ltd.

Summarised Balance Sheet	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Non-current Assets	1,310.59	1,842.34
Current Assets	14,682.94	12,822.83
Non-current Liabilities	(1,834.82)	(1,676.15)
Current Liabilities	(12,748.64)	(11,680.70)
Net Assets- Gross	1,410.07	1,308.32
Less: Non-controlling interest	9.32	10.73
Net Assets- Net	1,400.75	1,297.59

Summarised Statement of Profit and Loss	For the year ended 31st March, 2021 ₹ crore	For the year ended 31st March, 2020 ₹ crore
Revenue	12,187.38	10,687.05
Profit/(Loss) for the year	125.70	108.65
Other Comprehensive Income/(Expenses) for the year	(21.45)	(35.49)
Total Comprehensive Income/(Expenses) for the year	104.25	73.16
Reversal of Deferred Tax liability on unrealised profits	Nil	96.00
	104.25	169.16
Dividend received by the Group during the year	Nil	9.68

Reconciliation of the above summarised financial information to the carrying amount of the interest in Tata Projects Ltd. recognised in the consolidated financial statements:

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Net Assets of Tata Projects Ltd.	1,400.75	1,297.59
Proportion of the Group's ownership interest in Tata Projects Ltd.	47.78%	47.78%
	667.43	618.90
Goodwill	23.30	23.30
Deferred Tax Liability on Unrealised profits	Nil	Nil
Carrying amount of the Group's interest in Tata Projects Ltd.	690.73	642.20

B Dagachhu Hydro Power Corporation Ltd.

Summarised Balance Sheet	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Non-current Assets	1,053.90	1,054.54
Current Assets	18.79	25.69
Non-current Liabilities	(647.78)	(715.82)
Current Liabilities	(50.87)	(54.78)
Net Assets	374.03	309.63

Notes to the Consolidated Financial Statements

6 a. Investments accounted for using the Equity Method (Contd.)

Summarised Statement of Profit and Loss	For the year ended	For the year ended
	31st March, 2021	31st March, 2020
	₹ crore	₹ crore
Revenue	181.25	143.11
Profit/(Loss) for the year	64.74	(42.58)
Other Comprehensive Income/(Expenses) for the year	(0.33)	Nil
Total Comprehensive Income/(Expenses) for the year	64.41	(42.58)
Dividend received by the Group during the year	Nil	Nil

Reconciliation of the above summarised financial information to the carrying amount of the interest in Dagachhu Hydro Power Corporation Ltd. recognised in the consolidated financial statements:

	As at	As at
	31st March, 2021	31st March, 2020
	₹ crore	₹ crore
Net Assets of Dagachhu Hydro Power Corporation Ltd.	374.03	309.63
Proportion of the Group's ownership interest in Dagachhu Hydro Power Corporation Ltd.	26.00%	26.00%
Carrying amount of the Group's interest in Dagachhu Hydro Power Corporation Ltd.	97.30	80.47

IV Details of individually not Material Associates

Name of Associate	Principal Activity	Country of Incorporation and Principal Place of Business	Proportion of Ownership Interest / Voting Rights held by the Group	
			As at 31st March, 2021	As at 31st March, 2020
Yashmun Engineers Ltd.	Billing and other related Services	India	27.27%	27.27%
Brihat Trading Private Ltd.	Trading Business	India	33.21%	33.21%
The Associated Building Co. Ltd.	Services Provided for Building	India	33.14%	33.14%

Aggregate Summarised Financial Information of Associates that are not individually material

	As at	As at
	31st March, 2021	31st March, 2020
	₹ crore	₹ crore
The Group's share of Profit/(Loss) from Continuing Operations	0.93	2.10
The Group's share of Other Comprehensive Income/(Expenses)	(0.01)	Nil
The Group's share of Total Comprehensive Income/(Expenses)	0.92	2.10

	As at	As at
	31st March, 2021	31st March, 2020
	₹ crore	₹ crore
Aggregate carrying amount of the Group's interests in these Associates	7.98	7.55

	As at	As at
	31st March, 2021	31st March, 2020
	₹ crore	₹ crore
Unrecognised share of losses of an Associate	Nil	Nil

	As at	As at
	31st March, 2021	31st March, 2020
	₹ crore	₹ crore
Cumulative share of loss of an associate	Nil	Nil

6 a. Investments accounted for using the Equity Method (Contd.)

V Details and Financial Information of Material Joint Ventures at the end of the reporting period is as follows:

Sr. No.	Name of Joint Venture	Principal Activity	Country of Incorporation and Principal Place of Business	Proportion of Ownership Interest / Voting Rights held by the Group	
				As at 31st March, 2021	As at 31st March, 2020
A	PT Kaltim Prima Coal	Coal mining and exploration	Indonesia	30.00%	30.00%
B	Indocoal Resources (Cayman) Ltd. #	Coal Trading	Cayman Island	30.00%	30.00%
C	PT Nusa Tambang Pratama	Infrastructure Support for Coal Business	Indonesia	30.00%	30.00%
D	PT Baramulti Suksesarana Tbk	Coal mining and trading	Indonesia	26.00%	26.00%
E	Industrial Energy Ltd.	Power generation and operation of power plant	India	74.00%	74.00%

Based on Unaudited Financial Information, certified by its Management for the year ended 31st March, 2021.

A PT Kaltim Prima Coal

Summarised Balance Sheet	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Non-current Assets	2,633.42	4,752.12
Current Assets	4,824.48	4,592.79
Non-current Liabilities	(480.70)	(2,163.40)
Current Liabilities	(5,531.56)	(6,300.88)
Net Assets	1,445.64	880.63

The above amounts of assets and liabilities include the following:

Cash and Cash Equivalents	484.60	461.55
Current Financial Liabilities (excluding trade payables and provisions)	(1,813.39)	(2,292.92)
Non-current Financial Liabilities (excluding trade payables and provisions)	Nil	(1,070.16)

Summarised Statement of Profit and Loss	For the year ended 31st March, 2021 ₹ crore	For the year ended 31st March, 2020 ₹ crore
Revenue	21,662.75	24,628.04
Profit/(Loss) for the year	909.59	1,205.85
Other Comprehensive Income/(Expense) for the year	(10.46)	11.75
Total Comprehensive Income/(Expense) for the year	899.13	1,217.60
Dividend received by the Group during the year	1,757.62	1,678.78
The above profit/(loss) for the year include the following:		
Depreciation and Amortisation	2,524.56	1,369.55
Interest Income	43.10	56.20
Interest Expense	140.67	69.99
Income-tax Expense	852.85	1,212.38

Reconciliation of the above summarised financial information to the carrying amount of the interest in PT Kaltim Prima Coal recognised in the consolidated financial statements:

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Net Assets of PT Kaltim Prima Coal	1,445.64	880.63
Proportion of the Group's ownership interest in PT Kaltim Prima Coal	30.00%	30.00%
	433.69	264.19
carried forward	433.69	264.19

Notes to the Consolidated Financial Statements

6 a. Investments accounted for using the Equity Method (Contd.)

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
brought forward	433.69	264.19
Goodwill	3,961.75	4,093.02
Carrying amount of the Group's interest in PT Kaltim Prima Coal	4,395.44	4,357.21
Impairment of Goodwill	(512.30)	(529.32)
Carrying amount of the Group's interest in PT Kaltim Prima Coal (net of impairment)	3,883.14	3,827.89

B Indocoal Resources (Cayman) Ltd.

Summarised Balance Sheet

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Non-current Assets	Nil	1,151.62
Current Assets	2,042.62	2,740.87
Non-current Liabilities	Nil	Nil
Current Liabilities	(1,126.10)	(1,292.63)
Net Assets	916.52	2,599.86

The above amounts of assets and liabilities include the following:

Cash and Cash Equivalents	Nil	Nil
Current Financial Liabilities (excluding trade payables and provisions)	(1,110.92)	(1,256.25)
Non-current Financial Liabilities (excluding trade payables and provisions)	Nil	Nil

Summarised Statement of Profit and Loss

	For the year ended 31st March, 2021 ₹ crore	For the year ended 31st March, 2020 ₹ crore
Revenue	Nil	Nil
Profit/(Loss) for the year	16.33	53.48
Other Comprehensive Income/(Expense) for the year	Nil	Nil
Total Comprehensive Income/(Expense) for the year	16.33	53.48

Dividend received by the Group during the year

The above profit/(loss) for the year include the following:

Depreciation and Amortisation	Nil	Nil
Interest Income	22.15	34.76
Interest Expense	Nil	Nil
Income-tax Expense	Nil	Nil

Reconciliation of the above summarised financial information to the carrying amount of the interest in Indocoal Resources (Cayman) Ltd. recognised in the consolidated financial statements:

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Net Assets of Indocoal Resources (Cayman) Ltd.	916.52	2,599.86
Proportion of the Group's ownership interest in Indocoal Resources (Cayman) Ltd.	30.00%	30.00%
	274.96	779.96
Goodwill	2,917.39	3,014.35
Carrying amount of the Group's interest in Indocoal Resources (Cayman) Ltd.	3,192.35	3,794.31

6 a. Investments accounted for using the Equity Method (Contd.)

C PT Nusa Tambang Pratama

Summarised Balance Sheet	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Non-current Assets	1,917.41	2,130.73
Current Assets	1,464.92	4,421.75
Non-current Liabilities	(116.72)	(145.49)
Current Liabilities	(778.77)	(1,331.94)
Net Assets	2,486.84	5,075.05
The above amounts of assets and liabilities include the following:		
Cash and Cash Equivalents	123.76	211.14
Current Financial Liabilities (excluding trade payables and provisions)	(638.50)	(1,260.02)
Non-current Financial Liabilities (excluding trade payables and provisions)	Nil	Nil

Summarised Statement of Profit and Loss	For the year ended 31st March, 2021 ₹ crore	For the year ended 31st March, 2020 ₹ crore
Revenue	934.63	1,064.97
Profit/(Loss) for the year	652.61	639.04
Other Comprehensive Income/(Expenses) for the year	0.13	(0.01)
Total Comprehensive Income/(Expenses) for the year	652.74	639.03
Dividend received by the Group during the year	Nil	Nil
The above profit/(loss) for the year include the following:		
Depreciation and Amortisation	147.17	140.54
Interest Income	51.79	79.47
Interest Expense	62.40	62.47
Income-tax Expense	164.99	212.74

Reconciliation of the above summarised financial information to the carrying amount of the interest in PT Nusa Tambang Pratama recognised in the consolidated financial statements:

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Net Assets of PT Nusa Tambang Pratama	2,486.84	5,075.05
Proportion of the Group's ownership interest in PT Nusa Tambang Pratama	30.00%	30.00%
Carrying amount of the Group's interest in PT Nusa Tambang Pratama	746.05	1,522.52

D PT Baramulti Suksessarana TBK

Summarised Balance Sheet	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Non-current Assets	1,220.39	1,314.57
Current Assets	786.12	593.23
Non-current Liabilities	(106.52)	(104.66)
Current Liabilities	(435.92)	(435.83)
Net Assets	1,464.07	1,367.31

Notes to the Consolidated Financial Statements

6 a. Investments accounted for using the Equity Method (Contd.)

The above amounts of assets and liabilities include the following:

Cash and Cash Equivalents	281.06	250.22
Current Financial Liabilities (excluding trade payables and provisions)	(38.05)	(50.90)
Non-current Financial Liabilities (excluding trade payables and provisions)	(57.28)	(61.38)

Summarised Statement of Profit and Loss

	For the year ended 31st March, 2021 ₹ crore	For the year ended 31st March, 2020 ₹ crore
Revenue	2,358.18	2,935.80
Profit/(Loss) for the year	222.07	277.02
Other Comprehensive Income/(Expense) for the year	(3.24)	(3.92)
Total Comprehensive Income/(Expense) for the year	218.83	273.10
Dividend received by the Group during the year	19.29	18.43
The above profit/(loss) for the year include the following:		
Depreciation and amortisation	107.74	125.46
Interest Income	2.58	1.87
Interest Expense	5.90	8.02
Income-tax Expense	70.42	93.54

Reconciliation of the above summarised financial information to the carrying amount of the interest in PT Baramulti Suksessarana Tbk recognised in the consolidated financial statements:

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Net Assets of PT Baramulti Suksessarana Tbk	1,464.07	1,367.31
Proportion of the Group's ownership interest in PT Baramulti Suksessarana Tbk	26.00%	26.00%
	380.66	355.50
Goodwill	958.97	991.24
Carrying amount of the Group's interest in PT Baramulti Suksessarana Tbk	1,339.63	1,346.74
Impairment of Goodwill	(270.52)	(279.51)
Carrying amount of the Group's interest in PT Baramulti Suksessarana Tbk (net of impairment)	1,069.11	1,067.23

E Industrial Energy Ltd.

Summarised Balance Sheet

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Non-current Assets	1,637.24	1,635.15
Current Assets	268.09	265.75
Non-current Liabilities	(724.66)	(788.44)
Current Liabilities	(233.87)	(277.94)
Net Assets	946.80	834.52
The above amounts of assets and liabilities include the following:		
Cash and Cash Equivalents	6.50	3.83
Current Financial Liabilities (excluding trade payables and provisions)	(201.15)	(248.83)
Non-current Financial Liabilities (excluding trade payables and provisions)	(503.88)	(575.53)

6 a. Investments accounted for using the Equity Method (Contd.)

Summarised Statement of Profit and Loss	For the year ended	For the year ended
	31st March, 2021	31st March, 2020
	₹ crore	₹ crore
Revenue	297.90	301.29
Profit/(Loss) for the year	111.64	148.52
Other Comprehensive Income/(Expense) for the year	0.64	(0.37)
Total Comprehensive Income/(Expense) for the year	112.28	148.15
Dividend received by the Group during the year	Nil	49.28
The above profit/(loss) for the year include the following:		
Depreciation and Amortisation	Nil	Nil
Interest Income	0.31	0.56
Interest Expense	51.62	53.84
Income-tax Expense	38.16	(3.82)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Industrial Energy Ltd. recognised in the consolidated financial statements:

	As at	As at
	31st March, 2021	31st March, 2020
	₹ crore	₹ crore
Net Assets of Industrial Energy Ltd.	946.80	834.52
Proportion of the Group's ownership interest in Industrial Energy Ltd.	74.00%	74.00%
Carrying amount of the Group's interest in Industrial Energy Ltd.	700.62	617.54

VI Details and Financial Information of Individually not Material Joint Ventures at the end of the reporting period is as follows:

Name of Joint Venture	Principal Activity	Country of Incorporation and Principal Place of Business	Proportion of Ownership Interest / Voting Rights held by the Group	
			As at 31st March, 2021	As at 31st March, 2020
PT Indocoal Kaltim Resources #	Infrastructure Support for Coal Business	Indonesia	30.00%	30.00%
Candice Investments Pte. Ltd.#	Investments	Singapore	30.00%	30.00%
PT Marvel Capital Indonesia #	Infrastructure Support for Coal Business	Indonesia	30.00%	30.00%
PT Dwikarya Prima Abadi #	Infrastructure Support for Coal Business	Indonesia	30.00%	30.00%
PT Kalimantan Prima Power	Electricity Support Services	Indonesia	30.00%	30.00%
Indocoal KPC Resources (Cayman) Ltd. #	Coal Trading	Cayman Island	30.00%	30.00%
Adjaristsqali Netherlands BV	Hydro power generation	Netherlands	50.00%	40.00%
Koromkheti Netherlands BV #	Hydro power generation	Netherlands	40.00%	40.00%
Resurgent Power Ventures Pte Ltd.	Investments and Services	Singapore	26.00%	26.00%
Powerlinks Transmission Ltd.	Power Transmission	India	51.00%	51.00%
Dugar Hydro Power Ltd.	Hydro power generation	India	50.00%	50.00%
Tubed Coal Mines Ltd. #	Coal mining and trading	India	40.00%	40.00%
Mandakini Coal Company Ltd. #	Coal mining and trading	India	33.33%	33.33%

Based on Unaudited Financial Information, certified by its Management for the year ended 31st March, 2021.

Notes to the Consolidated Financial Statements

6 a. Investments accounted for using the Equity Method (Contd.)

Aggregate Summarised Financial Information of Joint Ventures that are not individually material

	For the year ended 31st March, 2021 ₹ crore	For the year ended 31st March, 2020 ₹ crore
The Group's share of profit/(loss) from continuing operations	181.66	62.17
The Group's share of Other Comprehensive Income/(Expense)	Nil	Nil
The Group's share of Total Comprehensive Income/(Expense)	181.66	62.17
	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Aggregate carrying amount of the Group's interests in these Joint Ventures	1,755.21	1,864.75
Impairment of Investments	(221.86)	(221.86)
Carrying amount of the Group's interest in these Joint Ventures	1,533.35	1,642.89
	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
The unrecognised share of profit of Joint Ventures for the year	*	*

Note:

* Denotes figures below ₹ 50,000/-.

- 6b. (i) (a) The Group had in accordance with Ind AS 36 – “Impairment of Assets”, carried out impairment assessment of its Mundra Ultra Mega Power Project (UMPP), shipping assets along with investments in Indonesian mining companies PT Kaltim Prima Coal (KPC) and PT Baramulti Suksessarana TBK (BSSR). All these Companies constitute a single cash generating unit (Mundra CGU). The Group has performed the impairment reassessment and determined the value in use based on estimated cash flow projections over the life of the assets included in CGU. The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. For Mundra power plant, future cash flows is estimated based on remaining period of long term power purchase agreement (PPA) and thereafter based on management's estimate on tariff and other assumptions. Cash flow projection of Mines is derived based on estimated coal production considering the renewal of license for operating the Mines. Upto the previous year, the Group has recognised net impairment of ₹ 1,119.77 crore against carrying value of Mundra CGU which consists of impairment of investment of ₹ 808.83 crore, impairment of property, plant and equipments ₹ 308.18 crore and impairment of intangible assets ₹ 2.76 crore.

During the year, the Group has performed the impairment reassessment and determined the value in use based on estimated cash flow projections over the life of the assets included in Mundra CGU. A reassessment of the assumptions used in estimating the impact of impairment, combined with the significant impact of unwinding of a year's discount on the cash flows, would result in a reversal of ₹ 1,119.77 crore of provision for impairment. Considering the significant uncertainties arising from ongoing renegotiation of the Mundra Power Purchase Agreement (PPA), as recommended by the High Powered Committee (HPC) and the pending renewal of the mining license in Indonesian coal mines, the Group has not effected such a reversal. The reversal of impairment has not resulted from any significant improvement in the estimated service potential of the concerned CGU.

Key assumptions used for value in use calculation include coal prices, energy prices post the PPA period, discount rates and exchange rates. Short term coal prices and energy prices used in three to five years projections are based on market survey and expert analysis report. Afterwards increase in cost of coal and exchange rates are considered based on long term historical trend. Further, the Management strongly believes that mine licenses will be renewed post expiry. Discount rate represents the current market assessment of the risk specific to CGU taking into consideration the time value of money. Pre tax discount rate used in the calculation of value in use of investment in power plant is 10.50% p.a. (31st March 2020: 10.87% p.a.) and investment in coal mines and related infrastructure companies is 14.11% p.a. (31st March 2020: 12.68% p.a.).

6 b. Investments accounted for using the Equity Method (Contd.)

(b) The Group holds investments in Adjaristsqali Netherlands B.V. (ABV) (a Joint Venture of the Group) operating 187 MW hydro power plant in Georgia. In the past, the Group, in accordance with Ind AS 36 – “Impairment of Assets” had recognized impairment provision on investment of ₹ 459.06 crore and financial guarantee obligation of ₹ 103.74 crore. Pursuant to debt restructuring of ABV, execution of long-term power purchase agreement (PPA) with Government of Georgia, receipt of insurance claims and start of commercial operations, the Group performed the recoverability assessment and recognised the reversal of impairment of ₹ 235.00 crore comprising of reversal of ₹ 103.74 towards financial guarantee obligation and reversal of ₹ 131.26 towards its investment in ABV which has been disclosed as an exceptional item in the statement of profit and loss.

- (ii) During the previous year, the Group has sold its investments in Cennergi Pty. Ltd. (a joint venture company of the Group) and recognised a gain on sale of investments amounting to ₹ 532.51 crore. Further, the Group has hedged its receivable against consideration to be received, gain on hedge instrument of ₹ 105.09 crore has been recognised in other income.

6 c. Other Investments

	As at 31st March, 2021 Quantity	As at 31st March, 2020 Quantity	Face Value (in ₹ unless stated otherwise)	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
I Investments designated at Fair Value through Other Comprehensive Income					
(a) Investment in Equity Shares fully Paid-up					
Quoted					
Voltas Ltd.	2,33,420	2,33,420	1	23.39	11.13
Tata Consultancy Services Ltd.	766	766	1	0.24	0.14
Tata Motors Ltd.	3,57,159	3,57,159	10	10.78	2.53
Tata Motors Ltd. - Differential Voting Rights	51,022	51,022	10	0.65	0.16
Tata Investment Corporation Ltd.	7,94,416	7,94,416	2	82.26	50.12
Bharti Airtel Ltd	62,919	Nil	10	3.25	Nil
				120.57	64.08
(b) Investment in Equity Shares fully Paid-up					
Unquoted					
Tata Industries Ltd. *	68,28,669	68,28,669	100	115.47	115.47
Tata Sons Pvt. Ltd. *	6,673	6,673	1,000	194.70	194.70
Haldia Petrochemicals Ltd.	2,24,99,999	2,24,99,999	10	56.48	56.48
Tata International Ltd. (Refer Note 4 below)	36,000	24,000	1,000	59.40	18.77
Tata Capital Ltd	23,33,070	23,33,070	10	12.29	12.29
Others				0.50	Nil
				438.84	397.71
Sub-total I (a) + I (b)				559.41	461.79
II Investments carried at Fair Value through Profit or Loss					
(a) Investment in Equity Shares fully Paid-up					
Quoted					
Geodynamics Ltd	2,94,00,000	2,94,00,000	AUD 1.50	1.44	2.86
(b) Investment in Equity Shares fully Paid-up					
Unquoted					
Zoroastrian Co-operative Bank Ltd.	6,000	6,000	25	0.16	0.16
Sub-total II (a) + II (b)				1.60	3.02

Notes to the Consolidated Financial Statements

6 c. Other Investments (Contd.)

	As at 31st March, 2021 Quantity	As at 31st March, 2020 Quantity	Face Value (in ₹ unless stated otherwise)	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
III Investments carried at Amortised Cost					
(a) Government Securities (Unquoted) fully Paid-up				3.03	40.00
(b) Statutory Investments					
Contingencies Reserve Fund Investments					
Government Securities (Unquoted) fully paid-up				164.84	127.87
Sub-total III (a) + III (b)				167.87	167.87
Total				728.88	632.68

Notes:

1. Aggregate Market Value of Quoted Investments	122.01	66.94
2. Aggregate Carrying Value of Quoted Investments	122.01	66.94
3. Aggregate Carrying Value of Unquoted Investments	606.87	565.74

4. During the year, the Group subscribed to right issue of equity shares 12,000 Nos. from Tata International Ltd.

*The cost of these investments approximate their fair value because there is a wide range of possible fair value measurements and the cost represents the best estimate of fair value within that range.

7. Trade Receivables (Unsecured unless otherwise stated)

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Non-current		
Considered Good - (Refer Note 37d.)	604.71	30.28
Credit Impaired	1.18	4.55
	605.89	34.83
Less: Allowance for Doubtful Trade Receivables	1.18	4.55
	604.71	30.28
Current		
Considered Good - Secured (Refer Note 1 below)	453.83	515.48
Considered Good - (Refer Note 2 and Note 3 below)	4,571.43	3,923.04
Credit Impaired	413.36	420.89
	5,438.62	4,859.41
Less: Allowance for Doubtful Trade Receivables	437.65	433.51
Total	5,000.97	4,425.90

Notes:

- The Group holds security deposits and Letter of Credit of ₹ 453.83 crore (31st March, 2020 - ₹ 515.48 crore).
- The carrying amount of trade receivable of ₹ 205.00 does not include receivables which are subject to a factoring arrangement. Under this arrangement, the Group has transferred the relevant receivables to the factor in exchange for cash on non recourse basis. The Group, therefore, has derecognised the said receivables under the factoring arrangement.
- Trade receivables include receivables amounting to ₹ 80.17 crore (31st March, 2020 - ₹ 299.79 crore) and ₹ 83.28 crore (31st March, 2020 - ₹ 86.03 crore) from Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) and Jaipur Vidyut Vitran Nigam Limited, respectively, which are subject to a 'bill discounting arrangement'. Under this arrangement, the Group has transferred the relevant receivables to the banks in exchange of cash and is prevented from selling or pledging the receivables. The cost of bill discounting is to the customer's account. However, the Group has retained late payment and credit risk. The Group therefore continues to recognise the transferred assets in their entirety in its financial statements. The amount repayable under the bills discounting arrangement is presented as unsecured/ secured borrowing having recourse to the Group and interest liability on amount of bill discounted is borne by the customer. The maturity period of the transfer is 6 to 9 months from the date of discounting.

7. Trade Receivables (Contd.)

7.1 Trade Receivables

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The expected credit loss allowance is not calculated on non current trade receivable on account of dispute. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Ageing of Receivables

	*Expected Credit Loss (%)	
	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Within the credit period	0.40%	0.13%
1-90 days past due	2.58%	1.79%
91-182 days past due	1.35%	0.59%
More than 182 days past due	16.26%	13.11%
* Excludes Special allowance		

Age of receivables

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Within the credit period	3,195.80	1,785.39
1-90 days past due	1,146.40	1,050.25
91-182 days past due	514.01	414.54
More than 182 days past due	1,188.30	1,644.06

Movement in the allowance for doubtful trade receivables

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Balance at the beginning of the year	438.06	396.02
Add: Expected credit loss allowance on trade receivables calculated at lifetime expected credit losses for the year	3.52	54.07
Add/(Less): Special allowance on trade receivables for the year	2.75	(12.03)
Balance at the end of the year	438.83	438.06

The concentration of credit risk is very limited due to the fact that the large customers are mainly Government entities and remaining customers base is large and widely dispersed and secured with security deposit.

Notes to the Consolidated Financial Statements

8. Loans - At Amortised Cost (Unsecured unless otherwise stated)

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Non-current		
(i) Security Deposits		
Considered Good	53.52	75.01
Credit Impaired	32.41	30.61
	85.93	105.62
<i>Less: Provision for Doubtful Security Deposits</i>	32.39	30.61
	53.54	75.01
(ii) Loans to Related Parties (Refer Note 39)		
Considered Good*	Nil	Nil
Credit Impaired	54.39	55.66
	54.39	55.66
<i>Less: Allowance for Doubtful Loans</i>	54.39	55.66
	Nil	Nil
(iii) Other Loans		
Loans to Employees		
Considered Good	4.60	5.87
Total	58.14	80.88
Current		
(i) Security Deposits		
Considered Good	28.44	30.70
Credit Impaired	5.48	4.78
	33.92	35.48
<i>Less: Allowances for Doubtful Security Deposits</i>	5.48	4.78
	28.44	30.70
(ii) Loans to Related Parties (Refer Note 39)		
Considered Good*	Nil	1.99
Credit Impaired	35.23	30.89
	35.23	32.88
<i>Less: Allowance for Doubtful Loans</i>	35.23	30.89
	Nil	1.99
(iii) Other Loans		
Loans to Employees		
Considered Good	2.27	0.31
Total	30.71	33.00

* Reclassified as Held for Sale. (Refer Note 17a.)

9. Finance Lease Receivable - At Amortised Cost (Unsecured unless otherwise stated)

Accounting Policy

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating lease. Amount due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term.

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Finance Lease Receivable - Non-current	598.61	588.92
Finance Lease Receivable - Current	41.45	33.20
Total	640.06	622.12

9. Finance Lease Receivable - At Amortised Cost (Contd.)

9.1 Leasing Arrangements

- (i) The Group has entered into Power Purchase Agreements (PPA) with a customer for its assets located at Jojobera. The assets relate to 30 years of take or pay agreements with the customer to supply electricity at a fixed plus variable charge. The customer, during the term of the PPAs has a right to purchase the assets and at the end of the contract is obligated to purchase same on the basis of the valuation to be determined as per the PPAs. The Group has recognised an amount of ₹ 84.86 crore (31st March, 2020 ₹ 88.91 crore) as income for finance lease during the year ended 31st March, 2021.
- (ii) The Group has entered into Power Purchase Agreements (PPA) with various customers for its rooftop solar assets located across various locations. As this arrangement is dependent on the use of a specific asset and conveys a right to use on the customer, it qualifies as a lease. As these are long tenor PPAs spread over a major part of the economic life of the asset, this arrangement has been categorized as a finance lease. The Group has recognised an amount of ₹ 6.57 crore (31st March, 2020 ₹ 2.64 crore) as income for finance lease during the year ended 31st March, 2021.

9.2 Amount receivable under Finance Lease

Particulars	₹ crore	
	Minimum Lease Payments As at 31st March, 2021	Minimum Lease Payments As at 31st March, 2020
Less than a year	126.75	117.66
One to two years	120.12	114.26
Two to three years	118.93	113.24
Three to four years	117.79	112.13
Four to five years	115.94	111.10
Total (A)	599.53	568.39
More than five years (B)	641.50	680.20
Total (A+B)	1,241.03	1,248.59
Unearned finance income	600.97	626.47
Present Value of Minimum Lease Payments Receivable	640.06	622.12

Lessor - Operating Lease

The Group has entered into operating leases for its certain building, plant and machinery and other equipments. These typically have lease terms of between 1 and 10 years. The Group has recognized an amount of ₹ 11.98 crore (31st March, 2020 - ₹ 10.81 crore) as rental income for operating lease during the year ended 31st March, 2021.

10. Other Financial Assets - At Amortised Cost

(Unsecured unless otherwise stated)

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Non-current		
(i) Receivables under Service Concession Agreement	196.14	199.48
(ii) Unbilled Revenue	104.47	95.33
(iii) Others		
Unsecured, considered good		
Advance towards Equity (Refer Note 1 below)	191.24	181.78
Government Grants Receivables*	14.82	22.32
In Deposit Accounts (with maturity more than twelve months)	623.61	36.38

Notes to the Consolidated Financial Statements

10. Other Financial Assets - At Amortised Cost (Contd.)

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Receivable on sale of Strategic Engineering Division (at fair value through profit or loss) (Refer Note 2 below)	365.99	Nil
Other Advances	80.77	43.50
	1,276.43	283.98
Total	1,577.04	578.79

Notes:

- Odisha Electricity Regulatory Commission ('OERC') had issued a request for proposal (RFP) for sale of controlling interest in distribution business of North Electricity Supply Utility of Odisha. The Group had bid for it and has been identified as the successful bidder. As per the requirement of RFP, the Group had deposited ₹ 191.24 crore with OERC. Pending signing of sale agreements for the completion of sale, the amount deposited is disclosed as non-current financial assets and will be converted to equity after signing of sale agreements (Refer Note 44).
- Represents contingent consideration on sale of SED, receivable by the Group on achievement of certain milestone (Refer Note 17c).

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Current		
(i) Accruals		
Unsecured, considered good		
Interest Accrued on Inter-corporate/Bank Deposits	5.34	4.91
Interest Accrued on Investments	30.56	3.51
Interest Accrued on Finance Lease Receivable	6.63	6.85
Interest Accrued on Loans to Related Parties	5.22	2.64
Unsecured, considered doubtful		
Interest Accrued on Inter-corporate/Bank Deposits	1.40	1.40
	49.15	19.31
Less: Provision for Doubtful Interest	1.40	1.40
	47.75	17.91
(ii) Receivables under Service Concession Agreement	4.08	2.88
(iii) Others		
Unsecured, considered good		
Derivative Contract (Fair Value through Profit and Loss)	1.48	301.64
Receivable on sale of Current Investments	Nil	736.76
Receivable on sale of Property, Plant & Equipments	2.74	2.64
Insurance Claims Receivable	4.16	0.10
Government Grants Receivables*	32.35	30.40
Recoverable from consumers	75.65	232.17
Other Advances	122.75	87.93
Balances with Banks: (Refer Note below)		
In Deposit Accounts (with remaining maturity of less than twelve months)	19.19	Nil
Unsecured, considered doubtful		
Other Advances	2.35	2.63
	260.67	1,394.27
Less: Allowances for Doubtful Advances	(2.35)	(2.63)
	258.32	1,391.64
Total	310.15	1,412.43

Note:

Balances with Banks held as Margin Money Deposits against Guarantees.

- * One of the subsidiary of the Group is eligible for government grant for certain solar projects. The subsidiary company is in the process of creating charge on project assets in favour of Solar Energy Corporation of India. Once the charge is created, the subsidiary company will file application for release of the grant.

11. Tax Assets

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Non-current Tax Assets		
Advance Income-tax (Net)	328.35	342.00
Total	328.35	342.00
Current Tax Assets		
Advance Income-tax (Net)	0.45	1.10
Total	0.45	1.10

12. Deferred Tax

Accounting Policy

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

For operations carried out under tax holiday period (Section 80IA of Income Tax Act, 1961), deferred tax assets or liabilities, if any, have been recorded for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax related to items recognised outside profit or loss is recognised either in other comprehensive income or in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

Notes to the Consolidated Financial Statements

12. Deferred Tax (Contd.)

In the situations where one or more units of the Group are entitled to a tax holiday under the tax law, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned unit's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

12 a. Deferred Tax Assets

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Deferred Tax Assets	3,202.10	4,432.60
Deferred Tax Liabilities	3,018.08	4,358.36
Total - Net Deferred Tax Assets	184.02	74.24

2020 - 21	Opening Balance	Recognised in Profit or Loss @	Recognised in Other Comprehensive Income	Closing Balance ₹ crore
Deferred Tax Assets in relation to:				
Allowance for Doubtful Debts, Deposits and Advances	41.69	7.51	Nil	49.20
Provision for Employee Benefits, Entry Tax and Others	9.97	23.63	Nil	33.60
Unabsorbed Depreciation	3,173.69	(1,111.94)	Nil	2,061.75
Measuring of Derivative Financial Instruments at Fair Value	0.15	7.12	93.57	100.84
Carry Forward Losses	78.94	(70.11)	0.05	8.88
Deferred Revenue- Ind AS 115	184.56	17.35	Nil	201.91
MAT Credit Entitlement	76.76	(12.75)	Nil	64.01
Lease Liability	859.92	(227.72)	Nil	632.20
Others	6.92	42.79	Nil	49.71
	4,432.60	(1,324.12)	93.62	3,202.10
Deferred Tax Liabilities in relation to:				
Property, Plant and Equipments*	4,322.80	(1,345.45)	Nil	2,977.35
Others	35.56	(27.26)	32.43	40.73
	4,358.36	(1,372.71)	32.43	3,018.08
Net Deferred Tax Assets	74.24	48.59	61.19	184.02

* including Right of Use and Intangible Assets

@ During the year, one of the subsidiaries while filing the income tax return of FY 2019-2020, transitioned to the new regime as per Taxation Laws (Amendment) Act, 2019. Accordingly, current year movement includes remeasurement of deferred tax balances at new tax rate of 25.17%, reversal of unabsorbed depreciation to the extent of additional depreciation claimed as a deduction in prior years and its corresponding addition in written down value of property, plant and equipments as per tax books.

12. Deferred Tax (Contd.)

2019-20	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
₹ crore				
Deferred Tax Assets in relation to:				
Allowance for Doubtful Debts, Deposits and Advances	49.52	(7.83)	Nil	41.69
Provision for Employee Benefits, Entry Tax and Others	9.27	0.70	Nil	9.97
Unabsorbed Depreciation	3,172.93	0.76	Nil	3,173.69
Measuring of Derivative Financial Instruments at Fair Value	26.63	(26.48)	Nil	0.15
Carry Forward Losses	156.10	(79.29)	2.13	78.94
Deferred Revenue- Ind AS 115	148.14	36.42	Nil	184.56
MAT Credit Entitlement	105.14	(28.38)	Nil	76.76
Lease Liability	Nil	859.92	Nil	859.92
Others	1.92	5.00	Nil	6.92
	3,669.65	760.82	2.13	4,432.60
Deferred Tax Liabilities in relation to:				
Property, Plant and Equipments*	3,575.55	747.25	Nil	4,322.80
Others	4.61	30.95	Nil	35.56
	3,580.16	778.20	Nil	4,358.36
Net Deferred Tax Assets	89.49	(17.38)	2.13	74.24

*including Right of Use and Intangible Assets

12 b. Deferred Tax Liabilities

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Deferred Tax Assets	2,108.97	1,838.55
Deferred Tax Liabilities	3,085.12	3,012.59
Total - Net Deferred Tax Liabilities	976.15	1,174.04

2020 - 21	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
₹ crore				
Deferred tax assets in relation to				
Allowance for Doubtful Debts, Deposits and Advances	59.30	6.23	Nil	65.53
Provision for Employee Benefits, Entry Tax and Others	92.61	12.43	(4.91)	100.13
Unabsorbed Depreciation	69.64	60.25	Nil	129.89
Carry Forward Business Losses	77.92	27.93	Nil	105.85
Carry Forward Capital Loss	297.97	112.57	Nil	410.54
MAT Credit Entitlement	1,173.73	61.05	Nil	1,234.78
Government Grant	0.95	(0.47)	Nil	0.48
Deferred Revenue -Ind AS 115	29.01	3.89	Nil	32.90
Lease Liability	12.40	(10.75)	Nil	1.65
Others	25.02	2.02	0.18	27.22
	1,838.55	275.15	(4.73)	2,108.97

Notes to the Consolidated Financial Statements

12. Deferred Tax (Contd.)

	₹ crore			
2020 - 21	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
Deferred tax liabilities in relation to				
Property, Plant and Equipments*	2,737.96	130.81	Nil	2,868.77
Borrowings	9.39	2.02	Nil	11.41
Deferred Revenue -Ind AS 115	24.00	2.30	Nil	26.30
Revaluation on Consolidation	107.67	(24.97)	Nil	82.70
Derivative financial instruments designated for hedging	32.43	Nil	(32.43)	Nil
Undistributed Profits of Joint Ventures	99.99	(4.81)	Nil	95.18
Others	1.15	(0.39)	Nil	0.76
	3,012.59	104.96	(32.43)	3,085.12
Net Deferred Tax Liabilities	1,174.04	(170.19)	(27.70)	976.15

* including Finance lease receivables, Right of Use and Intangible Assets

	₹ crore			
2019 - 20	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
Deferred tax assets in relation to				
Allowance for Doubtful Debts, Deposits and Advances	58.47	0.83	Nil	59.30
Provision for Employee Benefits, Entry Tax and Others	73.79	0.36	18.46	92.61
Unabsorbed Depreciation	142.17	(72.53)	Nil	69.64
Carry Forward Business Losses	Nil	77.92	Nil	77.92
Carry Forward Capital Loss	343.62	(45.65)	Nil	297.97
MAT Credit Entitlement	1,364.42	(190.69)	Nil	1,173.73
Government Grant	2.19	(1.24)	Nil	0.95
Deferred Revenue -Ind AS 115	30.90	(1.89)	Nil	29.01
Lease Liability	Nil	12.40	Nil	12.40
Others	9.50	15.52	Nil	25.02
	2,025.06	(204.97)	18.46	1,838.55
Deferred tax liabilities in relation to				
Property, Plant and Equipments*	2,824.46	(86.50)	Nil	2,737.96
Investments at Fair Value	0.38	(0.38)	Nil	Nil
Distribution on Perpetual Bonds	24.90	(24.90)	Nil	Nil
Borrowings	9.66	(0.27)	Nil	9.39
Deferred Revenue -Ind AS 115	18.07	5.93	Nil	24.00
Revaluation on Consolidation	202.69	(95.02)	Nil	107.67
Derivative financial instruments designated for hedging	Nil	Nil	32.43	32.43
Undistributed Profits of Joint Ventures	Nil	92.90	7.09	99.99
Others	1.71	(0.33)	(0.23)	1.15
	3,081.87	(108.57)	39.29	3,012.59
Net Deferred Tax Liabilities	1,056.81	96.40	20.83	1,174.04

*including Finance lease receivables, Right of Use and Intangible Assets

12. Deferred Tax (Contd.)

Notes:

i. The amount and the expiry of unrecognised deferred tax asset is as detailed below:

					₹ crore
As at 31st March, 2021	Within one year	Greater than one year, less than five years	Greater than five years	No expiry date	Closing balance
Unrecognised deferred tax assets					
Business losses	163.81	121.33	670.70	Nil	955.84
Unabsorbed depreciation	Nil	Nil	Nil	1,788.49	1,788.49
MAT credit	Nil	4.67	212.98	Nil	217.65
Capital Loss	Nil	Nil	359.80	8.48	368.29
Total	163.81	126.00	1,243.48	1,796.97	3,330.26

					₹ crore
As at 31st March, 2020	Within one year	Greater than one year, less than five years	Greater than five years	No expiry date	Closing balance
Unrecognised deferred tax assets					
Business losses	94.14	553.87	819.69	Nil	1,467.70
Unabsorbed depreciation	Nil	Nil	Nil	2,227.40	2,227.40
MAT credit	Nil	3.99	185.55	Nil	189.54
Capital Loss	2.19	Nil	360.17	14.11	376.47
Total	96.33	557.86	1,365.41	2,241.51	4,261.11

ii. The Group has not recognized any deferred tax liabilities for taxes amounting to ₹ 2,617.47 crore (31st March, 2020 - ₹ 2,382.71 crore) that would be payable on the Group's share in undistributed earnings of its subsidiaries and its interest in joint ventures because the Group controls the distribution and is not likely to cause the distribution in the foreseeable future.

12 c. Reconciliation of Deferred Tax Expense amount recognised in Profit or Loss and Other Comprehensive Income

	Recognised in profit or loss		Recognised in Other Comprehensive Income		₹ crore
	For the year ended 31st March, 2021	For the year ended 31st March, 2020	For the year ended 31st March, 2021	For the year ended 31st March, 2020	
Deferred Tax Assets (Net) - (Refer Note 12 a.)					
Net (increase)/decrease in Deferred Tax Assets	(48.59)	17.38	(61.19)	(2.13)	
Deferred Tax Liabilities (Net) - (Refer Note 12 b.)					
Net increase/(decrease) in Deferred Tax Liabilities	(170.19)	96.40	(27.70)	20.83	
Deferred Tax Liabilities (Net) - Discontinued Operations (Refer Note 17 c)					
Net increase/(decrease) in Deferred Tax Liabilities	72.17	32.41	Nil	Nil	
Deferred Tax Expense (Net)	(146.61)	146.19	(88.95)	18.70	

Notes to the Consolidated Financial Statements

13. Other Assets

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Non-current		
(i) Capital Advances		
Unsecured, considered good	168.71	49.47
Doubtful	0.11	0.16
	168.82	49.63
Less: Allowance for Doubtful Advances	0.11	0.16
	168.71	49.47
(ii) Security Deposits		
Unsecured, considered good	3.30	1.64
(iii) Balances with Government Authorities		
Unsecured, considered good		
Advances	12.25	25.44
Amount Paid Under Protest	52.87	68.76
VAT/Sales Tax Receivable	16.90	28.92
	82.02	123.12
(iv) Deferred Expense		
Unsecured, considered good	29.42	30.53
(v) Others		
Unsecured, considered good		
Prepaid Expenses	1.19	1.52
Recoverable from Consumers	1,161.06	960.84
Others	19.36	18.00
Doubtful	1.07	Nil
	1,182.68	980.36
Less: Allowance for Doubtful Advances	1.07	Nil
	1,181.61	980.36
Total	1,465.06	1,185.12
Current		
(i) Balances with Government Authorities		
Unsecured, considered good		
Advances	226.55	173.13
VAT/Sales Tax Receivable	8.16	0.84
	234.71	173.97
(ii) Other Loans and Advances		
Unsecured, considered good		
Prepaid Expenses	157.71	103.46
Advances to Vendors	433.01	422.51
Deferred Rent Expense	1.11	1.11
Unbilled Revenue (contract assets)	21.74	30.07
Power Banking Receivable	41.35	36.66
Other Advances	27.06	2.61
Doubtful	0.19	1.68
	682.17	598.10
Less: Allowance for Doubtful Advances	0.19	1.68
	681.98	596.42
Total	916.69	770.39

14. Inventories

Accounting Policy

Inventories are stated at the lower of cost and net realisable value. Cost of inventory includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Costs of inventories are determined on weighted average basis. Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Unserviceable/damaged stores and spares are identified and written down based on technical evaluation.

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and net realisable value (NRV). Principally, this is residential property that the Group develops and intends to sell before, or on completion of, development. Cost incurred in bringing each property to its present location and condition includes:

- Freehold and leasehold rights for land
- Amounts paid to contractors for development
- Planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, development overheads and other related costs

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated costs of completion and the estimated costs necessary to make the sale. When an inventory property is sold, the carrying amount of the property is recognised as an expense in the period in which the related revenue is recognised. The carrying amount of inventory property recognised in profit or loss is determined with reference to the directly attributable costs incurred on the property sold and an allocation of any other related costs based on the relative size of the property sold.

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Inventories		
(a) Raw Materials and Fuel		
Fuel - Stores	450.78	828.31
Fuel-in-Transit	380.78	157.55
Others	316.79	197.80
(b) Work-In-Progress	6.42	3.99
(c) Finished goods	94.15	96.99
(d) Stores and Spares (Refer Note 1 below)	446.30	316.06
(e) Loose Tools	1.60	1.08
(f) Others		
Property under Development	187.98	150.57
Total	1,884.80	1,752.35

Notes:

1. The Group has recognised ₹ 5.72 crore (31st March, 2020 - ₹ 19.32 crore) as an expense for the write down of unserviceable stores and spares inventory.
2. Refer Note 21 and Note 27 for Inventories pledged as security for liabilities.

Notes to the Consolidated Financial Statements

15. Current Investments

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
I Investments carried at Fair Value through Profit and Loss		
Unquoted		
(a) Investment in Mutual Funds	499.54	699.51
Total	499.54	699.51
Notes:		
Aggregate Carrying Value of Unquoted Investments	499.54	699.51

16 a. Cash and Cash Equivalents

Accounting Policy

Cash and cash equivalent comprise of cash at banks, cash/cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents include balances with banks which are unrestricted for withdrawal and usage.

For the purpose of the statement of cash flows, cash and cash equivalents comprise of cash at bank, cash/cheques on hand and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
(a) Balances with Banks:		
(i) In Current Accounts	1,128.34	935.27
(ii) In Deposit Accounts (with original maturity of less than three months)	2,543.84	919.77
(b) Cheques on Hand	45.16	6.44
(c) Cash on Hand	65.17	0.02
Cash and Cash Equivalents as per Balance Sheet	3,782.51	1,861.50
Bank Overdraft and Cash Credit attributable to Continuing Operations (Refer Note 27)	(99.66)	(34.71)
Cash and Cash Equivalents as per Statement of Cash Flows - Continuing Operation	3,682.85	1,826.79
(a) Balances with Banks:		
(i) In Current Accounts	Nil	7.62
(b) Book Overdraft (Refer Note 17c)	Nil	(0.02)
Cash and Cash Equivalents as per Statement of Cash Flows - Discontinuing Operation	Nil	7.60
Cash and cash Equivalent pertaining to Asset Classified as Held For Sale	Nil	Nil
Cash and Cash Equivalents as per Statement of Cash Flows	3,682.85	1,834.39

Reconciliation of liabilities from Financing Activities

Particulars	As at 1st April, 2020	Cash flows		Reclassification	Changes related to Discontinued Operations	Foreign Exchange	Others	As at 31st March, 2021
		Proceeds	Repayment					
Non-current Borrowings (including Current Maturity of Non-current Borrowings)	36,531.57	5,602.19	(7,453.61)	Nil	57.83	(125.27)	121.99	34,734.70
Current Borrowings (excluding Bank Overdraft and Cash Credit from Bank)	11,809.65	28,380.91	(32,090.32)	272.12	Nil	(50.92)	15.11	8,336.55
Lease Liabilities	3,560.22	80.97	(365.10)	Nil	Nil	Nil	261.22	3,537.31
Total	51,901.44	34,064.07	(39,909.03)	272.12	57.83	(176.19)	398.32	46,608.56

16 a. Cash and Cash Equivalents (Contd.)

Particulars	As at 1st April, 2019	Cash flows		Reclassification	Reclassification as part of Discontinued Operations	Foreign Exchange	Others	₹ crore	
		Proceeds	Repayment					As at 31st March, 2020	As at 31st March, 2020
Non-current Borrowings (including Current Maturity of Non-current Borrowings)	34,630.66	7,188.37	(5,607.42)	(79.75)	Nil	391.47	8.24	36,531.57	
Current Borrowings (excluding Bank Overdraft)	13,284.49	42,412.07	(44,100.06)	166.29	Nil	38.80	8.06	11,809.65	
Lease Liabilities	3,472.68	Nil	(21.30)	Nil	Nil	Nil	108.84	3,560.22	
Total	51,387.83	49,600.44	(49,728.78)	86.54	Nil	430.27	125.14	51,901.44	

16 b. Other Balances with Banks- At Amortised Cost

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
(a) In Deposit Accounts (Refer Note below)	2,311.10	214.23
(b) In Earmarked Accounts- Unpaid Dividend Account	19.07	18.45
Total	2,330.17	232.68

Note:
Balances with banks held as margin money deposits against guarantees.

17 a. Assets Classified as Held For Sale

Accounting Policy

Non-current assets or disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset or disposal Group is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset or disposal Group and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. As at each balance sheet date, the management reviews the appropriateness of such classification.

Non-current assets or disposal group classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Property, plant and equipments and intangible assets once classified as held for sale/distribution to owners are not depreciated or amortised.

A disposal Group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss. Additional disclosures are provided hereunder. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

Notes to the Consolidated Financial Statements

17 a. Assets Classified as Held For Sale (Contd.)

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Land [Refer Note (i) and (iii)]	301.58	301.66
Building [Refer Note (ii) and (iii)]	8.50	8.50
Other Property, Plant and Equipments [Refer Note (iii) and (v)]	20.21	1,300.67
Investments carried at Fair Value through Other Comprehensive Income	178.68	22.81
Investments in Associates and Joint Ventures	2,480.12	2,562.59
Loan to and other receivables from Joint Venture	22.83	22.83
Transmission lines - Capital Work in Progress [Refer Note (viii)]	9.31	127.70
Other Assets [Refer Note (vii)]	26.23	26.23
Assets of Discontinued Operations [Refer Note 17 (c)]	Nil	1,880.07
Total	3,047.46	6,253.06

17 b. Liabilities directly associated with Assets Classified as Held For Sale

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Liabilities related to Other Assets	139.78	30.46
Liabilities of Discontinued Operations [Refer Note 17 (c)]	Nil	1,032.07
Total	139.78	1,062.53

Notes:

- (i) During the year, the Group sold Hadapsar land at the sale value of ₹ 26.44 crore (Book Value ₹ 0.08 crore) which was classified as held for sale. The resultant gain of ₹ 26.36 crore has been disclosed in statement of profit and loss under Other Income.
- (ii) During the previous year, the Group sold Metropolitan building at the sale value of ₹ 13.90 crore (Book Value ₹ 0.89 crore) The resultant gain of ₹ 13.01 crore has been disclosed in the statement of profit and loss.
- (iii) During the previous year, the Group has reclassified following assets from held for sale to Property, plant and equipments
 - Building at Erangal ₹ 0.23 crore
 - Oil Tankage unit at Trombay Land ₹ 0.04 crore, Building and Plant and Equipments ₹ 4.68 crore
- (iv) During the previous year, the Group has classified Helicopter (Book Value ₹ 0.17 crore) from Property, Plant and Equipments to held for sale.
- (v) During the year, the Group has sold three ships which was owned by Trust Energy Resources Pte. Limited (a wholly owned subsidiary of the Holding Company) for a consideration of ₹ 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.'
- (vi) (a) In the earlier years, the Group had signed definitive agreements for sale of PT Arutmin Indonesia and its associated infrastructure and trading companies and the sale consideration of USD 400.92 million is being expected to be received in a phased manner over next few years. Accordingly, the investments (including investment in PT Mitratama Perkasa) have been classified as assets held for sale at ₹ 1,869.46 crore as at 31st March, 2021 (31st March, 2020 - ₹ 1,931.60 crore).
- (b) During the previous year, the Group decided to divest its investment in Itezhi Tezhi Power Corporation ('ITPC') of ₹ 587.91 crore along with loan and other receivables from ITPC amounting to ₹ 18.59 crore and ₹ 4.15 crore respectively. Accordingly, the said investment along with loan and other receivables has been classified as held for sale. No impairment loss has been recognised on reclassification as the Group expects that the fair value less costs to sell is higher than the carrying amount as at 31st March, 2021.
- (vii) During the previous year, the Group has decided to divest its investments in equity and preference shares of its subsidiary, TCL Ceramics Ltd (formerly known as Tata Ceramics Ltd). Accordingly, the said investments have been classified as held for sale at Nil (Net of impairment of ₹14.21 crore). Pursuant to the Share Purchase Agreement ('Agreement') dated 4th January, 2020, the Group has transferred its Equity and Preference share to the purchasers as a part of the conditions mentioned in the Agreement subject to final closing. The said shares has been pledged back to the Group by the purchasers till the final closure. As all the conditions related to the closing has not been completed, the Group believes that it still controls TCL Ceramics Ltd. till all the conditions are fulfilled. Hence, no impact of sale of share has been recognised in the consolidated financial statements. The impact of the sale on the financial statement will not be significant.
- (viii) During the previous year, Maharashtra Electricity Regulatory Commission ('MERC') has ordered termination of Vikhroli Transmission Lines project carried out by the Group and decided to invite fresh bids for completion of the project. MERC has also ordered that costs incurred by the Group shall be reimbursed by the successful bidder. Accordingly, the Group has reclassified the said project as held for sale. During the year, the Group has received an amount of ₹ 118.27 crore against the said project.

17 c. Assets Classified as Held For Sale - Discontinued Operations

During the earlier year, the Group approved sale of its Strategic Engineering Division (SED) to Tata Advanced Systems Ltd. (TASL) [a wholly owned subsidiary of Tata Sons Pvt. Ltd.] as a going concern on slump sale basis, subject to regulatory approvals at an enterprise value of ₹ 2,230 crore (out of which ₹ 1,040 crore payable at the time of closing and ₹ 1,190 crore payable on achieving certain milestones). Accordingly, defence business segment is presented as discontinued operations. On 31st October, 2020, the Group has completed the sale of its SED to TASL and has received upfront consideration of ₹ 597 crore (net of borrowings of ₹ 537.00 crore transferred to TASL) after certain adjustments as specified in the scheme.

Results of Strategic Engineering Division for the year are presented below:

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Income		
Revenue from Operations	193.63	343.77
Other Income	23.52	Nil
Total Income	217.15	343.77
Expenditure		
Cost of Components Consumed	139.28	244.22
Employee Benefits Expense	52.66	90.04
Finance Costs	24.91	36.15
Other Expenses	60.15	55.00
Total Expenses	277.00	425.41
Profit/(Loss) before tax from Discontinued Operations	(59.85)	(81.64)
Impairment Loss on Remeasurement to Fair Value (Refer Note below)	(160.00)	(361.00)
Tax Expenses/(Credit)		
Current Tax	(101.48)	Nil
Deferred Tax	(72.17)	(32.41)
Total Tax Expenses/(Credit)	(173.65)	(32.41)
Profit/(Loss) before tax from Discontinued Operations	(46.20)	(410.23)
Other Comprehensive Income/(Expense)	(0.34)	0.20
Tax on Other Comprehensive Income	Nil	Nil
Total Comprehensive Income/(Expense)	(46.54)	(410.03)

The above loss is attributable to the owners of the Parent Company.

Major classes of Assets and Liabilities of Strategic Engineering Division classified as held for sale are as follows:

	As at 31st March, 2020
	₹ crore
Assets	
Non-current Assets	
Property, Plant and Equipments	382.27
Capital Work-in-Progress	422.58
Intangible Assets	124.13
Intangible Assets Under Development	356.71
Non-current Financial Assets	3.68
Other Non-current Assets	35.40
Current Assets	
Inventories	83.30
Current Financial Assets	663.67
Other Current Assets	169.33

Notes to the Consolidated Financial Statements

17 c. Assets Classified as Held For Sale - Discontinued Operations (Contd.)

	As at 31st March, 2020 ₹ crore
Assets Classified as Held For Sale	2,241.07
Less: Impairment Loss on Remeasurement of Fair Value	(361.00)
	1,880.07
Liabilities	
Non-current Liabilities	
Financial Liabilities	594.76
Provisions	27.68
Current Liabilities	
Financial Liabilities	258.99
Provisions	9.76
Other Current Liabilities	140.88
Liabilities directly associated with Assets Classified as Held For Sale	1,032.07
Net Assets directly associated with Discontinued Operations	848.00

Note:

During the year, the Group has reassessed the fair value of consideration receivable from TASL and has recognised an impairment loss of ₹ 160 crore (31st March, 2020 ₹ 361 crore) in the consolidated financials statements. The fair value on consideration has been determined based on the expected value of the consideration using discounted present value technique. The fair value has been categorised under Level 3 inputs, the key assumption being achievement/non-achievement of milestones as defined in the scheme of arrangement.

Net cash flows attributable to Strategic Engineering Division are as follows:

	From 1st April, 2020 to 31st October, 2020 ₹ crore	For the year ended 31st March, 2020 ₹ crore
Net Cash Flow from/(used) in Operating Activities	286.62	127.80
Net Cash Flow from/(used) in Investing Activities	(32.30)	(44.99)
Net Cash Flow from/(used) in Financing Activities	(85.62)	(81.32)
Net Increase/(Decrease) in Cash and Cash Equivalents	168.70	1.49
Cash and Cash Equivalents as at 1st April (Opening Balance)	7.60	6.11
Cash and Cash Equivalents (Closing Balance)	176.30	7.60
Less: Transferred on sale of Strategic Engineering Division	(176.30)	Nil
Total of cash and cash equivalents (Net)	Nil	7.60

18. Regulatory Deferral Account

Accounting Policy

The Group determines revenue gaps (i.e. surplus/shortfall in actual returns over returns entitled) in respect of its regulated operations in accordance with the provisions of Ind AS 114 "Regulatory Deferral Accounts" read with the Guidance Note on Rate Regulated Activities issued by ICAI and based on the principles laid down under the relevant Tariff Regulations/Tariff Orders notified by the Electricity Regulatory Commission (Regulator) and the actual or expected actions of the regulator under the applicable regulatory framework. Appropriate adjustments in respect of such revenue gaps are made in the regulatory deferral account of the respective year for the amounts which are reasonably determinable and no significant uncertainty exists in such determination. These adjustments/accruals representing revenue gaps are carried forward as Regulatory deferral accounts debit/credit balances (Regulatory Assets/Regulatory Liabilities) as the case may be in the financial statements, which would be recovered/refunded through future billing based on future tariff determination by the regulator in accordance with the electricity regulations. The Group presents separate line items in the balance sheet for:

- i. the total of all regulatory deferral account debit balances and related deferred tax balances; and
- ii. the total of all regulatory deferral account credit balances and related deferred tax balances.

18. Regulatory Deferral Account (Contd.)

A separate line item is presented in the Statement of Profit and Loss for the net movement in regulatory deferral account and deferred tax recoverable/payable.

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Regulatory Deferral Account - Liability - Current		
Regulatory Liabilities	61.23	Nil
Regulatory Deferral Account - Assets - Non-current		
Regulatory Assets	6,478.17	5,480.17
Net Regulatory Assets/(Liabilities)	6,416.94	5,480.17

Rate Regulated Activities

- (i) As per the Ind AS-114 'Regulatory Deferral Accounts', the business of electricity distribution is a Rate Regulated activity wherein the regulators determine Tariff to be charged from consumers based on prevailing regulations in place.

The Group is governed by the tariff regulations and tariff orders issued by Regulatory Commissions in Maharashtra, Delhi and Odisha. These regulations determine tariff in a manner wherein the Group can recover its fixed and variable costs including assured rate of return on approved equity base, from its consumers. The Group determines the Revenue, Regulatory Assets and Liabilities as per the terms and conditions specified in these Regulations.

- (ii) Reconciliation of Regulatory Assets/Liabilities of distribution business as per Rate Regulated Activities as on 31st March, 2021, is as follows:

		For the year ended 31st March, 2021	For the year ended 31st March, 2020
		₹ crore	₹ crore
Opening Regulatory Assets (Net of Liabilities)	(A)	5,480.17	5,758.13
Regulatory Deferral Balances (net) during the year			
(i) Power Purchase Cost		10,132.62	8,569.70
(ii) Other expenses as per the terms of Tariff Regulations including Return On Equity		4,196.36	2,666.99
(iii) Billed during the year as per approved Tariff		(13,489.67)	(11,688.37)
Net movement in Regulatory Deferral Balances (i + ii + iii)	(B)	839.31	(451.68)
Regulatory Assets/(Liabilities) on carrying cost recognised as revenue	(C)	3.00	24.00
Recovery from/(Payable to) Group's Generation Business	(D)	12.66	(15.28)
Net movement in Regulatory Deferral Balances in respect of earlier years (Refer Note 1 below)	(E)	Nil	(21.32)
Regulatory Assets/(Liabilities) on Deferred Tax Expense/(Income)	(F)	81.80	284.32
Regulatory Assets/(Liabilities) on Deferred Tax Expense/(Income) on account of new tax regime	(G)	Nil	(98.00)
Closing Regulatory Asset (Net of Liabilities)	(A+B+C+D+E+F+G)	6,416.94	5,480.17

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Movement in Regulatory Asset		
- recognised in profit or loss	529.24	(451.68)
- in other comprehensive income	310.07	Nil
Total	839.31	(451.68)

Notes:

1. During the previous year, pursuant to receipt of true-up tariff order from MERC for the years 2017-18 and 2018-19, the Group had recognised a charge of ₹ 21.32 crore to revenue from operations.

Notes to the Consolidated Financial Statements

18. Regulatory Deferral Account (Contd.)

2. In respect of the Group's power distribution business in Delhi, Delhi Electricity Regulatory Commission (DERC) vide its order dated 28th August, 2020 has trued up regulatory deferral account balance up to 31st March, 2019 at ₹ 1,890 crore as against ₹ 4,579.69 crore as per financial books of accounts. The difference in regulatory deferral account is largely due to provisional truing up of capitalisation, disallowance of de-capitalised property, plant and equipments, its corresponding impact on return on capital employed (ROCE), income tax and carrying cost. The difference in regulatory deferral account also includes impact of power purchase cost of Rithala Power Plant allowed by the DERC vide order dated 11th November, 2019 and other previous review/APTEL appeal orders. The disallowances not as per prevailing law, facts and figures have been challenged in Review Petition or at APTEL. For truing up of capitalisation, the DERC has shared the preliminary draft report of physical verification of property, plant and equipments for the period from FY 2004-05 to FY 2015-16. The Group after analysing the draft report have submitted the response along with necessary documents in support of capitalisation on 29th December, 2020.

19 a. Share Capital

	As at 31st March, 2021		As at 31st March, 2020	
	Number	₹ crore	Number	₹ crore
Authorised				
Equity Shares of ₹ 1/- each				
At the beginning of the year	350,00,00,000	350.00	350,00,00,000	350.00
Add: Increase during the year	200,00,00,000	200.00	Nil	Nil
Outstanding at the end of the year		550.00		350.00
Cumulative Redeemable Preference Shares of ₹ 100/- each	2,29,00,000	229.00	2,29,00,000	229.00
		779.00		929.00
Issued				
Equity Shares [including 28,32,060 shares (31st March, 2020 - 28,32,060 shares) not allotted but held in abeyance, 44,02,700 shares cancelled pursuant to a Court Order and 4,80,40,400 shares of the Company held by the erstwhile The Andhra Valley Power Supply Company Ltd. cancelled pursuant to the Scheme of Amalgamation sanctioned by the High Court of Judicature, Bombay]	325,22,67,007	325.23	276,17,00,970	276.17
Subscribed and Paid-up				
Equity Shares fully Paid-up [excluding 28,32,060 shares (31st March, 2020 - 28,32,060 shares) not allotted but held in abeyance, 44,02,700 shares cancelled pursuant to a Court Order and 4,80,40,400 shares of the Company held by the erstwhile The Andhra Valley Power Supply Company Ltd. cancelled pursuant to the Scheme of Amalgamation sanctioned by the High Court of Judicature, Bombay]	319,53,39,547	319.54	270,47,73,510	270.48
Less: Calls in arrears [including ₹ 0.01 crore (31st March, 2020 - ₹ 0.01 crore) in respect of the erstwhile The Andhra Valley Power Supply Company Ltd. and the erstwhile The Tata Hydro-Electric Power Supply Company Ltd.]		0.04		0.04
		319.50		270.44
Add: Equity Shares forfeited - Amount paid	16,52,300	0.06	16,52,300	0.06
Total Subscribed and Paid-up Share Capital		319.56		270.50

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

	As at 31st March, 2021		As at 31st March, 2020	
	Number	₹ crore	Number	₹ crore
Equity Shares				
At the beginning of the year	2,70,64,25,810	270.50	2,70,64,25,810	270.50
Issued during the year [Refer Note 20(4)]	49,05,66,037	49.06	Nil	Nil
Outstanding at the end of the year	3,19,69,91,847	319.56	2,70,64,25,810	270.50

19 a. Share Capital (Contd.)

(ii) Terms/rights attached to Equity Shares

The Parent Company has issued only one class of Equity Shares having a par value of ₹ 1/- per share. Each holder of Equity Shares is entitled to one vote per share. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Parent Company, the holders of Equity Shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

(iii) Details of shareholders holding more than 5% shares in the Parent Company

	As at 31st March, 2021		As at 31st March, 2020	
	Number	% Holding	Number	% Holding
Equity Shares of ₹ 1/- each fully paid				
Tata Sons Pvt. Ltd.	144,45,13,021	45.21	95,39,46,984	35.27
Life Insurance Corporation of India	16,41,25,329	5.14	17,15,81,237	6.34
Matthews Pacific Tiger Fund	14,93,84,497	4.68	18,03,16,487	6.67
ICICI Prudential Bharat Consumption Funds*	8,91,12,249	2.79	21,83,11,309	8.07

* Shareholding has been reported based on common permanent Account Number

19 b. Unsecured Perpetual Securities

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
11.40% Unsecured Perpetual Securities	1,500.00	1,500.00
Add: Movement during the year	Nil	Nil
Total	1,500.00	1,500.00

In an earlier year, the Company raised 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. 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. Subsequent to the year end, pursuant to debenture trust deed dated 23rd June, 2011, the Company has exercised the call option to redeem the Securities on 2nd June, 2021 along with final interest.

20. Other Equity

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
General Reserve	4,086.53	4,086.53
Closing Balance	4,086.53	4,086.53
Securities Premium	5,647.80	5,647.80
Add: Increase on issue of shares during the year (Refer Note 4 below)	2550.94	Nil
Closing Balance	8,198.74	5,647.80
Capital Reserves	232.09	232.09
Statutory Reserves	660.08	660.08

Notes to the Consolidated Financial Statements

20. Other Equity (Contd.)

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Debenture Redemption Reserve		
Opening Balance	638.20	728.90
Add/(Less): Amount transferred from/(to) Retained Earnings (Net)	(13.14)	(90.70)
Closing Balance	625.06	638.20
Capital Redemption Reserve		
Opening Balance	515.76	515.76
Closing Balance	515.76	515.76
Special Reserve Fund		
Opening Balance	124.07	122.59
Add/(Less): Amount transferred from Retained Earnings	2.21	1.48
Closing Balance	126.28	124.07
Retained Earnings (Refer Note 1 below)		
Opening balance	4,387.49	3,265.79
Add: Profit/(Loss) for the year	1,127.38	1,017.38
Other Comprehensive Income/(Expense) arising from Remeasurement of Defined Benefit Obligation (Net of Tax)	3.14	Nil
Transfer from Equity Instrument through Other Comprehensive Income (Refer Note 5 below)	Nil	666.34
Transfer from Debenture Redemption Reserve (Net)	13.14	90.70
Less: Distribution on Unsecured Perpetual Securities (Refer Note 4 below)	171.23	170.76
Other Comprehensive Income/(Expense) arising from Remeasurement of Defined Benefit Obligation (Net of Tax)	Nil	56.12
Less: Other Appropriations:		
Payment of Dividend (Refer Note 3 below)	419.24	351.99
Tax on Dividend	Nil	72.37
Transfer to Special Reserve Fund (under Sec 45-IA of RBI Act, 1934)	2.21	1.48
Transfer to Capital Redemption Reserve	Nil	Nil
	550.98	1,121.70
Closing Balance	4,938.47	4,387.49
Equity Instrument through Other Comprehensive Income		
Opening Balance	(7.54)	698.52
Add/(Less): Transfer to Retained Earnings (Refer Note 5 below)	Nil	(666.34)
Add/(Less): Change in Fair Value of Equity Instruments through Other Comprehensive Income	230.77	(39.72)
Closing Balance	223.23	(7.54)
Foreign Currency Translation Reserve		
Opening balance	1414.63	576.95
Add/(Less): Addition during the year	(336.40)	837.68
Closing Balance	1,078.23	1,414.63
Effective Portion of Cash Flow Hedge		
Opening balance	96.41	Nil
Add/(Less): Effective Portion of Cash Flow Hedge for the year	(278.18)	96.41
Closing Balance	(181.77)	96.41
Total	20,502.70	17,795.52

20. Other Equity (Contd.)

Notes:

1. Includes gain on fair valuation of land which is not available for distribution ₹ 362.34 crore (31st March, 2020 - ₹ 362.34 crore).
2. The shareholders of the parent company in their meeting held on 30th July, 2020 approved final dividend of ₹ 1.55 per share aggregating ₹ 419.24 crore for the financial year 2019-20. The said dividend was paid to the holders of fully paid equity shares on 3rd August, 2020.
3. In respect of the year ended 31st March, 2021, the directors have proposed a dividend of ₹ 1.55 per share to be paid on fully paid shares. This equity dividend is subject to approval at the annual general meeting and has not been included as a liability in the consolidated financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 495.72 crore (31st March, 2020 - ₹ 419.68 crore).
4. During the year, the shareholders 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 Pvt. Ltd. on preferential basis. The Company has allotted the said equity shares to Tata Sons Pvt. Ltd. on 13th August, 2020.
5. Represents gain/(loss) on sale of certain investments carried at fair value through other comprehensive income transferred to Retained Earnings.

Nature and purpose of reserves

General Reserve

General Reserve is used to transfer profits from retained earnings for appropriation purposes. The amount is to be utilised in accordance with the provision of the Companies Act, 2013.

Securities Premium

Securities Premium is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

Debenture Redemption Reserve

The Group was required to create a Debenture Redemption Reserve 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 16th August, 2019, the Group is not creating additional debenture redemption reserve (DRR) from the effective date of amendment. DRR created till previous years will be transferred to retained earnings on redemption of debentures.

Capital Redemption Reserve

Capital Redemption Reserve represents amounts set aside on redemption of preference shares.

Capital Reserve

Capital Reserve consists of forfeiture of the amount received from Tata Sons Pvt. Ltd. on preferential allotment of convertible warrants in the Group, on the lapse of the period to exercise right to convert the said warrants and on forfeiture of amounts paid on Debentures.

Special Reserve Fund

This reserve represents the amount transferred from its annual profits by the non-banking finance subsidiary in the Group pursuant to Reserve Bank of India regulations.

Statutory Reserve

Statutory Reserve consists of Special Appropriation towards Project Cost, Development Reserve and Investment Allowance Reserve.

Special appropriation to project cost - Due to high capital investment required for the expansion in the electricity industry, the Maharashtra State Government permits part of the capital cost of approved projects to be collected through the electricity tariff and held as a special appropriation.

Development Reserve / Investment Allowance Reserve - Until 1978, the Companies made appropriations to a Development Reserve and an Investment Allowance Reserve as required by the Income Tax Act, 1956. New appropriations to these reserves are no longer required due to changes in Indian law. An amount equal to 0.5% on the accumulation in the Investment Allowance Reserve was included in the reasonable return calculation.

Retained Earnings

Retained Earnings are the profits of the Group earned till date net of appropriations.

Notes to the Consolidated Financial Statements

20. Other Equity (Contd.)

Equity Instruments through Other Comprehensive Income

This reserve represents the cumulative gains and losses arising on revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those equity instruments are disposed off.

Foreign Currency Translation Reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

Effective Portion of Cash Flow Hedge

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

21. Non-current Borrowings - At Amortised Cost

	As at 31st March, 2021		As at 31st March, 2020	
	Non-current ₹ crore	Current Maturities* ₹ crore	Non-current ₹ crore	Current Maturities* ₹ crore
(i) Unsecured				
Debentures				
Redeemable Non-Convertible Debentures	11,509.47	1,938.80	9,423.77	370.00
Term Loans				
From Banks	1,769.55	673.67	2,185.01	943.28
Deferred Payment Liabilities-Sales Tax Deferral	Nil	2.83	2.83	20.26
Others				
	13,279.02	2,615.30	11,611.61	1,333.54
(ii) Secured				
Debentures				
Redeemable Non-Convertible Debentures	2,411.82	247.26	2,460.13	87.25
Term Loans				
From Banks	12,961.04	1,785.82	16,596.40	2,375.77
From Others	1,393.15	41.29	2,027.00	39.87
	16,766.01	2,074.37	21,083.53	2,502.89
Total	30,045.03	4,689.67	32,695.14	3,836.43

*Amount disclosed under Other Current Financial Liabilities (Refer Note 23)

Security

Redeemable Non-convertible Debentures issued by the Group are secured by charge on movable and immovable assets of the respective entities.

Term Loans and Buyer's Credit availed by various entities of the Group from various Banks and Financial Institutions are secured by way of charge on all present and future moveable and immovable assets, stores and spares, raw materials, work-in-progress, finished goods, book debts, project receivables, intangibles, uncalled capital receivables, rights under project documents of the respective entities, project cash flows, regulatory deferral accounts, accounts including Debt Service Reserve Accounts and bank accounts, bank guarantees and pledge of shares of subsidiaries held by their respective holding companies.

21. Non-current Borrowings - At Amortised Cost (Contd.)

Terms of Repayment

Particulars	Amount Outstanding as at 31st March, 2021	Financial Year							₹ crore
		FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-30	FY 30-31 and onwards	
(i) Unsecured - At Amortised Cost									
Debentures									
Redeemable Non-Convertible Debentures	13,493.80	1,938.80	1,705.00	5,800.00	550.00	500.00	1,500.00	1,500.00	
Term Loans									
From Banks	2,444.94	673.67	1,585.81	105.46	45.00	35.00	Nil	Nil	
Deferred Payment Liabilities-Sales									
Tax Deferral	2.83	2.83	Nil	Nil	Nil	Nil	Nil	Nil	
(ii) Secured - At Amortised Cost									
Debentures									
Redeemable Non-Convertible Debentures	2,666.19	247.25	559.75	467.05	319.45	361.75	710.94	Nil	
Term Loans									
From Banks	14,773.26	1,785.83	2,653.42	2,421.08	1,442.36	1,571.70	3,892.34	1,006.52	
From Others	1,438.60	41.29	102.33	112.80	133.28	165.25	866.29	17.36	
	34,819.62	4,689.67	6,606.31	8,906.39	2,490.09	2,633.70	6,969.57	2,523.88	
Less: Impact of recognition of borrowing at amortised cost using effective interest method under Ind AS	82.13								
Less: Unamortised portion of fair value of Corporate Guarantee.	2.79								
Total	34,734.70								

Range of interest rates for:

1. Debentures - 6% to 10.75%
2. (a) Term loan of foreign Companies - 1.26% to 2.24%
(b) Term loan of Indian Companies - 4.30% to 9.40%
3. Term loan from others - 7.50% to 9.30%

22. Lease Liabilities

Accounting Policy

At inception of contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Group allocates consideration in the contract to each lease component on the basis of their relative standalone price.

As a Lessee

i) Right-of-use Assets

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated remaining useful lives of the assets, as follows:

Notes to the Consolidated Financial Statements

22. Lease Liabilities (Contd.)

- Plant and Machinery - 3 years
- Vessels - 12.5 years
- Port Intake channel- 40 years
- Leasehold Land including sub-surface rights- 2 to 95 years

The Group presents right-to-use assets that do not meet the definition of investment property in 'Property, plant and equipments.

ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group generally uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

The Group presents lease liabilities ₹ 3,537.31 crore (31st March, 2020 - ₹ 3,560.22 crore) as financial liability in the Balance Sheet.

iii) Short term leases and leases of low value of assets

The Group applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Leasing arrangement as Lessee

The Group has lease contracts for various items of plant, machinery, land, vehicles and other equipments used in its operations. Leases of Leasehold land including sub-surface rights generally have lease terms between 2 years and 95 years, while plant and machinery, motor vehicles and other equipments generally have lease terms 3 years and 40 years. Generally, the Group is restricted from assigning and subleasing the leased assets.

	₹ crore	
Amount recognised in the Statement of Profit and Loss	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Depreciation of Right-of-use assets	188.62	197.18
Interest on lease liabilities	315.90	308.73
Expenses related to short term leases	31.48	32.03
Expenses related to leases of low value assets, excluding short term leases of low value assets	0.33	1.06

Refer Note (4b) for additions to Right-of-Use Assets and the carrying amount of Right-of-Use Assets as at 31st March, 2021. Further, refer Note 40.4.3 for maturity analysis of lease liabilities.

	₹ crore	
Amount as per the Statement of Cash Flows	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Total cash outflow of leases	351.78	330.03

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Non-current		
Lease Liabilities	3,142.48	3180.48
Total	3,142.48	3,180.48
Current		
Lease Liabilities	394.83	379.74
Total	394.83	379.74

23. Other Financial Liabilities - At Amortised Cost, (Unless otherwise stated)

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Non-current		
(a) Security Deposits from Customers	740.86	688.16
(b) Guarantee Commission Obligation	Nil	5.12
(c) Payables for Capital Supplies and Services	348.40	28.20
(d) Other Liabilities	Nil	0.04
(e) Payable to Customer	301.73	Nil
	1,390.99	721.52
Current		
(a) Current Maturities of Long-term Debt (Refer Note 21)	4,689.67	3,836.43
(b) Interest accrued but not due on Borrowings from Others	688.86	657.76
(c) Interest accrued but not due on Borrowings from Joint Ventures	150.45	181.08
(d) Investor Education and Protection Fund shall be credited by the following amounts namely: (Refer Note 1 below)		
Unpaid Dividend	23.23	22.61
Unpaid Matured Debentures	0.09	0.09
(e) Other Payables		
Payables for Capital Supplies and Services	996.32	440.08
Advance Received for Sale of Investments [Refer Note 17b (vi)(a)]	1,645.60	1,576.59
Contingent Consideration Payable (Fair Value through Profit and Loss)	39.65	42.57
Derivative Contracts (Net)- (at Fair Value through Profit and Loss)	192.51	64.03
Security Deposits from Electricity Consumers (including interest accrued but not due)	2,242.87	285.84
Security Deposits from Customers	39.02	13.45
Tender Deposits from Vendors	43.13	39.88
Payable under 'Pass through arrangement' of trade receivables	Nil	275.55
Supplier's Credit (Refer Note 2 below)	652.94	Nil
Payable to employees	71.53	Nil
Payable to acquiree company (Refer Note 3 below)	193.33	Nil
Payable to Consumers	310.53	Nil
Other Financial Liabilities	316.73	66.94
Total	12,296.46	7,502.90

Notes:

- Includes amounts outstanding aggregating ₹ 1.69 crore (31st March, 2020 - ₹ 1.48 crore) for more than seven years pending disputes and legal cases.
- Certain coal suppliers have granted additional interest bearing credit period to the Group over and above their original credit period. To leverage on better interest rate, the Group has entered into a Suppliers' Credit Program ("Facility") with a party whereby the party shall pay the said coal suppliers on the original due date on behalf of the Group and the Group shall pay the party on the new due date along with interest. This Facility is for USD 500 million and available for an initial period of 18 months. The Group has utilised USD 89.70 million of this facility as at 31st March, 2021. As the Facility provided by the third party is within the credit period provided by the coal vendors, the outstanding liability has been disclosed under other financial liabilities.
- Pursuant to vesting order issued by the Odisha Electricity Regulation Commission ('OERC'), trade receivables for pre-acquisition period are not transferred to the Group. However, the Group as a collection agent needs to collect these receivables and use the same amount for paying obligations not transferred to the Group. The Group performs these activities purely as an agent of Western Electricity Supply Company of Odisha ('WESCO'). (Refer Note 44)

Notes to the Consolidated Financial Statements

24. Tax Liabilities

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Non Current		
Income-Tax Payable (Net)	3.03	3.03
Total	3.03	3.03
Current		
Income-Tax Payable (Net)	198.38	129.49
Total	198.38	129.49

25. Provisions

Accounting Policy

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Present obligations arising under onerous contracts are recognised and measured as provisions with charge to consolidated statement of profit and loss. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Restructuring provisions are recognised only when the Group has a constructive obligation, which is when: (i) a detailed formal plan identifies the business or part of the business concerned, the location and number of employees affected, a detailed estimate of the associated costs, and the timeline; and (ii) the employees affected have been notified of the plan's main features.

Defined contribution plans

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in consolidated statement of profit and loss on the earlier of:

- the date of the plan amendment or curtailment, and
- the date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

25. Provisions (Contd.)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Non-current		
Provision for Employee Benefits		
Compensated Absences	183.22	171.94
Gratuity (Net) [Refer Note 25 (2.3)]	88.37	51.79
Post-Employment Medical Benefits [Refer Note 25 (2.3)]	62.82	60.88
Other Defined Benefit Plans [Refer Note 25 (2.3)]	428.94	69.30
Other Employee Benefits	25.31	16.59
	788.66	370.50
Other Provisions		
Provision for Warranties	50.92	36.90
	50.92	36.90
Total	839.58	407.40
Current		
Provision for Employee Benefits		
Compensated Absences	29.38	30.50
Gratuity (Net) [Refer Note 25 (2.3)]	27.79	7.99
Post-Employment Medical Benefits [Refer Note 25 (2.3)]	3.16	3.12
Other Defined Benefit Plans [Refer Note 25 (2.3)]	117.90	55.43
Other Employee Benefits	4.08	2.06
	182.31	99.10
Other Provisions		
Provision for Warranties	10.94	9.18
Provision for Losses/Onerous Contracts	74.86	3.64
Provision for Rectification Work	2.00	4.50
	87.80	17.32
Total	270.11	116.42

Movement of Other Provisions

	Provision for Warranties	Provision for Losses of Joint Ventures	Provision for Losses/ Onerous Contracts	Provision for Rectification Work	Total
	₹ crore				
Balance as at 1st April, 2019	39.23	83.45	14.74	13.40	150.82
Additional provisions recognised	10.45	Nil	3.16	Nil	13.61
Reductions arising from payments	(3.60)	Nil	(0.06)	(8.90)	(12.56)
Reductions arising from remeasurements or settlement without cost	Nil	(83.45)	(14.20)	Nil	(97.65)
Balance as at 31st March, 2020	46.08	Nil	3.64	4.50	54.22

Notes to the Consolidated Financial Statements

25. Provisions (Contd.)

	Provision for Warranties	Provision for Losses of Joint Ventures	Provision for Losses/Onerous Contracts	Provision for Rectification Work	Total
Balance as at 1st April, 2020	46.08	Nil	3.64	4.50	54.22
Additional provisions recognised	26.49	Nil	71.22	Nil	97.71
Reductions arising from payments	(10.71)	Nil	Nil	(2.50)	(13.21)
Reductions arising from remeasurements or settlement without cost	Nil	Nil	Nil	Nil	Nil
Balance as at 31st March, 2021	61.86	Nil	74.86	2.00	138.72

Notes:

- The provision for warranty claims represents estimated warranty liability for the products sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The provision related to Asset held for Sale is transferred to Liabilities pertaining to Asset held for Sale.
- The provision for losses of Joint Ventures is recognised, to the extent that the Group has incurred legal or constructive obligations, in the event that the share of losses for joint ventures accounted for using the equity method, exceeds zero.
- The provision for losses includes provision for estimated losses on onerous contracts and provision for contingency on regulatory assets recognised.
- The provision for rectification work relates to the estimated cost of work agreed to be carried out for the rectification of goods supplied to the customers. The amount is anticipated to be expensed in the subsequent year. These amounts have not been discounted for the purposes of measuring the provision for rectification work, because the effect is not material.
- During the year, the Group has acquired the electricity distribution business of central, southern and western Odisha. As a part of business transfer, all the employees of the undertaking were transferred to the Group on a continuity of service conditions. Certain employees of said electricity distribution business transferred to the Group are entitled to pension plan, gratuity plan and rehabilitation scheme (post-employment benefit plans) which are managed by separate trusts created for the purpose which is controlled and monitored by State Government. As on the date of acquisition, the plan liabilities exceeds plan assets. The vesting order prescribes the mechanism for funding of such plan liabilities based on request from the respective employee benefit trusts whereby the Group is required to fund the shortfall and is entitled to simultaneously recover the amounts from consumers. The Group has assessed these plans are defined benefit plans and accordingly recognised it in the books of accounts. As the Group acts as an intermediary on behalf of the trusts to collect the amounts from the consumers, the amount recoverable from consumers for the pre-acquisition period amounting to ₹ 223.34 crore are netted off with revenue from operations.

Employee benefit plan

1. Defined Contribution plan

The Group makes Provident Fund and Superannuation Fund contributions to defined contribution plans for eligible employees. Under the schemes, the Group is required to contribute a specified percentage of the payroll costs. The provident fund contributions as specified under the law are paid to the Government approved provident fund trust or statutory provident fund authorities. The Group has no obligation, other than the contribution payable to the respective fund. The Group recognises such contribution payable to the respective fund scheme as an expense, when an employee renders the related service.

The Group has recognised ₹ 69.31 crore (31st March, 2020 - ₹ 67.88 crore) for provident and pension fund contributions and ₹ 9.25 crore (31st March, 2020 - ₹ 10.75 crore) for superannuation contributions in the consolidated statement of profit and loss. The said amount is excluding of amounts recognised by the Strategic Engineering Division (SED) (Discontinued operations). The contributions payable to these plans by the Group are at rates specified in the rules of the plans.

2. Defined benefit plans

2.1 The Group operates the following unfunded/funded defined benefit plans:

Funded:

Provident Fund

The Parent Company makes Provident Fund contributions to defined benefit plans for eligible employees. Under the scheme, the Parent Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified under the law are paid to the provident fund set up as a trust by the Parent Company. The Parent Company is generally liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contributions and shortfall, if any, as an expense in the year it is incurred. Having regard to the assets of the fund and the return on the investments, the Group expects shortfall of ₹ 6.50 crore which has been provided as an expenditure during the year.

25. Provisions (Contd.)

The actuary has provided a valuation of provident fund liability based on the assumptions listed and determined the net short fall of ₹ 6.50 crore as at 31st March, 2021 (31st March, 2020 - ₹ 10.52 crore) which has been recognised as an expense during the year.

Pension Fund

The Odisha Distribution Companies acquired by the Group during the year have a defined benefit pension plan, the pension plan is primarily governed by the Odisha Civil Services (Pension) Rules, 1992. The level of benefits, eligibility depends on the date of joining, member's length of service and salary at the retirement date. The pension plan is funded plan. The fund is in the form of a trust and is governed by Trustees appointed by the respective subsidiaries and regulations framed in this regard. The Trustees are responsible for the administration of the plan assets and for defining the investment strategy in accordance with the regulations.

The significant assumptions used for the purpose of the actuarial valuations were as follows:

Particulars	As at 31st March, 2021	As at 31st March, 2020
Interest rate	7.50% p.a.	8.50% p.a.
Discount rate	6.60% p.a.	6.50% p.a.
Contribution during the year (₹ crore)	1,70.29	21.15
Short fall recognised as an expenditure for the year (₹ crore)	6.50	10.52

The movements in the net defined benefit obligations are as follows:

Funded Plan:	Present value of obligation	Fair value of plan assets	Net amount
	₹ crore	₹ crore	₹ crore
Balance as at 1st April, 2019	760.31	752.04	8.27
Current service cost	22.02	Nil	22.02
Interest Cost/(Income)	56.34	57.21	(0.87)
Amount recognised in Statement of Profit and Loss	78.36	57.21	21.15
Remeasurement (gains)/losses			
Return on plan assets excluding amounts included in interest cost/(income)	Nil	(40.00)	40.00
Actuarial (gains)/losses arising from changes in demographic assumptions	(1.59)	Nil	(1.59)
Actuarial (gains)/losses arising from changes in financial assumptions	(3.30)	Nil	(3.30)
Actuarial (gains)/losses arising from experience	13.84	Nil	13.84
Amount recognised in Other Comprehensive Income	8.95	(40.00)	48.95
Employer contribution	Nil	21.13	(21.13)
Employee contribution	49.34	49.34	Nil
Benefits paid	(98.17)	(98.17)	Nil
Acquisitions credit/(cost)	8.97	8.97	Nil
Balance as at 31st March, 2020	807.76	750.52	57.24
Balance as at 1st April, 2020	807.76	750.52	57.24
Liability (includes amount recoverable from consumers for the pre-acquisition period - Refer Note 25.5 above)	4,235.09	524.52	3,710.57
Current service cost	47.40	Nil	47.40
Interest Cost/(Income)	189.92	67.03	122.89
Amount recognised in Statement of Profit and Loss	237.32	67.03	170.29
Remeasurement (gains)/losses			
Return on plan assets excluding amounts included in interest cost/(income)	0.18	76.02	(75.84)
Actuarial (gains)/losses arising from changes in financial assumptions	37.87	Nil	37.87
Actuarial (gains)/losses arising from experience	326.17	Nil	326.17
Amount recognised in Other Comprehensive Income	364.22	76.02	288.20

Notes to the Consolidated Financial Statements

25. Provisions (Contd.)

Funded Plan:	Present value of obligation	Fair value of plan assets	Net amount
	₹ crore	₹ crore	₹ crore
Employer contribution	Nil	222.31	(222.31)
Employee contribution	44.14	44.14	Nil
Benefits paid	(350.00)	(343.92)	(6.09)
Acquisitions credit/(cost)	22.80	22.80	Nil
Less: Amount recoverable from consumers for pre-acquisition period(Refer Note 25.5 above)	(3,855.88)	(326.86)	(3,529.02)
Balance as at 31st March, 2021	1,505.45	1,036.57	468.88

Unfunded:

Post Employment Medical Benefits

The Group provides certain post-employment health care benefits to superannuated employees at some of its locations. In terms of the plan, the retired employees can avail free medical check-up and medicines at Group's facilities.

Pension (including Director pension)

The Group operates a defined benefit pension plan for employees who have completed 15 years of continuous service. The plan provides benefits to members in the form of a pre-determined lumpsum payment on retirement. Executive Director, on retirement, is entitled to pension payable for life including HRA benefit. The level of benefit is approved by the Board of Directors of the Group from time to time.

Ex-Gratia Death Benefit

The Group has a defined benefit plan granting ex-gratia in case of death during service. The benefit consists of a pre-determined lumpsum amount along with a sum determined based on the last drawn basic salary per month and the length of service.

Retirement Gift

The Group has a defined benefit plan granting a pre-determined sum as retirement gift on superannuation of an employee.

Funded/Unfunded:

Gratuity

The Group has a defined benefit gratuity plan. The gratuity plan is primarily governed by the Payment of Gratuity Act, 1972. The gratuity plan of the Odisha Distribution Companies acquired by the Group during the year is governed by the Odisha Civil Services (Pension) Rules, 1992 and the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the member's length of service and salary at the retirement date. The gratuity plan is a combination of funded plan and unfunded plan for various companies in the Group.

In case of funded plan, the fund has the form of a trust and is governed by Trustees appointed by the Group. The Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy in accordance with the trust regulations.

2.2 The principal assumptions used for the purposes of the actuarial valuations for funded and unfunded plan were as follows:

Valuation as at	As at 31st March, 2021	As at 31st March, 2020
Discount Rate	6.6% to 6.97% p.a	6.25% to 6.84 % p.a
Salary Growth Rate	5% to 8% p.a.	5% to 8% p.a.
Turnover Rate	0.5% to 8% p.a.	2% to 8% p.a.
Pension Increase Rate	4% to 5% p.a.	3% to 5% p.a.
Mortality Table	Indian Assured Lives Mortality (2006-08) (modified) Ult & 100% of Indian Assured Lives Mortality (2012-2014)	Indian Assured Lives Mortality (2006-08) (modified) Ult & 100% of Indian Assured Lives Mortality (2012-2014)
Annual Increase in Healthcare Cost	8% p.a.	8% p.a.

25. Provisions (Contd.)

2.3 The amounts recognised in the financial statements and the movements in the net defined benefit obligations over the year are as follows:

(a) Gratuity Fund Plan:	Present value of obligation	Fair value of plan assets	Net amount
	₹ crore	₹ crore	₹ crore
Balance as at 1st April, 2019*	323.09	(323.84)	(0.75)
Current service cost	19.01	Nil	19.01
Past service cost	Nil	Nil	Nil
Interest Cost/(Income)	25.64	(24.10)	1.54
Less: Amount recognised in Statement of Profit and Loss - Discontinued Operations	1.30	Nil	1.30
Amount recognised in Statement of Profit and Loss - Continuing Operations	45.95	(24.10)	21.85
Remeasurement (gains)/losses			
Return on plan assets excluding amounts included in interest cost/(income)	0.05	(8.25)	(8.20)
Actuarial (gains)/losses arising from changes in demographic assumptions	25.46	Nil	25.46
Actuarial (gains)/losses arising from changes in financial assumptions	20.79	Nil	20.79
Actuarial (gains)/losses arising from experience	(0.82)	Nil	(0.82)
Less: Amount recognised in Other Comprehensive Income - Discontinued Operations	(0.21)	Nil	(0.21)
Amount recognised in Other Comprehensive Income	45.27	(8.25)	37.02
Employer contribution	Nil	(6.63)	(6.63)
Benefits paid	(59.93)	4.09	(55.84)
Acquisitions credit/(cost)	(0.39)	Nil	(0.39)
Add: Amounts recognised in current year - Discontinued Operations	(1.08)	Nil	(1.08)
Balance as at 31st March, 2020*	352.91	(358.73)	(5.82)
Balance as at 1st April, 2020 *	352.91	(358.73)	(5.82)
Liability (includes amount recoverable from consumers for the pre-acquisition period - Refer Note 25.5 above)	309.06	(94.70)	214.36
Current service cost	37.31	Nil	37.31
Past service cost	Nil	Nil	Nil
Interest Cost/(Income)	33.48	(26.22)	7.26
Less: Amount recognised in Statement of Profit and Loss - Discontinued Operations	(0.89)	Nil	(0.89)
Amount recognised in Statement of Profit and Loss - Continuing Operations	69.90	(26.22)	43.68
Remeasurement (gains)/losses			
Return on plan assets excluding amounts included in interest cost/(income)	0.80	(16.99)	(16.19)
Actuarial (gains)/losses arising from changes in demographic assumptions	8.03	Nil	8.03
Actuarial (gains)/losses arising from changes in financial assumptions	(6.23)	Nil	(6.23)
Actuarial (gains)/losses arising from experience	17.21	Nil	17.21
Less: Amount recognised in Other Comprehensive Income - Discontinued Operations	(0.34)	Nil	(0.34)
Amount recognised in Other Comprehensive Income	19.47	(16.99)	2.48
Employer contribution	Nil	(47.96)	(47.96)
Benefits paid	(90.03)	57.51	(32.52)
Acquisitions credit/(cost)	(22.85)	Nil	(22.85)
Add: Amounts recognised in current year - Discontinued Operations	0.89	Nil	0.89
Less: Amount recoverable from consumers for pre-acquisition period (Refer Note 25.5 above)	(269.36)	89.69	(179.67)
Balance as at 31st March, 2021*	369.99	(397.40)	(27.41)

* Net assets is classified as "Other Current Assets"

(b) Unfunded Plan - Gratuity and Other Defined Benefit Plans:	Gratuity Amount	Other Defined Benefit Plans Amount
	₹ crore	₹ crore
Balance as at 1st April, 2019	22.58	112.56
Current service cost	2.72	6.87
Past service cost	Nil	0.25

Notes to the Consolidated Financial Statements

25. Provisions (Contd.)

(b) Unfunded Plan - Gratuity and Other Defined Benefit Plans:	Gratuity Amount	Other Defined Benefit Plans Amount
	₹ crore	₹ crore
Past service cost - Plan amendments	Nil	13.52
Interest Cost/(Income)	1.60	10.44
Less: Amount recognised in Statement of Profit and Loss - Discontinued Operations	Nil	0.07
Amount recognised in Statement of Profit and Loss - Continuing Operations	4.32	31.15
Remeasurement (gains)/losses		
Actuarial (gains)/losses arising from changes in demographic assumptions	(0.56)	(5.65)
Actuarial (gains)/losses arising from changes in financial assumptions	2.33	10.90
Actuarial (gains)/losses arising from experience	3.64	(9.68)
Less: Amount recognised in other comprehensive income - Discontinued operations	Nil	0.41
Amount recognised in Other Comprehensive Income	5.41	(4.02)
Benefits paid	(2.72)	(7.31)
Acquisitions credit/(cost)	0.56	(0.31)
Add: Amounts recognised in current year - Discontinued Operations	Nil	(0.58)
Balance as at 31st March, 2020	30.15	131.49
Balance as at 1st April, 2020	30.15	131.49
Liability (includes amount recoverable from consumers for the pre-acquisition period - Refer Note 25.5 above)	Nil	157.38
Current service cost	2.99	9.02
Past service cost	0.06	5.68
Past service cost - Plan amendments	Nil	Nil
Interest Cost/(Income)	1.88	8.09
Less: Amount recognised in Statement of Profit and Loss - Discontinued Operations	Nil	Nil
Amount recognised in Statement of Profit and Loss - Continuing Operations	4.93	22.79
Remeasurement (gains)/losses		
Actuarial (gains)/losses arising from changes in demographic assumptions	0.04	(0.71)
Actuarial (gains)/losses arising from changes in financial assumptions	(0.27)	1.55
Actuarial (gains)/losses arising from experience	8.58	(3.40)
Less: Amount recognised in other comprehensive income - Discontinued operations	0.61	(0.03)
Amount recognised in Other Comprehensive Income	8.96	(2.59)
Benefits paid	(3.44)	(10.50)
Acquisitions credit/(cost)	11.51	(2.44)
Add: Amounts recognised in current year - Discontinued Operations	Nil	0.10
Less: Amount recoverable from consumers for pre-acquisition period (Refer Note 25.5 above)	Nil	(152.29)
Balance as at 31st March, 2021	52.11	143.94
Reconciliation with amount presented in the Balance Sheet		
	As at	As at
	31st March, 2021	31st March, 2020
	₹ crore	₹ crore
Gratuity provision - funded	(27.41)	(5.82)
Gratuity provision - unfunded	52.11	30.15
	24.70	24.33
Non current provision for Gratuity (net)	88.37	51.79
Add: Current provision for Gratuity (net)	27.79	7.99
Less: Gratuity Assets classified as other assets	91.46	35.45
Gratuity provision (net)	24.70	24.33

25. Provisions (Contd.)

Provision for Other defined benefit obligation

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Closing provision as per above note 2.1 and 2.3(b)	612.82	188.73
Non current provision for Post-Employment Medical benefits	428.94	69.30
Add: Non current provision for Other defined benefit plans	62.82	60.88
Add: Current provision for Post-Employment Medical benefits	3.16	3.12
Add: Current provision for Other defined benefit plans	117.90	55.43
Closing provision as per above	612.82	188.73

2.4 Sensitivity analysis

The sensitivity of the defined benefit obligations to changes in the weighted principal assumptions is:

Change in assumption	31st March, 2021		31st March, 2020	
	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
	₹ crore		₹ crore	
Discount rate	0.50%	0.50%	Decrease by 530.54	24.15
Salary/Pension growth rate	0.50%	0.50%	Increase by 208.56	19.97
Mortality rates	1 year	1 year	Decrease by 6.26	5.84
Healthcare cost	0.50%	0.50%	Increase by 353.53	5.17

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

These plans typically expose the Company to actuarial risks such as: Investment Risk, Interest Risk, Longevity Risk and Salary Risk.

Investment Risk The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest Risk A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

Longevity Risk The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

2.5 The expected maturity analysis of undiscounted defined benefit obligation (Funded and Unfunded) is as follows:

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Within 1 year	596.35	106.05
Between 1 - 2 years	523.32	155.63
Between 2 - 3 years	454.90	145.32

Notes to the Consolidated Financial Statements

25. Provisions (Contd.)

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Between 3 - 4 years	439.56	134.28
Between 4 - 5 years	407.23	136.92
Beyond 5 years	4,314.54	723.06
The weighted average duration of:		
	As at 31st March, 2021	As at 31st March, 2020
Provident Fund	7.0 Years	7.0 Years
Gratuity Fund	7.4 Years	7.4 Years

2.6 Risk exposure:

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility:

The plan liabilities are calculated using a discount rate set with reference to government bond yield. If plan assets underperform this yield, it will result in deficit. These are subject to interest rate risk. To offset the risk, the plan assets have been deployed in high grade insurer managed funds.

Inflation rate risk:

Higher than expected increase in salary and medical cost will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligations is not straight forward and depends upon the combination of salary increase, discount rate and vesting criterion.

2.7 Major categories of plan assets:

Plan assets are funded with the trust set up by the Group. The Insurer trust invests the funds in various financial instruments. Major categories of plan assets are as follows:

	Provident Fund		Gratuity		Pension	
	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
	%	%	%	%	%	%
Quoted Equity Instruments	5%	4%	15%	18%	Nil	Nil
Debt & Other Instruments	54%	42%	30%	55%	54%	Nil
Government Securities	41%	54%	55%	27%	46%	Nil

26. Other Liabilities

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Non-current		
Consumers' Benefit Account [Refer Note 37(f)]	72.35	16.97
Deferred Revenue - Service Line Contributions from Consumers	4,251.30	1,321.37
Advance from Customers	0.08	0.11
Deferred Rent Liability	42.76	45.43
Deferred Revenue Liability	809.69	683.43
Deferred Revenue Grant*	16.49	17.21
Government Grant towards cost of capital assets (Pending to be utilized)	1,025.28	Nil
Total	6,217.95	2,084.52

* The Group has recognised an income of ₹ 2.20 crore (31st March, 2020 - ₹ 0.89 crore) on account of Deferred Grants during the year in the statement of profit and loss account.

26. Other Liabilities (Contd.)

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Current		
Statutory Liabilities	347.02	241.86
Advance from Customers/Public Utilities	776.75	280.94
Advance from Consumers	432.01	501.21
Liabilities towards Consumers	240.09	195.96
Statutory Consumer Reserves [Refer Note 37(f)]	179.00	168.00
Deferred Revenue Liability	43.51	41.62
Other Liabilities	33.64	23.49
Total	2,052.02	1,453.08

27. Current Borrowings - At Amortised Cost

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
(i) Unsecured		
From Debentures		
(a) Redeemable Non-Convertible Debentures	Nil	370.00
From Banks		
(b) Buyers' Line of Credit	Nil	9.23
(c) Bank Overdraft - repayable on demand	82.39	34.71
(d) Short-term Loans	2,487.68	1,562.44
From Others		
(e) From Related Parties	612.97	2,022.78
(f) From Other (Refer Note below)	Nil	140.28
(g) Commercial Papers	3,922.76	6,630.18
	7,105.80	10,769.62
(ii) Secured		
From Banks		
(a) Buyers' Line of Credit	62.62	Nil
(b) Short-term Loans	1,250.52	1,074.74
(c) Cash Credit from Bank	13.78	Nil
(d) Bank Overdraft - repayable on demand	3.49	Nil
	1,330.41	1,074.74
Total	8,436.21	11,844.36

Note:

The Group had entered into a Suppliers' Credit Program ("Facility") with a party whereby the Group would get additional credit period over and above the original credit period granted by certain coal suppliers. Under this Facility, the party shall pay the said coal suppliers on the original due date on behalf of the Group and grant an additional credit period to the Group.

Security

Short-term Loans and Buyer's Line of Credit availed by various entities of the Group are secured by a charge on immovable property of certain entities, both present and future and are also secured by way of charge on tangible and intangible assets, current assets, receivables and stores and spares, uncalled capital receivables, rights under project documents, project cash flows, pledge of shares and monies receivable of the respective entities.

Notes to the Consolidated Financial Statements

28. Revenue from Operations

Revenue recognition

Accounting Policy

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Description of performance obligations are as follows:

- (i) **Sale of Power - Generation (Thermal and Hydro)**
Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered. Contract price determined as per tariff regulations
The Group as per the prevalent tariff regulations is required to recover its Annual Revenue Requirement ('ARR') comprising of expenditure on account of fuel cost, operations and maintenance expenses, financing costs, taxes and assured return on regulator approved equity with additional incentive for operational efficiencies. Accordingly, rate per unit is determined using input method based on the Group's efforts to the satisfaction of a performance obligation to deliver power. As per tariff regulations, the Group determines ARR and any surplus/shortfall in recovery of the same is accounted as revenue.
Contract Price as per long term agreements
Rate per unit is determined using input method based on the Group's efforts to the satisfaction of a performance obligation to deliver power.
Variable consideration forming part of total transaction price will be allocated and recognised when the terms of variable payment relate specifically to the Group's efforts to satisfy the performance obligation i.e. in the year of occurrence of event linked to variable consideration. The transaction price is adjusted for significant financing component, if any and the adjustment is accounted as finance cost.
- (ii) **Sale of Power - Generation (Wind and Solar)**
Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered at the contracted rate. The transaction price is adjusted for significant financing component, if any and the adjustment is accounted as finance cost.
- (iii) **Transmission of Power**
Revenue from transmission of power is recognised net of cash discount over time for transmission of electricity. The Group as per the prevalent tariff regulations is required to recover its Annual Revenue Requirement ('ARR') comprising of expenditure on account of operations and maintenance expenses, financing costs, taxes and assured return on regulator approved equity with additional incentive for operational efficiencies. Input method is used to recognise revenue based on the Group's efforts or inputs to the satisfaction of a performance obligation to deliver power.
As per tariff regulations, the Group determines ARR and any surplus/shortfall in recovery of the same is accounted as revenue.
- (iv) **Sale of Power - Distribution**
Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered at the pre determined rate.
- (v) **Trading of power**
In the arrangement the Group is acting as an agent, the revenue is recognised on net basis when the units of electricity are delivered to power procurers because this is when the Group transfers control over its services and the customer benefits from the Group's such agency services.
The Group determines its revenue on certain contracts net of power purchase cost based on the following factors:
 - a. another party is primarily responsible for fulfilling the contract as the Group does not have the ability to direct the use of power supplied or obtain benefits from supply of power.
 - b. the Group does not have inventory risk before or after the power has been delivered to customers as the power is directly supplied to customer.

28. Revenue from Operations (Contd.)

c. the Group has no discretion in establishing the price for supply of power. The Group's consideration in these contracts is only based on the difference between sales price charged to procurer and purchase price given to supplier.

For other contracts which does not qualify the conditions mentioned above, revenue is determined on gross basis.

(vi) Sale of Solar Products

Revenue from turnkey contracts, which are generally time bound fixed price contracts, are recognised over the life of the contract using the proportionate completion method, with contracts costs determining the degree of completion.

(vii) Rendering of Services

Revenue from a contract to provide services is recognised over time based on :

Input method where the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of performance obligation. Revenue, including estimated fees or profits, are recorded proportionally based on measure of progress.

Output method where direct measurements of value to the customer based on survey's of performance completed to date

Revenue is recognised net of cash discount at a point in time at the contracted rate.

(viii) Consumers are billed on a monthly basis and are given average credit period of 30 to 45 days for payment. There is no significant judgement involved while evaluating the timing as to when customers obtain control of promised goods and services.

(ix) In the regulated operations of the Group where tariff recovered from consumers is determined on cost plus return on equity, the Income tax cost is pass through cost and accordingly the Group recognises Deferred tax recoverable / payable against any Deferred tax expense/ income. The same has now been included in 'Revenue from Operations' in case of Generation and Transmission Divisions and 'Net Movement in Regulatory Deferral Balances' in case of Distribution Division

There is no significant judgement involved while evaluating the timing as to when customers obtain control of promised goods and services.

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
(a) Revenue from Power Supply and Transmission Charges	29,264.40	28,264.95
Add/(Less): Cash Discount	(418.49)	(69.40)
Add/(Less): Income to be adjusted in future tariff determination (Net)	71.54	(665.32)
Add/(Less): Income to be adjusted in future tariff determination (Net) in respect of earlier years (Refer Note 18)	(8.53)	5.49
Add/(Less): Deferred Tax Recoverable/Payable	44.80	31.41
Add/(Less): Power Purchase Cost (where Group acts as an agent)	(1,884.00)	(2,182.90)
	27,069.72	25,384.23
(b) Revenue from Power Supply - Assets Under Finance Lease	942.03	1,051.27
(c) Project/Operation Management Services	140.57	119.19
(d) Revenue from Sale of:		
Solar Products	3,274.86	1,418.28
Electronic Products	41.28	44.37
	3,316.14	1,462.65

Notes to the Consolidated Financial Statements

28. Revenue from Operations (Contd.)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
(e) Income from Finance Lease	91.23	91.56
(f) Finance Income from Service Concession Agreement	36.61	38.70
(g) Other Operating Revenue		
Rental of Land, Buildings, Plant and Equipments, etc.	11.98	10.81
Charter Hire	86.84	220.37
Income in respect of Services Rendered	361.11	404.58
Compensation	Nil	0.41
Amortisation of Capital Grants	2.58	3.25
Amortisation of Service Line Contributions	149.60	89.08
Income from Storage & Terminalling	16.31	15.22
Miscellaneous Revenue and Sundry Credits	187.93	93.09
Sale of Fly Ash	13.97	10.00
Sale of Coal	Nil	78.21
Sale of Carbon Credits	0.59	6.25
Sale of Products - Trading	1.01	0.95
Dividend from Equity Investments measured at FVTOCI	1.43	1.85
Profit on sale of Current Investment - measured at FVTPL	2.51	4.34
Sale of Renewable Energy Certificates	35.94	50.36
	871.80	988.77
Total	32,468.10	29,136.37

Details of Revenue from Contract with Customers

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Total Revenue from Contract with Customers	32,020.25	28,836.15
Less: Significant Financing Component	(81.11)	(67.40)
Add: Cash Discount/Rebates etc.	418.49	69.40
Total Revenue as per Contracted Price	32,357.63	28,838.15

Transaction Price - Remaining Performance Obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Group expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.

The aggregate value of performance obligations that are partially unsatisfied as at 31st March, 2021, other than those meeting the exclusion criteria mentioned above is ₹ 1,11,308.19 crore (31st March, 2020 - ₹ 1,27,165.72 crore). Out of this, the group expects to recognise revenue of around 6.01% (31st March, 2020 - 5.66%) within the next one year and the remaining thereafter.

Notes to the Consolidated Financial Statements

28. Revenue from Operations (Contd.)

Revenue is disaggregated by type and nature of product or services. The table also includes the reconciliation of the disaggregated revenue with the Group's reportable segment.

Particulars	Revenue from Contracts with Customers		Other than Revenue from Contracts with Customers		Total (Before Inter-Segment Elimination)		Inter-Segment		Total	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020	For the year ended 31st March, 2021	For the year ended 31st March, 2020	For the year ended 31st March, 2021	For the year ended 31st March, 2020	For the year ended 31st March, 2021	For the year ended 31st March, 2020	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore
Nature of Goods/Services										
Generation										
Sale of Power	12,129.74	12,921.98	Nil	12,129.74	12,921.98	2,903.90	3,580.07	9,225.84	9,341.91	
Sale of Power from Assets Under Lease	942.03	1,051.27	Nil	942.03	1,051.27	Nil	Nil	942.03	1,051.27	
Project/Operation Management Services	80.42	47.61	Nil	80.42	47.61	0.12	1.93	80.30	45.68	
Charter Hire	86.84	220.37	Nil	86.84	220.37	Nil	Nil	86.84	220.37	
Income in respect of Services Rendered	73.86	70.88	Nil	73.86	70.88	Nil	Nil	73.86	70.88	
Sale of Fly Ash	13.97	10.00	Nil	13.97	10.00	Nil	Nil	13.97	10.00	
Sale of Coal	Nil	78.21	Nil	Nil	78.21	Nil	Nil	Nil	78.21	
Income from Finance Lease	Nil	Nil	84.66	84.66	88.91	88.91	Nil	84.66	88.91	
Rental of Land, Buildings, Plant and Equipments, etc.	Nil	Nil	5.16	5.16	5.49	5.49	Nil	5.16	5.49	
Amortisation of Service Line Contributions	Nil	Nil	0.04	0.04	0.05	0.05	Nil	0.04	0.05	
Miscellaneous Revenue and Sundry Credits	Nil	Nil	16.05	16.05	37.97	37.97	0.81	15.24	36.98	
Total (A)	13,326.86	14,400.32	105.91	132.42	13,432.77	14,532.74	2,904.83	3,582.99	10,527.94	10,949.75
Renewables										
Sale of Power	2,394.33	2,401.44	Nil	2,394.33	2,401.44	185.72	228.03	2,208.61	2,173.41	
Project/Operation Management Services	32.49	29.88	Nil	32.49	29.88	0.84	0.79	31.65	29.09	
Sale of Solar Products	3,356.03	1,425.07	Nil	3,356.03	1,425.07	81.17	6.79	3,274.86	1,418.28	
Income in respect of Services Rendered	3.13	1.99	Nil	3.13	1.99	Nil	Nil	3.13	1.99	
Sale of REC certificates	35.56	49.35	Nil	35.56	49.35	Nil	Nil	35.56	49.35	
Finance Income from Service Concession Agreement	36.49	38.61	Nil	36.49	38.61	Nil	Nil	36.49	38.61	
Income from Finance Lease	Nil	Nil	6.57	6.57	6.57	Nil	Nil	6.57	6.57	
Rental of Land, Buildings, Plant and Equipments, etc.	Nil	Nil	0.02	Nil	0.02	Nil	Nil	Nil	0.02	
Amortisation of Capital Grants	Nil	Nil	1.85	1.85	2.50	Nil	Nil	1.85	2.50	
Miscellaneous Revenue and Sundry Credits	Nil	Nil	20.61	20.61	19.69	Nil	Nil	20.61	19.69	
Sale of Carbon Credits	Nil	Nil	0.59	0.59	6.25	Nil	Nil	0.59	6.25	
Total (B)	5,858.03	3,946.34	29.62	31.11	5,887.65	3,977.45	267.72	235.61	5,619.92	3,741.84

Notes to the Consolidated Financial Statements

28. Revenue from Operations (Contd.)

Particulars	Revenue from Contracts with Customers		Other than Revenue from Contracts with Customers		Total (Before Inter Segment Elimination)		Inter Segment		Total	
	For the year ended 31st March, 2021		For the year ended 31st March, 2020		For the year ended 31st March, 2021		For the year ended 31st March, 2020		For the year ended 31st March, 2021	
	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore
Transmission and Distribution of Power										
Sale of Power	15,635.27	13,869.32	Nil	Nil	15,635.27	13,869.32	Nil	Nil	15,635.27	13,869.32
Project/Operation Management Services	22.45	38.64	Nil	Nil	22.45	38.64	Nil	Nil	22.45	38.64
Income in respect of Services Rendered	95.15	150.94	Nil	Nil	95.15	150.94	Nil	Nil	95.15	150.94
Sale of Products - Trading	1.01	0.95	Nil	Nil	1.01	0.95	Nil	Nil	1.01	0.95
Sale of REC certificates	0.37	1.01	Nil	Nil	0.37	1.01	Nil	Nil	0.37	1.01
Finance Income from Service Concession Agreement	0.12	0.09	Nil	Nil	0.12	0.09	Nil	Nil	0.12	0.09
Income from Finance Lease	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Rental of Land, Buildings, Plant and Equipments, etc.	Nil	Nil	5.02	4.53	5.02	4.53	Nil	Nil	5.02	4.53
Amortisation of Capital Grants	Nil	Nil	0.73	0.75	0.73	0.75	Nil	Nil	0.73	0.75
Amortisation of Service Line Contributions	Nil	Nil	149.56	89.04	149.56	89.04	Nil	Nil	149.56	89.04
Miscellaneous Revenue and Sundry Credits	Nil	Nil	148.94	36.12	148.94	36.12	Nil	Nil	148.94	36.12
Net movement in Regulatory Deferral Balances	Nil	Nil	611.04	(188.69)	611.04	(188.69)	Nil	Nil	611.04	(188.69)
Total (C)	15,754.37	14,060.95	915.29	(58.25)	16,669.66	14,002.70	Nil	Nil	16,669.66	14,002.70
Others										
Project/Operation Management Services	1.06	1.75	Nil	Nil	1.06	1.75	0.67	0.14	0.39	1.61
Sale of Electronic Products	41.28	44.37	Nil	Nil	41.28	44.37	Nil	Nil	41.28	44.37
Income in respect of Services Rendered	196.87	183.25	Nil	Nil	196.87	183.25	8.86	7.66	188.01	175.59
Income from Storage & Terminals	16.31	15.22	Nil	Nil	16.31	15.22	Nil	Nil	16.31	15.22
Rental of Land, Buildings, Plant and Equipments, etc.	Nil	Nil	1.78	1.99	1.78	1.99	1.78	1.99	Nil	Nil
Interest on inter-corporate Deposits	Nil	Nil	Nil	2.77	Nil	2.77	Nil	2.77	Nil	Nil
Dividend from Equity Investments measured at FVTOCI	Nil	Nil	1.43	1.84	1.43	1.84	Nil	Nil	1.43	1.84
Miscellaneous Revenue and Sundry Credits	Nil	Nil	0.92	Nil	0.92	Nil	Nil	Nil	0.92	Nil
Profit on sale of Current Investment - measured at FVTPL	Nil	Nil	2.51	4.34	2.51	4.34	Nil	Nil	2.51	4.34
Total (D)	255.52	244.59	6.64	10.94	262.16	255.53	11.31	12.56	250.85	242.97
Unallocable										
Project/Operation Management Services	5.78	4.17	Nil	Nil	5.78	4.17	Nil	Nil	5.78	4.17
Rental of Land, Buildings, Plant and Equipments, etc.	Nil	Nil	1.80	0.77	1.80	0.77	Nil	Nil	1.80	0.77
Income in respect of Services Rendered	0.96	5.18	Nil	Nil	0.96	5.18	Nil	Nil	0.96	5.18
Miscellaneous Revenue and Sundry Credits	Nil	Nil	2.22	0.30	2.22	0.30	Nil	Nil	2.22	0.30
Total (E)	6.74	9.35	4.02	1.07	10.76	10.42	Nil	Nil	10.76	10.42
Revenue from Continued Operations										
(A + B + C + D + E)	35,201.52	32,661.55	1,061.48	117.29	36,263.00	32,778.84	3,183.86	3,831.16	33,079.14	28,947.68
Revenue from Discontinued Operations (F)										
	193.63	343.74	Nil	Nil	193.63	343.74	Nil	Nil	193.63	343.74

28. Revenue from Operations (Contd.)

Reconciliation of Revenue	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Revenue from Continued Operations as per above	33,079.14	28,947.68
Net movement in Regulatory Deferral Balances	(611.04)	188.69
Total Revenue from Operations	32,468.10	29,136.37

Contract Balances

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Contract Assets		
Recoverable from Consumers		
Non-Current	1,161.06	960.84
Current	Nil	Nil
Unbilled Revenue other than passage of time	21.74	30.07
Total Contract Assets	1,182.80	990.91

Contract Liabilities

Deferred Revenue Liability		
Non-Current	809.69	683.43
Current	43.51	41.62
Advance from Consumers		
Non-Current	0.08	0.11
Current	432.01	501.21
Liabilities towards Consumers		
Non-Current	Nil	Nil
Current	240.09	195.96
Total Contract Liabilities	1,525.38	1,422.33

Receivables

Trade Receivables (Gross)		
Non-Current	605.89	34.83
Current	5,438.62	4,859.41
Recoverable from Consumers		
Current	75.65	232.17
Unbilled Revenue for passage of time		
Non-Current	104.47	95.33
Current	1,573.64	799.42
(Less): Allowances for Doubtful Debts		
Non-Current	(1.18)	(4.55)
Current	(437.65)	(433.51)
Net Receivables	7,359.44	5,583.10
Total	10,067.62	7,996.34

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract assets are transferred to receivables when the rights become unconditional.

Notes to the Consolidated Financial Statements

28. Revenue from Operations (Contd.)

Contract liability

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the performance obligation is satisfied.

Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

Movement in Recoverable from consumers and Liabilities towards consumers

Particulars	As at	As at
	31st March, 2021	31st March, 2020
	₹ crore	₹ crore
Opening Balance		
- Recoverable from consumers	960.84	1,505.33
- Liabilities towards consumers	(195.96)	(11.50)
	(A) 764.88	1,493.83
Income to be adjusted in future tariff determination (Net)	71.54	(665.32)
Income to be adjusted in future tariff determination (Net) in respect of earlier years	(8.53)	5.49
Refund to Customers (including Group's Distribution Business)	57.58	48.87
Deferred tax recoverable/(payable)	44.80	31.41
Deferred tax recoverable/(payable) on account of new tax regime	Nil	(167.00)
Revenue recognised during the year	430.09	573.67
Transfer to receivables	(423.26)	(600.52)
Others	(16.13)	44.45
	(B) 156.09	(728.95)
Closing Balance		
- Recoverable from consumers	1,161.06	960.84
- Liabilities towards consumers	(240.09)	(195.96)
	(A+B) 920.97	764.88

Movement in Unbilled Revenue other than passage of time, Advance from consumers and Deferred Revenue Liabilities

Particulars	As at	As at
	31st March, 2021	31st March, 2020
	₹ crore	₹ crore
Opening Balance		
- Unbilled Revenue other than passage of time	30.07	11.15
- Advance from consumers	501.32	330.41
- Deferred Revenue Liabilities	725.05	579.22
	(A) 1,256.44	920.78
Revenue recognised during the year	(450.89)	(172.28)
Advance received during the year	487.33	486.41
Interest for the year	81.11	75.03
Transfer to receivables	(66.96)	(53.50)
	(B) 50.59	335.66
Closing Balance		
- Unbilled Revenue other than passage of time	21.74	30.07
- Advance from consumers	432.09	501.32
- Deferred Revenue Liabilities	853.20	725.05
	(A+B) 1,307.03	1,256.44

29. Other Income

Accounting Policy

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Consumers are billed on a monthly basis and are given average credit period of 30 to 45 days for payment. No delayed payment charges ('DPC') is charged for the initial 30 days from the date of receipt of invoice by customer. Thereafter, DPC is charged at the rate prescribed by the Power Purchase Agreement on the outstanding balance once the dues are received. Revenue in respect of delayed payment charges and interest on delayed payments leviable as per the relevant contracts are recognised on actual realisation or accrued based on an assessment of certainty of realization supported by either an acknowledgement from customers or on receipt of favourable order from regulatory authorities.

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
(a) Interest Income		
(i) Financial Assets held at Amortised Cost		
Interest on Banks Deposits	63.14	18.11
Interest on Overdue Trade Receivables	49.97	66.41
Interest on Non-current Investment - Contingency Reserve Fund	13.25	12.64
Interest on Non-current Investment - Deferred Tax Liability Fund	0.84	7.53
Interest on Loans to Joint Controlled Entity	0.64	0.63
Interest on Loans and Advances	18.93	15.01
	146.77	120.33
(ii) Interest on Income-Tax Refund	7.13	17.71
	153.90	138.04
(b) Dividend Income		
From Non-current Investments measured at FVTPL	6.78	85.75
	6.78	85.75
(c) Gain/(Loss) on Investments		
Gain on Sale of Current Investment measured at FVTPL	39.14	42.26
Gain on Sale of Investment in Associates measured at Cost	Nil	11.13
	39.14	53.39
(d) Other Non-operating Income		
Discount amortised/accrued on Bonds (Net)	Nil	0.03
Commission earned	8.26	8.76
Gain/(Loss) on Disposals of Property, Plant and Equipments (Net)	5.97	(21.83)
Delayed Payment Charges	66.27	49.45
Other Income	16.21	113.92
Management Fees	142.71	135.10
	239.42	285.43
Total	439.24	562.61

Notes to the Consolidated Financial Statements

30. Raw Materials Consumed and Decrease/(Increase) in Work-in-Progress/Finished Goods/Stock-in-Trade

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Raw Materials Consumed		
Opening Stock	197.80	156.89
Add: Purchases	2,747.18	998.09
	2,944.98	1,154.98
Less: Closing Stock	316.79	197.80
Total	2,628.19	957.18
Decrease/(Increase) in Work-in-Progress/Finished Goods/Stock-in-Trade		
Work-in-Progress		
Inventory at the beginning of the year	3.99	2.93
Less: Inventory at the end of the year	6.42	3.99
	(2.43)	(1.06)
Finished Goods		
Inventory at the beginning of the year	96.99	82.41
Less: Inventory at the end of the year	94.15	96.99
	2.84	(14.58)
Total	0.41	(15.64)

31. Employee Benefits Expense

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Salaries and Wages	1,723.01	1,214.92
Contribution to Provident Fund [Refer Note 25(1)]	239.60	89.03
Contribution to Superannuation Fund [Refer Note 25(1)]	9.25	10.75
Gratuity [Refer Note 25 (2.3)]	48.61	26.17
Compensated Absences	44.42	35.80
Pension	34.05	13.35
Staff Welfare Expenses	165.55	151.03
	2,264.49	1,541.05
Less:		
Employee Cost Capitalised	97.57	90.42
Employee Cost Inventorised	10.44	9.99
	108.01	100.41
Total	2,156.48	1,440.64

32. Finance Costs

Accounting Policy

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
(a) Interest Expense:		
On Borrowings - At Amortised Cost		
Interest on Debentures	1,249.49	1,076.67
Interest on Loans - Banks and Financial Institutions	2,066.03	2,786.76
Interest paid to Joint Ventures	29.64	52.42
Others		
Interest on Consumer Security Deposits (Carried at Amortised Cost)	99.98	81.84
Other Interest and Commitment Charges	92.39	57.08
Interest on Lease Liability - At Amortised cost	315.90	308.73
	3,853.43	4,363.50
Less: Interest Capitalised	63.78	42.50
	3,789.65	4,321.00
(b) Other Borrowing Cost:		
Loss/(Gain) arising on Interest Rate Swap derivative contracts designated as hedging instruments in fair value hedges	Nil	1.54
Other Finance Costs	217.26	181.57
Foreign Exchange Loss/(Gain) on Borrowings (Net)	28.34	(0.88)
Less: Finance Charges Capitalised	24.86	9.50
	220.74	172.73
Total	4,010.39	4,493.73

Note:

The weighted average capitalisation rate on the Group's general borrowings is in the range of 7.13 % to 8.01% per annum (31st March, 2020 - 7.74% to 8.63% per annum).

33. Other Expenses

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Consumption of Stores, Oil, etc.	167.79	150.04
Rental of Land, Buildings, Plant and Equipments, etc.	56.99	25.57
Repairs and Maintenance -		
(i) To Buildings and Civil Works	109.63	115.55
(ii) To Machinery and Hydraulic Works	822.13	653.28
(iii) To Furniture, Vehicles, etc.	73.90	69.54
	1,005.66	838.37

Notes to the Consolidated Financial Statements

33. Other Expenses (Contd.)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Rates and Taxes	86.14	108.47
Insurance	115.42	96.88
Other Operation Expenses	488.79	366.01
Ash Disposal Expenses	51.21	53.58
Warranty Charges	26.50	10.45
Travelling and Conveyance Expenses	46.84	51.39
Consultants' Fees	42.05	38.42
Compensation	0.29	(0.41)
Auditors' Remuneration	12.87	12.87
Cost of Services Procured	360.39	279.94
Agency Commission	8.75	1.84
Bad Debts	72.14	23.62
Allowance for Doubtful Debts and Advances (Net)	7.50	16.80
Net Loss on Foreign Exchange	65.97	116.21
(Profit)/Loss on Sale of Non-current Investments in Joint Ventures accounted using Equity method	Nil	0.77
Legal Charges	51.41	52.92
Corporate Social Responsibility Expenses	39.11	34.32
Transfer to Contingency Reserve	11.00	17.00
Marketing Expenses	3.07	3.11
Miscellaneous Expenses	92.59	44.61
	2,812.48	2,342.78

34. Income Taxes

34 a. Current Tax

Accounting Policy

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the respective subsidiary companies operates and generates taxable income.

Current income tax related to items recognised outside statement of profit and loss are recognised either in other comprehensive income or in equity. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(i) Income taxes recognised in Statement of Profit and Loss - Continuing Operations

	31st March, 2021	31st March, 2020
	₹ crore	₹ crore
Current Tax	647.57	494.30
Deferred Tax (Refer Note 12a. & 12b.)	(145.69)	330.95
Deferred Tax in respect of earlier years (Refer Note 12a. & 12b.)	Nil	(24.51)
Remeasurement of Deferred Tax on account of New Tax Regime (Net)	Nil	(159.25)
Total income tax expense recognised in the current year	501.88	641.49

34. Income Taxes (Contd.)

(ii) Income taxes recognised in Statement of Profit and Loss - Discontinued Operations

	31st March, 2021	31st March, 2020
	₹ crore	₹ crore
Current tax	(101.48)	Nil
Deferred tax	(72.17)	(32.41)
Total income tax expense recognised in the current year	(173.65)	(32.41)

The income tax expense for the year can be reconciled to the accounting profit as follows:

	31st March, 2021	31st March, 2020
	₹ crore	₹ crore
Profit/(Loss) before tax for Continuing Operation	1,986.73	2,368.16
Profit/(Loss) before tax for Discontinued Operation	(219.85)	(442.64)
Profit/(Loss) before tax considered for tax working	1,766.88	1,925.52
Income tax expense calculated at 34.944%	617.42	672.85
Add/(Less) tax effect on account of :		
Share of profit of Associate and Joint venture	(305.19)	(332.86)
Utilization of unrecognized capital loss on sale of asset	(11.41)	Nil
Deferred tax not recognised on Impairment provision/(reversal) of non current investment	Nil	45.36
Effect of tax holiday period	(82.98)	24.36
MAT credit and deferred tax asset on losses pertaining to earlier years	(218.87)	(92.82)
Tax on dividend from subsidiaries, associate and joint ventures (eliminated)	348.80	143.31
Exempt Income	(18.27)	(30.67)
Unrecognized tax credit (MAT) for the current year	180.89	351.68
Profit taxable at different tax rates including for certain subsidiaries and measurement of deferred tax @ 25.17% for deferred tax expected to be reversed in new tax regime	(120.67)	(242.36)
Non deductible expenses	76.45	94.74
Reassessment of deferred tax balances on expected sale of asset (Refer Note 3 below)	(131.00)	Nil
Tax in respect of earlier years	Nil	(24.51)
Others	(6.94)	Nil
Income tax expense recognised in Statement of Profit and Loss	328.23	609.08
Tax expense for Continuing Operations	501.88	641.49
Tax expense for Discontinued Operations	(173.65)	(32.41)
Income tax expense recognised in Statement of Profit and Loss	328.23	609.08

Note:

- The tax rate used for the years 2020-21 and 2019-20 reconciliations above is the corporate tax rate of 34.944%, as payable by Parent Company in India on taxable profits under the Indian tax law.
- The rate used for calculation of Deferred tax has been considered basis the standalone financials statements of Parent Company and its respective subsidiaries, being statutory enacted rates at Balance Sheet date.
- During the year ended 31st March, 2021, the Holding Company has entered into a Business Transfer Agreement with Tata Power Renewable Energy Ltd. and Tata Power Green Energy Ltd, wholly owned subsidiaries, for transfer of renewable assets (forming part of renewable segment) as a "going concern" on a slump sale basis effective on or after 1st April, 2021. Consequently, as per the requirement of Ind AS 12, the Holding Company has reassessed its deferred tax balances including its unrecognized deferred tax assets on capital losses and has recognized gain of ₹131.00 crore in the standalone financial statements.

Notes to the Consolidated Financial Statements

34. Income Taxes (Contd.)

(iii) Income tax recognised in Other Comprehensive Income

	31st March, 2021	31st March, 2020
	₹ crore	₹ crore
Current Tax		
Net gain on sale of investment in equity shares at FVTOCI	Nil	Nil
Less : Remeasurement of Defined Benefit Plan	1.04	(13.22)
	1.04	(13.22)
Discontinued Operations	Nil	Nil
Deferred Tax		
Net fair value gain on investments in equity shares at FVTOCI	Nil	Nil
Remeasurements of defined benefit obligation	4.68	(13.73)
Effective portion of cash flow hedge	(93.57)	32.43
	(88.89)	18.70
Total income tax recognised in Other Comprehensive Income	(87.85)	5.48
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to statement of profit and loss	5.72	(26.95)
Items that will be reclassified to statement of profit and loss	(93.57)	32.43
	(87.85)	5.48

35. Commitments:

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
(a) Estimated amount of Contracts remaining to be executed on capital account and not provided for (including consumer funded assets).		
(i) the Group	2,992.01	1,995.12
(ii) Group's share of Joint Ventures	169.04	218.46
(iii) Group's share of Associates	25.11	45.32
(b) Other Commitments		
(i) Vendor purchase commitments and contracts to provide future post sale services.	425.01	1,273.20
(ii) During the year, the Group has entered into a long term freight Contract with Oldendorff for the supply of coal through ships for a period of 12 years. The remaining commitment against the said contract is 55.098 million MT and total estimated freight cost at current price would be ₹ 3,400 crore over the remaining period of 11 years.		
(iii) As per the terms of the vesting orders for the acquisition of TPCODL, TPWODL, TPSODL (subsidiaries of the Group), the Group has committed capital expenditure of ₹ 4,370 to be incurred by the respective subsidiaries over the next 5 years. Further, subsequent to the year end, the Group has acquired controlling stake in North Eastern Electricity Supply Company of Odisha Ltd. (NESCO) via special purpose vehicle "TP Northern Odisha Distribution Ltd.". As per the terms of the vesting order for NESCO, the Group has committed capital expenditure of ₹ 1,270 to be incurred by TP Northern Odisha Distribution Ltd.		

36. Contingent Liabilities

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
a) Contingent liabilities		
Claims against the Group not probable and hence not acknowledged as debts consists of		
(i) Interest and penalty pertaining to Customs Duty claims disputed by the Group relating to applicability and classification of coal.	110.81	110.81
(ii) Demand disputed by the Group relating to Service tax.	484.44	375.29
(iii) Way Leave fees (including interest) claims disputed by the Group relating to rates charged.	59.35	43.18
(iv) Rates, Cess, Green Cess, Excise and Custom Duty claims disputed by the Group.	585.00	587.05
(v) Octroi claims disputed by the Group, in respect of octroi exemption claimed.	Nil	5.03
(vi) Compensation disputed by private land owners in respect of private land acquired under the provisions of Maharashtra Industrial Development Act, 1961.	Nil	22.00
(vii) Disputes relating to power purchase agreements.	209.47	161.33
(viii) Legal cases with employees and others of newly acquired subsidiary engaged in distribution business of Central Odisha (Refer Note d below).	955.60	Nil
(ix) Legal cases related to subsidiaries acquired during the year (In case of unfavourable outcome, amount paid will be recoverable from customers).	117.73	Nil
(x) Access Charges demand for laying underground cables.	30.14	30.14
(xi) Other Claims.	176.41	160.19
Claims against the Group's share of Joint Ventures and Group's share of Associates not acknowledged as debts consists of		
Group's share of Joint Ventures		
(i) Demand for royalty payment is set-off against recoverable Value Added Tax (VAT) paid on inputs for coal production.	21.86	51.70
(ii) Other Claims.	37.45	37.00
Group's share of Associates		
Other Claims.	247.34	232.62
	3,035.60	1,816.34

Notes:

- Amounts in respect of employee related claims/disputes, regulatory matters is not ascertainable.
- Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.
- The above Contingent Liabilities include those pertaining to Regulated Business which on unfavourable outcome can be recovered from consumers.

Notes to the Consolidated Financial Statements

36. Contingent Liabilities (Contd.)

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
b) Other Contingent Liabilities:		
Taxation matters for which liability, relating to issues of deductibility and taxability, is disputed by the Group and provision is not made (computed on the basis of assessments which have been re-opened and assessments remaining to be completed)		
In case of the Group [including interest demanded ₹ 9.30 crore (31st March, 2020 - ₹ 9.19 crore)].	188.84	188.73
In an earlier year, Maharashtra State Electricity Distribution Company Ltd. (MSEDCL) had raised a demand for determination of fixed charges for unscheduled interchange of power. The Group had filed a petition against the said demand for which stay has been granted by the ATE till the methodology for the determination is fixed. Considering the same, currently, the amount of charges payable is not ascertainable and hence, no provision has been recognized during the year. Further, in case of unfavourable outcome, the Group believes that it will be allowed to recover the same from consumers through future adjustment in tariff.	215.02	215.02
Group's share of Joint Ventures	110.62	114.30
Group's share of Associates	Nil	2.50

	As at 31st March, 2021 Nos.	As at 31st March, 2020 Nos.
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c) Indirect exposures of the Group:

The Group has pledged its shares of investments in joint ventures and others with the lenders for borrowings availed

Joint Ventures

Powerlinks Transmission Ltd.	23,86,80,000	23,86,80,000
Industrial Energy Ltd.	25,13,48,400	25,13,48,400
Mandakini Coal Company Ltd.	2,00,43,000	2,00,43,000
Itezhi Tezhi Power Corporation	4,52,500	4,52,500

- d) i) Central Electricity Supply Utility of Orissa (CESU) had filed an application to Regional Provident Fund Commissioner, Bhubaneswar (RPFC) for exemption from applicability of the Employees Provident Funds and Miscellaneous Provisions Act, 1952 for which adjudication is pending. CESU had formed its own trust and deposited the employer and employee's contribution in the said trust @ 10% of the eligible salary. Although the adjudication for exemption was pending, RPFC vide its assessment order dated 13th October, 2014 raised a total demand of ₹ 551.62 crore (₹ 279.39 crore dues for non-remittance of Employer and Employee contribution to RPFC and ₹ 272.23 crore as interest) on CESU for the period from November, 1997 to December, 2011. The order also contended that CESU is required to make contribution @12% of the eligible salary instead of 10%. The order of RPFC was challenged by CESU before the Hon'ble High Court. The Hon'ble High Court, on 18th November, 2014, directed that the impugned assessment orders shall remain stayed subject to deposit of ₹ 30 crore by CESU with the RPFC. The order of the Hon'ble High Court was complied with by CESU. The said writ petition is still pending adjudication before the Hon'ble High Court.

Subsequently, after the subsidiary company (TPCODL) taking over power distribution business from the erstwhile CESU with effect from 01.06.2020, it has continued to deposit Employer and Employee contribution @ 10 % each for the erstwhile employees in the contributory trust as the matter is sub judice. However, on 3rd March, 2021 RPFC issued a notice for inspection to the Group on the PF issue for the period from January 2012 till May 2020 and for the period from 1st June, 2020.

Based on a legal opinion, the subsidiary company is of the view that it has a strong case against the demand of ₹ 551.62 crore (November 1997 till December 2011) plus any further demand, if raised by RPFC (January 2012 - May 2020) and accordingly, no provision has been recognized in respect of the same. Further, for the period of operations from 1st June, 2020 pertaining to the subsidiary company, it has been decided that employer's and employee's contributions shall be deposited with RPFC and accordingly, the subsidiary company expects that there shall be no demand payable from 1st June, 2020.

- ii) Central Electricity Supply Utility of Orissa (CESU) had entered into agreement with distribution franchisees namely Riverside Utilities Private Ltd. ('RUPL') and Seaside Utilities Private Ltd. ('SUPL') on 30th January, 2013. As per the terms of agreement, franchisees were responsible for carrying out all commercial activities including certain performance parameters such reduction of AT&C losses, smart metering, minimum capital expenditure, timely collection etc. However, due to poor performance of RUPL/SUPL and non-compliance of the terms of agreement, erstwhile CESU did not extend the franchisee period. Writ petition was filed by the franchisees before the Hon'ble Orissa High Court for renewal of existing franchise agreements along with total claim of ₹ 403.98 crore (₹ 301.75 crore by RUPL and ₹ 102.23 crore by SUPL). CESU had filed a counter claim of ₹ 598.89 crore (₹ 396.87 crore against RUPL and ₹ 202.02 crore against SUPL). The Hon'ble Orissa High Court vide its order dated 27th March, 2019 ordered termination of franchise agreement and ordered CESU and the franchisees to reconcile the dues. On failure of reconciliation process, the High Court vide its order dated 19th February, 2021 ordered CESU and franchisee to settle the claims by way of arbitration proceedings for which Arbitration Tribunal shall be constituted. The matter is currently pending before Arbitration Tribunal for adjudication.

Based on merits of the matter, the subsidiary Company is of the view that it has a strong case and accordingly, no provision has been recognized in respect of the same.

- e) During the year, the Group has acquired 51 % stake in TP Central Odisha Distribution Ltd. ('TPCODL'), TP Western Odisha Distribution Ltd. ('TPWODL') and TP Southern Odisha Distribution Ltd. ('TPSODL') to carry out the function of distribution and retail supply of electricity covering the distribution circles of central, western and southern parts of Odisha. Pursuant to these acquisition and as per the terms of the vesting order, the Group has issued bank guarantee to Odisha Electricity Regulatory Commission ('OERC') of ₹ 150.00 crore, ₹ 150.00 crore, ₹ 100.00 crore respectively.
- f) OERC had issued a request for proposal (RFP) for sale of controlling interest in distribution business of North Electricity Supply Utility of Orissa. The Group had bid for it and has been identified as the successful bidder and accordingly the Group issued bank guarantee to OERC of ₹ 150.00 crore.

The Group, in respect of the above mentioned Contingent Liabilities has assessed that it is only possible but not probable that outflow of economic resources will be required.

37. Other Disputes and Settlements

- a) With respect to Mundra Thermal Power Plant, the Group is required to comply with ash disposal requirements in accordance with the requirements of the Environment Clearance (EC) and the relevant notifications issued by the Ministry of Environment & Forests (MOEF) from time to time. On 12th February, 2020, National Green Tribunal (NGT) has passed an order prescribing the formula for determination of Environment Compensation for non-compliance. The order is subject to proceedings pending before the hon'ble Supreme Court. The Supreme Court has granted an Interim Stay in the matter. On 22nd April, 2021, MOEF has issued a draft notification which allows legacy fly ash to be disposed / utilized in a phased manner over a period of 10 years. Once the draft notification comes into effect, it would supersede all existing notifications and prior orders. The Group has been making concerted efforts for achieving 100% utilisation of fly ash generated. The Group has, on a prudent basis, recognized a provision of ₹ 21.74 crore (As at 31st March, 2020 - ₹ 4.74 crore) in its financial statements for disposal of past accumulated fly ash based on management's best assessment of the expected costs.
- b) The Group had obtained 21.65 acres of land through registered lease deed for 33 years for setting up a solar power plant in Bihar. During the financial year 2018-19, the lease was treated by the Collector, Gaya as illegal for entering into lease without order of any competent authority, and was cancelled along with recovery of penal

Notes to the Consolidated Financial Statements

37. Other Disputes and Settlements (Contd.)

rent. The Group filed Writ Petition before the Patna High Court against the said Order. The Patna High Court stayed the operations of the Collectors Order and provided certain time to file the counter affidavit. The Respondent ('State of Bihar') has filed the counter affidavit on February 2019 and now the matter is pending for argument. The Group is of the view that it has a good case with likelihood of liability or any loss arising out of the said cancellation being remote. Accordingly, pending settlement of the legal dispute, no adjustment has been made in the financial statements for the year ended 31st March, 2021.

- c) The liability stated in the opening Balance Sheet of one of the subsidiary company as per the Transfer Scheme as on 1st July, 2002 in respect of consumers' security deposit was ₹ 10.00 crore. The subsidiary company had engaged an independent agency to validate the sample data in digitized form of consumer security deposit received by the erstwhile Delhi Vidyut Board (DVB) from its consumers. As per the validation report submitted by this agency the amount of security deposit received from consumers aggregated to ₹ 66.71 crore. The subsidiary company has been advised that as per the Transfer Scheme, the liability in excess of ₹ 10.00 crore towards refund of the opening consumer deposits and interest thereon is not to the account of the Group. Since the Government of National Capital Territory of Delhi (GNCTD) was of the view that the aforesaid liability is that of the Group, the matter was referred to Delhi Electricity Regulatory Commission (DERC). During the year 2007-08, DERC vide its letter dated 23rd April, 2007 conveyed its decision to the GNCTD upholding the Group's view. As GNCTD has refused to accept the DERC decision as binding on it, the subsidiary company has filed a writ petition in the Hon'ble Delhi High Court and the matter was made regular on 24th October, 2011. No stay has been granted by the High Court in the matter for refund of consumer security deposits and payment of interest thereon.
- d) i) The Group supply solar power to TANGEDCO against long term Power Purchase Agreements (PPAs). As per the said PPAs, the Group is entitled to receive consideration for all energy units supplied and billed. However, whilst effecting payments to the Group, TANGEDCO has disputed and is not making payment for energy units supplied and billed in excess of 19% Capacity Utilisation Factor (CUF) in accordance with its internal circular.

The National Solar Energy Federation of India (NSEFI) has filed the writ petition with Madras High Court challenging the said circular issued by TANGEDCO on behalf of generators who have commissioned solar power plants and impacted by the said circular. The Tata Power Company Ltd., ultimate holding company of the group, is also a Member of NSEFI and thereby party to petition filed by NSEFI. The TNERC has now issued Order dated 22nd December 2020 on the petition filed by the NSEFI and decided the matter in favour of TANGEDCO. The Group has challenged the ruling of TNERC at the Appellate Tribunal for Electricity (ATE) through NSEFI. Based on legal assessment, the management of the Group is of the view that the claim of the Group for payment toward units supplied in excess of 19% CUF is entirely tenable and it is confident of getting a favourable order.

Accordingly, the Group has a trade receivable balance of ₹ 90.85 crore (31st March, 2020 - ₹ 87.92 crore) for such excess units as on 31st March, 2021. The Group has also recognised a revenue of ₹ 2.93 crore (31st March, 2020 - ₹33.20 crore) for such excess units as on 31st March 2021. Considering signed PPA and its independent legal evaluation, the Group believes that these amounts are fully recoverable along with interest and no provision has been recognized in the consolidated financial statements.

- ii) Trade Receivables include ₹ 363.57 crore (31st March, 2020 - ₹ 567.09 crore) receivable from TANGEDCO including ₹ 80.17 crore (31st March, 2020 - ₹299.79 crore) relating to bill discounting with recourse and ₹ 90.85 crore (31st March, 2020 ₹ 87.92 crore) pertaining to CUF adjustment as mentioned above. The Group is of the view that these receivables are fully recoverable with late payment surcharge.
- e) The Group entered into long-term Power Purchase Agreements ("PPAs") of 200 MW wind and solar plant with the Southern Power Distribution Company of Andhra Pradesh Ltd. ("APSPDCL" or "APDISCOM") to supply power that is valid for a period of 25 years. The Government of Andhra Pradesh (the "GoAP") issued an order (the "GO") dated 1st July, 2019 constituting a High Level Negotiation Committee (the "HLNC") for review and negotiation of tariff for wind and solar projects in the state of Andhra Pradesh. Pursuant to the GO, APDISCOM issued letters dated 12th July, 2019 to the Group requesting for revision of tariffs previously agreed as per the PPAs to ₹ 2.44 per unit. Since the Group and other power producers did not agree to the rate revision, APDISCOM referred the matter to the Andhra Pradesh Electricity Regulatory Commission (the "APERC") for revision of tariffs.

37. Other Disputes and Settlements (Contd.)

The Group had filed a writ petition on 30th July, 2019 before the Andhra Pradesh High Court ("AP High Court") challenging the GO and the said letters issued by APDISCOM for renegotiation of tariffs. The AP High Court has issued its order dated 24th September, 2019 whereby it allowed the writ petition. The AP High court also instructed APDISCOM to honour pending and future bills but to pay them at a rate of ₹ 2.44 per unit (as against the billed rate). The AP High Court also stated that this rate is only an interim measure until the matter is resolved by the APERC and suggested the APERC to conclude this matter within 6 months period. Thereafter, the Group had filed an appeal in AP High Court in front of two members bench challenging the matter being referred to the APERC. Further, the APERC has deferred the hearing in view of the case being filed in the AP High Court, till the AP High Court passes an order in the matter.

The Group has now filed an application for implement in Hon'ble Supreme Court (SC) in the SLP of APSPDCL and transfer petition before the SC from the AP High Court inter alia on the ground of delays in hearing of the matter by the AP High Court and the financial hardship that has resulted due to delay in payment by APDISCOM.

During the year ended 31st March 2021, the Group has received an amount of ₹ 38.34 crore (31st March, 2020 - ₹ 112.69 crore) from APDISCOM at the interim rate of ₹ 2.44 per unit as against PPA rates stated above.

The Group has a net block of ₹ 1,142.37 crore (31st March, 2020 - ₹ 1,222.25 crore) and has recognised a revenue of ₹ 174.3 crore (31st March, 2020 - ₹ 174.07 crore) for the year ended 31st March, 2021 and has a trade receivable balance of ₹ 341.16 crore (31st March, 2020 - ₹ 206.17 crore) as on 31st March, 2021 from sale of electricity against such PPAs. Considering signed PPA, interim order passed by the AP High Court, and its internal legal evaluation, the management believes that final order would be in its favour and hence no adjustment has been made in the consolidated financial statements.

- f) In the previous year, the Group has recognised an expense of ₹ 276.35 crore net of amount recoverable from customers including adjustment with consumer reserve in relation to Hon'ble Supreme Court's judgement on standby litigation.

Further in the previous year, Maharashtra Electricity Regulatory Commission (MERC) vide its order dated 30th March, 2020 had allowed the recovery of part of the standby charges amount from the consumers. During the year ended 31st March, 2021, MERC vide its order dated 21st December, 2020, has revised its earlier order and disallowed the recovery of the said amount. Consequently, the Group has recognized an expense of ₹ 109.00 crore (including carrying cost) and disclosed as an exceptional item.

- g) The Group have acquired private land for setting up solar power plants. In certain cases, these acquisitions have been challenged on grounds such as unauthorised encroachment, inadequate compensation, seller not entitled to transact and/or consideration has not been paid to all legal/ beneficial owners. In these cases, the Group has not received any demand for additional payment and these cases are pending at District Court/High Court Level. The Management believes that the Group has a strong case and outflow of economic resources is not probable.
- h) One of the subsidiary company had introduced a Voluntary Separation Scheme (VSS) for its employees in December 2003, in response to which initially 1,798 employees were separated. The early retirement of these employees led to a dispute between the subsidiary company and the Delhi Vidyut Board (DVB) Employees Terminal Benefit Fund, 2002 ('the Trust') with respect to pay-out of retirement benefits that these employees were eligible for. The Trust is of the view that its liability to pay retiral benefits arises only on the employee attaining the age of superannuation or on death, whichever is earlier. The subsidiary company filed a writ petition with the Hon'ble Delhi High Court which pronounced its judgement on 2nd July, 2007 on this issue and provided two options to the Discoms for paying retiral benefits to the Trust. The subsidiary company chose the option whereby the Discoms were required to pay to the Trust an 'Additional Contribution' on account of premature pay-out by the Trust which shall be computed by an Arbitral Tribunal of Actuaries to be appointed within a stipulated period. The matter was further challenged by the Trust before Hon'ble Supreme Court, however, no interim relief has been granted by the Hon'ble Supreme Court. Till date no Arbitral Tribunal of Actuaries has been appointed and therefore, no liability has been recorded based on option chosen by the subsidiary company. While the above referred writ petition was pending, the subsidiary company had already advanced ₹ 77.74 crore to the Special Voluntary Retirement Scheme Retirees Terminal Benefit Fund, 2004 Trust (SVRS Trust) for payment of retiral dues to separated employees. In addition to the payment of retiral benefits/residual pension to the SVRS Trust, in pursuant to the order of the Hon'ble Delhi High Court dated 2nd July, 2007 the subsidiary company also paid interest @ 8% per annum, ₹ 8.01 crore in the financial year 2008-09 thereby increasing the total contribution to the SVRS Trust to

Notes to the Consolidated Financial Statements

37. Other Disputes and Settlements (Contd.)

₹ 85.76 crore recognised as recoverable from SVRS Trust. As the subsidiary company was entitled to get reimbursement against advanced retiral benefit amount on superannuation age, the subsidiary company had recovered/adjusted ₹ 85.47 crore as at 31st March, 2021 (as at 31st March, 2020 ₹ 84.88 crore), leaving a balance recoverable ₹ 0.29 crore as at 31st March, 2021 (as at 31st March, 2020 ₹ 0.88 crore) from the SVRS Trust which includes current portion of ₹ 0.03 crore (as at 31st March, 2020 ₹ 0.33 crore).

- i) In the earlier years, Maharashtra Electricity Regulatory Commission has disallowed certain costs amounting to ₹ 419.00 crore (adjusted upto the current year) (31st March, 2020 - ₹ 359.85 crore) recoverable from consumers in the tariff true up order. The Group has filed appealed against the said order to Appellate Tribunal for Electricity which is pending for final disposal.
- j) In an earlier year, Maharashtra Electricity Regulatory Commission has disallowed carrying cost and other costs amounting to ₹ 269.00 crore (31st March, 2020 - ₹ 269.00 crore) which was upheld by the Appellate Tribunal for Electricity (ATE). The Group has filed Special Leave Petition (SLP) against the order of ATE with the Supreme Court which is pending for final disposal.

38. Earnings Per Share (EPS)

Accounting Policy

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

Particulars		For the year ended 31st March, 2021	For the year ended 31st March, 2020
		₹ crore#	₹ crore#
A. EPS - Continuing Operations (before net movement in Regulatory Deferral Balances)			
Total Profit from Continuing Operations attributable to the owners of the Parent Company		1,127.38	1,017.38
Add/(Less):(Profit)/Loss for the Year from Discontinued Operations attributable to the owners of the Parent Company		46.20	410.23
Net Profit from Continuing Operations	A	1,173.58	1,427.61
Net movement in Regulatory Deferral Balances (Net of tax) - Owners Share	B	298.24	(88.50)
Remeasurement of Deferred Tax Recoverable on account of New Tax Regime (Net) (Refer Note 12)	C	Nil	(98.00)
Total movement in Regulatory Deferral Balances (Net of tax)	D=(B+C)	298.24	(186.50)
Net Profit (before net movement in Regulatory Deferral Balances)	E=(A-D)	875.34	1,614.11
(Less): Distribution on Perpetual Securities	F	(171.00)	(171.00)
Profit/(Loss) from Continuing Operations attributable to equity shareholders (before net movement in Regulatory Deferral Balances)	G=(E+F)	704.34	1,443.11
Weighted average number of equity shares for Basic and Diluted EPS		3,01,80,73,391	2,70,76,05,570
EPS - Continuing Operations (before net movement in Regulatory Deferral Balances)			
- Basic and Diluted (In ₹)		2.33	5.33

38. Earnings Per Share (EPS) (Contd.)

Particulars	For the year ended	For the year ended
	31st March, 2021	31st March, 2020
	₹ crore#	₹ crore#
B. EPS - Continuing Operations (after net movement in Regulatory Deferral Balances)		
Net Profit from Continuing Operations	1,173.58	1,427.61
(Less): Distribution on Perpetual Securities	(171.00)	(171.00)
Profit/(Loss) attributable to equity shareholders (after net movement in Regulatory Deferral Balances)	1,002.58	1,256.61
Weighted average number of equity shares for Basic and Diluted EPS	3,01,80,73,391	2,70,76,05,570
EPS - Continuing operations (after net movement in Regulatory Deferral Balances)		
- Basic and Diluted (In ₹)	3.32	4.64
C. EPS - Discontinued Operations		
Profit/(Loss) from Discontinued Operations	(46.20)	(410.23)
Weighted average number of equity shares for Basic and Diluted EPS	3,01,80,73,391	2,70,76,05,570
EPS - Discontinued Operations		
- Basic and Diluted (In ₹)	(0.15)	(1.52)
D. EPS - Total Operations (after net movement in Regulatory Deferral Balances)		
Net Profit/(Loss) from Operations (after net movement in Regulatory Deferral Balances)	1,127.38	1,017.38
Less: Distribution on Perpetual Securities	(171.00)	(171.00)
Net Profit/(Loss) from Total Operations attributable to equity shareholders of parent (after net movement in Regulatory Deferral Balances)	956.38	846.38
Weighted average number of equity shares for Basic and Diluted EPS	3,01,80,73,391	2,70,76,05,570
EPS - Total Operations (after net movement in Regulatory Deferral Balances)		
- Basic and Diluted (In ₹)	3.17	3.12

All numbers are in ₹ crore except weighted average number of equity shares and Basic and Diluted EPS

39. Related Party Disclosures:

The Group's related parties primarily consists of its associates, joint ventures and Tata Sons Pvt. Ltd. including its subsidiaries and joint ventures. The Group routinely enters into transactions with these related parties in the ordinary course of business at market rates and terms. Transactions and balances between the Company, its subsidiaries and fellow subsidiaries are eliminated on consolidation.

Disclosure as required by Ind AS 24 - "Related Party Disclosures" are as follows:

Names of the related parties and description of relationship:

(a) **Employment Benefit Funds**

- 1) Tata Power Superannuation Fund
- 2) Tata Power Gratuity Fund
- 3) Tata Power Consolidated Provident Fund
- 4) M/s Maithon Power Gratuity Fund (Fund)

Notes to the Consolidated Financial Statements

39. Related Party Disclosures: (Contd.)

- 5) North Delhi Power Ltd. Employees Group Gratuity Assurance Scheme (Gratuity Fund)
- 6) Special Voluntary Retirement Scheme Retirees Terminal Benefit Fund, 2004 (SVRS RTBF - 2004)
- 7) CESCO Employees Pension Trust
- 8) CESCO Employees Gratuity Trust
- 9) CESCO Employees Provident Fund Trust
- 10) WESCO Employees Pension Trust
- 11) WESCO Employees Gratuity Trust
- 12) WESCO Employees Provident Fund Trust
- 13) SOUTHCO Employees Pension Trust
- 14) SOUTHCO Employees Gratuity Trust
- 15) SOUTHCO Employees Provident Fund Trust

(b) Associates and Joint Venture Companies (where transactions have taken place during the year and previous year / balances outstanding) :

(i) Associates

- | | |
|--|---|
| 1) Tata Projects Ltd. | 2) Yashmun Engineers Ltd. |
| 3) Dagacchu Hydro Power Corporation Ltd. | 4) The Associated Building Co. Ltd. |
| 5) Brihat Trading Private Ltd. | 6) Nelito Systems Ltd (ceased to be an Associate w.e.f. 6th June, 2019) |
| 7) TP Luminaire Pvt Ltd. ** | 8) Ind Project Engineering (Shanghai) Co Ltd ** |
| 9) Tata Projects Provident Fund Trust* | |

* Fund of Associate

** 100% Subsidiary of Associates

(ii) Joint Venture Companies

- | | |
|--|--|
| 1) Tubed Coal Mines Ltd. | 2) Mandakini Coal Company Ltd. |
| 3) Industrial Energy Ltd. | 4) Powerlinks Transmission Ltd. |
| 5) Dugar Hydro Power Ltd. | 6) Itezhi Tezhi Power Corporation Ltd. |
| 7) PT Mitratama Perkasa | 8) PT Kaltim Prima Coal |
| 9) IndoCoal Resources (Cayman) Ltd. | 10) PT Indocoal Kaltim Resources |
| 11) PT Nusa Tambang Pratama | 12) PT Marvel Capital Indonesia |
| 13) PT Dwikarya Prima Abadi | 14) PT Kalimantan Prima Power |
| 15) PT Baramulti Sukessarana Tbk | 16) Adjaristsqali Netherlands B.V. |
| 17) Koromkheti Netherlands B.V. | 18) IndoCoal KPC Resources (Cayman) Ltd. |
| 19) Resurgent Power Ventures Pte Ltd. | 20) Renascent Ventures Pvt. Ltd. |
| 21) Prayagraj Power Generation Co Ltd.
(w.e.f. 12th December, 2019) | 22) PT Arutmin Indonesia |
| 23) PT Indocoal Kalsel Resources | 24) Candice Investments Pte. Ltd. |
| 25) LTH Milcom Pvt. Ltd. | 26) Solace Land Holding Ltd. |
| 27) PT Mitratama Usaha | 28) PT Citra Prima Power |
| 29) PT Guruh Agung | 30) PT Citra Kusuma Perdana |
| 31) Koromkheti Georgia LLC | 32) Adjaristsqali Georgia LLC |
| 33) PT Antang Gunung Meratus | 34) Cennerg Pty. Ltd. (Ceased to be Joint Venture w.e.f. 31st March, 2020) |

39. Related Party Disclosures: (Contd.)

- (c) (i) **Promoters holding more than 20% - Promoter** Tata Sons Pvt. Ltd.
- (ii) **Subsidiaries and Jointly Controlled Entities of Promoters - Promoter Group (where transactions have taken place during the year and previous year / balances outstanding) :**
- | | |
|--|---|
| 1) C-Edge Technologies Ltd. | 2) Tata Advanced Material Ltd |
| 3) Ewart Investments Ltd. | 4) TRIL Infopark Ltd. |
| 5) Tata International DLT Pvt Ltd | 6) Tata SIA Airlines Ltd. |
| 7) Tata AIG General Insurance Company Ltd. | 8) Tata Autocomp Systems Ltd. |
| 9) Infiniti Retail Ltd. | 10) Tata Consultancy Services Ltd. |
| 11) Tata International Singapore Pte. Ltd. | 12) Tata Consulting Engineers Ltd. |
| 13) Niskalp Infrastructure Services Ltd.
(Formerly Niskalp Energy Ltd.) | 14) Tata Housing Development Company Ltd. |
| 15) Tata Advanced System Ltd. | 16) Tata Industries Ltd. (ceased to be Subsidiary and became a Joint Venture w.e.f. 27th March, 2019) |
| 17) Tata Unistore Ltd. (Formerly Tata Industrial Services Ltd.)
(ceased to be Subsidiary w.e.f. 27th March, 2019) | 18) Tata International Ltd. |
| 19) Ecofirst Services Ltd. | 20) Tata Investment Corporation Ltd. |
| 21) Tata AIA Life Insurance Company Ltd. | 22) Tata Realty and Infrastructure Ltd. |
| 23) Tata Ltd. | 24) Tata Teleservices (Maharashtra) Ltd. |
| 25) Tata Communications Ltd. | 26) Tata Teleservices Ltd. |
| 27) Tata Housing Development Co. Ltd..
Employees Provident Fund | 28) Tata Capital Financial Services Ltd. |
| 29) Tata Consultancy Services Employees Provident Fund | 30) Tata Communications Payment Solutions Ltd. |
| 31) Tata Elxsi Ltd. | 32) Tata Sky Ltd. |
| 33) Tata Sky Broadband Pvt. Ltd. (Formerly Quickest
Broadband Pvt. Ltd.) | 34) Tata Communications Collaboration Services Pvt. Ltd. |
- (d) **Key Management Personnel**
- | | |
|--|--|
| 1) N. Chandrasekaran | 2) Praveer Sinha CEO and Managing Director |
| 3) Banmali Agarwala | 4) Saurabh Agrawal |
| 5) Kesava Menon Chandrasekhar | 6) Ashok Sinha (w.e.f. 2nd May, 2019) |
| 7) Vibha U. Padalkar | 8) Anjali Bansal |
| 9) Sanjay V. Bhandarkar | 10) Hemant Bhargava |
| 11) Ramesh N. Subramanyam - Chief Financial Officer | 12) Hanoz Minoo Mistry - Company Secretary |
| 13) Deepak M. Satwalekar (ceased to be Director w.e.f.
12th August, 2019) | 14) Nawshir H. Mirza (ceased to be Director w.e.f.
12th August, 2019) |
| 15) Ashok Sethi (ceased to be COO & Executive Director
w.e.f. 30th April, 2019) | |
- (e) **Relative of Key Managerial Personnel (where transactions have taken place during the year and previous year / balances outstanding) :** Neville Minoo Mistry (Brother of Hanoz Minoo Mistry)

Notes to the Consolidated Financial Statements

39. Related Party Disclosures: (Contd.)

f) **Details of Transactions** ₹ crore

Sr. No.	Particulars	Associates	Joint Ventures	Key Management Personnel & their relatives	Employee Benefit Funds	Promoter Group	Promoters
1	Purchase of goods/power (Net of Discount Received on Prompt Payment)	187.32	2,776.60	-	-	302.70	-
		155.19	2,954.11	-	-	8.36	-
2	Sale of goods/power (Net of Discount on Prompt Payment)	2.78	-	-	-	25.50	-
		17.55	-	-	-	54.18	-
3	Purchase of Property, Plant & Equipments	0.70	-	-	-	22.47	-
		12.84	-	-	-	0.22	-
4	Sale of Property, Plant & Equipments	-	0.01	-	-	0.68	-
		0.05	-	-	-	-	0.22
5	Rendering of services	7.59	228.67	-	-	35.44	2.44
		7.25	175.69	-	-	45.81	1.32
6	Receiving of services	23.50	0.06	0.18	-	85.78	12.55
		22.22	0.83	-	-	92.37	5.96
7	Brand equity contribution	-	-	-	-	-	20.42
		-	-	-	-	0.07	1.76
8	Contribution to Employee Benefit Plans	-	-	-	318.61 #	-	-
		-	-	-	39.01	-	-
9	Remuneration paid- short term employee benefits	-	-	12.93 *	-	-	-
		-	-	10.92 *	-	-	-
10	Long term employee benefits paid	-	-	-	-	-	-
		-	-	2.80	-	-	-
11	Short term employee benefits paid	-	-	0.13	-	-	-
		-	-	0.68	-	-	-
12	Interest income	-	0.64	-	-	0.00 \$	-
		-	0.63	-	-	0.01	-
13	Interest paid (including distribution on unsecured perpetual securities)	0.08	26.18	-	-	26.44	-
		0.08	52.29	-	-	35.15	-
14	Dividend income	-	1,839.30	-	-	1.43	6.67
		9.68	1,861.27	-	-	1.94	6.67
15	Dividend paid	-	-	-	-	2.11	147.86
		-	-	-	-	1.77	109.17
16	Loans given	-	2.60	-	-	-	-
		-	14.57	-	-	-	-
17	Impairment of Investments- Reversal	-	8.00	-	-	-	-
		-	-	-	-	-	-
18	Impairment of Investments	-	118.74	-	-	-	-
		-	-	-	-	-	-
19	Loans repaid (including loan converted into equity)	-	2.60	-	-	-	-
		-	14.43	-	-	-	-
20	Loans provided for as doubtful advances (including interest)	-	-	-	-	-	-
		-	0.14	-	-	-	-

39. Related Party Disclosures: (Contd.)

Sr. No.	Particulars	Associates	Joint Ventures	Key Management Personnel & their relatives	Employee Benefit Funds	Promoter Group	Promoters
21	Deposits taken	-	-	-	-	0.01	-
		-	-	-	-	0.19	-
22	Advance given	110.85	-	-	-	-	-
		11.11	-	-	-	-	-
23	Advance adjusted	2.51	-	-	-	-	-
		-	-	-	-	-	-
24	Purchase of Investments	-	63.34	-	-	16.91	-
		-	-	-	-	-	-
25	Loan taken	-	120.00	-	-	-	-
		-	-	-	-	-	-
26	Loan taken repaid	-	120.00	-	-	-	-
		-	-	-	-	-	-
27	Allotment of Equity shares (including securities premium paid)	-	-	-	-	-	2,600.00
		-	-	-	-	-	-
28	Provision for doubtful receivables	-	0.64	-	-	-	-
		-	-	-	-	-	-
29	Bad debts	1.16	-	-	-	-	-
		-	-	-	-	-	-
30	Consideration received on sale of SED (Refer Note 17c)	-	-	-	-	597.00 **	-
		-	-	-	-	-	-
Balances outstanding							
1	Unsecured Perpetual Securities	-	0.70	-	-	197.50	-
		-	0.70	-	-	197.50	-
2	Redeemable Non-Convertible Debentures	-	-	-	-	36.50	-
		-	-	-	-	36.50	-
3	Other receivables	109.28	74.83 @	-	89.81	386.63	14.32
		7.65	96.44 @	-	36.32	17.15	7.66
4	Loans given (including interest thereon)	-	72.98 @	-	-	-	-
		1.27	75.62 @	-	0.01	-	-
5	Loans provided for as doubtful advances (including interest thereon)	-	54.39	-	-	-	-
		1.27	54.39	-	-	-	-
6	Deposits taken outstanding	-	10.96	-	-	0.22	2.00
		-	12.80	-	-	0.21	2.00
7	Advance given outstanding	19.64	-	-	-	-	-
		8.76	-	-	-	-	-
8	Other payables	10.82	2,472.76	7.34	56.91	26.46	19.44
		10.89	2,071.63	8.05	43.63	17.80	0.87
9	Loans taken (including interest thereon)	-	763.28	-	-	-	-
		-	2,203.86	-	-	-	-

Notes to the Consolidated Financial Statements

39. Related Party Disclosures: (Contd.)

Notes:

- All outstanding balances are unsecured.
- The Group's principal related parties consist of Tata Sons Pvt. Ltd., its subsidiaries and joint ventures, affiliates and key managerial personnel. The Group's material related party transactions and outstanding balances are with related parties with whom the Group routinely enters into transactions in the ordinary course of business.

@ Includes amount reclassified as held for sale.

Including amount collected from customers for past liability [Refer Note 25(5)].

\$ Denotes below ₹ 50,000.

* Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is included above on payment basis.

** Net off borrowings of ₹ 537 crore transferred to TASL.

40. Financial Instruments

40.1 Fair values

Set out below, is a comparison by class of the carrying amount and fair value of the financial instruments:

	₹ crore			
	Carrying value		Fair Value	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Financial Assets				
Cash and Cash Equivalents	3,782.51	1,861.50	3,782.51	1,861.50
Other Balances with Banks	2,330.17	232.68	2,330.17	232.68
Trade Receivables	5,605.68	4,456.18	5,605.68	4,456.18
Unbilled Revenues	1,573.64	799.42	1,573.64	799.42
Loans	88.85	113.88	88.85	113.88
Finance Lease Receivables	640.06	622.12	640.06	622.12
FVTPL Financial Investments #	501.14	702.53	501.14	702.53
FVTOCI Financial Investments #	559.41	461.79	559.41	461.79
Amortised Cost Financial Investments #	198.43	167.87	171.35	176.79
Derivative Instruments not in hedging relationship	1.48	301.64	1.48	301.64
Receivable on sale of Strategic Engineering Division (Refer Note 17c)	365.99	Nil	365.99	Nil
Other Financial Assets	1,489.16	1,689.58	1,489.16	1,689.58
Asset Classified as Held For Sale (Refer Note 17)				
- Strategic Engineering Division (SED)	Nil	667.35	Nil	667.35
- FVTOCI Financial Investments # (Refer Note below)	178.68	22.81	178.68	22.81
- Loans (including accrued interest)	22.83	22.83	22.83	22.83
Total	17,338.03	12,122.18	17,310.95	12,131.10
Financial Liabilities				
Trade Payables	7,137.44	5,095.44	7,137.44	5,095.44
Fixed rate Borrowings (including Current Maturities)	19,804.57	18,891.49	20,106.39	20,116.49
Floating rate Borrowings (including Current Maturities)	23,632.08	29,484.45	23,632.08	29,492.81
Lease Liability	3,537.31	3,560.22	3,537.31	3,560.22
Derivative Instruments not in hedging relationship	192.51	64.03	192.51	64.03
Other Financial Liabilities	8,540.27	4,323.96	8,540.27	4,323.96
	62,844.18	61,419.59	63,146.00	62,652.95

other than investments accounted for Equity Method

40. Financial Instruments (Contd.)

The management assessed that the fair value of cash and cash equivalents, other balances with bank, trade receivables, loans, finance lease receivables, unbilled revenues, trade payables, other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values.

- Fair value of the quoted bonds, mutual funds, government securities are based on the price quotations near the reporting date. Fair value of the unquoted equity shares have been estimated using a Discounted Cash Flow (DCF) model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for those unquoted equity investments.
- The fair value of the FVTOCI financial assets are derived from quoted market price in active markets and unobservable inputs.
- The Group enters into derivative financial instruments with various counterparties, principally banks and financial institutions with investment grade credit ratings. Interest rate swaps, foreign exchange forward and option contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying currency. All derivative contracts are fully collateralized, thereby, eliminating both counterparty and the Group's own non-performance risk. As at 31st March, 2021, the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk.
- The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flow using rates currently available for debt on similar terms, credit risk and remaining maturities.
- The cost of certain unquoted investments approximate their fair value because there is a wide range of possible fair value measurements and the cost represents the best estimate of fair value within that range.

Reconciliation of Level 3 fair value measurement of unquoted equity shares. (Refer Note below)

	₹ crore			
	Unlisted shares irrevocably designated as at FVTOCI		Unlisted shares carried at FVTPL	
	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2021	Year ended 31st March, 2020
Opening balance	397.71	397.71	0.16	0.16
Gain/(Loss)				
- in other comprehensive income	20.83	Nil	Nil	Nil
- in profit or loss	Nil	Nil	Nil	Nil
- changes on purchase of equity shares	19.80	Nil	Nil	Nil
Closing balance	438.84	397.71	0.16	0.16

Note:

Certain unquoted investments are not held for trading, instead they are held for medium or long term strategic purpose. Upon the application of Ind AS 109, the Group has chosen to designate these investments in equity instruments as at FVTOCI as the directors believe this provides a more meaningful presentation for medium and long-term strategic investments, then reflecting changes in fair value immediately in profit or loss.

All gains and losses included in other comprehensive income relate to unlisted shares held at the end of the reporting period and are reported under "Equity Instruments through Other Comprehensive Income".

The significant unobservable input used in the fair value measurement categorized within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31st March, 2021 and 31st March, 2020 are as shown below:

Notes to the Consolidated Financial Statements

40. Financial Instruments (Contd.)

Description of significant unobservable inputs to valuation:

	Valuation techniques	Significant unobservable inputs	Sensitivity of the input to fair value
Investments in unquoted equity shares	Price of recent transaction (PORT)	Transaction price	5% (31st March, 2020: 5%) increase (decrease) in the transaction price would result in increase (decrease) in fair value by ₹ 6.41 crore (31st March, 2020: ₹ 3.43 crore)

The discount for lack of marketability represents the amount that the Group has determined that market participants would take into account when pricing the investments.

40.2 Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Quoted prices in an active market (Level 1): Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes quoted equity instruments, government securities, quoted borrowings (fixed rate) and mutual funds that have quoted price.

Valuation techniques with observable inputs (Level 2): Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This includes derivative financial instruments and unquoted borrowings (fixed and floating rate).

Valuation techniques with significant unobservable inputs (Level 3): Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This includes unquoted equity shares and contingent consideration receivable.

The following table summarizes financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required) :

	Date of valuation	Fair value hierarchy as at 31st March, 2021			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
		₹ crore	₹ crore	₹ crore	
Asset measured at fair value					
FVTPL Financial Investments	31st March, 2021	500.98	Nil	0.16	501.14
FVTOCI Financial Investments:					
- Quoted equity shares	31st March, 2021	120.57	Nil	Nil	120.57
- Unquoted equity shares	31st March, 2021	Nil	Nil	438.84	438.84
Derivative instruments not in hedging relationship	31st March, 2021	Nil	1.48	Nil	1.48
Assets Classified as Held For Sale	31st March, 2021	178.68	Nil	Nil	178.68
Receivable on sale of Strategic Engineering Division	31st March, 2021	Nil	Nil	365.99	365.99
Asset for which fair values are disclosed					
Investment in Government Securities	31st March, 2021	171.35	Nil	Nil	171.35
		971.58	1.48	804.99	1,778.05
Liabilities measured at fair value					
Derivative Financial Liabilities	31st March, 2021	Nil	192.51	Nil	192.51
Liabilities for which fair values are disclosed					
Fixed rate Borrowings	31st March, 2021	13,239.48	6,866.91	Nil	20,106.39
Floating rate Borrowings	31st March, 2021	2,302.09	21,329.98	Nil	23,632.07
Total		15,541.57	28,389.40	Nil	43,930.97

40. Financial Instruments (Contd.)

	Date of valuation	Fair value hierarchy as at 31st March, 2020			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
		₹ crore	₹ crore	₹ crore	
Asset measured at fair value					
FVTPL Financial Investments	31st March, 2020	702.37	Nil	0.16	702.53
FVTOCI Financial Investments:					
- Quoted Equity shares	31st March, 2020	64.08	Nil	Nil	64.08
- Unquoted Equity shares	31st March, 2020	Nil	Nil	397.71	397.71
Derivative instruments not in hedging relationship	31st March, 2020	Nil	301.64	Nil	301.64
Assets Classified as Held For Sale	31st March, 2020	22.81	Nil	Nil	22.81
Asset for which fair values are disclosed					
Investment in Government Securities	31st March, 2020	176.79	Nil	Nil	176.79
		966.05	301.64	397.87	1,665.56
Liabilities measured at fair value					
Derivative Financial Liabilities	31st March, 2020	Nil	64.03	Nil	64.03
Liabilities for which fair values are disclosed					
Fixed rate Borrowings	31st March, 2020	11,119.13	8,997.36	Nil	20,116.49
Floating rate Borrowings	31st March, 2020	1,191.78	28,301.02	Nil	29,492.80
Total		12,310.91	37,362.41	Nil	49,673.32

Note: There has been no transfer between level 1 and level 2 during the period.

40.3 Capital Management & Gearing Ratio

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximize the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. From time to time, the Group reviews its policy related to dividend payment to shareholders, return capital to shareholders or fresh issue of shares. The Group monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio between 60% and 80% at consolidated level. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents, excluding discontinued operations as detailed in the notes below.

The Group's capital management is intended to create value for shareholders by facilitating the meeting of its long-term and short-term goals. Its Capital structure consists of net debt (borrowings as detailed in notes below) and total equity.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

	₹ crore	
	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Debt (i)	44,010.22	49,214.78
Less: Cash and Bank balances	6,093.61	2,075.73
Net debt	37,916.61	47,139.05
Capital (ii)	22,322.26	19,566.02
Capital and net debt	60,238.87	66,705.07
Net debt to Total Capital plus net debt ratio (%)	62.94	70.67

Notes to the Consolidated Financial Statements

40. Financial Instruments (Contd.)

- (i) Debt is defined as Non-current borrowings (including current maturities) and Current borrowings (excluding derivative, financial guarantee contracts and contingent considerations) and interest accrued on Non-current and Current borrowings.
- (ii) Capital is defined as Equity share capital, Unsecured perpetual securities and other equity including reserves and surplus.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2021 and 31st March, 2020.

40.4 Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables, financial guarantee contracts and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include loans, trade and other receivables, cash and cash equivalents, other bank balances, unbilled receivables, finance lease receivables and other financial assets that derive directly from its operations. The Group also holds FVTOCI/FVTPL investments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a risk committee that reviews the financial risks and the appropriate financial risk governance framework for the Group. The Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The risk management policy is approved by the board of directors, which is summarized below.

40.4.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: currency risk, interest rate risk and equity price risk. The impact of equity price risk is not material. Financial instruments affected by market risk include loans and borrowings, derivative financial instruments and FVTOCI investments.

The sensitivity analysis in the following sections relate to the position as at 31st March, 2021 and 31st March, 2020.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at 31st March, 2021. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.

a. Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign exchange risk through its operations in international projects and purchase of coal from Indonesia and elsewhere and overseas borrowings. The results of the Group's operations can be affected as the rupee appreciates/depreciates against these currencies. The Group enters into derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

40. Financial Instruments (Contd.)

When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

The following table analyzes foreign currency assets and liabilities on balance sheet dates:

Foreign Currency Liabilities	As at 31st March, 2021		As at 31st March, 2020	
	Foreign Currency (In Millions)	₹ crore	Foreign Currency (In Millions)	₹ crore
In USD	200.90	1,468.86	207.01	1,563.81
In EURO	0.09	0.75	2.55	21.09
In GBP	Nil	Nil	0.06	0.59
In JPY	5.90	0.39	328.72	22.86
In VND	Nil	Nil	790.21	0.25

Foreign Currency Assets	As at 31st March, 2021		As at 31st March, 2020	
	Foreign Currency (In Millions)	₹ crore	Foreign Currency (In Millions)	₹ crore
In USD	3.09	22.62	4.58	34.59
In ZAR	0.41	0.20	0.03	0.01
In VND	56.76	0.02	35.88	0.01
In TAKA	0.20	0.02	0.21	0.02

* Denotes figures below 50,000/-

(i) Foreign currency sensitivity analysis

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Group's profit before tax and impact on equity is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency forward and option contracts given as under.

		₹ crore	
		Effect on Equity (before tax)	Effect on Profit (before tax)
As of 31st March, 2021	Rupee depreciate by ₹ 1 against USD	(+) ₹ 38.52	(-) ₹ 39.61
	Rupee appreciate by ₹ 1 against USD	(-) ₹ 38.52	(+) ₹ 39.61
As of 31st March, 2020	Rupee depreciate by ₹ 1 against USD	(+) ₹ 2.82	(-) ₹ 43.02
	Rupee appreciate by ₹ 1 against USD	(-) ₹ 2.82	(-) ₹ 43.02

Notes:

1) +/- Gain/Loss

2) The impact of depreciation/ appreciation on foreign currency other than USD on profit before tax of the Group is not significant.

(ii) Derivative financial instruments

The Group holds derivative financial instruments such as foreign currency forward and option contracts to mitigate the risk of changes in exchange rate on foreign currency exposure. The counterparty for these contracts is generally a Bank or a Financial Institution. These derivative financial instrument are valued based on quoted prices for similar asset and liabilities in active markets or inputs that is directly or indirectly observable in the marketplace.

Notes to the Consolidated Financial Statements

40. Financial Instruments (Contd.)

The following table gives details in respect of outstanding foreign exchange forward and option contracts:

Outstanding Contracts

	Buy/ Sell	As at 31st March, 2021		
		Foreign Currency (In Millions)	Nominal Value in ₹ crore	Fair Value in ₹ crore
Other Derivatives				
Forward contracts				
In USD	Buy	1,317.20	9,631.22	(181.45)
	Buy/ Sell	As at 31st March, 2020		
		Foreign Currency (In Millions)	Nominal Value in ₹ crore	Fair Value in ₹ crore
Other Derivatives				
Forward contracts				
In USD	Buy	596.95	4,509.49	174.18
In ZAR	Sell	1,300.00	548.96	52.49
In YEN	Buy	2.94	0.20	*
Option contracts				
In USD	Buy	286.57	2,164.82	74.15

Note: Fair Value in brackets denotes liability.

* Denotes figures below 50,000/-

b. Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Group's policy is to keep upto 50% of its borrowings at fixed rates of interest. To manage this, the Group enters into fixed rate loan, Bonds and interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

(i) Interest rate sensitivity

The sensitivity analysis below have been determined based on exposure to interest rates for term loans and debentures at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of term loans and debentures that have floating rates.

If the interest rates had been 50 basis points higher or lower and all the other variables were held constant, the effect on Interest expense for the respective financial years and consequent effect on Group's profit in that financial year would have been as below:

	₹ crore			
	As of 31st March, 2021		As of 31st March, 2020	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on loan	(+) ₹ 117.15	(-) ₹ 117.15	(+) ₹ 147.46	(-) ₹ 147.46
Effect on Equity/Profit before tax	(-) ₹ 117.15	(+) ₹ 117.15	(-) ₹ 147.46	(+) ₹ 147.46

(ii) Interest rate swap contracts

An interest rate swap is an agreement between two counterparties in which one stream of future interest payments is exchanged for another based on a specified principal amount. Interest rate swaps usually involve the exchange of a fixed interest rate for a floating rate, or vice versa, to reduce or increase exposure to fluctuations in interest rates or to obtain a marginally lower interest rate than would have been possible without the swap. Interest rate swaps are the exchange of one set of cash flows for another.

40. Financial Instruments (Contd.)

The following table gives details in respect of outstanding receive floating pay fixed contracts:

		₹ crore		
		Less than 1 year	1 to 5 years	5 years +
31st March 2021	Nominal amounts	100.00	Nil	Nil
	Fair value assets (liabilities)	9.25	Nil	Nil
31st March 2020	Nominal amounts	1,473.08	923.16	128.18
	Fair value assets (liabilities)	(14.38)	(36.05)	(13.16)

40.4.2 Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including loans, foreign exchange transactions and other financial instruments.

		₹ crore	
		At as 31st March, 2021	At as 31st March, 2020
Trade Receivables		5,605.68	4,456.18
Loans		88.85	113.88
Finance Lease Receivables		640.06	622.12
Other Financial Assets (including derivatives contracts)		1,887.19	1,991.22
Held for Sale Financial Assets		201.51	712.99
Unbilled Revenue		1,573.64	799.42
Total		9,996.93	8,695.81

Refer Note 7 for credit risk and other information in respect of trade receivables. Other receivables as stated above are due from the parties under normal course of the business and as such the Group believes exposure to credit risk to be minimal. The Group has not acquired any credit impaired asset.

40.4.3 Liquidity risk management

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Having regards to the nature of the business wherein the Group is able to generate fixed cash flows over a period of time and to optimize the cost of funding, the Group, from time to time, funds its long-term investment from short-term sources. The short-term borrowings can be rollforward or, if required, can be refinanced from long term borrowings. Hence, the Group considers the liquidity risk as low.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

					₹ crore				
					Up to 1 year	1 to 5 years	5+ years	Total	Carrying Amount
31st March, 2021									
Non-Derivatives									
Borrowings #		15,656.17	26,668.34	19,143.30	61,467.81	44,013.00			
Trade Payables		7,120.08	Nil	Nil	7,120.08	7,137.44			
Lease Liabilities		413.01	1,528.20	7,655.21	9,596.42	3,537.31			
Other Financial Liabilities		6,574.97	695.29	695.70	7,965.96	7,965.96			
Total Non-Derivative Liabilities		29,764.23	28,891.83	27,494.21	86,150.27	62,653.71			
Derivatives									
Other Financial Liabilities		192.51	Nil	Nil	192.51	192.51			
Total Derivative Liabilities		192.51	Nil	Nil	192.51	192.51			

Notes to the Consolidated Financial Statements

40. Financial Instruments (Contd.)

	₹ crore				
	Up to 1 year	1 to 5 years	5+ years	Total	Carrying Amount
31st March, 2020					
Non-Derivatives					
Borrowings #	18,472.76	27,607.27	25,413.87	71,493.89	49,218.43
Trade Payables	5,095.44	Nil	Nil	5,095.44	5,095.44
Lease Liabilities	404.98	1,856.24	7,535.36	9,796.59	3,560.22
Other Financial Liabilities	2,763.60	43.77	677.75	3,485.12	3,485.12
Total Non-Derivative Liabilities	26,736.78	29,507.28	33,626.98	89,871.04	61,359.21
Derivatives					
Other Financial Liabilities	64.03	Nil	Nil	64.03	64.03
Total Derivative Liabilities	64.03	Nil	Nil	64.03	64.03

The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments, ignoring the call and refinancing options available with the Group. The amounts included above for variable interest rate instruments for non-derivative liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

41. Segment Reporting

Information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses on business segment which comprises of Generation, Renewables, Transmission & Distribution and Others. Specifically, the Group's reportable segments under Ind AS are as follows:

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

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue/assets of the segment and manpower efforts. All other revenue/expenses which are not attributable or allocable to segments have been disclosed as unallocable. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

41. Segment Reporting (Contd.)

(a) Segment Information:

Particulars	₹ crore	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Segment Revenue		
Generation	13,432.77	14,532.74
Renewables	5,887.65	3,977.45
Transmission and Distribution	16,669.66	14,002.70
Others	262.16	255.53
	36,252.24	32,768.42
(Less): Inter Segment Revenue - Generation	(2,904.83)	(3,582.99)
(Less): Inter Segment Revenue - Renewables	(267.72)	(235.61)
(Less): Inter Segment Revenue - Others	(11.31)	(12.56)
Total Segment Revenue	33,068.38	28,937.26
Discontinued Operations - Others #	193.63	343.74
Revenue / Income from Operations (including Net Movement in Regulatory Deferral Balances)	33,262.01	29,281.00
Segment Results		
Generation	2,709.81	2,765.46
Renewables	1,494.25	1,499.66
Transmission and Distribution	1,677.02	1,922.14
Others	83.16	193.12
Total Segment Results	5,964.24	6,380.38
(Less): Finance Costs	(4,010.39)	(4,493.73)
Add/(Less): Exceptional Item - Generation (Refer Note 12 and 37f)	(109.29)	(351.35)
Add/(Less): Exceptional Item - Transmission and Distribution (Refer Note 12)	Nil	(190.00)
Add/(Less): Exceptional Item - Unallocable Income/(Expense) (Refer Note 6b (ii))	Nil	767.51
Add/(Less): Unallocable Income/(Expense) (Net)	142.17	255.35
Profit/(Loss) Before Tax from Continuing Operations	1,986.73	2,368.16
Profit/(Loss) Before Tax from Discontinued Operations	(59.85)	(81.64)
Impairment Loss on Remeasurement to Fair Value #	(160.00)	(361.00)
Profit/(Loss) Before Tax from Discontinued Operations	(219.85)	(442.64)
Segment Assets		
Generation	37,717.32	40,076.13
Renewables	22,702.98	19,533.81
Transmission and Distribution	25,554.98	17,859.37
Others	1,469.98	1,361.59
Unallocable*	11,405.97	9,037.18
Assets classified as held for sale #	Nil	1,880.07
Total Assets	98,851.23	89,748.15
Segment Liabilities		
Generation	4,690.36	3,685.28
Renewables	3,752.74	1,596.45
Transmission and Distribution	13,841.81	5,294.05

Notes to the Consolidated Financial Statements

41. Segment Reporting (Contd.)

Particulars	₹ crore	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Others	118.89	128.71
Unallocable*	51,197.87	56,113.53
Liabilities classified as held for sale #	Nil	1,032.07
Total Liabilities	73,601.67	67,850.09
Capital Expenditure (to the extent allocable to the segment)		
Generation	429.70	292.04
Renewables	1,235.85	692.51
Transmission and Distribution	1,314.53	1,120.75
Others	124.61	45.06
Discontinued Operations#	32.97	45.74
	3,137.66	2,196.10
Depreciation/Amortisation (to the extent allocable to the segment)		
Generation	1,055.41	1,079.30
Renewables	827.25	837.22
Transmission and Distribution	792.35	634.92
Others	25.47	22.31
	2,700.48	2,573.75

RECONCILIATION OF REVENUE

Particulars	₹ crore	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Revenue from Operations	32,468.10	29,136.37
Add/(Less): Net Movement in Regulatory Deferral Balances	529.24	(451.68)
Add/(Less): Net Movement in Regulatory Deferral Balances in respect of earlier years	Nil	(21.32)
Add/(Less): Deferred Tax Recoverable/(Payable)	81.80	284.31
Add/(Less): Unallocable Revenue	(10.76)	(10.42)
Total Segment Revenue	33,068.38	28,937.26
Discontinued Operations- Others #	193.63	343.74
Total Segment Revenue as reported above	33,262.01	29,281.00

Pertains to Strategic Engineering Division being classified as Discontinued Operation and disposed of during the year ended 31 March, 2021 (Refer note 17c).

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

Notes:

- Comparative figures for statement of profit and loss items are for the year ended 31st March, 2020 and Balance Sheet items are as at 31st March, 2020.
- Revenue from power distribution companies on sale of electricity with which Group has entered into a Power Purchase Agreement accounts for more than 10% of Total Revenue.
- Transfer pricing between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

(b) Geographic Information:

The Group operates in two principal geographical areas - Domestic and Overseas

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

41. Segment Reporting (Contd.)

Geographical Segment

Particulars	₹ crore	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Revenue from External Customers		
Domestic	33,101.95	28,911.24
Overseas	160.06	369.76
	33,262.01	29,281.00
Segment Assets:		
Non Current Assets		
Domestic	59,903.68	52,470.93
Overseas	10,466.86	11,971.70
	70,370.54	64,442.63
Current Assets		
Domestic	10,422.09	8,616.26
Overseas	174.46	291.84
	10,596.55	8,908.10
Regulatory Deferral Account - Assets		
Domestic	6,478.17	5,480.17
	6,478.17	5,480.17
Unallocable Assets	11,405.97	10,917.25
Total Assets	98,851.23	89,748.15
Capital Expenditure (to the extent allocable to the segment)		
Domestic	3,124.10	2,196.09
Overseas	13.56	0.01
	3,137.66	2,196.10

42 Significant Events after the Reporting Period

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

Notes to the Consolidated Financial Statements

43. Statement of Net Assets and Profit and Loss attributable to Owners and Non Controlling Interests

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Total Income i.e. Revenue Plus Other Income		Share of Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (₹ crore)	As % of consolidated total income	Amount (₹ crore)	As % of consolidated profit	Amount (₹ crore)	As % of consolidated Other comprehensive income	Amount (₹ crore)	As % of consolidated comprehensive income	Amount (₹ crore)
The Tata Power Company Ltd. #	32.95	18,378.56	19.58	7,946.32	20.62	921.45	(27.14)	185.38	29.26	1,106.83
Indian Subsidiaries										
Nelco Ltd. (Consolidated) ¹	0.14	75.81	0.56	228.96	0.28	12.36	(0.04)	0.28	0.33	12.64
Af-Taab Investment Co. Ltd.	0.59	328.95	0.02	7.81	0.14	6.38	(8.53)	58.27	1.71	64.65
Tata Power Trading Co. Ltd.	0.48	265.74	0.66	269.98	0.74	32.96	(0.04)	0.28	0.88	33.24
Maithon Power Ltd.	3.95	2,200.44	6.20	2,520.52	6.97	311.02	(0.14)	0.94	8.25	311.96
Coastal Gujarat Power Ltd.	13.54	7,545.04	17.24	7,006.20	(14.28)	(637.33)	(0.33)	2.23	(16.80)	(635.10)
Tata Power Delhi Distribution Ltd.	6.76	3,770.12	18.85	7,660.60	9.59	428.18	(0.19)	1.28	11.36	429.46
Tata Power Jamshedpur Distribution Ltd.	-	(1.32)	-	-	-	-	-	-	-	-
TP Renewable Microgrid Ltd.	0.05	25.92	-	0.29	(0.24)	(10.56)	0.07	(0.48)	(0.29)	(11.04)
Tata Power Renewable Energy Ltd.	9.06	5,051.26	2.49	1,010.13	0.47	21.13	0.08	(0.52)	0.55	20.61
TP Kirnalli Ltd.	-	(0.73)	-	-	-	(0.11)	-	-	-	(0.11)
TP Solapur Ltd.	-	(0.16)	-	-	-	(0.01)	-	-	-	(0.01)
Tata Power Solar Systems Ltd.	1.12	623.42	12.66	5,143.10	4.67	208.39	40.53	(276.77)	(1.81)	(68.38)
NDPL Infra Ltd.	0.04	24.95	-	1.49	0.02	0.99	-	-	0.03	0.99
Tata Power Green Energy Ltd.	-	(0.68)	-	-	(0.01)	(0.61)	-	-	(0.02)	(0.61)
TP Wind Power Ltd. (formerly known as Indo Rama Renewables Jath Ltd.)	0.12	66.36	0.07	29.98	0.03	1.56	-	-	0.04	1.56
TCL Ceramics Ltd (formerly known as Tata Ceramics Ltd).	-	-	-	-	-	-	-	-	-	-
Supa Windfarm Ltd.	0.02	10.85	-	0.08	-	(0.09)	-	-	-	(0.09)
Poolavadi Windfarm Ltd.	0.14	77.10	0.04	17.84	0.02	0.71	-	-	0.02	0.71
Nivade Windfarm Ltd.	-	(0.02)	-	-	-	-	-	-	-	-
Vagarai Windfarm Ltd.	(0.06)	(31.87)	0.04	17.60	(0.23)	(10.09)	-	-	(0.27)	(10.09)
TP Ajmer Distribution Ltd.	0.01	7.86	1.05	426.55	0.01	0.38	(0.01)	0.05	0.01	0.43
Chirasthaayee Saurya Ltd.	0.01	8.10	0.12	50.65	0.15	6.69	-	-	0.18	6.69
Walwhan Renewable Energy Ltd. (Consolidated) ²	4.67	2,600.37	3.01	1,224.17	7.17	319.92	(0.05)	0.37	8.47	320.29
TP Kirnalli Solar Ltd.	0.03	15.43	-	-	-	(0.19)	-	-	(0.01)	(0.19)
TP Solapur Solar Ltd.	-	(0.13)	-	-	-	(0.18)	-	-	-	(0.18)
TP Akkalkot Renewable Ltd	0.02	12.96	-	-	-	(0.01)	-	-	-	(0.01)
TP Saurya Ltd	(0.01)	(4.27)	-	-	(0.10)	(4.32)	-	-	(0.11)	(4.32)
TP Roofurja Ltd.	-	-	-	-	-	-	-	-	-	-
TP Central Odisha Distribution Ltd.	0.55	306.76	7.21	2,932.17	0.15	6.74	-	-	0.18	6.74
TP Western Odisha Distribution Ltd.	0.54	299.02	2.10	851.67	(0.02)	(1.00)	-	-	(0.03)	(1.00)
TP Southern Odisha Distribution Ltd.	0.40	222.40	0.82	334.10	0.50	22.42	-	-	0.59	22.42

Name of the Entity	Net Assets i.e. total assets minus total liabilities consolidated net assets		Total Income i.e. Revenue Plus Other Income		Share of Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (₹ crore)	As % of consolidated total income	Amount (₹ crore)	As % of consolidated profit	Amount (₹ crore)	As % of consolidated Other comprehensive income	Amount (₹ crore)	As % of consolidated comprehensive income	Amount (₹ crore)
Foreign Subsidiaries										
Bhira Investments Pte. Ltd. (Formerly known as Bhira Investment Ltd.)	5.46	3,042.75	3.16	1,283.11	24.42	1,089.88	11.95	(81.61)	26.67	1,008.27
Bhivpuri Investments Ltd.	2.40	1,339.59	1.21	491.14	10.01	446.68	5.35	(36.52)	10.85	410.16
Khopoli Investments Ltd.	1.47	821.88	0.12	47.99	(0.11)	(5.00)	4.01	(27.41)	(0.86)	(32.41)
Trust Energy Resources Pte. Ltd.	2.46	1,369.10	2.48	1,009.31	13.64	608.71	7.01	(47.89)	14.83	560.82
PT Sumber Energi Andalan Tbk. (Consolidated) ³	0.02	11.96	-	-	-	-	0.06	(0.40)	(0.01)	(0.40)
Tata Power International Pte. Ltd.	(0.13)	(73.77)	0.26	107.57	(3.45)	(154.01)	0.05	(0.31)	(4.08)	(154.32)
Far Eastern Natural Resources LLC	(0.09)	(51.40)	0.05	21.00	(0.76)	(33.87)	(0.12)	0.85	(0.87)	(33.02)
Indian Associates										
The Associated Building Company Ltd.	0.01	3.68	-	-	0.02	0.93	-	-	0.02	0.93
Yashmun Engineers Ltd.	0.01	4.28	-	-	-	-	-	-	-	-
Tata Projects Ltd.	1.20	669.28	-	-	1.33	59.50	1.51	(10.28)	1.30	49.22
Foreign Associates										
Dagachhu Hydro Power Corporation Ltd.	0.17	97.25	-	-	0.38	16.83	(0.02)	0.12	0.45	16.95
Indian Jointly Control Entities										
Powerlinks Transmission Ltd.	0.88	488.80	-	-	1.17	52.03	-	(0.01)	1.38	52.02
Industrial Energy Ltd.	1.26	700.63	-	-	1.85	82.61	0.05	(0.37)	2.18	82.24
Dugar Hydro Power Ltd.	0.06	31.70	-	-	0.18	8.05	-	-	0.21	8.05
Mandakini Coal Company Ltd.	(0.10)	(57.19)	-	-	-	-	-	-	-	-
Solace Land Holding Ltd.	-	2.29	-	-	-	-	-	-	-	-
Foreign Jointly Control Entities										
PT Mitratama Perkasa (Consolidated) ³	1.16	645.31	-	-	-	-	-	-	-	-
PT Arutmin Indonesia	2.20	1,223.99	-	-	-	-	-	-	-	-
PT Kaltim Prima Coal	0.78	433.69	-	-	6.11	272.88	21.38	(145.97)	3.36	126.91
Indocoal Resources (Cayman) Ltd.	0.49	274.96	-	-	0.09	4.01	17.88	(122.11)	(3.12)	(118.10)
PT Indocoal Kalsel Resources	-	0.20	-	-	-	-	-	-	-	-
PT Indocoal Kaltim Resources	-	0.01	-	-	-	(0.02)	-	(0.03)	-	(0.05)
Candice Investments Pte. Ltd.	0.05	25.22	-	-	0.94	41.79	0.23	(1.55)	1.06	40.24
PT Nusa Tambang Pratama	1.34	747.16	-	-	4.39	195.78	7.59	(51.85)	3.81	143.94
PT Marvel Capital Indonesia	-	0.57	-	-	-	(0.01)	-	-	-	(0.01)
PT Dwikarya Prima Abadi	0.12	68.92	-	-	0.07	3.23	1.35	(9.21)	(0.16)	(5.98)
PT Kalimantan Prima Power (Consolidated) ⁴	0.37	203.87	-	-	0.16	6.94	0.98	(6.69)	0.01	0.24
PT Baramulti Sukessarana Tbk (Consolidated) ⁵	0.68	380.27	-	-	1.27	56.89	6.43	(43.88)	0.34	13.01
Adjaristsqali Netherlands BV (Consolidated) ⁶	0.75	419.98	-	-	(0.60)	(26.74)	8.75	(59.77)	(2.29)	(86.51)
Koromkheti Netherlands BV (Consolidated) ⁷	(0.06)	(32.23)	-	-	-	-	-	-	-	-

Notes to the Consolidated Financial Statements

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Total Income i.e. Revenue Plus Other Income		Share of Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (₹ crore)	As % of consolidated total income	Amount (₹ crore)	As % of consolidated profit	Amount (₹ crore)	As % of consolidated Other comprehensive income	Amount (₹ crore)	As % of consolidated comprehensive income	Amount (₹ crore)
Itezhi Tezhi Power Corporation	1.14	633.48	-	-	-	-	-	-	-	-
Resurgent Power Ventures Pte. Ltd. (Consolidated)	0.78	435.79	-	-	2.24	99.87	1.35	1.35	(9.24)	2.40
Indocoal KPC Resources (Cayman) Ltd.	-	0.82	-	-	-	(0.06)	-	-	(0.02)	(0.08)
	100.00	55,741.10	100.00	40,640.33	100.00	4,463.68	100.00	100.00	(682.86)	100.00
a) Adjustments arising out of consolidation	-	(30,491.54)	-	(6,904.80)	-	(3,025.03)	-	-	303.20	(2,721.83)
b) Non-Controlling Interest	-	-	-	-	-	-	-	-	-	-
Indian Subsidiaries										
Nelco Ltd. (Consolidated) ¹	-	(37.26)	-	-	-	(6.17)	-	-	(0.14)	(6.31)
Maithon Power Ltd.	-	(571.68)	-	-	-	(80.87)	-	-	(0.24)	(81.11)
Tata Power Delhi Distribution Ltd.	-	(1,847.21)	-	-	-	(209.80)	-	-	(0.63)	(210.43)
NDPL Infra Ltd.	-	(12.20)	-	-	-	(0.49)	-	-	-	(0.49)
Poolavadi Windfarm Ltd.	-	(20.04)	-	-	-	(0.19)	-	-	-	(0.19)
TP Kimali Solar Ltd.	-	(4.01)	-	-	-	0.05	-	-	-	0.05
TP Central Odisha Distribution Ltd.	-	(150.31)	-	-	-	(3.31)	-	-	-	(3.31)
TP Western Odisha Distribution Ltd.	-	(146.51)	-	-	-	0.49	-	-	-	0.49
TP Southern Odisha Distribution Ltd.	-	(108.98)	-	-	-	(10.98)	-	-	-	(10.98)
Foreign Subsidiaries										
PT Sumber Energi Andalan Tbk. (Consolidated) ³	-	(0.43)	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Foreign Jointly Control Entities										
PT Mitratama Perkasa (Consolidated) ³	-	(28.67)	-	-	-	(311.27)	-	-	(1.01)	(312.28)
	-	(2,927.30)	-	-	-	-	-	-	-	-
Consolidated Net Assets / Profit after tax	-	22,322.26	-	33,735.53	-	1,127.38	-	-	(380.67)	746.71

43. Statement of Net Assets and Profit and Loss attributable to Owners and Non Controlling Interests (Contd.)

Reconciliation of Total Income (i.e. Revenue plus other income)

	₹ crore
Total Income as per Statement of Profit & Loss	32,907.34
Net Movement in Regulatory Deferral Balances (Net)	611.04
Remeasurement of Deferred Tax Recoverable on account of New Tax Regime (Net)	Nil
	33,518.38
Add: Revenue from Discontinued Operations	217.15
Total Income as per the above statement	33,735.53

Note:

- Accounts of Tatanet Services Ltd. have been consolidated with Nelco Ltd.
 - Accounts of all subsidiaries of Walwhan Renewable Energy Ltd. (Refer Note 2.6) have been consolidated with Walwhan Renewable Energy Ltd.
 - Accounts of PT Mitratama Perkasa have been consolidated with PT Sumber Energi Andalan Tbk.
 - Accounts of PT Citra Prima Buana, PT Guruh Agung and PT Citra Kusuma Perdana have been consolidated with PT Kalimantan Prima Power.
 - Accounts of PT Antang Gunung Meratus have been consolidated with PT Baramulti Sukessarana Tbk.
 - Accounts of Adjaristsqali Georgia LLC have been consolidated with Adjaristsqali Netherlands BV.
 - Accounts of Koromkheti Georgia LLC have been consolidated with Koromkheti Netherlands BV.
- # Includes Discontinued Operations

43.1 Summarised Financial Information of Material Non Controlling Interests

Financial Information of Subsidiaries that have material non-controlling interest is provided below:

Proportion of equity interest held by non-controlling interests:

Name	Country of Incorporation	31st March, 2021	31st March, 2020
Maithon Power Ltd.	India	26%	26%
Tata Power Delhi Distribution Ltd.	India	49%	49%

A Maithon Power Ltd.

(i) Summarised Balance Sheet:

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Non-current Assets	3,789.32	3,741.21
Current Assets	689.33	860.24
Non-current Liabilities	(1,609.51)	(1,337.24)
Current Liabilities	(668.75)	(1,195.78)
	2,200.39	2,068.43
Attributable to:		
Equity holders of parent	1,628.73	1,531.08
Non-controlling interest	571.66	537.35

Notes to the Consolidated Financial Statements

43.1 Summarised Financial Information of Material Non Controlling Interests

(ii) Summarised Statement of Profit and Loss:

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Revenue	2,503.38	2,741.17
Other Income	17.15	28.33
Cost of Power Purchased	(1.18)	(1.78)
Cost of Fuel	(1,500.33)	(1,575.51)
Employee Benefits Expenses	(40.27)	(40.80)
Finance Cost	(136.09)	(193.11)
Depreciation and Amortisation Expenses	(246.07)	(243.81)
Other Expenses	(280.11)	(257.83)
Profit before tax	316.48	456.66
Tax Expenses	(5.46)	(118.84)
Profit for the year	311.02	337.82
Other Comprehensive Income/(Expense) for the year	0.94	Nil
Total Comprehensive Income for the year	311.96	337.82
Attributable to:		
Equity holders of parent	230.85	249.99
Non-controlling interest	81.11	87.83
Dividend including Dividend Distribution Tax Attributable to:		
Equity holders of parent	133.20	259.00
Non-controlling interest	46.80	91.00

(iii) Summarised Cash Flow information:

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Operating Activities	1,024.74	1,355.86
Investing Activities	(427.17)	(295.63)
Financing Activities	(614.88)	(975.68)
Net (Decrease) / Increase in Cash and Cash Equivalents	(17.31)	84.55

B Tata Power Delhi Distribution Ltd.

(i) Summarised Balance Sheet:

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Non-current Assets	4,463.51	4,408.09
Current Assets	962.13	1,090.56
Assets classified as held for sale	20.04	20.04
Regulatory Deferral Account Debit Balances	5,511.71	5,221.85
Non-current Liabilities	(4,624.61)	(4,946.65)
Current Liabilities	(2,562.67)	(2,320.76)
	3,770.11	3,473.13
Attributable to:		
Equity holders of parent	1,922.78	1,771.32
Non-controlling interest	1,847.33	1,701.81

43.1 Summarised Financial Information of Material Non Controlling Interests

(ii) Summarised Statement of Profit and Loss:

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Revenue including Regulatory income/(expense)	7,296.89	8,350.66
Other Income	116.02	105.32
Cost of Power Purchased	(5,306.26)	(6,299.63)
Employee Benefits Expenses	(557.12)	(504.90)
Finance Cost	(343.91)	(344.90)
Depreciation and Amortisation Expenses	(353.82)	(333.16)
Other Expenses	(294.27)	(327.33)
Exceptional Items	Nil	Nil
Profit before tax	557.53	646.06
Tax Expenses	(129.36)	(231.92)
Profit for the year	428.17	414.14
Other Comprehensive Income/(Expense) for the year	1.28	(3.87)
Total Comprehensive Income for the year	429.45	410.27
Attributable to:		
Equity holders of parent	219.02	209.24
Non-controlling interest	210.43	201.03
Dividend including Dividend Distribution Tax Attributable to:		
Equity holders of parent	67.56	61.09
Non-controlling interest	64.92	58.69

(iii) Summarised Cash Flow information:

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Operating Activities	816.76	671.99
Investing Activities	(266.89)	(625.09)
Financing Activities	(542.29)	(32.62)
Net (Decrease) / Increase in Cash and Cash Equivalents	7.58	14.28

44. Business Combinations

44.1 Summary

During the year, pursuant to vesting order issued by the Odisha Electricity Regulation Commission ('OERC'), the Group has acquired distribution business of Central, Western and Southern Odisha through its three subsidiaries acquired during the year. Accordingly, the Group is a licensee to carry out the function of distribution and retail supply of electricity covering the distribution circles of Central, Western and Southern Odisha for a period of 25 years.

Below are the details of subsidiaries acquired:

Name of the acquired Subsidiaries	Principal Activity	Date of Acquisition	Proportion of voting equity interest acquired
TP Central Odisha Distribution Ltd. (TPCODL)	Distribution business of Central Odisha	1st June, 2020	51%
TP Western Odisha Distribution Ltd. (TPWODL)	Distribution business of Western Odisha	1st January, 2021	51%
TP Southern Odisha Distribution Ltd. (TPSODL)	Distribution business of Southern Odisha	1st January, 2021	51%

The above subsidiaries were acquired pursuant to order issued by Orissa Electricity Regulatory Commission ('OERC') which is in line with Group's expansion plan for Distribution Business.

Notes to the Consolidated Financial Statements

44. Business Combinations (Contd.)

44.2 Consideration transferred and Net Assets acquired

The Group has accounted for these acquisitions on provisional basis in accordance with Ind AS 103 'Business Combination'. The details of these acquisitions are as follows:

Particulars	₹ crore			
	TPCODL	TPWODL	TPSODL	Total
Consideration transferred	178.50	255.00	127.50	561.00
Add: Non-Controlling Interest	147.00	147.00	98.00	392.00
Less: fair value of identifiable net assets acquired (Refer Note 44.3 below)	(300.00)	(300.00)	(200.00)	(800.00)
Goodwill	25.50	102.00	25.50	153.00

Acquisition related costs amounting to ₹ 0.50 crore have been excluded from the consideration transferred and have been recognised as an expenses in profit and loss in the current year, under the head "Other expenses".

44.3 Details of assets acquired and liabilities recognised at the date of acquisition

The erstwhile management of these utilities are in the process of finalizing their audited financial statements as at the respective acquisition dates. Pending audit of financial statements as at acquisition date, the Group has allocated the purchase consideration on a provisional basis considering the Vesting Orders. The following table summarises the recognised provisional amounts of assets acquired and liabilities assumed at the date of acquisition:

Particulars	₹ crore			
	TPCODL	TPWODL	TPSODL	Total
Non-current Assets				
Property, Plant and Equipments	2,053.97	1,267.27	423.99	3,745.23
Capital Work-in-Progress	618.59	152.50	349.92	1,121.01
Other Financial Assets	1.82	168.80	326.41	497.03
Other Non-Current Assets	Nil	1.08	2.78	3.86
Current Assets				
Inventories	30.00	23.28	6.96	60.24
Cash and Cash Equivalents	80.17	231.90	134.23	446.30
Bank balances other than above	1,235.10	823.75	Nil	2,058.85
Other Financial Assets	11.47	39.28	10.84	61.59
Other Current Assets	66.39	0.29	11.27	77.95
Non-current Liabilities				
Other Non-current Liabilities	(989.27)	(210.90)	(424.86)	(1,625.03)
Other Financial Liabilities	(1,523.97)	(885.48)	(27.59)	(2,437.04)
Current Liabilities				
Borrowings	(157.54)	(336.49)	(172.98)	(667.01)
Trade Payables	(213.66)	(20.68)	(139.54)	(373.88)
Other Financial Liabilities	(844.78)	(950.45)	(291.40)	(2,086.63)
Other Current Liabilities	(68.29)	(4.15)	(10.03)	(82.47)
Fair value of Net Assets acquired	300.00	300.00	200.00	800.00

44. Business Combinations (Contd.)

Certain documents, information, records and reconciliations for the balances as at the acquisition dates are incomplete and have not been made available to the Group. The subsidiary companies are in discussions with the erstwhile management and OERC for the resolution of such matters. Adjustments, if any, will be recognized post completion of such resolution. As per vesting order, any change in the value of assets and liabilities transferred on account of the reconciliation / resolution of said matters and/ or any other matter identified in future will be allowed to be recovered by the Group in the manner specified in the vesting order. Hence, the Group believes that the reconciliation / resolution of the above matters will not have any impact on the financial position and financial performance of the Group as reflected in the financial statements.

- 44.4 Further, prior to the acquisition, these businesses were administrated and operated by OERC through GRIDCO Ltd., a State Government Group and accordingly the provisions of Companies Act, 2013, including the provisions of section 143(3)(i) of the Companies Act, 2013 related to directors and auditors reporting on existence of internal financial controls system and their operating effectiveness were not applicable to these utilities. Post acquisition, the subsidiary companies are in the process of strengthening the existing internal controls, including maintenance of sufficient and appropriate records over key processes considering the essential components of internal controls stated in the Guidance Note.

44.5 Revenue and profit or loss of the acquiree since the acquisition date included in the consolidated statement of profit and loss of the Group:

Particulars	TPCODL	TPWODL	TPSODL	Total
Revenue from Operations (Including Net Movement in Regulatory)	2,886.14	822.61	309.93	4,018.68
Profit before tax	9.02	(1.33)	13.24	20.93

As the records and complete financial statements of erstwhile utilities before acquisition date are not available to the Group, accordingly, the revenue and profit or loss of the combined entity for the current financial year if the Business Combination had taken place on 1st April, 2020 has not been disclosed.

- 44.6 Subsequent to the year, the Group has acquired 51% stake in TP Northern Odisha Distribution Limited ('TPNODL') for ₹ 191.24 crore. TPNODL is the licensee to carry out the function of distribution and retail supply of electricity covering the distribution circles of Balasore, Bhadrak, Baripada, Jajpur and Keonjhar in the state of Odisha for a period of 25 years effective 1st April, 2021. Pending audit of financial statements of the acquiree as at acquisition date and details of assets and liability transferred, said acquisition is recognized on provisional basis.

45 Recent Pronouncement

On 24th March, 2021, the Ministry of Corporate Affairs ('MCA') through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1st April, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

Notes to the Consolidated Financial Statements

45. Recent Pronouncement (Contd.)

- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of Profit and Loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the consolidated financial statements.

The amendments are extensive and the Group will evaluate the same to give effect to them as required by law.

46 Impact of COVID-19

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 Group 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 statements.

47 The Code on Social Security, 2020

The Code on Social Security 2020 ('Code') has been notified in the Official Gazette on 29th September, 2020. The Code is not yet effective and related rules are yet to be notified. Impact if any of the change will be assessed and recognized in the period in which said Code becomes effective and the rules framed thereunder are notified.

48 Approval of Consolidated Financial Statements

The Consolidated financial statements were approved for issue by the Board of Directors on 12th May, 2021.

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.324982E/E300003

per ABHISHEK AGARWAL

Partner

Membership No. 112773

Mumbai, 12th May, 2021

For and on behalf of the Board,

PRAVEER SINHA

CEO & Managing Director

DIN 01785164

RAMESH SUBRAMANYAM

Chief Financial Officer

Mumbai, 12th May, 2021

BANMALI AGRAWALA

Director

DIN 00120029

HANOZ M. MISTRY

Company Secretary

FORM AOC-I
Statement containing salient features of the financial statement of Subsidiaries/ Associate Companies/ Joint Ventures
Part "A": Subsidiaries

Sl. No.	Date of acquiring subsidiary	Reporting period for the subsidiary concerned	Reporting currency	Exchange Rate as at 31st March, 2021	Share capital (Incl. Pref. shares and Perpetual Securities)	Other Equity (Incl. Non-controlling Interest)	Total Assets	Total Liabilities (Excl. Sh. Capital & Reserves)	Net Assets	Investments	Turn-over ¹⁴	Other Income	Total Income	Profit/ (Loss) before taxation (incl. Deferred tax)	Profit/ (Loss) after taxation	Proposed Dividend on Equity Shares (%)	% of share-holding on Equity Shares		
																		₹ crore	
1	NELCO Ltd. (Consolidated) ¹	31-Dec-05	31-Mar-21	Indian Rupee	1.00	22.82	52.96	246.19	170.41	75.78	0.16	226.12	2.84	228.96	15.88	3.52	12.36	NII	50.04
2	Af-Taab Investment Co. Ltd.	27-Nov-00	31-Mar-21	Indian Rupee	1.00	10.73	318.23	329.44	0.48	328.96	183.13	781	-	781	6.80	0.43	6.37	NII	100.00
3	Tata Power Trading Co. Ltd.	31-Dec-03	31-Mar-21	Indian Rupee	1.00	16.00	249.75	537.67	271.92	265.75	9.02	265.15	6.06	271.21	44.12	11.16	32.95	NII	100.00
4	Maithon Power Ltd.	02-Sep-05	31-Mar-21	Indian Rupee	1.00	1,508.92	691.47	4,478.65	2,278.26	2,200.39	161.74	2,503.38	17.15	2,520.53	316.48	5.46	311.02	NII	74.00
5	Coastal Gujarat Power Ltd.	22-Apr-07	31-Mar-21	Indian Rupee	1.00	19,184.30	(11,639.26)	17,958.43	10,413.39	7,545.04	-	6,989.00	17.21	7,006.21	(637.32)	-	(637.32)	NII	100.00
6	Bhira Investments Ltd. ¹²	22-Jun-07	31-Mar-21	US Dollar	73.11	0.10	41.52	78.69	37.07	41.62	56.76	0.01	17.28	17.29	16.41	1.73	14.68	NII	100.00
7	Bhivpuri Investments Ltd. ¹²	22-Jun-07	31-Mar-21	US Dollar	73.11	0.10	18.22	43.23	24.91	18.32	43.23	-	6.62	6.62	6.22	0.20	6.02	NII	100.00
8	Khopoli Investments Ltd. ¹²	17-May-07	31-Mar-21	US Dollar	73.11	4.70	6.54	23.90	12.66	11.24	-	0.65	0.65	(0.05)	0.02	(0.07)	NII	100.00	
9	Trust Energy Resources Pte. Ltd. ¹²	11-Mar-08	31-Mar-21	US Dollar	73.11	12.92	5.81	40.97	22.24	18.73	0.44	17.86	0.08	17.94	8.36	0.16	8.20	NII	100.00
10	Tata Power Delhi Distribution Ltd.	22-Jan-08	31-Mar-21	Indian Rupee	1.00	1,052.00	2,718.10	10,957.38	7,187.28	3,770.10	0.05	7,337.54	116.02	7,453.56	557.53	129.35	428.17	NII	51.00
11	Tata Power Jamshedpur Distribution Ltd.	06-Nov-12	31-Mar-21	Indian Rupee	1.00	8.05	(9.56)	1.06	2.57	(1.51)	-	-	-	-	-	-	-	NII	100.00
12	TP Renewable Microgrid Ltd.	28-Mar-07	31-Mar-21	Indian Rupee	1.00	40.10	(14.19)	71.99	46.08	25.91	-	0.68	-	0.68	(10.35)	0.20	(10.55)	NII	100.00
13	Tata Power Renewable Energy Ltd.	28-Mar-07	31-Mar-21	Indian Rupee	1.00	4,940.11	111.16	12,717.93	7,666.66	5,051.27	3,885.46	959.86	52.35	1,012.21	28.42	7.30	21.12	NII	100.00
14	TP Kimali Ltd.	19-Feb-20	31-Mar-21	Indian Rupee	1.00	0.05	(0.78)	118.00	118.73	(0.73)	-	-	-	(0.78)	-	-	(0.78)	NII	100.00
15	TP Solapur Ltd.	26-Feb-20	31-Mar-21	Indian Rupee	1.00	0.05	(0.22)	0.05	0.22	(0.17)	-	-	-	(0.22)	-	-	(0.22)	NII	100.00
16	Tata Power Solar Systems Ltd.	28-Jun-12	31-Mar-21	Indian Rupee	1.00	229.78	393.65	5,060.09	4,436.66	623.43	1.00	5,118.91	24.24	5,143.15	224.51	16.11	208.40	NII	100.00
17	Tata Power International Pte. Ltd. ¹²	05-Apr-13	31-Mar-21	US Dollar	73.11	8.59	(9.60)	15.99	17.00	(1.01)	14.83	1.13	0.33	1.46	(2.03)	0.04	(2.07)	NII	100.00
18	NDPL Infra Ltd.	23-Aug-11	31-Mar-21	Indian Rupee	1.00	0.05	24.89	25.09	0.15	24.94	0.33	-	1.49	1.49	1.07	0.08	0.99	NII	51.00
19	Tata Power Green Energy Ltd.	05-Jan-11	31-Mar-21	Indian Rupee	1.00	0.05	(0.72)	30.79	31.47	(0.68)	-	-	-	(0.61)	-	-	(0.61)	NII	100.00
20	PT Sumber Energi Andalan Tbk (consolidated upto 31st March, 2017 thereafter held for sale) ^{11,12&5}	26-Aug-09	31-Mar-17	US Dollar	73.11	26.37	(14.41)	12.69	0.73	11.96	-	-	-	-	-	-	-	NII	92.50
21	Supa Windfarm Ltd.	10-Dec-15	31-Mar-21	Indian Rupee	1.00	11.00	(0.15)	10.85	-	10.85	-	0.08	0.08	(0.09)	-	-	(0.09)	NII	100.00
22	Nivade Windfarm Ltd.	17-Dec-15	31-Mar-21	Indian Rupee	1.00	0.05	(0.07)	0.02	0.04	(0.02)	-	-	-	-	-	-	-	NII	100.00
23	Poolawadi Windfarm Ltd.	09-Jan-16	31-Mar-21	Indian Rupee	1.00	77.21	0.12	345.87	268.78	77.09	-	17.84	*	17.84	0.96	0.24	0.72	NII	74.00
24	Tata Ceramics Ltd. (consolidated upto 31st December, 2017 thereafter held for sale) ⁵	28-May-15	31-Dec-17	Indian Rupee	1.00	19.52	(32.36)	26.23	39.07	(12.84)	0.07	-	-	-	-	-	-	NII	57.07
25	TP Wind Power Ltd. (formerly known as Indo Rama Renewables Jath Ltd.)	19-May-16	31-Mar-21	Indian Rupee	1.00	60.30	6.06	137.78	71.42	66.36	0.04	29.93	0.05	29.98	3.13	1.57	1.56	NII	100.00
26	Walihan Renewable Energy Ltd. (Consolidated) ²	14-Sep-16	31-Mar-21	Indian Rupee	1.00	611.36	1,989.05	7,655.37	5,054.96	2,600.41	70.11	1,189.75	44.18	1,233.93	414.49	94.57	319.92	NII	100.00
27	Vagairi Windfarm Ltd.	27-Feb-17	31-Mar-21	Indian Rupee	1.00	0.53	(32.41)	95.79	127.67	(31.88)	1.50	17.53	0.07	17.60	(10.09)	-	(10.09)	NII	72.00
28	TP Ajmer Distribution Ltd.	01-Jul-17	31-Mar-21	Indian Rupee	1.00	10.00	(2.13)	220.17	212.30	7.87	-	417.66	8.91	426.57	0.37	-	0.37	NII	100.00
29	Chiraasthaayee Saurya Ltd.	14-Jun-16	31-Mar-21	Indian Rupee	1.00	1.00	7.10	347.33	339.23	8.10	-	50.50	0.15	50.65	8.93	2.25	6.68	NII	100.00
30	Far Eastern Natural Resources Limited ^{11,12}	17-Aug-17	31-Mar-21	Russian Rubel	0.97	*	(22.13)	49.07	71.20	(22.13)	-	-	20.95	20.95	(2.88)	0.17	(3.05)	NII	100.00
31	TP Kimali Solar Ltd.	23-Jul-20	31-Mar-21	Indian Rupee	1.00	15.63	(0.19)	50.64	35.20	15.44	-	-	-	(0.19)	-	-	(0.19)	NII	100.00
32	TP Solapur Solar Ltd.	29-Jul-20	31-Mar-21	Indian Rupee	1.00	0.05	(0.18)	43.62	43.75	(0.13)	-	-	-	(0.18)	-	-	(0.18)	NII	100.00
33	TP Akkaikot Renewable Ltd.	11-Aug-20	31-Mar-21	Indian Rupee	1.00	0.05	12.90	12.96	0.01	12.95	-	-	-	(0.01)	-	-	(0.01)	NII	100.00
34	TP Saurya Ltd.	02-Aug-20	31-Mar-21	Indian Rupee	1.00	0.05	(4.32)	0.04	4.31	(4.27)	-	-	-	(4.32)	-	-	(4.32)	NII	100.00
35	TP Roofurja Renewables Ltd.	22-Aug-20	31-Mar-21	Indian Rupee	1.00	-	0.05	0.05	-	0.05	-	-	-	-	-	-	-	NII	100.00
36	TP Central Odisha Distribution Ltd.	1-Jun-20	31-Mar-21	Indian Rupee	1.00	300.00	6.75	5,047.71	4,740.96	306.75	-	2,886.14	46.03	2,932.17	9.02	2.27	6.75	NII	51.00
37	TP Western Odisha Distribution Ltd.	1-Jan-20	31-Mar-21	Indian Rupee	1.00	300.00	(1.02)	3,125.10	2,826.12	298.98	-	819.85	29.06	848.91	(1.36)	(0.34)	(1.02)	NII	51.00
38	TP Southern Odisha Distribution Ltd.	1-Jan-20	31-Mar-21	Indian Rupee	1.00	200.00	22.42	1,563.40	1,340.98	222.42	-	309.93	24.17	334.10	13.24	(9.18)	22.42	NII	51.00

Statement containing salient features of the financial statements of Subsidiaries/ Associate Companies/ Joint Ventures
Part "B": Associates and Joint Ventures

Sl#	Name of the Associate/Joint Venture Company	Date of acquiring Associate/Joint Venture	Latest audited Balance Sheet Date	Reporting Exchange currency	Rate as at 31st March, 2021	Shares of Associate/Joint Venture held by the company on the yearend (No.)	Amount of Investment in Associate/Joint Venture	Extent of Holding %	Description of how there is significant influence	Associate/Joint Venture company is not considered	Reason why	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit/ (Loss) after tax	Considered in Consol- idation	Not considered in Consol- idation
Joint Ventures															
1	PT Mitratama Perkasa (consolidated upto 30th September, 2016 thereafter held for sale) (Consolidated) ^{3, 12 & 5}	16-Aug-12	30-Sep-16	US Dollar	73.11	7,500	1.90	28.38%	Note 10	-	-	860.91	Nil	Nil	Nil
2	PT Arutmin Indonesia (consolidated upto 31st March, 2014 thereafter held for sale) ^{12 & 5}	26-Jun-07	31-Mar-14	US Dollar	73.11	3,000	652.15	30%	Note 10	-	-	746.07	Nil	Nil	-
3	PT Kaltim Prima Coal ¹²	26-Jun-07	31-Mar-21	US Dollar	73.11	1,23,540	4,395.44	30%	Note 10	-	-	433.69	899.46	269.84	-
4	Indocoal Resources (Cayman) Ltd. ^{11 & 12}	26-Jun-07	31-Mar-21	US Dollar	73.11	300	3,192.35	30%	Note 10	-	-	274.96	16.33	4.90	-
5	PT Indocoal Kalsel Resources (consolidated upto 31st March, 2014 thereafter held for sale) ^{11, 12 & 5}	26-Jun-07	31-Mar-14	IDR Rupaiya	0.005	60,000	0.20	30%	Note 10	-	-	(0.03)	Nil	Nil	-
6	PT Indocoal Kaltim Resources ^{11 & 12}	26-Jun-07	31-Mar-21	IDR Rupaiya	0.005	82,380	0.25	30%	Note 10	-	-	0.01	(0.05)	(0.02)	-
7	Powerlinks Transmission Ltd.	07-Jul-03	31-Mar-21	Indian Rupee	1.00	23,86,80,000	488.80	51%	Note 10	-	-	488.80	102.01	52.03	-
8	Industrial Energy Ltd.	23-Feb-07	31-Mar-21	Indian Rupee	1.00	49,28,40,000	700.62	74%	Note 10	-	-	700.63	112.28	83.09	-
9	Dugar Hydro Power Ltd.	21-Apr-11	31-Mar-21	Indian Rupee	1.00	4,32,50,002	31.77	50.001%	Note 10	-	-	31.71	16.10	8.05	-
10	Tubeid Coal Mines Ltd. ¹¹	20-Nov-07	31-Mar-20	Indian Rupee	1.00	1,01,97,800	10.20	40%	Note 10	-	-	Nil	Nil	Nil	-
11	Mandakini Coal Company Ltd. ¹¹	18-Jul-08	31-Mar-20	Indian Rupee	1.00	3,93,00,000	39.30	33.33%	Note 10	-	-	22.62	Nil	Nil	-
12	Solace Land Holding Ltd. ¹¹	12-Sep-12	31-Mar-20	Indian Rupee	1.00	7,66,667	0.77	33.33%	Note 10	-	-	Nil	Nil	Nil	-
13	Candice Investments Pte. Ltd. ¹²	28-Oct-10	31-Mar-21	US Dollar	73.11	3	25.22	30%	Note 10	-	-	25.22	37.97	11.39	-
14	PT Nusa Tambang Pratama ¹²	28-Oct-10	31-Mar-21	US Dollar	73.11	18,000	746.05	30%	Note 10	-	-	1473.54	705.52	211.66	-
15	PT Marvel Capital Indonesia ^{11 & 12}	28-Oct-10	31-Mar-21	US Dollar	73.11	1,07,459	*	30%	Note 10	-	-	0.17	(0.03)	(0.01)	-
16	PT Dwikarya Prima Abadi ^{11 & 12}	28-Oct-10	31-Mar-21	US Dollar	73.11	10,769	68.63	30%	Note 10	-	-	68.92	3121.24	936.37	-
17	PT Kaltimantan Prima Power (Consolidated) ^{4 & 12}	01-Jan-11	31-Mar-21	US Dollar	73.11	7,500	205.16	30%	Note 10	-	-	226.40	23.12	6.94	-
18	PT Baramulti Sukessarana Tbk (Consolidated) ^{5 & 12}	09-Nov-12	31-Mar-21	US Dollar	73.11	68,02,90,000	1,339.63	26%	Note 10	-	-	344.06	285.92	74.34	-
19	Adjanistsqali Netherlands BV (Consolidated) ^{6 & 12}	09-May-13	31-Mar-21	Euro	85.78	16,459	441.66	50%	Note 10	-	-	659.74	(53.24)	(26.62)	-
20	Indocoal KPC Resources (Cayman) Ltd ^{11 & 12}	02-Jul-14	31-Mar-21	US Dollar	73.11	300	0.82	30%	Note 10	-	-	0.82	(0.19)	(0.06)	-
21	Koromkheti Netherlands BV (Consolidated) ^{7, 11 & 12}	09-May-14	31-Mar-21	Euro	85.78	500	*	40%	Note 10	-	-	(25.19)	Nil	Nil	-
22	Tezhi Tezhi Power Corporation Ltd. (Consolidated upto 31st March, 2020 thereafter held for sale) ^{12 & 5}	29-Apr-15	31-Mar-20	US Dollar	73.11	4,52,500	*	50%	Note 10	-	-	394.70	Nil	Nil	-
23	Resurgent Power Ventures Pte. Ltd. ¹¹	19-May-16	31-Mar-21	US Dollar	73.11	77,929	436.52	26%	Note 10	-	-	408.48	233.43	60.69	-
24	LTH Mil.com Pvt. Ltd. ^{11 & 4}	17-Aug-15	31-Mar-17	Indian Rupee	1.00	66,660	0.07	33.33%	Note 10	-	-	*	*	*	*

Statement containing salient features of the financial statement of Subsidiaries/ Associate Companies/ Joint Ventures Part "B": Associates and Joint Ventures (Contd.)

Sl No	Name of the Associate/ Joint Venture Company	Date of acquiring Associate/ Joint Venture	Latest audited Balance Sheet Date	Reporting Exchange Rate as at 31st March, 2021	Shares of Associate/ Joint Venture held by the company on the year end (No.)	Amount of Investment in Associate/ Joint Venture companies	Extent of Holding %	Description of how there is significant influence	Associate/ Joint Venture company is not considered	Reason why company is not considered	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit/ (Loss) after tax	Considered in Consolidation	Not considered in Consolidation
Associates														
1	Tata Projects Ltd.	27-Nov-00	31-Mar-21	Indian Rupee	1.00	9,67,500	690.73	47.78%	Note 11	-	673.73	125.70	60.06	-
2	Yashmun Engineers Ltd. ¹¹	27-Nov-00	31-Mar-21	Indian Rupee	1.00	19,200	4.28	27.27%	Note 11	-	2.23	Nil	-	-
3	Dagachhu Hydro Power corporation Ltd.	19-Jan-09	31-Mar-21	Bhutan Nu	1.00	10,74,320	97.30	26.00%	Note 11	-	97.25	64.41	16.75	-
4	The Associated Building Co. Ltd. ¹¹	27-Nov-00	31-Mar-21	Indian Rupee	1.00	1,825	3.69	33.14%	Note 11	-	3.68	2.82	0.93	-
5	Brihat Trading Pvt. Ltd. ¹¹	22-Feb-05	31-Mar-21	Indian Rupee	1.00	3,350	0.01	33.21%	Note 11	Not material to the group	(0.01)	Nil	Nil	-

Notes:

- Accounts of Tatanet Services Ltd. have been consolidated with Nelco Ltd.
- Accounts of all subsidiaries of Walihwan Renewable Energy Ltd. have been consolidated with Walihwan Renewable Energy Ltd.
- Accounts of PT Mitratama Usaha have been consolidated with PT Mitratama Perkasa.
- Accounts of PT Citra Prima Buana, PT Guruh Agung and PT Citra Kusuma Perdana have been consolidated with PT Kalimantan Prima Power.
- Accounts of PT Antang Gunung Meratus have been consolidated with PT Baramulti Suksesarana Tbk.
- Accounts of Adjaristsqali Georgia LLC have been consolidated with Adjaristsqali Netherlands BV.
- Accounts of Koromkheti Georgia LLC have been consolidated with Koromkheti Netherlands BV.
- Accounts of Resurgent Power Ventures Pte. Ltd. have been consolidated with Renascent Power Ventures Pvt. Ltd
- There is significant influence due to shareholding and joint control over the economic activities.
- There is significant influence due to shareholding.
- Based on Management Accounts for FY 2020-21
- Figures of foreign subsidiaries and joint ventures are as per their accounts prepared under the respective GAAP, converted to Ind AS.
- Turnover includes rate regulatory income/(expense).
- Turnover held for Sale.

Figures below ₹ 50,000 are denoted by "***".

For and on behalf of the Board,

PRAVEER SINHA
CEO & Managing Director
DIN: 01785164

BANMALI AGRAWALA
Director
DIN: 00120029

RAMESH SUBRAMANYAM
Chief Financial Officer

HANOZ M. MISTRY
Company Secretary

Mumbai, 12th May, 2021.

Notice

NOTICE IS HEREBY GIVEN THAT THE ONE HUNDRED AND SECOND ANNUAL GENERAL MEETING OF THE TATA POWER COMPANY LIMITED will be held on Monday, the 5th day of July 2021 at 3 p.m. (IST) through Video Conferencing/Other Audio Visual Means, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2021, together with the Reports of the Board of Directors and the Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2021, together with the Report of the Auditors thereon.
3. To declare a dividend on Equity Shares for the financial year ended 31st March 2021.
4. To appoint a Director in place of Mr. N. Chandrasekaran (DIN:00121863), who retires by rotation and, being eligible, offers himself for re-appointment.

Special Business:

5. **Re-appointment of Ms. Anjali Bansal (DIN:00207746) as an Independent Director**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule IV to the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014 (the “Rules”), as amended from time to time, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), as amended from time to time, Ms. Anjali Bansal (DIN: 00207746), who was appointed as an Independent Director at the 98th Annual General Meeting of the Company and who holds office upto 13th October 2021 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director, be and is hereby re-appointed as an Independent Director of

the Company, not liable to retire by rotation, to hold office for a second term of 5 years commencing with effect from 14th October 2021 upto 13th October 2026, based on the recommendation of the Nomination and Remuneration Committee and the Board.”

6. **Re-appointment of Ms. Vibha Padalkar (DIN: 01682810) as an Independent Director**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule IV to the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014 (the “Rules”), as amended from time to time, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), as amended from time to time, Ms. Vibha Padalkar (DIN:01682810), who was appointed as an Independent Director at the 98th Annual General Meeting of the Company and who holds office upto 13th October 2021 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 years commencing with effect from 14th October 2021 upto 13th October 2026, based on the recommendation of the Nomination and Remuneration Committee and the Board.”

7. **Re-appointment of Mr. Sanjay V. Bhandarkar (DIN: 01260274) as an Independent Director**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule IV to the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014 (the “Rules”), as amended from time to time, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), as amended from time to time, Mr. Sanjay

V. Bhandarkar (DIN:01260274), who was appointed as an Independent Director at the 98th Annual General Meeting of the Company and who holds office upto 13th October 2021 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 years commencing with effect from 14th October 2021 upto 13th October 2026, based on the recommendation of the Nomination and Remuneration Committee and the Board."

8. **Appointment of Branch Auditors**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Board of Directors (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to appoint as Branch Auditor(s) of any Branch Office of the Company, whether existing or which may be opened/acquired hereafter, outside India, in consultation with the Company's Auditors, any persons, qualified to act as Branch Auditors within the provisions of Section 143(8) of the Act and to fix their remuneration."

9. **Ratification of Cost Auditor's Remuneration**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹ 6,50,000 (Rupees Six lakh fifty thousand) plus applicable taxes, travel and actual out-of-pocket expenses incurred in connection with the audit, payable to M/s. Sanjay Gupta and Associates (Firm Registration No.000212), who are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the financial year 2021-22."

NOTES:

- In view of the outbreak of COVID-19 pandemic and its continuation in the current year, the Ministry of Corporate Affairs (the "MCA"), Government of India, has vide its General Circular No. 14/ 2020 dated 8th April 2020, General Circular No. 17/ 2020 dated 13th April 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", General Circular No. 20/ 2020 dated 5th May 2020, in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" and General Circular No. 02/ 2021 dated 13th January 2021, in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020, in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 - Covid-19 pandemic" and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January 2021, in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the CoVID -19 pandemic" (collectively referred to as "SEBI Circulars") have permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Companies Act, 2013 (the "Act") (including any statutory modification or re-enactment thereof for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (the "Rules"), as amended from time to time, read with the MCA Circulars, SEBI Circulars and pursuant to Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Annual General Meeting ("AGM") of the Company is scheduled to be held on Monday, 5th July 2021, at 3 p.m. (IST) through VC/OAVM and the voting for items to be transacted in the Notice to this AGM is only through remote electronic voting process ("e-Voting"). The deemed venue for the 102nd AGM will be Bombay House, 24, Homi Mody Street, Mumbai 400 001.
- As per the provisions of Clause 3.A.II. of the General Circular No. 20/2020 dated 5th May 2020, the matters of Special Business as appearing at Item Nos.5 to 9 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.
- The relative Explanatory Statement pursuant to Section 102 of the Act, in regard to the business as set out in Item Nos.5 to 9 above and the relevant details of the Directors

Notice

- seeking re-appointment as set out in Item Nos.4 to 7 above as required under Regulation 36(3) of the Listing Regulations and as required under Secretarial Standard - 2 on General Meetings issued by The Institute of Company Secretaries of India, is annexed hereto as Annexure-A.
4. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.
 5. Institutional Investors, who are Members of the Company and Corporate Members intending to attend the AGM through VC or OAVM and to vote thereat through remote e-Voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at cs@parikhassociates.com with a copy marked to evoting@nsdl.co.in and investorcomplaints@tatapower.com.
 6. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
 7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
 8. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on National Securities Depository Limited's ("NSDL") e-Voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1,000 Members on a first come first served basis as per the MCA Circulars. However, the large shareholders (i.e. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee of Directors, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. may be allowed to attend the meeting without any restrictions on account of first come first served basis.
 9. In terms of the MCA Circulars and the SEBI Circulars, the Company is sending the Notice of the AGM along with the Annual Report for FY21 in electronic form only to those Members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the AGM and the Annual Report for FY21 have been uploaded on the website of the Company at www.tatapower.com and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") at www.bseindia.com and www.nseindia.com, respectively. The AGM Notice is also available on the website of NSDL at www.evoting.nsdl.com.
 10. **The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 19th June 2021 to Monday, 5th July 2021, both days inclusive.** If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend, subject to deduction of tax at source ("TDS"), will be made on or after Wednesday, 7th July 2021, as under:
 - i) To all Beneficial Owners in respect of shares held in electronic form as per the data as may be made available by NSDL and Central Depository Services (India) Limited ("CDSL") (both collectively referred to as "Depositories") as of the close of business hours on Friday, 18th June 2021;
 - ii) To all Members in respect of shares held in physical form after giving effect to valid transmission and transposition requests lodged with the Company on or before the close of business hours on Friday, 18th June 2021.
 11. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Shareholders w.e.f. 1st April 2020 and the Company is required to deduct TDS from dividend paid to the Members at rates prescribed in the Income-tax Act, 1961 (the "IT Act"). In general, to enable compliance with TDS requirements, Members were requested to complete and/or update their Residential Status, Permanent Account Number ("PAN"), Category as per the IT Act with their Depository Participants ("DPs") or in case shares are held in physical form, with the Company, by sending documents through e-mail by 7th June 2021.
 12. Further, in order to receive the dividend in a timely manner, Members holding shares in physical form, who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service ("ECS") or any other means are requested to send hard copies of the following details/documents to the Company's Registrar and Share Transfer Agent ("RTA"), viz. TSR Darashaw Consultants

Private Limited ("TSR"), at C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai 400 083, latest by Friday, 25th June 2021:

- a) a signed request letter mentioning your Name, Folio Number, complete address and following details relating to Bank Account in which the dividend is to be received:
 - i) Name and Branch of Bank and Bank Account type;
 - ii) Bank Account Number and type allotted by your bank after implementation of Core Banking Solutions; and
 - iii) 11 digit IFSC Code.
 - b) Self-attested copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;
 - c) Self-attested copy of the PAN Card; and
 - d) Self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.
13. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/deletion in such bank details. Further, instructions, if any, already given by them in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form. Members may, therefore, give instructions to their DP regarding bank accounts in which they wish to receive dividend.
 14. For Members who are unable to receive the dividend directly in their bank accounts through ECS or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/Bankers' cheque/demand draft to such Members, through postal or courier services. In case of any disruption of postal or courier services due to prevalence of COVID-19 in containment zones, upon normalisation of such services.
 15. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from 1st April 2019, except in case of request received for transmission or transposition of securities. Further, in terms of the Circular issued by the Securities and Exchange Board of India dated 2nd December 2020, 31st March 2021 had been fixed as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Share Transfer Agent, TSR at csg-unit@tpclindia.co.in for assistance in this regard.
 16. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination and power of attorney, Bank Mandate details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form.
 17. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
 18. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members, who have not yet registered their nomination, are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.tatapower.com (under "Investor Relations" section). Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form.
 19. The format of the Register of Members prescribed by the MCA under the Act, requires the Company/RTA to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividend, etc. A form for capturing additional details is available on the Company's website www.tatapower.com (under "Investor Relations" section). Members holding shares in physical form are requested to submit the filled in form to the Company or RTA in physical mode or in electronic mode to csg-unit@tpclindia.co.in, as per instructions mentioned in the form. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or RTA.
 20. Members holding shares in physical form, in identical order of names, in more than one folio, are requested

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to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

21. Members are requested to note that dividends, if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, the shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members/Claimants are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in e-Form/web form No. IEPF-5 available on www.iepf.gov.in. The Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules. For details, please refer to Report on Corporate Governance, which is a part of this Annual Report.
22. Members desiring inspection of statutory registers during the AGM may send their request in writing in advance to the Company at investorcomplaints@tatapower.com.
23. Members who wish to inspect the relevant documents referred to in the Notice can send an e-mail to investorcomplaints@tatapower.com upto the date of the AGM.
24. This AGM Notice is being sent by e-mail only to those eligible Members who have already registered their e-mail address with the Depositories/the DP/the Company's RTA/the Company or who will register their e-mail address with TSR, on or before 5 p.m. (IST) on Friday, 25th June 2021.
25. **Process for registration of e-mail addresses to receive the Notice of AGM and the Integrated Annual Report for FY21 electronically and cast votes electronically:**
 - (i) **Registration of email addresses with TSR:**

To facilitate Members to receive this Notice electronically and cast their votes electronically, the Company has made special arrangement with TSR for registration of e-mail addresses in terms of the MCA Circulars. Eligible Members who have not submitted their e-mail address to TSR, are required to provide their e-mail address to the RTA, on or before 5 p.m. (IST) on Friday, 25th June 2021 pursuant to which, any Member may receive on the e-mail address provided by the Member, Notice of the AGM along with the Integrated Annual Report for FY21.

The process for registration of e-mail address is as under:

I. For Members who hold shares in Electronic form:

- a) https://tcpl.linkintime.co.in/EmailReg/email_register.html
- b) Select the name of the Company from dropdown.
- c) Enter details in respective fields such as DP ID and Client ID, Name of the Shareholder, PAN details, mobile number and e-mail ID.
- d) System will send OTP on mobile number and e-mail ID.
- e) Enter OTP received on mobile number and e-mail ID and submit.

II. For Members who hold shares in Physical form:

- a) https://tcpl.linkintime.co.in/EmailReg/email_register.html
- b) Select the name of the Company from dropdown.
- c) Enter details in respective fields such as Folio no. and Certificate no., Name of the Shareholder, PAN details, mobile number and e-mail ID.
- d) System will send OTP on mobile number and e-mail ID.
- e) Enter OTP received on mobile number and e-mail ID and submit.

After successful submission of the e-mail address, NSDL will e-mail a copy of the Integrated Annual Report for FY21 along with the remote e-Voting user ID and password on the e-mail address registered by the Member. In case of any queries, Members may write to csg-unit@tpclindia.co.in or evoting@nsdl.co.in.

(ii) Registration of e-mail address permanently with Company/DP:

Members are requested to register their e-mail address with their concerned DPs, in respect of electronic holding and with the RTA, in respect of physical holding, by writing to them at csg-unit@tpclindia.co.in.

- (iii) Alternatively, those Shareholders who have not registered their email addresses are required to send an e-mail request to evoting@nsdl.co.in along with the following documents for procuring user ID

and password for e-Voting for the resolutions set out in this Notice:

- In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of Aadhar Card.
- In case shares are held in Demat mode, please provide DP ID-Client ID (8 digit DP ID + 8 digit Client ID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, self-attested scanned copy of PAN card, self-attested scanned copy of Aadhar Card.
- If you are an Individual shareholder holding securities in Demat mode, you are requested to refer to the login method explained at para VI below under **step 1 (A) i.e. Login method for remote e-Voting and joining virtual meeting for Individual shareholders/Members holding securities in Demat mode.**

26. For permanent registration of their e-mail address, Members are requested to register their e-mail address, in respect of electronic holdings, with their concerned DPs and in respect of physical holdings, with the RTA.
27. Those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated with their DP/TSR to enable servicing of notices/ documents/Annual Reports and other communications electronically to their e-mail address in future.
28. Process and manner for Members opting for e-Voting is as under:
 - I. In compliance with the provisions of Sections 108, and other applicable provisions of the Act, read with Rule 20 of the Rules and Regulation 44 of the Listing Regulations, the Company is offering only e-Voting facility to all the Members of the Company and the business will be transacted only through the electronic voting system. The Company has engaged the services of NSDL for facilitating e-Voting to enable the Members to cast their votes electronically as well as for e-Voting during the AGM. Resolution(s) passed by Members through e-Voting is/are deemed to have been passed as if they have been passed at the AGM.
 - II. Members are provided with the facility for voting through electronic voting system during the VC/OAVM proceedings at the AGM and Members

participating at the AGM, who have not already cast their vote by remote e-Voting, are eligible to exercise their right to vote at the AGM.

- III. Members who have already cast their vote by remote e-Voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolution(s) for which the Member has already cast the vote through remote e-Voting.
- IV. **Members of the Company, holding shares either in physical form or electronic form, as on the cut-off date of Monday, 28th June 2021, may cast their vote by remote e-Voting. The remote e-Voting period commences on Thursday, 1st July 2021 at 9 a.m. (IST) and ends on Sunday, 4th July 2021 at 5 p.m. (IST). The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.**
- V. The instructions for Members attending the AGM through VC/OAVM are as under:
 - A. The Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same by following the steps mentioned below for "Access to NSDL e-Voting system". The link for VC/OAVM will be available in "Member login" where the EVEN of the Company will be displayed. After successful login, the Members will be able to see the link of "VC/OAVM" placed under the tab "Join General Meeting" against the name of the Company. On clicking this link, the Members will be able to attend and participate in the proceedings of the AGM through a live webcast of the meeting and submit votes on announcement by the Chairman.
 - B. **Members may join the AGM through laptops, smartphones, tablets and iPads for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from mobile devices or tablets or**

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through laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is, therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.

- C. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number/ folio number and mobile number, to reach the Company's e-mail address at investorcomplaints@tatapower.com before 3 p.m. (IST) on Wednesday, 30th June 2021. Queries that remain unanswered at the AGM will be appropriately responded

by the Company at the earliest post the conclusion of the AGM.

- D. Members who would like to express their views/ask questions as a Speaker at the AGM may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number to investorcomplaints@tatapower.com between Monday, 28th June 2021 (9 a.m. IST) and Thursday, 1st July 2021 (5 p.m. IST). The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

- VI. The instructions for Members for e-Voting are as under:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

- A. **Log-in method for remote e-Voting and joining virtual meeting for the Individual Shareholders/Members holding securities in Demat mode**

In terms of the Circular issued by the Securities and Exchange Board of India dated 9th December 2020, on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual Demat account holders, by way of single login credential, through their Demat accounts/websites of Depositories/ DPs in order to increase the efficiency of the voting process. Individual Demat account holders would be able to cast their vote without having to register again with the e-Voting service provider ("ESP") thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process.

Shareholders are advised to update their mobile number and e-mail ID with their DPs in order to access e-Voting facility.

Log-in method for Individual Members holding securities in Demat mode is given below:

Type of Members	Log-in Method
For Members who hold shares in Demat mode with NSDL	<p>A. NSDL IDeAS Facility If you are already registered, follow the below steps:</p> <p>i) Visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile.</p> <p>ii) Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section.</p> <p>iii) A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services.</p> <p>iv) Click on "Access to e-Voting" appearing on the left hand side under e-Voting services and you will be able to see e-Voting page.</p>

Type of Members	Log-in Method
For Members who hold shares in Demat mode with NSDL	<p>v) Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting and e-Voting during the meeting.</p> <p>If you are not registered, follow the below steps:</p> <p>i) Option to register is available at https://eservices.nSDL.com/.</p> <p>ii) Select "Register Online for IDeAS" Portal or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</p> <p>iii) Please follow steps given in points 1-5 of Point A.</p> <p>B. e-Voting website of NSDL</p> <p>i) Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile.</p> <p>ii) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under "Shareholder/Member" section.</p> <p>iii) A new screen will open. You will have to enter your User ID (i.e. your sixteen digit Demat account number held with NSDL), Password/OTP and a verification code as shown on the screen.</p> <p>iv) After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or virtual meeting and e-Voting during the meeting.</p>
For Members who hold shares in Demat mode with CDSL	<p>i) Existing users who have opted for Easi/Easiest, they can login through their UserID and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.</p> <p>ii) After successful login of Easi/Easiest the user will be also able to see the e-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>iii) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration.</p> <p>iv) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile and Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
For Members who hold shares in Demat mode logging in through the depository participants	<p>i) You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</p> <p>ii) Upon login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</p> <p>iii) Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and e-Voting during the meeting.</p>

Important note: *Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at the abovementioned website.*

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Helpdesk for the Individual Shareholders/Members holding securities in Demat mode in case of any technical issues related to Log-in through Depository i.e. NSDL and CDSL:

Log-in Method	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022 - 23058738 or 022 - 23058542 - 43

B. **Log-in method for remote e-Voting and joining virtual meeting for the Members other than Individual Members holding securities in Demat mode and Members holding securities in physical mode**

How to Log-in to NSDL e-Voting website?

- i) Visit the e-Voting website of NSDL. Open web browser by typing the following: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- ii) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under "Shareholder/Member" section.
- iii) A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
- iv) Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically on NSDL e-Voting system.

v) Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in Demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in Demat account with CDSL	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the Company For example if Folio Number is 001*** and EVEN is 101456 then user ID is 101456001***

vi) Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the "initial password" which was communicated to you by NSDL. Once you retrieve your "initial password", you need to enter the "initial password" and the system will compel you to change your password.
- c) How to retrieve your "initial password"?
- If your e-mail ID is registered in your Demat account or with the Company, your "initial password" is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL in your mailbox from evoting@nsdl.com. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit Client ID for NSDL account, last 8 digits of Client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your "User ID" and your "initial password".
- vii) If you are unable to retrieve or have not received the "initial password" or have forgotten your password:
- a) Click on **"Forgot User Details/ Password?"** (If you are holding shares in your Demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your Demat account number/folio number, your PAN, your name and your registered address.
- d) Members can also use the One Time Password (OTP) based login for casting the votes on the e-Voting system of NSDL.
- viii) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- ix) Now, you will have to click on "Login" button.
- x) After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

- A. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- B. Select "EVEN" of Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the virtual meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
- C. Now you are ready for e-Voting as the Voting page opens.

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- D. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- E. Upon confirmation, the message "Vote cast successfully" will be displayed.
- F. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- G. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- VII. The instructions for Members for e-Voting during the proceedings of the AGM are as under:
- A. The procedure for remote e-Voting during the AGM is same as the instructions mentioned above for remote e-Voting since the Meeting is being held through VC/OAVM.
- B. Only those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- C. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- D. Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Manager - NSDL or Mr. Amit Vishal, Senior Manager - NSDL at evoting@nsdl.co.in or call on : 1800 1020 990 and 1800 22 44 30.
- General Guidelines for Members**
- i) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- ii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in.
- iii) You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- VIII. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of Monday, 28th June 2021.
- IX. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. Monday, 28th June 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or the Company/TSR.
- However, if the person is already registered with NSDL for remote e-Voting, then the existing user ID and password of the said person can be used for casting vote. If the person forgot his/her password, the same can be reset by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or by calling on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in Demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Monday, 28th June 2021 may follow steps mentioned in the notes to Notice under "Access to NSDL e-Voting system".
- X. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting, as well as voting at the meeting.
- XI. The Board of Directors has appointed Mr. P. N. Parikh (FCS 327) or failing him, Mr. Mitesh Dhabliwala (FCS 8331) or failing him, Ms. Sarvari Shah (FCS 9697) of M/s. Parikh and Associates, Company Secretaries as Scrutinizer to scrutinize the voting at the AGM and remote e-Voting process, in a fair and transparent manner.

- XII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of remote e-Voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-Voting facility. The remote e-Voting module during the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.
- XIII. The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast during the Meeting and, thereafter, unblock the votes cast through remote e-Voting, in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two working days from the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XIV. The Results declared, alongwith the Scrutinizer's Report, shall be placed on the Company's website www.tatapower.com and on the website of NSDL www.evoting.nsdl.com, immediately after the

declaration of the result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's Equity Shares are listed viz. BSE and NSE and be made available on their respective websites viz. www.bseindia.com and www.nseindia.com.

By Order of the Board of Directors,
For The Tata Power Company Limited

H. M. Mistry
Company Secretary
FCS No.: 3606

Mumbai, 12th May 2021

Registered Office:

Bombay House,
24, Homi Mody Street,
Mumbai 400 001.
CIN: L28920MH1919PLC000567
Tel: 91 22 6665 8282 Fax: 91 22 6665 8801
E-mail: tatapower@tatapower.com
Website: www.tatapower.com

Notice

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 (the "Act"), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos.5 to 9 of the accompanying Notice dated 12th May 2021:

Item Nos.5 to 7: Ms. Anjali Bansal (DIN:00207746), Ms. Vibha Padalkar (DIN:01682810) and Mr. Sanjay V. Bhandarkar (DIN:01260274) were appointed as Independent Directors of the Company by the Members of the Company at the 98th Annual General Meeting held on 23rd August 2017, for a period of five years commencing with effect from 14th October 2016 upto 13th October 2021.

Based on the recommendation of the Nomination and Remuneration Committee and pursuant to the performance evaluation of Ms. Bansal, Ms. Padalkar and Mr. Bhandarkar respectively, as a Member of the Board and considering their background, experience and contribution, the continued association of these Directors would be beneficial to the Company, the Board, at its meeting held on 12th May 2021, proposed their respective re-appointment as Independent Directors of the Company, not liable to retire by rotation, for a second term of five years commencing with effect from 14th October 2021 upto 13th October 2026. The Company has, in terms of Section 160(1) of the Act received in writing a notice from a Member, proposing their respective candidatures for the office of Director.

The Company has received from Ms. Bansal, Ms. Padalkar and Mr. Bhandarkar respectively, (i) Consent to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (the "Rules"); (ii) Intimation in Form DIR-8 in terms of the Rules to the effect that he/she is not disqualified under the provisions of Section 164(2) of the Act; (iii) Declaration to the effect that he/she meets the criteria of independence as provided in Section 149(6) of the Act read with Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"); (iv) Confirmation in terms of Regulation 25(8) of the Listing Regulations that he/she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his/her ability to discharge his/her duties and (v) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated 20th June 2018, that he/she has not been debarred from holding office of a Director by virtue of any order passed by Securities and Exchange Board of India or any other such authority.

They have also confirmed respectively that they are in compliance with Rules 6(1) and 6(2) of the Rules, with respect to the registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

A brief profile of the Directors proposed to be re-appointed is given below:

- (i) **Ms. Anjali Bansal** is the Founder of Avaana Capital which invests in technology and innovation led startups for catalysing returns and impact at scale.

Ms. Bansal is former Non-Executive Chairperson of Dena Bank (now Bank of Baroda) appointed by the Government of India to steer the resolution of the stressed bank. She was earlier a global Partner and Managing Director with TPG Growth Private Equity. Earlier she was Global Partner and India CEO with Spencer Stuart and co-led their Asia Boards practice and a strategy consultant with McKinsey and Co in New York. She started her career as an engineer.

Ms. Bansal serves as an Independent Non-Executive Director on leading boards including Piramal Enterprises, Tata Power, Voltas and Delhivery. She has previously chaired the India board of Women's World Banking and was on the Advisory Board of the Columbia University Global Centers, South Asia.

She is a charter member of TiE, and is closely associated with NITI Aayog's Women Entrepreneurship Platform, Digital solutions and the Atal Innovation Mission. She has invested in and mentored various successful startups including Delhivery, UrbanClap, Darwinbox, Nykaa and Lenskart.

She has been elected as President Bombay Chamber of Commerce and Industry and serves on the CII National Committee on Corporate Governance. As an active contributor to the dialogue on corporate governance and diversity, Ms. Bansal previously co-founded and chaired the FICCI Center for Corporate Governance program for Women on Corporate Boards. She is a member of the Young Presidents Organization.

Ms. Bansal has a BE in Computer Engineering from Gujarat University, a Masters in International Finance and Business from Columbia University and the YPO Presidents Program at Harvard Business School.

- (ii) **Ms. Vibha Padalkar** is the Managing Director & Chief Executive Officer of HDFC Life Insurance Company Limited (HDFC Life), a leading, listed life insurer with assets under management in excess of ₹ 1.7 trillion.

Prior to her appointment with HDFC Life, she has worked in varied sectors such as Business Process Management, Global FMCG and in a Big 4 audit firm.

Ms. Padalkar is a Chartered Accountant from England & Wales and is also a member of the Institute of Chartered Accountants of India.

- (iii) **Mr. Sanjay V. Bhandarkar** has over three decades of corporate finance, advisory and investment banking experience in the country. He is an Independent Non-Executive Director on the boards of three listed companies viz. The Tata Power Company Limited, S Chand & Company Limited and HDFC Asset Management Company Limited since late 2016 and on the board of the National Investment and Infrastructure Fund Limited as a shareholder nominee. He has been recently appointed as an Independent Non-Executive Director on the boards of Tata Projects Limited and Chemplast Sanmar Limited.

Mr. Bhandarkar is on the Investment Committee ("IC") of a SEBI registered seed capital fund called Contrarian Vriddhi as an external IC member. The fund has fully invested its corpus. He is also on the IC of the US \$ 170 million South Asia Growth Fund II of GEF Capital Partners as an external IC member. He is on the advisory board of 1Crowd, a seed capital stage online investing platform which has also raised a SEBI approved fund for seed stage investing.

He started his career with ICICI in 1990 and ISec, the joint venture between ICICI and JP Morgan and then spent two years with Peregrine Capital. He was part of the founding team of Rothschild India in 1998 and played a key role in establishing Rothschild as a well-recognised and respected pure play advisory investment banking firm in India. He led the Rothschild India business from December 2005 to June 2016 when he stepped down from his full-time role.

Mr. Bhandarkar's focus at Rothschild was on M&A as well as equity capital market advisory for Indian and international companies. He led the teams that worked closely with the Government of India on the 3G and BWA spectrum auctions, the first e-auctions done in India and on the restructuring of the Enron and GE owned Dabhol power project, one of the largest and most complex restructurings to date.

He did his MBA from XLRI, Jamshedpur in 1990.

In the opinion of the Board, Ms. Bansal, Ms. Padalkar and Mr. Bhandarkar are persons of integrity, fulfil the conditions specified in the Act and the Rules made thereunder read with the provisions of the Listing Regulations, each as amended, and are independent of the Management of the Company. Having regard to their qualifications, experience and knowledge, the Board considers that their association would be of immense benefit to the Company and it is desirable to avail the services of Ms. Bansal, Ms. Padalkar and Mr. Bhandarkar, respectively, as Independent Directors. The terms and conditions of appointment of Independent Directors are available for inspection without any fee payable by the Members. Members who wish to inspect the same can send a request to investorcomplaints@tatapower.com.

Ms. Bansal, Ms. Padalkar and Mr. Bhandarkar would be entitled to sitting fees for attending the meetings of the Board of Directors and Committees thereof where they are a Member. In addition, they would be entitled to commission as determined each year by the Board of Directors within the limits approved by the Members of the Company for the Non-Executive Directors of the Company.

In compliance with the provisions of Sections 149, 152 and other applicable provisions of the Act read with Schedule IV to the Act and the Rules made thereunder, and in terms of the applicable provisions of the Listing Regulations, each as amended, the re-appointment of Ms. Bansal, Ms. Padalkar and Mr. Bhandarkar, respectively, as Independent Directors of the Company for a second term commencing with effect from 14th October 2021 upto 13th October 2026 is now being placed before the Members for their approval by way of special resolutions.

The Board recommends the Resolutions at Item Nos.5 to 7 of the accompanying Notice for approval by the Members of the Company.

Other than Ms. Bansal, Ms. Padalkar and Mr. Bhandarkar and their respective relatives, who are concerned or interested in the respective Resolutions relating to their re-appointment, none of the Directors or Key Managerial Personnel (KMP) of the Company and their respective relatives are concerned or interested in the Resolutions set out at Item Nos. 5 to 7 of the accompanying Notice.

Ms. Bansal, Ms. Padalkar and Mr. Bhandarkar are not related to any Director or KMP of the Company.

Item No.8: As Members are aware, the Company is undertaking several projects/contracts in India as well as outside India mainly for the erection, operation and maintenance of power generation, transmission and distribution facilities. To enable the Directors to appoint Branch Auditors for the purpose of auditing the accounts of the Company's Branch Offices outside India (whether existing or as may be established), the necessary authorisation of the Members is being obtained in accordance with the provisions of Section 143 of the Act, in terms of the Resolution at Item No.8 of the accompanying Notice.

The Board recommends the Resolution at Item No.8 of the accompanying Notice for approval by the Members of the Company.

None of the Directors or KMP of the Company or their respective relatives are concerned or interested in the Resolution at Item No.8 of the accompanying Notice.

Notice

Item No.9: Pursuant to Section 148 of the Act, the Company is required to have the audit of its cost records conducted by a cost accountant in practice. On the recommendation of the Audit Committee of Directors, the Board of Directors has approved the re-appointment of M/s. Sanjay Gupta and Associates (SGA) (Firm Registration No.000212) as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company for FY22, at a remuneration of ₹ 6,50,000 (Rupees Six Lakh Fifty Thousand) plus applicable taxes, travel and actual out-of-pocket expenses.

SGA have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company. They have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company for previous years under the provisions of the Act.

The Board recommends the Resolution at Item No.9 of the accompanying Notice for ratification of the Cost Auditors' remuneration by the Members of the Company.

None of the Directors or KMP of the Company or their respective relatives are concerned or interested in the Resolution at Item No.9 of the accompanying Notice.

By Order of the Board of Directors,
For The Tata Power Company Limited

H. M. Mistry
Company Secretary
FCS No.: 3606

Mumbai, 12th May 2021

Registered Office:

Bombay House,
24, Homi Mody Street,
Mumbai 400 001.
CIN: L28920MH1919PLC000567
Tel: 91 22 6665 8282 Fax: 91 22 6665 8801
E-mail: tatapower@tatapower.com
Website: www.tatapower.com

**Details of the Directors seeking re-appointment at the 102nd Annual General Meeting
(In pursuance of Regulation 36(3) of the Listing Regulations and
Secretarial Standard - 2 on General Meetings)**

Name of Director	Mr. Natarajan Chandrasekaran	Ms. Anjali Bansal
DIN	00121863	00207746
Designation/Category of Directorship	Chairman, Non-Independent, Non-Executive	Independent, Non-Executive
Date of Birth (Age)	2nd June 1963 (57 years)	25th February 1971 (50 years)
Date of Appointment	11th February 2017	14th October 2016
Expertise in specific functional areas	<p>Mr. Natarajan Chandrasekaran is the Chairman of the Board at Tata Sons Private Limited, the holding company and promoter of all Tata group companies. The Tata group companies, across 10 business verticals, have aggregate annual revenues over US \$110 billion.</p> <p>He joined the Board of Tata Sons in October 2016 and was appointed Chairman in January 2017. He also chairs the Boards of several group operating companies, including Tata Steel, Tata Motors, Tata Power and Tata Consultancy Services (TCS) – of which he was Chief Executive from 2009 to 2017.</p> <p>His appointment as Chairman followed a 30-year business career at TCS, which he joined from university. He rose through the ranks at TCS to become CEO and Managing Director of the leading global IT solution and consulting firm. Under his leadership, TCS generated total revenues of US \$16.5 billion in 2015-16 and consolidated its position as the largest private sector employer in India and the country's most valuable company.</p> <p>In addition to his professional career at Tata, Mr. Chandrasekaran is a Director on the Board of India's Central Bank, the Reserve Bank of India, since 2016. He is on the International Advisory Council of Singapore's Economic Development Board. He is the Chairman of Indian Institute of Management Lucknow as well as the President of the Court at Indian Institute of Science, Bengaluru. He is the member of Bocconi's International Advisory Council and the Co-Chair India US CEO Forum. He is on the Board of Governors of New York Academy of Sciences.</p> <p>He has been awarded several honorary doctorates by leading Universities in India and internationally, including an honorary Doctor of Letters from Macquarie University, Australia, Doctor of Letters from the Regional Engineering College, Trichy, Tamil Nadu, where he completed a Masters degree in Computer Applications before joining TCS in 1987.</p> <p>Mr. Chandrasekaran is also the author of Bridgital Nation, a ground-breaking book on harnessing technological disruptions to bring Indians closer to their dreams.</p>	<p>Ms. Anjali Bansal is the Founder of Avaana Capital which invests in technology and innovation led startups for catalysing returns and impact at scale.</p> <p>Ms. Bansal is former Non-Executive Chairperson of Dena Bank (now Bank of Baroda) appointed by the Government of India to steer the resolution of the stressed bank. She was earlier a global Partner and Managing Director with TPG Growth Private Equity. Earlier she was Global Partner and India CEO with Spencer Stuart and co-led their Asia Boards practice and a strategy consultant with McKinsey and Co in New York. She started her career as an engineer.</p> <p>Ms. Bansal serves as an Independent Non-Executive Director on leading boards including Piramal Enterprises, Tata Power, Voltas and Delhivery. She has previously chaired the India board of Women's World Banking and was on the Advisory Board of the Columbia University Global Centers, South Asia.</p> <p>She is a charter member of TiE, and is closely associated with NITI Aayog's Women Entrepreneurship Platform, Digital solutions and the Atal Innovation Mission. She has invested in and mentored various successful startups including Delhivery, UrbanClap, Darwinbox, Nykaa and Lenskart.</p> <p>She has been elected as President Bombay Chamber of Commerce and Industry and serves on the CII National Committee on Corporate Governance. As an active contributor to the dialogue on corporate governance and diversity, Ms. Bansal previously co-founded and chaired the FICCI Center for Corporate Governance program for Women on Corporate Boards. She is a member of the Young Presidents Organization.</p> <p>Ms. Bansal has a BE in Computer Engineering from Gujarat University, a Masters in International Finance and Business from Columbia University and the YPO Presidents Program at Harvard Business School.</p>

Notice

Name of Director	Mr. Natarajan Chandrasekaran	Ms. Anjali Bansal
Qualifications	Masters in Computer Applications from Regional Engineering College, Trichy, Tamil Nadu.	B.E. (Computer Engineering), Gujarat University, M.A. International Finance & Business, Columbia University.
Directorships held in other companies (excluding foreign companies)	<ul style="list-style-type: none"> • Tata Sons Private Limited • Tata Consultancy Services Limited • Tata Steel Limited • Tata Motors Limited • The Indian Hotels Company Limited • Tata Consumer Products Limited • Tata Chemicals Limited • TCS Foundation 	<ul style="list-style-type: none"> • Siemens Limited • Piramal Enterprises Limited • Voltas Limited • Apollo Tyres Limited • Tata Power Renewable Energy Limited • Kotak Mahindra Asset Management Company Limited • C&S Electric Limited • Delhivery Private Limited • Avaana Advisory Services Private Limited • Bombay Chamber of Commerce and Industry • Unnati Employment Network
Committee position held in other companies	<p><u>Nomination and Remuneration Committee</u> <i>Member</i></p> <ul style="list-style-type: none"> • Tata Sons Private Limited • Tata Consultancy Services Limited • Tata Steel Limited • Tata Motors Limited • The Indian Hotels Company Limited • Tata Consumer Products Limited • Tata Chemicals Limited <p><u>Corporate Social Responsibility Committee</u> <i>Chairman</i></p> <ul style="list-style-type: none"> • Tata Sons Private Limited • Tata Consultancy Services Limited <p><u>Executive Committee of the Board</u> <i>Chairman</i></p> <ul style="list-style-type: none"> • Tata Consultancy Services Limited • Tata Steel Limited 	<p><u>Audit Committee</u> <i>Member</i></p> <ul style="list-style-type: none"> • Siemens Limited • Tata Power Renewable Energy Limited • Kotak Mahindra Asset Management Company Limited <p><u>Nomination and Remuneration Committee</u> <i>Chairperson</i></p> <ul style="list-style-type: none"> • Kotak Mahindra Asset Management Company Limited • Delhivery Private Limited <p><i>Member</i></p> <ul style="list-style-type: none"> • Piramal Enterprises Limited • Voltas Limited • Tata Power Renewable Energy Limited <p><u>Corporate Social Responsibility Committee</u> <i>Member</i></p> <ul style="list-style-type: none"> • Voltas Limited • Apollo Tyres Limited • Tata Power Renewable Energy Limited <p><u>Investment Committee</u> <i>Member</i></p> <ul style="list-style-type: none"> • Voltas Limited <p><u>Safety Committee</u> <i>Member</i></p> <ul style="list-style-type: none"> • Voltas Limited <p><u>Committee of Board</u> <i>Member</i></p> <ul style="list-style-type: none"> • Voltas Limited
Remuneration	Sitting Fees as approved by the Board from time to time.	Sitting Fees and Commission as approved by the Board from time to time.
No. of meetings of the Board attended during the year	8	8

Name of Director	Mr. Natarajan Chandrasekaran	Ms. Anjali Bansal
No. of shares held: (a) Own (b) For other persons on a beneficial basis	7,00,000 equity shares Nil	Nil Nil
Terms and Conditions of re-appointment	Re-appointment in terms of Section 152(6) of the Companies Act, 2013.	Re-appointment as an Independent Director, not liable to retire by rotation, for a second term of 5 years, commencing with effect from 14th October 2021 upto 13th October 2026.

Notice

Name of Director	Ms. Vibha Padalkar	Mr. Sanjay V. Bhandarkar
DIN	01682810	01260274
Designation/Category of Directorship	Independent, Non-Executive	Independent, Non-Executive
Date of Birth (Age)	5th May 1968 (53 years)	26th March 1968 (53 years)
Date of Appointment	14th October 2016	14th October 2016
Expertise in specific functional areas	<p>Ms. Vibha Padalkar is the Managing Director & Chief Executive Officer of HDFC Life Insurance Company Limited (HDFC Life), a leading, listed life insurer with assets under management in excess of ₹ 1.7 trillion.</p> <p>Prior to her appointment with HDFC Life, she has worked in varied sectors such as Business Process Management, Global FMCG and in a Big 4 audit firm.</p> <p>Ms. Padalkar is a Chartered Accountant from England & Wales and is also a member of the Institute of Chartered Accountants of India.</p>	<p>Mr. Sanjay V. Bhandarkar has over three decades of corporate finance, advisory and investment banking experience in the country. He is an Independent Non-Executive Director on the boards of three listed companies viz. The Tata Power Company Limited, S Chand & Company Limited and HDFC Asset Management Company Limited since late 2016 and on the board of the National Investment and Infrastructure Fund Limited as a shareholder nominee. He has been recently appointed as an Independent Non-Executive Director on the boards of Tata Projects Limited and Chemplast Sanmar Limited.</p> <p>Mr. Bhandarkar is on the Investment Committee ("IC") of a SEBI registered seed capital fund called Contrarian Vriddhi as an external IC member. The fund has fully invested its corpus. He is also on the IC of the US \$ 170 million South Asia Growth Fund II of GEF Capital Partners as an external IC member. He is on the advisory board of 1Crowd, a seed capital stage online investing platform which has also raised a SEBI approved fund for seed stage investing.</p> <p>He started his career with ICICI in 1990 and ISec, the joint venture between ICICI and JP Morgan, and then spent two years with Peregrine Capital. He was part of the founding team of Rothschild India in 1998 and played a key role in establishing Rothschild as a well-recognised and respected pure play advisory investment banking firm in India. He led the Rothschild India business from December 2005 to June 2016 when he stepped down from his full-time role.</p> <p>Mr. Bhandarkar's focus at Rothschild was on M&A as well as equity capital market advisory for Indian and international companies. He led the teams that worked closely with the Government of India on the 3G and BWA spectrum auctions, the first e-auctions done in India and on the restructuring of the Enron and GE owned Dabhol power project, one of the largest and most complex restructurings to date.</p> <p>He did his MBA from XLRI, Jamshedpur in 1990.</p>
Qualifications	<p>Member of the Institute of Chartered Accountants in England and Wales.</p> <p>Member of the Institute of Chartered Accountants of India.</p>	<p>Degree in Management from XLRI, Jamshedpur.</p>

Name of Director	Ms. Vibha Padalkar	Mr. Sanjay V. Bhandarkar
Directorships held in other companies (excluding foreign companies)	<ul style="list-style-type: none"> • HDFC Life Insurance Company Limited • HDFC Pension Management Company Limited • HDFC Investments Limited 	<ul style="list-style-type: none"> • S. Chand and Company Limited • Tata Power Renewable Energy Limited • Walwhan Renewable Energy Limited • HDFC Asset Management Company Limited • National Investment and Infrastructure Fund Limited • Vagarai Windfarm Limited • Tata Projects Limited • Chemplast Sanmar Limited • Newage Power Company Private Limited
Committee position held in other companies	<p><u>Audit Committee</u> <i>Chairperson</i></p> <ul style="list-style-type: none"> • HDFC Investments Limited <p><i>Member</i></p> <ul style="list-style-type: none"> • HDFC Pension Management Company Limited <p><u>Stakeholders Relationship Committee</u> <i>Member</i></p> <ul style="list-style-type: none"> • HDFC Life Insurance Company Limited <p><u>Nomination and Remuneration Committee</u> <i>Member</i></p> <ul style="list-style-type: none"> • HDFC Pension Management Company Limited • HDFC Investments Limited <p><u>Corporate Social Responsibility Committee</u> <i>Member</i></p> <ul style="list-style-type: none"> • HDFC Life Insurance Company Limited <p><u>Risk Management Committee</u> <i>Member</i></p> <ul style="list-style-type: none"> • HDFC Life Insurance Company Limited • HDFC Pension Management Company Limited <p><u>Investment Committee</u> <i>Member</i></p> <ul style="list-style-type: none"> • HDFC Life Insurance Company Limited • HDFC Pension Management Company Limited <p><u>Policyholder Protection Committee</u> <i>Member</i></p> <ul style="list-style-type: none"> • HDFC Life Insurance Company Limited <p><u>With Profits Committee</u> <i>Member</i></p> <ul style="list-style-type: none"> • HDFC Life Insurance Company Limited <p><u>Capital Raising Committee</u> <i>Member</i></p> <ul style="list-style-type: none"> • HDFC Life Insurance Company Limited 	<p><u>Audit Committee</u> <i>Chairman</i></p> <ul style="list-style-type: none"> • Tata Power Renewable Energy Limited • Walwhan Renewable Energy Limited • Vagarai Windfarm Limited • Tata Projects Limited <p><i>Member</i></p> <ul style="list-style-type: none"> • S Chand and Company Limited • HDFC Asset Management Company Limited • National Investment and Infrastructure Limited <p><u>Stakeholders Relationship Committee</u> <i>Member</i></p> <ul style="list-style-type: none"> • HDFC Asset Management Company Limited <p><u>Nomination and Remuneration Committee</u> <i>Chairman</i></p> <ul style="list-style-type: none"> • Vagarai Windfarm Limited <p><i>Member</i></p> <ul style="list-style-type: none"> • Tata Power Renewable Energy Limited • Walwhan Renewable Energy Limited • Tata Projects Limited <p><u>Corporate Social Responsibility Committee</u> <i>Chairman</i></p> <ul style="list-style-type: none"> • Tata Power Renewable Energy Limited <p><i>Member</i></p> <ul style="list-style-type: none"> • Walwhan Renewable Energy Limited • National Investment and Infrastructure Limited • Tata Projects Limited <p><u>Risk Management Committee</u> <i>Member</i></p> <ul style="list-style-type: none"> • HDFC Asset Management Company Limited <p><u>Share Transfer Committee</u> <i>Member</i></p> <ul style="list-style-type: none"> • HDFC Asset Management Company Limited <p><u>Share Allotment Committee</u> <i>Member</i></p> <ul style="list-style-type: none"> • HDFC Asset Management Company Limited <p><u>Finance Committee</u> <i>Member</i></p> <ul style="list-style-type: none"> • Walwhan Renewable Energy Limited

Notice

Name of Director	Ms. Vibha Padalkar	Mr. Sanjay V. Bhandarkar
Remuneration	Sitting Fees and Commission as approved by the Board from time to time.	Sitting Fees and Commission as approved by the Board from time to time.
No. of meetings of the Board attended during the year	8	7
No. of shares held: (a) Own (b) For other persons on a beneficial basis	Nil Nil	16,262 equity shares (as a joint holder) Nil
Terms and Conditions of re-appointment	Re-appointment as an Independent Director, not liable to retire by rotation, for a second term of 5 years, commencing with effect from 14th October 2021 upto 13th October 2026.	Re-appointment as an Independent Director, not liable to retire by rotation, for a second term of 5 years, commencing with effect from 14th October 2021 upto 13th October 2026.

For other details such as relationship with other directors and KMP in respect of Mr. Natarajan Chandrasekaran, Ms. Anjali Bansal, Ms. Vibha Padalkar and Mr. Sanjay V. Bhandarkar, please refer to the Report on Corporate Governance, which forms part of this Annual Report.



Ernst & Young Associates LLP
5th Floor, Block B-2
Nirlon Knowledge Park
Off. Western Express Highway
Goregaon (E), Mumbai - 400063, India

Tel: +91 22 6192 0000
Fax: +91 22 6192 3000
ey.com

INDEPENDENT ASSURANCE STATEMENT

The Board of Directors and Management

The Tata Power Company Limited
Mumbai, India

Ernst & Young Associates LLP (EY) was engaged by The Tata Power Company Limited (the 'Company') to provide independent assurance of its Integrated Report (the 'Report') for the Financial Year 2020-21.

The sustainability data reported in the Report is based on Global Reporting Initiative (GRI) Sustainability Reporting Standards 2016 ('GRI Standards') and its subsequent updates in 2018 and 2020; its content and presentation is the sole responsibility of the management of the Company. EY's responsibility, as agreed with the management of the Company, is to provide independent assurance on the report content as described in the scope of assurance. Our responsibility in performing our assurance activities is to the management of the Company only and in accordance with the terms of reference agreed with the Company. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organization. Any dependence that any such third party may place on the Report is entirely at its own risk. The assurance report should not be taken as a basis for interpreting the Company's overall performance, except for the aspects mentioned in the scope below.

Scope of assurance

The scope of assurance covers the following aspects of the Report:

- Data and information related to the Company's sustainability performance pertaining to the GRI Standards listed below, for the period 1st April 2020 to 31st March 2021;
- The Company's internal protocols, processes, and controls related to the collection and collation of specified sustainability performance data;
- Remote Verification of sample data and related information through consultations with the Company's representatives at the following locations of operations:
 - 1) Thermal Power Plant at Trombay, Maharashtra
 - 2) Thermal Power plant at Mundra, Gujarat (Coastal Gujarat Power Limited)
 - 3) Solar Power Plant at Neemuch, Madhya Pradesh
 - 4) Wind Power Plant at Agaswadi, Maharashtra
 - 5) Power Distribution at Delhi (Tata Power Delhi Distribution Limited)
- Review of data on a sample basis, at the above-mentioned locations, pertaining to the following disclosures of the GRI Standards:
 - Environmental Topics: Material (301-1), Energy (302-1, 302-3), Water & Effluent (303-3, 303-4, 303-5), Emissions (305-1, 305-2, 305-3, 305-4, 305-7), Waste (306-3, 306-4 & 306-5);
 - Social Topics: Employment (401-1), Occupational health and safety (403-9), Training & Education (404-1).

Limitations of our review

The assurance scope excludes:

- Operations of the Company other than those mentioned in the 'Scope of Assurance';
- Aspects of the Report and data/information other than those mentioned above;
- Data and information outside the defined reporting period *i.e.* 1st April 2020 to 31st March 2021;
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, aim or future intention provided by the Company;
- Review of the Company's compliance with regulations, acts, guidelines with respect to various regulatory agencies and other legal matters;
- Data and information on economic and financial performance of the Company



Assurance criteria

The assurance engagement was planned and performed in accordance with the International Federation of Accountants' International Standard for Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000). Our evidence-gathering procedures were designed to obtain a 'Limited' level of assurance (as set out in ISAE 3000) on reporting principles, as well as conformance of sustainability performance disclosures as per GRI Standards.

What we did to form our conclusions

In order to form our conclusions, we undertook the following key steps:

- Interviews with select key personnel and the core team responsible for the preparation of the Report to understand the Company's sustainability vision, mechanism for management of sustainability issues and engagement with key stakeholders;
- Interactions with the key personnel at the Company's locations of operations to understand and review the current processes in place for capturing sustainability performance data;
- Data assurance through desk reviews covering the Company's corporate office and other operational locations as mentioned in the 'Scope of Assurance' above;
- Review of relevant documents and systems for gathering, analyzing and aggregating sustainability performance data in the reporting period.
- Review of the Report for detecting, on a test basis, any major anomalies between the data/information reported in the Report and the relevant source;

Our observations

The Company has demonstrated its commitment to sustainable development by reporting its performance on various material topics for FY 2020-21. The Company has prepared Report having sustainability data in accordance with GRI standards (Core). The Report includes a description of the Company's stakeholder engagement process, materiality assessment and relevant performance disclosures on the identified material topics. Areas of further improvement wherever identified have been brought before the attention of the management of the company. Specific observations have been provided in the management letter which has been submitted to the company separately. These observations do not affect our conclusion presented in this statement.

Our conclusion

On the basis of our review scope and methodology, nothing has come to our attention that causes us not to believe that the data has been presented fairly, in material respects, in keeping with the GRI Standards and the Company's reporting principles and criteria.

Our assurance team and independence

Our assurance team, comprising of multidisciplinary professionals, has been drawn from our climate change and sustainability network and undertakes similar engagements with a number of significant Indian and international businesses. As an assurance provider, EY is required to comply with the independence requirements set out in International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants¹. EY's independence policies and procedures ensure compliance with the Code.

for Ernst & Young Associates LLP,


Chaitanya Kalia
Partner
10.06.2021
Mumbai

¹ International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. This *Code* establishes ethical requirements for professional accountants.

Glossary of Abbreviations

<IR>	Integrated Reporting
AA	Affirmative Action
ABCI	Association of Business Communicators of India
ABP	Annual Business Plan
AC	Air Conditioner
ACC	Apex Compliance Committee
AI	Artificial Intelligence
ALIG	A Literacy Initiative Group
AMP	Aspire-Motivate-Perform
APC	Auxiliary Power Consumption
APM	Asset Performance Management
APMC	Agricultural Produce Market Committee
ASO	Asset Supply Optimization
AT&C	Aggregate Technical & Commercial Losses
BA	Business Associates
B2C	Business-to-Customer
BCC	Behavioural Change Communication
BCDMP	Business Continuity and Disaster Management Plan
BCP	Business Continuity Plan
BEE	Bureau of Energy Efficiency
BESS	Battery Electric Storage Solutions
BFG	Blast Furnace Gas
BIS	Bureau of Indian Standards (formerly Indian Standards Institution)
BITS Pilani	Birla Institute of Technology and Sciences, Pilani
BKC	Bandra Kurla Complex
BLDC	Brushless Direct Current
BoT	Robot
BSE	BSE Limited
BSI	British Standards Institution
CAGR	Compounded Annual Growth Rate
CCRA	Central Control Room for Renewable Assets
CEIIC	Clean Energy International Incubation Centre

CEO	Chief Executive Officer
CFO	Chief Financial Officer
CER	Certified Emission Reduction
CERT	Computer Emergency Response Team
CG	Corporate Governance
CGPL	Coastal Gujarat Power Limited
CII	Confederation of Indian Industries
CMC	Compliance Monitoring Cell
CMS	Compliance Management System
COG	Coke Oven Gas
CO ₂	Carbon Dioxide
CPCB	Central Pollution Control Board
CPO	Charging Point Operators
CPSU	Central Public Sector Undertaking
CRC	Customer Relation Centre
CRMC	Cluster Risk Management Committees
CS	Carbon Steel
CSA	Control Self-Assessment
CSAT	Customer Satisfaction
CSIR	Council of Scientific and Industrial Research
CSR	Corporate Social Responsibility
CWP	Cooling Water Pump
DISCOM	Distribution Company
D&IT	Digitalization & Information Technology
DM	Demineralisation
DR	Demand Response
DSM	Demand Side Management
DT	Distribution Transformer
DTC	Delhi Transport Corporation
EaaS	Energy-as-a-Service
EAP	Employee Assistance Programme
EES	Employee Engagement Surveys
ELC	Electrostatic Liquid Cleaner

Glossary of Abbreviations

ELCB	Earth-leakage Circuit Breaker	IITB	Indian Institute of Technology - Bombay
EPC	Engineering, Procurement and Construction	IUCN	International Union for Conservation of Nature
EPM	Enterprise Process Model	JMR	Joint Meter Reading
ERM	Enterprise Risk Management	JSA	Job Safety Assessment
ESCO	Energy Services	JV	Joint Venture
ESG	Environment Social Governance	KPI	Key Performance Indicator
ET	Energy Transition	KPO	Knowledge Process Outsourcing
EV	Electric Vehicle	kWh	Kilowatt hour
EY	Ernst & Young Associates LLP	LED	Light Emitting Diode
FC	Financial Controller	LVDH	Low Vacuum Dehydration and Degasification
FENR	Far East Natural Resources LLC	MD	Managing Director
FGD	Flue Gas Desulphurisation	MD&A	Management Discussion and Analysis
GHG	Greenhouse Gas	MERC	Maharashtra Electricity Regulatory Commission
GIMS	Group Innovation Management System	MFI	Micro Financing Institutes
GIS	Geographic Information System	MNRE	Ministry of New and Renewable Energy
GJ	Gigajoule	MoEFCC	Ministry of Environment, Forest and Climate Change
GRI	Global Reporting Initiative	MPL	Maithon Power Limited
GW	Gigawatt	MRF	Material Recycle Facility
HESP	Higher Education Sponsorship Program	MRV	Measurement, Reporting and Verification
HIRA	Hazard Identification and Risk Assessment	MS	Mild Steel
HOD	Head of Department	MSME	Micro, Small and Medium Enterprises
HR	Human Resource	MT	Metric Tonne
IARM	Internal Audit and Risk Management	MU	Million Unit
IAS	Indian Accounting Standards	MW	Megawatt
ICDS	Integrated Child Development Services	MWh	Megawatt hour
IEL	Industrial Energy Limited	NDC	Nationally Determined Contributions
IFC	Internal Financial Control	NELCO	NELCO Limited
IIM	Indian Institute of Management	NGO	Non-Governmental Organisation
IIT	Indian Institute of Technology	NHAI	National Highway Authority of India
ILO	International Labour Organization	NOx	Nitrogen Oxide
IMS	Integrated Management System	NTPC	NTPC Limited
INR	Indian rupee	NVG	National Voluntary Guidelines
IoT	Internet of Things		
IIRC	International Integrated Reporting Council		

ODF	Open Defecation Free	SBO	Strategic Business Objectives
OEMs	Original Equipment Manufacturers	SBTi	Science Based Targets Initiatives
O&M	Operation and Maintenance	SCADA	Supervisory Controlled and Data Acquisition
OJT	On-the-Job Training	SC	Scheduled Caste
OPD	Out-Patient Department	SDGs	United Nations Sustainable Development Goals
PACE	Progressive Approach to Competency Enhancement System	SEBI	Securities and Exchange Board of India
PDS	Public Distribution System	SECI	Solar Energy Corporation of India
PID	Proportional Integral Derivative controller	SEMA	Stakeholder Engagement and Materiality Assessment
PM	Particulate Matter	SHG	Self-Help Groups
POSH	Prevention of Sexual Harassment	SHR	Station Heat Rate
PPA	Power Purchase Agreement	SIDBI	Small Industries Development Bank of India
PPE	Personal Protective Equipment	SOx	Sulphur oxides
PPGCL	Prayagraj Power Generation Company Limited	SLDP	Senior Leaders' Development Program
PPP	Public Private Partnership	SMEs	Small and Medium Enterprises
PV	Solar Photovoltaic	SOC	Security Operations Centre
RAT	Rapid Antigen Test	SOP	Standard Operating Practices
RCM	Reliability Centred Maintenance	SPCB	State Pollution Control Boards
R&D	Research and Development	SROI	Social Return on Investment
RE	Renewable Energy	ST	Scheduled Tribe
RF	Radio Frequency	STU	State Transmission Utility
RMC	Risk Management Committee	TAT	Turn-Around-Time
RMC	Ready Mix Concrete	TCOC	Tata Code of Conduct
RMCI	Risk Mitigation Completion Index	TCS	Tata Consultancy Services Limited
RO	Reverse Osmosis	TCSiON	Tata Consultancy Services (TCS)- Mobile & Web Education platform
ROCE	Return on Capital Employed	T&D	Transmission & Distribution
RoE	Return on Equity	TP	Tata Power
ROTA	Rotation (job planning)	TERPL	Trust Energy Resources Pte Limited
RPL	Recognition for Prior Learning	TMTC	Tata Management Training Centre
RPO	Renewable Purchase Obligation	TPADL	TP Ajmer Distribution Limited
RSCM	Responsible Supply Chain Management	TPCDT	Tata Power Community Development Trust
RT-PCR	Reverse Transcription Polymerase Chain Reaction	TPCL	The Tata Power Company Limited
SAP-EHSM	SAP Environment Health and Safety Management	TPCODL	TP Central Odisha Distribution Limited
SASB	Sustainability Accounting Standards Board		

Glossary of Abbreviations

TPDDL	Tata Power Delhi Distribution Limited	UF	Ultra Filtration
TPGEL	Tata Power Green Energy Limited	UNFCCC	United Nations Framework Convention on Climate Change
TPREL	Tata Power Renewable Energy Limited	UN	United Nations
TPRMG/ TPRML	TP Renewable Microgrid Limited	UNGC	United Nations Global Compact Principles
TPSDI	Tata Power Skill Development Institute	WBCSD	World Business Council for Sustainable Development
TPSODL	TP Southern Odisha Distribution Limited	WILP	Work Integrated Learning Programme
TPSSL	Tata Power Solar Systems Limited	WREL	Walwhan Renewable Energy Limited
TPTCL	Tata Power Trading Company Limited	Y-o-Y	Year on Year
TPWODL	TP Western Odisha Distribution Limited	ZLD	Zero Liquid Discharge
UFT	United Functional Testing tool		



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TATA POWER

THE TATA POWER COMPANY LIMITED

Bombay House
24, Homi Mody Street
Mumbai - 400 001, INDIA.

Call us toll free Investor
helpline for any
shareholder information at
1800-209-8484

www.tatapower.com
E-mail: tatapower@tatapower.com

CIN: L28920MH1919PLC000567

