

Certified True Copy  
 The Tata Power Company Limited  
*H.M. Mistry*  
 Company Secretary

Serial No. \_\_\_\_\_  
 Private & Confidential – For Private Circulation Only  
 (This Information Memorandum is neither a Prospectus nor a statement in Lieu of Prospectus)  
 Dated: 15 November 2017



## THE TATA POWER COMPANY LIMITED

(The Tata Power Company Limited, incorporated in India with limited liability on September 18, 1919 under the Companies Act, 1913)

Registered Office: Bombay House, 24 Hornby Street, Mumbai 400 001, India

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INFORMATION MEMORANDUM AND PRIVATE PLACEMENT OFFER LETTER BY WAY OF PRIVATE PLACEMENT BY THE ISSUER (THE “ISSUE”) BY THE TATA POWER COMPANY LIMITED (THE “ISSUER”) FOR ISSUE OF 7.99% P.A. SERIES I UNSECURED, NON-CUMULATIVE, REDEEMABLE, TAXABLE, LISTED, RATED, NON-CONVERTIBLE DEBENTURES OF A FACE VALUE OF RS. 10,00,000 EACH AGGREGATING TO RS. 300,00,00,000 (“SERIES I DEBENTURES”) AND 7.99% P.A. SERIES II UNSECURED, NON-CUMULATIVE, REDEEMABLE, TAXABLE, LISTED, RATED, NON-CONVERTIBLE DEBENTURES OF A FACE VALUE OF RS. 10,00,000 EACH AGGREGATING TO RS. 300,00,00,000 (“SERIES II DEBENTURES”) AND 7.99% P.A. SERIES III UNSECURED, NON-CUMULATIVE, REDEEMABLE, TAXABLE, LISTED, RATED, NON-CONVERTIBLE DEBENTURES OF A FACE VALUE OF RS. 10,00,000 EACH AGGREGATING TO RS. 300,00,00,000 (“SERIES III DEBENTURES”) AND 7.99% P.A. SERIES IV UNSECURED, NON-CUMULATIVE, REDEEMABLE, TAXABLE, LISTED, RATED, NON-CONVERTIBLE DEBENTURES OF A FACE VALUE OF RS. 10,00,000 EACH AGGREGATING TO RS. 300,00,00,000 (“SERIES IV DEBENTURES”) AND 7.99% P.A. SERIES V UNSECURED, NON-CUMULATIVE, REDEEMABLE, TAXABLE, LISTED, RATED, NON-CONVERTIBLE DEBENTURES OF A FACE VALUE OF RS. 10,00,000 EACH AGGREGATING TO RS. 300,00,00,000 (“SERIES V DEBENTURES”) (THE SERIES I DEBENTURES, SERIES II DEBENTURES, SERIES III DEBENTURES, SERIES IV DEBENTURES AND SERIES V DEBENTURES (COLLECTIVELY THE “DEBENTURES”) TOTAL AGGREGATING TO RS. 1500,00,00,000. THIS ISSUANCE WOULD BE UNDER THE ELECTRONIC BOOK MECHANISM FOR ISSUANCE OF DEBT SECURITIES ON PRIVATE PLACEMENT BASIS AS PER SEBI CIRCULAR CIR/IMD/DFI/48/2016 DATED APRIL 21, 2016 ISSUED BY SEBI UNDER SEBI (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008. THE COMPANY INTENDS TO USE BSE’S ELECTRONIC BIDDING PLATFORM (“NSE-BOND”) FOR THIS ISSUE.

This Information Memorandum contains relevant information and disclosures required for issue of the Debentures. The issue of the Debentures comprised in the Issue and described under this Information Memorandum has been authorised by the Issuer through resolutions passed by the shareholders of the Issuer on 23 August 2017, the Board of Directors of the Issuer on 3 November 2017, the Committee of Directors of the Issuer on 15 November 2017 and the Memorandum and Articles of Association of the Issuer. Pursuant to the resolution passed by the Issuer’s shareholders dated 13 August 2014 in accordance with provisions of the Companies Act, 2013, the Issuer has been authorised to borrow, upon such terms and conditions as the Board may think fit for amounts up to Rs. 27000,00,00,000 (Rupees Twenty Seven Thousand crores).

### GENERAL RISKS

Investment in debt and debt related securities involves a degree of risk and Investors should not invest any funds in the debt instruments, unless they understand the terms and conditions and can afford to take the risks attached to such investments. For taking an investment decision, potential Investors must rely on their own examination of the Issuer, the Issue, this Information Memorandum including the risks involved. As the issue is being made on a private placement basis, the Debentures have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this document. Investment in debt and debt related securities involves a degree of risk and Investors are advised to take an informed decision and consider with their advisers, of the suitability of the Debentures in the light of their particular financial circumstances and investment objectives and risk profile, and of all information set forth in this Information Memorandum, including the section entitled “Risk Factors”, before investing.

### ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Information Memorandum contains all information with regard to the Issuer and the Issue, which is material in the context of the Issue, that the information contained in this Information Memorandum is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

### CREDIT RATING

CARE Ratings and India Ratings & Research Private Limited (“India Ratings”) (together the “Credit Rating Agencies”) have by way of the letters dated November 8, 2017 and November 10, 2017, respectively, assigned provisional ratings of CARE AA and Ind AA with stable outlook to the Debentures proposed to be issued by the Issuer pursuant to this Information Memorandum. The above ratings are not a recommendation to buy, sell or hold securities and Investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the assigning rating agency and should be evaluated independently of any other ratings. Please refer to the Annexure E to this Information Memorandum for rationale for the above ratings by the Credit Rating Agencies.

### LISTING

The Debentures offered through this Information Memorandum are initially proposed to be listed on the Wholesale Debt Market (“WDM”) Segment of the BSE Limited (“BSE”). The Issuer, with prior notice to the Debenture Trustee, may get the Debentures listed on other recognised stock exchanges as it deems fit. The Issuer shall comply with the requirements of the listing agreement to the extent applicable to it on a continuous basis. Application for ‘in-principle’ listing approval was made to the BSE through its online portal on 13 November 2017. The BSE has given its ‘in-principle’ listing approval for the Debentures proposed to be offered through this Information Memorandum through the letter dated 13 November 2017.

### ISSUE PROGRAMME

ISSUE OPENING DATE	ISSUE CLOSING DATE	PAY-IN DATE			
November 16, 2017	November 16, 2017	November 16, 2017			
The Issue shall be subject to the provisions of the Companies Act, 1956, (the “Old Companies Act”) (to the extent in force on the date of this Information Memorandum), the Companies Act, 2013, (the “New Companies Act”), the rules notified pursuant to the New Companies Act, the Memorandum and Articles of Association of the Issuer, the terms and conditions of this Information Memorandum filed with the BSE and any other recognised stock exchanges, as applicable, the Application Form, and other terms and conditions as may be incorporated in the Debenture Trust Deed and other documents in relation to each such Issue.					
<b>REGISTRAR TO THE ISSUE</b>	<b>REGISTRAR TO THE ISSUE</b>	<b>JOINT LEAD ARRANGERS</b>			
 <b>IDBI Trusteehip Services Limited</b> Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai 400 001, India <b>Tel No.:</b> +91 22 4080 7000 <b>Fax No.:</b> +91 22 6631 1776 <b>Email:</b> <a href="mailto:itsl@idbitrustee.co.in">itsl@idbitrustee.co.in</a> <b>Contact Person:</b> Mr. Ajit Guruji, Vice President	 <b>TSR Darashaw</b> 6-10, Haji Moosa Patrawala Industrial Estate 20, Dr. E. Moses Road, Mahalaxmi Mumbai 400 011, India <b>Tel No.:</b> +91 22 6656 8484 <b>Fax No.:</b> +91 22 66568494 <b>Email:</b> <a href="mailto:vbrahme@tsrdarashaw.com">vbrahme@tsrdarashaw.com</a> <b>Contact Person:</b> Ms. Vidya Brahme, Manager	 <b>HDFC Bank Limited</b> Investment Banking, Peninsula Business Park, 4th Floor, Tower B, Senapati Bapat Marg, Lower Parel – (W), Mumbai – 400 013 <b>Tel No.:</b> 022-33958150 <b>Fax No.:</b> 022-30788584 <b>Email:</b> <a href="mailto:niranjan.kawatkar@hdfcbank.com">niranjan.kawatkar@hdfcbank.com</a> <b>Contact Person:</b> Mr. Niranjan Kawatkar	 <b>Axis Bank Limited</b> Axis Bank Ltd 8th Floor, Axis House, North Wing Wadia International Centre, P.B. Marg, Worli, Mumbai 400025 <b>Tel No.:</b> +91 42026692 <b>Fax No.:</b> +91 24253800 <b>Email:</b> <a href="mailto:manoj.sukhani@axisbank.com">manoj.sukhani@axisbank.com</a> <b>Contact Person:</b> Mr. Manoj Sukhani	 <b>ICICI Bank</b> ICICI Bank Limited <b>Add:</b> Corporate Bonds Desk- Markets Group, ICICI Bank Towers, Dealing Room, 2nd Floor, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051 <b>Tel No.:</b> +91 22 66961027 <b>Fax No.:</b> +91 22 6696 1063 <b>Email:</b> <a href="mailto:gmgfixedincome@icicibank.com">gmgfixedincome@icicibank.com</a> <b>Contact Person:</b> Mr. Rakesh Tatiya	 <b>ICICI Securities Primary Dealership Limited</b> <b>Add:</b> ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai 400 020 <b>Tel No.:</b> +91 22 22882460 <b>Fax No.:</b> +91 22 22882312 <b>Email:</b> <a href="mailto:shameek.ray@isecpd.com">shameek.ray@isecpd.com</a> <b>Contact Person:</b> Mr. Shameek Ray

## TABLE OF CONTENTS

<b>DISCLAIMERS .....</b>	<b>1</b>
<b>DEFINITIONS AND ABBREVIATIONS .....</b>	<b>6</b>
<b>FORWARD LOOKING STATEMENTS.....</b>	<b>13</b>
<b>RISK FACTORS .....</b>	<b>15</b>
<b>ISSUE SUMMARY.....</b>	<b>36</b>
<b>HISTORY AND BUSINESS OF THE ISSUER .....</b>	<b>45</b>
<b>KEY OPERATIONAL AND FINANCIAL PARAMETERS OF THE ISSUER .....</b>	<b>52</b>
<b>MATERIAL AGREEMENTS/ DOCUMENTS .....</b>	<b>53</b>
<b>FINANCIAL INFORMATION OF THE ISSUER .....</b>	<b>54</b>
<b>OBJECTS OF THE ISSUE.....</b>	<b>103</b>
<b>STATUTORY AND REGULATORY DISCLOSURES.....</b>	<b>104</b>
<b>NO WILFUL DEFAULT .....</b>	<b>134</b>
<b>ISSUE PROCEDURE.....</b>	<b>135</b>
<b>DECLARATION .....</b>	<b>143</b>
<b>ANNEXURE A APPLICATION FORM .....</b>	<b>144</b>
<b>ANNEXURE B .....</b>	<b>148</b>
<b>BOARD RESOLUTION AUTHORISING THE ISSUE .....</b>	<b>148</b>
<b>ANNEXURE C.....</b>	<b>151</b>
<b>COMMITTEE OF DIRECTOR'S RESOLUTION .....</b>	<b>151</b>
<b>ANNEXURE D.....</b>	<b>153</b>
<b>SHAREHOLDERS' RESOLUTION .....</b>	<b>153</b>
<b>ANNEXURE E .....</b>	<b>155</b>
<b>RATING LETTERS OF RATING AGENCIESALONGWITH RATING RATIONALE.....</b>	<b>155</b>
<b>ANNEXURE F .....</b>	<b>160</b>
<b>CONSENT OF DEBENTURE TRUSTEE .....</b>	<b>160</b>
<b>ANNEXURE G.....</b>	<b>162</b>
<b>IN-PRINCIPLE APPROVAL OF THE BSE .....</b>	<b>162</b>
<b>ANNEXURE H.....</b>	<b>163</b>
<b>ANNEXURE I ANNUAL FINANCIAL STATEMENTS FOR YEARS ENDED MARCH 31, 2015, 2016 AND 2017 .....</b>	<b>168</b>

## DISCLAIMERS

### ISSUER'S DISCLAIMER

The distribution of this Information Memorandum and the Issue, to be initially listed on the WDM segment of the BSE and subsequently on any recognised stock exchange as the Issuer deems fit, after giving prior notice to the Debenture Trustee, is being made strictly on a private placement basis. This Information Memorandum is not intended to be circulated to any person other than Eligible Investors. Multiple copies hereof or of any Information Memorandum given to the same entity shall be deemed to be given to the same person and shall be treated as such. It does not constitute and shall not be deemed to constitute an offer or an invitation to subscribe to the Debentures to the public of India in general. This Information Memorandum should not be construed to be a prospectus or a statement in lieu of prospectus under the New Companies Act. Apart from this Information Memorandum, no offer document or prospectus has been or will be prepared in connection with the offering of the Debentures or in relation to the Issuer nor is such a prospectus required to be registered under applicable laws.

This Information Memorandum has been prepared in conformity with the SEBI Debt Regulations, Old Companies Act (to the extent in force on the date of this Information Memorandum), New Companies Act and the rules thereunder. Pursuant to Section 42 of the New Companies Act and Rule 14(3) of the PAS Rules, the Issuer shall file a copy of this Information Memorandum with the ROC and SEBI within a period of 30 (thirty) days of circulation of this Information Memorandum.

This Information Memorandum has been prepared to provide general information about the Issuer to potential Investors to whom it is addressed and who are willing and eligible to subscribe to the Debentures. This Information Memorandum does not purport to contain all the information that any potential Investor may require. Neither this Information Memorandum nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of this Information Memorandum should not consider such receipt a recommendation to purchase any Debentures. Each Investor contemplating purchasing any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer as well as the structure of the Issue. Potential Investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyse such investment and the suitability of such investment to such Investor's particular circumstances. It is the responsibility of the potential Investors to also ensure that they will sell these Debentures in strict accordance with this Information Memorandum and applicable laws, so that the sale does not constitute an offer to the public, within the meaning of the New Companies Act. Neither the intermediaries nor their agents nor advisors associated with the Issue undertake to review the financial condition nor affairs of the Issuer during the life of the arrangements contemplated by this Information Memorandum or have any responsibility to advise any Investor or potential Investors on the Debentures of any information coming to the attention of any other intermediary.

The Issuer confirms that, as of the date hereof, this Information Memorandum (including the documents incorporated by reference herein, if any) contains all information that is material in the context of the Issue, is accurate in all material respects and does not contain any untrue statement of a material fact or omit to state any material fact as known to the Issuer on the date of the Information Memorandum necessary to make the statements herein, in the light of the circumstances under which they are made, and are not misleading. No person has been authorised to give any information or to make any representation not contained or incorporated by reference in this Information Memorandum or in any material made available by the Issuer to any potential Investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer. The legal advisors to the Issuer and any other intermediaries and their agents or advisors associated with the Issue have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by any such intermediary as to the accuracy or completeness of the information contained in this Information Memorandum or any other information provided by the Issuer. Accordingly, the legal advisors to the Issuer and other intermediaries associated with the Issue shall have no liability in relation to the information contained in this Information Memorandum or any other information provided by the Issuer in connection with the Issue.

The Issuer does not undertake to update the Information Memorandum to reflect subsequent events after the date of the Information Memorandum and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Neither the delivery of this Information Memorandum nor any Issue made hereunder shall, under any

circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

**This Information Memorandum and the contents hereof and thereof are restricted only for the intended recipient(s) who have been addressed directly and specifically through a communication by the or on behalf of the Issuer and only such recipients are eligible to apply for the Debentures. All Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. The contents of this Information Memorandum and any other information supplied in connection with this Information Memorandum or the Debentures are intended to be used only by those potential Investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the or disseminated recipient.**

Each copy of this Information Memorandum will be serially numbered and the person, to whom a copy of the Information Memorandum is sent, is alone entitled to apply for the Debentures. No invitation is being made to any persons other than those to whom application forms along with this Information Memorandum have been sent. Any application by a person to whom the Information Memorandum has not been sent by or on behalf of the Issuer shall be rejected without assigning any reason.

Invitations, offers and allotment of the Debentures shall only be made pursuant to this Information Memorandum. You may not be and are not authorised to (1) deliver this Information Memorandum or any other information supplied in connection with this Information Memorandum or the Debentures to any other person; or (2) reproduce this Information Memorandum or any other information supplied in connection with this Information Memorandum or the Debentures in any manner whatsoever. Any distribution or reproduction of this Information Memorandum in whole or in part or any public announcement or any announcement to third parties regarding the contents of this Information Memorandum or any other information supplied in connection with this Information Memorandum or the Debentures. Failure to comply with this instruction may result in a violation of the New Companies Act, the SEBI Debt Regulations or other applicable laws of India and other jurisdictions. This Information Memorandum has been prepared by the Issuer for providing information in connection with the proposed Issue described in this Information Memorandum.

Each person receiving this Information Memorandum acknowledges that such person has been afforded an opportunity to request and to review and has received all additional information considered by it to be necessary to verify the accuracy of or to supplement the information herein and such person has not relied on any intermediary associated with the Issue in connection with its investigation of the accuracy of such information or its investment decision. Each person in possession of this Information Memorandum should carefully read and retain this Information Memorandum. However, each such person in possession of this Information Memorandum are not to construe the contents of this Information Memorandum as investment, legal, accounting, regulatory or tax advice, and such persons in possession of this Information Memorandum should consult with their own advisors as to all legal, accounting, regulatory, tax, financial and related matters concerning an investment in the Debentures.

The Issue will be a domestic issue restricted to India and no steps have been taken or will be taken to facilitate the Issue in any jurisdictions other than India. This Information Memorandum is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where distribution or use of such information would be contrary to law or regulation. This Information Memorandum does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. Persons into whose possession this Information Memorandum comes are required to inform themselves about and to observe any such restrictions. This Information Memorandum is made available to Investors in the Issue on the strict understanding that it is confidential and may not be transmitted to others, whether in electronic form or otherwise.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

The Issue will be made to the Investors as specified under “Eligible Investors” of this Information Memorandum, who shall be specifically approached by the Issuer. This Information Memorandum does not constitute an offer to sell or an invitation to subscribe to the Debentures offered hereby to any person to whom it is not specifically addressed. Any disputes arising out of this Issue will be subject to the jurisdiction of the courts of Mumbai. This Information Memorandum does not constitute an offer to sell or an invitation to subscribe to the Debentures herein, in any jurisdiction and to any person to whom it is unlawful to make an offer or invitation in such jurisdiction.

## **DISCLAIMER CLAUSE OF THE BSE**

As required, a copy of this Information Memorandum has been filed with the BSE in accordance with the terms of the SEBI Debt Regulations for hosting the same on its website.

It is to be distinctly understood that submission of this Information Memorandum to the BSE or hosting the same on its website should not in any way be deemed or construed to mean that this Information Memorandum has been reviewed, cleared or approved by the BSE, nor does the BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum, nor does the BSE warrant that the Issuer's Debentures will be listed or will continue to be listed on the BSE, nor does the BSE take any responsibility for the soundness of the financial and other conditions of the Issuer, its promoters, its management or any scheme or project of the Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

## **DISCLAIMER CLAUSE OF THE JOINT LEAD ARRANGERS**

It is advised that the Issuer has exercised self-due diligence to ensure complete compliance of prescribed disclosure norms in this Information Memorandum. The role of the Joint Lead Arrangers in the assignment is confined to marketing and placement of the Debentures on the basis of this Information Memorandum as prepared by the Issuer. None of the Joint Lead Arrangers have neither scrutinised/vetted nor have done any due-diligence for verification of the contents of this Information Memorandum. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by the Joint Lead Arrangers or any of their officers as to the adequacy, completeness or reasonableness of the information contained herein or of any further information, statement, notice, opinion, memorandum, expression or forecast made or supplied at any time in relation thereto.

Each of the Joint Lead Arrangers shall use this Information Memorandum for the purpose of soliciting subscription from eligible investors for the Debentures to be issued by the Issuer on a private placement basis. It is to be distinctly understood that the aforesaid use of this Information Memorandum by the Joint Lead Arrangers should not in any way be deemed or construed that the Information Memorandum has been prepared, cleared, approved or vetted by the Joint Lead Arrangers; nor do they in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum; nor do they take responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of the Issuer. The Joint Lead Arrangers or any of their directors, employees, affiliates or representatives do not accept any responsibility and/or liability for any loss or damage arising of whatever nature and extent in connection with the use of any of the information contained in this Information Memorandum.

Please note that:

- (A) The Joint Lead Arrangers and/or their Affiliates may, now and/or in the future, have other investment and commercial banking, trust and other relationships with the Issuer and with other persons ("Other Persons");
- (B) As a result of those other relationships, the Joint Lead Arrangers and/or their Affiliates may get information about Other Persons, the Issuer and/or the Issue or that may be relevant to any of them. Despite this, the Joint Lead Arrangers and/or their Affiliates will not be required to disclose such information, or the fact that it is in possession of such information, to any recipient of this Information Memorandum;
- (C) The Joint Lead Arrangers and/or their Affiliates may, now and in the future, have fiduciary or other relationships under which it, or they, may exercise voting power over securities of various persons. Those securities may, from time to time, include Debentures of the Issuer; and
- (D) Each of the Joint Lead Arrangers and/or their Affiliates may exercise such voting powers, and otherwise perform its functions in connection with such fiduciary or other relationships, without regard to its relationship to the Issuer and/or the Debentures.

## **DISCLAIMER CLAUSE OF THE CREDIT RATING AGENCIES**

### **Disclaimer of India Ratings:**

All credit ratings assigned by India Ratings are subject to certain limitations and disclaimers. Please read these limitations and disclaimers by following this link: <https://www.indiaratings.co.in/rating-definitions>. In addition, rating definitions and the terms of use of such ratings are available on the agency's public website [www.indiaratings.co.in](http://www.indiaratings.co.in). Published ratings, criteria, and methodologies are available from this site at all times. India Ratings' code of conduct, confidentiality, conflicts of interest, affiliate firewall, compliance, and other relevant policies and procedures are also available from the code of conduct section of the website.

### **Disclaimer by CARE:**

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating/outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

## **FORCE MAJEURE**

The Issuer understands that this term sheet is contingent on the assumption that from the date of the provision of this term sheet to the Deemed Date of Allotment, there is no material adverse change in the financial conditions of the Issuer or any of its affiliate and Indian debt markets which in the reasonable opinion of the Joint Lead Arrangers would make it inadvisable to proceed with the issue. In case of such material adverse change, the terms may be renegotiated to the mutual satisfaction of the Joint Lead Arrangers and the Issuer.

## **CONFIDENTIALITY**

The information and data contained herein is submitted to each recipient of this Information Memorandum on a strictly private and confidential basis. By accepting a copy of this Information Memorandum or any other information supplied in connection with this Information Memorandum or the Debentures, each recipient agrees that neither it nor any of its employees or advisors will use the information contained herein for any purpose other than evaluating the specific transactions described herein or will divulge to any other party any such information. This Information Memorandum or any other information supplied in connection with this Information Memorandum or the Debentures must not be photocopied, reproduced, extracted or distributed in full or in part to any person other than the recipient without the prior written consent of the Issuer.

## **CAUTIONARY NOTE**

The Investors have confirmed that they, (i) are knowledgeable and experienced in financial and business matters, have expertise in assessing credit, market and all other relevant risk and are capable of evaluating, and have evaluated, independently the merits, risks and suitability of purchasing the Debentures; (ii) understand that the Issuer has not provided, and will not provide, any material or other information regarding the Debentures, except as included in this Information Memorandum, (iii) have not requested the Issuer to provide it with any such material or other information, (iv) have not relied on any investigation that any person acting on their behalf may have conducted with respect to the Debentures, (v) have made their own investment decision regarding the Debentures based on their own knowledge (and information they have or which is publicly available) with respect to the Debentures or the Issuer (vi) have had access to such information as deemed necessary or appropriate in connection with purchase of the Debentures, (vii) are not relying upon, and have not relied upon, any statement, representation or warranty made by any person, including, without limitation, the Issuer, and (viii) understand that, by purchase or holding of the Debentures, they are assuming and are capable of bearing the risk of loss that may occur with respect to the Debentures, including the possibility that they may lose all or a substantial portion of their investment in the Debentures, and they will not look to the Debenture Trustee appointed for the Debentures

for all or part of any such loss or losses that they may suffer.

Neither this Information Memorandum nor any other information supplied in connection with the Issue is intended to provide the basis of any credit or other evaluation and any recipient of this Information Memorandum should not consider such receipt as a recommendation to purchase any Debentures. Each Investor contemplating purchasing any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential Investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyse such investment and the suitability of such investment to such Investor's particular circumstances. This Information Memorandum is made available to potential Investors on the strict understanding that it is confidential. Recipients shall not be entitled to use any of the information otherwise than for the purpose of deciding whether or not to invest in the Debentures.

No person, including any employee of the Issuer, has been authorised to give any information or to make any representation not contained in this Information Memorandum. Any information or representation not contained herein must not be relied upon as having been authorised by or on behalf of the Issuer. Neither the delivery of this Information Memorandum at any time nor any statement made in connection with the offering of the Debentures shall under the circumstances imply that any information/ representation contained herein is correct at any time subsequent to the date of this Information Memorandum. The distribution of this Information Memorandum or the Application Forms and the offer, sale, pledge or disposal of the Debentures may be restricted by law in certain jurisdictions. This Information Memorandum does not constitute an offer to sell or an invitation to subscribe to the Debentures in any other jurisdiction and to any person to whom it is unlawful to make such offer or invitation in such jurisdiction. Persons into whose possession this Information Memorandum comes are required by the Issuer to inform themselves about and observe any such restrictions. The sale or transfer of the Debentures outside India may require regulatory approvals in India, including without limitation, the approval of the RBI.

## **DEFINITIONS AND ABBREVIATIONS**

In this Information Memorandum, unless the context otherwise requires, the terms defined and abbreviations expanded below shall have the same meaning as stated in this section. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

Further, unless otherwise indicated or the context otherwise requires, all references to “The Tata Power Company Limited” or “Tata Power” or to the “Issuer” is to The Tata Power Company Limited. References to “we”, “us” or “our” is to The Tata Power Company Limited, its subsidiaries, associates and joint ventures, on a consolidated basis, and references to “you” are to the prospective Investors in the Debentures.

### **Issuer Related Terms**

Term	Description
ATE	Appellate Tribunal for Electricity
AT&C	Aggregate technical and commercial losses
Andhra Valley	The Andhra Valley Power Supply Company Limited
AOA / Articles/ Articles of Association	The articles of association of the Issuer as amended
APTEL	Appellate Tribunal for Electricity
Arutmin	PT Arutmin
BEST	Brihanmumbai Electric Supply and Transport Undertaking
Belgaum	The 81 MW non-operational power plant located in Karnataka
Bhira	Bhira Investment Limited
Bhivpuri	Bhivpuri Investments Limited
Board of Directors/ Board	The board of directors of the Issuer or a duly constituted committee thereof
BSSR	PT Baramulti Suksessarana Tbk
Bumi	PT Bumi Resources TBK
Cennergi	Cennergi (Pty) Limited
CERC	Central Electricity Regulatory Commission
CGPL	Coastal Gujarat Power Limited
Coal Companies	Indonesian coal mining operations: KPC, Arutmin, Indocoal, PT Indo Kalsel and PT Indo Kaltim
DERC	Delhi Electricity Regulatory Commission
Discoms	State power distribution companies
Director(s)	Director(s) on the Board, as appointed from time to time

Term	Description
IEL	Industrial Energy Limited
Indocoal	Indocoal Resources (Cayman) Limited
Jojobera	Captive power plant located in Jharkhand
Khopoli	Khopoli Investments Limited
KPC	PT Kaltim Prima Coal
LIBOR	London Interbank Offered Rate
MERC	Maharashtra Electricity Regulatory Commission
MTPA	Million tonnes p.a.
MVA	Mega Volt Ampere
MW	Megawatts
Memorandum of Association	The memorandum of association of the Issuer as amended
Mumbai License Area	The Issuer's area of supply in Mumbai extending from Colaba in the South to Vasai Creek in the North and Vikhroli on the Central Side
Mundra UMPP	4,000 MW Ultra Mega Power Project located near Tundawanda village in Mundra Taluka, Kutch district of Gujarat, which commenced full commercial operation in March, 2013, developed by CGPL
NDPL	North Delhi Power Limited
New Mining Law	New law on mineral and coal mining passed by the Indonesian government on January 12, 2009
PPA	Power purchase agreement
Registered Office	Bombay House, 24 Homi Mody Street, Mumbai 400 001, India
Promoter	Entities as declared to the NSE/BSE as on March 31, 2017 under “Promoter & Promoter Group”
Promoter Group	Promoter group shall mean the persons and entities forming part of the Issuer's promoter group, in accordance with the SEBI (ICDR) Regulations
RIL	Reliance Infrastructure Limited
SED	Strategic Electronics Division of the Issuer
SERC	State Electricity Regulatory Commission
Tata Group	The group of companies under the Tata brand
Tata Hydro	The Tata Hydro-Electric Power Supply Co. Limited

Term	Description
Tata Power Group	Please refer to <b>Annexure I</b> of this Information Memorandum
Tata Sons	Tata Sons Limited
Tata Steel	Tata Steel Limited
Tata Power Trading	Tata Power Trading Company Limited
Trust Energy	Trust Energy Resources Pte Limited
TTML	Tata Teleservices (Maharashtra) Limited
TPDDL	Tata Power Delhi Distribution Limited
UMPP	Ultra Mega Power Project

### Issue Related Terms

Term	Description
Allot/ Allotment/ Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures pursuant to the Issue
Application Form	The form in which an Investor can apply for subscription to the Debentures as attached in <b>Annexure A</b> of this Information Memorandum
Joint Lead Arrangers	Shall mean the following: a. HDFC Bank Limited, b. Axis Bank Limited, c. ICICI Bank Limited, and d. ICICI Securities Primary Dealership Limited.
Beneficial Owner(s)	Holder(s) of the Debentures in dematerialised form as defined under section 2 of the Depositories Act
Business Days	Means all days on which the money market is functioning in the city of Mumbai, Maharashtra, India
Consolidated Debenture Certificate	has the meaning set forth in the Section titled “Issue Procedure”
DRR	Debenture Redemption Reserve required under Section 71 of the New Companies Act
Debt Listing Agreement	The debt listing agreement, as amended from time to time, entered into by the Issuer with the BSE for the listing of the Debentures and any other recognised stock exchange to which the Issuer may apply for the listing of the Debentures subsequently after giving prior notice to the Debenture Trustee
Debentures	15,000 Unsecured, Non-Cumulative, Redeemable, Taxable, Listed, Rated Non-Convertible Debentures of a face value of Rs. 10,00,000 each aggregating Rs. 1500,00,00,000 for cash at par due 2024 with a fixed rate of interest issued by the

	Issuer
Debentureholder(s)	Persons who are for the time being and from time to time holders of the Debentures and whose names appear in the Register of Debentureholders and shall include the Beneficial Owners where the Debentures are held in dematerialized form and in the Register of Debenture Holders where the Debentures are held in physical form upon re-materialisation, if any
Debenture Trustee/Trustee	Trustee for the Debentureholders, in this case being IDBI Trusteeship Services Limited
Debenture Trust Deed	Means the trust deed to be entered into between the Debenture Trustee and the Issuer in relation to the Issue
Debenture Trustee Regulations	Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993, as amended
Deemed Date of Allotment	November 16, 2017
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996, as amended from time to time, in this case being NSDL and CDSL
Event of Default	Events of default as set out in the Debenture Trust Deed, the occurrence of which will lead to all amounts payable under the Debentures becoming immediately due and payable upon notice from the Debenture Trustee
Governmental Authority	shall mean any: a) government (central, state or otherwise) or sovereign state; b) any governmental agency, semi-governmental or judicial or quasi-judicial or administrative entity, department or authority, or any political subdivision thereof; c) international organisation, agency or authority, and d) including, without limitation, any stock exchange or any self-regulatory organisation, established under any applicable law
Information Memorandum	This Information Memorandum dated 16 November 2017
Coupon Payment Date	i. Annually and on Maturity for each Series of the Debentures.
Coupon Period	Each period from (and including) any Coupon Payment Date to (but excluding) the next succeeding Coupon Payment Date
Coupon Rate	Coupon on the Debentures payable on an annual basis on each Coupon Payment Date
Investor(s)	The following categories of investors, when specifically approached, are eligible to apply for this private placement of Debentures: <ul style="list-style-type: none"><li>• Scheduled commercial banks in India;</li><li>• NBFCs and RNBCs registered with the RBI;</li><li>• Indian companies and other bodies corporate;</li></ul>

	<ul style="list-style-type: none"> <li>• Rural regional banks in India;</li> <li>• Financial institutions, including All India Financial Institutions;</li> <li>• Housing finance companies registered with the National Housing Board; and</li> <li>• Any other investors who are permitted to invest in the Debentures under Applicable Law</li> </ul>
Issue	Issue by way of private placement of Debentures by the Issuer pursuant to the terms of this Information Memorandum
Record Date	The date which is 15 (fifteen) days prior to each Coupon Payment Date and the Redemption Date, as the case may be, for the purposes of actual payment or as may be prescribed by SEBI. Registered Debentureholders on the Record Date will be the recipients of actual payment of interest at the Interest Rate by the Issuer
Redemption Amount	Means the principal amounts payable on the Debentures in accordance with cash flow illustration provided under the head “Cash Flows of the Issue” in this Information Memorandum
Redemption Date	Means the principal amounts payable on the Debentures in accordance with cash flow illustration provided under the head “Cash Flows of the Issue” in this Information Memorandum
Register of Debentureholders	The register maintained by the Issuer at its Registered Office in accordance with section 88 of the New Companies Act, containing the names of the Debentureholders entitled to receive interest in respect of the Debentures on the Record Date, and shall include the register of Beneficial Owners maintained by the Depository under section 11 of the Depositories Act
Registered Debentureholder	The Debentureholder whose name appears in the Register of Debentureholders or in the beneficial ownership record furnished by the Depository for this purpose
Registrar/Registrar to the Issue	Registrar to this Issue, in this case being TSR Darashaw

#### Conventional and General Terms, Abbreviations and References to Other Business Entities

Abbreviation	Full form
CDSL	Central Depository Services (India) Limited
Depositories Act	The Depositories Act, 1996, as amended
Depository Participant/ DP	A depository participant as defined under the Depositories Act
DP ID	Depository Participant Identification Number
Equity Shares	Equity shares of the Issuer of Face Value of Rs. 1 each
FEMA	Foreign Exchange Management Act, 1999, as amended, including the regulations framed thereunder
Financial Year/ Fiscal/ FY	Period of 12 months ended on March 31 of that particular year
FSA	Fuel Supply Agreement

<b>Abbreviation</b>	<b>Full form</b>
Government / GoI	Government of the Republic of India
GAAP	Generally Accepted Accounting Principles
GAAR	General Anti Avoidance Rule
IT Act	The Indian Income Tax Act, 1961, as amended
IFRS	International Financial Reporting Standards
NBFC	Non-Banking financial company
NECS	National Electronic Clearing Services
NEFT	National Electronic Funds Transfer
New Companies Act	The Companies Act, 2013, as amended
NRI	Non-resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Body
Old Companies Act	The Companies Act, 1956, as amended
PAS Rules	Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended
p.a.	Per annum
PAN	Permanent Account Number
RBI	The Reserve Bank of India constituted under the RBI Act
RBI Act	Reserve Bank of India Act, 1934, as amended
RNBC	Residuary non-banking companies
RoC / ROC	The Registrar of Companies, Maharashtra
RTGS	Real Time Gross Settlement
Rs./INR	Indian Rupees
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI Debt Regulations	SEBI (Issue and Listing of Debt Securities) Regulations, 2008 issued by SEBI, as amended
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure

<b>Abbreviation</b>	<b>Full form</b>
	Requirements) Regulations, 2009, as amended
WDM	Wholesale Debt Market

## FORWARD LOOKING STATEMENTS

Certain statements in this Information Memorandum are not historical facts but are “forward-looking” in nature. Forward-looking statements appear throughout this Information Memorandum, including, without limitation, under the section titled “*Risk Factors*”. Forward-looking statements include statements concerning the Issuer’s plans or financial performance, capital expenditure, etc.. If any, the Issuer’s competitive strengths and weaknesses and the trends the Issuer anticipates in the industry, along with the political and legal environment, and geographical locations, in which the Issuer operates, and other information that is not historical information.

Words such as “aims”, “anticipate”, “believe”, “could”, “continue”, “estimate”, “expect”, “future”, “goal”, “intend”, “is likely to”, “may”, “plan”, “predict”, “project”, “seek”, “should”, “targets”, “would” and similar expressions, or variations of such expressions, are intended to identify and may be deemed to be forward-looking statements but are not the exclusive means of identifying such statements.

By their nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and assumptions about the Issuer, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved.

These risks, uncertainties and other factors include, among other things, those listed under the section titled “*Risk Factors*” of this Information Memorandum, as well as those included elsewhere in this Information Memorandum. Prospective Investors should be aware that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited, to:

- Delay or rejection of the order passed by the CERC with respect to Mundra UMPP pursuant to appeals;
- Negative cash flows from CGPL’s operating activities and sponsor support obligations of the Issuer with respect to CGPL;
- Non-resolution of the standby charges related dispute with RIL;
- If the Issuer’s customers in Mumbai source power from other suppliers;
- Cyclical and fluctuating nature of coal prices;
- Interruption in fuel supplies or an increase in the cost of fuel;
- Growth prospects of the Indian power and infrastructure sector and related policy developments;
- General, political, economic, social and business conditions in Indian and other global markets;
- The Issuer’s ability to successfully implement its strategy, growth and expansion plans;
- Competition in the Indian markets;
- Adverse rulings against the Issuer by courts or tribunals in the legal proceedings;
- Inability of the Issuer to employ substantial number of qualified personnel for operating its business and project operations;
- Occurrence of strikes, work stoppages and/or increased wage demands by the employees/labour employed for the Issuer’s business operations, resulting in a material adverse effect on the business of the Issuer, results of operations and cash flows;
- Availability of adequate debt and equity financing at reasonable terms;
- Inability of the Issuer to obtain or maintain adequate insurance cover for its projects;
- Performance of the Indian debt and equity markets; and
- Changes in laws and regulations applicable to companies in India, including foreign exchange control

regulations in India.

For a further discussion of factors that could cause the Issuer's actual results to differ, please refer to the section titled "*Risk Factors*" of this Information Memorandum. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. Although the Issuer believes that the expectations reflected in such forward-looking statements are reasonable at this time, the Issuer cannot assure Investors that such expectations will prove to be correct. Given these uncertainties, the Investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialise, or if any of the Issuer's underlying assumptions prove to be incorrect, the Issuer's actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to the Issuer are expressly qualified in their entirety by reference to these cautionary statements. As a result, actual future gains or losses could materially differ from those that have been estimated. The Issuer undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date hereof.

Forward looking statements speak only as of the date of this Information Memorandum. None of the Issuer, its Directors, its officers or any of their respective affiliates or associates has any obligation to update or otherwise revise any statement reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

## RISK FACTORS

*The Issuer believes that the following factors may affect its ability to fulfill its obligations under the Debentures. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. These risks may include, among others, business aspects, equity market, bond market, interest rate, market volatility and economic, political and regulatory risks and any combination of these and other risks. Prospective Investors should carefully consider all the information in this Information Memorandum, including the risks and uncertainties described below, before making an investment in the Debentures. To obtain a complete understanding, prospective Investors should read this section in conjunction with the remaining sections of this Information Memorandum, as well as the other financial and statistical information contained in this Information Memorandum. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, the Issuer's business, results of operations and financial condition could suffer, the price of the Debentures could decline, and the Investor may lose all or part of their investment. More than one risk factor may have simultaneous effect with regard to the Debentures such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Debentures. The inability of the Issuer to pay interest, principal or other amounts on or in connection with the Debentures may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to them or which they may not currently be able to anticipate. You must rely on your own examination of the Issuer and this Issue, including the risks and uncertainties involved. The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.*

### RISKS RELATED TO THE ISSUER AND THE TATA POWER GROUP

**The distribution license granted by MERC to the Issuer may be revoked due to inadequacies in the roll out plan submitted by the Issuer and on account of appeals pending in ATE.**

The MERC has granted a distribution license to the Issuer for a period of 25 years starting from August 16, 2014 for the earlier distribution license area of the Issuer plus villages of Chene and Versave covered under Mira Bhayander Municipal Corporation.

The MERC has directed the Issuer to resubmit a revised network rollout plan on account of the earlier network rollout plan being inadequate. The Issuer has submitted a revised network rollout plan to MERC relating to establishment of distribution sub-stations, consumer sub-stations, laying of high tension and low tension cables, installation of feeder pillars, among others. The total capital expenditure proposed in the revised network rollout plan is about Rs. 2,600 to Rs. 3,100 crore, depending on the externalities. If the revised network rollout plan is not accepted by MERC, the Issuer shall not be able to perform its duties as a distribution licensee and MERC will direct the Issuer in relation to its existing distribution assets. This could impact the Issuer's financial condition and results of operation. MERC has given an interim order providing the principles of network rollout and directed appointment of a committee to provide recommendations regarding network rollout, subsequent to which a public hearing would be held and the network rollout will be finalised.

Additionally, the licence order granted to the Issuer has been appealed against by RIL in ATE stating that the Issuer should not be allowed to use the network of RIL for the purpose of supplying to the consumers. The ATE, in its interim order has stayed the removal of certain restrictions (including restrictions on changeover of consumers) on the Issuer which were granted by the MERC pursuant to its license order. Presently, the Issuer serves 573,155 consumers on RIL's wires. If RIL succeeds in its appeal, the Issuer will not be able to access these consumers before laying down its own network for these consumers.

RIL has also stated that the Issuer should not be allowed to connect to any consumer in the common area of supply (with RIL) until it lays down the network in the entire common area. If RIL succeeds in the appeal, the Issuer will have to lay down network in the entire common area before connecting to any consumers in this area. This will substantially increase the wheeling charges of the Issuer (as the cost of existing and new network would be recovered from existing connected consumers) and make its network uncompetitive as compared to RIL. The hearings in this matter are in progress and no judgment has been pronounced in this matter yet.

BEST has also challenged the MERC judgement of granting a distribution licence to the Issuer in the absence of submission of network rollout plan by the Issuer. If BEST succeeds in its appeal, ATE might remand the matter back to MERC for reconsideration of the Issuer's distribution licence in light of the revised network rollout plan

by the Issuer.

Any adverse decision by the ATE in these matters could lead to revocation of the distribution license granted to the Issuer and could impact the Issuer's financial condition and results of operation.

**Non-resolution of the dispute with RIL in connection with the standby charges payable to the Maharashtra State Electricity Distribution Company Limited could have a material adverse effect on the Issuer's operations and financial condition.**

The Issuer has filed an appeal in the Supreme Court against orders by the ATE regarding sharing of standby charges between the Issuer and RIL. As at September 30, 2014 the Issuer has, in accordance with the Supreme Court's order, deposited an amount of Rs. 227 Crore and submitted a bank guarantee for an equal amount with the Registrar General of the Supreme Court. RIL has withdrawn the entire sum deposited by the Issuer with an undertaking that, in the event of the appeal being decided against RIL, either in whole or in part, such amount as may be determined as being refundable by RIL shall be refunded to the Issuer without demur, together with interest as may be determined by the Supreme Court.

As a matter of prudence, the Issuer has accounted for standby charges since April 1, 2004, on the basis determined by the MERC order. However, no provision has been made in the accounts for the cost of interest that may be finally determined as payable to RIL.

In addition to the dispute relating to standby charges, the dispute with RIL in connection with "take or pay" obligation is still not resolved. Any adverse outcome may affect the financial condition and results of operation of the Issuer.

**The Issuer's revenue generation is concentrated in Mumbai and could have a material adverse effect on the Issuer's revenues and results of operations if its customers in Mumbai source power from other suppliers.**

The Issuer's revenue from Mumbai License Area contributed approximately 72.47% and 72.6% of its total unconsolidated net income from operations in the year ended March 31, 2017 and the year ended March 31, 2016, respectively. Further, within the Mumbai License Area, the Issuer is dependent on certain key large non-retail customers like BEST and the Indian railways. Following the implementation of the Electricity Act, 2003, non-retail customers with a demand in excess of 1 MVA are entitled to purchase power from sources other than the Issuer. If a significant number of these customers source power from other suppliers, the Issuer's revenue and results of operations could be materially and adversely affected.

**CGPL experiences negative cash flows from its operating activities**

CGPL experiences negative operating cash flows from its operating activities. The Issuer cannot assure you that CGPL's operating activities will generate positive cash flows or that, if ever generated, CGPL will be able to sustain such positive cash flows in future. CGPL's failure to generate positive cash flows from its operating activities could adversely affect the Issuer's business, financial condition and results of operations.

The Issuer has made and may continue to make investments in CGPL, and if the business and operations of CGPL, in whom the Issuer makes such investments, deteriorates, the value of the Issuer's investments may be adversely affected in the future. The repayment of debt facility provided by the Issuer is subject to certain pre-existing conditions agreed to by CGPL with its existing lenders, whereby certain restrictions could be placed on repayments with respect to the subordinated debt facility extended to it by the Issuer. This could affect the Issuer's ability to recover its dues, and may affect its credit rating, its financial condition and its results. In accordance with the terms currently governing this unsecured subordinated debt facility, the Issuer is entitled to convert the unsecured subordinated debt facility into equity of CGPL. If the Issuer chooses to exercise this option, the returns on such equity cannot be assured.

**The Issuer is substantially dependent on the coal segment of its business and any adverse developments in relation to the operations of the Coal Companies could result in a material adverse effect on its business, results of operations and prospects. Further, the performance of the Coal Companies' is highly dependent upon the prices they receive for the coal produced by them. Accordingly, fluctuations in world coal prices could significantly affect the results of operations of the Coal Companies' which in turn could materially and adversely affect the results of the Issuer's operations and financial position.**

On June 26, 2007, the Issuer completed the acquisition of a 30% equity interest in Coal Companies from Bumi for coal mining operations in Indonesia. As at March 31, 2016 the Issuer continues to hold 30% equity interest in the Coal Companies. For the year ended March 31, 2015 and the year ended March 31, 2016, the coal segment (which comprises the indirect holding of the Issuer in the Coal Companies) contributed 23.70% and 20.65%, respectively, of the Issuer's consolidated revenue before intersegment eliminations. The Issuer is dependent on the Coal Segment for a significant portion of its revenues and any adverse developments in relation to the operations of the Coal Companies could result in a material adverse effect on its business, results of operations and prospects.

Arutmin is a mine spread over number of pits in South Kalimantan, Indonesia. The Company has signed an agreement to sell its stake in Arutmin and associated companies in coal trading and infrastructure for an aggregate consideration of approximately USD 400.92 million, subject to certain closing adjustments. The sale is subject to certain conditions and restructuring actions.

The Issuer also announced in July 2014 that it has entered into an option agreement to sell a 5% stake in KPC and its entire 30% stake in KPC's associated power infrastructure companies to a Bakrie Group for approximately USD 250 million. As on date, the option under the option agreement has not been exercised by the Issuer.

The world coal markets are sensitive to changes in coal mining capacity and output levels, patterns of demand and consumption of coal from the electricity generation industry and other industries for which coal is the principal fuel and changes in the world economy. The coal consumption patterns of the electricity generation, steel and cement industries are affected by the demand for these customers' products, local, environmental and other governmental regulations, technological developments and the price and availability of competing coal and alternative fuel supplies. All of these factors can have a significant impact on the selling prices for coal. Prices for coal products are also based upon or affected by global coal prices, which tend to be highly cyclical and subject to significant fluctuations. Prices for coal products are also affected by a variety of other factors over which the Coal Companies have no control, including weather, distribution problems and labour disputes. Further, the performance of the Coal Companies' is highly dependent upon the prices they receive for the coal produced by them. Any fluctuations in world coal prices could affect the results of operation of the Coal Companies' which in turn could materially and adversely affect the results of the Issuer's operations and financial position.

**Changes in the cost of imported coal may materially affect the Issuer's results of operations.**

CGPL, a wholly owned subsidiary of the Issuer and the special purpose vehicle for the Mundra UMPP, entered into a PPA under which a substantial portion of the fuel component in revenues recoverable is not eligible for escalation. This exposes CGPL and the Issuer to any unfavourable movement in spot coal prices over the term of the PPA. Further, since CGPL relies entirely on coal imported from Indonesia, its profitability has been affected by the Indonesian government's directive that coal can only be sold at market rates, regardless of mutually negotiated or contracted rates. As the Issuer's bid for the Mundra UMPP was based on coal prices forecasted based on prevailing rates at the time of bidding, CGPL has been exposed to considerably higher costs than originally contemplated. Given the volatility in fuel prices and significant increases in recent years, this has already had, and could in the future, have a material adverse effect on the Issuer's results of operations and financial condition.

While the Issuer has taken certain commercial and technical measures to reduce the impact of this adverse development, there can be no assurance that such measures will be successful.

**The estimates of reserve and resource figures of the Coal Companies are subject to assumptions, which, if incorrect, could have an adverse effect on the Issuer's business and financial condition.**

Although reserve and resource figures of the Coal Companies have been carefully prepared using engineering, economic, hydrological and geo-technical data assembled and analysed by the Coal Companies or, in some instances, have been prepared, reviewed or verified by independent mining experts, these amounts are estimates only. There are numerous uncertainties inherent in estimating quantity and quality of, and costs to mine, recoverable reserves, including many factors outside the control of the Coal Companies. Further, sustained downward movements in coal prices could render less economical, or uneconomical, some or all of the coal production related activities to be undertaken by the Coal Companies. There can be no assurance that any particular level of recovery of coal from such reserves or resources will in fact be realised or that an identified resource will ever qualify as a resource to be mined commercially and/or which can be legally and economically exploited. This could have an adverse impact on the availability of sufficient supplies of coal for the Issuer's

projects and the value of its investments in the Coal Companies, which, in turn, could adversely affect the Issuer's business and financial condition.

**Coal mining is subject to unexpected disruptions which could cause the Coal Companies' results of operations to fluctuate across fiscal periods.**

The Coal Companies' surface mining operations are subject to events and operating conditions that could disrupt production, loading and transportation of coal at or from their mines for varying lengths of time. These events and conditions include but are not limited to the following:

- adverse weather and natural disasters, including heavy rains, floods, earthquakes and forest fires;
- unexpected equipment failures and maintenance problems;
- failure to obtain key materials and supplies, such as explosives, fuel and spare parts;
- variations in coal seam thickness, the amount and type of rock and soil (overburden) overlying the coal seam and other discrepancies to geological models;
- delays or disruptions in coal chains, shipments of coal products or importation of equipment and spare parts;
- changes in geological conditions and geotechnical instability of the highwall of mining pits; and
- reserve estimates proving to be incorrect.

Any disruption of the Coal Companies' operations in the event that mining operations are disrupted could have a material adverse effect on the Issuer's business, financial condition and results of operations.

**The Indonesian government has passed a New Mining Law, which, if brought into effect, may affect the Issuer's coal mining operations in Indonesia and may consequently affect the Issuer's business, costs and revenues.**

The Indonesian government passed the New Mining Law that repealed the existing law and created a new regime for the grant and implementation of mining rights. Some of the changes proposed by the New Mining Law include:

- obligations for mine owners to carry out the basic production work themselves;
- requirements for foreign investors to divest a certain percentage of their share in mining projects after a specified period of time; and
- reduction of mining concession production area under IUP system (“**Izin Usaha Pertambangan**” which means “mining permit”) after the expiry date of the coal contracts of work.

Any changes to the legal and regulatory regime on mineral and coal mining in Indonesia may affect the way the Tata Power Group conducts its mining operations and may consequently, affect the Tata Power Group's business, costs and revenues. KPC and Arutmin have first generation CCoW granted by the Indonesian Government. First generation CCoWs are structured as contracts between the concession holder and the central government and ratified by the Indonesian parliament. A first generation CCoW has “lex specialist” status, which means that provisions contained in it sit above general Indonesian law. In the event that any provision under the first generation CCoW are in conflict with general Indonesian law, the provisions under the first generation CCoW would prevail.

The New Mining Law provides that existing CCoWs could remain valid until expiration of their term, but these need to be “transitioned” to conform to the New Mining Law within one year of the implementation of the New Mining Law. Transitioned CCoWs are also able to be extended beyond their term without the need for being re-tendered. KPC and Arutmin are already compliant with the regulations which have been implemented in relation to the allocation of a specified quantity of the coal produced by coal mining firms to Indonesian markets and sale of coal based on a benchmark price. KPC and Arutmin have signed a memorandum of understanding with the Indonesian Government in September 2014 month to give effect to certain changes in the CCOW with regard to CCOW area, revised form of mining rights and other conditions. The changes agreed will have to be incorporated

in CCOW amendment document and will be effective from the effective date of such CCOW amendment. Till this date, the final draft of the CCOW amendment document is yet to be circulated by the government. Arutmin and KPC are currently in discussions with the Indonesian government on this. Failure to implement a smooth transition process could adversely affect the Tata Power Group's business, financial condition, costs and revenues.

**Inability to manage growth and expansion effectively could disrupt the Issuer's business, reduce profitability and adversely affect its results of operation and financial conditions.**

The Issuer expects that its growth strategy will place significant demands on its management, financial and other resources. The Issuer's growth strategy will require it to develop and improve their operational, financial and internal controls, as well as their management, recruitment and administrative capabilities on a continuous basis. In particular, continued expansion and diversification increases the challenges involved in financial and technical management, recruitment, training and retaining sufficiently skilled technical and management personnel and developing and improving internal administrative infrastructure. The Issuer's growth is dependent upon its ability to meet such challenges successfully and may require significant expenditure and allocation of valuable management resources. An inability to manage such growth effectively could disrupt its business, reduce profitability and adversely affect the results of operations and financial condition.

**Inorganic growth opportunities being pursued by the Issuer may require significant investments and may have unforeseen risks adversely impacting the Issuer's business and revenues.**

On 12<sup>th</sup> June 2016, the Issuer through its 100% subsidiary, Tata Power Renewable Energy Limited (TPREL), signed an SPA with Welspun Energy Private Limited (WEPL) to acquire its subsidiary Welspun Renewables Energy Private Limited (WREPL). WREPL has about 1140 MW of Renewable Power Projects comprising of about 990 MW Solar Power Projects and about 150 MW of Wind Power spread across ten states. Out of 1,140 MW renewable portfolio, all units are operational.

In addition, the Issuer continues to evaluate opportunities, both in India and overseas. These may require significant investments, which may adversely affect the Issuer's business and revenues. Acquisitions involve a number of risks, including but not limited to the following:

- the acquired assets may not perform to the expected levels of operations
- impact of unforeseen risks, such as contingent or latent liabilities relating to the acquired businesses that may only become apparent after the merger or acquisition is finalised;
- success or failure of integration and management of the acquired operations and systems;
- success or failure of retention of select personnel; or
- diversion of the Issuer's management's attention from other on-going business concerns.

If the Issuer is unable to integrate the operations of an acquired business successfully or manage such future acquisitions profitably, its business and results of operations may be adversely affected.

**Interruption in fuel supplies or an increase in the cost of fuel may adversely affect the Issuer's business costs and revenues.**

Dependence on a few fuel suppliers for power projects exposes the Issuer's power projects to vulnerabilities. These include non-supply due to reserves depletion, pro-rata scaling down of supply to all consumers, onerous contractual terms (such as no penalties for short supply while enjoying the comfort of minimum guaranteed off-take or payments in respect thereof) and an inability to obtain alternative fuel at short notice. Several of the Issuer's current generation operations and projects under development are, or will / may be, coal-fired thermal plants, the majority of which are, or will be, dependent on an adequate supply of low ash, low sulphur coal imported from Indonesia. These imports, which are, as is difficult to source, may be subjected to further disruption including and on, account of any changes in mining laws by the Indonesian government. Further, these imports may not be capable of ready substitution by domestic / alternative fuel sources. Any interruption in fuel supplies or an increase in the cost of fuel may adversely affect the Issuer's business costs and revenue. For instance, from the Issuer's projects in operation, TPDDL's power plant at Rithala has not been operational due to the high cost of sourcing fuel and due to lack of fuel and supply of gas.

In addition, the Issuer has entered into FSAs with various government companies for supply of fuel in India, and expect to enter into, in the future, other long-term agreements for supply of fuel in India. If the Issuer's counterparties fail to honour their commitments under these agreements, the Issuer could face difficulties in obtaining fuel in India for its power plants, which could adversely affect the Issuer's business, financial condition and results of operations.

**The Tata Power Group may not be able to acquire sufficient land for project site development in a timely manner, on commercially acceptable terms, or at all, which could have an adverse effect on the Issuer's results of operations and prospects.**

The Tata Power Group is in the process of acquiring land for the development and/or execution of certain of its projects. There can be no assurance that such acquisitions will be completed in a timely manner, on commercially acceptable terms, or at all. This could have an adverse effect on the results of operations and prospects of the Tata Power Group. The Issuer may also face public opposition to its land acquisition policies. Further, the Issuer is implementing power projects and cannot be certain of the cost of any financial compensation that it may have to pay to individuals or entities pursuant to any compulsory acquisition orders or resettlement and rehabilitation packages implemented by Indian state authorities. Such payment could have a material adverse effect on the Issuer's results of operations, financial condition and prospects.

**The Issuer intends to continue in expanding their generating capacity, which will involve substantial capital expenditure and other risks associated with major projects.**

The Issuer intends to continue in expanding their power generating capacity to meet the increasing demand forecast in India and abroad in the foreseeable future. This would involve constructing additional power plants, expanding existing plants, increasing their output capacity and improving and expanding their transmission and distribution services through optimisation and modernisation schemes. The Issuer has established, or will establish special purpose vehicles or joint ventures for these purposes and has invested, and may further invest, considerable resources in developing these generation plants and services.

Some of the Issuer's projects are under execution and have not yet achieved commercial operation. Thermal and hydropower projects have a long gestation period of more than three years, due to the process involved in commissioning power projects. This process typically includes the process of applying for and obtaining government approvals, including permission for acquiring land, environmental approvals, and approvals for the use of water. It also requires entering into fuel supply agreements, evacuation agreements, financing agreements, raw material agreements and obtaining detailed project reports, after which the construction process commences. Further, power plants typically require months or even years after being commissioned before positive cash flows can be generated, if at all. In addition, due to increased development activity in the power sector in India, the commercial viability of the Issuer's power projects may need to be re-evaluated and the Issuer may not be able to realise the benefits or returns on its investments as expected.

The construction and expansion of the Issuer's various projects involve substantial capital expenditure and other risks associated with major projects, such as cost overruns, interest during construction, delays in implementation, technical and economic viability and changes in market conditions. Although the Issuer may enter into turnkey contracts for the supply or installation of certain equipment or for certain civil works of its plants and facilities, the Issuer faces the risk of funding any project delays or cost overruns arising from various factors, such as unavailability, high cost and low quality of construction materials such as steel and cement, among others, required for such projects. The scheduled completion dates for the Issuer's projects are estimates and are subject to delays and other risks. Amongst other things, the Issuer is subject to risks on account of significant increases in prices or shortages of equipment and building materials (which may prove defective), technical skills and labour, adverse weather conditions, third party performance risks, environmental risks, changes in market conditions, objections from affected communities, changes in foreign exchange rates for loans borrowed or equipment planned to be purchased, changes in government or regulatory policies, litigation and delays in obtaining requisite approvals, permits, licences or certifications from the relevant authorities. These, and other unforeseeable problems and circumstances, could adversely affect the Issuer's ability to develop their power projects in the time estimated. These could further result in cost overruns, termination of a project's development or execution and/or a breach of the financial covenants imposed by lenders. Although the Issuer builds a contingency into their expected total project costs, there can be no certainty that such a contingency will be sufficient to fund any such costs.

The timely completion of a project is also dependent on the completion of related infrastructure by third parties. Related infrastructure includes ports, high voltage evacuation, railways, roads, water ways and dams, amongst

others. Any delay in the construction of related infrastructure by third parties could delay the commissioning of the Issuer's projects. In addition, failure to complete a project according to its original specifications or schedule, if at all, may give rise to potential liabilities and could render certain benefits available under various government statutes being unavailable. As a result of this, the Issuer's returns on investments may be lower than originally expected.

Any of the above risks may adversely affect the Issuer's business, results of operations, financial position and prospects. In particular, any delay in relation to, or non-completion of any of the Issuer's projects aimed at increasing the Issuer's generating capacity will adversely impact its projections for future operating capacity.

**The reduction in Mumbai's high-end consumer base may have an adverse impact on the Issuer's business and revenues.**

In the recent past, many businesses, in particular industrial consumers, have decided to shift their operations out of Mumbai to nearby areas or other states due to the high cost of operating in Mumbai. The industrial and commercial sectors represent Mumbai's high-end consumer base and account for a significant portion of power consumers. Therefore, although demand for power currently outstrips supply and is forecast to do so for the foreseeable future, and while the Issuer sells its power to other distribution licensees who then on-sell to industrial end users, this exodus could have an adverse impact on the Issuer's business and revenues.

**The reduction in power generation revenue from Mumbai License Area on account of PPA with BEST expiring in March 31, 2018**

The Issuer has a PPA for 930 MW with BEST which is expiring in March 31, 2018. BEST has decided to contract future power requirements through a competitive bidding process. The Issuer would be participating in such a bidding process but there is no certainty on the quantity as well as the tariff at which off-take would be tied-up. In the absence of renewal of PPA at the existing tariff, the Issuer may have to explore alternate means to sell power which may be at a lower tariff than the existing tariff, which in turn will have an adverse impact on the Issuer.

**The Issuer is involved in various legal and other proceedings that, if determined against it, could have a material adverse effect on its financial condition and results of operations.**

The Issuer is currently involved in a number of legal and other proceedings arising in the ordinary course of its business. These proceedings are pending at different levels of adjudication before various courts and tribunals.

The Issuer cannot assure you that these legal proceedings will be decided in its favour or that no further liability will arise out of these proceedings. Furthermore, such legal proceedings could divert management time and attention and consume its financial resources. An adverse decision in any of these proceedings could adversely affect the Issuer's profitability and reputation and could have a material adverse effect on its business, financial condition and results of operations. Furthermore, if any new developments arise, for instance, a change in law or rulings against the Issuer by courts or tribunals, the Issuer may face losses and may have to make provisions in its financial statements, which could increase its expenses and its liabilities.

**Disruption to the supply of services and equipment or increase in the cost of certain materials may adversely affect the Issuer's business.**

The Issuer requires the continued support of certain original equipment manufacturers to supply necessary services and equipment to maintain and operate its projects at affordable costs. The Issuer may be unable to procure the required services or equipment from these manufacturers (for example, as a result of the bankruptcy of the manufacturer or natural disasters). In addition, the cost of these services or equipment may exceed the budgeted cost, or there may be a delay in the supply of such equipment or a default by a supplier in respect of its supply obligations. In such a scenario, there may be a material adverse impact on the Issuer's business, results of operations and prospects.

The Issuer's business is also affected by the availability, cost and quality of raw materials such as steel and cement, which are used to construct and develop its projects. The prices and supply of these materials depend upon a number of factors, which are not within the Issuer's control, including general economic conditions, competition, production levels, transportation costs and import duties. If, for any reason, the Issuer's primary suppliers of steel and cement should curtail or discontinue their delivery of such materials in the quantities needed and at prices that are competitive, the Issuer's ability to meet the material requirements for its projects could be impaired and

construction schedules could be disrupted, which could have a material adverse effect on the Issuer's results of operations and financial position.

**Any failure or delay by the DER or the MERC in undertaking tariff revisions could have an adverse effect on the Issuer's business and results of operations**

The tariffs for the Issuer's distribution operations in Delhi, i.e. by way of TPDDL, and for the Mumbai License Area are approved by the DER and the MERC, respectively. These tariffs typically allow for a fixed return on equity and incentive for surpassing targets set for reducing AT&C losses. At periodic intervals, these SERCs typically review the actual costs to be recovered as per regulations, costs recovered and any under or excess recoveries are appropriately adjusted towards the tariffs set for the next year(s). However, any delay by these SERCs in undertaking these tariff revisions or not allowing cost reflective tariff could result in a buildup of regulatory assets. As of June 30, 2017 the net regulatory assets for the Issuer (on standalone basis) were Rs. 1,727 crore and for TPDDL were Rs. 4,322 crore. No tariff hike was allowed by the DER in the last tariff order issued for FY 2015-16 and thereafter tariff order was not issued for FY 2016-17. Though the DER has continued with revenue recovery surcharge and PPAC mechanism announced in the tariff order for FY 2012-13, but DER has not yet come up with any concrete plan for liquidation of accumulated revenue gap.

**The success of the Issuer's power plants depends on the reliable and stable supply of water to its power plants. In the event of water shortages, the Issuer's power plants may be required to reduce their water consumption, which could reduce its power generation capability.**

All of the Issuer's thermal and hydro power plants require a reliable water source. There can be no assurance that water supply to its thermal power plants, particularly to projects situated away from the coast, will continue to be dependable. In the event of water shortages, the Issuer's power plants may be required to reduce water consumption, which would reduce its power generation capability and have an adverse impact on its business, results of operations and prospects. Further, if the Issuer or the relevant company comprising a part of the Tata Power Group does not receive the necessary approvals and licences to draw sea water from the relevant government authorities, it will have to find alternative sources of water supply.

In addition, government approvals and licences are subject to numerous conditions, some of which are onerous and require the licence holders to incur substantial expenditure. If the Issuer fails to comply, or a regulator claims that the Issuer has not complied, with these conditions, the Issuer's business, prospects, financial condition and results of operations may be materially and adversely affected.

**Disruption to the development, execution or operation of any of the Issuer's assets could adversely affect its business.**

The development, execution or operation of the Issuer's projects may be disrupted for reasons that are beyond its control. These include, among other things, the occurrence of explosions, fires, earthquakes and other natural disasters, prolonged spells of abnormal rainfall, breakdown, failure or substandard performance of equipment, improper installation or operation of equipment, accidents, operational problems, transportation interruptions, other environmental risks and labour disputes. For example, in December 2013 and January 2014, the Issuer shut down certain generator units at the Mundra plant and the Trombay plant, respectively, following the breakout of fires at those plants. There can be no assurance that the affected units will resume operations in a timely manner. Further, the Issuer's projects in Belgaum and Lodhivali are non-operational. Delays in resuming operations for the affected units may have a material adverse effect on its results of operations. In addition, the Issuer's projects may also be a target of terrorist attack or other civil disturbance.

Further, the Issuer relies on extremely sophisticated and complex machinery that is built by third parties and may be susceptible to malfunction. Although, in certain cases, the Issuer is entitled to be compensated by manufacturers for certain equipment failures and defects, such arrangements may not fully compensate the Issuer or the relevant Tata Power Group companies. In addition, the Issuer may not be entitled to compensation for indirect losses such as loss of profits or business interruption under such agreements. If such operational difficulties occur in the future, they may have a material adverse effect on the Issuer's business, financial condition and results of operations.

Environmental awareness throughout the world, including in India and other emerging markets, has grown significantly, in part due to the perceived negative impact that thermal power generation and mining operations have on the environment. Public protest, if any over the Issuer's power or mining operations could result in a number of adverse consequences, including but not limited to delays in project development and/or execution,

damage to the Issuer's reputation and goodwill with the government or the public in the countries in which it operates or has interests, disruption of operations and damage its facilities, interruptions in the supply of fuel to its thermal generation plants, and affect its ability to obtain necessary licences to expand existing facilities or establish new operations. The occurrence of such events could have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects.

**If the Issuer does not operate its facilities efficiently, or otherwise breaches its contractual obligations, the Issuer may face penalties under the terms of the PPAs into which it has entered or may enter in the future.**

PPAs, including the PPA for the Mundra UMPP ("Mundra PPA"), generally set out certain penalties payable by the relevant companies in the event performance does not meet certain pre-agreed levels. In the case of the Mundra PPA, this includes the potential payment of liquidated damages in connection with unavailability of contracted power or non-satisfaction of certain other conditions. The Issuer's customers may not reimburse them for any increased costs arising as a result of failure to operate within the agreed norms. This could, in turn, have an adverse effect on the Issuer's revenues, financial condition and results of operations.

**Failures to supply power to the Issuer's customers may have a significant adverse effect on the Issuer's business, revenues, results of operations and prospects.**

Unplanned outages of any of the Issuer's generating stations, failures in transmission systems, failure in inter-regional transmission as a result of inadequate inter-regional transmission capacity and consequent network congestion, or failures in distribution systems could prevent it from supplying power to its customers. The occurrence of these or other similar events could have a material adverse effect on the Issuer's business, financial condition, revenues and results of operations.

**Some of our customers may have weak credit history**

We are exposed to the risks associated with entering into arrangements with other public and private buyers of our power with weak credit histories, including industry consumers. Any change in the financial position of our customers that adversely affects their ability to pay us may adversely affect our own financial position and results of operations

**The performance of the Issuer's green projects is dependent on wind speed, solar insulation and regular inflow of water sources which may be beyond the Issuer's control. Accordingly, any disruption in the availability of these sources may adversely impact its results of operations and financial position**

For the Issuer's green projects, the plant load factor ("PLF") depends on wind speed, solar insulation, and a regular inflow of water from rains, glacier melt or groundwater, as applicable. The supply of such resources cannot be assured and the reduction in their availability may affect the generation capacity of those units. This in turn may adversely affect the results of the Issuer's operations and financial condition.

**The Issuer may have limited access to funding for the development and execution of its power projects, which may limit the expansion of its business.**

The acquisition, construction and expansion of power plants, in addition to the on-going improvements required to maintain or upgrade existing assets, are capital intensive. Such costs are usually funded from a mixture of operating cash flow and third party financing. The Issuer intends to finance upto 70% to 80% of the cost of each of the prospective projects with third party debt. Given the growth plans, the Issuer may incur substantial borrowings in the future. The availability of such borrowings and access to the capital markets for financing would depend on various factors including but not limited to prevailing market conditions, any regulatory approvals required, and the financing terms offered. There can be no assurance that future financings in the form of debt or equity will be available, whether on acceptable terms, in sufficient amounts or at all. The lack of adequate funding at competitive terms or at all could delay the development and execution of the Issuer's projects which in turn may adversely affect its business, financial condition and results of its operations.

**Financing at non-competitive rates, higher cost of borrowing and financing structure could adversely affect the Issuer's financial performance, condition, results of operations and prospects.**

The Issuer's growing business needs require it to raise funds through commercial borrowings. The Issuer's ability to raise funds at competitive rates depends on its credit rating, the regulatory environment in India, global and economic conditions in India and general liquidity conditions. Changes in economic and financial conditions

could make it difficult to access funds at competitive rates. The Issuer may also face certain restrictions when raising money from international markets, which may further constrain the Issuer's ability to raise funds at competitive rates.

**Any downgrade of the Issuer's credit ratings could adversely affect its business and results of operations.**

As on date of this Information Memorandum, the domestic long term rating of the Issuer from CRISIL is 'CRISIL AA-' with stable outlook, from CARE is 'CARE AA' with stable outlook, from India Ratings is 'IND AA' with stable outlook and from ICRA is 'ICRA AA-' with stable outlook. The pressure on ratings is primarily due to concerns relating to the Mundra UMPP's long term impact on the Issuer's financial profile due to Supreme Court unfavourable order on compensatory tariff in Mundra UMPP. There can be no assurance that credit rating agencies will not downgrade the Issuer's credit ratings in the future. Any downgrade of the Issuer's credit rating by rating agencies, may have an adverse impact on the Issuer's ability to raise additional financing and the interest rates and commercial terms on which such financing is available and could have a material adverse effect on the Issuer's results of operations, financial condition and growth prospects.

**The structure and specific provisions of the Issuer's financing arrangements could give rise to certain additional risks.**

Certain Tata Power Group companies may be unable to service interest payments and principal repayments or comply with other requirements of any loans, rendering borrowings immediately repayable in whole or in part, together with any attendant cost. Certain Tata Power Group companies may also be forced to sell some of their assets to meet such obligations, with the risk that borrowings will not be able to be refinanced or that the terms of such refinancing may be less favourable than the terms of the existing borrowing. In addition, these borrowings are generally secured against some or all of the relevant Tata Power Group company's assets and in particular the assets related to the relevant project. Any event of default would result in the lenders enforcing their security and taking possession of the underlying properties. Any cross-default provisions could magnify the effect of an individual default and if such a provision were exercised, this could result in a substantial loss to the Issuer. A number of factors (including changes in interest rates, conditions in the banking market and general economic conditions which are beyond the Issuer's control) may make it difficult for these Tata Power Group companies to obtain refinancing on attractive terms or at all. There will be an adverse impact on the Issuer's results of operations if borrowings become more expensive relative to the income received from investments. If these Tata Power Group companies are unable to obtain new finance for any reason, the relevant company may suffer a substantial loss as a result of having to dispose off those of their investments.

The Issuer may also guarantee the payment and performance of the obligations of certain of its Tata Power Group companies under various contracts and loan agreements. Any default by such Tata Power Group companies would require the Issuer to fulfil its payment obligations under such guarantees, which could have an adverse effect on the Issuer's cash flows and results of operations.

**The Issuer may not be able to service all of its existing or proposed debt obligations, which could adversely affect its business and results of operations.**

The Issuer's ability to meet its existing and future debt service obligations and to repay outstanding borrowings under its funding arrangements will depend primarily upon the on-going cash flow generated by its business. Certain of its borrowings are subject to floating interest rates, which may increase. However, revenues under the PPAs may not increase correspondingly. In addition, the duration of the Issuer's PPAs may not match the duration of the related financial arrangements and thereby expose the Issuer to refinancing risk. The Issuer may not generate sufficient cash to enable it to service existing or proposed borrowings, comply with covenants or fund other liquidity needs.

Further, the Issuer (or any of the members of the Tata Power Group) will face additional risks if it fails to meet the debt service obligations or financial covenants required under the terms of its financing documents. In such a scenario, the relevant lenders could declare it in default under the terms of its borrowings, accelerate the maturity of its obligations, exercise rights of substitution over the financed project or replace directors on its board. There can be no assurance that in the event of any such acceleration, the Issuer or the relevant Tata Power Group company will have sufficient resources to repay these borrowings. Failure to meet obligations under debt financing arrangements could have a material adverse effect on the Issuer's cash flows, business, financial condition and results of operations.

CGPL, which operates the Mundra UMPP, has been adversely affected by several factors including (i) recent changes in Indonesian coal price regulations, which have resulted in an increase in price of Mundra UMPP's coal off-take arrangements with the Coal Companies; (ii) the unprecedented increases in global coal prices as compared to 2006 when the Issuer initially bid for the Mundra UMPP; and (iii) fluctuations in the U.S. dollar and Rupee exchange rates, which have experienced significant volatilities in the past twelve months. Consequently, certain financial covenants, including without limitation the maximum debt to equity ratio and the minimum debt service coverage ratio, in the bank financing documents in respect of the loans borrowed for the construction of the Mundra UMPP have not been met as at March 31, 2017. Although no notice has been served by the lenders declaring the loans taken in connection with the Mundra UMPP as immediately due and payable, any acceleration of the loans could have a material adverse effect on the Issuer's cash flows, business and results of operations. CGPL and the Issuer have approached the lenders to seek waivers from the compliance with the financial covenants to the extent that such breach is due to the changes in foreign exchanges rates, impairment loss, derivative loss and increases in coal prices. However, the outcome of CGPL's discussions with the lenders is uncertain and in the absence of the waivers, drawing under the existing borrowing facilities may not be available to CGPL which in turn may require the Issuer to substitute the loans from alternate sources which may not be at competitive terms. Any failure to obtain the necessary waivers or obtaining waivers with conditions imposed by the lenders or change in assumptions of CGPL relating to future fuel prices, future revenues, operating parameters and the assets' useful life among various factors leading to further impairment of assets could have a material adverse effect on the Issuer's cash flows, business, financial condition and results of operations.

**The Issuer is involved in a number of legal proceedings that may be determined against the Issuer.**

The Issuer is party to various legal proceedings and claims relating to its business and operations. These legal proceedings are pending at different levels of adjudication before various courts, tribunals and forums. These legal proceedings include civil suits, proceedings relating to taxation and other statutory levies initiated against the Issuer, criminal proceedings and other legal and regulatory proceedings pertaining to its operations and business. No assurance can be given that these legal proceedings will be decided in the Issuer's favour. Any adverse decision may have a significant adverse effect on the Issuer's, business and results of operations. There is also no assurance that similar proceedings will not be initiated against the Issuer in future. Further, should any new developments arise, such as a change in Indian law or rulings against the Issuer by appellate courts or tribunals, the Issuer may need to make provisions in its financial statements, which could increase its expenses and its liabilities.

**The Issuer has equity investments and capital commitments, the terms of which may restrict its ability to liquidate such investments and therefore may adversely affect its business and operations.**

The Issuer has made and will continue to make capital investments, loans, advances and other commitments to support certain of its subsidiaries, joint venture companies and associates. In the past, these investments and commitments have included capital contributions, loans and corporate guarantees to enhance the financial condition or liquidity of such subsidiaries, joint venture companies and associates. Certain of the Issuer's non-core investments are in sectors which can be volatile, such as the telecommunications sector in which it has invested through Panatone Finvest Limited, Tata Teleservices Limited and TTML. Some of the agreements, pursuant to which such investments were made, may contain certain terms, which may restrict the Issuer's ability to liquidate such investments.

If the business and operations of the Issuer's subsidiaries, joint venture companies and associates deteriorate, the Issuer may suffer losses and / or be required to write-off or write-down the value of its investments. The Issuer may make capital expenditures in the future, which may be financed through additional debt. In addition, certain loans or advances may not be repaid or may need to be restructured, or the Issuer may be required to outlay capital under its commitment to support these companies. This may have a material adverse effect on the Issuer's business, financial condition and revenues.

**The Issuer currently enjoys certain significant tax incentives, which may not be available in the future. This could have an adverse effect on the Issuer's financial performance, results of operations and prospects.**

The Issuer currently enjoys the benefit of various tax incentives provided by both the Government and the state governments, in the form of tax holidays, exemptions and subsidies, in order to encourage investment in the power sector. These incentives have a substantial positive impact on the Issuer's returns from these projects. The most significant of these incentives is the benefit under Section 80-IA of the Indian Income Tax Act, 1961, which provides for a tax holiday of ten years out of the first fifteen years from commissioning of the infrastructure

project. The Issuer's financial performance, results of operations and prospects could be adversely affected if these benefits are amended or withdrawn or become unavailable (following the expiry of the time period for which the benefit is available) if its claim for deductions under Section 80-IA are disputed or disallowed by the taxation authority.

**The Issuer's projects are subject to risks associated with the engagement of third party contractors.**

The construction work at certain of the Issuer's projects is being, and will be, performed by third party contractors. Neither the Issuer nor its subsidiaries or joint venture companies have direct control over the day-to-day activities of such contractors and are reliant on such contractors performing these services in accordance with the relevant contracts. If the Issuer or the relevant subsidiary or joint venture company fails to enter into such contracts or if the contractors fail to perform their obligations in a manner consistent with their contracts, the Issuer's projects may not be completed as or when envisaged, if at all, thus leading to unexpected costs.

The Issuer may not recover all or any losses they incur because of legal action in respect of breach by third party contractors of their respective obligations. If a contractor engaged to work on a project becomes insolvent, it may prove impossible to recover compensation for such defective work or materials and the Issuer may incur losses because of funding the repair of the defective work or paying damages to persons who have suffered any loss as a result of such defective work.

**The Issuer's shareholding in its subsidiaries and joint venture companies may be diluted resulting in an adverse impact on its business and financial position.**

A substantial part of the Issuer's business is undertaken through its subsidiaries and joint venture companies. The Issuer regularly provides equity and debt financing to its subsidiaries and joint venture companies. A certain portion of the third party debt financing taken by the Issuer's subsidiaries and joint venture companies requires the Issuer to pledge the shares held by it in its relevant subsidiary or joint venture company in favour of the concerned lender. Any default in such loans by such subsidiary or joint venture company can result in the concerned lender exercising the rights in respect of such pledge and acquiring the shares held by the Issuer in the relevant subsidiary or joint venture company. In such circumstances, the Issuer's ownership in such relevant subsidiary or joint venture company may be diluted. Such an event may have an adverse impact on the Issuer's business and financial position.

**TPDDL is currently the subject of an audit by the Comptroller and Auditor General of India. An adverse outcome of this audit could result in proceedings being initiated against TPDDL, in which event the Issuer's business, reputation, prospects, financial condition and results of operations could be adversely affected.**

The batch of matters comprising civil appeals filed by the CAG, GNCTD, URJA and TPDDL against the Delhi High Court judgment quashing the audit exercise and the draft audit report prepared by CAG was listed in Hon'ble Supreme Court for order(s) on the preliminary issue.

As per the Hon'ble court order pronounced on 3rd July 2017, it has been observed that the present batch of matters shall be heard by the Court on merits. The court has observed that the present matters need not be transferred to the Constitution Bench or await the outcome of the other batch matters to be decided by constitution bench.

As per the Delhi high court judgment, the CAG audit exercise and draft audit report was quashed which has not been stayed by Supreme Court as sought by CAG and others. Now we are not subject of an audit, though audit is over but stay continues.

**Revenue in respect of the unit 4 at the Issuer's Jojobera plant is recognised on the basis of a draft PPA, which is yet to be finalised.**

The Jojobera plant has an aggregate capacity of approximately 428 MW consisting of 4 units. Of the 4 units, with respect to unit 4 of 120 MW, the Issuer recognises revenue on the basis of a draft PPA prepared jointly by the Issuer and Tata Steel. The Issuer continues to recover revenues on basis of the draft PPA, which has been mutually agreed with Tata Steel until execution of the PPA. However, the Issuer has not faced any problem till date with regards to the revenue recovery in terms of such draft PPA. While the Issuer shall endeavour to execute a PPA with Tata Steel, with respect to this unit, there can be no assurance that the Issuer would be able to do so and to that end the existing arrangement may continue in the future.

**Disagreements with the Issuer's joint venture partners or unfavourable terms in the agreements governing those joint ventures could adversely affect the Issuer's operations.**

The Issuer currently participates in a number of joint venture arrangements. The success of these joint ventures depends significantly on the satisfactory performance by the joint venture partners and the fulfilment of their obligations. If a joint venture partner fails to perform its obligations satisfactorily, the joint venture may be unable to perform adequately or deliver its contracted services. The Issuer's level of participation in each joint venture varies and it does not have a controlling interest in some operations. In certain instances, the Issuer's ability to withdraw funds (including dividends) from its participation in and its ability to exercise management control over, joint ventures and investments therein depends on receiving the consent of its joint venture partners. The Issuer's operations and revenues may be adversely affected to a material extent if disagreements develop with its joint venture partners and are not resolved in a timely manner.

**The Issuer's corporate reputation could be adversely affected if it fails to meet high safety, quality, social, environmental and ethical standards.**

The Issuer believes it has a good corporate reputation and its businesses generally have a high profile in India and internationally. Should any part of the Issuer's operations fail to meet high safety, quality, social, environmental and ethical standards, its corporate reputation could be damaged. This could lead to the rejection of the Issuer as a preferred service provider by customers, devaluation of the Tata brand and diversion of management time into rebuilding and restoring its reputation which could have a material adverse effect on the Issuer's business, financial condition, results of operations and prospects.

**The Issuer has entered into an agreement for the use of the “Tata” brand. Termination of this agreement could result in a loss of brand value.**

The Issuer has entered into a Tata Brand Equity and Business Promotion Agreement dated December 18, 1998, for the use of the brand “Tata” from Tata Sons. Pursuant to the terms of this Agreement, Tata Sons may terminate the aforementioned agreement either (i) in case of breach of any of the terms by the Issuer or any other specific reason set out in the agreement; or (ii) with six months written notice for reasons to be recorded. Further, only Tata Sons has the right to register any trademark with the “Tata” brand or bearing the name “Tata”. The Issuer cannot guarantee that the aforementioned agreement will not be terminated in the future and this may result in the Issuer having to change its name. Any value to the Issuer in being associated with the “Tata” brand may consequently be lost. Loss of this brand value could cause diversion of management time into rebuilding and restoring its reputation which could have a material adverse effect on the Issuer's business, financial condition, results of operations and prospects.

**Tata Sons, as principal shareholder and Promoter of the Issuer, may take actions which may conflict with the interests of other shareholders of the Issuer.**

The principal shareholder and the promoter of the Issuer is Tata Sons which, as at March 31, 2017, beneficially owned approximately 31.05% of the equity shares. Moreover, Tata Sons, along with other companies comprising part of the Promoter Group and related trusts, together controlled approximately 33.02% of the equity shares as at March 31, 2017.

Tata Sons, as a significant shareholder, will continue to have the ability to exert influence over the actions of the Issuer. Tata Sons may also engage in activities that conflict with the interest of the Issuer's shareholders and in such event the Issuer's shareholders could be disadvantaged by these actions. Tata Sons could cause the Issuer to pursue strategic objectives that conflict with the interests of the Issuer's shareholders. Conflict of interest may arise between the Issuer, its affiliates and the Issuer's principal shareholder or its affiliates, possibly resulting in the conclusion of transactions of terms not determined by market forces. Any such conflict of interest could adversely affect the Issuer's results of operations and financial covenants.

**Failure to obtain and retain approvals and licences, or changes in applicable regulations or their implementation, may adversely affect the Issuer's operations.**

The Issuer's operations are subject to extensive government regulation. The Issuer requires certain approvals, licences, registrations and permissions for operating its businesses, some of which may have expired and for which the Issuer has either made, or is in the process of making, an application for obtaining the approval or its renewal. If the Issuer fails to obtain or retain any of these approvals or licences, or renewals thereof, in a timely manner,

the Issuer's business may be adversely affected. Furthermore, although the Issuer currently obtains and maintains all required regulatory licences, there can be no guarantee that any such licence will not be withdrawn in the future, or that any applicable regulation or method of implementation will not change. This could have a material adverse effect on the Issuer's business, revenues and results of operations.

**The Issuer has some limited presence in Myanmar which is currently subject to U.S. sanctions.**

The Issuer entered into a memorandum of understanding with the Government of Myanmar in October 2013 to develop a coal-based power plant in Myanmar. The Issuer is currently undertaking feasibility studies with respect to the proposed power plant. Myanmar is currently the subject of certain trade restrictions and sanctions administered by the U.S. Department of Treasury's Office of Foreign Asset Control ("OFAC"). The Issuer may be subject to negative media or investor attention and/or U.S. sanctions as a result of the Issuer's limited operations in Myanmar, which may have a material adverse effect on its business, financial condition and results of operations.

**The Issuer's long-term success is dependent upon its ability to attract and retain key personnel and in sufficient numbers. Inability of the Issuer to employ substantial number of qualified personnel for operating its business and project operations may have a material adverse effect on the business of the Issuer.**

The Issuer depends on its senior executives and other key management members to implement its projects and business strategies. The success of the Issuer's business will depend on its ability to identify, attract, hire, train, retain and motivate skilled personnel. Any failure to hire and retain sufficient numbers of qualified professional personnel for functions such as finance, marketing and sales, engineering, research and development and operations and management services, could adversely affect the Tata Power Group's business, operating results, financial condition and cash flows. If any of these individuals resigns or discontinues his or her service, it is possible that an adequate replacement may not be found easily or at all. If this were to happen, there could be a material adverse effect on its ability to successfully implement its projects and business strategies.

Competition for management and industry experts in the power sector is intense. The Issuer's future performance depends on its ability to identify, hire and retain technical, support, sales and other qualified personnel. Failure to attract and retain such personnel could have a material adverse impact on its ability to implement planned projects and on its business in general.

**The Issuer may not have sufficient insurance coverage to cover all possible economic losses.**

The Issuer relies upon insurance coverage to insure against damage and loss to its projects that may occur during construction and operation. The Issuer purchases such additional insurance coverage as it believes to be commercially appropriate as new projects enter the construction and operation phases. Nevertheless, the insurance the Issuer obtains may not be sufficient to protect it from all losses. There can be no assurance that any such insurance obtained by the Issuer (including the insurance for its projects) will be comprehensive and sufficient in all circumstances or that such insurance will be available to the Issuer in the future on commercially reasonable terms.

Should an uninsured loss or a loss in excess of insured limits occur, the Issuer could lose the capital invested in and the anticipated revenue from the affected property. The Issuer could also remain liable for any debt or other financial obligation related to that property. Further, it is to be noted that some operating risks such as increase in anticipated operating costs of the projects, technical performance failure, force majeure events are, among others, typically not covered in terms of the insurance policies. Losses suffered due to inadequate coverage may have a material adverse impact on the Issuer's business, results of operations and financial condition.

**Operations could be adversely affected by strikes, work stoppages or increased wage demands by employees or any other kind of disputes with employees.**

The Issuer continues to maintain a cordial relationship with the members of its workforce. However, there can be no assurance that the Issuer will not experience disruptions to its operations due to disputes or other problems with its work force, if they arise in the future, which may adversely affect its business. Furthermore, a large number of the Issuer's employees are members of labour unions. Although these unions are not affiliated to national labour organisations, any actions by these labour unions may divert management's attention and result in increased costs to the Issuer. The Issuer may be unable to negotiate acceptable collective bargaining agreements

with those who have chosen to be represented by unions, which could lead to union-initiated work stoppages, including strikes.

The Issuer enters into contracts with independent contractors to complete specified assignments and these contractors are required to source the labour necessary to complete such assignments. Although the Issuer does not engage these labourers directly, it is possible under Indian law that the Issuer may be held responsible for wage payments to labourers engaged by contractors should the contractors default on wage payments. Any requirement to fund such payments may adversely affect the Issuer's business, financial condition and results of operations. Furthermore, pursuant to the provisions of the Contract Labour (Regulation and Abolition) Act, 1970, the Issuer may be required to absorb a portion of such contract labourers as its employees.

Furthermore, labour activism could adversely affect the Issuer's Indonesian investments and key fuel sourcing arrangements from Indonesia which could, in turn, adversely impact the Issuer's business, financial condition, results of operations and prospects. Laws permitting the formation of labour unions combined with weak economic conditions, have resulted, and may in the future result, in labour unrest and activism in Indonesia. Any significant labour dispute or labour action in Indonesia could have a material adverse effect on the Issuer's business, financial condition, results of operations and prospects.

**General conditions in the power sector, including historically weak payment records could adversely affect the Issuer's revenues and results of operations.**

The Indian power sector is vulnerable to the Government's political will to allow reforms and privatisation of the sector. The historically weak financial position of the power sector, especially that of the Discoms, has an impact on the industry as a whole. The Discoms are significant customers for the Mundra UMPP and the Maithon plant. The state-owned power distribution companies have had a weak credit history and there can be no assurance that these entities will pay their obligations in a timely manner or at all. Power projects in which the Issuer has invested or in which it plans to invest may sell power to either Discoms or the state power companies formed as a result of the privatisation of the Discoms. However, as a result of the state companies' generally weak payment record, project companies established to develop and operate the power projects would normally seek (and would normally require for the purpose of obtaining bank finance) additional payment assurance in the form of bank letters of credit and escrow arrangements. Nevertheless, there can be no assurance that the vulnerable condition of the sector, including the trend of substantial payment defaults by customers, will not adversely affect the Issuer's revenues and results of operations.

Furthermore, in order to promote renewable generation, the various SERCs usually declare preferential tariffs for renewable power and renewable purchase obligations for Discoms and distribution licensees. The recovery of such tariff from Discoms and distribution licensees may be very difficult. In addition, on completion of the period for which preferential tariffs are awarded, returns on the Issuer's renewable generation capacity may be lower, which could have a material adverse effect on its financial condition and results of operations.

**The provisions of the Electricity Act, 2003 and tariff regulations have increased the Issuer's competition in the power sector.**

The Electricity Act, 2003 has resulted in changes in the power sector in India, including de-licensing of generation, greater competition in supply, open access to distribution and transmission systems and the reorganisation and privatisation of certain of the SEBs. However, while the Issuer has greater flexibility to sell power, the provisions of the Electricity Act, 2003 increased the scope for competition in the Issuer's supply and distribution businesses, and may continue to do so, which could adversely affect its revenues, results of operations and prospects.

**Activities in the power generation business can be dangerous and can cause injury to people or property in certain circumstances. This could subject the Issuer to significant disruptions in its business and to legal and regulatory action, which could adversely affect the Issuer's financial condition and results of operations.**

The power generation business requires the Issuer to work under potentially dangerous circumstances and with highly flammable and explosive materials. Despite compliance with requisite safety requirements and standards, the Issuer's operations are subject to hazards associated with handling of such dangerous materials. If improperly handled or subjected to unsuitable conditions, these materials could hurt the Issuer's employees, contract labourers or other persons, cause damage to the Issuer's properties and properties of others and harm the environment. Due to the nature of these materials, the Issuer may be liable for certain costs related to hazardous materials, including

cost for health related claims, or removal or treatment of such substances, including claims and litigation from its current or former employees for injuries arising from occupational exposure to materials or other hazards at its power plants. This could subject the Issuer to significant disruption in its business and to legal and regulatory actions, which could adversely affect its business, financial condition and results of operations.

**Changes in technology may affect the Issuer's business by making its equipment or power projects less competitive or obsolete. Inability of the Issuer to keep pace with the rapidly evolving technology in the design and manufacture of raw materials and/or components thereof may have an adverse effect on the business and cash flows of the Issuer.**

The Issuer's future success will depend, in part, on its ability to respond to technological advances and emerging power generation industry standards and practices on a cost-effective and timely basis. Changes in technology and high fuel costs of thermal power projects may make newer generation power projects or equipment more competitive than more traditional power projects or may require the Issuer to make additional capital expenditures to upgrade its facilities. In addition, there are other technologies that can produce electricity. The primary alternative technologies are fuel cells, micro turbines, windmills and solar photovoltaic cells. The global market for renewable energy components involves rapidly evolving technology. The Issuer's component manufacturing equipment and technology may not be suited for future generations of products being developed by other companies. To maintain a successful business in its relevant business operating sectors, the Issuer needs to quickly and consistently design and develop new and improved components and machinery that keep pace with technological developments and changing customer standards and meet the growing demands of its customers for improved performance. The Issuer is vulnerable to technological failures and failures of its information/software systems, which could affect its business. The Issuer's ability to design, develop, manufacture and market financially viable and cost-efficient alternatives to its consumers on an ongoing basis is particularly important. If the Issuer is unable to adapt in a timely manner to changing market conditions, customer requirements or technological changes, the Issuer's business and financial performance could be adversely affected.

**There may be other changes to the regulatory framework that could adversely affect the Issuer.**

The statutory and regulatory framework for the Indian power sector has changed significantly in recent years and the full impact of these changes is unclear. The Electricity Act, 2003 has put in place a framework for reforms in the sector, but in many areas the details and timing of reforms are yet to be determined. It is expected that many of these reforms will take time to be implemented. Furthermore, there could be additional changes in tariff policy, requirements for unbundling of the SEBs, restructuring of companies in the power sector, open access and parallel distribution and licensing requirements for, and tax incentives applicable to, companies in the power sector. Such additional changes could adversely affect the Issuer's business prospects, financial condition and results of operations.

**Fluctuations in interest rates in the Issuer's foreign borrowings and exchange rate fluctuations could result in foreign exchange losses**

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. A depreciation of the value of the Rupee will affect the cost of the Issuer's purchases denominated in currencies other than the Rupee. In addition imported coal accounts for a significant portion of the total coal purchased by the Issuer for its directly owned power stations. The recent depreciation of the Rupee has increased the costs of coal imports by the Issuer. Any significant fluctuation in exchange rates to the Issuer's disadvantage may increase the cost of its debt and derivative contracts and generally have a material adverse effect on its results of operations.

The Issuer has significant borrowings in foreign currency. Interest on many of these loans floats with reference to the LIBOR. The Issuer continually monitors its exposure to exchange rate fluctuations and periodically engages in currency and interest rate hedging in order to decrease its foreign exchange exposure when it is deemed to be appropriate. However, there can be no assurance that such hedging arrangements will fully protect the Issuer against exchange rate fluctuations. A weakening of the Rupee against the U.S. dollar, Yen and other major foreign currencies may have a material adverse effect on the Issuer's cost of borrowing in Rupee terms, and consequently may increase the cost of financing of its expenditure in Rupee terms. This could have a material adverse effect on its results of operations and financial condition.

**The Issuer's overseas investments and business activities may be subject to unforeseen risks.**

In recent years, the Issuer has expanded its business activities overseas and has operations and investments in a number of jurisdictions, including Indonesia, South Africa, Zambia, Georgia and Bhutan. The Issuer also plans to undertake investments and operations in countries such as Vietnam and Myanmar. These international operations are subject to special risks that can materially affect its results of operations. These risks include, but are not limited to, the following:

- unsettled political conditions, war, civil unrest and hostilities in foreign countries;
- underdeveloped legal systems;
- economic instability in foreign markets;
- the impact of inflation;
- fluctuations and changes in currency exchange rates; and
- governmental action such as expropriation of assets, general legislative and regulatory environment, exchange controls, changes in global trade policies such as trade restrictions and embargoes imposed by the United States of America and other countries.

To date, instability in the overseas political and economic environment has not had a material adverse effect on the Issuer's condition or results of operations. However, the Issuer cannot predict the effect that current conditions affecting various foreign economies or future changes in economic or political conditions abroad could have on the Issuer's business activities. Any of the foregoing factors could have a material adverse effect on the Issuer's international operations and, therefore, its business, financial condition and results of operations.

**Increasingly stringent environmental regulations may adversely affect the Issuer's business, results of operations and prospects.**

The Issuer's power plants are subject to environmental regulations promulgated by the Ministry of Environment and the State Pollution Control Boards. In the event that an environmental hazard were to be found at the site of one of the Issuer's power stations, or if the operation of the power stations were to result in material contamination of the environment, the Issuer could be subject to substantial liabilities to the Government, the state governments and to third parties. Such liabilities may be expensive to remedy. There can be no assurance that compliance with such environmental laws and regulations will not result in a curtailment of production or a material increase in costs, or otherwise have a material adverse effect on the Issuer's business, financial condition, results of operations or prospects.

Despite using low ash, low sulphur coal imported from Indonesia where possible, the Issuer generates a considerable amount of ash in its operations. There are limited options for utilising ash and therefore the demand for ash is currently low. The Issuer's current methods to utilise or dispose of ash may be insufficient to dispose of the ash that it expects to generate. Government mandates that 100% of the fly ash produced through the Issuer's generation activities must be gainfully utilised by 2014. Compliance with this requirement, as well as any future norms with respect to ash utilisation, may add to the Issuer's capital expenditure.

It is also possible that increasingly strict environmental regulations in relation to power plants in India may be imposed in the future, compliance with which could require significant capital expenditure. This could adversely affect the Issuer's revenues, results of operations and prospects. Further, the scope and extent of new environmental regulations, including their effect on the Issuer's operations, cannot be predicted with any certainty.

**Our indebtedness and the conditions and restrictions imposed by our financing arrangements could adversely affect our ability to conduct our business and operations.**

As on March 31, 2017, the Issuer has a total borrowing of Rs 16,503.65 Crores outstanding. The lending documents impose a number of restrictive covenants including on distribution of dividends, prepaying any indebtedness prior to its maturity date, maintaining debt equity ratio etc. Our future borrowings may contain further restrictive covenants that could limit our ability to undertake certain types of transactions and could adversely affect our ability to raise additional liquidity.

**Contingent Liabilities**

As of March 31, 2017, we had contingent liabilities that have not been provided for, in the following amounts: Rs 8778.27 crores

If a significant portion of these liabilities materializes, it could have a material adverse effect on our business, financial condition and results of operations.

## **EXTERNAL RISK FACTORS**

### **Political, economic and social developments in India could adversely affect our business**

The Government and state governments have significant influence on the power industry and us. Even though economic liberalization policies have encouraged private investment in the power sector, any change in Government or its favorable policies could have a significant impact on the business and economic conditions in India in general and the power sector in particular, which in turn could adversely affect our business, future financial condition and results of operations.

Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect our business and operation.

### **A slowdown in economic growth in India or an increase or decrease in oil or coal prices could have an adverse effect on the Tata Power Group's business.**

The Tata Power Group's performance and the growth of the Indian power industry are necessarily dependent on the health of the overall Indian economy. The Indian economy has shown sustained growth over the recent years with GDP adjusted for inflation, growing at approximately 7.5% in the Financial Year 2014-15, 8.0% in the Financial Year 2015-16 and 7.1% in the Financial Year 2016-17. However, the growth in industrial production in India has been variable. Any slowdown in the Indian economy could adversely affect the Tata Power Group's business. In addition, increases in the prices of oil, coal and petroleum products could result in an increase in costs for Issuer and movements in interest rates, or various other factors affecting the growth of industrial, manufacturing and services sector or a general down trend in the economy could adversely affect its business. Also, the Issuer has made investments in coal companies to mitigate the fuel risk of its operations. A substantial reduction in coal prices may result in impairment of investments in coal companies which will have attendant implications on cash flows from these companies to the Issuer.

### **Any downgrade of India's sovereign debt rating by an international rating agency could have a negative impact on the Issuer's results of operations and financial condition.**

Any downgrade of India's credit rating for domestic and international debt by international rating agencies may adversely impact the Issuer's ability to raise additional financing and the interest rates and commercial terms on which such additional financing is available. This could have an adverse effect on the Issuer's ability to obtain financing to fund its growth on favourable terms or at all and, as a result, could have a material adverse effect on its results of operations, financial condition and prospects.

### **Any legal and regulatory changes in the future could have a negative impact on the Issuer's results of operations and financial condition.**

Future government policies and changes in laws and regulations in India and comments, statements or policy changes by any regulator, including but not limited to the SEBI or the RBI, as well as any future government policies and changes in laws and regulations in Indonesia or other countries where the Tata Power Group has a significant presence may adversely affect the Issuer's financial results and operation, and restrict the Issuer's ability to do business in its target markets. The timing and content of any new law or regulation is not within the Issuer's control and such new law, regulation, comment, statement or policy change could have an adverse effect on its business, results of operations and financial condition.

Further, the SEBI, the BSE, other recognised stock exchanges where the Issuer may decide to get the Debentures listed after giving prior intimation to the Debenture Trustee or other regulatory authorities may require clarifications on this Information Memorandum, which may cause a delay in the issuance of Debentures or may result in the Debentures being materially affected or even rejected.

**The effects of the planned convergence with IFRS and adoption of ‘Indian Accounting standards converged with IFRS’ (“IND-AS”) are uncertain and any failure to successfully adopt IND-AS could adversely affect the Issuer’s business.**

The Issuer may be required to prepare annual and interim financial statements under IFRS in accordance with the roadmap for the adoption of, and convergence with, IFRS announced by the Ministry of Corporate Affairs, Government of India (the “MCA”). The MCA has recently notified the Companies (Indian Accounting Standards), Rules 2015 with effect from April 01, 2015.

The Issuer is working out the impact that such adoption on its financial reporting. Therefore, there can be no assurance that the Issuer’s adoption of IND-AS will not adversely affect the reported results of operations or financial condition as compared to that under Indian GAAP. In the Issuer’s transition to IND-AS reporting, the Issuer may encounter difficulties in the on-going process of implementing and enhancing its management information systems condition and any failure to successfully adopt IND-AS could adversely affect its business and the trading price of the Debentures.

**The proposed new taxation system could adversely affect the Issuer’s business and the trading price of the Debentures.**

The Government has proposed two major reforms in Indian tax laws, namely the goods and services tax and provisions relating to GAAR.

The goods and services tax would replace the indirect taxes on goods and services such as central excise duty, service tax, customs duty, central sales tax, state VAT, surcharge and excise currently being collected by the central and state governments.

As regards GAAR, the provisions will come into effect from April 1, 2017. The GAAR provisions intend to catch arrangements declared as “impermissible avoidance arrangements”, which is any arrangement, the main purpose or one of the main purposes of which is to obtain a tax benefit and which satisfy at least one of the following tests (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm’s length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes. If GAAR provisions are invoked, then the tax authorities have wide powers, including denial of tax benefit or a benefit under a tax treaty.

As the taxation system is intended to undergo significant overhaul, its consequent effects on the banking system cannot be determined as of the date of this Information Memorandum and there can be no assurance that such effects would not adversely affect the Issuer’s business, future financial performance and the trading price of the Debentures.

#### **RISKS RELATING TO THE ISSUE**

**The Issuer’s management will have significant flexibility in applying proceeds received from the Debentures. The fund requirement and deployment have not been appraised by any bank or financial institution.**

The Issuer intends to use the proceeds of the Debentures for general corporate purposes including without limitation capital expenditure and/or augmentation of working capital and/or refinance of existing debt and/or investment/on-lending to subsidiaries. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, the management will have significant flexibility in applying the proceeds received by the Issuer the Debentures. Further, in terms of the provisions of the SEBI Debt Listing Regulations, the Issuer is not required to appoint a monitoring agency and therefore no monitoring agency will be appointed for the Debentures.

**The Debentures may not be a suitable investment for all purchasers.**

Investment in Debentures involves a significant degree of risk and is intended for sale only to those investors capable of understanding the risks involved in such instruments. Potential Investors should ensure that they understand the nature of the Debentures and the extent of their exposure to risk, that they have sufficient knowledge, experience and access to professional advisers to make their own legal, tax, accounting and financial

evaluation of the merits and risks of investment in the Debentures and that they consider the suitability of the Debentures as an investment in the light of their own circumstances and financial condition.

#### **Modification, waivers and substitution**

The conditions of the Debentures shall contain provisions for calling meetings of Debenture holders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Debenture holders including Debenture holders who did not attend and vote at the relevant meeting and Debenture holders who voted in a manner contrary to the majority.

#### **The Issuer may not be able to maintain adequate DRR for the Debentures**

Section 71 of the New Companies Act stipulates that where a company issues bonds, it must create a DRR for the redemption of such bonds, to which adequate amounts shall be credited, from out of its profits until such bonds are redeemed. Further, in accordance with Rule 18(7)(b)(iii) of the Companies (Share Capital and Debentures) Rules, 2014, for manufacturing and infrastructure companies, the adequacy of DRR is defined at 25 % of the value of debentures issued through private placement route.

In case the Issuer is unable to generate any profit, it may not be able to provide for the DRR even to the extent of the stipulated 25 %.

#### **Any downgrading in credit rating of the Debentures may affect the value of the Debentures**

The Debentures proposed to be issued pursuant to this Information Memorandum have been rated “CARE AA” with stable outlook by CARE Ratings and “IND AA” with stable outlook by India Ratings. The Issuer cannot guarantee that the ratings on the Debentures will not be downgraded. A downgrade in the credit ratings may lower the value of the Debentures and may lead to an Acceleration Event.

#### **The unsecured Debentures will be effectively subordinated to all of the Issuer’s secured debt.**

The Issuer proposes to issue unsecured Debentures under this Information Memorandum. The Issue of unsecured Debentures will be generally unsubordinated, unsecured obligations of the Issuer that will be effectively subordinated to all of the Issuer’s secured indebtedness to the extent of the value of the assets securing the indebtedness. In the event of bankruptcy, liquidation, reorganisation or other winding up, the Issuer’s assets that secure its secured indebtedness will be available to pay obligations on the unsecured Debentures only after all secured indebtedness, together with accrued interest, has been repaid. If the Issuer is unable to repay its secured indebtedness, the lenders could foreclose on substantially all of its assets which serve as collateral. In this event, the secured lenders would be entitled to be repaid in full from the proceeds of the liquidation of those assets before those assets would be available for distribution to other creditors, including holders of the unsecured Debentures. Holders of the unsecured Debentures will participate in the proceeds of the liquidation of the Issuer’s remaining assets ratably with holders of its unsecured indebtedness that is deemed to be of the same class as the unsecured Debentures, and potentially with all of the Issuer’s other general creditors.

#### **The rights of the Debenture holders to receive payments is junior/subordinate to certain tax and other liabilities preferred by law.**

The Debentures will rank subordinated to certain liabilities preferred by law such as to claims of the Government on account of taxes and certain liabilities incurred in the ordinary course of the Issuer’s business. In particular, in the event of bankruptcy, liquidation or winding-up, the Issuer’s assets will be available to pay obligations on the Debentures only after all of the above liabilities that rank senior to the Debentures have been paid. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining, after paying amounts relating to these proceedings, to pay amounts due on the Debentures.

#### **Changes in interest rates may affect the price of the Issuer’s Debentures.**

All fixed income securities, such as the Debentures, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of the Debentures.

**The Issuer may raise further borrowings and charge its assets.**

The Issuer is not barred from raising future borrowings and may charge its assets from time to time for any of such future borrowings. In the event of a default in repayment of the borrowings of the Issuer which will also trigger cross default of the Debentures, the borrowings of the Issuer which are secured with the assets of the Issuer will have a higher probability of being repaid/redeemed than the Debentures.

**Uncertain trading market**

The Issuer intends to list the Debentures on the WDM segment of the BSE and such other recognised stock exchanges that the Issuer may deem fit after giving prior notice to the Debenture Trustee. The Issuer cannot provide any guarantee that the Debentures will be frequently traded on the BSE or such other stock exchanges on which the Debentures are listed and that there would be any market for the Debentures. The less frequently the Debentures are traded, the more difficult it may be for Debentureholders to realise the value for the Debentures prior to redemption.

### **ISSUE SUMMARY**

1.	Issuer	The Tata Power Company Limited (TPCL)				
2.	Instrument	Unsecured, Redeemable, Rated, Listed, Non-Convertible, Taxable, Non-Cumulative Debentures (NCDs / Debentures)				
3.	Promoters	Entities as declared to the NSE/BSE as on September 30, 2017 under “Promoter & Promoter Group”				
4.	Joint Arrangers	ICICI Securities Primary Dealership Limited - INR 375 crore ICICI Bank Limited - INR 375 crore Axis Bank Limited - INR 350 crore HDFC Bank Limited - INR 400 crore The firm commitment to mobilise the amounts mentioned above by each arranger, will be spread equally across all 5 Series of NCDs.				
5.	Mode of Placement	Private placement basis to all eligible investors				
6.	Purpose	The Issuer shall use the Issue Proceeds towards various purposes in the normal course of business including capital expenditure and/or augmentation of working capital and/or refinance of existing debt. However, the Issuer shall not use the issue proceeds towards investment in capital markets and real estate or any other purpose not permitted by RBI for bank finance.				
7.	Issue Amount	Rs. 1500 Crores				
8.	Face Value	Rs.10,00,000/- (Rupees Ten Lakhs Only)				
		Series I	Series II	Series III	Series IV	Series V
9.	Tenor	3 years	4 years	5 years	6 years	7 years
10.	Tranche Size	Rs 300 Cr	Rs 300 Cr	Rs 300 Cr	Rs 300 Cr	Rs 300 Cr
11.	Coupon	7.99%	7.99%	7.99%	7.99%	7.99%
12.	Maturity Date	Monday, 16 <sup>th</sup> Nov 2020	Tuesday, 16 <sup>th</sup> Nov 2021	Wednesday , 16 <sup>th</sup> Nov 2022	Thursday, 16 <sup>th</sup> Nov 2023	Friday, 15 <sup>th</sup> Nov 2024
13.	Coupon Payment	Annual and on Maturity				
14.	Record Date	15 days prior to each Coupon Payment and Redemption Date				
15.	Issue opening and Closing Date	Monday, 13 <sup>th</sup> November, 2017				
16.	Pay-in Date	Thursday, 16 <sup>th</sup> November, 2017				
17.	Deemed Date of Allotment	Thursday, 16 <sup>th</sup> November, 2017				
18.	Redemption	Bullet payment on Maturity Date				

19.	Put/Call Option	None
20.	Put / Call Notification time	N/A
21.	Credit Rating	“CARE AA/Stable” by CARE Ratings and “IND AA/Stable” by India Ratings
22.	Security	Unsecured
23.	Default / Penal Rate	<ul style="list-style-type: none"> <li>• Amounts unpaid on due date will attract additional interest at 2% per annum over the coupon rate, from the date on which such payment is actually due to the date on which the relevant overdue amounts are repaid.</li> <li>• In case of delay in execution of the Debenture Trust Deed within the timelines specified therefor, Issuer will pay additional interest (over and above the Coupon payable) at the rate of 2% p.a. of the principal amounts outstanding in respect of the Debentures till these conditions are complied with</li> <li>• In case of delay in listing of debt securities beyond 20 days from Deemed Date of Allotment, the Issuer shall pay additional interest (over and above the Coupon payable) at the rate of 2% p.a. of the principal amounts outstanding in respect of the Debentures from expiry of 30 (Thirty) calendar days from the Deemed Date of Allotment till the listing of such debt securities</li> </ul>
24.	Outstanding Amounts	Shall mean all amounts outstanding, whether due or not, in respect of the NCDs, including principal outstanding, accrued Coupon, penal interest and other charges, if any, payable in accordance with the terms of the Transaction Documents.
25.	Listing	Proposed to be listed on the WDM segment of NSE/ BSE. The Issuer will ensure that the NCDs are listed on the exchange within 20 days from the Deemed Date of Allotment.
26.	Delay in Listing	In case of delay in listing of the NCDs beyond 20 days from the Deemed Date of Allotment, the Issuer will pay a penal interest of at least 2% p.a. over the Coupon Rate from the expiry of 30 days from the Deemed Date of Allotment till the listing of such NCDs to the investor.
27.	Dematerialized	Yes
28.	Issue of Debentures	The Issuer will issue the Debentures / Letters of Allotment in dematerialized form within two business days from the Deemed Date of Allotment.
29.	Depositories	Applications will be made for the Debentures to be deposited with NSDL and/or CDSL
30.	Issue Price	At Par

31.	Redemption Price	At Par
32.	Day Count Basis	Actual / Actual
33.	Business Days	Means all days on which the money market is functioning in the city of Mumbai, Maharashtra, India.
34.	Interest on Application/Subscription	At the coupon rate, (subject to deduction of tax of source, as applicable) from the date of realization cheque(s) / demand draft(s) / date of receipt of funds up to one day prior to the Deemed Date of Allotment.
35.	Debenture Trustee	IDBI Trusteeship Services Limited
36.	Transaction Documents	<ol style="list-style-type: none"> <li>1. Information Memorandum and PAS-4</li> <li>2. Debenture Trustee Agreement and Consent Letter from Debenture Trustee</li> <li>3. Debenture Trust Deed within 90 days from Deemed Date of Allotment</li> <li>4. Rating Letter from the rating agencies</li> <li>5. Letter of appointment of Registrar &amp; Transfer Agent</li> <li>6. Listing Agreement with NSE / BSE</li> <li>7. Tripartite agreement between the Issuer, Registrar and NSDL &amp; CDSL for issue of NCDs in dematerialized form</li> <li>8. In-principle approval to list the debentures from the exchange where the NCDs are proposed to be listed</li> </ol>
37.	Conditions Precedent	<ul style="list-style-type: none"> <li>• The Issuer shall have obtained all necessary board / shareholder resolutions under the provisions of The Companies Act, 2013 as are required in relation to the borrowing powers, issue of the Debentures, the appointment of the Debenture Trustee and the execution of necessary documents in connection therewith.</li> <li>• Undertaking from the Issuer that each of the Representations &amp; Warranties made by the Issuer are true and correct to its best possible knowledge;</li> <li>• Undertaking from the Issuer that no Event of Default has occurred and is continuing and no such event or circumstance will result as a consequence of the Borrower performing any obligation contemplated under the transaction documents.</li> <li>• Undertaking from the Issuer that there is no Material Adverse Effect and there are no circumstances existing which could give rise, with the passage of time or otherwise, to a material adverse effect on the Issuer.</li> <li>• Signing of Information Memorandum and PAS-4</li> <li>• In-principle approval from NSE/ BSE for listing of NCDs</li> <li>• Credit Rating Letters from CARE Ratings and India Ratings, issued not more than one month prior to the Issue Date</li> <li>• Consent Letter from Debenture Trustee</li> <li>• Consent Letter from the Registrar to the Issue</li> </ul>

		<ul style="list-style-type: none"> <li>• Executed copy of the tripartite agreement between the Issuer, Registrar and NSDL and/ CDSL for issue of Debentures in dematerialized form</li> <li>• Authorized Signatory List with specimen signatures</li> </ul>
38.	Conditions Subsequent	<ul style="list-style-type: none"> <li>• Issue of Letter of Allotment on the Deemed Date of Allotment</li> <li>• Listing within 20 days from the Deemed Date of Allotment</li> <li>• Issue of Debentures in Dematerialized form</li> <li>• Execution of Debenture Trust Deed within 90 days from the deemed date of allotment.</li> <li>• The Issuer shall get the credit rating of the Debentures reviewed and published at least once within a maximum period of 1 year from the immediately previous review of the credit rating by the same rating agency</li> </ul>
39.	Credit Covenants Rating	<p>In the event that the Credit Rating of this Instrument is revised downwards to “A-”, or lower, each Debenture Holder shall have an option to redeem the Non-Convertible Debentures within a period of 30 days from such announcement by the rating agency. Exercising of such right by Debenture Holders shall be termed as “Early Redemption Event”.</p> <p>Upon the Debenture Holders exercising their right to an Early Redemption, the Issuer must redeem the Debentures, held by those investors, on or before 60 calendar days from the Early Redemption Event; by making payment of all Outstanding Amounts, whether due or not in respect of the Debentures, including Principal along with the interest accrued and not paid, penal interest, if any but without any prepayment penalty.</p> <p>Failure to repay all the Outstanding Amounts within 60 Calendar Days of Early Redemption Event shall be termed as an Event of Default on TPCL (“Early Redemption Event of Default”)</p>
40.	Representation & Warranties	<p>The Issuer will make representations customary for a facility of this nature including</p> <ul style="list-style-type: none"> <li>• Corporate existence, capacity and authority;</li> <li>• Legal, valid and binding nature of the Transaction Documents;</li> <li>• Corporate and / or governmental authorizations and consents (including those from central and state government, local authorities), no contravention of existing agreements and constitutional documents, or any document which is binding;</li> <li>• No outstanding default, material litigation, violation of law or material agreements;</li> <li>• Completeness and accuracy of financial statements and other information shared with investors/ arranger</li> <li>• Any other representations as may be required by the Investors including those pursuant to any due diligence in relation to the Issuer.</li> </ul>
41.	Events of Default	The Debenture Trust Deed will set out certain Events of Default, the occurrence of which will lead to the Debentures, accrued interest and

	<p>all other amounts there under becoming immediately due and payable upon notification of the Debenture Trustee (as directed by the Debenture holders):</p> <ol style="list-style-type: none"> <li>1. Payment Default defined as delay or default in payment of Schedule Payment Amount or any other charges payable by the Issuer on the respective Schedule Payment Dates, under the Debentures. In such an instance, it would be treated as an Event of Default for TPCL (“Payment Event of Default”);</li> <li>2. Failure of Issuer to repay all the Outstanding Amounts within 60 Calendar Days of occurrence of the Early Redemption Event shall be termed as an Event of Default (“Early Redemption Event of Default”);</li> <li>3. If the transactions contemplated under this NCD Issue become illegal or unlawful or unenforceable, or if any of the documents entered into in relation to the Debentures or any part thereof ceases, for any reason, to be valid and binding or in full force and effect;</li> <li>4. Termination of Transaction Documents</li> <li>5. the occurrence of any event which may have a Material Adverse Effect</li> <li>6. Any material act of fraud, embezzlement, misstatement, misappropriation or siphoning off funds or revenues or any other act having a similar effect being committed by the Key Management Personnel or a Director of the Issuer;</li> <li>7. Winding up or bankruptcy of the Issuer, including initiation of any proceedings for winding up for attachment;</li> <li>8. If the Issuer commences a voluntary action OR if an involuntary action is initiated against the Issuer, under Insolvency and Bankruptcy Code, 2016/ any applicable bankruptcy, insolvency, winding up or other similar law now or hereafter in effect, or in any case, proceeding or other action for the appointment of a receiver, liquidator, assignee, trustee, custodian (or similar official) for any substantial part of the property, or for the winding up or liquidation of its affairs</li> <li>9. Breach of any material Representations &amp; Warranties as per the Transaction Documents</li> <li>10. If the Issuer voluntarily or compulsorily goes into liquidation or has a receiver appointed in respect of all its assets or refers itself to the Board for Industrial and Financial Reconstruction or under any law providing protection as a relief undertaking;</li> <li>11. The Issuer is unable to or has admitted in writing its inability to pay its debts as they mature;</li> <li>12. A receiver or a liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Issuer and such appointment is not stayed, quashed or dismissed within a period of 90 (ninety) days;</li> <li>13. If a petition is filed for the winding up of the Issuer and the same is admitted, and such petition is not dismissed or stayed within a period of 90 (ninety) Business Days of such petition being admitted;</li> </ol>
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		<p>14. If it becomes unlawful for the Issuer to perform any of its obligations under the Transaction Documents, or if the Transaction Documents or any part thereof ceases, for any reason whatsoever, to be valid and binding or in full force and effect; and</p> <p>15. The Issuer repudiates a Debenture Document to which it is a party or evidences an intention to repudiate Debenture Documents to which it is a party.</p> <p>16. The Issuer or any of their promoter directors are included in RBI's willful defaulters</p> <p>17. Delisting of Debentures: The listing or trading of the Debentures ceases or is suspended at any point of time prior to the Debentures being fully redeemed</p> <p>The date on which the Debenture Trustee gives notice to the Issuer upon the occurrence of Event of Default, and not within the applicable cure period, shall be called the Early Redemption Date.</p> <p>In case of event of default, Debenture holders / Debenture Trustees may</p> <ol style="list-style-type: none"> <li>1. Accelerate the redemption of NCDs</li> <li>2. Initiate recovery proceedings / exercise rights available to recover the outstanding amounts.</li> <li>3. Exercise any rights available under the Transaction Documents; and</li> <li>4. Exercise such other rights as may be available to the Debenture Trustee under Applicable Law.</li> </ol>
42.	Accelerated Redemption	<p>The Debentures along with Accrued Interest and penal interest, if any, shall become due and payable immediately upon receipt of written notice from Debenture Trustee of happening of any of the following events:</p> <ol style="list-style-type: none"> <li>1. Occurrence of Payment Event of Default and/or Early Redemption Event of Default;</li> <li>2. Occurrence of any other Events of Default beyond the agreed cure period, if any;</li> </ol> <p>Upon receipt of such notice by the Issuer, the Issuer must pay all outstanding dues within 60 business days to all Debenture Holders.</p>
43.	Information Covenant	<p>The Issuer undertakes to provide information pertinent to a credit assessment of the company by the arranger/potential investors in a timely fashion. This information will include, but not be limited to, latest financial information, rating letter and rating rationale, copies of the resolutions authorizing the borrowing and the latest corporate presentation.</p>
44.	Taxes duties cost and expenses	<p>Relevant taxes, duties and levies are to be borne by the Issuer.</p> <p>All charges / fees and any amounts payable under this Instrument by the Issuer to the Investor/Arranger as mentioned herein do not include any applicable taxes, levies including service tax etc. and all such impositions shall be borne by the Issuer additionally.</p>
45.	Governing Law	<p>This Term Sheet and the Transaction Documents for the Loan shall be governed by Indian Law and shall be subject to the jurisdiction of</p>

		courts and tribunals of Mumbai
46.	Holiday Convention	If any Coupon Payment Date falls on a holiday, the payment may be made on the following Business Day however the future Coupon Payment Dates would be as per the schedule originally stipulated at the time of issuing the Debentures. In other words, the subsequent Coupon Payment Dates would not be disturbed. If the Redemption Date falls on a Sunday or a holiday, the redemption proceeds shall be paid on the preceding Business Day.
47.	Force Majeure	The Issuer understands that this term sheet is contingent on the assumption that from the date of the provision of this term sheet to the Deemed Date of Allotment, there is no material adverse change in the financial conditions of the Issuer or any of its affiliate and Indian debt markets which in the sole opinion of the Arrangers would make it inadvisable to proceed with the issue. In case of such material adverse change, the terms may be renegotiated to the mutual satisfaction of the Arranger and the Issuer.
48.	Clear Market Provision	The Issuer would ensure that during the Issue Period (starting with 7 days prior to awarding of the mandate and till 30 days after the Letters of Allotment are delivered to the investors), it will not bring any other primary issue of NCDs without prior consent of the Arrangers.

## CASH FLOWS OF THE ISSUE

### Cash flows for the Series I Debentures

Cash Flows	Date	No. of days in Series Interest Period	Per NCD Cash Flow (in Rupees)	Total Cash Flows
1st Coupon	Friday, November 16, 2018	365	79,900.00	239,700,000.00
2nd Coupon	Saturday, November 16, 2019	365	79,900.00	239,700,000.00
3rd Coupon	Monday, November 16, 2020	366	79,900.00	239,700,000.00
Principal	Monday, November 16, 2020		1,000,000.00	3,000,000,000.00

### Cash flows for the Series II Debentures

Cash Flows	Date	No. of days in Series Interest Period	Per NCD Cash Flow (in Rupees)	Total Cash Flows
1st Coupon	Friday, November 16, 2018	365	79,900.00	239,700,000.00
2nd Coupon	Saturday, November 16, 2019	365	79,900.00	239,700,000.00
3rd Coupon	Monday, November 16, 2020	366	79,900.00	239,700,000.00
4th Coupon	Tuesday, November 16, 2021	365	79,900.00	239,700,000.00
Principal	Tuesday, November 16, 2021		1,000,000.00	3,000,000,000.00

### Cash flows for the Series III Debentures

Cash Flows	Date	No. of days in Series Interest Period	Per NCD Cash Flow (in Rupees)	Total Cash Flows
1st Coupon	Friday, November 16, 2018	365	79,900.00	239,700,000.00
2nd Coupon	Saturday, November 16, 2019	365	79,900.00	239,700,000.00
3rd Coupon	Monday, November 16, 2020	366	79,900.00	239,700,000.00
4th Coupon	Tuesday, November 16, 2021	365	79,900.00	239,700,000.00
5th Coupon	Wednesday, November 16, 2022	365	79,900.00	239,700,000.00
Principal	Wednesday, November 16, 2022		1,000,000.00	3,000,000,000.00

### Cash flows for the Series IV Debentures

Cash Flows	Date	No. of days in Series Interest Period	Per NCD Cash Flow (in Rupees)	Total Cash Flows
1st Coupon	Friday, November 16, 2018	365	79,900.00	239,700,000.00
2nd Coupon	Saturday, November 16, 2019	365	79,900.00	239,700,000.00
3rd Coupon	Monday, November 16, 2020	366	79,900.00	239,700,000.00
4th Coupon	Tuesday, November 16, 2021	365	79,900.00	239,700,000.00
5th Coupon	Wednesday, November 16, 2022	365	79,900.00	239,700,000.00
6th Coupon	Thursday, November 16, 2023	365	79,900.00	239,700,000.00
Principal	Thursday, November 16, 2023		1,000,000.00	3,000,000,000.00

**Cash flows for the Series V Debentures**

Cash Flows	Date	No. of days in Series Interest Period	Per NCD Cash Flow (in Rupees)	Total Cash Flows
1st Coupon	Friday, November 16, 2018	365	79,900.00	239,700,000.00
2nd Coupon	Saturday, November 16, 2019	365	79,900.00	239,700,000.00
3rd Coupon	Monday, November 16, 2020	366	79,900.00	239,700,000.00
4th Coupon	Tuesday, November 16, 2021	365	79,900.00	239,700,000.00
5th Coupon	Wednesday, November 16, 2022	365	79,900.00	239,700,000.00
6th Coupon	Thursday, November 16, 2023	365	79,900.00	239,700,000.00
7th Coupon	Friday, November 15, 2024	365	79,681.69	239,045,081.97
Principal	Friday, November 15, 2024		1,000,000.00	3,000,000,000.00

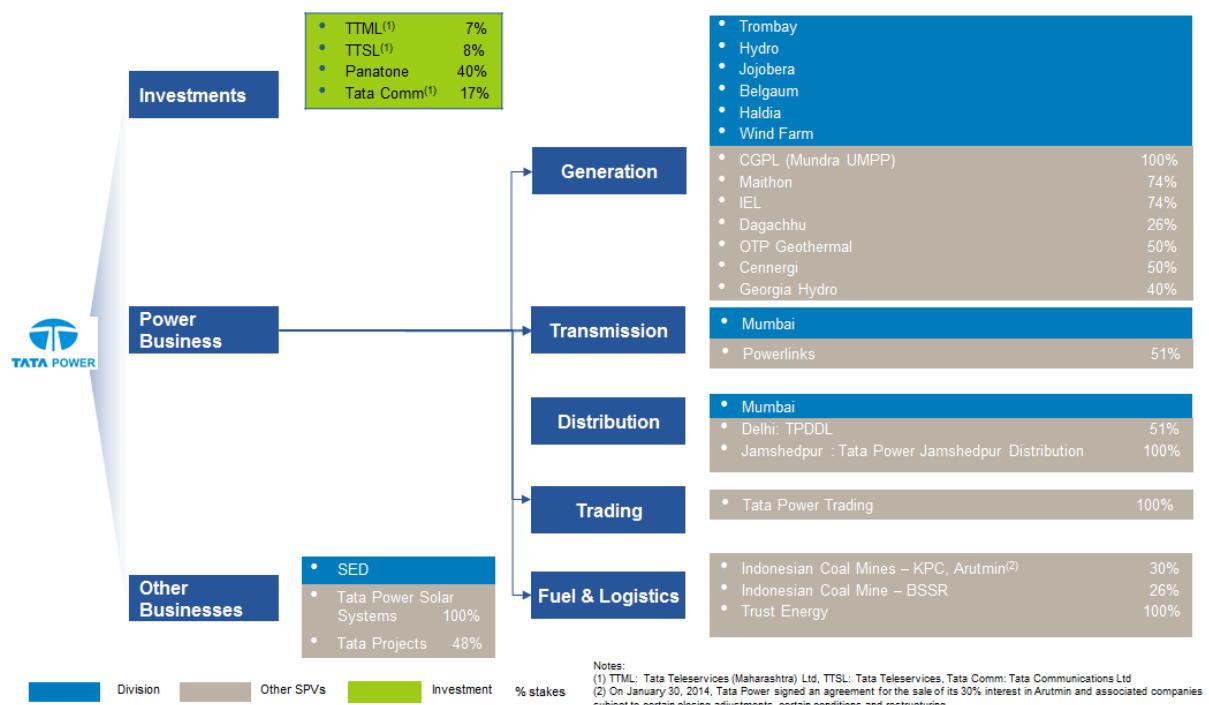
## HISTORY AND BUSINESS OF THE ISSUER

### HISTORY OF THE ISSUER

The Issuer has been in the business of power generation since its incorporation, in 1919 under the Companies Act, 1913. The Issuer is now regulated by the Old Companies Act and the New Companies Act. Following its incorporation, the Issuer, Andhra Valley and Tata Hydro operated as separate but affiliated companies. By way of an order dated October 18, 2000, the High Court of Bombay approved the scheme of amalgamation between the Issuer, Andhra Valley and Tata Hydro to create one unified entity. Over the years, the Issuer has built its portfolio of generation plants and is one of the largest private power generators in India. As at September 30, 2017, the Issuer had a gross installed power generation capacity of 10501 MW generated through a mix of thermal (coal, gas and oil), hydroelectric, renewable (wind and solar) and waste gas based power plants. The Issuer is an established power generation company with a strong track record and extensive industry experience. This has also allowed the Issuer to identify new opportunities and plan expansions to its existing power generation assets.

### GROUP ORGANISATION

The following chart outlines, in schematic form, the Issuer's key business divisions as at March 31, 2017 and lists the key operating assets for its power business:



### BUSINESS OF THE ISSUER

The Issuer is an integrated utility company primarily engaged in the generation, transmission, distribution and trading of electricity in India. As one of the largest private sector generators in India by capacity, it owns and operates power stations with an aggregate capacity of 10,501 MW as at September 30, 2017. The Tata Power Group's core business is organised into four segments - generation, transmission and distribution, fuel and logistics, and power trading and other businesses. The Issuer is the holding company of the Tata Power Group and is directly engaged in certain generation, transmission and distribution activities focused largely on the Mumbai region. Other power businesses and the fuel and logistics operations are conducted through its subsidiaries and joint ventures.

In Financial Year 2016-17, the Issuer's consolidated total revenue was Rs. 28,099.94 Crore compared to Rs. 29,592.23 Crore in Financial Year 2015-16. Consolidated profit after tax, minority interest and share of profit of associates was Rs. 745.48 Crore in Financial Year 2016-17 as compared to a profit of Rs. 662.20 Crore in Financial Year 2015-16 (after accounting for Share of Profit of associates and Minority Interest).

## **Generation**

The Issuer has an extensive generating portfolio consisting of thermal (coal, oil and gas), hydro and wind power. The output of the generating assets in Maharashtra is primarily used to meet the requirements of the distribution licensees in Mumbai. The output of Issuer's plant in Jharkhand is sold to Tata Steel at arm's length terms under a PPA and the surplus power, if any, is traded. Approximately one-sixth of the power generated in the Haldia plant is sold to the West Bengal State Electricity Distribution Company Limited and the balance is traded through Tata Power Trading.

As at September 30, 2017, the Issuer had gross installed generation capacity of approximately 10501MW, of which 7322MW comes from thermal power sources (including coal, oil, and gas and waste heat recovery) (including the 4,000 MW Mundra UMPP that was fully commissioned in March 2013), 693MW comes from hydro power, 1151MW comes from wind power and 961MW comes from solar power. The generation sales was 50156 MUs for the Fiscal Year 2017 and 46055MUs for FY16.

The Issuer's operations in Mumbai accounted for approximately 1877 MW of installed capacity, as at September 30, 2017. The Issuer's division, Tata Power Generation, has two PPAs with BEST for 1,000 MW and with Tata Power Distribution for 985 MW expiring on March 31, 2018. BEST and Tata Power Distribution are the Issuer's main customers in Mumbai. In addition, the Issuer is implementing a number of new power projects as part of its planned expansion of generating capacity. CGPL, a 100 % subsidiary of the Issuer, has implemented a UMPP at Mundra in Gujarat, the first UMPP to be awarded by the Government of India through competitive bidding. All the five units of 800 MW each of CGPL have been commissioned. The power so generated by CGPL is being supplied to the states of Gujarat, Maharashtra, Punjab, Haryana and Rajasthan. The Issuer also owns a 74% interest in MPL, which is a joint venture between the Issuer and the state-owned Damodar Valley Corporation in connection with a 1,050 MW mega power project in Jharkhand. Both the units of MPL have been successfully commissioned. MPL has signed the PPAs for the entire capacity and power evacuation arrangement has been put in place by Power Grid Corporation of India Limited. Out of the total 1050 MW, long term power purchase agreement has been entered into for sale of power to Damodar Valley Corporation - 150 MW, WBSEDCL - 300 MW, TPDDL - 300 MW and KSEB - 300 MW. In addition, the Issuer has commissioned a 126 MW hydro project in Bhutan through a Dagachhu Hydro Power Corporation Limited, a joint venture company between the Issuer and Druk Green Power Corporation, an entity of The Royal Government of Bhutan. The Issuer also has 1493 MW of renewable capacities under its subsidiary TPREL (this includes capacity in WREPL). A consortium comprising the Issuer and SN Power Norway has won the bid for a 236 MW "Dugar Hydro Electric Project" in Chenab Valley in Himachal Pradesh.

The Tata Power Group has also established a joint venture, IEL, with Tata Steel in order to provide Tata Steel with its captive power requirements. Through IEL, the Issuer has added two units of 120 MW each at Jamshedpur and Jojobera for generation of power to meet the requirements of the expansion of Tata Steel's operations at the site. In addition, IEL is now implementing another project of 202.5 MW at Kalinganagar to meet the requirements of Tata Steel's new plant, of which 135 MW has already been commissioned in FY 2017.

The Issuer, through its subsidiary, Khopoli, has announced a joint venture with Exxaro Resources Limited, a South-African based diversified resources company to create a new energy company Cennergi based in South Africa which will focus on the investigation of feasibility, development, ownership, operation, maintenance, acquisition and management of electricity generation projects in South Africa, Botswana and Namibia. The initial project pipeline focuses on renewable energy projects in South Africa and Cennergi's strategy is to create a balanced portfolio of generation assets.

The Issuer has increased its power generation capacity significantly in the past few years which can broadly be represented as follows:

<b>Financial Year</b>	<b>MW at the end of Financial Year (March 31)</b>
2005	2,183
2006	2,303
2007	2,348
2008	2,364

2009	2,705
2010	2,994
2011	3,128
2012	4,805
2013	8,671
2014	8,734
2015	8,872
2016	9,150
2017	10,613

## **Transmission and Distribution**

### ***Transmission***

#### **Mumbai License Area**

The Issuer's transmission system carries a substantial portion of the bulk power requirement of the city of Mumbai. Power carried by the Issuer' transmission system is utilised by all the four distribution companies operating in Mumbai. The transmission system is the link between the generating stations and the distribution companies for evacuating power from the generating stations and also is the corridor for bringing in power from outside Mumbai. The Issuer's transmission network comprises approximately 1174 CKm ("Circuit kilometer") of 220kV/ 110 kV lines and 21 receiving stations. An islanding system is in place in the network which isolates the Mumbai city from blackouts caused by faults in national grid.

#### **Powerlinks Transmission Company**

As of September 30, 2017, the Issuer holds a 51% interest in Powerlinks, a joint-venture with Power Grid Corporation of India Limited. The joint-venture was formed primarily to transmit power from the Tata Hydro Project in Bhutan and the north-eastern and eastern Indian states to New Delhi and its adjoining areas. The joint-venture is India's first public private partnership inter-state transmission project and is based on the Build Own Operate and Transfer business model. Power is transmitted through the Issuer's transmission lines (400 kV double circuit EMV), which are located between Siliguri in West Bengal and Mandola in Uttar Pradesh. Powerlinks has received a transmission license from the CERC for a period of 25 years with effect from November 13, 2003.

### ***Distribution***

#### **Mumbai License Area**

The Issuer is a distribution licensee in the State of Maharashtra and distributes and supplies electricity in the Mumbai License Area. The Issuer is a major supplier to retail and bulk consumers of electricity including railways, refineries and other large industrial and commercial complexes. The Issuer was issued a new distribution license for the Mumbai License Area by the MERC under the Electricity Act, 2003 valid until August 15, 2039. As on March 31, 2017, Tata power distributes electricity to approximately 6.75 lakh retail customers.

Under the Electricity Act, 2003 the MERC has the power to determine the tariffs under a multi-year tariff framework for a control period based on several elements. MERC allows a return on equity of 15.5% for Fiscal Year 2016 and Fiscal Year 2017 on the approved capitalisation, apart from incentives, if any.

Total sales in Mumbai (for Tata Power Company - Distribution) amounted to 5075 MUs for Fiscal Year 2017 and 5774 MUs in Fiscal Year 2016.

The Issuer's revenue from Mumbai License Area (including Generation, Tranmission and distribution) contributed approximately 72.47% and 72.60% of its total unconsolidated net income from operations in the year ended March 31, 2017 and March 31, 2016, respectively.

#### **Tata Power Delhi Distribution Limited**

As of September 30, 2017, the Issuer held a 51% stake in a distribution company, TPDDL which was formerly named NDPL. The remaining 49% is held by the Delhi Power Company limited, a government-owned company. TPDDL is amongst the three private licensees in Delhi and is licensed to distribute power to north and north west Delhi. TPDDL supplies power to a largely residential customer base in northern Delhi and, as at March 31, 2017, TPDDL had approximately 15.80 Lakh customers. DERC has granted a 24 year distribution license to TPDDL which took effect on March 12, 2004.

### **Fuel and Logistics**

A key strategic priority for the Issuer is the securing of its fuel supplies for existing and new thermal power generation projects. The Issuer meets its fuel requirements for thermal power generation projects through a mix of imported coal, domestic coal, gas and coal bed methane.

#### ***Indonesian coal mine equity investment***

On June 26, 2007, the Issuer completed the acquisition (through its wholly-owned overseas subsidiaries, Bhira and Bhivpuri) of a 30% equity interest in the Coal Companies from Bumi for coal mining operations in Indonesia, and as at March 31, 2017, the Issuer continues to hold 30% equity interest in the Coal Companies. The Issuer paid a consideration of approximately USD 1.2 billion (including working capital adjustments) for this acquisition. The Issuer believes that this equity position, with attendant rights to share in the financial success of the operations, mitigates in part its exposure to fluctuating coal prices for its operations in India.

In 2012, the Issuer, through Khopoli, acquired 26% interest in BSSR. The Issuer believes that this acquisition further protects the company from fluctuations in coal prices as well as diversifying its coal sources. BSSR, together with PT Antang Gunung Meratus, a 100% Subsidiary, own certain coal reserves in South and East Kalimantan in Indonesia. As at March 31, 2017, the Issuer continues to hold 26% interest in BSSR.

On January 31, 2014, the Issuer announced that it signed an agreement for the sale of its 30% interest in Arutmin and associated companies in coal trading and infrastructure. The aggregate consideration for the Issuer's 30% interest is approximately USD 510 million, subject to certain closing adjustments. The sale is subject to certain conditions and restructuring.

The Issuer also announced in July 2014 that it has entered into an option agreement to sell a 5% stake in KPC and its entire 30% stake in KPC's associated power infrastructure companies to a Bakrie Group for approximately USD 250 million. As on date today, the Issuer has not exercised this option and continues to hold its equity stake in KPC.

#### ***Indonesian coal off-take arrangements***

In addition to the equity investment in KPC, BSSR and Arutmin, the Issuer entered into coal purchase agreements with the trading arm of KPC, which entitles it to purchase 9.36 MTPA of coal with a margin of 20%. The coal purchased under these agreements caters to the imported coal requirement of Mundra UMPP. Furthermore, the Issuer also sources 2.65 MTPA through long-term contracts from certain other Indonesian coal companies for Mundra UMPP requirements. This 2.65 MTPA is acquired from Adaro to the tune of 2 MTPA, Samtan to the tune of 0.75 MTPA. For further details refer to the section titled “*Risk Factors*” of this Letter of Offer.

### ***Investment in shipping***

As part of securing fuel supplies for Mundra UMPP, the Issuer established a Singapore subsidiary, Trust Energy, responsible for the transportation of coal from Indonesia to India for the Mundra UMPP. Trust Energy currently owns two cape size ships of 1,80,000 DWT, which partially satisfies the fuel transportation requirements of Mundra UMPP. The Issuer, through CGPL, has also established another Subsidiary, Energy Eastern Pte Limited, to satisfy the remaining fuel transportation requirements of Mundra UMPP. Energy Eastern Pte Limited has entered into three long-term charter party agreements as of the date of this Letter of Offer.

### **Other Segments**

Details of other segments are set out below.

#### ***Power Trading***

As at September 30, 2017, the Issuer held 100% stake in Tata Power Trading, a subsidiary established to engage

in the trading of power in India. Tata Power Trading received a licence to trade in electricity as a category ‘A’ trader from the CERC on June 9, 2004. Tata Power Trading holds a trading license for a period of 25 years, starting from 2004, and the trading license currently held by Tata Power Trading (category ‘I’) permits unrestricted trading volume. The trading capacity of Tata Power Trading, which is determined by the net worth of the licensee, was upgraded to category ‘I’ by the CERC through its letter dated June 9, 2005.

#### ***Strategic Electronics Division (“SED”)***

Over the last 30 years, SED has designed and developed electronic products and systems primarily for the defence industry. SED originated as an internal research and development unit for power electronics and was recently awarded the order to modernise airfield infrastructure for the Indian Air Force. SED is not involved in the manufacture of ammunition or explosives of any kind, including cluster bombs and anti-personnel mines.

#### ***Tata Power Solar Systems Limited***

As at September 30, 2017, the Issuer held a 100% stake in Tata Power Solar Systems Limited (“**Tata Power Solar**”), one of the leading companies engaged in the development of solar photovoltaic technology in India. Tata Power Solar currently has four main business lines: manufacturing and sale of solar photovoltaic cells and modules (for which it has a solar cell manufacturing facility in Bengaluru), providing engineering, procurement and construction/commissioning services as well as operations and management services to solar project developers, developing and selling solar photovoltaic products in domestic markets, and developing and selling solar thermal (water heating) products in domestic markets.

As at September 30, 2017, the Tata Group owned a 33.02% stake in the Issuer, including a 31.05% stake held by Tata Sons and 1.97% by other Tata Group companies.

#### **DETAILS OF BRANCHES OR UNITS OF THE ISSUER**

(a) Thermal Power Stations:

- (i) Trombay Generating Station,  
Mahul Road, Chembur,  
Mumbai, Maharashtra
- (ii) Jojobera Power Plant,  
Jojobera,  
Jamshedpur, Jharkhand
- (iii) Belgaum Power Plant,  
Plot Nos.1234 to 1240 & 1263 to 1297,  
KIADB Kanbargi Industrial Area,  
Auto Nagar, Belgaum,  
Karnataka
- (iv) Haldia Power Plant,  
HFC Complex,  
Patikhali Haldia, East Medinipur,  
West Bengal

(b) Hydro Generating Stations:

- (i) Generating Station,  
Bhira, P O Bhira,  
Taluka Mangaon,  
District Raigad,  
Maharashtra
- (ii) Generating Station,  
Bhivpuri, P O Bhivpuri Camp,  
Taluka Karjat,  
District Raigad,  
Maharashtra

(iii) Generating Station,  
Khopoli, P O Khopoli Power House,  
District Raigad,  
Maharashtra

(c) Wind Farms:

- (i) Village Shahjahanpur & Pimpalgaon,  
Taluka Parner,  
District Ahmednagar,  
Maharashtra
- (ii) Village Khandke,  
Taluka & District Ahmednagar,  
Maharashtra
- (iii) Village Valve,  
Taluka Sakri,  
District Dhulia,  
Maharashtra
- (iv) Jamjodhpur, Sadodar,  
Motapanch Devda, Samana,  
District Jamnagar, Gujarat
- (v) Hosur, Kanavi, Mulgund,  
Shiroland Harti,  
District Gadag, Karnataka
- (vi) Village Sadawagapur  
Taluka Patan,  
District Satara, Maharashtra
- (vii) Village Anikaduvu, Mongilphuluvu,  
Illupunagaram,  
Taluka Madathukulam,  
District Tripur, Tamil Nadu
- (viii) Village Kannarwadi, Hiwarwadi & Agaswadi,  
Taluka Khatav, District Satara,  
Maharashtra
- (ix) Village Sawarghar and Niwade,  
Taluka Patan,  
District Satara, Maharashtra

(d) Solar Plants:

- (i) Mulshi (Khurd),  
Post Male, Taluka Mulshi,  
District Pune, Maharashtra

(e) Transmission Division:

Shil Road, Netivli, Kalyan,  
District Thane, Maharashtra

(f) Distribution Division:

Senapati Bapat Marg,

*Serial No. \_\_\_\_\_*

*Private & Confidential – For Private Circulation Only*

*(This Information Memorandum is neither a Prospectus nor a statement in Lieu of Prospectus)*

*Dated: 15 November 2017*

Lower Parel, Mumbai  
(g) Strategic Engineering Division:

42/43 Electronic City, Electronic City Post Office,  
Hosur Road, Bengaluru

### **KEY OPERATIONAL AND FINANCIAL PARAMETERS OF THE ISSUER**

<b>Financial Parameters</b>	<b>H1FY18 (Rs. in Crores)</b>
<b>Consolidated</b>	
Total Debt	
of which	
-Non Current Maturities of Long-Term Borrowing	19,541.96
-Short Term Borrowing	20,071.75
-Current Maturities of Long-Term Borrowing	9,368.09
-Secured Loans	21,470.53
-Unsecured Loans	27,511.27
Net Fixed Assets	
- Property, Plant and Equipment	42,780.83
- Other Intangible Asset	1,691.78
Goodwill on Consolidation	1,654.69
Non-Current Assets (excluding Net Fixed Assets and Goodwill in Consolidation)	16,881.19
Cash & Bank Balances	755.73
Current Investments (excluding Cash & Bank)	765.15
Current Assets (excluding Cash & Bank Balance and Current Investments)	11,463.30
Current Liabilities (excluding Short Term Borrowing and Current Maturity of Long Term Borrowing)	11,068.38
Net Sales	14,112.71
EBITDA	3,797.42
EBIT	2,621.74
Interest	1,709.51
PAT	461.32
Dividend Amounts	351.99
<b>Standalone</b>	
Net worth (Rs. Crores)	
- Equity Share Capital	270.50
- Unsecured Perpetual Securities	1,500.00
- Other Equity	<u>15,833.63</u>
<b>Net Worth</b>	<b>17,604.13</b>
Current Ratio	0.34
Interest Coverage Ratio	
- With Exceptional Item	1.67
- Without Exceptional Item	1.85
Debt/Equity Ratio	0.97

## MATERIAL AGREEMENTS/ DOCUMENTS

A statement containing particulars of the dates of, and parties to all material contracts and agreements involving financial obligations of the Issuer is set out below. The following are the material documents and agreements:

1. Certified copy of the Memorandum and Articles of Association of the Issuer;
2. Certified true copy of resolution of the Board of Directors dated 3 November 2017 authorising (a) the Issue, and (b) the Committee of Executive Directors (“COD”) to take all steps and to settle the terms and conditions of the such debentures and to approve allotment of the Debentures, attached as **Annexure B** to this Information Memorandum;
3. Certified true copy of the resolution dated 15 November 2017 of the COD authorising certain officials of the Issuer named therein to appoint intermediaries, execute all documents and do all such acts, deeds, matters and things in relation to the Issue, attached as **Annexure C** to this Information Memorandum;
4. Certified true copy of resolution of the shareholders of the Issuer dated August 13, 2014 passed in accordance with Section 180(1)(c) of the New Companies Act specifying the borrowing limit for the Issuer;
5. Certified true copy of resolution of the shareholders of the Issuer dated August 23, 2017 passed in accordance with Section 42, 71 and other applicable provisions of the New Companies Act whereby the Board of Directors of the Issuer (including its committees) are *inter alia* conferred powers to issue Debentures on a private placement basis, attached as **Annexure D** to this Information Memorandum;
6. Credit rating letter dated 8 November 2017 from CARE Ratings assigning rating for the Issue pursuant to this Information Memorandum attached as **Annexure E** to this Information Memorandum;
7. Credit rating letter dated 10 November 2017 from India Ratings assigning rating for the Debentures attached as **Annexure E** to this Information Memorandum;
8. Annual Report of the Issuer for the Financial Years ended March 31, 2017, March 31, 2016 and March 31, 2015;
9. Consent letter from the Debenture Trustee issued on 10 November 2017 attached as **Annexure F** to this Information Memorandum;
10. Consent letter from the Registrar to the Issue dated 13 November 2017;
11. Certificate from the Company Secretary of the Issuer dated 13 November 2017 stating that the Issue will be within the overall borrowing limits applicable to the Issuer;
12. Debenture Trustee Agreement between the Debenture Trustee and Issuer dated 15 November 2017;
13. Copy of the in-principle approval granted by the BSE dated 13 November 2017 for listing of the Debentures issued pursuant to the Information Memorandum on the WDM segment issued in terms of this Information Memorandum attached as **Annexure G** to this Information Memorandum;
14. Tripartite Agreement between NSDL, Registrar and Issuer dated September 9, 1998 for dematerialisation of the Debentures;
15. Tripartite Agreement between CDSL, Registrar and Issuer dated October 8, 1999 for dematerialisation of the Debentures;
16. Listing agreement between the BSE and the Issuer.

## FINANCIAL INFORMATION OF THE ISSUER

- A. Abridged version of audited consolidated and standalone financial statements (profit and loss statement, balance sheet and cash flow statement) of the Issuer for each of the years ended March 31, 2017, 2016 and 2015 and auditor's qualifications, if any.**

Attached as **Annexure K** to this Information Memorandum.

- B. Abridged version of the latest audited/ limited review yearly consolidated and standalone financial statements (profit and loss statement, and balance sheet) of the Issuer and auditor's qualifications, if any**

Not Applicable

- C. Any change in the accounting policies during the last three years and their effect on the profits and reserves of the Issuer**

### **Consolidated Accounts (includes Standalone) for FY 2016-17**

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. Upto the year ended 31st March, 2016, the Group prepared its consolidated financial statements in accordance with the requirements of previous GAAP, which included Standards notified under the Companies (Accounting Standards) Rules, 2006. These consolidated financial statements are the first consolidated financial statements of the Group under Ind AS. The date of transition to Ind AS is 1st April, 2015. Previous period numbers in the consolidated financial statements have been restated to Ind AS.

### **Consolidated Accounts (includes Standalone) for FY 2015-16**

The Parent Company during the year ended 31st March, 2014, changed its accounting policy in respect of Tangible Assets at its Strategic Engineering Division. These Tangible Assets which were hitherto carried at cost have been revalued as at 1st April, 2013. The revaluation is based on a valuation made by an independent valuer using the Depreciated Replacement Cost Method. Accordingly, the gross book value of such assets and the accumulated depreciation as at 1st April, 2013 had increased by Rs. 234.98 crore and Rs. 7.59 crore respectively and Rs. 227.39 crore had been credited to the Revaluation Reserve.

In an earlier year, in line with the Notification dated 29th December, 2011 issued by the Ministry of Corporate Affairs (MCA), the Group had selected the option given in paragraph 46A of the Accounting Standard-11 (AS-11) - "The Effects of Changes in Foreign Exchange Rates". Accordingly, the depreciated/amortised portion of net foreign exchange (gain)/loss on long-term foreign currency monetary items for the year ended 31st March, 2016 is Rs. 98.22 crore (31st March, 2015 - Rs. 167.67 crore). The unamortised portion carried forward as at 31st March, 2016 is Rs. 2,144.18 crore (31st March, 2015 - Rs. 1,829.40 crore).

### **Consolidated Accounts (includes Standalone) for FY 2014-15**

The Parent Company has changed the method of providing depreciation on Tangible Fixed Assets at its Strategic Engineering Division. Depreciation which was hitherto provided on written down value method is now provided on straight line method based on the useful life provided in Schedule II to the Companies Act, 2013. As a result of the change, the charge on account of depreciation for the year ended 31st March, 2015 is lower by Rs. 18.46 crore (including write back of depreciation of Rs. 22.86 crore upto 31st March, 2014)

Pursuant to the enactment of the Companies Act, 2013 (the 'Act'), the Group has, effective 1st April 2014, reviewed and revised the estimated useful life of certain fixed assets, generally in accordance with the provisions of Schedule II of the Act. Further, depreciation in respect of certain power plants which were hitherto charged on a straight line method at rates provided in the power purchase agreements is from 1st April, 2014, charged on straight line method over the balance useful life using the methodology as notified by the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014. The consequential impact (after considering the transitional provision specified in Schedule II) on the depreciation charged and on the results for year ended 31st March, 2015 is lower by Rs. 438.18 crore.

In earlier years, the deferred tax liability on timing difference relating to depreciation in respect of the above referred power plants was not recognised since the timing difference was expected to reverse during the tax holiday period in accordance with the Accounting Standard-22 (AS-22) - "Accounting for Taxes on Income". As a result of the change in depreciation as above, the Group has, during the year ended 31st March, 2015, recognised deferred tax liability of Rs. 126.64 crore in respect of the timing difference which is now expected to reverse after the tax holiday period

The Parent Company had, during the previous year ended 31st March, 2014, changed its accounting policy in respect of Tangible Assets at its Strategic Engineering Division. These Tangible Assets which were hitherto carried at cost have been revalued as at 1st April, 2013. The revaluation is based on a valuation made by an independent valuer using the Depreciated Replacement Cost Method. Accordingly, the gross book value of such assets and the accumulated depreciation as at 1st April, 2013 had increased by Rs. 234.98 crore and Rs. 7.59 crore respectively and Rs. 227.39 crore had been credited to the Revaluation Reserve

In an earlier year, in line with the Notification dated 29th December, 2011 issued by the Ministry of Corporate Affairs (MCA), the Group had selected the option given in paragraph 46A of the Accounting Standard-11 (AS-11) - "The Effects of Changes in Foreign Exchange Rates". Accordingly, the depreciated/amortised portion of net foreign exchange (gain)/loss on long-term foreign currency monetary items for the year ended 31st March, 2015 is Rs. 211.48 crore (31st March, 2014 - Rs. 227.73 crore). The unamortised portion carried forward as at 31st March, 2015 is Rs. 1,785.58 crore (31st March, 2014 - Rs. 1,645.08 crore).

- D. Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of offer letter and of their impact on the financial statements and financial position of the Issuer and the corrective steps taken and proposed to be taken by the Issuer for each of the said reservations or qualifications or adverse remark.**

#### **Basis for Qualified Opinion for FY 2016 17**

As described in Note 34 (iii) and (iv) to the consolidated Ind AS financial statements, the fair value of unquoted equity shares of Tata Teleservices Limited (TTSL) has not been determined as at 31st March, 2017. We are, therefore, unable to comment on whether the carrying value of:

- a) Investments in TTSL of Rs. 384.88 crore represents the fair value of such investments as at 31st March, 2017 and the consequent impact thereof on Other Comprehensive Income, and
- b) 'Other advance', which represent TTSL shares receivable from DoCoMo under a contractual obligation of ` 138.55 crore as at 31st March, 2017 represents the fair value of such shares and the consequent impact thereof on the Statement of Profit and Loss.

#### **Emphasis of Matter in Auditor's Report on the Consolidated Accounts (includes Standalone) for FY 2016 17**

Auditors draw attention to the following matters in the notes to the Consolidated Ind AS financial statements:

- a) Note 36(e) to the consolidated Ind AS financial statements which describes uncertainties relating to the outcome of the Appeal filed before the Hon'ble Supreme Court. Pending outcome of the Appeal filed before the Hon'ble Supreme Court, no adjustment has been made by the Group in respect of the standby charges estimated at Rs. 519 crore accounted for as revenue in earlier periods and its consequential effects for the period upto 31st March, 2017. The impact of the same on the consolidated Ind AS financial statements for the year ended 31st March, 2017 cannot presently be determined pending the ultimate outcome of the matter. Since the Group is of the view, supported by legal opinion, that the Tribunal's Order can be successfully challenged, adjustment, if any, will be recorded by the Group based on final outcome of the matter.
- b) Note 36(g) to the consolidated Ind AS financial statements in respect of entry tax matter, estimated at Rs. 1,967.43 crore (including interest of Rs. 643.99 crore and penalty of Rs. 740.89 crore), has been decided by the Hon'ble Bombay High Court against the Group. The Group is

of the view, supported by legal opinions, that it has a strong case on merits and has appealed the matter before the Hon'ble Supreme Court. Adjustments, if any, will be recorded by the Group based on final outcome of the matter.

- c) Note 34(ii)(b) to the consolidated Ind AS financial statements, which describes the uncertainties in estimation as at 31st March, 2017 relating to the determination of the carrying amount of assets at Mundra.
- d) Note 36(f) to the consolidated Ind AS financial statements, related regulatory deferral account balance of ` 591.61 crore in respect of Rithala Plant as at 31st March, 2017. Since the Group is of the view, supported by legal opinion, that the Order of the Delhi Electricity Regulatory Commission (DERC) can be successfully challenged, no adjustment are considered necessary.

Auditor opinion is not modified in respect of these matters.

#### Other Matters

- a) Auditor did not audit the financial statements/financial information of 11 subsidiaries, whose financial statements/financial information reflect total assets of Rs. 24,058.40 crore as at 31st March, 2017, total revenues of Rs. 7,400.96 crore and net cash inflows amounting to Rs. 73.75 crore for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 1,005.86 crore for the year ended 31st March, 2017, as considered in the consolidated Ind AS financial statements, in respect of 2 associates and 10 joint ventures, whose financial statements/financial information have not been audited by us. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and 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 subsection (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the reports of the other auditors.
- b) Auditor did not audit the financial information of 4 subsidiaries, whose financial information reflect total assets of Rs. 34.74 crore as at 31st March, 2017, total revenues of Rs. 45.05 crore and net cash (outflows) amounting to Rs. (0.77) crore for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 1.86 crore for the year ended 31st March, 2017, as considered in the consolidated Ind AS financial statements, in respect of 1 associate and 10 joint ventures, whose financial information have not been audited by Auditor. These financial information are unaudited and have been furnished to auditors by the Management and 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, is based solely on such unaudited financial information. In auditor's opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.
- c) The comparative financial information for the year ended 31st March, 2016 and the transition date opening balance sheet as at 1st April, 2015 in respect of 11 subsidiaries, 2 associates and 10 joint ventures included in this consolidated Ind AS financial statements prepared in accordance with the Ind AS have been audited by other auditors and have been relied upon by the auditors.

Their opinion on the consolidated Ind AS financial statements above, 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 information certified by the Management.

#### **Emphasis of Matter in Auditor's Report on the Consolidated Accounts (includes Standalone) for FY 2015 16**

Note 35 (e) to the consolidated financial statements which describes uncertainties relating to the outcome of the Appeal filed before the Hon'ble Supreme Court. Pending outcome of the Appeal filed before the

Hon'ble Supreme Court, no adjustment has been made by the Company in respect of the standby charges estimated at Rs. 519 crores accounted for as revenue in earlier periods and its consequential effects for the period upto 31st March, 2016. The impact of the same on the results for the year ended 31st March, 2016 cannot presently be determined pending the ultimate outcome of the matter. Since the Company is of the view, supported by legal opinion, that the Tribunal's Order can be successfully challenged, adjustment, if any, including consequential adjustments to the deferred tax liability fund and the deferred tax liability account, will be recorded by the Company based on final outcome of the matter.

Note 32 (b) to the consolidated financial statements, which refers to reversal of impairment loss of Rs. 2,320 crores (net of depreciation of Rs. 330 crores) in respect of the carrying amount of assets of Coastal Gujarat Power Limited (CGPL), a wholly owned subsidiary, consequent to change in the estimates of future cash flows due to decline in forecast of coal prices.

In case of 2 jointly controlled entities of the Holding Company, the component auditors have drawn attention to matters as stated in Note 35(a) (xi) to the consolidated financial statements, regarding recoverability of Rs. 8,483.95 crores (Group's share of Rs. 2,545.19 crores) of value added tax and vehicle fuel tax balances, and Group's share in tax claims, and other claims from third parties on the said jointly controlled entities, the outcome of which cannot be presently determined.

In case of 1 subsidiary, the component auditor has drawn attention to a matter as stated in Note 35(h) to the consolidated financial statements, wherein no adjustment has been made by the subsidiary in respect of income estimated at Rs. 238.79 crores as at 31st March, 2016 which includes carrying cost of Rs. 25.66 crores for the year ended 31st March, 2016, respectively. The impact of the above as at 31st March, 2016 cannot presently be determined pending ultimate outcome of the matter. Since the Group is of the view, supported by legal opinion that the disallowance of expenses by the Delhi Electricity Regulatory Commission (DERC) pertaining to the Rithala plant can be successfully challenged, no adjustment has been considered necessary by the Management.

The Auditor's report is not qualified in respect of these matters.

#### **Qualified Opinion in Auditor's Report on the Consolidated Accounts (includes Standalone) for FY 2014 15**

##### **Basis for Qualified Opinion**

As referred to in Note 2.1(c)(viii) to the consolidated financial statements, the consolidated financial statements include the unaudited financial information of 1 jointly controlled entity, whose financial information reflect total assets (net) of Rs. 3,228.36 crores as at 31st March, 2015, total revenue of Rs.1,603.12 crores and net cash out flows amounting to Rs. 2.49 crores for the year ended on that date, as considered in the consolidated financial statements, based on their unaudited financial information. This financial information has been certified by the Management and our opinion, in so far as it relates to the amounts included in respect of this jointly controlled entity, is based solely on such Management certified financial information.

In case of 1 jointly controlled entity, as referred to in Note 33(c) to the consolidated financial statements, the Hon'ble Supreme Court had issued an Order dated 24th September, 2014, cancelling the coal block ("coal block") allocated to the said entity. Subsequently, Government of India has promulgated the Coal Mines (Special Provisions) Ordinance, 2014. The said entity has filed a petition with the Hon'ble Delhi High Court, disputing the amount of compensation determined including relating to purchase of leasehold land for the coal block. Pending outcome of the matter, the Group has, based on a legal opinion carried forward amounts aggregating to Rs. 66.69 crores (net of provision of Rs. 23.30 crores) as fully recoverable. Accordingly, we are unable to comment on the possible financial impact on the consolidated financial statements.

##### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by 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 and its associates as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

**Emphasis of Matter in Auditor's Report on the Consolidated Accounts (includes Standalone) for FY 2014 15**

Note 35(e) and (f) to the consolidated financial statements, which describe uncertainties relating to the outcome of the Appeals filed before the Hon'ble Supreme Court. Pending outcome of the Appeals filed before the Hon'ble Supreme Court, no adjustment has been made by the Holding Company in respect of the standby charges estimated at Rs. 519 crores accounted for as revenue in earlier periods and its consequential effects. [Note 35(e) and (f)] for the period upto 31st March, 2015. The impact of the same on the results for the year ended 31st March, 2015 cannot presently be determined pending the ultimate outcome of the matter. Since the Holding Company is of the view, supported by legal opinion, that the Tribunal's Order can be successfully challenged, no provision/adjustment has been considered necessary by the Management.

Note 32(b) to the consolidated financial statements, which describes the key source of estimation uncertainties relating to the assessment of the recoverability of the carrying amount of the assets aggregating to Rs. 14,657.05 crores of the subsidiary, its compliance with debt covenants and classification of long-term borrowings.

In case of 2 jointly controlled entities of the Holding Company, the component auditors have drawn attention to matters as stated in Note 35(a)(xi) to the consolidated financial statements, regarding recoverability of Rs. 7,771.36 crores (Group's share of Rs. 2,331.41 crores) of value added tax and vehicle fuel tax balances and Group's share in tax claims and other contingent claims from third parties on the said jointly controlled entities, the outcome of which cannot be presently determined.

In case of 1 subsidiary, the component auditor has drawn attention to a matter as stated in Note 35(h) to the consolidated financial statements, wherein no adjustment has been made by the subsidiary in respect of income estimated at Rs. 213.13 crores as at 31st March, 2015 which includes carrying cost of Rs. 28.10 crores for the year ended 31st March, 2015. The impact of the above as at 31st March, 2015 cannot presently be determined pending ultimate outcome of the matter. Since the Group is of the view, supported by legal opinion that the disallowance of expenses by the Delhi Electricity Regulatory Commission (DERC) pertaining to the Rithala plant can be successfully challenged, no adjustment has been considered necessary by the Management.

The Auditor's report is not qualified in respect of these matters.

**Emphasis of Matter in Auditor's Report on the Consolidated Accounts (includes Standalone) for FY 2013 14**

We draw attention to Notes 35(e) and (f) to the financial statements, which describe uncertainties relating to the outcome of the Appeals filed before the Hon'ble Supreme Court. Pending outcome of the appeals filed before the Hon'ble Supreme Court, no adjustment has been made by the Company in respect of the standby charges estimated at Rs. 519 crore accounted for as revenue in earlier periods and its consequential effects for the years upto 31st March, 2014. The impact of the same on the results for the year ended 31st March, 2014 cannot presently be determined pending the ultimate outcome of the matter. Since the Company is of the view, supported by legal opinion, that the Tribunal's order can be successfully challenged, no provision / adjustment has been considered necessary.

- (i) We draw attention to Note 32(a) to the financial statements, which describe uncertainties relating to the outcome of the appeals filed by the procurers with the APTEL challenging the Central Electricity Regulatory Commission order granting compensatory tariff to a subsidiary. Pending outcome of the appeals before APTEL, no adjustment has been made in respect of the compensatory tariff aggregating to Rs. 1,019.06 crore.
- (ii) We draw attention to Note 32(b) to the financial statements, which describe the key source of estimation uncertainties relating to the Company's assessment of the recoverability of the carrying amount of the assets of the aforesaid subsidiary, its compliance with debt covenants and classification of long-term borrowings.

In case of two jointly controlled entities of the Company, the component auditors have drawn attention to a matter as stated in Note 35(a)(x) to the financial statements, regarding recoverability of Rs. 7,147.97 crore (Group's share of Rs. 2,144.39 crore) of Value Added Tax and Vehicle fuel tax balances, and Group's share in other contingent claims from third parties on the said jointly controlled entities, the outcome of which cannot be presently determined.

In case of one of the subsidiary, the component auditor has drawn attention to a matter as stated in Note 35(h) to the financial statements, wherein no adjustment has been made by the subsidiary in respect of income estimated at Rs. 185.03 crore as at 31st March, 2014 which includes carrying cost of Rs. 18.38 crore for the year ended 31st March, 2014. The impact of the above as at 31st March, 2014 cannot presently be determined pending ultimate outcome of the matter. Since the Company is of the view, supported by legal opinion that the disallowance of expenses by Delhi Electricity Regulatory Commission (DERC) pertaining to the Rithala plant can be successfully challenged, no adjustment has been considered necessary.

In case of jointly controlled entities of the Company, the component auditors have drawn attention to a matter as stated in Note 33(d) to the financial statements, regarding notices received in connection with delay in development of coal blocks and the consequent de-allocation of the same and the management's contention that in case of one of the jointly controlled entity, notices will be withdrawn considering the progress made by the said jointly controlled entity towards obtaining necessary clearances and in case of the second jointly controlled entity the interim order of the High Court in which the decision for de-allocation of the Coal Block to the promoters have been kept on hold.

The Auditor's report is not qualified in respect of these matters.

**Emphasis of Matter in Auditor's Report on the Consolidated Accounts (includes Standalone) for FY 2012-13**

We draw attention to Note 35(e) to the financial statements which describes uncertainties relating to the outcome of the Appeal filed before the Hon'ble Supreme Court. Pending outcome of the appeal filed before the Hon'ble Supreme Court, no adjustment has been made by the Company in respect of the standby charges estimated at Rs. 519 crore accounted for as revenue in earlier periods and its consequential effects (Note 35(e) and (f)) for the years upto 31st March, 2013. The impact of the same on the results for the year ended 31st March, 2013 cannot presently be determined pending the ultimate outcome of the matter. Since the Company is of the view, supported by legal opinion, that the Tribunal's order can be successfully challenged, no provision/adjustment has been considered necessary.

As stated in Note 32, which describes the key source of estimation uncertainties relating to the carrying amount of assets and compliance with debt covenants.

As stated in Note 35 (a)(vi) and (vii) regarding recoverability of Rs. 6,834.20 crore (Group's share of Rs. 2,050.26 crore) of Value Added Tax balances and other contingent claims from third parties, the outcome of which cannot be presently determined.

As stated in Note 35(h), wherein no adjustment has been made by the Company in respect of income estimated at Rs. 145.72 crore as at 31st March, 2013. The impact of the above as at 31st March, 2013 cannot presently be determined pending ultimate outcome of the matter. Since the Company is of the view, supported by legal opinion that the disallowance of expenses by Delhi Electricity Regulatory Commission (DERC) pertaining to the Rithala plant can be successfully challenged, no adjustment has been considered necessary.

As stated in Note 38, regarding accrual of insurance claims receivable aggregating Rs. 18.24 crore (net) (Group's share of Rs. 13.50 crore) for the year ended 31st March, 2013, the final quantum of which is subject to determination by the insurance company.

The Auditor's report is not qualified in respect of all the aforesaid matters.

**Profits of the Issuer, before and after making provision for tax, for the three financial years immediately preceding the date of the Information Memorandum**

(Amount in Rupees crore)

Particulars (Consolidated)	For the year ended on March 31, 2017	For the year ended on March 31, 2016	For the year ended on March 31, 2015	For the year ended on March 31, 2014
	Ind AS (Restated) (Refer Notes below)	Ind AS (Refer Notes below)	IGAAP (Refer Notes below)	IGAAP (Refer Notes below)
Profit / (loss) before tax	237.70	1,280.71	1,484.35	975.07
Less: Current tax	557.03	525.21	826.57	831.89
(Add)/Less: MAT credit (Entitlement)/ Reversal (Net)	0.00	0.00	(18.29)	88.31
(Add)/Less: Income tax of earlier years	0.00	0.00	0.14	(41.51)
Less: Deferred tax	(193.17)	155.10	266.50	129.69
Profit / (Loss) after tax Before Share of Profit of Associates and Minority Interest	(126.16)	600.40	409.43	(33.31)
Add: Share of Profit of Associates for the year	1,225.79	185.99	47.77	45.37
Less: Minority Interest	(203.08)	(124.19)	289.37	272.03
Profit / (Loss) after tax	896.55	662.20	167.83	(259.97)

**Notes:**

1. 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. Upto the year ended 31st March, 2016, the Group prepared its consolidated financial statements in accordance with the requirements of previous GAAP (IGAAP), which included Standards notified under the Companies (Accounting Standards) Rules, 2006.
2. In its regulated operations, the Company hitherto followed a practice of not recognizing regulatory asset on deferred tax liability. During the half-year ended 30<sup>th</sup> September, 2017, the Company has reviewed this accounting treatment and recognized a regulatory asset of ` 493 crore as at 1st April, 2016 and ` 65 crore for the year ended 31st March, 2017 pertaining to its transmission and distribution business. In respect of a subsidiary company, the regulatory income/expense relating to the deferred tax asset/liability is reclassified from “regulatory expense” to “deferred tax (recoverable)/payable of ` 527.02 crore for the year ended 31st March, 2017 in line with the disclosures of the Company.
3. In the regulated operations of the Company, regulatory asset on income tax expense was considered in the year of recovery. During the half-year ended 30<sup>th</sup> September, 2017, the Company has reviewed this accounting treatment and recognized a regulatory asset of ` 286 crore as at 1st April, 2016 and ` 19 crore for the year ended 31st March, 2017.
4. As per the clarifications issued by ICAI during the half-year ended 30<sup>th</sup> September, 2017, the Group reclassified income taxes paid on dividend received for which set off was allowed against the Dividend Distribution Tax (DDT) from “current tax” and “finance cost” to “other equity”. Accordingly, the net profit is higher by ` 71.07 crore for the year ended 31st March, 2017.

Dividend (Standalone)

The following table sets forth certain details regarding the dividend paid by the Issuer on the equity shares for Financial Years 2015-16, 2014-15, 2013-14 and 2012-13:

(Rs., In Crores, except per share data)

Particulars	Fiscal 2017	Fiscal 2016	Fiscal 2015	Fiscal 2014
Face value of Equity Shares (Rs. per share)	1	1	1	1
Interim dividend on Equity Shares (Rs. per share)	Nil	Nil	Nil	Nil
Final dividend of Equity Shares (Rs. per share)	1.30	1.30	1.30	1.25
Total dividend on Equity Shares	351.99	351.99	351.99	338.45
Dividend tax (gross)	Nil	47.93	32.34	24.72

#### Interest Coverage Ratio (Standalone)

The following table sets forth the interest coverage ratio for Financial Years 2016-17, 2015-16 and 2014-15:

Financial Year 2017 (As per Ind AS) (Restated)	With Exceptional Item 1.47  Without Exceptional Item 2.04
Financial Year 2016 (As per Ind AS)	2.86
Financial Year 2015 (As per IGAAP)	2.73

## RELATED PARTY TRANSACTIONS

The related party transactions mentioned below form part of the Standalone Financial Statements of the Issuer:

### **Financial Year 2015**

Related Party Disclosures:

Disclosure as required by Accounting Standard 18 (AS-18) - “Related Party Disclosures” are as follows:

Names of the related parties and description of relationship:

(a)	Related parties where control exists: Subsidiaries		
		1)	Af-Taab Investment Co. Ltd. (AICL)
		2)	Chemical Terminal Trombay Ltd. (CTTL)
		3)	Tata Power Trading Co. Ltd. (TPTCL)
		4)	Powerlinks Transmission Ltd. (PTL)
		5)	NELCO Ltd. (NELCO)
		6)	Maithon Power Ltd. (MPL)
		7)	Industrial Energy Ltd. (IEL)
		8)	Tata Power Delhi Distribution Ltd. (TPDDL)
		9)	Coastal Gujarat Power Ltd. (CGPL)
		10)	Bhira Investments Ltd. (BIL)
		11)	Bhivpuri Investments Ltd. (BHIL)
		12)	Khopoli Investments Ltd. (KIL)
		13)	Trust Energy Resources Pte. Ltd. (TERL)
		14)	Energy Eastern Pte. Ltd. ** (EEL)
		15)	Industrial Power Utility Ltd. (IPUL)
		16)	Tatanet Services Ltd.** (TNSL)
		17)	Tata Power Renewable Energy Ltd. (TPREL)
		18)	PT Sumber Energi Andalan Tbk ** (SEA)
		19)	Tata Power Green Energy Ltd. ** (TPGEL)
		20)	NDPL Infra Ltd. ** (NDPLIL)
		21)	Dugar Hydro Power Ltd. (DHPL)
		22)	Tata Power Solar Systems Ltd. (TPSSL)
		23)	Tata Power Jamshedpur Distribution Ltd. (TPJDL)

		24)	Tata Power International Pte. Ltd. (TPIPL)
		25)	NewGen Saurashtra WindfarmsLtd. ** (NSWL) (erstwhile AES Saurashtra Windfarms Ltd.
	** Through Subsidiary Companies.		
(b)	Other related parties (where transactions have taken place during the year) :		
	(i) Associates	1)	Tata Projects Ltd. (TPL)
		2)	Yashmun Engineers Ltd. (YEL)
		3)	Rujuvalika Investments Ltd. (RIL)
	(ii) Jointly Controlled Entities	1)	OTP Geothermal Pte. Ltd. (OTPGL) **
		2)	Adjaristsqali Georgia LLC (AGL) **
		3)	Cennergi Pty. Ltd. (CPL) **
		4)	Mandakini Coal Company Ltd. (MCCL)
		5)	Tubed Coal Mines Ltd. (TCML)
	** Fellow Jointly Controlled Entities		
	(iii) Promoters holding together with its Subsidiary more than 20%		Tata Sons Ltd.
(c)	Key Management Personnel		Anil Sardana - CEO & Managing Director
			Ashok Sethi - COO & Executive Director (from 7th May, 2014)
			S. Padmanabhan - Executive Director (upto 30th June, 2014)
			Ramesh Subramanyam - Chief Financial Officer
(d)	Details of Transactions:		

Rs. crore

<b>Particulars</b>	<b>Subsidiaries</b>	<b>Associates</b>	<b>Jointly Controlled Entities</b>	<b>Key Management Personnel</b>	<b>Promoters</b>
Purchase of goods/power (Net of Discount Received on Prompt Payment)	56.45	-	-	-	-
	200.73	-	-	-	-
Sale of goods/power (Net of Discount on Prompt Payment)	202.77	-	-	-	-
	211.47	-	-	-	-
Purchase of fixed assets	-	8.12	-	-	-
	0.07	17.89	-	-	-
Sale of fixed assets	-	-	-	-	-
	0.08	-	-	-	-
Rendering of services	102.46	0.10	1.87	-	0.57
	104.25	0.10	4.13	-	-
Receiving of services	2.72	8.71	-	-	0.61
	4.84	12.21	-	-	0.85
Brand equity contribution	-	-	-	-	21.15
	-	-	-	-	21.61
Guarantee, collaterals etc. given	9,326.87	-	95.53	-	-
	1,152.55	-	392.75	-	-
Guarantee, collaterals etc. cancelled	11,917.87	-	66.67	-	-
	1,060.05	-	-	-	-
Letter of comfort given	-	-	-	-	-
	-	-	488.37	-	-
Letter of comfort cancelled	-	-	-	-	-
	-	-	503.04	-	-
Remuneration paid	-	-	-	15.57	-
	-	-	-	11.12	-

Interest income	278.11	-	0.24	-	-
	176.08	-	-	-	-
Dividend received	493.67	4.89	-	-	5.34
	351.83	4.89	-	-	5.34
Dividend paid	0.05	-	-	-	102.74
	0.05	-	-	-	81.36
Guarantee commission earned	19.71	-	-	-	-
	13.26	-	-	-	-
Loans given	1,543.99	-	3.09	-	-
	3,337.88	-	1.20	-	-
Particulars	Subsidiaries	Associates	Jointly Controlled Entities	Key Management Personnel	Promoters
Equity contribution (net of advance towards equity contribution and loan converted into equity) @	482.32	-	0.26	-	-
	1,188.79	-	19.02	-	-
Purchase of preference shares (including advance towards preference shares)	301.13	-	-	-	-
	114.76	-	-	-	-
Equity Shares Issued	-	-	-	-	686.33
	-	-	-	-	-
Loans repaid (including loan converted into equity)	1,185.06	-	-	-	-
	2,340.25	-	-	-	-
Deposits taken - towards rental accomodation	-	-	-	-	2.00
	-	-	-	-	-
Balances outstanding					
Security deposits given	-	-	-	-	0.50
	-	-	-	-	0.50
Other receivables (net of provisions)	51.52	4.59	0.71	-	-

	66.14	0.89	2.59	-	-
Loans given (including interest thereon)	3,244.25	1.27	4.49	-	-
	2,696.38	1.27	1.20	-	-
Loans provided for as doubtful advances	-	1.27	-	-	-
	-	1.27	-	-	-
Preference shares outstanding	692.94	-	-	-	-
	391.81	-	-	-	-
Advance towards equity/preference shares	-	-	-	-	-
	95.59	-	5.60	-	-
Dividend receivable	75.00	-	-	-	-
	59.89	-	-	-	-
Guarantees, collaterals etc. outstanding	11,304.75	-	486.45	-	Refer Note Below **
	13,550.55	-	491.04	-	Refer Note Below **
Letter of comfort outstanding	-	-	10.67	-	-
	-	-	11.67	-	-
Other payables	7.42	1.50	-	-	23.96
	3.05	6.35	-	-	22.02

@ Including shares pursuant to loan being converted to equity.

Note: Previous year's figures are in italics.

\*\* In 2008-09, NTT DoCoMo Inc (Docomo) entered into an Agreement with Tata Teleservices Ltd (TTS defence) and Tata Sons Limited to acquire 20% of the equity share capital under the primary issue and 6% under the secondary sale from Tata Sons Limited. In terms of the Agreements with Docomo, Tata Sons Limited, inter alia, agreed to provide various indemnities and a Sale Option entitling Docomo to sell its entire shareholding in 2014 at a minimum pre-determined price of Rs. 58.045 per share if certain performance parameters were not met by TTS defence. The minimum pre-determined price represented 50% of the acquisition price of 2008-09. The Agreements are governed by Indian Law.

The Company in 2008-09 had accepted an offer made voluntarily by Tata Sons Limited to all shareholders of TTS defence to participate pro-rata in the secondary sale to Docomo together with bearing liabilities, if any, including the Sale Option in proportion of the number of shares sold by the company to the aggregate Secondary Sale to Docomo. Accordingly, an Inter-se Agreement was executed by the Company with Tata Sons and other Selling Shareholders. The Company sold 2,72,82,177 shares of TTS defence to Docomo at Rs. 116.09 per share, resulting in a profit of Rs. 255.62 crore. The Company is obliged to acquire 13,45,95,551 shares of TTS defence in the above

proportion in the event the Sale Option is exercised by Docomo.

Docomo has exercised the Sale Option in July 2014 and has called upon Tata Sons Limited to acquire its entire shareholding in TTSL at the pre-determined price of Rs. 58.045 per share. Tata Sons Limited has in turn informed the Company that they may be called upon to acquire 13,45,95,551 shares, in terms of its original offer to the Company and the inter-se agreement to participate in the Secondary Sale.

Tata Sons have also informed the Company that the Reserve Bank of India have not permitted acquisition of the shares at the pre-determined price and have advised that the acquisition can only be made at Fair Market Value (FMV) prevailing at the time of the acquisition. The FMV determined as at 30th June, 2014 is Rs. 23.34 per share. Tata Sons Limited has conveyed to Docomo its willingness to acquire the shares at Rs. 23.34 per share, however, Docomo reiterated its position that the shares be acquired at Rs. 58.045 per share.

Docomo have initiated Arbitration in the matter.

The liability, if any, to the extent of the difference in price sought by Docomo and the Fair Market Value is dependent upon the outcome of the Arbitration and prevailing Exchange Control Regulations.

Under the above mentioned agreements with Docomo, TSL, and TTSL have jointly and severally agreed to indemnify Docomo within the agreed limits against claims arising on amount of any failure of certain warranties provided by TSL and TTSL to be true and correct in all respects (amount not determinable) and in respect of specified contingent liabilities (Company's share Rs. 29.76 crore). The Company is liable to reimburse TSL, on a pro-rata basis.

(e) Details of material related party transactions:

(i) Subsidiaries:

Particulars	IEL	PTL	TPTCL	MPL	EEL	BIL	KIL	TPIPL	TERL	CGPL	TPR EL	TPDDL
Purchase of goods/power	-	-	-	-	-	-	-	-	16.32	-	39.84	-
	-	-	51.35	-	-	-	-	-	149.38	-	-	-
Sale of goods/power	-	-	200.83	-	-	-	-	-	-	-	-	-
	-	-	209.03	-	-	-	-	-	-	-	-	-
Sale of fixed assets	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	0.08	-

Particulars	IEL	PTL	TPTCL	MPL	EEL	BIL	KIL	TPIPL	TERL	CGPL	TPREL	TPDDL
Rendering of services	27.52	-	-	37.54	-	-	-	-	-	-	-	-
	35.15	-	-	36.78	-	-	-	-	-	-	-	-
Receiving of services	-	-	-	-	-	-	-	-	-	-	-	-

	-	-	-	-	-	-	-	-	-	-	2.13	-	-
Guarantee and collaterals given	-	-	-	-	-	3,865.41	1,525.62	-	-	3,403.27	-	-	-
	-	-	-	-	197. 64	-	598.90	184.10	-	-	-	-	-
Guarantee and collaterals cancelled	-	-	-	-	-	5,503.24	2,455.97	-	-	3,341.43	-	-	-
	-	-	-	-	-	-	808.52	-	149.73	-	-	-	-
Interest income	-	-	-	-	-	-	-	-	-	224.14	-	-	-
	24.37	-	-	-	-	-	30.88	-	-	81.45	-	-	-
Dividend received	-	-	-	-	-	319.97	-	-	-	-	-	-	65.39
	49.28	53.7 0	-	-	-	209.12	-	-	-	-	-	-	-
Guarantee commission earned	-	-	-	-	-	9.06	4.31	-	-	-	-	-	-
	-	-	-	-	-	8.21	2.42	-	1.47	-	-	-	-
Loans given	-	-	-	-	-	-	-	-	-	1,531.66	-	-	-
	-	-	620.00	-	-	-	-	-	-	1,895.59	-	340.00	-
Equity contribution (net of advance towards equity contribution and loan converted into equity)	218.89	-	-	-	-	-	-	-	-	52.29	208.14	-	-
	-	-	-	-	-	-	-	-	-	824.67	194.98	-	-
Particulars	IEL	PTL	TPTCL	MPL	EE L	BIL	KIL	TPIPL	TERL	CGPL	TPRE L	TPDDL	
Purchase of preference shares	-	-	-	-	-	-	-	278.18	-	-	-	-	-

	-	-	-	-	-	-	-	-	114.76	-	-	-	-
Loans repaid (including loan converted into equity)	218.89	-	-	-	-	-	-	613.47	-	-	-	196.71	-
	-	-	640.00	-	-	-	-	-	-	-	992.00	-	340.00
Balances outstanding													
Loans given (including interest thereon)	-	-	-	-	-	-	-	-	-	3,034.56	-	-	-
	-	-	-	-	-	-	-	621.69	-	-	1,413.46	-	-
Preference shares outstanding	-	-	-	-	-	-	-	-	392.94	-	-	-	255.00
	-	-	-	-	-	-	-	-	114.76	-	-	-	255.00
Advance towards equity	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	11.15	84.44	-	-
Other receivables (net of provisions)	-	-	14.62	-	-	-	-	-	-	-	18.15	-	-
	11.74	-	18.40	20.75	-	-	-	-	-	-	-	-	-
Dividend receivable	-	-	-	-	-	75.00	-	-	-	-	-	-	-
	-	-	-	-	-	59.89	-	-	-	-	-	-	-
Guarantees, collaterals etc. outstanding	-	-	-	-	-	3,933.59	2,521.21	-	-	3,403.27	-	-	-
	-	-	-	-	-	5,390.10	3,327.25	-	-	3,341.43	-	-	-
Other payables	-	-	-	-	-	-	-	-	-	-	-	6.33	-
	-	-	-	-	-	-	-	-	-	-	-	-	-

Note: Previous year's figures are in italics.

Details of material related party transactions:

(ii) Associates and Jointly Controlled Entities:

Particulars	Associates				Jointly Controlled Entities
	TPL		YEL		
Purchase of fixed assets	8.12		-		-
	17.89		-		-
Receiving of services			8.71		-
			12.21		-
Guarantee, collaterals etc. given			-		-
			-		-
Letter of comfort given			-		-
			-		-
Letter of comfort cancelled			-		-
			-		-
Balances outstanding					
Loans provided for as doubtful advances			-		1.27
			-		1.27
Letter of comfort			-		-
			-		10.67
			-		11.67
Other payables			-		-
			-		-
	4.08		-		-
			-		-

Note: Previous year's figures are in italics.

### **Financial Year 2016**

Related Party Disclosures:

Disclosure as required by Accounting Standard 18 (AS-18) - “Related Party Disclosures” are as follows:

Names of the related parties and description of relationship:

(a)	Related parties where control exists: Subsidiaries		
		1)	Af-Taab Investment Co. Ltd. (AICL)
		2)	Chemical Terminal Trombay Ltd. (CTTL)
		3)	Tata Power Trading Co. Ltd. (TPTCL)
		4)	Powerlinks Transmission Ltd. (PTL)
		5)	NELCO Ltd. (NELCO)
		6)	Maithon Power Ltd. (MPL)
		7)	Industrial Energy Ltd. (IEL)
		8)	Tata Power Delhi Distribution Ltd. (TPDDL)
		9)	Coastal Gujarat Power Ltd. (CGPL)
		10)	Bhira Investments Ltd. (BIL)
		11)	Bhivpuri Investments Ltd. (BHIL)
		12)	Khopoli Investments Ltd. (KIL)
		13)	Trust Energy Resources Pte. Ltd. (TERL)
		14)	Energy Eastern Pte. Ltd. ** (EEL)
		15)	Industrial Power Utility Ltd. (IPUL)
		16)	Tatanet Services Ltd.** (TNSL)
		17)	Tata Power Renewable Energy Ltd. (TPREL)
		18)	PT Sumber Energi Andalan Tbk ** (SEA)
		19)	Tata Power Green Energy Ltd. ** (TPGEL)
		20)	NDPL Infra Ltd. ** (NDPLIL)
		21)	Dugar Hydro Power Ltd. (DHPL)
		22)	Tata Power Solar Systems Ltd. (TPSSL)
		23)	Tata Power Jamshedpur Distribution Ltd. (TPJDL)
		24)	Tata Power International Pte. Ltd. (TPIPL)
		25)	Tata Ceramics Ltd. (TCL) (w.e.f. 28th May, 2015)

		26)	Supa Windfarm Ltd. (SWL) ** (w.e.f. 10th December, 2015)
		27)	Poolavadi Windfarm Ltd. (PWL) ** (w.e.f. 9th January, 2016)
		28)	Nivade Windfarm Ltd. (NWL) ** (w.e.f. 17th December, 2015)
	** Through Subsidiary Companies.		
(b)	Other related parties (where transactions have taken place during the year and previous year) :		
	(i) Associates	1)	Tata Projects Ltd. (TPL)
		2)	Yashmun Engineers Ltd. (YEL)
	(ii) Jointly Controlled Entities	1)	Cennergi Pty. Ltd. (CPL) **
		2)	Mandakini Coal Company Ltd. (MCCL)
		3)	Tubed Coal Mines Ltd. (TCML)
		4)	Itezhi Tezhi Power Corporation (ITPC) (w.e.f. 29th April, 2015)
		5)	Adjaristsqali Georgia LLC (AGL) **
	** Fellow Jointly Controlled Entities		
	(iii) Promoters holding together with its Subsidiary more than 20%		Tata Sons Ltd.
(c)	Key Management Personnel		Anil Sardana - CEO & Managing Director
			Ashok Sethi - COO & Executive Director
			Ramesh Subramanyam - Chief Financial Officer
(d)	Details of Transactions:		

Rs. crore

Particulars	Subsidiaries	Associates	Jointly Controlled Entities	Key Management Personnel	Promoters

Purchase of goods/power (Net of Discount Received on Prompt Payment)	75.60	-	-	-	-
	56.45	-	-	-	-
Sale of goods/power (Net of Discount on Prompt Payment)	190.83	-	-	-	-
	202.77	-	-	-	-
Purchase of fixed assets	-	7.97	-	-	-
	-	8.12	-	-	-
Rendering of services	128.47	0.14	14.29	-	0.52
	102.46	0.10	1.87	-	0.57
Receiving of services	1.99	10.81	-	-	0.37
	2.72	8.71	-	-	0.61
Brand equity contribution	-	-	-	-	21.63
	-	-	-	-	21.15
Guarantee, collaterals etc. given	6,553.30 \$	-	-	-	-
	9,326.87 \$	-	95.53 \$	-	-
Guarantee, collaterals etc. cancelled	9,566.22 \$	-	283.16 \$	-	-
	11,917.87 \$	-	66.67\$	-	-
Remuneration paid	-	-	-	11.30	-
	-	-	-	15.57	-
Interest income	15.86	-	-	-	-
	278.11	-	0.24	-	-
Dividend received	327.97	4.85	-	-	16.02
	493.67	4.89	-	-	5.34
Dividend paid	-	-	-	-	106.84
	0.05	-	-	-	102.74
Guarantee commission earned	23.89	-	1.31	-	-
	19.71	-	-	-	-
Loans given	1,177.26	-	77.96	-	-
	1,543.99	-	3.09	-	-

Particulars	Subsidiaries	Associates	Jointly Controlled Entities	Key Management Personnel	Promoters
Equity contribution (net of advance towards equity contribution and loan converted into equity) @	271.14	-	206.97	-	-
	482.32	-	0.26	-	-
Purchase of preference shares (including advance towards preference shares)	-	-	-	-	-
	301.13	-	-	-	-
Loans provided for as doubtful advances (including interest)	1.24	-	54.16	-	-
	-	-	-	-	-
Equity Shares Issued	-	-	-	-	-
	-	-	-	-	686.33
Loans repaid (including loan converted into equity)	357.71	-	-	-	-
	1,185.06	-	-	-	-
Deposits taken - towards rental accomodation	-	-	-	-	-
	-	-	-	-	2.00
Balances outstanding					
Security deposits given	-	-	-	-	-
	-	-	-	-	0.50
Other receivables	76.39	1.01	14.18	-	-
	51.52	4.59	0.71	-	-
Loans given (including interest thereon)	4,027.95	1.27	83.22	-	-
	3,244.25	1.27	4.49	-	-
Loans provided for as doubtful advances (including interest thereon)	1.24	1.27	54.16	-	-
	-	1.27	-	-	-
Preference shares outstanding	647.94	-	-	-	-
	692.94	-	-	-	-

Dividend receivable	-	-	-	-	-
	75.00	-	-	-	-
Guarantees, collaterals etc. outstanding	8,699.93	-	78.34	-	Refer Note Below **
	11,304.75	-	384.22	-	Refer Note Below **
Letter of comfort outstanding	-	-	71.54	-	-
	-	-	10.67	-	-
Other payables	7.64	3.66	-	-	25.47
	7.42	1.50	-	-	23.96

- @ Including shares pursuant to loan and preference shares being converted to equity.
- \$ Includes guarantees given and cancelled in foreign currency, converted in Indian currency by applying average exchange rates.

Note: Previous year's figures are in italics.

\*\* In 2008-09, NTT DoCoMo Inc. (DoCoMo) entered into an Agreement with Tata Teleservices Ltd. (TTS) and Tata Sons Limited to acquire 20% of the equity share capital under the primary issue and 6% under the secondary sale from Tata Sons Limited. In terms of the Agreements with DoCoMo, Tata Sons Limited, inter alia, agreed to provide various indemnities and a Sale Option entitling DoCoMo to sell its entire shareholding in 2014 at a minimum pre-determined price of Rs. 58.045 per share if certain performance parameters were not met by TTS. The minimum pre-determined price represented 50% of the acquisition price of 2008-09. The Agreements are governed by Indian Law.

The Company in 2008-09 had accepted an offer made voluntarily by Tata Sons Limited to all shareholders of TTS to participate pro-rata in the secondary sale to DoCoMo together with bearing liabilities, if any, including the Sale Option in proportion of the number of shares sold by the Company to the aggregate Secondary Sale to DoCoMo. Accordingly, an Interse Agreement was executed by the Company with Tata Sons Limited and other Selling Shareholders. The Company sold 2,72,82,177 shares of TTS to DoCoMo at Rs. 116.09 per share, resulting in a profit of Rs. 255.62 crore. The Company is obliged to acquire 13,45,95,551 shares of TTS in the above proportion in the event the Sale Option is exercised by DoCoMo.

DoCoMo has exercised the Sale Option in July 2014 and has called upon Tata Sons Limited to acquire its entire shareholding in TTS at the pre-determined price of Rs. 58.045 per share. Tata Sons Limited has in turn informed the Company that they may be called upon to acquire 13,45,95,551 shares, in terms of its original offer to the Company and the inter-se agreement to participate in the Secondary Sale.

Tata Sons Limited have also informed the Company that the Reserve Bank of India have not permitted acquisition of the shares at the pre-determined price and have advised that the acquisition can only be made at Fair Market Value (FMV) prevailing at the time of the acquisition. DoCoMo reiterated its position that the shares be acquired at minimum pre-determined price of 50% of the acquisition price in 2008-09.

DoCoMo had initiated Arbitration in the matter before the The London Court of International Arbitration (LCIA), London. The evidentiary hearing was completed on 6th May, 2016. The arbitral award is awaited.

The liability, if any, to the extent of the difference between the amount sought by DoCoMo and the Fair Market Value is dependent upon the outcome of the Arbitration and prevailing FEMA Regulations.

Under the above mentioned agreements with DoCoMo, TSL and TTSL have jointly and severally agreed to indemnify DoCoMo within the agreed limits against claims arising on account of any failure of certain warranties provided by TSL and TTSL to be true and correct in all respects (amount not determinable) and in respect of specified contingent liabilities [Company's share Rs. 29.76 crore (31st March, 2015 - Rs. 29.76 crore)]. The Company is liable to reimburse TSL, on a pro-rata basis.

(e) Details of material related party transactions [included under (d)]:

(i) Subsidiaries:

(INR, in crores)

Particulars	IEL	TPTCL	MPL	PTL	BIL	KIL	TPIP L	TPSSL	TERL	CGPL	TPR EL	TP DD L
Purchase of goods/power (net of discount received on prompt payment)	-	10.53	-	-	-	-	-	-	-	-	65.07	-
	-	-	-	-	-	-	-	-	16.32	-	39.84	-
Sale of goods/power (net of discount received on prompt payment)	-	184.14	-	-	-	-	-	-	-	-	-	-
	-	200.83	-	-	-	-	-	-	-	-	-	-
Rendering of services	37.11	-	39.06	-	-	-	20.09	-	-	-	-	-
	27.52	-	37.54	-	-	-	-	-	-	-	-	-
Receiving of services	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	2.13	-	-
Guarantee and collaterals given	-	-	-	-	-	3,179.77 \$	-	-	754.37 \$	1,639.15	-	-
	-	-	-	-	3,865.41 \$	1,525.62 \$	-	-	-	3,403.27	-	-
Guarantee and collaterals cancelled	-	-	-	-	4,102.77 \$	2,640.77\$	-	-	-	2,057.75	-	-
	-	-	-	-	5,503.24 \$	2,455.97 \$	-	-	-	3,341.43	-	-
Interest income	-	-	13.03	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	224.14	-	-
Dividend received	46.53	-	61.41	46.54	95.48	-	-	-	-	-	-	70. 01
	-	-	-	-	319.97	-	-	-	-	-	-	65. 39

Guarantee commission earned	-	-	-	-	8.53	7.51	3.29	-	3.04	-	-	-
	-	-	-	-	9.06	4.31	-	-	-	-	-	-
Particulars	IEL	TPTCL	MPL	PTL	BIL	KIL	TPIP L	TPSSL	TERL	CGPL	TPR EL	TP DD L
Loans given	-	-	-	-	-	-	-	-	-	1,061.18	-	-
	-	-	-	-	-	-	-	-	-	1,531.66	-	-
Equity contribution (net of advance towards equity contribution and loan converted into equity)	27.53	-	-	-	-	-	-	162.01	-	49.85	-	-
	218.89	-	-	-	-	-	-	-	-	52.29	208.1 4	-
Purchase of preference shares (including advance towards preference shares)	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	278.1 8-	-	-	-	-	-
Loans repaid (including loan converted into equity)	39.86	-	-	-	-	-	-	-	-	299.85	-	-
	218.89	-	-	-	-	613.47	-	-	-	-	196.7 1	-
Balances outstanding												
Loans given (including interest thereon)	-	-	-	-	-	-	-	-	-	3,795.89	-	-
	-	-	-	-	-	-	-	-	-	3,034.56	-	-
Preference shares outstanding	-	-	-	-	-	-	392.9 4	-	-	-	-	255 .00
	-	-	-	-	-	-	392.9 4	-	-	-	-	255 .00
Other receivables	25.0 7	22.20	-	-	-	-	-	-	-	-	-	-
	-	14.62	-	-	-	-	-	-	-	18.15	-	-

Particulars	IEL	TPTCL	MPL	PTL	BIL	KIL	TPIP L	TPSSL	TERL	CGPL	TPR EL	TP DD L
Guarantees, collaterals etc. outstanding	-	-	-	-	17.56	3,217.97	-	-	763.47	2,984.67	-	-
	-	-	-	-	3,933.59	2,521.21	-	-	268.43	3,403.27	-	-
Other payables	-	-	-	-	-	-	-	-	-	-	5.95	-
	-	-	-	-	-	-	-	-	-	-	6.33	-

\$ Includes guarantees given and cancelled in foreign currency, converted in Indian currency by applying average exchange rates.

Note: Previous year's figures are in italics.

Details of material related party transactions:

(ii) Associates and Jointly Controlled Entities [included under (d)]:

Particulars	Associates			Jointly Controlled Entities		
	TPL	YEL	NSL	MCC L	ITPC	CPL
Purchase of fixed assets	7.97	-	-	-	-	-
	8.12	-	-	-	-	-
Receiving of services	10.81	-	-	-	-	-
	-	8.71	-	-	-	-
Loans given			-	49.88	29.05	-
		-	-	-	-	-
Equity contribution (net of advance towards equity contribution and loan converted into equity)			-		206.69	-
		-	-	-	-	-

Particulars	Associates			Jointly Controlled Entities		
	TPL	YEL	NSL	MCC L	ITPC	CPL
Balances outstanding						
Loans (including interest thereon)	-	1.27		54.16	29.05	-
	-	1.27		4.28	-	-
Loans provided for as doubtful advances	-	1.27		54.16	-	-
	-	1.27		-	-	-
Other receivables	-	1.01	-	-	13.84	-
	-	-	-	-	-	-
Letter of comfort	-	-	-	-	-	71.54
	-	-	-	-	-	83.03

Note: Previous year's figures are in italics.

**Financial Year 2017**

Related Party Disclosures:

Disclosure as required by Ind AS 24 - “Related Party Disclosures” are as follows:

Names of the related parties and description of relationship:

(a)		Related parties where control exists:	
	(i)	Subsidiaries	1) Af-Taab Investment Co. Ltd. (AICL)
			2) Chemical Terminal Trombay Ltd. (CTTL)
			3) Tata Power Trading Co. Ltd. (TPTCL)
			4) NELCO Ltd. (NELCO)
			5) Maithon Power Ltd. (MPL)
			6) Tata Power Delhi Distribution Ltd. (TPDDL)
			7) Coastal Gujarat Power Ltd. (CGPL)
			8) Industrial Power Utility Ltd. (IPUL)
			9) Tata Power Renewable Energy Ltd. (TPREL)
			10) Tata Power Solar Systems Ltd. (TPSSL)
			11) Tata Power Jamshedpur Distribution Ltd. (TPJDL)
			12) Tata Power International Pte. Ltd. (TPIPL)
			13) Tata Ceramics Ltd. (TCL) (w.e.f. 28th May, 2015)
			14) Bhira Investments Ltd. (BIL)
			15) Bhivpuri Investments Ltd. (BHIL)
			16) Khopoli Investments Ltd. (KIL)
			17) Trust Energy Resources Pte. Ltd. (TERL)
			18) Indo Rama Renewables Jath Ltd ** (IRRJL)
			19) Energy Eastern Pte. Ltd. ** (EEL)
			20) Tatanet Services Ltd.** (TNSL)
			21) PT Sumber Energi Andalan Tbk. ** (SEA)
			22) Tata Power Green Energy Ltd. ** (TPGEL)
			23) NDPL Infra Ltd. ** (NDPLIL)
			24) Supa Windfarm Ltd. ** (SWL) (w.e.f. 10th December, 2015)
			25) Poolavadi Windfarm Ltd. ** (PWL) (w.e.f. 9th January, 2016)
			26) Nivade Windfarm Ltd. ** (NWL) (w.e.f. 17th December, 2015)

			27)	Welspun Renewables Energy Private Ltd. ** (WREPL)
			28)	Clean Sustainable Solar Energy Private Ltd. ** (CSSEPL)
			29)	Dreisatz Mysolar24 Private Ltd. ** (DMPL)
			30)	MI Mysolar24 Private Ltd. ** (MMPL)
			31)	Northwest Energy Private Ltd. ** (NEPL)
			32)	Solarsys Energy Private Ltd. ** (SEPL)
			33)	Solarsys Renewable Energy Private Ltd. ** (SREPL)
			34)	Unity Power Private Ltd. ** (UUPL)
			35)	Viraj Renewables Energy Private Ltd. ** (VREPL)
			36)	Welspun Energy Jharkhand Private Ltd. ** (WEJPL)
			37)	Welspun Energy Maharashtra Private Ltd. ** (WEMPL)
			38)	Welspun Energy Rajasthan Private Ltd. ** (WERPL)
			39)	Welspun Solar AP Private Ltd. ** (WSAPL)
			40)	Welspun Solar Kannada Private Ltd. ** (WSKPL)
			41)	Welspun Solar Madhya Pradesh Private Ltd. ** (WSMPPL)
			42)	Welspun Solar Punjab Private Ltd. ** (WSPPL)
			43)	Welspun Solar Rajasthan Private Ltd. ** (WSRPL)
			44)	Welspun Solar Tech Private Ltd. ** (WSTPL)
			45)	Welspun Solar UP Private Ltd. ** (WSUPL)
			46)	Welspun Urja Gujarat Private Ltd. ** (WUGPL)
			47)	Chirasthayee Surya Ltd. ** (CSL)
			48)	Nelco Network Products Ltd. ** (NNPL)
			49)	Vagarai Windfarm Ltd. ** (VWL)
			50)	Welspun Urja India Ltd. ** (WUIL)
		** 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 and previous year / balances outstanding) :			
	(i) Associates	1)	Tata Projects Ltd. (TPL)
		2)	Yashmun Engineers Ltd. (YEL)
		3)	Dagacchu Hydro Power Corporation Limited
		4)	Tata Communications Limited
	(ii) Joint Venture Companies	1)	Cennergi Pty. Ltd. ** (CPL)
		2)	Mandakini Coal Company Ltd. (MCCL)
		3)	Tubed Coal Mines Ltd. (TCML)
		4)	Itezhi Tezhi Power Corporation (ITPC) (w.e.f. 29th April, 2015)
		5)	Adjaristsqali Georgia LLC ** (AGL)
		6)	LTH Milcom Private Limited
		7)	Powerlinks Transmission Ltd. (PTL)
		8)	Industrial Energy Ltd. (IEL)
		9)	Dugar Hydro Power Ltd. (DHPL)
	** Joint Ventures of Subsidiaries		
(c)	(i) Promoters holding together with its Subsidiary more than 20%		Tata Sons Ltd.
	(ii) Subsidiaries and Jointly Controlled Entities of Promoters (where transactions have taken place during the year and previous year / balances outstanding) :		
		1)	Drive India Enterprise Solutions Limited (ceased w.e.f. 01.09.2015)
		2)	e-Nxt Financials Limited (merged with Tata Business Support Services Limited, the Appointed date i.e. 01.04.2014, Effective date: 01.07.2015)
		3)	Ewart Investments Limited
		4)	Infiniti Retail Limited
		5)	Tata Africa Holdings (SA) (Proprietary) Limited

			6)	Tata AG, Zug
			7)	Tata AIG General Insurance Company Limited
			8)	Tata Business Support Services Limited
			9)	Tata Capital Limited
			10)	Tata Consultancy Services Limited
			11)	Tata Consulting Engineers Limited
			12)	Tata Housing Development Company Limited
			13)	Tata Industries Limited
			14)	Tata Interactive Systems AG
			15)	Tata Investment Corporation Limited
			16)	Tata Realty and Infrastructure Limited
			17)	Tata Teleservices (Maharashtra) Limited (w.e.f. 02.02.2017)
			18)	Tata Teleservices Limited (ceased to be an associate and is a subsidiary w.e.f. 02.02.2017)
			19)	TC Travel and Services Limited
			20)	THDC Management Services Limited (formerly THDC Facility Management Limited)
(d)	Key Management Personnel		1)	Anil Sardana - CEO & Managing Director
			2)	Ashok Sethi - COO & Executive Director
			3)	Ramesh Subramanyam - Chief Financial Officer

## (e) Details of Transactions:

(Rs. Crore)

Particulars		Subsidiaries	Associates	Joint Ventures	Key Management Personnel	Employee Benefit Fund	Promoter Group	Promoters
Purchase of goods/power (Net of Discount Received on Prompt Payment)		73.73	-	-	-	-	0.03	-
		75.60	-	-	-	-	0.44	-
Sale of goods/power (Net of Discount on Prompt Payment)		150.47	31.84	-	-	-	36.43	-

Particulars		Subsidiaries	Associates	Joint Ventures	Key Management Personnel	Employee Benefit Fund	Promoter Group	Promoters
		190.74	40.59	0.09	-	-	51.24	-
Purchase of fixed assets		0.97	2.67	-	-	-	7.70	6.77
		-	8.44	-	-	-	7.39	-
Rendering of services		110.75	2.78	24.86	-	-	1.28	0.39
		90.33	0.14	52.43	-	-	1.24	0.52
Receiving of services		1.34	13.43	-	-	-	45.22	0.40
		1.94	17.69	0.05	-	-	36.13	0.37
Brand equity contribution		-	-	-	-	-	-	18.30
		-	-	-	-	-	-	21.63

Contribution to Employee Benefit Plans		-	-	-	-	57.99	-	-
		-	-	-	-	31.66	-	-
Guarantee, collaterals etc. given		7,740.20 \$	-	-	-	-	-	-
		6,553.30 \$	-	-	-	-	-	-
Guarantee, collaterals etc. cancelled		2,579.13 \$	-	50.05 \$	-	-	-	-
		9,566.22 \$	-	283.16 \$	-	-	-	-
Remuneration paid		-	-	-	13.89*	-	-	-
		-	-	-	11.30*	-	-	-
Interest income		223.19	-	0.44	-	-	-	-
		399.45	-	0.84	-	-	-	-
Interest paid		-	0.17	-	-	-	14.93	-
		-	0.09	-	-	-	14.82	-
Dividend received		519.23	12.43	114.50	-	-	-	-

Particulars		Subsidiaries	Associates	Joint Ventures	Key Management Personnel	Employee Benefit Fund	Promoter Group	Promoters
		204.30	12.24	93.07	-	-	0.05	16.02
Dividend paid		-	-	-	-	-	1.85	109.17
		-	-	-	-	-	4.18	106.84
Guarantee commission earned		23.65	-	1.23	-	-	-	-
		41.44	-	1.31	-	-	-	-
Loans given		187.13	-	0.02	-	-	-	-
		1,177.26	-	49.88	-	-	-	-

Equity contribution (includes advance towards equity contribution and perpetual bonds) @		4,800.80	-	0.15	-	-	-	-
		193.34	-	33.06	-	-	-	-
Loans provided for as doubtful advances (including interest)		0.01	-	0.02	-	-	-	-
		1.24	-	54.16	-	-	-	-
Loans repaid (including loan converted into equity)		356.62	-	13.25	-	-	-	-
		317.85	-	39.86	-	-	-	-
Deposits taken		-	0.81	-	-	-	0.11	-
		-	-	-	-	-	1.86	-
Deposits refunded		-	-	-	-	-	0.74	-
		-	0.04	-	-	-	0.07	-
Purchase of Investments		32.93	-	-	-	-	-	-
		-	-	-	-	-	312.29	-
Liability written back		-	-	-	-	-	0.10	-

Particulars		Subsidiaries	Associates	Joint Ventures	Key Management Personnel	Employee Benefit Fund	Promoter Group	Promoters
		-	-	-	-	-	-	-
Purchase of Business		13.35	-	-	-	-	-	-
		-	-	-	-	-	-	-
<b>Balances outstanding</b>								
Perpetual Securities Outstanding including Interest	2017	-	-	-	-	-	136.17	-
	2016	-	-	-	-	-	136.21	-
	2015	-	-	-	-	-	136.17	-
Other receivables	2017	71.64	4.44	9.58	-	-	3.83	-
	2016	51.31	2.75	39.26	-	-	5.21	-
	2015	48.03	7.80	4.20	-	-	4.56	-
Loans (including interest thereon)	2017	1.25	1.27	71.01	-	-	-	-
	2016	4,027.95	1.27	83.23	-	-	-	-
	2015	3,204.39	1.27	44.35	-	-	-	-
Loans provided for as doubtful advances (including interest thereon)	2017	1.25	1.27	54.18	-	-	-	-
	2016	1.24	1.27	54.16	-	-	-	-
	2015	-	1.27	-	-	-	-	-
Deposits taken outstanding	2017	-	1.53	-	-	-	1.33	-
	2016	-	0.72	-	-	-	1.99	-
	2015	-	0.74	-	-	-	0.15	-
Security deposits given	2017	-	-	-	-	-	-	-
	2016	-	-	-	-	-	-	-
	2015	-	-	-	-	-	-	0.50

Particulars		Subsidiaries	Associates	Joint Ventures	Key Management Personnel	Employee Benefit Fund	Promoter Group	Promoters
Preference Shares Outstanding including interest	2017	285.60	-	-	-	-	-	-
	2016	578.01	-	-	-	-	-	-
	2015	594.75	-	-	-	-	-	-
Advance towards equity	2017	168.00	-	-	-	-	-	-
	2016	-	-	-	-	-	-	-
	2015	-	-	-	-	-	-	-
Dividend receivable	2017	92.23	-	-	-	-	-	-
	2016	-	-	-	-	-	-	-
	2015	75.00	-	-	-	-	-	-
Guarantees, collaterals etc. outstanding	2017	13,854.55	-	31.62	-	-	-	-
	2016	8,881.05	-	78.34	-	-	-	-
	2015	11,304.75	-	384.22	-	-	-	-
Letter of comfort outstanding	2017	-	-	77.47	-	-	-	-
	2016	-	-	71.54	-	-	-	-
	2015	-	-	83.03	-	-	-	-
Other payables	2017	10.61	4.09	2.02	-	15.67	5.97	22.07
	2016	7.62	3.92	0.02	-	34.59	1.21	25.47
	2015	7.42	2.07	-	-	26.74	1.22	23.96

## Notes:

- @ During the year, Loan and Interest accrued thereon given to Coastal Gujarat Power Limited and Tata Power Renewable Energy Limited amounting to ₹ 3,855.89 crores (Previous period - ₹ Nil) has been converted into Investment in Perpetual Securities and Investment in Equity.
- \$ 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 financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

Previous year’s figures are in italics.

## THE ISSUER'S MANAGEMENT

### Promoters of the Issuer

The following are the details of the promoter shareholding in the Issuer as at 30 September 2017:

Sr. No.	Name of Shareholder	Total No of Equity Shares	No of shares in demat form	Total Shareholding as % of total no of equity shares	No of shares pledged	% of shares pledged with respect to shares owned
1	Tata Sons Limited	839,799,682	839,799,682	31.05	38771375	4.62
2	Tata Steel Limited	39,122,725	39,122,725	1.45	0	-
3	Tata Investment Corporation Limited	6,847,842	6,847,842	0.25	0	-
4	Tata Industries Limited	4,535,200	4,535,200	0.17	0	-
5	Ewart Investments Limited	2,229,657	2,229,657	0.08	0	-
6	Sir Dorabji Tata Trust	572,880	572,880	0.02	0	-
7	Sir Ratan Tata Trust	70,160	70,160	0.00	0	-
8	J R D Tata Trust	13,200	13,200	0.00	0	-
9	Sheba Properties Limited	9,120	9,120	0.00	0	-
	<b>TOTAL</b>	<b>893,200,466</b>	<b>893,200,466</b>	<b>33.02</b>	<b>38771375</b>	<b>4.62</b>

### Interest of Promoters

Other than as already disclosed in the Information Memorandum, the Promoters of the Issuer do not have any financial or other material interest in the Issue proposed to be issued under this Information Memorandum.

### Board of Directors

As of the date of this Information Memorandum, the Issuer has 12 Directors on its Board. As per the Articles of Association, the number of Directors on the Issuer's Board cannot exceed 15.

The following table sets forth certain details regarding the Board of Directors as on the date of this Information Memorandum.

Particulars	Age (years)	Other directorships
Mr. N. Chandrasekaran Designation: Non-Independent Non-Executive Chairman DIN 00121863 Occupation: Company Director Nationality: Indian Address: 201/202, Sagar Darshan, 8, Worli Seaface Road, Mumbai 400 030.	54	<b>Indian Companies</b> Tata Sons Limited Tata Consultancy Services Limited Tata Steel Limited Tata Motors Limited The Indian Hotels Company Limited TCS Foundation Reserve Bank of India

		Tata Global Beverages Limited  <b>Foreign Companies</b> Jaguar Land Rover Automotive Plc
Mr. S. Padmanabhan  Designation: Non-Executive Non-Independent Director  DIN 306299  Occupation: Company Executive  Nationality: Indian  Address: 132, Apsara NCPA Apts, D Tata Road, Nariman Point, Mumbai 400 021.	59	<b>Indian Companies</b> Tata Consulting Engineers Limited The Associated Building Company Limited Infiniti Retail Limited Ecofirst Service Limited Tata Chemicals Limited  <b>Foreign Companies</b> N.A
Mr. Nawshir H. Mirza  Designation: Independent Director  DIN 00016610  Occupation: Company Director  Nationality: Indian  Address: 6A, Somerset Place, 61-D, Bhulabhai Desai Road, Mumbai 400 026.	67	<b>Indian Companies</b> Thermax Limited Exide Industries Limited Coastal Gujarat Power Limited Tata Power Delhi Distribution Limited Tata Power Renewable Energy Limited Walwhan Renewable Energy Limited Centre for Advancement of Philanthropy  <b>Foreign Companies</b> N.A.
Mr. Deepak M. Satwalekar  Designation: Independent Director  DIN 00009627  Occupation: Company Director  Nationality: Indian  Address: #401, The Orchid, 12th Road, Khar (West), Mumbai 400 052.	68	<b>Indian Companies</b> Asian Paints Limited Piramal Enterprises Limited Franklin Templeton Asset Management (India) Private Limited Germinait Solutions Private Limited  <b>Foreign Companies</b> N.A.
Ms. Sandhya S. Kudtarkar  Designation: Non-Executive Non-Independent Director  DIN 00021947  Occupation: Company Executive  Nationality: Indian  Address: C-1003, Royal Court, Swami Niyand Marg, Vijay Nagar, Andheri (E), Mumbai 400 069.	59	<b>Indian Companies</b> TS Investments Limited Tata International Limited Universal Comfort Products Limited Indian Rotorcraft Limited Panatone Finvest Limited Rohini Industrial Electricals  <b>Foreign Companies</b> N.A.

Ms. Anjali Bansal Designation: Independent Director DIN 00207746 Occupation: Company Director Nationality: Indian  Address: 3302-3202, A Wing, Vivarea, Jacob Circle, Mahalaxmi, Mumbai 400 030.	46	<b>Indian Companies</b> Bata India Limited Glaxosmithkline Pharmaceuticals Limited Voltas Limited Bombay Chamber of Commerce  <b>Foreign Companies</b> SAB Holdings Private Limited
Ms. Vibha U. Padalkar Designation: Independent Director DIN 01682810 Occupation: Company Executive Nationality: Indian  Address: 6A & 7, Tarang, Plot No.224, Tamil Sangam Marg, Sion East, Mumbai 400 022.	49	<b>Indian Companies</b> HDFC Standard Life Insurance Company Limited HDFC Pension Management Company Limited HDFC Investments Limited  <b>Foreign Companies</b> N.A
Mr. Sanjay V. Bhandarkar Designation: Independent Director DIN 01260274 Occupation: Company Director Nationality: Indian  Address: 32/33, Moonreach Appartments, Prabha Nagar, P Balu Marg, Prabhadevi, Mumbai 400 025.	49	<b>Indian Companies</b> Newage Power Company Private Limited S Chand and Company Limited Chayya Prakashni Private Limited Walwan Renewable Energy Limited Tata Power Renewable Energy Limited  <b>Foreign Companies</b> N.A
Mr. K. M. Chandrasekhar Designation: Independent Director DIN 06466854 Occupation: Retired Civil Servant Nationality: Indian  Address: TC 97/1482(17), Flat No. 2H, GIE Homes, Majestic, Near NISH, Aakkulam Boat Club Road, Kuzhivila, Sreekariyam P.O., Thiruvananthapuram 695 017.	69	<b>Indian Companies</b> The Federal Bank Limited  <b>Foreign Companies</b> N.A
Mr. Hemant Bhargava Designation: Nominee Director DIN 01922717 Occupation: Service Nationality: Indian  Address: C-1, Jeevan Jyot, Setalwad Lane, off Nepeansea Roa, Mumbai 400 036	58	<b>Indian Companies</b> LIC Mutual Fund Trustee Private Limited LICHFL Care Homes Limited LICHFL Asset Management Company Limited Infrastructure Leasing And Financial Services Limited Voltas Limited Life Insurance Corporation of India  <b>Foreign Companies</b>

		Life Insurance Corporation of India Golden Jubilee Foundation LIC (Lanka) Limited LIC Bangladesh Ltd.
Mr. Anil Sardana  Designation: CEO & Managing Director  DIN 00006867  Occupation: Company Executive  Term: February 1, 2016 to January 31, 2021  Nationality: Indian  Address: 22 A/B, New Akashganga Co-operative Housing Society, 89, Bhulabhai Desai Road, Mumbai 400 026	58	<b>Indian Companies</b> Tata Power Delhi Distribution Limited Tata Power Renewable Energy Limited Tata Power Solar Systems Limited Tata Power Trading Company Limited Miraclefeet Foundation for Eliminating Clubfoot  <b>Foreign Companies</b> Systems, Applications & Products in Data Processing (SAP) Resurgent Power Ventures Pte Limited
Mr. Ashok S. Sethi  Designation: COO & Executive Director  DIN 01741911  Occupation: Company Executive  Nationality: Indian  Address: Godrej Platinum, Tower B '1', Flat No 403, Pirojshanagar, Vikhroli (E), Mumbai 400 079.	63	<b>Indian Companies</b> Industrial Energy Limited Tata Power Trading Company Limited Maithon Power Limited Walwhan Renewable Energy Limited Coastal Gujarat Power Limited  <b>Foreign Companies</b> Adjaristsqali Georgia LLC Itezhi Tezhi Power Corporation

None of the Issuer's Directors are listed as defaulters in the Credit Information Bureau (India) Limited (CIBIL) defaulters' list and/or Export Credit Guarantee Corporation of India (ECGC) defaulters' list as of the date of this Information Memorandum.

#### **Details of changes in the Directors since last three years:**

Name	Designation	DIN	Date of appointment	Date of Cessation	Remarks
Mr. Hemant Bhargava	LIC Nominee	01922717	24.08.2017	-	Nil
Mr. Pravin H. Kutumbe	LIC Nominee	01629256	07.09.2015	20.05.2017	Nil
Mr. K. M. Chandrasekhar	Independent Director	06466854	04.05.2017	-	Nil
Dr. Homair S. Vachha	Independent Director	00016610	30.03.2001	22.04.2017	Nil
Mr. Ashok K. Basu	Independent Director	01411191	26.03.2009	23.03.2017	Nil
Mr. N. Chandrasekaran	Non-Executive Non-	00121863	11.02.2017	-	Nil

	Independent Chairman				
Mr. Cyrus P. Mistry	Chairman & Non-Executive Director	00010178	23.12.2011	19.12.2016	Nil
Mr. S Padmanabhan	Non-Executive Non-Independent Director	00306299	16.12.2016	-	Nil
Mr. Piyush G. Mankad	Independent Director	00005001	03.07.2008	17.11.2016	Nil
Mr. Sanjay V. Bhandarkar	Independent Director	01260274	14.10.2016	-	Nil
Ms. Vibha U. Padalkar	Independent Director	01682810	14.10.2016	-	Nil
Ms. Anjali Bansal	Independent Director	00207746	14.10.2016	-	Nil
Ms. Sandhya S. Kudtarkar	Non-Executive Non-Independent Director	00021947	16.04.2016	-	Nil
Ms. Vishakha V. Mulye	Independent Director	00203578	28.02.2013	18.01.2016	Nil
Mr. Pravin H. Kutumbe	LIC Nominee	01629256	07.09.2015	-	Nil
Mr. Vijay Kumar Sharma	LIC Nominee	02449088	19.05.2015	02.07.2015	Nil
Mr. Thomas Mathew T.	LIC Nominee	00130282	07.08.2009	30.04.2015	Nil

### Profile of Directors

#### Mr. N. Chandrasekaran

Mr. Chandrasekaran is the Executive Chairman of Tata Sons. He was appointed as a director on Tata Sons board on 25<sup>th</sup> October 2016. He was the Chief Executive Officer and Managing Director of Tata Consultancy Services Limited (TCS), a leading global IT solution and consulting firm; a position he held since 2009 till February 2017.

He joined TCS in 1987 after completing his master's in computer applications from Regional Engineering College, Trichy, Tamil Nadu, India. Under his leadership, TCS has become the largest private sector employer in India with the highest retention rate in a globally competitive industry. TCS remains the most valuable company in India and ended 2015-16 with a market capitalisation of over USD 70 Bn. Under Mr. Chandrasekaran's leadership, TCS was rated as the world's most powerful brand in IT services in 2015 and recognised as a Global Top Employer by the Top Employers Institute across 24 countries.

A technopreneur known for his ability to make big bets on new technology, Mr. Chandrasekaran had been driving TCS's strong positioning in the emerging digital economy with a suite of innovative digital products and platforms for enterprises, some of which have since scaled into sizeable new businesses.

He was also appointed as a director on the board of the Reserve Bank of India in 2016. He has served as the chairperson of IT Industry Governors at the WEF, Davos, in 2015-16. He has been playing an active role in the Indo-US and India-UK CEO Forums. He is also part of India's business taskforces for Australia, Brazil, Canada, China, Japan and Malaysia. He served as the Chairman of Nasscom, the apex trade body for IT services firms, in India in 2012-13 and continues to be a member of its governing executive council.

Mr. Chandrasekaran has received several awards and recognition in the business community. Recently, he was honoured with the 'Business Leader Award' at the ET Awards for Corporate Excellence 2016. He was also awarded Qimpro Platinum Standard Award 2015 (business) and Business Today's Best CEO 2015 (IT and ITEs). He was voted the 'Best CEO' for the fifth consecutive year by the Institutional Investor's 2015 Annual All-Asia Executive Team rankings. During 2014, he was voted as one of CNBC TV 18 Indian Business Icons. He was awarded CNN-IBN Indian of the Year 2014 in the business category. He was also presented with the 'Best CEO for 2014' award by Business Today for the second consecutive year. He has also received the Medal of the City

of Amsterdam - Frans Banninck Coqc - in recognition of his endeavour to promote trade and economic relations between Amsterdam and India.

Mr. Chandrasekaran was conferred with an honorary doctorate by JNTU, Hyderabad, India (2014). He has received an honorary doctorate from Nyenrode Business Universiteit, Netherland's top private business school (2013). He has also been conferred honorary degrees by many Indian universities such as the Gitam University, Visakhapatnam, Andhra Pradesh (2013); KIIT University, Bhubaneswar, Odisha (2012); and the SRM University, Chennai, Tamil Nadu (2010).

Mr. Chandrasekaran is also the Chairman of Tata Consultancy Services Limited, Tata Steel Limited, Tata Motors Limited, The Indian Hotels Company Limited, Jaguar Land Rover Automotive PLC and TCS Foundation. He is also a Director on the Board of the Reserve Bank of India.

#### **Mr. S. Padmanabhan**

Mr. Padmanabhan is currently the Head of Group Human Resources for Tata Sons and Executive Chairman, Tata Business Excellence Group (TBExG). In his role as Head of Group Human Resources, he is responsible for enabling key HR policies and initiatives across the Tata Group globally. As Executive Chairman of TBExG, Mr. Padmanabhan is responsible for enabling the Business Excellence journey across the Tata group of companies globally. This role, which he took on in 2014, is integral to Group initiatives in enhancing the performance of Tata companies through diagnostics, benchmarking and sharing best practices.

His career with the Tata Group companies began with TCS in 1982 and spans over 34 years. During his 26 year stint in TCS, he has held roles such as Executive Director of Human Resources, Head of Application Development and Maintenance, Head of Airlines Practice and Country Manager, TCS Switzerland. He was also the CEO of Aviation Software Development Consultancy, a Joint Venture between TCS and Singapore Airlines. As the Executive Director of HR at TCS, Mr. Padmanabhan was responsible for managing over 1,00,000 employees worldwide. During his tenure, TCS achieved the highest retention rates. He also set up scalable and sustainable processes to make TCS a learning-focused organisation, capable of seamlessly integrating thousands of new employees each year. During his tenure, he significantly strengthened the industry-academia relation with various Indian and international institutes. Mr. Padmanabhan also played a pivotal role in overseeing the USD 1 Bn. TCS IPO – the largest in the country till then. He engaged with multiple stakeholders and financial institutions across the globe to make this IPO one of the most successful ones in the Indian corporate history.

Mr. Padmanabhan was also the Executive Director - Operations of the Company from 6<sup>th</sup> February 2008 to 30<sup>th</sup> June 2014, and was responsible for the profitable and sustainable operations of all thermal and hydro generation plants across India and transmission and distribution systems in Mumbai. He was also on the Boards of the operating subsidiaries of the Company.

Mr. Padmanabhan has a distinguished academic record in the technical and management domain from reputable institutions. He is a Glaxo Marketing Scholar Medalist, a Distinguished Alumnus from IIM Bangalore, and a Gold Medalist and a Distinguished Alumnus from PSG College of Technology, Coimbatore. He has completed the Advanced Management Program at the Harvard Business School. He is also a life member of CSI, Senior Member of IEEE.

Mr. Padmanabhan is a Director on the Board of Infiniti Retail Limited, Tata Consulting Engineers Limited, Tata Chemicals Limited and The Associated Building Company Limited.

#### **Mr. Nawshir H. Mirza**

Mr. Mirza is a Chartered Accountant who spent 36 years with S. R. Batliboi & Co. Most of that experience was in the audit and assurance domains. He joined the board of Tata Power in 2006. He is currently also on the boards of Exide Industries Ltd., Thermax Ltd., in addition to those within the Tata Power Group of companies. He is deeply involved in the movement for improved governance in corporations and speaks frequently on the topic. He is also an Independent Director on the boards of Tata Power Delhi Distribution Ltd., Coastal Gujarat Power Ltd., Tata Power Renewable Energy Ltd. and Welspun Renewable Energy Pvt. Ltd., all subsidiaries of Tata Power.

#### **Mr. Deepak M. Satwalekar**

Mr. Satwalekar was the Managing Director and CEO of HDFC Standard Life Insurance Company Limited from November 2000 till November 2008 and prior to this, he was the Managing Director of HDFC Limited from 1993 - 2000. Mr. Satwalekar obtained a Bachelor's Degree in Technology from the Indian Institute of Technology,

Bombay and a Master's Degree in Business Administration from The American University, Washington DC. He is also on the board of other companies.

**Ms. Sandhya S. Kudtarkar**

Ms. Kudtarkar is a Commerce graduate, Chartered Accountant and Company Secretary and has been with the Tata Group since March 1982. Having held various positions in the Secretarial function with Tata Steel Limited, she was the Company Secretary of Tata Steel from June 1994 till October 2001, when she moved to the Tata Group Legal Department. She is an ex-member of the Legal Affairs Committee of the Bombay Chamber of Commerce & Industry.

She is also on the board of other companies.

**Ms. Anjali Bansal**

Ms. Anjali Bansal is the former Global Partner and Managing Director with TPG Private Equity and a strategy consultant with McKinsey and Company in New York and Mumbai. She founded and ran Spencer Stuart's India practice successfully growing it to a highly reputed pan-India platform. She was also a global partner and co-led their Asia Pacific Board and CEO practice as part of the Asia Pacific leadership team. She started her career as an engineer.

She serves as an Independent Non-Executive Director on the public boards of GlaxoSmithKline Pharmaceuticals India Limited, Bata India Limited and Voltas Limited. She is on the Advisory Board of the Columbia University Global Centers, South Asia.

She is an enthusiastic participant in the entrepreneurial ecosystem, is charter member of TiE, angel investor and mentor to young entrepreneurs and companies including the SAHA Fund, Female Founders Fund and others.

Ms. Bansal is deeply committed to social enterprise and is an advisor to SEWA. Previously, she chaired the India board of Women's World Banking, a leading global livelihood-promoting institution and was an advisor to Grameen Foundation.

An active contributor to the dialogue corporate governance and diversity, she co-founded and chaired the FICCI Center for Corporate Governance program for Women on Corporate Boards. She serves on the managing committee of the Bombay Chamber of Commerce and Industry and is part of the CII Directors Guild. She is a member of the Young Presidents' Organization.

She has been listed as one of the "Most Powerful Women in Indian Business" by India's leading publication, Business Today, and as one of the "Most Powerful Women in Business" by Fortune India.

She has a bachelor's degree in Computer Engineering from Gujarat University and a Masters in International Finance and Business from Columbia University.

**Ms. Vibha U. Padalkar**

Ms. Vibha Padalkar is Executive Director and Chief Financial Officer at HDFC Standard Life Insurance Company Limited (HDFC Life). Post joining the company in August 2008, she has been leading the Finance, Internal Audit, Compliance, Risk Management, Legal and Secretarial teams, and also has oversight of the Pension Subsidiary Company.

Prior to joining HDFC Life, Ms. Padalkar has had diverse experience in varied sectors, ranging from Outsourcing (WNS Global Services) to FMCG (Colgate Palmolive).

Ms. Padalkar became a member of the Institute of Chartered Accountants in England and Wales in 1992. She is also a member of the Institute of Chartered Accountants in India.

**Mr. Sanjay V. Bhandarkar**

Mr. Sanjay Bhandarkar is the former Managing Director of Rothschild's Investment Banking operations in India.

During his career with Rothschild, he advised on a variety of corporate finance transactions across M&A, Capital Markets and Debt Restructuring.

A few notable deals include, advising Meralco on their acquisition of GMR's Island Power Project in Singapore; advising shareholders of CAMS, India's largest mutual fund registry business on the sale of 45% stake to National Stock Exchange; advising McCormick on the purchase of the foods business from Kohinoor Foods; advising Government of India on the 3G and BWA auctions, the pioneering e-auction process in India; advising the Tata Group on the purchase of Corus; advising Aircel on the sale of its towers business to GTL; advising Suzlon on its debt restructuring discussions with international lenders; advising GVK - South African consortium on its bid for Mumbai airport privatisation; advising Indian Lenders on restructuring and sale of Dabhol Power Company, India's largest and most complex restructuring.

Mr. Bhandarkar has a degree in Management from XLRI, Jamshedpur. Prior to Rothschild, he has also worked with Peregrine Capital and ICICI Securities and Finance Company Limited. He has over two decades of experience in Investment banking.

#### **Mr. K. M. Chandrasekhar**

Mr. K. M. Chandrasekhar entered the Indian Administrative Service in 1970. He was ranked third in the list in the batch. Prior to that, he secured B.A. (Honours) in Economics and M.A. in History from St. Stephen's College, University of Delhi. After entering Government service, he did his M.A. in Management Studies from the University of Leeds in United Kingdom.

He spent the first 25 years of his career in Kerala, holding such positions as Managing Director of the State Civil Supplies Corporation; District Collector, Idukki; Director of Fisheries; Principal Secretary (Industries) and Principal Secretary (Finance). During this period, he was also Chairman of the Spices Board under the Ministry of Commerce, Government of India.

In 1996, he left Kerala on Central Government deputation. During his 15 years tenure with the Government of India, from 1996 to 2011, he was Joint Secretary in the key Trade Policy Division of the Ministry of Commerce, Deputy Chief of Mission in the Embassy of India, Brussels and the Ambassador and Permanent Representative of India in the World Trade Organization in Geneva. He rose to the position of Union Cabinet Secretary. As Cabinet Secretary, he was Head of all the Civil Services in India and reported directly to the Prime Minister. He retained that position for four years. He retired from Government service in 2011 at the age of 63, having served Government for 41 years.

Post Retirement, he was, for 5 years, Vice-Chairman, Kerala State Planning Board with rank of Cabinet Minister of the State.

Mr. Chandrasekhar has considerable management experience having been associated as Chairman, Managing Director or member of the Board of Directors of more than 40 companies in the public, joint and private sector. He has written several articles and presented papers. He has also been consultant to the Commonwealth Secretariat and to the UN Food and Agriculture Organization.

He is presently Chairman, The Federal Bank Limited; President, Sree Chitra Institute of Medical Sciences and Technology, Trivandrum and Chairman, Centre for Development Studies, Trivandrum.

#### **Mr. Hemant Bhargava**

Mr. Bhargava, aged 58, is an M.A. in Economics. He took charge as Managing Director of LIC on

10<sup>th</sup> February, 2017. He was the Head of Northern Zone comprising Delhi, Punjab, Rajasthan, Himachal

Pradesh, Jammu & Kashmir, Haryana States and Union Territory of Chandigarh. Prior to that, he was heading Eastern Zone comprising Arunachal Pradesh, Assam, Meghalaya, Mizoram, Manipur, Nagaland, Sikkim, Tripura and West Bengal States and Union Territory of Andaman and Nicobar Islands. He has rich experience of more than 33 years in Life Insurance Industry in India and abroad. He had been Country head LIC Mauritius, head of International Operations SBU of LIC, Founded Micro Insurance vertical for LIC, was Executive Director (Marketing and Product Development) for the Corporation. He is the founder CEO of LIC Cards Services Ltd. He is also founder President of Indo Mauritian Business Group in Mauritius. Mr. Bhargava has served on the Boards of National Mutual Fund, Mauritius, LIC Mauritius Offshore Ltd., Krishna Knitwear Ltd., Mumbai. He was a member of Insurance Institute of India AC and was also appointed as Director on the boards of PTC India Ltd., New Delhi and NEDFi Ltd., Guwahati.

**Mr. Anil Sardana**

Mr. Sardana is an Electrical Engineer from Delhi College of Engineering and holds a Post Graduate Diploma in Management. He brings with him over three decades of experience in the power and infrastructure sector and has worked with companies like NTPC Limited, BSES (prior to it becoming an ADAG group company), Tata Power Delhi Distribution (erstwhile NDPL). Mr. Sardana also served as the Executive Director (Business Development & Strategy) for Tata Power from 1<sup>st</sup> March 2007 to 3<sup>rd</sup> August 2007 and continued to be on its Board till 1<sup>st</sup> July 2008. Mr. Sardana was the Managing Director of Tata Teleservices Limited for over 3 years from 2007 to 2011. He is also on the board of other companies.

**Mr. Ashok S. Sethi**

Mr. Ashok S. Sethi, is a B.Tech from IIT, Kharagpur. He was Chief - Corporate Operations Management and was also Executive Director of Maithon Power Limited, a subsidiary of the Company. He has wide experience in power sector ranging from Thermal & Hydro Generation, Transmission & Distribution, Commercial & Regulatory and also Advocacy. He has been with the company for the last 38 years and has deep understanding and commitment to the business and stakeholders. He is also on the board of other companies.

**Remuneration Paid to the Directors in last three financial years****Financial Year 2014-2015****Remuneration to Directors**

Details of remuneration to non executive directors during and for the year under review:

Name of the Director	Sitting Fees paid for FY 15 (Gross) (Rs)*	Commission paid for FY 14 (Gross) (Rs) **	Commission payable for FY 15 (Gross) (Rs) +
Mr. Cyrus P. Mistry #	3,80,000	Nil	Nil
Mr. R. Gopalakrishnan	4,20,000	52,50,000	49,00,000
Dr. Homiar S. Vachha	6,00,000	71,50,000	80,00,000
Mr. Nawshir H. Mirza	4,20,000	78,50,000	74,00,000
Mr. Deepak M. Satwalekar	6,00,000	71,50,000	73,50,000
Mr. Piyush G. Mankad	4,00,000	34,50,000	32,50,000
Mr. Ashok K. Basu	1,80,000	26,00,000	24,00,000
Mr. Thomas Mathew T. @	1,60,000	15,50,000	17,00,000
Ms. Vishakha V. Mulye \$	Nil	Nil	Nil

\* Excludes Service tax.

\*\* Commission relates to the financial year ended 31<sup>st</sup> March 2014, which was paid during FY15.

+ Commission relates to the financial year ended 31<sup>st</sup> March 2015, which was approved by the Board on 19<sup>th</sup> May 2015, and which will be paid during FY16.

# Mr. Mistry, being Executive Chairman of Tata Sons Limited, has not accepted receipt of any Commission.

@ While the Sitting Fees for attending meetings were paid to Mr. Thomas Mathew T., Nominee Director of LIC, the Commission was paid to LIC.

\$ Ms. Mulye has not accepted receipt of any Sitting Fees or Commission.

None of the Non-Executive Directors had any pecuniary relationship or transactions with the Company other than the Directors' Fees and Commission received by them.

**Details of remuneration and perquisites paid and/or value calculated as per the Income-tax Act, 1961 to the**

**Managing Director and Executive Directors:**

(Amount in Rs.)

Name	Salary and Allowances	@ Commission for FY 15	Perquisites	Retirement Benefits	Total
Mr. Anil Sardana, CEO & Managing Director	1,16,55,270	3,42,00,000	72,86,394	21,87,000	5,53,28,664
Mr. Ashok S. Sethi, COO & Executive Director (w.e.f. 7 <sup>th</sup> May 2014)	62,30,467	1,04,50,000	43,19,616	11,67,097	2,21,67,180
Mr. S. Padmanabhan, Executive Director (Operations) (Upto 30 <sup>th</sup> June 2014)	22,64,299	47,50,000	36,01,362	4,13,100	1,10,28,761

@ Commission relates to the financial year ended 31<sup>st</sup> March 2015, which will be paid during FY16.

The following amounts have been paid as Commission for the financial year ended 31<sup>st</sup> March 2014 during FY15:

Name	Commission (Rs)
Mr. Anil Sardana, CEO & Managing Director	3,00,00,000
Mr. Ashok S. Sethi, COO & Executive Director	Nil
Mr. S. Padmanabhan, Executive Director (Operations) (Upto 30 <sup>th</sup> June 2014)	2,00,00,000
Mr. S. Ramakrishnan, Executive Director (Finance) (Upto 28 <sup>th</sup> February 2014)	2,00,00,000

**Financial Year 2015-2016 and current Financial Year****Remuneration to Directors**

Details of remuneration to NEDs during and for the year under review:

Name of the Director	Sitting Fees paid for FY16*		Commission payable for FY16**
Mr. Cyrus P. Mistry #	5,10,000		0
Mr. R. Gopalakrishnan	4,20,000		1,14,50,000
Dr. Homiar S. Vachha	8,10,000		1,00,00,000
Mr. Nawshir H. Mirza	5,40,000		87,00,000
Mr. Deepak M. Satwalekar	8,70,000		95,00,000
Mr. Piyush G. Mankad	5,10,000		39,,50,000
Mr. Ashok K. Basu	2,10,000		31,00,000
Ms. Vishakha V. Mulye \$	0		0
Mr. Thomas Mathew T.	0		0
Mr. Vijay K. Sharma	0		0

Mr. Pravin H. Kutumbe <sup>@</sup>	90,000		8,00,000
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- \* Excludes service tax
- \*\* Commission relates to the financial year ended 31<sup>st</sup> March 2016, which was approved by the Board on 23<sup>rd</sup> May 2016, to be paid during FY17.
- # Mr. Mistry, being Executive Chairman of Tata Sons Limited, has not accepted receipt of any Commission.
- & Ms. Mulye has not accepted receipt of any sitting fees or commission.
- @ While the sitting fees for attending meetings were paid to Mr. Pravin H. Kutumbe, Nominee Director of LIC, the Commission of FY15 was paid to LIC.

None of the Non-Executive Directors had any pecuniary relationship or transactions with the Company other than the Directors' Fees and Commission received by them.

**Details of remuneration and perquisites paid and/or value calculated as per the Income-tax Act, 1961 to the Managing Director and Executive Directors.**

Name	Salary & Allowances	@ Commission for FY16	Perquisites	Retirement Benefits	Total
Mr. Anil Sardana, CEO & Managing Director	1,37,00,000	4,10,00,000	79,23,480	24,30,000	6,50,53,480
Mr. Ashok S. Sethi COO & Executive Director	1,35,77,440	1,30,00,000	59,339	6,33,600	2,72,70,379

@ Commission relates to the financial year ended 31<sup>st</sup> March 2016, which was approved by the Board on 23<sup>rd</sup> May 2016, to be paid during FY17.

All the Non-Executive Directors of the Issuer are paid sitting fees of Rs. 30,000 for every Board and committee meetings of the Company.

**Financial Year 2016-2017 and current Financial Year  
Remuneration to Directors**

Name of the Director	[Gross Amount (₹)]	
	Sitting Fees paid for FY17*	Commission paid for FY17**
Mr. N. Chandrasekaran <sup>&amp;</sup>	0	0
Mr. S. Padmanabhan	1,50,000	13,00,000
Mr. Cyrus P. Mistry <sup>#</sup>	3,90,000	0
Dr. Homiar S. Vachha	6,60,000	59,50,000
Mr. Nawshir H. Mirza	9,60,000	94,50,000
Mr. Deepak M. Satwalekar	10,50,000	80,50,000
Mr. Piyush G. Mankad	3,30,000	24,50,000
Mr. Ashok K. Basu	2,70,000	17,50,000
Mr. Pravin H. Kutumbe <sup>@</sup>	2,70,000	13,00,000

Ms. Sandhya S. Kudtarkar	2,40,000	13,00,000
Ms. Anjali Bansal	2,40,000	13,50,000
Ms. Vibha Padalkar	3,30,000	20,00,000
Mr. Sanjay V. Bhandarkar	2,40,000	11,00,000

\* Excludes service tax

\*\* Commission relates to the financial year ended 31<sup>st</sup> March 2017, which was approved by the Board on 19<sup>th</sup> May 2017, to be paid during FY18.

& Mr. Chandrasekaran has not attended any meeting in FY17 and hence, was not paid any sitting fees or commission.

# Mr. Mistry, being Executive Chairman of Tata Sons Limited till 24<sup>th</sup> October 2016, has not accepted any Commission till such date.

@ Sitting fees for attending meetings and the commission is paid to LIC.

None of the NEDs had any pecuniary relationship or transactions with the Company other than the Directors' Sitting Fees and Commission received by them. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending meetings.

**Details of remuneration and perquisites paid and/or value calculated as per the Income-tax Act, 1961 to the Managing Director and Executive Directors.**

Name	Salary & Allowances	@ Commission for FY17	Perquisites & Benefits	Retirement Benefits	Total
Mr. Anil Sardana, CEO & Managing Director	2,38,12,250	5,00,00,000	7,59,562	26,73,000	7,72,44,812
Mr. Ashok S. Sethi COO & Executive Director	1,49,12,134	1,60,00,000	19,597	6,98,400	3,16,30,131

@ Commission (variable component) relates to the financial year ended 31<sup>st</sup> March 2017, which was approved by the Board on 19<sup>th</sup> May 2017, to be paid during FY18.

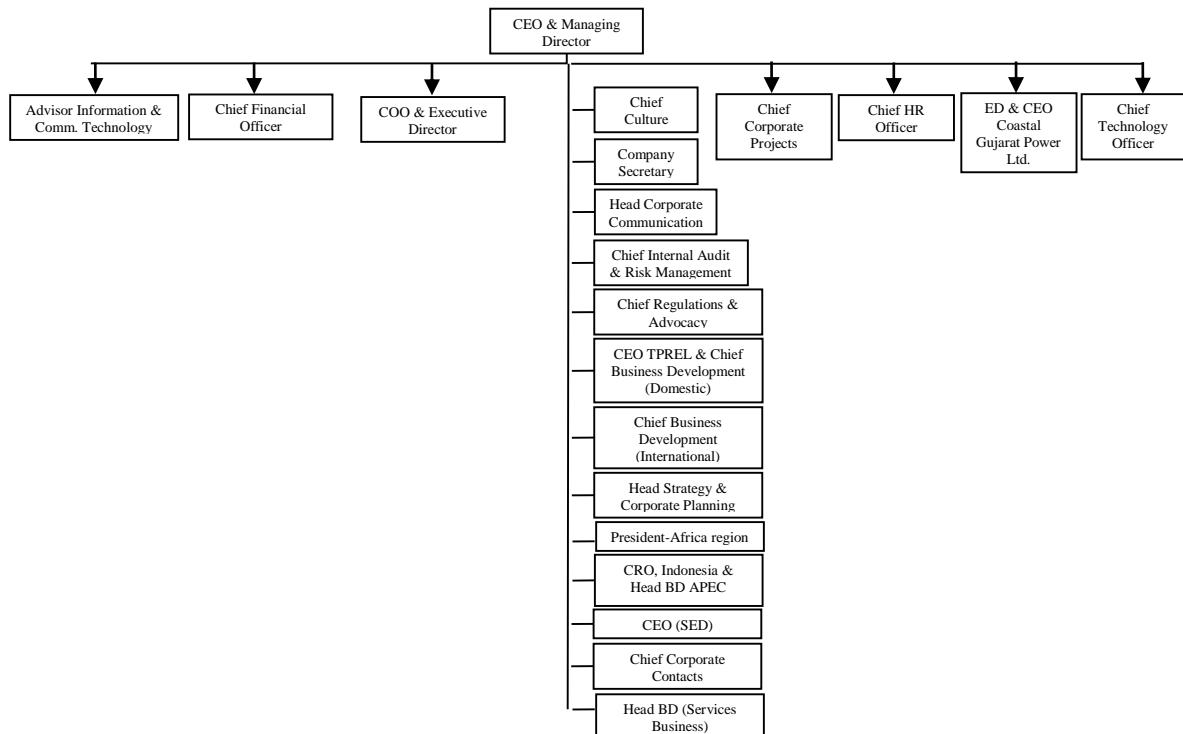
All the Non-Executive Directors of the Issuer are paid sitting fees of Rs. 30,000 for every Board and committee meetings of the Company.

**Interest of the Directors**

Other than as already disclosed in the Information Memorandum, the Directors of the Issuer do not have any financial or other material interest in the Issue proposed to be made under this Information Memorandum.

## **Organisation chart**

The Issuer's management organisation structure is set forth below:



### **Brief profiles of the key managerial personnel**

i) **Mr. Anil Sardana, CEO & Managing Director**

Mr. Sardana is an Electrical Engineer from Delhi College of Engineering and holds a Post Graduate Diploma in Management. He brings with him over three decades of experience in the power and infrastructure sector and has worked with companies like NTPC Limited, BSES (prior to it becoming an ADAG group company), Tata Power Delhi Distribution (erstwhile NDPL). Mr. Sardana also served as the Executive Director (Business Development & Strategy) for Tata Power from 1<sup>st</sup> March 2007 to 3<sup>rd</sup> August 2007 and continued to be on its Board till 1<sup>st</sup> July 2008. Mr. Sardana was the Managing Director of Tata Teleservices Limited for over 3 years from 2007 to 2011.

He is also on the board of other companies.

ii) **Mr. Ashok S. Sethi, Executive Director**

Mr. Ashok S. Sethi, is a B.Tech from IIT, Kharagpur. He was Chief - Corporate Operations Management and was also Executive Director of Maithon Power Limited, a subsidiary of the Company. He has wide experience in power sector ranging from Thermal & Hydro Generation, Transmission & Distribution, Commercial & Regulatory and also Advocacy. He has been with the company for the last 38 years and has deep understanding and commitment to the business and stakeholders.

He is also on the board of other companies.

iii) **Mr. Ramesh N. Subramanyam, Chief Financial Officer**

Mr. Subramanyam is a Commerce Graduate from the University of Nagpur. He is also an Associate of the Institute of Cost Accountants of India, Associate of the Institute of Company Secretaries of India and a Certified Public Accountant - USA.

He has more than 20 years of professional experience in the field of Finance, Corporate Treasury, Accounts and Secretarial functions. He has worked in Siemens AG Germany, Monsanto India Limited, Hindustan Lever Limited and Lloyds Steel Industries Limited. Since 2007, Mr. Subramanyam was the Chief Financial Officer and Company Secretary of Coastal Gujarat Power Limited, a wholly-owned subsidiary of the Issuer. In October 2012, he was appointed Chief-F&A (Indian subsidiaries) of the Issuer and later on as Financial Controller of the Issuer.

**iv) Mr. Hanoz M. Mistry, Company Secretary**

Mr. Mistry holds a Bachelor's Degree in Commerce and Law. He is a Fellow Member of the Institute of Companies Secretaries of India. Earlier, he was the Assistant Company Secretary of Greaves Cotton & Co. Ltd. (now Greaves Cotton Ltd.).

## **OBJECTS OF THE ISSUE**

### **Funds Requirement and Utilisation of Issue Proceeds**

The Issuer shall use the Issue proceeds towards various purposes in the normal course of business including capital expenditure and/or augmentation of working capital and/or refinance of existing debt.

However, the Issuer shall not use the issue proceeds towards investment in capital markets and real estate or any other purpose not permitted by RBI for bank finance.

## STATUTORY AND REGULATORY DISCLOSURES

**This section sets out disclosures required under Form No. PAS-4 (*Private Placement Offer Letter*) pursuant to the PAS Rules.**

### 1. GENERAL INFORMATION

a	Name, address, website and other contact details of the company (indicating both registered and corporate office)	Name: The Tata Power Company Limited Contact No: +91 22 6665 8282 Fax: +91 22 6665 8885  Registered Office: Bombay House, 24 Homi Mody Street, Mumbai 400 001, India  Corporate Office: Corporate Center, 34 Sant Tukaram Road, Carnac Bunder, Mumbai 400 009, Maharashtra, India  Email: hmm@tatapower.com
b	Date of incorporation of the company	Incorporated on 18 September 1919 under the Companies Act, 1919
c	Business carried on by the company and its subsidiaries with the details of branches or units, if any	Please refer to the Section titled ' <b>History and Business of the Issuer</b> '.
d	Brief particulars of the management of the company	Please refer to the Section titled ' <b>The Issuer's Management</b> '.
e	Names, addresses, DIN and occupations of the directors	Please refer to the Section titled ' <b>The Issuer's Management</b> '.
f	Management's perception of risk factors	Please refer to section titled as " <i>Risk Factors</i> "
g	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of –	
i)	statutory dues;	NIL
ii)	debentures and interest thereon;	NIL
iii)	deposits and interest thereon; and	NIL
iv)	loan from any bank or financial institution and interest thereon; and	NIL
h	Names, designation, address and phone number, email ID of the nodal/compliance officer of the company, if any, for the private placement offer process.	Compliance Officer of the Issuer:  Name: Mr. Hanooz M Mistry Designation: Company Secretary Address: The Tata Power Company Limited, Bombay House, 24 Homi Mody Street, Mumbai 400 001, India  Tel. No.: +91 22 6665 8282 Fax No.: +91 22 6665 8885  Grievance Redressal ID: hmm@tatapower.com

## 2. PARTICULARS OF THE OFFER

a	Date of passing of board resolution	3 November 2017. Please refer to <b>Annexure B</b> to this Information Memorandum for the copy of the certified extract of the board resolution.
b	Date of passing of resolution in the general meeting, authorizing the offer of securities	23 August 2017. Please refer to <b>Annexure D</b> to this Information Memorandum for the copy of the certified extract of the shareholders' resolution.
c	Kinds of securities offered (i.e. whether share or debenture) and class of security	Unsecured, Non-Cumulative, Redeemable, Taxable, Listed, Rated, Non-Convertible Debentures
d	Price at which the security is being offered including the premium, if any, along with justification of the price	Face Value: INR. 10,00,000  Issue Price: INR. 10,00,000 at par  Justification: Not applicable
e	Name and address of the valuer who performed valuation of the security offered	Not Applicable as Debentures are issued at par
f	Amount which the company intends to raise by way of the securities	INR 15000,00,00,000
G	Terms of raising of securities: duration, if applicable, rate of dividend or rate of interest, mode of payment and mode of repayment	<p>Duration, if applicable</p> <p><b>Series I Debentures:</b> 3 Years from the Deemed Date of Allotment.</p> <p><b>Series II Debentures:</b> 4 Years from the Deemed Date of Allotment.</p> <p><b>Series III Debentures:</b> 5 Years from the Deemed Date of Allotment.</p> <p><b>Series IV Debentures:</b> 6 Years from the Deemed Date of Allotment.</p> <p><b>Series V Debentures:</b> 7 Years from the Deemed Date of Allotment</p>
	Deemed Date of Allotment	16 November 2017
	Final Maturity Date	<p><b>Series I Debentures:</b> 16 November 2020.</p> <p><b>Series II Debentures:</b> 16 November 2021</p> <p><b>Series III Debentures:</b> 16 November 2022</p> <p><b>Series IV Debentures:</b> 16 November 2023</p> <p><b>Series V Debentures:</b> 16</p>

		November 2024
	Coupon Rate	7.99%
	Coupon Payment Date(s)	Annual and on Maturity
	Default Interest	2% p.a.
	Mode of Payment	ECS, NEFT, RTGS, cheques or such other permissible banking modes of payment in accordance with the SEBI Debt Listing Regulations.
	Mode of Repayment	ECS, NEFT, RTGS, cheques or such other permissible banking modes of payment in accordance with the SEBI Debt Listing Regulations.
	Rating of Debentures	“CARE AA/Stable” by CARE Ratings and “IND AA/Stable” by India Ratings.
H	Proposed time schedule for which the offer letter is valid	Issue Open date: November 16, 2017 Issue Closing date: November 16, 2017
I	Purposes and objects of the offer	Please refer to section titled ‘ <b>Objects of the Issue</b> ’.
J	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects	Nil
K	Principle terms of assets charged as security	The Issue is unsecured

### 3. DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC.

Sr. No.	Particulars	Information
I	Any financial or other material interest of the directors, promoters or key managerial personnel in the offer/issue and the effect of such interest in so far as it is different from the interests of other persons	NIL
II	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Issuer during the last three years immediately preceding the year of the circulation of this offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action	NIL
III	Remuneration of directors (during the current year and last three financial years)	Please refer to the Section

Sr. No.	Particulars	Information
		titled ‘The Issuer’s Management’
IV	Related party transactions entered during the last three financial years immediately preceding the year of circulation of offer letter including with regard to loans made or, guarantees given or securities provided.	Please refer to the Section titled ‘Related Party Transactions’,
V	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of offer letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark.	Please refer to section titled ‘Financial Information of the Issuer’
VI	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of offer letter in the case of company and all of its subsidiaries. Also, if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the offer letter and if so, section-wise details thereof for the company and all of its subsidiaries.	Please see Annexure H to this Information Memorandum
Vii	Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company.	NA

#### 4. FINANCIAL POSITION OF THE COMPANY

Sr. No.	Particulars	Information												
(a)I	<p>The capital structure of the company in the following manner in a tabular form:</p> <p>(a) The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value)</p> <p>(b) Size of the present offer</p> <p>(c) Paid up capital</p> <p>(i) After the offer;</p> <p>(ii) after conversion of convertible instruments (if applicable)</p> <p>(d) Share premium account</p> <p>(a) (before the offer)</p> <p>(b) (after the offer)</p>	<p>Please refer Page 112 of this Information Memorandum</p> <p>INR 1500,00,00,000</p> <p>INR 270,47,73,510</p> <p>INR 270,47,73,510</p> <p>INR 5,634.98 crores</p> <p>INR 5,634.98 crores</p>												
(a)II	<p>Details of the existing share capital of the Issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration</p> <p>Number and price at which each of the allotments were made in the last one year preceding the date of the offer letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case.</p>	<p>Please refer to <b>Annexure J</b> to this Information Memorandum</p>												
(b)	<p>Profits of the company, before and after making provision for tax (stand-alone), for the three financial years immediately preceding the date of circulation of offer letter.</p>	<table border="1"> <thead> <tr> <th>S.No.</th><th>FY 2015 (INR Crores)</th><th>FY 2016 (INR Crores)</th><th>FY 2017 (INR Crores)</th></tr> </thead> <tbody> <tr> <td>Profit before Tax</td><td>1,484.35</td><td>1,280.71</td><td>237.70</td></tr> <tr> <td>Profit after Tax</td><td>167.83</td><td>662.20</td><td>896.55</td></tr> </tbody> </table>	S.No.	FY 2015 (INR Crores)	FY 2016 (INR Crores)	FY 2017 (INR Crores)	Profit before Tax	1,484.35	1,280.71	237.70	Profit after Tax	167.83	662.20	896.55
S.No.	FY 2015 (INR Crores)	FY 2016 (INR Crores)	FY 2017 (INR Crores)											
Profit before Tax	1,484.35	1,280.71	237.70											
Profit after Tax	167.83	662.20	896.55											

(c)	Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid);	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #cccccc;"> <th style="text-align: center; padding: 2px;">S.No.</th><th style="text-align: center; padding: 2px;">2015</th><th style="text-align: center; padding: 2px;">2016</th><th style="text-align: center; padding: 2px;">2017</th></tr> </thead> <tbody> <tr> <td style="text-align: center; padding: 2px;">Dividends (INR crore)</td><td style="text-align: center; padding: 2px;">351.99</td><td style="text-align: center; padding: 2px;">351.99</td><td style="text-align: center; padding: 2px;">351.99</td></tr> <tr> <td style="text-align: center; padding: 2px;">Interest Coverage Ratio</td><td style="text-align: center; padding: 2px;">2.73</td><td style="text-align: center; padding: 2px;">2.86</td><td style="text-align: center; padding: 2px;">2.04 (without exceptional item)  1.47 (with exceptional item)</td></tr> </tbody> </table>	S.No.	2015	2016	2017	Dividends (INR crore)	351.99	351.99	351.99	Interest Coverage Ratio	2.73	2.86	2.04 (without exceptional item)  1.47 (with exceptional item)
S.No.	2015	2016	2017											
Dividends (INR crore)	351.99	351.99	351.99											
Interest Coverage Ratio	2.73	2.86	2.04 (without exceptional item)  1.47 (with exceptional item)											
(d)	A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of circulation of offer letter;	Please refer to <b>Annexure K</b> to this Information Memorandum												
(e)	Audited Cash Flow Statement for the three years immediately preceding the date of circulation of offer letter; and	Please refer to <b>Annexure K</b> to this Information Memorandum												
(f)	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.	Please refer to section titled ' <b>Financial Information of the Issuer</b> ',												

**This section sets out disclosures required under Schedule I of the SEBI Debt Regulations.**

The following officials have been authorised by the resolution passed by the Board of Directors of the Issuer in the meeting held on 3 November 2017 and the resolution of the COD dated 15 November 2017 to issue this Information Memorandum:

**Name:** Mr. Ramesh. N. Subramanayam

**Designation:** Chief Financial Officer

**Name:** Mr. Soundararajan Kasturi

**Designation:** Chief - Corporate Treasury & IR

**Name:** Mr. Nandakumar. S. Tirumalai

**Designation:** Financial Controller& Chief-Subs Finance

**Name:** Mr. Hanoz. M. Mistry

**Designation:** Company Secretary

## 1. General Information

### (a) Name and registered office of the Issuer

**Issuer Name** : The Tata Power Company Limited

**Registered Office** : Bombay House, 24 Homi Mody Street, Mumbai 400 001, India

**Corporate Office** : Corporate Center, 34 Sant Tukaram Road,  
Carnac Bunder, Mumbai 400 009, Maharashtra, India

**Tel No.** : +91 22 6665 8282

**Fax No.** : +91 22 6665 8885

**Email** : hmm@tatapower.com

**Website** : [www.tatapower.com](http://www.tatapower.com)

**(b) Compliance Officer**

**Name** : Mr. H.M. Mistry, Company Secretary

**Address** : Bombay House, 24 Homi Mody Street, Mumbai 400 001, India

**Tel No.** : +91 22 6665 8282

**Fax No.** : +91 22 6665 8885

**Email** : hmm@tatapower.com

**(c) Chief Financial Officer of the Issuer**

**Name** : Mr. Ramesh Subramanyam

**Address** : Bombay House, 24 Homi Mody Street, Mumbai 400 001, India

**Tel No.** : +91 22 6665 7503

**Fax No.** : +91 22 6665 8885

**Email** : rameshsubramanyam@tatapower.com

**(d) Joint Lead Arrangers**

**(1) Name:** HDFC Bank Limited

**Address:** Peninsula Business Park, 4th Floor, Tower B, Senapati Bapat Marg, Lower Parel – (W), Mumbai – 400 013

**Tel. No.:** 022-33958150

**Fax No.:** 022-30788584

**Email:** niranjan.kawatkar@hdfcbank.com

**Contact Person:** Mr. Niranjan Kawatkar

**(2) Name:** Axis Bank Limited

**Address:** Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai 400 025

**Tel. No.:** +91 22 2425 2525

**Fax No.:** +91 22 2425 3800

**Email:** Manoj.Sukhani@axisbank.com

**Contact Person:** Mr. Manoj Sukhani

**(3) Name:** ICICI Bank Limited

**Address:** Corporate Bonds Desk-Markets Group, ICICI Bank Towers, Dealing Room, 2nd Floor, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051

**Tel. No.:** +91 22 6696 1027

**Fax No.:** +91 22 6696 1063

**Email:** gmfixedincome@icicibank.com

**Contact Person:** Mr. Ritesh Tatiya

**(4) Name:** ICICI Securities Primary Dealership Limited  
**Address:** ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai 400 020  
**Tel. No.:** +91 22 22882460  
**Fax No.:** +91 22 22882312  
**Email:** shameek.ray@isecpd.com  
**Contact Person:** Mr. Shameek Ray

**(e) Debenture Trustee**

**IDBI Trusteeship Services Limited**

Asian Building, Ground Floor,  
17, R. Kamani Marg,  
Ballard Estate,  
Mumbai 400 001, India

**Tel No.:** +91 22 4080 7000  
**Fax No.:** +91 22 6631 1776  
**Email:** itsl@idbitrustee.co.in  
**Contact Person:** Mr. Ajit Guruji, Vice President

**(f) Registrar**

**TSR Darashaw**

6-10, Haji Moosa Patrawala Industrial Estate  
20, Dr. E. Moses Road, Mahalaxmi  
Mumbai 400 011

**Tel No.:** +91 22 6656 8484  
**Fax No.:** + 91 22 66568494  
**Email:** vbrahme@tsrdarashaw.com  
**Contact Person:** Ms. Vidya Brahme, Manager

**(g) Credit Rating Agencies**

**CARE Ratings Limited** (Formerly known as Credit Analysis & Research Ltd.)  
4th floor, Godrej Coliseum,  
Somaia Hospital Road,  
Off Eastern Express Highway,  
Sion (East),  
Mumbai – 400 022

**Email:** pawan.matkari@careratings.com

**Website:** www.careratings.com

**Fax:** 91 22 6754 3529

**Tel. No.:** 91 22 6754 3457

**India Ratings and Research Pvt Ltd**  
Wockhardt Tower, Level 4, West Wing  
Bandra Kurla Complex, Bandra (East)  
Mumbai 400 051

**Email:** sandeep.singh@indiaratings.co.in

**Website:** www.indiaratings.co.in

**Fax:** 91 22 4000 1701

**Tel. No.:** 91 22 4000 1700

**(h) Auditors of the Issuer**

**S R B C & Co. LLP, Chartered Accountants**

12th Floor, The Ruby,  
29 Senapati Bapat Marg,  
Dadar West, Mumbai 400 028

**2. A Brief Summary of the Business / Activities of the Issuer and its Line of Business.**

Please see the section titled “**History and Business of the Issuer**”.

**3. Project Cost and means of financing, in case of funding of new projects**

N.A.

**4. Gross debt to equity ratio prior to and after Issue**

Particulars	Prior to Issue	After the Issue
Debt Equity Ratio	0.97 (as at September 30, 2017)	0.97

For this disclosure, the Issuer has used the figures of audited standalone balance sheet as at September 30, 2017.

**5. A Brief History of the Issuer since its Incorporation giving Details of its Following Activities:**

**(i) Details of Share Capital as at September 30, 2017:**

	No. of Shares	Share Capital Face Value	Face Value	Premium	Total Share Capital
					Rs.
<b>AUTHORISED CAPITAL</b>					
Equity Shares	3,000,000,000	3,000,000,000	1	N.A.	3,000,000,000
Preference Shares	22,900,000	2,290,000,000	100	N.A.	2,290,000,000

	No. of Shares	Share Capital Face Value	Face Value	Premium	Total Share Capital
		Rs.	Rs.	Rs.	Rs.
<b>ISSUED CAPITAL</b>					
Equity	2,761,700,970	2,761,700,970	1	N.A.	2,761,700,970
Preference	Nil	-	-	-	Nil
<b>SUBSCRIBED CAPITAL</b>					
Equity	2,704,773,510	2,704,773,510	1	N.A.	2,704,773,510
Preference	Nil	-	-	-	Nil

(ii) **Details of Changes in Capital Structure of the Issuer in the last five years, as at September 30, 2017**

Date of Allotment	No of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (cash, other than cash, etc)	Nature of Allotment	Cumulative		
						No. of equity shares	Equity Share capital	Equity Share Premium
April 25, 2014	331,552,894	1	60	Cash	Rights Issue	331,552,894	331,552,894	19,561,620,746
March 27, 2015	1,680	1	60	Cash	Rights Issue Abeyance Case	331,554,574	331,554,574	19,561,719,866
May 29, 2015	2,464	1	60	Cash	Rights Issue Abeyance Case	331,557,038	331,557,038	19,561,865,242
November 17, 2016	144,112	1	60	Cash	Rights Issue Abeyance Case	331,701,150	331,701,150	19,570,367,850

(iii) **Details of Equity Share Capital History of the Issuer for the last five years, as at September 30, 2017:**

Date of Allotment	No of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (cash, other than cash, etc)	Nature of Allotment	Cumulative		
						No. of equity shares	Equity Share capital	Equity Share Premium
April 25, 2014	331,552,894	1	60	Cash	Rights Issue	331,552,894	331,552,894	19,561,620,746
March 27, 2015	1,680	1	60	Cash	Rights Issue Abeyance Case	331,554,574	331,554,574	19,561,719,866
May 29, 2015	2,464	1	60	Cash	Rights Issue Abeyance Case	331,557,038	331,557,038	19,561,865,242
November 17, 2016	144,112	1	60	Cash	Rights Issue Abeyance Case	331,701,150	331,701,150	19,570,367,850

(iv) **Details of any Acquisition or Amalgamation in the last 1 year:**

NA

(v) **Details of any Reorganisation or Reconstruction in the last 1 year:**

NA

**6. Details of the Shareholding of the Issuer as at September 30, 2017:**(i) Shareholding Pattern of the Issuer as at **September 30, 2017:**

Category code (I)	Category of Shareholder (II)	Total number of shares (IV)	Total Shareholding as a percentage of total number of shares	
			As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)
(A)	<b><i>Shareholding of Promoter and Promoter Group</i></b>			
(1)	<b><i>Indian</i></b>			
(a)	Individuals / Hindu Undivided Family	0	0.00	0.00
(b)	Central Government / State Governments(s)	0	0.00	0.00
(c)	Bodies Corporate	892,544,226	33.04	33.00
(d)	Financial Institutions / Banks	0	0.00	0.00
(e)	Any other (specify) Trust	656,240	0.02	0.02
	<b><i>Sub-Total (A) (1)</i></b>	<b>893,200,466</b>	<b>33.06</b>	<b>33.02</b>
(2)	<b><i>Foreign</i></b>			
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0.00	0.00
(b)	Bodies Corporate	0	0.00	0.00
(c)	Institutions	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0.00	0.00
(e)	Any Other (specify)	0	0.00	0.00
	<b><i>Sub-Total (A) (2)</i></b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b><i>Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)</i></b>	<b>893,200,466</b>	<b>33.06</b>	<b>33.02</b>
(B)	<b><i>Public Shareholding</i></b>			
(1)	<b><i>Institutions</i></b>			
(a)	Mutual Funds / UTI	148,082,485	5.48	5.47
(b)	Financial Institutions / Banks	21,251,974	0.79	0.79
(c)	Central Government / State Governments(s)	296,860	0.01	0.01
(d)	Venture Capital Funds	0	0.00	0.00
(e)	Insurance Companies	496,013,714	18.36	18.34
(f)	Foreign Institutional Investors	11,957,252	0.44	0.44
(g)	Foreign Venture Capital Investors	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0.00	0.00
(i)	Any Other (Specify)			

Category code (I)	Category of Shareholder (II)	Total number of shares (IV)	Total Shareholding as a percentage of total number of shares	
			As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)
(h-i)	Foreign Portfolio Investors (Corporate)	695,288,614	25.74	25.72
(h-ii)	Foreign Institutional Investors – DR	36,900	0.00	0.00
(h-iii)	Foreign Nationals-DR	282,200	0.01	0.01
(h-iv)	Foreign Bodies – DR	1,097,797	0.04	0.04
	<b>Sub-Total (B) (1)</b>	<b>1,374,307,796</b>	<b>50.87</b>	<b>50.82</b>
(2)	<b><i>Non-Institutions</i></b>			
(a)	Bodies Corporate	47,699,271	1.77	1.76
(b)	Individuals			
(i)	Individual Shareholders holding nominal Share Capital upto Rs.1 Lakh	352,928,103	13.06	13.05
(ii)	Individual Shareholders holding nominal Share Capital in excess of Rs.1 Lakh	25,729,237	0.96	0.95
(c)	Qualified Foreign Investor	0	0.00	0.00
(d)	Any Other (Specify)			
(i)	Trust	7,543,135	0.28	0.28
(ii)	Directors & their relatives	36,862	0.00	0.00
(iii)	OCBs/Foreign Cos	10,400	0.00	0.00
	<b>Sub-total (B) (2)</b>	<b>433,947,008</b>	<b>16.07</b>	<b>16.04</b>
	<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>1,808,254,804</b>	<b>66.94</b>	<b>66.86</b>
	<b>TOTAL (A)+(B)</b>	<b>2,701,455,270</b>	<b>100.00</b>	<b>99.88</b>
(C)	Shares held by Custodians against which DRs are issued (GDR)	0	0	0
(1)	Promoter and Promoter Group	0	NA	0.00
(2)	Public	3,318,240	NA	0.12
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>2,704,773,510</b>		<b>100.00</b>

Notes: - Shares pledged or encumbered by the Promoters (if any): 38771375

(ii) List of top 10 holders of Equity Shares of the Issuer as at **September 30, 2017**:

Sr. No.	Name of Shareholder	Address of Shareholder	No. of Shares held	No. of Shares in Demat form	% of Shareholding
1	Tata Sons Limited	Bombay House 24 Homi Mody Street Mumbai Mumbai 400001	839,799,682	839,799,682	31.05
2	Life Insurance Corporation of India	Investment Department 6th Floor, West Wing, Central Office Yogakshema, Jeevan	326,683,055	326,655,155	12.08

		Bima Marg Mumbai 400021			
3	Matthews Pacific Tiger Fund	Deutsche Bank Ag Db House, Hazarimal Somani Marg Post Box No. 1142, Fort Mumbai 400001	164,620,436	164,620,436	6.09
4	Icici Prudential Balanced Fund	Citibank N.A. Custody Services FIFC- 11th Flr, G Block Plot C-54 and C-55, BKC Bandra - East, Mumbai 400051	126,219,576	126,219,576	4.67
5	First State Investments Icv- Stewart Investors Global Emerging Markets Leaders Fund	Deutsche Bank Ag, Db House Hazarimal Somani Marg, P.O.Box No. 1142, Fort Mumbai 400001	98,366,871	98,366,871	3.64
6	General Insurance Corporation Of India	Suraksha. 170, j. Tata Road, Church gate Mumbai 400020	67,612,960	67,612,960	2.50
7	The New India Assurance Company Limited	New India Assurance Building 87, M.G.Road, Fort, Mumbai 400001	66,954,953	66,954,953	2.48
8	Tata Steel Limited	Bombay House, 3rd Floor, 24, Homi Mody Street, Fort, Mumbai 400001	39,122,725	39,122,725	1.45
9	Stewart Investors Global Emerging Markets Leaders Fund	HSBC Securities Services 11th Flr, Bldg No.3, NESCO - IT Park NESCO Complex W. E. Highway Goregaon East, Mumbai 400063	32,812,816	32,812,816	1.21
10	First State Investments Global Emerging Markets Leaders Fund, A Sub-Fund Of The First State Investments Delaware Statutory Trust	Citibank N.A. Custody Services FIFC- 11th Flr, G Block Plot C-54 And C-55, Bkc Bandra - East, Mumbai 400098	24,726,894	24,726,894	0.91
	<b>Grand Total</b>		<b>1,786,919,968</b>	<b>1,786,892,068</b>	<b>66.08</b>

**7. Brief particulars of the Management of the Issuer**

Please see the section titled “**The Issuer’s Management**”.

**8. Names and details of the Directors of the Issuer, Remuneration of the Directors, Interest of Directors and Changes in Directors in the last three years**

Please see the section titled “**The Issuer’s Management**”.

**9. Management’s perception of Risk Factors**

Please see the section titled “**Risk Factors**”.

**10. Details Regarding Auditors of the Issuer**

**(i) Details of the Auditor of the Issuer:**

Name	Address	Auditor Since
S R B C & Co. LLP, Chartered Accountants	12th Floor, The Ruby, 29 Senapati Bapat Marg, Dadar West, Mumbai 400 028	August 23, 2017

**(i) Changes in Auditors of the Issuer during the last three years:**

SRBC & Co. LLP, Chartered Accountants has been appointed as statutory auditors of the Company in place of Deloitte Haskins and Sells LLP on 23rd August 2017.

**(ii) Details of Borrowings of the Issuer as at September 30, 2017**

**Details of Secured Loan Facilities:-**

Lender's Name	Type of Facility	Amount Sanctioned (Rs. Crores)	Principal Outstanding (Rs. Crores)	Repayment Date	Security
IDFC Bank limited	12 Years Term Loan	450.00	269.20	Amortised over the Term	Movables in Maharashtra
Indian Renewable Energy Development Agency	13 Years Term Loan	95.00	17.61	Amortised over the Term	Movable assets of Khandke, Bramanvel and Sadawaghapur; Land of Khandke and Sadawaghapur
IDFC Bank limited	13 Years Term Loan	250.00	250.00	Amortised over the Term	Movables of the Issuer
IDFC Bank limited	10 Years Term Loan	150.00	93.75	Amortised over the Term	Movables of the Issuer
IDFC Bank Limited	13 Years Term Loan	800.00	560.00	Amortised over the Term	Movables of the Issuer
Asian Development Bank	13 Years Term Loan	205.00	38.01	Amortised over the Term	Movable assets of Khandke, Bramanvel and Sadawaghapur; Land of Khandke and Sadawaghapur
HDFC Bank	10 Years Term Loan	600.00	375.00	Amortised over the Term	Movables of the Issuer
HDFC Bank	13 Years Term Loan	250.00	250.00	Amortised over the Term	Movables of the Issuer
Kotak Mahindra Bank	13 Years Term Loan	300.00	255.00	Amortised over the Term	Movables of the Issuer
Kotak Mahindra Bank	13 Years Term Loan	250.00	241.88	Amortised over the Term	Movables of the Issuer
HDFC Bank	13 Years Term Loan	300.00	255.00	Amortised over the Term	Movables of the Issuer
HDFC Bank	13 Years Term	350.00	317.19	Amortised over	Movables of the

Lender's Name	Type of Facility	Amount Sanctioned (Rs. Crores)	Principal Outstanding (Rs. Crores)	Repayment Date	Security
	Loan			the Term	Issuer
ICICI Bank	10 years term loan	280.00	138.00	Amortised over the term	Movables of the Issuer
Technology development Board	6 years term loan	109.00	27.00	Amortised over the term	Secured only by way of Bank guarantee.
SBI Bank	10 years term loan	2000.00	1795.50	Amortised over the term	Movables of the Issuer

**Details of Unsecured Loan Facilities:**

Party/ Instrument Name	Type of Facility/ Instrument	Amount Sanctioned/ Issued	Principal Outstanding (Rs. Crores)	Repayment Date
Euro Notes 1997	Foreign Currency denominated bonds	USD 150.00 million	0.00	August 19, 2017
JP Morgan Chase	3 Years Term Loan	Rs. 200.00 Crores	0.00	November 28, 2016
ICICI Bank	5 Years Term Loan	Rs. 29.00 Crores	0.00	October 1, 2016
ICICI Bank	1.5 Years Term Loan	Rs. 605.00 Crores	605.00	September 9, 2018
BNP Paribas	3 Years Term Loan	Rs. 210.00 Crores	0.00	Bullet Repayment on December 29, 2016

**Details of non-convertible debentures issued by the Issuer:**

Debenture Series	Tenor	Coupon	Principal Outstanding (Rs. Crores)	Date of Allotment	Redemption Date	Current Credit Rating	Secured/ Unsecured	Security
10.10% Secured, Redeemable Non Convertible Debentures	10 years	10.10%	500.00	April 2008	April 25, 2018	CRISIL AA-with stable outlook by CRISIL	Secured	First pari passu charge on the immovable properties at Village Takve Khurd of Taluka Mawal and hypothecation of plant and machinery and other movable assets excluding assets pertaining to present and future wind mill projects of the Issuer
10.40% Secured, Redeemable Non Convertible Debentures	10 years	10.40%	500.00	June 2008	June 20, 2018	CRISIL AA-with stable outlook by CRISIL	Secured	First charge on all movable properties pertaining to: (1) 50.40 MW Wind Farm Project at Sadodar Village, Samana Plains, Jamnagar district, in the state of Gujarat; and (2) 50.40 MW Wind Farm Project at Gadag Plains, Gadag District,
9.15% Secured, Redeemable Non Convertible Debentures	15 years	9.15%	200.00	July 2010	Redeemable at par in ten annual instalments of Rs. 25 Crores each and five annual instalments of Rs. 20 Crores each from	CRISIL AA-with positive outlook by CRISIL	Secured	First charge on all movable properties pertaining to: (1) 50.40 MW Wind Farm Project at Sadodar Village, Samana Plains, Jamnagar district, in the state of Gujarat; and (2) 50.40 MW Wind Farm Project at Gadag Plains, Gadag District,

Debenture Series	Tenor	Coupon	Principal Outstanding (Rs. Crores)	Date of Allotment	Redemption Date	Current Credit Rating	Secured/Unsecured	Security
					July 23, 2021			in the state of Karnataka and First charge on immovable properties at Village Mota Panch Devda, Taluka Kalavad, District Jamnagar, State Gujarat bearing Survey No.230/P1 and 242/1/P1 aggregating to 1.0219 acres
9.15% Secured, Redeemable Non Convertible Debentures	15 years	9.15%	128.00	September 2010	Redeemable at par in fourteen annual instalments of Rs. 16 Crores each and one instalment of Rs. 26 Crores from 17 <sup>th</sup> September 2025	CRISIL AA-with positive outlook by CRISIL	Secured	first <i>pari passu</i> charge on the land of the Issuer at Takve Khurd of Taluka Mawal, District, Pune and Sub-District Mawal as well as first <i>pari passu</i> charge on movable fixed assets, present and future pertaining to 49.5 MW wind project at Agaswadi, Satara, Maharashtra, 10 MW wind project at Visapur, Satara, Maharashtra, 99 MW wind project at Poolavadi, Tirupur, Tamil Nadu, subject to existing charges created in favour of the existing lenders of the Issuer for securing its existing working capital facilities
11.40% Unsecured, Subordinated, Perpetual Non Convertible Debentures	Perpetual	11.40%	1,500.00	June 2011	No Redemption date. First Call Option in June 2021 and then at the end of every year thereafter	CRISIL AA-with positive outlook by CRISIL and CARE AA by CARE	Unsecured	NA
10.75% Unsecured, Subordinated, Rated Non Convertible Debentures	60 Years	10.75%	1,500.00	August 2012	First call option on August 21, 2022 and at the end of every year thereafter. Redemption date is	CRISIL AA-with positive outlook by CRISIL and CARE AA by CARE	Unsecured	NA

<b>Debenture Series</b>	<b>Tenor</b>	<b>Coupon</b>	<b>Principal Outstanding (Rs. Crores)</b>	<b>Date of Allotment</b>	<b>Redemption Date</b>	<b>Current Credit Rating</b>	<b>Secured/Unsecured</b>	<b>Security</b>
					August 21, 2072			
9.40% Secured, Rated, Non-Convertible Debentures	10 years	9.40%	210.00	December 2012	10 years from the Deemed Date of Allotment being December 28, 2022	CRISIL AA-with positive outlook by CRISIL and CARE AA by CARE	Secured	First pari passu charge on the immovable properties at Village Takve Khurd of Taluka Mawal and hypothecation of plant and machinery and other movable assets excluding assets pertaining to present and future wind mill projects of the Issuer
9.32% Unsecured, Non-Convertible Debentures	3 years	9.32%	1000.00	November 2014	3 years from deemed date of allotment being 17 <sup>th</sup> November 2014	CRISIL AA-positive with Stable Outlook by CRISL. CARE AA by CARE ICRA AA-with positive outlook by ICRA	Unsecured	Unsecured
9.48% Unsecured, Non-Convertible Debentures	5 years	9.48%	500.00	November 2014	5 years from deemed date of allotment being 17 <sup>th</sup> November 2014	CRISIL AA-positive with Stable Outlook by CRISIL. CARE AA by CARE ICRA AA-with positive outlook by ICRA	Unsecured	Unsecured
Non-Convertible Debentures	7 years	9.41%	500	12 January 2016	7 years from deemed date of allotment being 12 January 2023	CRISIL AA-positive with Stable Outlook by CRISL. CARE AA by CARE ICRA AA-with positive outlook by ICRA	Unsecured	NA
7.70% Unsecured, Non-Convertible Debentures	3 Years	7.7%	3250.00	2016	repayment in 2019 with interim put / call options at end of 12	AA-with positive outlook by ICRA	Unsecured	Unsecured

Debenture Series	Tenor	Coupon	Principal Outstanding (Rs. Crores)	Date of Allotment	Redemption Date	Current Credit Rating	Secured/Unsecured	Security
					m, 18m, 24m from date of allotment			

**(iii) List of Top 10 holders of non-convertible debentures of the Issuer as at September 30, 2017:**

- a) 10.10% Secured, Redeemable Non-Convertible Debentures allotted in April 2008

Sr. No.	List of top 10 Non-Convertible Debenture holders	Amount Outstanding (crores)	% Total	Address
1.	Life Insurance Corporation Of India P & GS Fund	200.00	40.00	Investment Department 6th Floor, West Wing, Central Office Yogakshema, Jeevan Bima Marg Mumbai 400021
2.	Life Insurance Corporation Of India	195.00	39.00	Investment Department 6th Floor, West Wing, Central Office Yogakshema, Jeevan Bima Marg Mumbai 400021
3.	Reliance Fixed Horizon Fund XXV Series 15	35.00	7.00	Deutsche Bank AG DB House, Hazarimal Somani Marg Post Box No. 1142, Fort Mumbai 400001
4.	Army Group Insurance Fund	30.00	6.00	AGI Bhawan Rao Tula Ram Marg Post Vasant Vihar New Delhi 110057
5.	Tata Consultancy Services Employees Provident fund	15.00	3.00	HDFC Bank Ltd, Custody Services, Lodha - I Think Techno Campus Off. Flr 8, Next To Kanjur marg Stn Kanjur marg East, Mumbai 400042
6.	Export Credit Guarantee Corporation Of India Limited	15.00	3.00	Nirmal Bldg, 5th Floor 241/242, Backbay Reclamation Nariman Point Mumbai 400021
7.	General Insurance Corporation Of India	5.00	1.00	Suraksha. 170, J. T A T A Road, Church Gate Mumbai 400020
8.	Vijaya Bank Employees Pension Fund	5.00	1.00	Vijaya Bank 41/2, M.G.Road Trinity Circle Bangalore 560001

- b) 10.40% Secured, Redeemable Non-Convertible Debentures allotted in June 2008

Sr. No.	List of top 10 Non-Convertible Debenture holders	Amount Outstanding (crores)	% Total	Address
1.	Life Insurance Corporation of India P & GS Fund	385.00	77.00	Investment Department 6th Floor, West Wing, Central Office Yogakshema, Jeevan Bima Marg Mumbai 400021
2.	Life Insurance Corporation of India	100.00	20.00	Investment Department 6th Floor, West Wing, Central Office Yogakshema, Jeevan Bima Marg Mumbai 400021
3.	General Insurance Corporation of India	15.00	3.00	Suraksha. 170, J. T A T A Road, Church Gate Mumbai 400020

c) 9.15% Secured, Redeemable Non-Convertible Debentures allotted in July 2010

Sr. No.	List of top 10 Non Convertible Debenture holders	Amount Outstanding (crores)	% Total	Address
1.	Reliance Capital Trustee Co. Ltd. A/C Reliance Monthly Income Plan	69.00	34.38	Deutsche Bank AG DB House, Hazarimal Somani Marg Post Box No. 1142, Fort Mumbai 400001
2.	General Insurance Corporation Of India	30.00	15.00	Suraksha. 170, J. T A T A Road, Church Gate Mumbai 400020
3.	National Insurance Company Ltd	40.00	20.00	Inv Dept Everest House, 4 TH Floor, 46 C, J. N. Road Calcutta 700071
4.	ICICI Prudential Life Insurance Company Ltd.	31.00	15.63	Deutsche Bank AG DB House, Hazarimal Somani Marg Post Box No. 1142, Fort Mumbai 400001
5.	United India Insurance Company Limited	13.00	6.25	Investment Department, 24, Whites Road Chennai 600014
6.	Magma HDI General Insurance Company Limited	13.00	6.25	Magma House 24 Park Street Kolkata 700016
7.	SBI Life Insurance Co.Ltd	5.00	2.50	HDFC Bank Limited Custody Services Lodha-I Think Techno Campus 8Th Flr Next To Kanjurmarg Railway Station Kanjurmarg E Mumbai 400042

d) 9.15% Secured, Redeemable Non-Convertible Debentures allotted in September 2010

Sr. No.	List of top 10 Non-Convertible Debenture holders	Amount Outstanding (crores)	% Total	Address
1.	SBI Life Insurance Co. Ltd	69.24	54.09	HDFC Bank Limited Custody Services Lodha-I Think Techno Campus 8Th Flr Next To Kanjurmarg Railway Station Kanjurmarg E Mumbai 400042
2.	United India Insurance Company Limited	26.16	20.44	Investment Department, 24,Whites Road Chennai 600014
3.	HDFC Standard Life Insurance Company Limited	18.00	14.06	HDFC Bank Ltd, Custody Services Lodha - I Think Techno Campus Off Flr 8, Next To Kanjurmarg Stn. Kanjurmarg East Mumbai 400042
4.	Postal Life Insurance Fund A/C SBIFMPL	5.00	3.91	HDFC Bank Ltd, Custody Services Lodha - I Think Techno Campus Off Flr 8, Next To Kanjurmarg Stn Kanjurmarg East Mumbai 400042
5.	Rural Postal Life Insurance Fund A/C SBI FMPL	5.00	3.91	HDFC Bank Ltd, Custody Services Lodha - I Think Techno Campus Off Flr 8, Next To Kanjurmarg Stn Kanjurmarg East Mumbai 400042
6.	The Kalyan Janata Sahakari Bank Ltd	4.00	3.13%	Niharika Nr Ice Factory Opp Railway Station Kalyan West 421301

7.	Capgemini Business Services (India) Limited Employees Provident Fund Trust	0.40	0.31	134/1, 134/2, Block B 4Th Floor, Brigade Tech Park Whitefield Road Bangalore, Karnataka 560066
8.	Dombivli Nagari Sahakari Bank Ltd	0.14	0.11	Madhukunj Plot Nop/52 Midc Phase Ii Kalyan Shil Road Sonar Pada Dombivli East 421204 P :02512875050 F : 9892373854 E :treasury@dnsb.co.in
9.	Lawrence and Mayo (I) Pvt. Ltd Staff Provident Fund	0.06	0.05	LAWRENCE AND MAYO HOUSE 274 DR D N ROAD MUMBAI 400001 P :2071827 F : 2070048

e) 11.40% Unsecured, Subordinated, Perpetual Non Convertible Debentures allotted in June 2011

Sr. No.	List of top 10 Non-Convertible Debenture holders	Amount Outstanding (crores)	% Total	Address
1.	HDFC Trustee Co Ltd A/C HDFC Corporate Debt Opportunities Fund	250.00	16.67	HDFC Bank Ltd, Custody Services Lodha - I Think Techno Campus Off. Flr 8, Next To Kanjurmarg Stn Kanjurmarg East, Mumbai 400042
2.	Tata Investment Corporation Limited	115.00	7.67	Elphinstone Building 2nd Floor 10, Veer Nariman Road, Near Horniman Circle Mumbai 400001
3.	Azim Premji Trust	100.00	6.67	Citibank N.A. Custody Services Fifc-11th Flr, G Block Plot C-54 and C-55, BKC Bandra-East, Mumbai 400051
4.	Tata Consultancy Services Employees Provident fund	67.50	4.50	HDFC Bank Ltd, Custody Services Lodha - I Think Techno Campus Off. Flr 8, Next To Kanjurmarg Stn Kanjurmarg East, Mumbai 400042
5.	NPS Trust- A/C UTI Retirement Solutions Pension Fund Scheme - Central Govt.	59.80	3.99	C/O UTI Retirement Solutions Ltd. UTI Tower, GN Block Bandra Kurla Complex, Bandra (East) Mumbai 400051
6.	HDFC Trustee Company Limited A/C HDFC Income Fund	54.80	3.65	HDFC Bank Ltd, Custody Services Lodha - I Think Techno Campus Off. Flr 8, Next To Kanjurmarg Stn Kanjurmarg East, Mumbai 400042
7.	Trent Limited	50.00	3.33	Trent House, G - Block Plot No C - 60, BESIDES Citi Bank Bandra Kurla Complex, Bandra (E) Mumbai, Maharashtra 400051
8.	NPS Trust- A/C Uti Retirement Solutions Pension Fund Scheme - State Govt	40.10	2.67	C/O Uti Retirement Solutions Ltd. Uti Tower, Gn - Block Bandra Kurla Complex Bandra (East), Mumbai 400051
9.	Hdfc Trustee Company Ltd Hdfc Mf Monthly Income Plan Long Term Plan	35.00	2.33	HDFC Bank Ltd, Custody Services Lodha - I Think Techno Campus Off. Flr 8, Next To Kanjurmarg Stn Kanjurmarg East, Mumbai 400042
10.	Air India Employees	25.00	1.67	UTI Mutual Fund,UTI Asset Management

	Providend Fund			Company Ltd., Department Of Fund Accounts, UTI Tower, GN Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051
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f) 10.75% Unsecured, Subordinated, Rated Non-Convertible Debentures allotted in August 2012

Sr. No.	List of top 10 Non-Convertible Debenture holders	Amount Outstanding (crores)	% Total	Address
1.	SBI Life Insurance Co. Ltd	356.10	23.74	HDFC Bank Limited Custody Services Lodha-I Think Techno Campus, 8th Flr, Next To Kanjurmarg Railway Station, Kanjurmarg (E), Mumbai 400042
2.	Hdfc Trustee Co Ltd A/C Hdfc Corporate Debt Opportunities Fund	200.00	13.33	HDFC Bank Limited Custody Services Lodha-I Think Techno Campus, 8th Flr, Next To Kanjurmarg Railway Station, Kanjurmarg (E), Mumbai 400042
3.	Larsen and Toubro Limited	103.70	6.91	L and T House Ballard Estate Mumbai 400001
4.	Kotak Mahindra Trustee Co. Ltd. A/C Kotak Medium Term Fund	102.70	6.85	Deutsche Bank Ag, Db House Hazarimal Somani Marg, P.O.Box No. 1142, Fort Mumbai 400001 P :022 - 7180 3000 F : 022 - 7180 3901
5.	Kotak Mahindra Trustee Co Ltd - A/C Kotak Income Opportunities Fund	72.70	4.85	Deutsche Bank Ag, Db House Hazarimal Somani Marg, P.O.Box No. 1142, Fort Mumbai 400001 P :022 - 7180 3000 F : 022 - 7180 3901
6.	United India Insurance Company Limited	50.00	3.33	Investment Department, 24,Whites Road, Chennai - 600014 P :28523785/3994/0161/4485 F : 28522966/28518798
7.	Postal Life Insurance Fund A/C UTI AMC	45.00	3.00	HDFC Bank Limited Custody Services Lodha-I Think Techno Campus, 8th Flr, Next To Kanjurmarg Railway Station, Kanjurmarg (E), Mumbai 400042
8.	Tata Consultancy Services Employees Provident Fund	36.00	2.40	HDFC Bank Limited Custody Services Lodha-I Think Techno Campus, 8th Flr, Next To Kanjurmarg Railway Station, Kanjurmarg (E), Mumbai 400042
9.	Provident Fund Of Tata Steel Limited	29.50	1.97	H Bombay House 24 Homi Mody Street Fort Bombay 400001
10.	Serum Institute Of India Ltd	29.00	1.93	No 16B/1 Dr Ambedkar Road Sarosh Bhavan Pune 411001

g) 9.40% Secured, Rated, Non-Convertible Debentures allotted in December 2012

Sr. No.	List of top 10 Non-Convertible Debenture holders	Amount Outstanding (crores)	% Total	Address
1.	Postal Life Insurance Fund A/C UTI AMC	50.00	23.81	HDFC Bank Ltd, Custody Services Lodha - I Think Techno Campus Off Flr 8, Next to Kanjurmarg Stn Kanjurmarg East Mumbai 400042
2.	Standard Chartered Bank India Staff Provident Fund	40.00	19.05	Standard Chartered Bank, CRESCENZO Securities Services, 3rd Floor C-38/39 G-Block, BKC, Bandra (East) Mumbai India 400051
3.	Rural Postal Life Insurance Fund A/C UTI AMC	30.00	14.29	HDFC Bank Ltd, Custody Services Lodha - I Think Techno Campus Off Flr 8, Next to Kanjurmarg Stn Kanjurmarg East Mumbai 400042
4.	Postal Life Insurance Fund A/C SBIFMPL	30.00	14.29	HDFC Bank Ltd, Custody Services Lodha - I Think Techno Campus Off Flr 8, Next to Kanjurmarg Stn Kanjurmarg East Mumbai 400042
5.	The Oriental Insurance Company Limited	20.00	9.52	The Oriental Insurance Company Limit Oriental House, P B 7037, A-25/27, Asaf Ali Road, New Delhi 110002
6.	Rural Postal Life Insurance Fund A/C SBIFMPL	15.00	7.14	HDFC Bank Ltd, Custody Services Lodha - I Think Techno Campus Off Flr 8, Next to Kanjurmarg Stn Kanjurmarg East Mumbai 400042
7.	SBI Life Insurance Co.Ltd	10.00	4.76	HDFC Bank Ltd, Custody Services Lodha - I Think Techno Campus Off Flr 8, Next to Kanjurmarg Stn Kanjurmarg East Mumbai 400042
8.	General Insurance Corporation of India	10.00	4.76	Suraksha. 1 7 0, J. T A T A Road, Church Gate Mumbai 400020
9.	Export Credit Guarantee Corporation Of India Limited	5.00	2.38	Nirmal Bldg, 5TH Floor 241/242, Backbay Reclamation Nariman Point Mumbai 400021

h) 9.32% Series 1 Unsecured, Non-Cumulative, Redeemable, Taxable, Listed, Rated Non-Convertible Debentures allotted in November 2014

Sr. No.	List of top 10 Non Convertible Debenture holders	Amount Outstanding (crores)	% Total	Address
1.	Franklin India Ultra Short Bond Fund	112.00	11.20	Citibank N.A. Custody Services Fifc-11Th Flr, G Block Plot C-54 And C-55, Bkc Bandra-East, Mumbai 400051 P :91 22 4029 6000 F : 91 22 2653 2205 E :Announcement.India@Citi.Com

Sr. No.	List of top 10 Non Convertible Debenture holders	Amount Outstanding (crores)	% Total	Address
2.	HDFC Trustee Company Ltd A/C HDFC Cash Management Fund Treasury Advantage Plan	155.49	15.49	HDFC Bank Ltd, Custody Services Lodha - I Think Techno Campus Off Flr 8, Next To Kanjur marg Stn Kanjur marg East Mumbai 400042 P :91 22 30752800 F: 91 22 30752846
3.	Birla Sun Life Trustee Company Private Limited A/C Birla Sun Life Savings Fund	210.00	21.00	CITIBANK N.A. Custody Services FIFC-11th Flr, G Block Plot C-54 and C-55, BKC Bandra-East, Mumbai 400051 P :91 22 4029 6000 F: 91 22 2653 2205 E :announcement.india@citi.com
4.	ITPL - Invesco India Medium Term bond Fund	50.00	5.00	DEUTSCHE Bank Ag, DB House Hazarimal Somani Marg, P.O.Box No. 1142, Fort Mumbai 400001 P :022 - 6670 3000 F : 022 - 6670 3901 E :dbindia.custody@db.com
5.	SBI Magnum Insta Cash Fund	175.00	17.50	SBI SG Global Securities Services Pl Jeevan Seva Annexe Building, A Wing Gr Floor, S V Road Santacruz West, Mumbai 400054 P :42066110 F: 26108574
6.	Franklin India Treasury Management Account	170	17.00	Citibank N.A. Custody Services Fifc-11Th Flr, G Block Plot C-54 And C-55, Bkc Bandra-East, Mumbai 400051 P :91 22 4029 6000 F: 91 22 2653 2205 E
7.	Axis mutual fund trustee limited a/c axis mutual fund a/c axis hybrid fund - series 18 (42 months)	11.00	1.10	Deutsche Bank AG, DB House Hazarimal Somani Marg, P.O. Box No. 1142, Fort Mumbai 400001 P :022 - 7180 3000 F: 022 - 7180 3901
8.	Axis mutual fund trustee limited a/c axis mutual fund a/c axis hybrid fund - series 13 (1275 days)	9.00	0.90	Deutsche Bank AG, DB House Hazarimal Somani Marg, P.O. Box No. 1142, Fort Mumbai 400001 P :022 - 7180 3000 F: 022 - 7180 3901
9.	Franklin india cash management account	8.00	0.80	Citibank N.A. Custody Services Fifc- 11th Flr, G Block Plot C-54 And C-55, BKC Bandra - East, Mumbai 400098 P :91 22 6175 7999 F: 91 22 2653 2205 E: Announcement.India@Citi.Com
10.	HDFC Trustee Co Ltd A/C Hdfc Fmp 1184d January 2015 (1)	45.00	4.50	HDFC Bank Ltd Custody Services Lodha I Think Techno Campus Off Flr 8 Next To Kanjur marg Rly Stn Kanjur marg - E Mumbai 400042

- i) 9.48% Series 2 Unsecured, Non-Cumulative, Redeemable, Taxable, Listed, Rated Non-Convertible Debentures allotted in November 2014

Sr. No.	List of top 10 Non-Convertible Debenture holders	Amount Outstanding (crores)	% Total	Address
1.	SBI dual advantage fund - series xxii	89.10	17.82	SBI SG lobal securities services pl.jeevan seva annexe building, a wing gr floor, s v road santacruz west, mumbai 400054 p :022 42066166/6203 e :sbisggss.client@sbsigcsl.co.in
2.	HDFC Trustee Company Limited A/C Hdfc Cash Management Fund Treasury Advantage Plan	50.00	10.00	HDFC Bank Ltd, Custody Services Lodha - I Think Techno Campus Off Flr 8, Next To Kanjurmarg Stn Kanjurmarg East Mumbai 400042
3.	UTI-Unit Linked Insurance Plan	50.00	10.00	UTI AMC Pvt. Ltd UTI Tower, Gn Block Bandra Kurla Complex Bandra (East), Mumbai 400051
4.	Franklin India Ultra Short Bond Fund	52.00	10.40	Citibank N.A. Custody Services FIFC-11th Flr, G Block Plot C-54 and C-55, BKC Bandra-East, Mumbai 400051 P :91 22 4029 6000 F : 91 22 2653 2205 E :announcement.india@citi.com
5.	SBI Life Insurance Co.Ltd	40.00	8.00	HDFC Bank Limited Custody Services Lodha- I Think Techno Campus 8Th Flr Next To Kanjurmarg Railway Station Kanjurmarg E Mumbai 400042
6.	Postal Life Insurance Fund A/C Uti AMC	30.00	6.00	HDFC Bank Ltd, Custody Services Lodha - I Think Techno Campus Off Flr 8, Next To Kanjurmarg Stn Kanjurmarg East Mumbai 400042
7.	Franklin India Balanced Fund	27.00	5.40	CITIbank N.A. Custody Services Fifc- 11th Flr, G Block Plot C-54 And C-55, Bkc Bandra - East, Mumbai 400051 P :91 22 6175 7999 F : 91 22 2653 2205 E :announcement.india@citi.com
8.	UTI - Childrens Career Balanced Plan	25.00	5.00	UTI Mutual Fund,UTI Asset Management Company Ltd., Department Of Fund Accounts,Uti Tower, Gn Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051
9.	Axis Mutual Fund Trustee Limited A/C Axis Hybrid Fund - Series 33 (1358 DAYS)	20.00	4.00	Deutsche Bank Ag, Db House Hazarimal Somani Marg, P.O.Box No. 1142, Fort Mumbai 400001 P :022 - 7180 3000 F : 022 - 7180 3901
10.	IDFC credit opportunities fund	30.00	6.00	Magma House 24 Park Street Kolkata 700016

9.3% Unsecured, Non-Cumulative, Redeemable, Taxable, Listed, Rated Non-Convertible Debentures with a floating interest rate allotted in January 2016

Sr. No.	List of top 10 Non Convertible Debenture holders	Amount Outstanding (crores)	% Total	Address
1	Kotak Mahindra Bank Ltd.	200.00	40	KMBL Treasury Account 2nd Floor, Bakhtawar, 229, Nariman Point Mumbai,Maharashtra,India 400021 P :66596235/67836106
2	Birla Sun Life Trustee Company Private Limited A/C Birla Sun Life Short Term Opportunities Fund	150.00	30	CITIBANK N.A. Custody Services FIFC-11th FLR, G Block Plot C-54 and C-55, BKC Bandra-East, Mumbai 400051 P :91 22 4029 6000 F : 91 22 2653 2205 E :announcement.india@citi.com
3	ICICI Prudential Savings Fund	150.00	30	HDFC Bank Ltd, Custody Services Lodha - I Think Techno Campus Off Flr 8, Next To KanjurMarg Stn KanjurMarg East Mumbai 400042 P :91 22 30752800 F: 91 22 30752846

7.70% Unsecured, Non-Cumulative, Redeemable, Taxable, Listed, Rated Non-Convertible Debentures with a floating interest rate allotted in January 2016

Sr. No.	List of top 10 Non Convertible Debenture holders	Amount Outstanding (crores)	% Total	Address
1	Birla Sun Life Trustee Company Private Limited A/C Birla Sun Life Cash Manager	525.00	16.15	CITIBANK N.A. Custody Services FIFC- 11th FLR, G Block Plot C-54 and C-55, BKC Bandra-East, Mumbai 400051 P :91 22 4029 6000 F : 91 22 2653 2205 E :announcement.india@citi.com
2	Hdfc Trustee Company Ltd- Hdfc Floating Rate Income Fund A/C Short Term Plan	325.00	10.00	Hdfc Bank Ltd,Custody Services,Lodha I Think Techno Campus,Office Floor 8 Next To Kanjurmarg Railway Stn Kanjurmarg East, Mumbai, Maharashtra 400042
3	Birla Sun Life Trustee Company Private Limited A/C Birla Sun Life Savings Fund	1250.00	38.46	CITIBANK N.A. Custody Services FIFC- 11th FLR, G Block Plot C-54 and C-55, BKC Bandra-East, Mumbai 400051 P :91 22 4029 6000 F : 91 22 2653 2205 E :announcement.india@citi.com
4	Hdfc Trustee Company Limited A/C Hdfc Cash Management Fund Treasury Advantage Plan	125.00	3.85	Hdfc Bank Ltd, Custody Services Lodha - I Think Techno Campus Off Flr 8, Next To Kanjurmarg Stn Kanjurmarg East Mumbai 400042 P :91 22 30752800 F : 91 22 30752846
5	DHFL Pramerica Trustees Private Limited A/C- Dhfl Pramerica Ultra Short Term Fund	100	3.08	Standard Chartered Bank, Crescenzo Securities Services, 3Rd Floor C-38/39 G- Block, Bkc Bandra (East) Mumbai India 400051 P :+91 22 61157169/7170 F : +91 22 2675 7008/7009 E :Ca.Team@Sc.Com
6	SBI Treasury Advantage Fund	250.00	7.69	SBI SG Global Securities Services Pl Jeevan Seva Annexe Building, A Wing Gr Floor, S V Road Santacruz West, Mumbai 400054 P :42066110 F : 26108574
7	SBI Savings Fund	225.00	6.92	SBI SG Global Securities Services Pl Jeevan Seva Annexe Building, A Wing Gr Floor, S V Road Santacruz West, Mumbai 400054 P :42066110 F : 26108574
8	Hdfc Trustee Company Limited A/C High Interest Fund Short Term Plan	75.00	2.31	Hdfc Bank Ltd,Custody Services,Lodha I Think Techno Campus,Office Floor 8 Next To Kanjurmarg Railway Stn Kanjurmarg East, Mumbai, Maharashtra 400042
9	Franklin India Short Term Income Plan	58.00	1.78	Citibank N.A. Custody Services Fifc- 11Th Flr, G Block Plot C-54 And C-55, Bkc Bandra - East, Mumbai 400098 P :91 22 6175 7999 F : 91 22 2653 2205 E :Announcement.India@Citi.Com
10	Franklin India Ultra Short Bond Fund	127.00	3.91	CITIBANK N.A. Custody Services FIFC- 11th FLR, G Block Plot C-54 and C-55, BKC Bandra-East, Mumbai 400051 P :91 22 4029 6000 F : 91 22 2653 2205 E :announcement.india@citi.com

- (iv) **Details of amount of corporate guarantee issued by the Issuer along with the name of the counterparty on behalf of whom the corporate guarantee has been issued, as at 30 September 2017**

<b>Guarantees given</b>	<b>30th September 2017 INR crore</b>	<b>31st March 2017 INR crore</b>
Coastal Gujarat Power Limited	2,843.00	2,781.69
Khopoli Investments Limited	2,776.03 (equivalent to USD 425.25 million)	2,877.72 (equivalent to USD 443.75 million)
Bhira Investments Limited	2,176.44 (equivalent to USD 333.40 million)	2,911.12 (equivalent to USD 448.90 million)
Trust Energy Resources Pte. Limited	816.34 (equivalent to USD 125.05 million)	777.55 (equivalent to USD 119.90 million)
Tubed Coal Mines Limited	11.36	11.36
Mandakini Coal Company Limited	20.26	20.26
Energy Eastern Pte. Limited	210.53 (equivalent to USD 32.25 million)	382.62 (equivalent to USD 59.00 million)
Tata Power Renewable Energy Limited	2,648.00	2,225.00
Tata Power International Pte. Limited	280.70 (equivalent to USD 43.00 million)	278.86 (equivalent to USD 43.00 million)
Tata Power Solar Systems Limited	250.00	300.00
Tata Power Trading Company Limited	60.00	-
Welspun Renewables Energy Pvt. Limited	4,050.00	1,320.00

<b>Shares pledged</b>	<b>30th September 2017 (nos)</b>	<b>31st March 2017 (nos)</b>
Tata Teleservices Limited	182,708,138	182,708,138
Powerlinks Transmission Limited	238,680,000	238,680,000
Coastal Gujarat Power Limited	3,102,544,200	3,102,544,200
Industrial Energy Limited	125,674,200	125,674,200
Mandakini Coal Company Limited	20,043,000	20,043,000
Tata Power Renewable Energy Limited	258,114,935	258,114,935
Itezhi Tezhi Power Corporation	452,500	452,500

**(v) Details of Commercial Paper / Certificate of Deposit:**

As on 30 September 2017, the Issuer has commercial papers outstanding of Rs. crore.

Maturity Date	Amount Outstanding (Rs Cr)
27-Oct-17	500
2-Nov-17	500
10-Nov-17	500
29-Nov-17	300
20-Dec-17	400
16-Feb-17	500
Total	2700

**(vi) Details of Rest of the Borrowing of the Issuer not already covered above as at September 30, 2017:**

Nil

**(vii) Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Issuer, in the past 5 years:**

There has been no default and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Issuer in the past 5 years.

**(viii) Details of any outstanding borrowings taken/ debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option:**

As of the date of this Information Memorandum, the Issuer has no outstanding borrowings taken/any debt securities issued where taken/issued, (i) for consideration other than cash, whether in whole or in part, (ii) at a premium or discount, or (iii) in pursuance of an option.

**11. Details of Promoters of the Issuer**

Please see the section titled “The Issuer’s Management”.

**12. Abridged version of Audited Consolidated (wherever available) and Standalone Financial Information (like Profit & Loss statement, Balance Sheet and Cash Flow statement) for at least last three years and auditor qualifications, if any.**

Please see the section titled “Financial Information of the Issuer”.

**13. Abridged version of Latest Audited / Limited Review Half Yearly Consolidated (wherever available) and Standalone Financial Information (like Profit & Loss statement, and Balance Sheet) and auditors qualifications, if any**

Please see the section titled “Financial Information of the Issuer”.

**14. Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc) at the time of issue which may affect the issue or the investor’s decision to invest / continue to invest in the debt securities**

**N.A.**

**15. Names of the Debenture Trustees and Consents thereof**

The Debenture Trustee for the Issue of Debentures proposed to be issued under this Information Memorandum shall be IDBI Trusteeship Services Limited. The Debenture Trustee has given its written consent for its appointment and inclusion of its name in the form and context in which it appears in this Information Memorandum for the Issue of Debentures. The Debenture Trustee has given their consent to the Issuer to act as trustee for the Debentureholders under Regulation 4(4) of the SEBI Debt Regulations.

The consent letter dated 10 November 2017 from the Debenture Trustee is attached as **Annexure F** to this Information Memorandum.

**16. The detailed rating rationale(s) adopted (not older than one year on the date of opening of the Issue)/ credit rating letter issued (not older than one month on the date of opening of the Issue) by the rating agencies:**

Please refer to **Annexure E** to this Information Memorandum for rating letters and rating rationale adopted by the Credit Rating Agencies.

**17. If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document:**

The Debentures are unsecured.

**18. Names of all the Recognised Stock Exchanges where Securities are Proposed to be Listed clearly indicating the Designated Stock Exchange and also whether In-Principle Approval from the Recognised Stock Exchange has been obtained**

The Debentures are proposed to be listed on the WDM segment of the BSE initially. The Issuer shall comply with the requirements of the Debt Listing Agreement to the extent applicable to it on a continuous basis. The BSE is therefore the designated stock exchange. The Issuer has obtained an ‘in-principle’ approval from the BSE to list the Debentures and same is attached as **Annexure G** to this Information Memorandum.

The Issuer reserves the right to get the Debentures listed on other recognised stock exchanges as the Issuer may deem fit after giving prior notice of such proposed listing to the Debenture Trustee.

**19. Other Details pertaining to the Issue**

**(i) Debenture Redemption Reserve**

The Issuer will create Debenture Redemption Reserve (“DRR”) as may be required in case of privately placed debentures.

Pursuant to Rule 18(7)(b)(iii) of the Companies (Share Capital and Debentures) Rules, 2014, for manufacturing and infrastructure companies, the adequacy of DRR is defined at 25 % of the value of debentures issued through private placement route. In terms of extant provisions of New Companies Act, the Issuer is required to create DRR out of profits, if any, earned by the Issuer. The Issuer shall create a DRR and credit to the DRR such amounts as applicable under provisions of Section 71 of the New Companies Act or any other relevant statute(s), as applicable.

**(ii) Regulations pertaining to the Issue**

The Debentures being offered pursuant to this Information Memorandum are subject to the provisions of the Old Companies Act, the New Companies Act including the rules thereunder, the SEBI Debt Regulations, the Memorandum and Articles of Association of the

Issuer, the terms of this Information Memorandum, Application Form, and other terms and conditions as may be incorporated in the Debenture Trust Deed.

**(iii) Application Process**

Please see the section titled “**Issue Procedure**”.

**(iv) No-objection Certificate**

The Issuer does not require any consents from its existing lenders for borrowing by way of the Issue.

**NO WILFUL DEFAULT**

Name of Bank declaring entity to be wilful defaulter	Year in which entity is declared as wilful defaulter	Outstanding amount at the time of declaration	Name of entity declared as wilful defaulter	Steps taken for removal from list of wilful defaulters	Other disclosures	Any other disclosures
NIL	NIL	NIL	NIL	NIL	NIL	NIL

## ISSUE PROCEDURE

The Issuer proposes to Issue the Debentures on the terms set out in this Information Memorandum. The Debentures being offered pursuant to this Information Memorandum are subject to the provisions of the New Companies Act and the erstwhile Companies Act, 1956, the SEBI Debt Regulations, SEBI Circular dated April 21, 2016 on electronic booking mechanism for issuance of debt securities on private placement basis, the Memorandum and Articles of Association of the Issuer, the terms of this Information Memorandum, Application Form, and other terms and conditions as may be incorporated in the Debenture Trust Deed. This section applies to all applicants. Please note that all applicants are required to make payment of the full application amount along with the Application Form.

### **Borrowing Powers of the Board**

The shareholders of the Issuer, through a resolution passed at their meeting dated August 13, 2014 authorised the Board of Directors to borrow monies together with monies already borrowed by the Issuer, in excess of the aggregate of the paid up capital of the Issuer and its free reserves, not exceeding Rs. 27,000 crores at any time. Pursuant to a resolution of the Board of Directors dated 3 November 2017 the Issuer has been authorised to issue Debentures pursuant to this Information Memorandum.

### **How to Apply**

Only Eligible Investors as given hereunder may apply for the Debentures by completing the application form in the prescribed format in BLOCK LETTERS in English in accordance with the instructions contained therein. No application can be made for a fraction of a Debenture. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant's own safety and these details will be printed on the refund orders and interest/ redemption warrants.

An Application Form must be accompanied by either demand draft(s) or cheque(s) drawn or made payable in favour of the Issuer or otherwise as may be set out in the application form and crossed "Account Payee Only".

Cheque(s) or demand draft(s) may be drawn on any bank including a co-operative bank, which is a member or a sub-member of the bankers clearing house located at Mumbai. Money orders or postal orders will not be accepted. The payments can be made by real time gross settlement ("RTGS")/NEFT, the details of which are given below. No cash will be accepted. An application once submitted cannot be withdrawn.

The Issuer assumes no responsibility for any application/cheques/demand drafts lost in mail or in transit.

**Since the aggregate issue size during this financial year now crosses Rs. 500 crores, the Issuer will use Electronic Book Provider mechanism for the incremental private placement as per SEBI Circular No. CIR/IMD/DF1/48/2016 dated April 21, 2016.**

All investors are required to comply with the relevant regulations/ guidelines applicable to them for investing in this issue of Debentures.

### **How to bid**

All eligible investors will have to register themselves with BSE-BOND platform offered by BSE for participating in electronic book building mechanism. Investors should refer the operating guidelines for issuance of debt securities on private placement basis through an electronic book mechanism as available on web site of BSE.

### **Right to accept or reject bids**

The Company reserves it's full, unqualified and absolute right to accept or reject any bid(s), in part or in full, without assigning any reason thereof and to make provisional / final allocations at its absolute discretion.

### **Provisional/ Final allocation**

Post completion of bidding process, the Company will upload the provisional allocation on the BSE-BOND platform. Post receipt of investor details, the Company will upload the final allocation file on the BSE-BOND

platform.

### **Application Procedure**

Potential Investors will be invited to subscribe by way of Application Form as provided by the Issuer during the period between the Issue Opening Date and the Issue Closing Date (both days inclusive) mentioned in the Information Memorandum.

The Issuer reserves the right to close the Issue at the earlier date on the Issue of that particular Debentures being fully subscribed.

The Issuer reserves the right to close the Issue at any time on the Issue Closing Date.

### **Application Size**

Applications, for the Debentures, are required to be for a minimum of 1 (one) Debenture and multiples of 1 (one) Debenture thereafter.

### **Who can Apply**

Nothing in this Information Memorandum shall constitute and/or deem to constitute an offer or an invitation to an offer, to be made to the public or any section thereof through this Information Memorandum and this Information Memorandum and its contents should not be construed to be a prospectus under the New Companies Act, as amended or the rules made thereunder.

This Information Memorandum and the contents hereof or thereof are restricted for only the intended recipient(s) who have been addressed directly through a communication by the Issuer and only such recipients are eligible to apply for the Debentures.

The following categories of Investors together constitute “**Eligible Investors**”:

- Scheduled commercial banks in India;
- NBFCs and RNBCs registered with the RBI;
- Indian companies and other bodies corporate;
- Rural regional banks in India;
- Financial institutions, including All India Financial Institutions;
- Housing finance companies registered with the National Housing Board; and
- Any other investors who are permitted to invest in the Debentures under Applicable Law.

Only the Eligible Investors, when specifically approached, are eligible to apply for the Debentures and subject to the compliance with the relevant regulations/guidelines applicable to them for investing in this Issue.

**Other than as stated above, applications cannot be made by person(s) or entity(ies) resident outside India, including but not limited to NRIs and OCBs.**

All Eligible Investors and subsequent Debentureholders (who shall purchase the Debentures in the secondary market) are required to consult their own advisors in investing in the Debentures and comply with the relevant rules/regulations/guidelines/notifications applicable to them for investing in the Debentures.

### **Submission of Documents**

Investors should submit the following documents, wherever applicable:

- (a) Memorandum and Articles of Association/Documents governing constitution;
- (b) Government notification/certificate of incorporation;

- (c) Resolution authorising investment along with operating instructions;
- (d) Power of Attorney (original and certified true copy);
- (e) Form 15AA granting exemption from TDS on interest;
- (f) Form 15H for claiming exemption from TDS on interest on application money, if any;
- (g) Order u/s197 of IT Act;
- (h) Order u/s10 of IT Act;
- (i) Specimen signatures of authorised persons duly certified by an appropriate authority; and
- (j) SEBI registration certificate, if applicable.

**Note: Participation by potential Investors in the Issue proposed to be issued under this Information Memorandum may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to peruse the Debenture Trust Deed and further ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.**

#### **Permanent Account Number**

Each applicant should mention their PAN allotted under the IT Act in the Application Form.

#### **Minimum Subscription**

As the Issue under this Information Memorandum will be made on private placement basis, the requirement of minimum subscription shall not be applicable to the Issue and therefore the Issuer shall not be liable to refund the subscription(s)/ proceed(s) in respect of Issue in the event of the total Issue collection falling short of the proposed Issue size or certain percentage of the proposed Issue size.

#### **Submission of completed Application Form**

All applications duly completed accompanied by transfer instructions from the respective Investor's account to the account of the Issuer, shall be submitted at the Registered Office of the Issuer.

#### **Mode of Payment**

All cheques/drafts must be made payable to "The Tata Power Company Limited" and crossed "A/C PAYEE ONLY" or through Fund Transfer / Real time gross settlement. The RTGS details of the Issuer are as under:

IFSC Code	KKBK0000958
Bank Account No.	7911493013
Account name	The Tata power company Ltd - Debenture Issue Account
Branch	Kotak Mahindra Bank Limited, Nariman Point, Mumbai

#### **Basis of Allotment and Schedule for Allotment and Issue of Certificates**

The Issuer reserves the sole and absolute right to allot the Debentures to any applicant. The unutilised portion of the application money will be refunded to the applicant by electronic transfer to the bank account notified by the applicant. In case the cheque payable at par facility is not available, the Issuer's reserves the right to adopt any other suitable mode of payment. The Issuer will allot the Debentures to the Debentureholders dematerialised account within 2 (two) Business Days of the Deemed Date of Allotment. A Consolidated Debenture Certificate for the Debentures will be dispatched at the sole risk of the applicant, through registered/speed post, within 30 (thirty) days from the date of closure of the Issue. The Issuer further agrees to pay interest in accordance with the applicable provisions of the New Companies Act, if the allotment letters/refund orders have not been dispatched

to the applicants within 30 (thirty) days from the date of the closure of the Issue.

### **Right to Accept or Reject Applications**

The Board of Directors, the Committee of Directors and/or any other authorised officials of the Issuer reserves its full, unqualified and absolute right to accept or reject any application for subscription to the Debentures, in part or in full, without assigning any reason thereof. Application Forms that are not complete in all respects may be rejected in sole discretion of the Issuer.

Notwithstanding anything stated elsewhere, the Issuer reserves the right to accept or reject any application, in part or in full, without assigning any reason. Subject to the aforesaid, in case of over subscription, priority will be given to Investors on a first come first serve basis. The Investors will be required to remit the funds as well as submit the duly completed application form along with other necessary documents to the Issuer by the Deemed Date of Allotment.

### **Interest on Application Money**

Interest on application money will be paid to Investors at the Interest Rate from the date of realisation of subscription money, for the Debentures, up to 1 (one) day prior to the Deemed Date of Allotment. Such interest shall be payable within 7 (seven) Business Days from the Deemed Date of Allotment.

### **Refunds**

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 7 (seven) days from the Deemed Date of Allotment of the Debentures.

In case the Issuer has received money from applicants for Debentures in excess of the aggregate of the application money relating to the Debentures in respect of which allotments have been made, the Registrar shall upon receiving instructions in relation to the same from the Issuer repay the moneys to the extent of such excess, if any.

### **Issue of Debentures in Dematerialised Form**

The Debentures will be issued in dematerialised form within 2 (two) Business Days from the Deemed Date of Allotment. The Issuer has made arrangements with the Depositories for the Issue in dematerialised form. Investors will hold the Debentures in dematerialised form in accordance with the provisions of Depositories Act. The Depository participant's name, DP ID and beneficiary account number must be mentioned at the appropriate place in the Application Form. The Issuer shall take necessary steps to credit the Debentures allotted to the Depository account of the Investor. All provisions relating to issue, allotment, transfer, transmission etc. in respect of the Debentures as prescribed under the Depositories Act will be applicable to the Debentures issued in dematerialised form.

If the Debentures issued are held in dematerialised form, then no action is required on the part of the Investors for redemption purposes and the redemption proceeds will be paid by cheque/fund transfer/RTGS to those Investors whose names appear on the list of beneficiaries provided by the Depository to the Issuer. The names would be in accordance with the Depository's records on the relevant record date fixed for the purpose of redemption. All such Debentures will be simultaneously redeemed through appropriate debit corporate action.

The list of beneficiaries as of the relevant Record Date setting out the relevant beneficiaries' name and account number, address, bank details and depositary participant's identification number will be given by the Depository to the Issuer and the Registrar. Based on the information provided above, the Issuer/Registrar will dispatch the cheque for interest / coupon payments to the beneficiaries. If permitted, the Issuer may transfer payments required to be made in relation to any by electronic transfer of funds/RTGS, to the bank account of the Debentureholders for redemption and interest/ coupon payments.

However, for the Debentures that are rematerialised and held in physical form, the Issuer will issue one certificate to the relevant Debentureholder for the aggregate amount of the Debentures that are rematerialised and held by such Debentureholder (each such certificate a "**Consolidated Debenture Certificate**"). In respect of the Consolidated Debenture Certificate(s), the Issuer will, upon receipt of a request from the Debentureholder within 30 days of such request, split such Consolidated Debenture Certificates into smaller denominations in accordance with the Articles of Association, subject to a minimum denomination of one Debenture. No fees will be charged for splitting any Consolidated Debenture Certificates but, stamp duty, if payable, will be paid by the

Debentureholder. The request to split a Consolidated Debenture Certificate shall be accompanied by the original Consolidated Debenture Certificate which will, upon issuance of the split Consolidated Debenture Certificate, be cancelled by the Issuer.

### **Deemed Date of Allotment**

All benefits relating to the Debentures will be available to the Investors from the Deemed Date of Allotment. The actual allotment of Debentures may take place on a date other than the Deemed Date of Allotment. The Issuer reserves the right to keep multiple allotment date(s)/ deemed date(s) of allotment at its sole and absolute discretion without any notice. The Deemed Date of Allotment may be changed (advanced/ postponed) by the Issuer at its sole and absolute discretion.

### **Payment on Redemption**

In respect of the Debentures held in dematerialised form, payment of the Redemption Amount will be made by the Issuer to the beneficiaries in accordance with the beneficiary list provided by the Depositories as on the Record Date. The Debentures shall be taken as discharged on payment of the Redemption Amount by the Issuer to the beneficiaries in accordance with the beneficiary list by making payment electronically to the bank account notified by the beneficiary. Such payment will be a legal discharge of the liability of the Issuer towards the Debentureholders. On such payment being made, the Issuer will inform the Depositories and accordingly the account of the Debentureholders with Depositories will be adjusted. In case of cheque issued towards redemption proceeds, the same will be dispatched by courier or hand delivery or registered post at the address provided in the Application Form at the address as notified by Debentureholder or at the address with Depositories' record. Once the cheque for redemption proceeds is dispatched to the Debentureholder(s) at the addresses provided or available from the Depositories record, the Issuer's liability to redeem the Debentures on the date of redemption shall stand extinguished and the Issuer will not be liable to pay any interest/premium, income or compensation of any kind from the date of redemption of the Debenture(s).

In respect to the Debentures held physically under a Consolidate Debenture Certificate, payments will be made by way of cheque or pay orders or electronically. However, if the Issuer so requires, payments on maturity may be made on surrender of the Consolidated Debenture Certificate(s). Dispatch of cheques or pay orders in respect of payments with respect to redemptions will be made within a period of 30 days from the date of receipt of the duly discharged Consolidated Debenture Certificate.

Upon dispatching the payment instrument towards payment of the redemption amount as specified above in respect of the Debentures, the liability of the Issuer shall stand extinguished.

### **Currency of Payment**

All obligations under the Debentures including yield, are payable in Indian Rupees only.

### **Transfers**

The Debentures shall be transferable freely to all classes of investors eligible to purchase these Debentures subject to applicable law and the rules and regulations governing their investments. Subject to the foregoing, the Debentures may be transferred and/or transmitted in accordance with the applicable provisions of the Companies Act, 2013. The provisions relating to transfer, transmission and other related matters in respect of shares of the Company contained in the Articles of Association of the Issuer and the Companies Act, 2013 shall apply, mutatis mutandis (to the extent applicable to debentures), to the Debentures as well. The Debentures held in dematerialised form shall be transferred subject to and in accordance with the rules/procedures as prescribed by depositories and the relevant depository participants of the transfer or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the record date. In the absence of the same, interest will be paid/redemption will be made to the person, whose name appears in the register of DebentureHolders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer.

Provided further that nothing in this section shall prejudice any power of the Issuer to register as Debentureholder, any person to whom the right to any Debenture of the Company has been transmitted by operation of law.

The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these debentures held in electronic form. The seller should give delivery instructions containing details of the

buyer's depository participant account to his depository participant. The Issuer undertakes that there will be a common transfer form/procedure for transfer of debentures.

The Debentures shall be issued only in dematerialised form in compliance with the provisions of the Depositories Act, 1996 (as amended from time to time), any other applicable regulations (including of any relevant stock exchange) and these conditions. No physical certificates of the Debentures would be issued. The Issuer undertakes that there will be a common form of transfer available for the Debentures held under a Consolidated Debenture Certificate.

### **Title**

In case of:

1. Debentures held in the dematerialised form, the person for the time being appearing in the register of Beneficial Owners maintained by the Depository; and
2. Debentures held in physical form, the person for the time being appearing in the Register of Debentureholders as Debentureholder,

shall be treated for all purposes by the Issuer, the Debenture Trustee, the Depositories and all other persons dealing with such person as the holder thereof and its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, theft or loss of the Consolidated Debenture Certificate issued in respect of the Debentures and no person will be liable for so treating the Debentureholder.

### **List of Beneficial Owners**

The Issuer shall request the Depositories to provide a list of Beneficial Owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount, as the case may be.

### **Applications under Power of Attorney**

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorised signatories and the tax exemption certificate/ document, if any, must be lodged along with the submission of the completed Application Form. Further modifications/ additions in the power of attorney or authority should be notified to the Issuer or to its agents or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

In case of an application made by companies under a power of attorney or resolution or authority, a certified true copy thereof along with memorandum and articles of association and/ or bye-laws along with other constitutional documents must be attached to the Application Form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names and specimen signatures of all the authorised signatories must also be lodged along with the submission of the completed application.

### **Computation of Interest**

All interest accruing for any Interest Period shall accrue from day to day and be calculated on the Face Value of principal outstanding on the Debentures at the coupon rate on the basis of the actual number of days elapsed and a year of 365 days (or 366 days in case of a leap year), at the applicable Interest Rate, and rounded off to the nearest Rupee.

### **Tax Deduction at Source**

Debentureholders should consult their own independent tax advisers to understand their tax positions. In addition, Debentureholders should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time. Therefore, Debentureholders are advised to consider the tax implications in respect of subscription to the Debentures in consultation with their tax advisors.

In accordance with the prevalent provisions of the IT Act, the amount of interest received/ receivable by the Debentureholders is treated as a taxable income in their hands. However, with effect from June 1, 2008, no tax is deductible at source from the amount of interest payable on any listed demat security, held by a person resident in India. Since the Debentures shall be issued in dematerialised mode and shall be listed on the BSE and such other recognised stock exchanges as the Issuer may deem fit after giving prior intimation of such proposed listing to the Debenture Trustee, no tax will be deductible at sources on the payment/credit of interest on the Debentures held by any person resident in India.

In the event of rematerialisation of the Debentures or a change in applicable law governing the taxation of the Debentures, the following provisions shall apply:

Any payment to be made by the Issuer shall be made to the Debenture Trustee, in the appropriate currency, at such place as the Debenture Trustee shall designate. Except as provided in this Clause, all payments to be made by the Issuer shall be made in full without set-off or counterclaim and free and clear of any Tax of any nature now or hereafter imposed by any country or any subdivision or relevant authority, unless the payment/deduction/withholding of any present and future Tax (“**Tax Deduction**”) is required by applicable law. If any sums payable to the Debentureholders is subject to any Tax Deduction, the Issuer shall make such Tax Deduction, and shall immediately (but no later than 30 (thirty) days from the due date of payment of such Tax Deduction to the Governmental Authority (or any shorter period stipulated by applicable law) deliver to the Debenture Trustee the withholding certificate or similar certificate or an official receipt or other official documentation evidencing such payment in accordance with applicable law received in connection with the Tax Deduction.

In the event that a Debentureholder is entitled by virtue of any applicable laws to receive amounts at a lower rate of tax withholding, such Debentureholder will provide evidence thereof to the Issuer who will then deduct Tax at such lower rate.

#### **Right of the Issuer to Purchase and Re-sell Debentures**

**Purchase and Resale of Debentures:** The Issuer may, subject to applicable laws, at any time and from time to time, purchase Debentures issued under this Information Memorandum at discount, at par or premium in the open market. Such Debentures, at the option of the Issuer, be cancelled, held or resold at such a price and on such terms and conditions as the Issuer may deem fit and as permitted by applicable laws.

#### **Succession**

In the event of insolvency or winding up of a Registered Debentureholder, or the first holder in the case of joint holders, the Issuer will recognise the executor or administrator of the demised Debentureholder or the holder of succession certificate or other legal representative of the demised Debentureholder as the Registered Debentureholder of such Debentures, if such a person obtains probate or letter of administration or is the holder of succession certificate or other legal representation, as the case may be, from a court in India having jurisdiction over the matter and delivers a copy of the same to the Issuer.

The Issuer may in its absolute discretion, where it thinks fit, dispense with the production of the probate or letter of administration or succession certificate or other legal representation, in order to recognise such holder as being entitled to the Debentures standing in the name of the demised Debentureholder(s) on production of sufficient documentary proof or indemnity. In case a person other than individual holds the Debentures, the rights in the Debentures shall vest with the successor acquiring interest therein, including liquidator or such any person appointed in accordance with the applicable law.

#### **Notices**

All notices to the Debentureholders required to be given by the Issuer or the Debenture Trustee shall have been given if sent either by registered post, by facsimile or by email to the original/ first allottees of the Debentures, or as may be prescribed by applicable law.

All notice(s) to be given by the Debentures shall be sent by registered post or by hand delivery to the Issuer or to such persons at such address as may be notified by the Issuer from time to time through suitable communication.

Notice(s) shall be deemed to be effective (in the case of registered post) 7 (seven) business days after posting, (in the case of facsimile/email) twenty four hours after dispatch or (in the case of personal delivery) at the time of

delivery.

### **Payment of outstanding amounts on the Debentures**

The Issuer will comply with the terms of the Debt Listing Agreement including but not limited to ensuring that, the Issuer shall ensure that services of ECS (Electronic Clearing Service), Direct Credit, RTGS (Real Time Gross Settlement) or NEFT (National Electronic Funds Transfer) are used for payment of all outstanding amounts on the Debentures, including the principal and interest accrued thereon, in accordance with the applicable norms of the RBI.

### **Debenture Trustee**

The Issuer has appointed IDBI Trusteeship Services Limited as the Debenture Trustee for the Issue. All the rights and remedies of the Debentureholders shall vest in and shall be exercised by the Debenture Trustee without referring to the Debentureholders. All Investors are deemed to have irrevocably given their authority and consent to IDBI Trusteeship Services Limited to act as their Debenture Trustee and for doing such acts and signing such documents to carry out their duty in such capacity. Any payment by the Issuer to the Debenture Trustee on behalf of the Debentureholders shall discharge the Issuer *pro tanto* to the Debentureholders. The Debenture Trustee shall carry out its duties and shall perform its functions in accordance with all applicable laws and regulations including without limitation the SEBI Debt Regulations and the Debenture Trustee Regulations as well as the Debenture Trust Deed and this Information Memorandum, with due care, diligence and loyalty. Resignation/retirement of the Debenture Trustee shall be in accordance with terms of the Debenture Trust Deed entered into between the Issuer and the Debenture Trustee and a notice in writing to the Debentureholders shall be provided for the same.

The Debenture Trustee shall ensure disclosure of all material events on an ongoing basis. The Debenture Trustee will protect the interest of the Debentureholders on the occurrence of an event of default by the Issuer in regard to timely payment of interest and repayment of principal and they will take necessary action at the Issuer's cost as provided in the Debenture Trust Deed.

### **Rights of Debentureholders**

The Debentureholders shall not be entitled to any right and privileges of shareholders other than those available to them under the New Companies Act. The Debentures shall not confer upon the holders the right to receive notice(s) or to attend and to vote at any general meeting(s) of the shareholders of the Issuer.

### **Sharing of Information**

The Issuer may, at its option, but subject to applicable laws, use on its own, as well as exchange, share or part with any financial or other information about the Debentureholders available with the Issuer, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Issuer nor its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

## DECLARATION

### Declaration by the Issuer

The Issuer hereby declares that this Information Memorandum contains full disclosure in accordance with SEBI Debt Regulations and the New Companies Act.

The Issuer also confirms that this Information Memorandum does not omit disclosure of any material fact which may make the statements made therein, in the light of the circumstances under which they are made, misleading. The Information Memorandum also does not contain any false or misleading statement. The Issuer accepts no responsibility for the statements made otherwise than in this Information Memorandum or in any other material issued by or at the instance of the Issuer and that anyone placing reliance on any other source of information would be doing so at his own risk.

The Issuer declares that all the relevant provisions of the relevant regulations or guidelines issued by SEBI and other applicable laws have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the regulations or guidelines issued by SEBI and other applicable law, as the case may be.

### Declaration by the Directors

- (i) The Issuer has complied with the provisions of the New Companies Act and the rules made thereunder;
- (ii) The compliance with the New Companies Act and the rules made thereunder does not imply that payment of interest or repayment of any Debentures is guaranteed by the Central Government; and
- (iii) the monies received under the offer shall be used only for the purposes and objects indicated in the Information Memorandum.

I am authorised by the Board of Directors of the Issuer by way of the resolution dated 3 November 2017 and Committee of Directors of the Issuer by way of the resolution dated 15 November 2017 to sign this form and declare that all the requirements of New Companies Act and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is in accordance with the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed by:

Name: \_\_\_\_\_

Designation: Director

Date: November 15, 2017

Place: Mumbai

## ANNEXURE A

### APPLICATION FORM THE TATA POWER COMPANY LIMITED

#### Registered Office:

Bombay House, 24 Homi Mody Street, Mumbai 400 001, India

**Phone:** +91 22 6665 8282      **Fax:** +91 22 6665 8885

**Email:** hmm@tatapower.com

**Website:** www.tatapower.com

#### **APPLICATION FORM FOR PRIVATE PLACEMENT OF NON-CUMULATIVE, REDEEMABLE, TAXABLE, LISTED, RATED SECURITIES IN THE FORM OF NON CONVERTIBLE DEBENTURES**

ISSUE OPENS ON: [●]

CLOSING ON: [●]

Date of Application: \_\_\_\_\_

Dear Sirs,

We have received, read, reviewed and understood all the contents, terms and conditions and required disclosures in the private placement offer letter cum information memorandum dated 15 November 2017 (“**Information Memorandum**”) issued by The Tata Power Company Limited (the “**Issuer**”). We have also done all the required due diligence (legal or otherwise) without relying upon the information contained in the Information Memorandum. Now, therefore, we hereby agree to accept the Debentures mentioned hereunder or such smaller number as may be allocated to us, subject to the terms of the said Information Memorandum, this application form and the documents. We undertake that we will sign all such other relevant documents and do all such other acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Debentures which may be allotted to us. The amount payable on application as shown below is remitted herewith.

We authorise you to place our name(s) on the Register of Debentureholders of the Issuer as well as the number of Debentures that may be so allocated to us and to register our address(es) as given below. We note that the Issuer is entitled in their absolute discretion to accept or reject this application in whole or in part without assigning any reason whatsoever.

Yours faithfully,

For (Name of the Applicant)

(Name and Signature of Authorised Signatory)

The details of the application are as follows:

#### **APPLICATION FORM FOR DEBENTURES (CONT.)**

##### DEBENTURES APPLIED FOR:

No. of Debentures (in figures and in words)	Issue Price per Debenture (Rs.)	Amount (Rs.)
[●]	10,00,000	[●]

Tax status of the Applicant (please tick one)

1. Non Exempt  2. Exempt under: Self-declaration  Under Statute  Certificate from I.T. Authority

Please furnish exemption certificate, if applicable.

We apply as (tick whichever is applicable)

- |   |  |
|---|--|
| <input type="checkbox"/> Financial Institution              | <input type="checkbox"/> Company       |
| <input type="checkbox"/> Commercial Bank/RRB/Co-op.Bank/UCB |  |
| <input type="checkbox"/> Body Corporate                     | <input type="checkbox"/> Others: _____ |

**PAYMENT PREFERENCE**

**Cheque Draft RTGS**  
**Payable at \_\_\_\_\_**

APPLICANT'S NAME IN FULL:

<b>Tax payer's PAN</b>								<b>IT Circle/ Ward/ District</b>								

MAILING ADDRESS IN FULL (Do not repeat name) (Post Box No. alone is not sufficient)

Pin																
	Tel										Fax					

CONTACT PERSON

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
NAME	DESIGNATION	TEL. NO.	FAX NO.
Email	<input type="text"/>		

I / We, the undersigned, want delivery of the Debentures in Electronic Form. Details of my / our Beneficiary (Electronic) account are given below:

Depository Name	NSDL	CDSL				
Depository Participant Name						
DP ID						
Beneficiary Account Number						
Name of Applicant						

We understand that in case of allocation of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allocated Debentures. (Applicants must ensure that the sequence of names as mentioned in the application form matches that of the Account held with the DP).

Name of the Authorised Signatory(ies)	Designation	Signature

**FOR BANK USE ONLY**

No. of Debentures (in words and figures)						
Amount for Debentures (Rs.) (in words and figures)						
RTGS/Cheque/Fund Transfer/ Demand Draft drawn on (Name of Bank and Branch)	Cheque/Demand Draft No./UTR No. in case of RTGS/ A/c no incase of FT	RTGS/Cheque/ Demand Draft/ fund transfer Date	Date of receipt of application			
			Date of receipt of cheque			
			Date of clearance of cheque			
PARTICULARS OF DP ID						
DP ID No.						
Client ID No.						

.....TEAR.....

**The TATA POWER COMPANY LIMITED**

Regd office:

Bombay House, 24 Homi Mody Street, Mumbai 400 001, India

**APPLICATION FORM FOR PRIVATE PLACEMENT OF NON CONVERTIBLE DEBENTURES**

**ACKNOWLEDGEMENT SLIP**

(To be filled by the Applicant)

Received from \_\_\_\_\_

an application for \_\_\_\_\_ Debentures

Address \_\_\_\_\_

cheque/ draft No. \_\_\_\_\_ dated \_\_\_\_\_

\_\_\_\_\_

Drawn on \_\_\_\_\_

\_\_\_\_\_

for Rs. (in figures) \_\_\_\_\_

\_\_\_\_\_ Pin Code \_\_\_\_\_

for Rs. (in words) \_\_\_\_\_

- Application must be completed in full BLOCK LETTER IN ENGLISH except in case of signature. Applications, which are not complete in every respect, are liable to be rejected.
- Payments must be made by RTGS or cheque marked ‘A/c Payee only’ or bank draft drawn in favour of “The Tata Power Company Limited” and in accordance with the following details:

Bank : Kotak Mahindra Bank Limited

Branch : Nariman Point, Mumbai  
 Account Name : The Tata power company Ltd -Debenture Issue Account  
 Account No. : 7911493013  
 IFSC Code No. : KKBK0000958

3. Cheque or bank draft should be drawn on a scheduled bank payable at Mumbai.
4. The Application Form along with relevant documents should be forwarded to the registered office of The Tata Power Company Limited (the “**Issuer**”) to the attention of Mr. H.M. Mistry, on the same day the application money is deposited in the Bank. A copy of PAN Card must accompany the application.
5. In the event of debentures offered being oversubscribed, the same will be allotted in such manner and proportion as may be decided by Tata Power.
6. The debentures shall be issued in Demat form only and subscribers may carefully fill in the details of Client ID/ DP ID.
7. In the case of application made under Power of Attorney or by limited companies, corporate bodies, registered societies, trusts etc., following documents (attested by Company Secretary /Directors) must be lodged along with the application or sent directly to the Issuer at its registered office to the attention of Mr. H.M. Mistry along with a copy of the Application Form.
  - a. Memorandum and articles of association / documents governing constitution/ certificate of incorporation.
  - b. Board resolution of the investor authorising investment.
  - c. Certified true copy of the Power of Attorney.
  - d. Specimen signatures of the authorised signatories duly certified by an appropriate authority.
  - e. PAN (otherwise exemption certificate by IT authorities).
  - f. Specimen signatures of authorised persons.
  - g. SEBI registration certificate, if applicable.
8. The attention of applicants is drawn to Sub-Section (1) of Section 38 of the New Companies Act, which is reproduced below:

Any person who:

- a. Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, for its securities; or
- b. Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c. otherwise induces directly or indirectly a company to allot or register any transfer of securities to him or any other person in a fictitious name,

shall be punishable with imprisonment for a term which shall not be less than 6 months but which may extend to 10 years and shall also be liable to fine which shall not be less than the amount involved which may extend to 3 times the amount involved.

9. The applicant represents and confirms that it has understood the terms and conditions of the Debentures and is authorised and eligible to invest in the same and perform any obligations related to such investment.

**ANNEXURE B**  
**BOARD RESOLUTION AUTHORISING THE ISSUE**



Certified True Copy of Resolution passed at the  
Board meeting held on 3<sup>rd</sup> November 2017

"RESOLVED that pursuant to Section 179 and other applicable provisions of the Companies Act, 2013 (the "Act"), as amended from time to time, the rules framed under the Act, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (the "SEBI Debt Regulations"), as amended from time to time, the Memorandum and Articles of Association of the Company and subject to the approvals, permissions and sanctions of Securities Exchange Board of India ("SEBI"), the stock exchanges, the Reserve Bank of India, Government of India and all other concerned statutory authorities, if and to the extent necessary, and such other approvals, permissions and sanctions from third parties as may be necessary, and subject to such conditions and modifications as may be prescribed or imposed in granting of such approvals, permissions and sanctions by any of the aforesaid authorities which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any duly constituted committee thereof) the consent of the Board be and is hereby accorded to create, offer and issue, in one or more tranches, non-cumulative, redeemable, taxable, listed, rated securities in the form of non-convertible debentures ("NCDs") upto an aggregate amount not exceeding ₹ 1,500 crore and for tenor not exceeding 7 years from the date of issue on private placement basis to any persons, entities, bodies corporate, companies, banks, financial institutions and any other categories of eligible investors permitted to invest in the NCDs under applicable laws (collectively termed as "Investors") who would be willing to invest in or subscribe to such NCDs, at such time or times and on such terms and conditions as may be agreed between the Company and such Investors.

FURTHER RESOLVED that the NCDs proposed to be issued may be secured or unsecured or subordinated and, if secured, the NCDs can be secured by the movable or immovable assets of the Company / subsidiaries of the Company.

FURTHER RESOLVED that the Committee of Executive Directors of the Board (CED) be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings and accept any alterations or modification(s) as it may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to issue and allotment of the NCDs (and otherwise in relation to the issue of the NCDs in one or more tranches from time to time) and the utilization of the issue proceeds in such manner as may be determined by the Committee, subject however, to applicable laws, and to take such actions or give such directions as may be necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable, as it may deem fit or as the CED may suo moto decide in its absolute discretion in the best interests of the Company.

FURTHER RESOLVED that the Company may mortgage or create charge on the movable and immovable properties and receivables of the Company, as determined by the members of the Company by way of the resolution under Section 180 (1)(a) of the Act and subject to the Memorandum and Articles of Association of the Company, the CED be and is hereby authorized to create a charge by way of mortgage, hypothecation, pledge or any other security interest over such assets of the Company, and execute all documents in connection therewith, as may be determined by the CED, in connection with the Debentures to be offered, issued and allotted by the Company from time to time.

FURTHER RESOLVED that the CED be and is hereby authorized to negotiate, modify, sign, execute, register and deliver the shelf information memorandum or any tranche information memorandum for issue of the NCDs in one or more tranches from time to time, term sheet, debenture trustee agreement, debenture trust deed and other necessary agreements, deeds, general undertaking / indemnity, affidavits, declarations required in connection with the said issue of NCDs including without limitation any security documents (the "Transaction Documents") (whether before or after execution of the Transaction Documents) together with all other documents, agreements, instruments, letters and writings required in connection with, or ancillary to, the Transaction Documents (the "Ancillary Documents") as may be necessary or required for



TATA POWER

The Tata Power Company Limited

Registered Office: Bombay House, 24 Horni Mody Street, Mumbai - 400 001

Tel: 91 22 6665 6282 Fax: 91 22 6665 6601

Website: [www.tatapower.com](http://www.tatapower.com) Email: [tatapower@tatapower.com](mailto:tatapower@tatapower.com) CIN: (26920MH1919PLC000567)

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-2-

the aforesaid purpose including to sign and/or dispatch all forms, filings, documents and notices to be signed, submitted and/or dispatched by it under or in connection with the documents to which it is a party as well as to accept and execute any amendments to the Transaction Documents and the Ancillary Documents and further to do all such other acts, deeds mentioned herein as they may deem necessary in connection with the issue of the NCDs in one or more tranches from time to time and matters connected therewith including without limitation the following:

- (i) to decide remuneration and appointment of intermediaries including without limitation arrangers, credit rating agencies, registrar, debenture trustee and legal counsel required for the issue of NCDs in one or more tranches, from time to time;
- (ii) to generally do any other act and/or deed, to negotiate and execute the fee letters and any other documents, applications, agreements, undertakings, deeds, affidavits, declarations and certificates and/or give such direction as they deem fit or as may be necessary or desirable with regard to the issue of the NCDs in one or more tranches, from time to time;
- (iii) authorization of any director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorney, to do such acts, deeds and things as such authorized person in his/her/its absolute discretion may deem necessary or desirable in connection with the issue, offer and allotment of the NCDs;
- (iv) giving or authorizing the giving by concerned persons of such declarations, affidavits, certificates, consents and authorities as may be required from time to time;
- (v) seeking, if required, any approval, consent or waiver from the Company's lenders, and/or parties with whom the Company has entered into various commercial and other agreements, and/or any or all concerned government and regulatory authorities in India, and/or any other approvals, consents or waivers that may be required in connection with the issue, offer and allotment of the NCDs;
- (vi) to provide the appropriate security to cover on the immovable properties and other movable fixed or current or other assets of the Company and to create or modify the securities provided / charges created in connection with the issue of the NCDs in one or more tranches, as may be required from time to time;
- (vii) to sign and submit all necessary papers and take all necessary steps in this regard including the payment of applicable stamp duty on the Transaction Documents and Ancillary Documents and the creation of mortgage and charge, submission of necessary forms with Registrar of Companies, Maharashtra and registration of the debenture trust deed or any other instrument creating the mortgage and charge with the relevant sub-registrar of assurances;
- (viii) finalization of and filing the shelf information memorandum and any relevant tranche information memorandum for the issue of any tranche of NCDs from time to time with relevant stock exchanges, the Registrar of Companies, Maharashtra and SEBI in accordance with the applicable laws and regulations;
- (ix) to open and operate such bank accounts, demat accounts, escrow account with banks, institutions or agencies as may be required as per the terms of the issue of the NCDs from time to time;
- (x) to seek the listing of any tranche of NCDs on any stock exchanges in India, submitting the listing application to the stock exchanges and taking all actions that may be necessary in connection with obtaining such listing and admission of the securities on the Depository system;
- (xi) authorizing of the maintenance of a register of holders of the NCDs as may be applicable or required;
- (xii) entering into necessary arrangements for appointment of all such intermediaries and/or agencies as may be deemed appropriate to be involved or concerned in such offerings of NCDs from time to time and also to enter into and execute all such arrangements, agreements, memoranda, documents etc. with such intermediaries and/or agencies and to do all such acts and things as may be necessary and expedient;

..3





-3-

- (xiii) to do all acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the above resolutions and to execute on behalf of the Company such deeds, documents, agreements and writings in this regard; and
- (xiv) to delegate authority to negotiate and finalize the Transaction Documents & Ancillary Documents including but not limited to the Shelf and Tranche Information Memorandum, term sheet, debenture trustee agreement, debenture trust deed and other necessary agreements, deeds, general undertaking / indemnity, affidavits, declarations and such other documents as may be necessary, negotiate with and appoint intermediaries within the fee cap as approved by the Committee, participate in the electronic bidding platform of any stock exchange for private placement of debt securities, execute the Transaction Documents and the Ancillary Documents and to do all such acts, deeds, matters and things and sign all forms, agreements, other deeds, documents, undertakings, declaration, letters and such other papers as may be necessary, desirable and expedient in connection with the issue, allotment, listing and admission on the Depository system of the NCDs from time to time, on behalf of the Company.

FURTHER RESOLVED that the Common Seal of the Company be affixed to any such documents, if required, in accordance with the Articles of Association of the Company.

FURTHER RESOLVED that pursuant to Article 179 of the Company's Articles of Association, the following officers of the Company be and are hereby severally authorised to sign any of the above documents in connection with the issue of the NCDs from time to time to which the Common Seal of the Company is affixed, along with a Director of the Company:

Mr. Ramesh N. Subramanyam, Chief Financial Officer  
 Mr. Nandakumar Tirumalai, Financial Controller & Chief - Subs Finance  
 Mr. Kasturi Soundararajan, Chief - Corporate Treasury & Investor Relations  
 Mr. Anand Agarwal, Chief - M&A and Strategic Finance  
 Mr. Puneet Munjal, Chief - Commercial & Regulations  
 Mr. Suranjit Mishra, Group Head - Treasury  
 Mr. Arun Viswanathan, Group Head - Treasury  
 Mr. Mohit Jain, Group Head - Corp Treasury  
 Mr. Jeraz E. Mahernosh, Group Head - Secretarial

FURTHER RESOLVED that the Company be and is hereby authorised to take its Common Seal out of its registered office to any destination for the purpose of affixation thereof on any such documents in connection with the issue of the NCDs from time to time."

Certified True Copy  
 For The Tata Power Company Limited

*Hemal Mehta*  
 Company Secretary



**ANNEXURE C**  
**COMMITTEE OF DIRECTOR'S RESOLUTION**



Certified True Copy of the Resolution passed by the  
Committee of Executive Directors of the Board on 15<sup>th</sup> November 2017

"RESOLVED that in connection with the issuance of Unsecured, Rated, Listed, Redeemable, Non-Convertible Debentures (NCDs) of ₹ 1,500 crore, the CEO & Managing Director, the COO & Executive Director, the Chief Financial Officer, the Company Secretary, Mr. Anand Agarwal Chief-Corp Financial Planning and Investment Platform, Mr Soundararajan Kasturi Chief-Corporate Treasury and Investor Relations, Mr. Nandakumar S Tirumalai-Financial Controller & Chief – Subsidiaries Finance be and are hereby severally authorized to:

- i) Negotiate, finalize and execute the mandate letter(s) with the arrangers / investors for placement of the NCDs and make necessary payments to the arranger/investors/other intermediaries on completion of the issue, as approved.
- ii) Finalize all other terms and conditions of the NCDs, finalize and execute the Term Sheet and any subsequent modifications thereof and take such steps and to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings and accept any alterations or modification(s) as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to issue and allotment of the NCDs and appointment of the arrangers/investors (and otherwise in relation to the issue of the NCDs in one or more tranches from time to time) and the utilization of the issue proceeds, subject to applicable laws, and to take such actions or give such directions as may be necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable, as it may deem fit;
- iii) Finalize, execute and file the information memorandum for the issue of the NCDs from time to time with relevant stock exchanges, the Registrar of Companies and Securities & Exchange Board of India, in accordance with the applicable laws and regulations;
- iv) Apply for listing of the NCDs on the stock exchanges in India, submit the listing application to the stock exchanges and taking all actions that may be necessary in connection with obtaining such listing;
- v) Apply for admission of the securities on the depository system including but not limited to submission of Master Creation Form for creation of ISIN, submission of Corporate Action Form for allotment to Depositories and taking all actions that may be necessary in this regard;
- vi) Sign and submit all necessary papers / certificates / undertakings and take all necessary steps in this regard including the payment of applicable stamp duty and other taxes, fees and costs as required under the applicable laws in relation to the NCDs;
- vii) Execute all necessary documents in connection with opening of accounts with banks, institutions or agencies as may be required as per the applicable laws;
- viii) Do all acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the above resolutions and to execute on behalf of the Company such deeds, documents, agreements and writings in this regard including issuance of Consolidated Debenture Certificate; and
- ix) Finalise the date of allotment of the NCDs to the investors;
- x) Allot the NCDs to selected investors pursuant to resolution of the committee;
- xi) perform all acts necessary for the purpose of compliance with the Companies Act, 2013, Companies (Share Capital and Debenture) Rules, 2014, Companies (Prospectus and Allotment of Securities) Rules, 2014 and other relevant rules notified under the Companies Act, 2013, and the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015;
- xii) do all necessary acts for issue of NCDs through the electronic bidding mechanism/ platform; and

..2

*M.M*

**TATA POWER**

The Tata Power Company Limited

Registered Office Bombay House 24 Horni Mody Street Mumbai 400 001

Tel 91 22 6665 8282 Fax 91 22 6665 8801

Website : [www.tatapower.com](http://www.tatapower.com) Email : [tatapower@tatapower.com](mailto:tatapower@tatapower.com) CIN : L28920MH1919PLC000567



-2-

- xiii) Sign all forms, agreements, other deeds, documents, undertakings, declaration, letters and such other papers as may be necessary, desirable and expedient in connection with the placement with the arrangers or issue of debentures.

FURTHER RESOLVED that the Common Seal of the Company be affixed to any such documents, if required, in accordance with its Articles of Association.

FURTHER RESOLVED that in terms of Article 179 of the Company's Articles of Association, the following Officers of the Company be and are hereby severally authorised to sign as 'Authorised Signatory' any of the above documents to which the Common Seal of the Company is affixed, along with a Director of the Company:

Mr. Ramesh N. Subramanyam, Chief Financial Officer  
 Mr. Nandakumar S. Tirumalai, Financial Controller & Chief – Subs Finance  
 Mr. Anand Agarwal, Chief - Corporate Financial Planning and Invst Platform  
 Mr. Soundararajan Kasturi, Chief-Corporate Treasury and Investor Relation  
 Mr. Jeraz E. Mahernosh, Group Head - Secretarial  
 Mr. Arun Viswanathan, Group Head- Treasury  
 Mr. Mohit Jain, Group Head- Corporate Treasury

FURTHER RESOLVED that the Company be and is hereby authorised to take its Common Seal out of its Registered Office to any destination for the purpose of affixation thereof on any such documents."

Certified True Copy  
 For The Tata Power Company Limited

*Ram Mistri*  
 Company Secretary

**ANNEXURE D**  
**SHAREHOLDERS' RESOLUTION**



Certified True Copy of the Explanatory Statement of the Special Resolution passed at the Annual General Meeting of the Company held on 23<sup>rd</sup> August 2017.

As per Section 42 of the Act, read with the Rules framed thereunder, a company offering or making an invitation to subscribe to Non-Convertible Debentures/Bonds (NCDs) on a private placement basis, is required to obtain the prior approval of the members by way of a Special Resolution. Such an approval can be obtained once a year for all the offers and invitations made for such NCDs during the year.

The total borrowings of the Company as on 31<sup>st</sup> March 2017 are approx. ₹ 14,112 crore. The Company estimates to borrow around ₹ 1,750 crore till August 2018 to finance its capex requirements and also raise debt for its subsidiaries till August 2018 as per its Annual Business Plan. Furthermore, the Company is looking at an amount of approx. ₹ 5,250 crore for refinancing the NCDs taken for the Welspun acquisition, for refinancing certain NCDs taken by the Company, for refinancing the Euro notes maturing in FY 2018 and for certain long term repayments.

Among the various options for raising such funds, the Company may need to raise funds by way of NCDs of upto ₹ 7,000 crore to meet these requirements from August 2017 till August 2018.

The approval of the members is being sought by way of a Special Resolution under Sections 42 and 71 of the Act, read with the Rules made thereunder, to enable the Company to offer or invite subscriptions of NCDs on a private placement basis, in one or more tranches, during the period of one year from the date of passing of the Resolution at Item No.14, within the overall borrowing limits of the Company, as approved by the members from time to time.

The Board commands the Resolution at Item No.14 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.14 of the accompanying Notice.

For The Tata Power Company Limited

(Hanoz M. Mistri)  
 Company Secretary  
 FCS No.3606  
 The Tata Power Company Limited  
 Bombay House  
 24, Homi Mody Street  
 Mumbai 400 001



Certified True Copy of Special Resolution passed at the  
Annual General Meeting of the Company held on 23<sup>rd</sup> August 2017

"RESOLVED that pursuant to the provisions of Sections 42, 71 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 (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, both as amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) for making offer(s) or invitation(s) to subscribe to cumulative/non-cumulative, listed or unlisted, redeemable non-convertible debentures/ bonds (NCDs) on private placement basis, in one or more series / tranches during a period of one year from the date of passing this Resolution, upto an amount not exceeding ₹ 7,000 crore on such terms and conditions as the Board may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said NCDs be issued, the consideration for the issue, utilization of issue proceeds and all matters connected with or incidental thereto and that such borrowing is within the overall borrowing limits of the Company.

RESOLVED FURTHER that for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to finalise, settle and execute such documents, deeds, writings, papers or agreements as may be required and do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary proper and desirable and to resolve any question, difficulty or doubt that may arise in relation thereto or otherwise considered by the Board to be in the best interest of the Company."

For The Tata Power Company Limited

*Hanoz Mistry*

(Hanoz M. Mistry)  
Company Secretary  
FCS No.3608  
The Tata Power Company Limited  
Bombay House  
24, Horni Mody Street  
Mumbai 400 001

**ANNEXURE E**  
**RATING LETTERS OF RATING AGENCIES ALONGWITH RATING RATIONALE**

**India Ratings  
& Research**

**Fitch Group**

Mr. Mohit Jain,  
 Group Head – Corporate Treasury  
 Tata Power Company Limited,  
 Corporate Center B,  
 34 Sant Tukaram Road,  
 Carnac Bunder,  
 Mumbai 400 009,  
 Maharashtra, India

November 10, 2017

**Kind Attention: Mr. Mohit Jain, Group Head – Corporate Treasury**

Dear Sir,

**Re: Rating Letter of Tata Power Company Limited**

India Ratings and Research (Ind-Ra) has undertaken the following rating action on Tata Power Company Limited's (TPCL) proposed non-convertible debentures (NCDs):

Instrument Type	Size of Issue (billion)	Rating/Outlook	Rating Action
Proposed NCDs*	INR 15	Provisional IND AA/Stable	Assigned

\* The final rating will be assigned following the closure of the issue upon the receipt of final documentation, conforming to the information already received by Ind-Ra.

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The manner of India Ratings factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.



# India Ratings & Research

Fitch Group

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

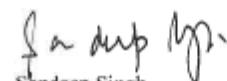
Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact the undersigned at +91 22 4000 1700.

Sincerely,

India Ratings

  
Sandeep Singh  
Senior Director

  
Abhash Sharma  
Director



No: CARE/HO/RL/2017-18/3141

Mr. Kasturi Soundararajan  
Head - Corporation Finance & Treasury  
The Tata Power Company Limited  
Corporate Center B, 34 Sant Tukaram Road,  
Carnac Bunder, Mumbai: 400 009.

November 8, 2017

Confidential

Dear Sir,

Credit rating for proposed Non-Convertible Debenture issue

Please refer to your request for rating of proposed long-term non-convertible debenture (NCD) issue aggregating to Rs.1500 crore of your company. The proposed NCDs would have tenure of 7 years with equal redemption of INR 300 Crs each, starting from the end of the 3<sup>rd</sup> Year onwards

2. The following ratings have been assigned by our Rating Committee:

Instrument	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Proposed Non-Convertible Debenture issue	1500 (Rs. One thousand five hundred crores only)	CARE AA; Stable (Double A; Outlook Stable)	Assigned

3. Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of six months from the date of our initial communication of rating to you (that is November 8, 2017).
4. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.
5. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications.



Instrument type	ISIN	Issue Size (L cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact detail of Debenture Trustee	Details of top 10 investors
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6. Kindly arrange to submit to us a copy of each of the documents pertaining to the NCD issue, including the offer document and the trust deed.
7. The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which is enclosed for your perusal as Annexure. We request you to peruse the annexed document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by November 8, 2017, we will proceed on the basis that you have no any comments to offer.
8. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
9. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the debt instrument, CARE shall carry out the review on the basis of best available information throughout the life time of such instrument. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-

Page 2 of 9

CARE Ratings Limited  
 (Formerly known as Credit Analysis & Research Limited)

4<sup>th</sup> Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 400 022.  
 Tel.: +91-22- 6754 3456 • Fax: +91-22- 022 6754 3457 • [www.careratings.com](http://www.careratings.com) • CIN-L67190MH1993PLC071691



mentioned rating actions in any manner considered appropriate by it, without reference to you.

10. Users of this rating may kindly refer our website [www.careratings.com](http://www.careratings.com) for latest update on the outstanding rating.
11. CARE ratings are **not** recommendations to buy, sell or hold any securities.

If you need any clarification, you are welcome to approach us in this regard. We are indeed, grateful to you for entrusting this assignment to CARE.

Thanking you,

Yours faithfully,

Darshan Dodhia  
Deputy Manager

[darshan.dodhia@careratings.com](mailto:darshan.dodhia@careratings.com) [pawan.matkari@careratings.com](mailto:pawan.matkari@careratings.com)

Pawan Matkari  
Senior Manager

Encl.: As above

**Disclaimer**

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating/outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

Page 3 of 9

CARE Ratings Limited  
(Formerly known as Credit Analysis & Research Limited)

4<sup>th</sup> Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 400 022.  
Tel: +91-22- 6754 3456 • Fax: +91-22- 022 6754 3457 • [www.careratings.com](http://www.careratings.com) • CIN-L67190MH1993PLC071691

**ANNEXURE F**  
**CONSENT OF DEBENTURE TRUSTEE**

**IDBI Trusteeship Services Ltd**

CIN : U65991MH2001GOI131154



No.6388/ITSL/OPR/CL/2017-18/DEB/676  
 November 10, 2017

Mr. Arun Viswanathan  
 Group Head - Treasury  
 The Tata Power Company Limited  
 Corporate Center B, 34 Sant Tukaram Road,  
 Carrim Burder, Mumbai 400 009

Dear Sir,

Consent to act as Debenture Trustee for Unsecured Listed Non-Convertible Debentures (NCDs) aggregating Rs.1500 crore.

This is with reference to the e-mail dated 10.11.2017 from your company on appointment of IDBI Trusteeship Services Limited (ITSL) as Debenture Trustee for Unsecured Listed Non-Convertible Debentures (NCDs) aggregating Rs.1500 crore.

It would indeed be our pleasure to be associated with your esteemed organization as Debenture Trustee for the NCD issuances on trusteeship remuneration as under.

Acceptance fees: Rs.1,00,000/- (plus applicable taxes) onetime payment payable upfront:

Service charges: Rs.1,25,000/- p.a. (plus applicable taxes). First such payment would become payable immediately for pro-rata period from execution of Trustee Agreement till 31.03.2018; thereafter the Service Charges are payable on an annual basis in advance on 1st April every year till full redemption of Bonds.

Delay Payment Charges	In case the payment of service charges not received within a period of 30 days from the date of the bill, ITSL reserves the right to charge "delayed payment charges" @ 12% p.a. on the outstanding amount.
Out of Pocket Expenses & Statutory Dues	Would be reimbursable on actual basis within 30 days of the claim.
Validity:	i) This Consent Letter shall not be construed as giving rise to any obligation on the part of IDBI Trusteeship Services Ltd. to act as Debenture Trustees unless the Company communicates acceptance to IDBI Trusteeship Services Ltd within 3 days from the date of issuance of this letter. ii) This Consent letter is valid for a period of three (3) months from the date of this letter unless the validity of the same is extended by ITSL iii) the Issuer Company executes Trusteeship documents including Security Documents within the stipulated time as per the offer document or as per applicable law.
Reset Clause	Service charges on expiry of 3 years from the date of this consent letter shall be reviewed mutually by the Company and the Trustee for the upward revision in fees

**Any enforcement consequent to the event of default (EOD) would attract separate charges**



Regd. Office : Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001.  
 Tel. : 022-4080 7000 • Fax : 022-6631 1776 • Email : [itsl@idbitrustee.com](mailto:itsl@idbitrustee.com) • [response@idbitrustee.com](mailto:response@idbitrustee.com)  
 Website : [www.idbitrustee.com](http://www.idbitrustee.com)

Assure you of our best services at all times.

Yours faithfully,

For IDBI Trusteeship Services Limited

(Authorized Signatory)

NAME: Ajit Guruji

DESIGNATION: Sr. Vice President



we accept the above terms  
for The Tata Power Company Limited

(Authorized Signatory)

NAME:

DESIGNATION:

NOTE: As per recent GST guidelines, ITSL would be required to pay the applicable GST on the amounts / charges payable to us as indicated above. Please note that the Company would be liable to pay all such charges even in the event of cancellation of the aforesaid transaction. Therefore, no refund of any statutory dues already paid would be made.

**ANNEXURE G**  
**IN-PRINCIPLE APPROVAL OF THE BSE**



DCS/COMP/AAVIP-PPDI/1183/17-18  
 November 13, 2017

The Company Secretary  
**THE TATA POWER COMPANY LIMITED**  
 Bombay House,  
 24 Homi Mody Street,  
 Mumbai 400 001, India

Dear Sir/Madam,

**Re: Private Placement of 7.89% Unsecured, Non-Cumulative, Redeemable, Taxable, Listed, Rated, Non-Convertible Debentures of a face value of Rs.10,00,000/- each aggregating to Rs. 1500 Crores due 2024 with a fixed interest ("the debentures").**

We acknowledge receipt of your application on online portal on November 13, 2017 seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant In-principle approval for listing subject to fulfilling the following conditions:

1. Filing of listing application.
2. Payment of fees as may be prescribed from time to time.
3. Compliance with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended 2012, and submission of Disclosures and Documents as per Regulation 21, in the format specified in Schedule I of the said Regulations and also Compliance with provisions of Companies Act 2013.
4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.
5. Compliance with change in the guidelines, regulations directions of the Exchange or any statutory authorities, documentary requirements from time to time

This In Principle Approval is valid for a period of 1 year from the date of issue of this letter. The Exchange reserves its right to withdraw its In-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,  
 For BSE Limited

Rupal Khandelwal

P/S: Manager

Hemlata Agarwal  
 Associate Manager

**ANNEXURE H**  
**DETAILS OF INQUIRY, INSPECTIONS AND INVESTIGATIONS**

*Except as stated below the Issuer and its subsidiaries are not aware of any outstanding litigation including suits, criminal or civil prosecutions and taxation related proceedings against the Issuer and / or its subsidiaries that would have a material adverse effect on the Issuer's business. Furthermore, there are no defaults, non-payment of statutory dues including, institutional/ bank dues and dues payable to holders of any debentures, bonds and fixed deposits that would have a material adverse effect on the Issuer's business other than unclaimed liabilities against the Issuer as of the date of this Information Memorandum.*

*In determining whether any outstanding litigation against the Issuer and its subsidiaries, other than litigation involving moral turpitude, criminal liability, material violations of statutory regulations or proceedings relating to economic offences, would have a material adverse effect on the Issuer's business, those proceedings which involve a claim of more than 1% of the Issuer's total net worth as of 31st March 2016 (threshold - approx Rs. 132 crores) in the financial year 2015-16 have been individually described below.*

**Civil Cases**

1. In respect of a standby charges dispute with RIL for the period from April 1, 1999 to March 31, 2004, the Appellate Tribunal of Electricity ("ATE"), set aside the MERC order dated May 31, 2004 and directed the Issuer to refund to RIL as on March 31, 2004, Rs. 354.00 crore (including interest of Rs.15.14 crore) and pay interest at 10% per annum thereafter. The amount payable to RIL upto February 2007 worked out to Rs 454 Crores including an interest of Rs 100 Crores from 31st March 2014. On appeal filed by the Issuer, the Supreme Court in its interim order dated February 7, 2007, stayed the ATE order and in accordance with its directives, the Issuer has furnished a bank guarantee of the sum of Rs.227.00 crore and also deposited Rs.227.00 crore with the Registrar General of the Supreme Court which has been withdrawn by RIL on furnishing the required undertaking to the Court. RIL has also subsequently filed an appeal before the Supreme Court challenging the ATE order. Both the appeals have been admitted. The hearing of the matter is under progress in the Supreme Court. As at March 31, 2015 the accumulated interest is Rs. 185 crore on the amount of Rs 227 Crores (computed at 10% p.a).
2. Tata Power (Mumbai Distribution) filed an Appeal under Section 111 of the Electricity Act, 2003 challenging the legality, validity and propriety of the Mid-Term Review Order dated 26.06.2015 passed by Ld. Maharashtra Electricity Regulatory Commission in Case No.18 of 2015. The said appeal was filed before the Hon'ble APTEL on 10th August, 2015 and was listed for admission hearing on 19th October, 2015. After hearing the counsel for the parties, the Hon'ble Tribunal was pleased to issue notice, and directed the Respondent to file its response within two weeks, and Rejoinder by Tata Power in two weeks thereof. The Hon'ble Tribunal further directed Tata Power to issue Public Notice inviting objections to the Appeal. Public Notice was published on 30th October, 2015. Next Date of hearing is 21st December, 2015. Thereafter the matter was listed several times for completion of arguments by all parties and finally reserved for judgment on 1st June, 2016. Subsequently, Tata Power-D filed an IA bearing no. 403 of 2016 seeking stay on the pronouncement of judgment with the prayer that since the judgment dated 03.06.2016, in Appeal No. 244 and 246 of 2015 (Appeals of Tata Power-G&T), were dismissed by the Appellate Tribunal and have been assailed by filing the Review Petition No. 13 of 2016, the judgment in Appeal No. 245 of 2015, which is reserved, may not be pronounced. The Hon'ble Tribunal was pleased to post the Appeal and Review Petition No.13 of 2016 for fresh arguments on 5th October, 2016. However, subsequently, the matter kept getting adjourned as the Judicial Member demitted office and the post in Court II was lying vacant. The matter was listed for hearing on 25th October, 2017, wherein the Tribunal was informed that the IA no. 403 of 2016 has become infructuous. Accordingly, the Tribunal disposed of the IA and posted the matter for hearing of the main appeal on 11th December, 2017. Total amount at stake in the appeal is approximately Rs. 164.69 crores.

**Criminal Cases**

3. The Inspector of Factories ("Factories Inspector") Jamshedpur, on December 16, 2012 submitted a report noting violations of Sections 52, 54, 59 and 41(C) of the Factories Act, 1948 at the Issuer's Jojobera power plant. The report was taken on record by the Additional Chief Judicial Magistrate, Jamshedpur ("ACJM") on March 19, 2013. The ACJM took cognisance of the offence and issued summons to Mr. S. Padmanabhan, ("Occupier") and Mr. P. Sankaranarayanan ("Manager"). In a writ petition filed in the

High Court of Jharkhand (“Court”) by the Manager and Occupier the Court has on January 31, 2014 ordered no coercive steps to be taken against the petitioners until the next date of listing. The matter is sub-judice before the Jamshedpur Magistrate Court and is now listed for hearing on 27.09.2016 for cross examination of prosecution witnesses by the Issuer.

The matter is now posted on 8th January,2018 and the present status of the case to be maintained..

### **Tax Matters**

4. The Bombay High Court has passed an order confirming the demand raised by Dy. Commissioner of Sales Tax and subsequently confirmed by Joint Commissioner of Sales Tax ( Appeal ) III as well as Maharashtra Sales Tax Tribunal under rule 8 of the Maharashtra Tax on Entry of Goods into Local Areas Rules, 2002 for an amount of Rs. 326,39,94,028 and Rs. 458,96,44,004/- for entry tax to be paid by the Company for the financial year 2005-06 and 2008-09 respectively. The Issuer has filed a Special Leave Petition (SLP No. 27901-27903 of 2016) before the Supreme Court of India against the above decision and demand which is pending before the Supreme Court. Supreme Court has extended the stay to the disputed demands granted by the Bombay High court from time till the submission of response by State Govt. Issuer has made part payments of Rs. 33.83 crores and Rs 42.37 crores respectively for the years 2005-06 and FY 2008-09.
5. The Joint Commissioner of Sales Tax - Appeals ( JC Appeals ) has confirmed the assessments orders passed by the Dy Commissioner of Sales Tax under Rule 8 of the Maharashtra Tax on the Entry of goods into Local Areas Rules, 2002 for the following periods. The Issuer has filed an appeal against the said orders before the Maharashtra Sales Tax Tribunal ( Tribunal ).

<b>Period</b>	<b>Date of Assessment Order</b>	<b>Date of JC Appeal order</b>	<b>Amount of Demands</b>	<b>Part payments made</b>
2006- 07	28-03.2014	30.01.2017	2,610,052,161	273,841,558
2007-08	31-03-2015	30.01.2017	4,959,798,566	390,279,234
2010-11	31.03.2015	28-09-2016	186,000,692	143,085,148
2011-12	31.03.2016	28-09-2016	3,225,540,368	355,595,755
		<b>Total</b>	<b>10,981,391,787</b>	<b>1,162,801,695</b>

6. The Deputy Commissioner of Sales Tax issued a demand notice dated March 27, 2015, under Rule 8 of the Maharashtra Tax on the Entry of goods into Local Areas Rules, 2002 for an amount of Rs. 163,39,06,302/- for entry tax to be paid by the Issuer for financial year 2009-10. The Issuer submitted an appeal against the said order with the Joint Commissioner of Sales Tax (Appeals) V, Mumbai and has made a part payment of an amount of Rs. 15.08 crores. The Joint Commissioner has granted ad-interim stay till final disposal of the appeal. The matter is still pending adjudication.
7. The Deputy Commissioner of Sales Tax issued a demand notice dated March 27, 2017, under Rule 8 of the Maharashtra Tax on the Entry of goods into Local Areas Rules, 2002 for an amount of Rs.166,77,05,324/- for entry tax to be paid by the Issuer for financial year 2012-13. The Issuer submitted an appeal before the Joint Commissioner of Sales Tax (Appeals) V, Mumbai against the aforesaid order and has made a part payment of an amount of Rs 38,65,93,822/-. The appeal is pending before Joint Commissioner for admission.

## ANNEXURE I

### LIST OF GROUP COMPANIES AS ON 30 SEPTEMBER 2017

#### SUBSIDIARIES

1. Chemical Terminal Trombay Ltd.
2. NDPL Infra Ltd.
3. Af-Taab Investment Co. Ltd.
4. Tata Power Solar Systems Ltd.
5. Tata Power Trading Co. Ltd.
6. Tata Power Green Energy Ltd.
7. Nelco Ltd.
8. Tatanet Services Ltd.
9. Maithon Power Ltd.
10. Industrial Power Utility Ltd.
11. Tata Power Renewable Energy Ltd.
12. Coastal Gujarat Power Ltd.
13. Bhira Investments Ltd.
14. Bhivpuri Investments Ltd.
15. Khopoli Investments Ltd.
16. Energy Eastern Pte. Ltd.
17. Trust Energy Resources Pte. Ltd.
18. Tata Power Delhi Distribution Ltd
19. Tata Power Jamshedpur Distribution Ltd.
20. PT Sumber Energi Andalan Tbk
21. Tata Power International Pte. Ltd
22. Tata Ceramics Ltd.
23. Supa Windfarm Ltd.
24. Poolavadi Windfarm Ltd.
25. Nivade Windfarm Ltd.
26. Indo Rama Renewables Jath Ltd.
27. Walwhan Renewables Energy Pvt Ltd
28. Clean Sustainable Solar Energy Private Limited
29. Dreisatz Mysolar24 Private Limited
30. MI Mysolar24 Private Limited
31. Northwest Energy Private Limited
32. Solarsys Renewable Energy Private Limited
33. Unity Power Private Limited
34. Viraj Renewables Energy Private Limited
35. Welspun Energy Jharkhand Private Limited
36. Welspun Energy Maharashtra Private Limited
37. Welspun Energy Rajasthan Private Limited
38. Welspun Solar AP Private Limited
39. Welspun Solar Kannada Private Limited
40. Welspun Solar Madhya Pradesh Private Limited
41. Welspun Solar Punjab Private Limited
42. Welspun Solar Rajasthan Private Limited
43. Welspun Solar Tech Private Limited
44. Welspun Solar UP Private Limited
45. Welspun Urja Gujarat Private Limited
46. Chirasthayee Surya Limited
47. Nelco Network Products Ltd.
48. Vagarai Windfarm Limited
49. Welspun Urja India Limited
50. TP Ajmer Distribution Limited

## **JOINT VENTURES**

1. Cennergi Pty. Ltd.
2. Tsitsikamma Community Wind Farm (Pty.) Ltd.
3. Amakhala Emoyeni RE Project 1 (Pty.) Ltd.
4. PT Mitratama Perkasa
5. PT Mitratama Usaha
6. PT Arutmin Indonesia
7. PT Kaltim Prima Coal
8. Indocoal Resources (Cayman) Ltd.
9. PT Indocoal Kalsel Resources
10. PT Indocoal Kaltim Resources
11. Tubed Coal Mines Ltd.
12. Mandakini Coal Company Ltd.
13. Gamma Land Holding Ltd.
14. Solace Land Holding Ltd.
15. Beta Land Holdings Ltd.
16. Ginger Land Holdings Ltd.
17. Candice Investments Pte. Ltd
18. PT Nusa Tambang Pratama
19. PT Marvel Capital Indonesia
20. PT Dwikarya Prima Abadi
21. PT Kalimantan Prima Power
22. PT Citra Prima Buana
23. PT Guruh Agung
24. PT Citra Kusuma Perdana
25. PT Baramulti Sukessarana Tbk
26. PT Antang Gunung Meratus
27. Adjaristsqali Netherlands BV
28. Adjaristsqali Georgia LLC
29. Indocoal KPC Resources (Cayman) Ltd
30. Koromkheti Netherlands BV
31. Koromkheti Georgia LLC
32. Itezhi Tezhi Power Corporation
33. Industrial Energy Ltd.
34. Dugar Hydro Power Ltd.
35. Powerlinks Transmission Ltd.
36. Resurgent Power Ventures Pte Ltd
37. LTH Milcom Pvt. Ltd.

## **ASSOCIATES**

1. Yashmun Engineers Ltd.
2. Panatone Finvest Ltd.
3. Dagachhu Hydro Power Corporation Ltd.
4. Tata Projects Ltd.
5. The Associated Building Co. Ltd.
6. Brihat Trading Private Ltd.
7. Nelito Systems Ltd.
8. Tata Communications Ltd.

**ANNEXURE J****DETAILS OF EXISTING SHARE CAPITAL OF THE ISSUER FOR THE LAST 5 YEARS**

Date of Allotment	Number of Shares	Type	Face Value of Shares (in Rs.)	Amount of Consideration (In Rs.)	Form of Consideration
April 25, 2014	331,552,894	Rights Issue	1	331,552,894	Cash
March 27, 2015	1,680	Rights Issue Abeyance	1	1,680	Cash
May 29, 2015	2,464	Rights Issue Abeyance	1	2,464	Cash
November 17, 2016	144,112	Rights Issue Abeyance	1	144,112	Cash

**DETAILS OF THE SHARES ALLOTTED BY THE ISSUER IN THE ONE YEAR PRECEDING THE DATE OF THE INFORMATION MEMORANDUM**

Date of Allotment	Number of Shares	Type	Face Value of Shares (in Rs.)	Amount of Consideration (In Rs.)	Form of Consideration
November 17, 2016	144,112	Rights Issue Abeyance	1	144,112	Cash

### **ANNEXURE K**

#### **ANNUAL FINANCIAL STATEMENTS FOR YEARS ENDED MARCH 31, 2015, 2016 AND 2017 (CONSOLIDATED AND STANDALONE)**

##### **STANDALONE FINANCIAL STATEMENTS FOR FINANCIAL YEAR 2014-15**

Balance Sheet as at March 31, 2015

(Rs.. in Crore)

	As at 31st March, 2015	As at 31st March, 2014
<b>EQUITY AND LIABILITIES</b>		
<b>SHAREHOLDERS' FUNDS</b>		
Share Capital	270.48	237.33
Reserves and Surplus	14,196.14	11,648.74
	14,466.62	11,886.07
<b>UNSECURED PERPETUAL SECURITIES</b>	1,500.00	1,500.00
<b>STATUTORY CONSUMER RESERVES</b>	623.23	613.23
<b>SPECIAL APPROPRIATION TOWARDS PROJECT COST</b>	533.61	533.61
<b>SERVICE LINE CONTRIBUTIONS FROM CONSUMERS</b>	104.53	94.45
<b>NON-CURRENT LIABILITIES</b>		
Long-term Borrowings	8,795.63	7,175.99
Deferred Tax Liabilities (Net)	1,024.98	881.14
Other Long-term Liabilities	93.93	86.10
Long-term Provisions	149.90	164.23
	10,064.44	8,307.46
<b>CURRENT LIABILITIES</b>		
Short-term Borrowings	1,764.78	1,579.53
Trade Payables	1,304.66	1,057.68
Other Current Liabilities	2,705.56	4,305.99
Short-term Provisions	493.76	661.01
	6,268.76	7,604.21
<b>TOTAL</b>	33,561.19	30,539.03
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Fixed Assets		
Tangible Assets	9,458.95	8,532.81

	As at 31st March, 2015	As at 31st March, 2014
Intangible Assets	141.99	65.82
Capital Work-in-Progress	472.35	684.49
Intangible Assets under Development	76.20	90.60
	10,149.49	9,373.72
Non-current Investments	13,208.89	12,361.09
Long-term Loans and Advances	3,549.34	2,898.79
Other Non-current Assets	2,937.16	2,369.94
	29,844.88	27,003.54
<b>CURRENT ASSETS</b>		
Current Investments	42.00	1.36
Inventories	669.18	710.67
Trade Receivables	1,576.13	1,320.10
Cash and Bank Balances	279.27	67.86
Short-term Loans and Advances	373.30	804.53
Other Current Assets	776.43	630.97
	3,716.31	3,535.49
<b>TOTAL</b>	<b>33,561.19</b>	<b>30,539.03</b>

## Statement of Profit and Loss for the year ended March 31, 2015

(Rs., in Crore)

	For the year ended 31st March, 2015	For the year ended 31st March, 2014
<b>REVENUE</b>		
Revenue from Operations (Gross)	8,681.17	8,693.74
Less: Excise Duty	3.48	18.21
Revenue from Operations (Net)	8,677.69	8,675.53
Other Income	1,024.68	655.76
<b>TOTAL REVENUE</b>	<b>9,702.37</b>	<b>9,331.29</b>
<b>EXPENSES</b>		
Cost of Power Purchased	953.09	793.33
Cost of Fuel	3,141.91	3,350.91
Transmission Charges	436.87	467.96
Cost of Components Consumed	374.30	178.99
Employee Benefits Expense	686.52	544.95
Finance Costs	1,047.46	868.21
Depreciation and Amortisation	575.29	587.14
Other Expenses	971.28	1,048.64
<b>TOTAL EXPENSES</b>	<b>8,186.72</b>	<b>7,840.13</b>
<b>PROFIT BEFORE TAX</b>	<b>1,515.65</b>	<b>1,491.16</b>
<b>TAX EXPENSE/(BENEFIT)</b>		
Current Tax Expense	357.63	354.50
MAT Credit reversed in respect of Prior Years	NIL	105.00
Excess Provision for Tax relating to Prior Years	NIL	(25.65)
Net Current Tax Expense	357.63	433.85
Deferred Tax Expense	147.73	103.23
<b>Net Tax Expense</b>	<b>505.36</b>	<b>537.08</b>

	For the year ended 31st March, 2015	For the year ended 31st March, 2014
PROFIT FOR THE YEAR	1,010.29	954.08
EARNINGS PER SHARE (FACE VALUE Rs. 1/- PER SHARE)		
Basic (Rs.)	3.30	3.38
Diluted (Rs.)	3.30	3.38

## Cash Flow Statement for the year ended March 31, 2015

(Rs.. in Crore)

	For the Year ended 31st March, 2015	For the Year ended 31st March, 2014
<b>A. Cash flow from operating activities</b>		
Profit before tax	1,515.65	1,491.16
Adjustments for:		
Depreciation and amortisation	575.29	587.14
Interest income	(447.04)	(255.21)
Dividend income	(513.87)	(366.66)
Gain on sale of investments	(23.06)	(20.37)
Discount accrued on bonds	NIL	(0.26)
Guarantee commission	(19.71)	(13.26)
Transfer of service line contributions	(9.45)	(8.14)
Finance costs	1,047.46	868.21
Loss/(gain) on sale of assets (Net)	(18.13)	0.09
Provision for doubtful debts and advances (Net)	(2.38)	0.54
Provision for warranties	8.53	6.69
Provisions for Diminution in Value of Investments	37.10	NIL
Exchange loss on investing/financing activity(Net)	19.25	103.74
Unrealised exchange loss (Net)	37.25	143.60
	691.24	1,046.11
Operating profit before working capital changes	2,206.89	2,537.27
Adjustments for Operating Assets:		
Inventories	41.49	50.42
Trade receivables	(253.77)	(9.25)
Short-term Loans and Advances	127.33	(130.00)
Long-term Loans and Advances	(96.09)	(52.07)
Other current assets	(205.19)	(347.07)

	For the Year ended 31st March, 2015	For the Year ended 31st March, 2014
Other Non-current Assets	(361.39)	504.69
	(747.72)	16.72
Adjustments for Operating Liabilities:		
Trade payables	246.98	134.13
Other Current Liabilities	259.38	340.50
Other Long Term Liabilities	7.83	0.75
Short-term Provisions	(15.66)	1.29
Long-term Provisions	28.24	(40.34)
	526.77	436.33
Cash generated from operations	1,985.94	2,990.32
Taxes paid (Net)	(298.04)	(290.82)
Net Cash generated from operating activities (A)	1,687.90	2,699.50
B.Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(1,256.14)	(1,100.95)
Proceeds from sale of fixed assets	28.10	3.34
Proceeds from Insurance Company for damage of Fixed Assets	29.78	NIL
Purchase of long-term investments		
Subsidiaries	(783.45)	(1,303.55)
Joint Ventures	(0.26)	(19.02)
Other investments	NIL	(26.99)
Proceeds from sale of non-current investments		
Other investments	NIL	20.00
Purchase of current investments	(12,096.86)	(13,256.33)
Proceeds from sale of current investments	12,079.28	13,513.90
Interest received		
Subsidiaries	104.12	84.10

	For the Year ended 31st March, 2015	For the Year ended 31st March, 2014
Others	140.74	87.23
Loans given to subsidiaries	(1,547.08)	(3,339.08)
Loans repaid by subsidiaries	1,185.06	2,340.25
Dividend received		
Subsidiaries	479.70	289.01
Associates	4.89	4.89
Others	15.31	9.94
Guarantee commission received	16.26	13.53
Inter corporate deposit placed	(350.00)	(730.09)
Inter corporate deposits redeemed	326.00	1,067.84
Bank balance not considered as cash and cash equivalents	(0.86)	(0.59)
Net Cash used in investing activities (B)	(1,625.41)	(2,342.57)
C.Cash Flow from financing activities		
Amount received on Issue of Shares	1,989.32	NIL
Share Issue Expenses Paid	(22.82)	(1.90)
Debenture Issue Expenses	(2.38)	NIL
Proceeds from Gain on Option Settlement	84.14	NIL
Increase in capital/service line contributions	19.53	20.37
Proceeds from long-term borrowings	2,080.76	849.90
Repayment of long-term borrowings	(2,607.61)	(484.92)
Proceeds from short-term borrowings	4,396.68	2,981.98
Repayment of short-term borrowings	(4,258.67)	(2,663.76)
Distribution on unsecured perpetual securities	(171.00)	(171.00)
Other borrowing cost paid	(31.75)	(104.70)
Interest Paid (including interest cost capitalised)	(990.92)	(856.49)
Dividend paid	(337.22)	(272.31)

	For the Year ended 31st March, 2015	For the Year ended 31st March, 2014
Net cash generated from/(used in) Financing Activities (C)	148.06	(702.83)
Net increase/(decrease) in cash and cash equivalents(A+B+C)	210.55	(345.90)
Cash and cash equivalents as at 1st April (Opening balance)	55.30	401.20
Cash and cash equivalents as at 31st March (Closing balance)	265.85	55.30

Notes:

1. Cash and cash equivalents include:

(Rs., in Crore)

	As at 31st March, 2015	As at 31st March, 2014
(i) Cash and Cheques on Hand (Includes Cheques on Hand Rs.0.02 crore (Previous period - Rs. 6.26 crore))	0.03	6.27
(ii) Current accounts with banks	61.82	49.03
(iii) Deposits with banks	204.00	Nil
	265.85	55.30

2. Purchase of investments in subsidiaries includes advance paid towards equity.
3. Purchase of Long-term Investments in subsidiaries and loans repaid by subsidiaries includes Rs. 23.44 crore (31st March 2014 Rs. 7.22 crore) and Rs. 118.64 crore (31st March, 2014 Rs. Nil) being loans given to Coastal Gujarat Power Limited and Tata Power Renewable Energy Limited respectively which were converted into Equity Share Capital.
4. Previous year's figures have been regrouped, wherever necessary, to conform to current year's classification.

### **CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL YEAR 2014-15**

Consolidated Balance Sheet as at March 31, 2015

(Rs., in Crore)

	As at 31st March, 2015	As at 31st March, 2014
<b>EQUITY AND LIABILITIES</b>		
<b>SHAREHOLDERS' FUNDS</b>		
Share Capital	270.48	237.29
Reserves and Surplus	12,271.57	10,473.29
	12,542.05	10,710.58
<b>UNSECURED PERPETUAL SECURITIES</b>	1,500.00	1,500.00
<b>STATUTORY CONSUMER RESERVES</b>	623.23	613.23
<b>MINORITY INTEREST</b>	2,492.59	2,273.31
<b>SPECIAL APPROPRIATION TOWARDS PROJECT COST</b>	533.61	533.61
<b>CAPITAL GRANT</b>	8.30	8.82
<b>SERVICE LINE CONTRIBUTIONS FROM CONSUMERS</b>	611.70	534.83
<b>NON-CURRENT LIABILITIES</b>		
Long-term Borrowings	32,618.38	30,469.94
Deferred Tax Liabilities (Net)	1,401.37	1,137.88
Other Long-term Liabilities	1,079.12	974.57
Long-term Provisions	921.38	914.77
	36,020.25	33,497.16
<b>CURRENT LIABILITIES</b>		
Short-term Borrowings	4,586.56	4,706.78
Trade Payables	5,235.42	4,574.00
Other Current Liabilities	10,518.67	11,545.58
Short-term Provisions	770.47	900.36
	21,111.12	21,726.72
<b>TOTAL</b>	75,442.85	71,398.26
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Fixed Assets		

	As at 31st March, 2015	As at 31st March, 2014
Tangible Assets	37,748.14	36,795.04
Intangible Assets	365.20	266.52
Capital Work-in-Progress	3,571.73	3,298.07
Intangible Assets under Development	78.75	90.60
	41,763.82	40,450.23
Goodwill on Consolidation	6,625.76	6,332.04
Non-current Investments	2,732.57	2,678.72
Deferred Tax Assets (Net)	5.85	14.96
Long-term Loans and Advances	1,776.01	1,512.38
Other Non-current Assets	7,622.48	7,049.05
	60,526.49	58,037.38
<b>CURRENT ASSETS</b>		
Current Investments	605.57	340.54
Inventories	1,844.17	2,073.27
Trade Receivables	5,563.95	4,542.61
Cash and Bank Balances	1,500.85	1,555.01
Short-term Loans and Advances	3,569.83	3,215.96
Other Current Assets	1,831.99	1,633.49
	14,916.36	13,360.88
<b>TOTAL</b>	<b>75,442.85</b>	<b>71,398.26</b>

## Consolidated Statement of Profit and Loss for the year ended March 31, 2015

(Rs.. in Crore)

	For the year ended 31st March, 2015	For the year ended 31st March, 2014
<b>REVENUE</b>		
Revenue from Operations (Gross)	34,370.82	35,892.74
Less: Excise Duty	3.97	19.64
Revenue from Operations (Net)	34,366.85	35,873.10
Other Income	416.74	227.26
<b>TOTAL REVENUE</b>	<b>34,783.59</b>	<b>36,100.36</b>

	For the year ended 31st March, 2015	For the year ended 31st March, 2014
EXPENSES		
Cost of Power Purchased	7,383.14	7,465.67
Cost of Fuel	9,261.00	9,895.61
Transmission charges	467.25	508.83
Coal Processing Charges	2,162.69	2,683.10
Royalty towards Coal Mining	1,034.68	1,249.37
Cost of Components Consumed	374.30	178.99
Raw Material Consumed	697.84	721.88
Purchase of Goods for Resale	31.10	43.70
Decrease in Stock-in-Trade and Work-in-Progress	120.72	130.77
Employee Benefits Expense	1,545.67	1,349.35
Finance Costs	3,699.27	3,439.90
Depreciation and Amortisation	2,174.21	2,729.62
Other Expenses	4,347.98	4,728.50
TOTAL EXPENSES	33,299.85	35,125.29
PROFIT BEFORE TAX	1,483.74	975.07
TAX EXPENSE/(BENEFIT)		
Current Tax Expense	826.57	831.89
MAT Credit (Entitlement)/Reversal (Net)	(18.29)	88.31
Current Tax Expense relating to Prior Years	0.14	(41.51)
Net Current Tax Expense	808.42	878.69
Deferred Tax Expense	266.50	129.69
Net Tax Expense	1,074.92	1,008.38

	For the year ended 31st March, 2015	For the year ended 31st March, 2014
PROFIT/(LOSS) AFTER TAX AND BEFORE SHARE OF PROFIT OF ASSOCIATES AND MINORITY INTEREST	408.82	(33.31)
Share of Profit of Associates for the Year	48.38	45.37
Minority interest	(289.37)	(272.03)
PROFIT / (LOSS) FOR THE YEAR	167.83	(259.97)
EARNINGS PER SHARE (FACE VALUE Rs. 1/- PER SHARE)		
Basic (Rs.)	0.17	(1.55)
Diluted (Rs.)	0.17	(1.55)

Consolidated Cash Flow Statement for the year ended March 31, 2015

(Rs., in Crore)

	For the Year ended Rs. 31st March, 2015	For the Year ended 31st March, 2014
<b>A. Cash Flow from Operating Activities</b>		
Net profit before Taxes	1,483.74	975.07
Adjustments for:		
Depreciation and Amortisation	2,174.21	2,729.62
Share Issue Expenses	0.27	2.12
Profit on Sale/Retirement of Assets (Net)	(15.57)	(0.44)
Finance Cost (Net of Capitalisation)	3,699.27	3,439.90
Interest Income (Net of Interest Income Capitalised)	(213.09)	(154.86)
Dividend Income (Net of Dividend Income Capitalised)	(17.44)	(16.76)
Profit on Sale of Investments (Net)	(84.22)	(72.30)
Liabilities / Provisions no longer required written back	(0.58)	Nil
Provision for Diminution in Value of Investments (Net)	7.10	50.02
Provision for Doubtful Debts/Advances (Net)	4.95	(5.82)
Bad Debts	1.23	16.62
Provision for Contingencies	55.59	(7.00)
Provision for Warranties	16.06	17.61
Discount accrued on Bonds (Net)	Nil	(0.26)
Provision for Restoration and Rehabilitation	51.13	38.98
Grants/Consumer Contributions Transferred	(34.26)	(26.19)
Write Off of Assets	27.87	1.60
Commission Earned	(9.43)	(5.83)
Exchange Loss on Investing/Financing Activity (Net)	17.24	106.57
Unrealised Exchange Loss (Net)	186.46	345.24
	5,866.79	6,458.82
Operating Profit before Working Capital Changes	7,350.53	7,433.89
Adjustments for Operating Assets:		
Inventories	247.84	13.89
Trade Receivable	(1,075.39)	(1,118.05)
Short-term loans and advances	164.75	(330.72)
Long-term loans and advances	(133.85)	68.98
Other Current Assets	(104.58)	(503.72)
Other non-current assets	(564.98)	102.60

	For the Year ended Rs. 31st March, 2015	For the Year ended 31st March, 2014
Purchase of Investments	(36.33)	(47.77)
Sale of Investments	42.24	39.25
Deposits given	Nil	(3.50)
Deposits refunded (including interest)	Nil	12.00
	(1,460.30)	(1,767.04)
Adjustments for Operating Liabilities:		
Trade Payables	579.09	922.91
Other current liabilities	315.13	954.99
Other long-term liabilities	57.94	33.93
Short-term provisions	(9.89)	(64.66)
Long-term provisions	(43.09)	(76.31)
	899.18	1,770.86
Cash Generated from Operations	6,789.41	7,437.71
Taxes Paid (Net)	(808.50)	(954.64)
Net Cash generated from Operating Activities (A)	5,980.91	6,483.07
B. Cash Flow from Investing Activities		
Capital Expenditure on Fixed Assets, including Capital Advances	(3,493.62)	(4,336.13)
Deferred Stripping Expenditure	0.16	(8.11)
Proceeds from Insurance on Assets Destroyed	29.78	Nil
Sale of Fixed Assets	66.98	27.55
Inter-corporate Deposits (Net)	(435.24)	269.23
Current investments		
- Purchased	(23,116.35)	(19,874.83)
- Proceeds from sale	22,910.69	20,092.58
Purchase consideration paid on acquisition of holding interest in Subsidiary and Jointly Controlled Entities	Nil	(150.05)
Purchase of Long-term investments - Others	Nil	(57.86)
Proceeds from sale of long-term investments		
- Others	3.46	20.00
Interest Received	184.86	203.04
Commission Received	9.54	5.84
Dividend Received	22.97	17.39
Exchange Gain/(Loss) on Investing Activity	2.74	(0.32)

	For the Year ended Rs. 31st March, 2015	For the Year ended 31st March, 2014
Bank Balance not Considered as Cash and Cash Equivalents	(60.89)	49.83
Net cash used in investing activities (B)	(3,874.92)	(3,741.84)
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Issue of Shares including shares issued to Minority Shareholders	2,069.23	25.94
Increase in Capital Contributions and Capital Grants	110.61	110.38
Proceeds from Long Term Borrowings	8,240.74	5,734.35
Repayment of Long Term Borrowings	(8,140.82)	(6,048.67)
Debenture/Share Issue Expenses	(25.47)	(4.02)
Proceeds from Short Term Borrowings	9,496.04	9,363.20
Repayment of Short Term Borrowings	(9,694.73)	(8,325.44)
Other Borrowing Cost Paid (including Borrowing Cost Capitalised)	(223.00)	(187.42)
Interest Paid (including Interest Capitalised)	(3,384.24)	(3,393.14)
Dividend Paid	(461.45)	(341.18)
Additional Income-tax on Dividend Paid	(50.65)	(28.38)
Distribution on Unsecured Perpetual Securities	(171.00)	(171.00)
Net Cash used in Financing Activities (C)	(2,234.74)	(3,265.38)
Net Decrease in Cash and Cash Equivalents (A+B+C)	(128.75)	(524.15)
Cash and Cash Equivalents as at 1st April (Opening Balance)	1,398.05	1,789.63
Cash and Cash Equivalents Acquired on Acquisition of Subsidiary and Jointly Controlled Entities	Nil	54.97
Effect of Exchange Fluctuation on Cash and Cash Equivalents	9.74	77.60
Cash and Cash Equivalents as at 31st March (Closing Balance)	1,279.04	1,398.05

## Notes:

1. Cash and cash equivalents include:

(Rs., in Crore)

	As at March 31, 2015	As at March 31, 2014
(a) Cash and cheques on hand	1.58	13.26
(b) Schedule bank	29.25	41.56
(c) Balance with banks		
(i) In current accounts	819.94	706.00

	As at March 31, 2015	As at March 31, 2014
(ii) In deposit accounts	428.27	637.23
	1,279.04	1,398.05

Previous year's figures have been regrouped, wherever necessary, to conform to this year's classification.

### **STANDALONE FINANCIAL STATEMENTS FOR FINANCIAL YEAR 2015-16**

Balance Sheet as at March 31, 2016

(Rs., in Crore)

	As at 31st March, 2016	As at 31st March, 2015
<b>EQUITY AND LIABILITIES</b>		
<b>SHAREHOLDERS' FUNDS</b>		
Share Capital	270.48	270.48
Reserves and Surplus	14,461.48	14,196.14
	14,731.96	14,466.62
<b>UNSECURED PERPETUAL SECURITIES</b>	1,500.00	1,500.00
<b>STATUTORY CONSUMER RESERVES</b>	644.23	623.23
<b>SPECIAL APPROPRIATION TOWARDS PROJECT COST</b>	533.61	533.61
<b>SERVICE LINE CONTRIBUTIONS FROM CONSUMERS</b>	107.24	104.53
<b>NON-CURRENT LIABILITIES</b>		
Long-term Borrowings	9,000.73	8,795.63
Deferred Tax Liabilities (Net)	1,140.68	1,024.98
Other Long-term Liabilities	137.46	93.93
Long-term Provisions	151.57	149.90
	10,430.44	10,064.44
<b>CURRENT LIABILITIES</b>		
Short-term Borrowings	1,518.99	1,764.78
Trade Payables		
Total outstanding dues of micro enterprises and small enterprises	24.60	17.11
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,238.66	1,287.55
Other Current Liabilities	2,861.94	2,705.56
Short-term Provisions	503.25	493.76
	6,147.44	6,268.76

	As at 31st March, 2016	As at 31st March, 2015
TOTAL	34,094.92	33,561.19
NON-CURRENT ASSETS		
Fixed Assets		
Tangible Assets	9,601.37	9,458.95
Intangible Assets	140.54	141.99
Capital Work-in-Progress	485.66	472.35
Intangible Assets under Development	209.70	76.20
	10,437.27	10,149.49
Non-current Investments	13,474.68	13,208.89
Long-term Loans and Advances	4,256.64	3,549.34
Other Non-current Assets	2,329.84	2,937.16
	30,498.43	29,844.88
CURRENT ASSETS		
Current Investments	0.22	42.00
Inventories	689.05	669.18
Trade Receivables	1,073.40	1,576.13
Cash and Bank Balances	45.89	279.27
Short-term Loans and Advances	476.07	373.30
Other Current Assets	1,311.86	776.43
	3,596.49	3,716.31
TOTAL	34,094.92	33,561.19

## Statement of Profit and Loss for the year ended March 31, 2016

(Rs., in Crore)

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
<b>REVENUE</b>		
Revenue from Operations (Gross)	8,826.08	8,253.67
Less: Excise Duty	6.43	3.48
Revenue from Operations (Net)	8,819.65	8,250.19
Other Income	555.13	1,024.68
<b>TOTAL REVENUE</b>	<b>9,374.78</b>	<b>9,274.87</b>
<b>EXPENSES</b>		
Cost of Power Purchased	792.95	953.09
Cost of Fuel	2,550.42	3,141.91
Transmission Charges	262.96	436.87
Cost of Components Consumed	397.66	374.30
Employee Benefits Expense	656.23	686.52
Finance Costs	1,155.99	1,047.46
Depreciation and Amortisation	665.65	575.29
Other Expenses	1,118.51	971.28
<b>TOTAL EXPENSES</b>	<b>7,600.37</b>	<b>8,186.72</b>
<b>PROFIT BEFORE TAX AND RATE REGULATED ACTIVITIES</b>	<b>1,774.41</b>	<b>1,088.15</b>
Add/(Less): Regulatory Income/(Expense) (Net)	(438.00)	423.00
Add: Regulatory Income (Net) in respect of earlier years	56.59	4.50
	(381.41)	427.50
<b>PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX</b>	<b>1,393.00</b>	<b>1,515.65</b>
Exceptional Item:		
Diminution in the Value of Non-trade Investments	(226.48)	Nil
<b>PROFIT BEFORE TAX</b>	<b>1,166.52</b>	<b>1,515.65</b>

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
TAX EXPENSE		
Current Tax Expense	349.00	357.63
Excess Provision for Tax relating to Prior Years	(69.80)	NIL
Net Current Tax Expense	279.20	357.63
Deferred Tax Expense	115.70	147.73
	394.90	505.36
PROFIT FOR THE YEAR	771.62	1,010.29
EARNINGS PER SHARE (FACE VALUE Rs. 1/- PER SHARE)		
Basic (Rs.)	2.36	3.30
Diluted (Rs.)	2.36	3.30

## Cash Flow Statement for the year ended March 31, 2016

(Rs., in Crore)

	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
<b>A. Cash flow from operating activities</b>		
Profit before tax	1,166.52	1,515.65
Adjustments for:		
Depreciation and amortisation	665.65	575.29
Interest income	(167.84)	(447.04)
Dividend income	(358.66)	(513.87)
Gain on Sale of Current Investments	(9.31)	(23.06)
Gain on Sale of Non-current Investment	(10.57)	NIL
Discount accrued on bonds	(0.30)	NIL
Guarantee commission	(25.20)	(19.71)
Transfer of service line contributions	(10.26)	(9.45)
Finance costs	1,155.99	1,047.46
Loss/(gain) on sale/retirement of assets (Net)	(27.99)	(18.13)
Provision for doubtful debts and advances (Net)	65.50	(2.38)
Provision for warranties	3.81	8.53
Provision for Diminution in value of Non-trade Investments	226.48	Nil
Provision for Diminution in value of Trade Investments	28.37	37.10
Exchange loss on investing/financing activity(Net)	25.52	19.25
Unrealised exchange Loss (Net)	28.44	37.25
	1,589.63	691.24
Operating profit before working capital changes	2,756.15	2,206.89
Changes in Working Capital:		
Adjustments for (Increase) / Decrease in Operating Assets		
Inventories	(19.87)	41.49

	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
Trade receivables	501.02	(253.77)
Short-term Loans and Advances	(48.46)	127.23
Long-term Loans and Advances	35.42	(96.09)
Other current assets	(651.56)	(205.19)
Other Non-current Assets	599.54	(361.39)
	416.09	(747.72)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(41.40)	246.98
Other Current Liabilities	(48.69)	259.38
Other Long Term Liabilities	43.53	7.83
Short-term Provisions	(0.51)	(15.66)
Long-term Provisions	3.03	28.24
	(44.04)	526.77
Cash generated from operations	3,128.20	1,985.94
Taxes paid (Net)	(140.75)	(298.04)
Net Cash generated from Operating Activities (A)	2,987.45	1,687.90
B.Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(1,041.67)	(1,256.14)
Proceeds from sale of fixed assets	64.99	28.10
Proceeds from Insurance Company for damage of Fixed Assets	Nil	29.78
Purchase of long-term investments		
Subsidiaries	(226.12)	(783.45)
Jointly Controlled Entities	(276.03)	(0.26)
Other Statutory Investments	(18.71)	NIL
Proceeds from sale of non-current investments		
Associates	10.87	NIL

	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
Purchase of current investments	(9,008.08)	(12,096.86)
Proceeds from sale of current investments	9,059.39	12,079.28
Interest received		
Subsidiaries	51.90	104.12
Others	152.09	140.74
Loans given to subsidiaries and jointly controlled entities	(1,255.22)	(1,547.08)
Loans repaid by subsidiaries	357.71	1,185.06
Dividend received		
Subsidiaries	402.97	479.70
Associates	4.85	4.89
Others	25.84	15.31
Guarantee commission received	26.17	16.26
Inter corporate deposit placed	NIL	(350.00)
Inter corporate deposits redeemed	NIL	326.00
Bank balance not considered as cash and cash equivalents	1.36	(0.86)
Net Cash used in investing activities (B)	(1,667.69)	(1,625.41)
C.Cash Flow from financing activities		
Amount received on Issue of Shares	0.02	1,989.32
Share Issue Expenses	(1.69)	(22.82)
Debenture Issue Expenses	NIL	(2.38)
Proceeds from Gain on Option Settlement	Nil	84.14
Increase in capital/service line contributions	12.98	19.53
Proceeds from long-term borrowings	921.24	2,080.76
Repayment of long-term borrowings	(517.18)	(2,607.61)
Proceeds from short-term borrowings	8,354.07	4,396.68
Repayment of short-term borrowings	(8,623.64)	(4,258.67)

	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
Distribution on unsecured perpetual securities	(170.85)	(171.00)
Other borrowing cost paid	(24.13)	(31.75)
Interest Paid (including interest cost capitalised)	(1,139.27)	(990.92)
Dividend paid	(351.73)	(337.22)
Dividend Tax paid	(11.60)	NIL
Net cash generated from /(used in) financing activities (C)	(1,551.78)	148.06
Net Increase/(Decrease) in cash and cash equivalents(A+B+C)	(232.02)	210.55
Cash and cash equivalents as at 1st April (Opening balance)	265.85	55.30
Cash and cash equivalents as at 31st March (Closing balance)	33.83	265.85

Notes:

1. Cash and cash equivalents include:

(Rs., in Crore)

	As at 31st March, 2016	As at 31st March, 2015
(a) Cash and Cheques on Hand (Includes Cheques on Hand Rs. Nil (Previous period - Rs. 0.02 crore))	0.01	0.03
(b) Current accounts with banks	32.60	61.82
(c) Deposits with banks	1.22	204.00
	33.83	265.85

2. Purchase of investments in subsidiaries and jointly controlled entities includes advance paid towards equity.
3. Purchase of Long-term Investments in subsidiaries and loans repaid by subsidiaries include Rs. 49.85 crore (31st March, 2015 - Rs. 23.44 crore), Rs. 8.00 crore (31st March, 2015 - Rs. Nil) and Rs. Nil (31st March, 2015 - Rs. 118.64 crore) being loans given to Coastal Gujarat Power Limited and Tata Power Jamshedpur Distribution Limited and Tata Power Renewable Energy Limited respectively which were converted into Equity Share Capital.
4. Previous year's figures have been regrouped, wherever necessary, to conform to current year's classification.

## CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL YEAR 2015-16

Consolidated Balance Sheet as at March 31, 2016

(Rs., in Crore)

	As at 31st March, 2016	As at 31st March, 2015
<b>EQUITY AND LIABILITIES</b>		
<b>SHAREHOLDERS' FUNDS</b>		
Share Capital	270.48	270.48
Reserves and Surplus	12,843.44	12,271.57
	13,113.92	12,542.05
<b>UNSECURED PERPETUAL SECURITIES</b>	1,500.00	1,500.00
<b>STATUTORY CONSUMER RESERVES</b>	644.23	623.23
<b>MINORITY INTEREST</b>	2,581.38	2,492.59
<b>SPECIAL APPROPRIATION TOWARDS PROJECT COST</b>	533.61	533.61
<b>CAPITAL GRANT</b>	7.80	8.30
<b>SERVICE LINE CONTRIBUTIONS FROM CONSUMERS</b>	698.02	611.70
<b>NON-CURRENT LIABILITIES</b>		
Long-term Borrowings	34,296.81	32,393.13
Deferred Tax Liabilities (Net)	1,487.49	1,401.37
Other Long-term Liabilities	1,167.39	1,074.24
Long-term Provisions	1,054.22	921.38
	38,005.91	35,790.12
<b>CURRENT LIABILITIES</b>		
Short-term Borrowings	2,955.07	4,586.56
Trade Payables	6,127.67	5,235.42
Other Current Liabilities	10,413.39	10,497.14
Short-term Provisions	1,125.50	770.47
	20,621.63	21,089.59

	As at 31st March, 2016	As at 31st March, 2015
TOTAL	77,706.50	75,191.19
ASSETS		
NON-CURRENT ASSETS		
Fixed Assets		
Tangible Assets	41,147.85	37,734.74
Intangible Assets	377.55	365.20
Capital Work-in-Progress	4,334.42	3,244.44
Intangible Assets under Development	209.70	78.75
	46,069.52	41,423.13
Goodwill on Consolidation	4,676.66	6,625.76
Non-current Investments	2,885.49	2,839.00
Deferred Tax Assets (Net)	11.68	5.85
Long-term Loans and Advances	1,791.12	1,776.01
Other Non-current Assets	6,397.69	7,622.48
	61,832.16	60,292.23
CURRENT ASSETS		
Current Investments	463.27	605.57
Inventories	1,806.08	1,844.17
Trade Receivables	5,204.24	5,563.95
Cash and Bank Balances	1,210.76	1,483.45
Short-term Loans and Advances	4,500.96	3,569.83
Other Current Assets	2,689.03	1,831.99
	15,874.34	14,898.96
TOTAL	77,706.50	75,191.19

## Consolidated Statement of Profit and Loss for the year ended March 31, 2015

(Rs.. in Crore)

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
<b>REVENUE</b>		
Revenue from Operations (Gross)	37,486.79	33,731.54
Less: Excise Duty	6.59	3.97
Revenue from Operations (Net)	37,480.20	33,727.57
Other Income	296.96	416.74
<b>TOTAL REVENUE</b>	<b>37,777.16</b>	<b>34,144.31</b>
<b>EXPENSES</b>		
Cost of Power Purchased	9,256.73	7,383.14
Cost of Fuel	8,268.82	9,261.00
Raw Material Consumed	1,134.38	697.84
Purchase of Goods/Spares/Stock for Resale	40.79	31.10
Transmission charges	282.09	467.25
Cost of Components Consumed	397.66	374.30
Decrease in Stock-in-Trade and Work-in-Progress	20.13	120.72
Royalty towards Coal Mining	939.13	1,034.68
Coal Processing Charges	2,036.83	2,162.69
Employee Benefits Expense	1,512.18	1,545.67
Finance Costs	3,476.53	3,698.72
Depreciation and Amortisation	2,376.39	2,174.15
Other Expenses	4,798.85	4,347.98
<b>TOTAL EXPENSES</b>	<b>34,540.51</b>	<b>33,299.24</b>
<b>PROFIT BEFORE TAX AND RATE REGULATED ACTIVITIES</b>	<b>3,236.65</b>	<b>845.07</b>
Add/(Less): Regulatory Income/(Expense) (Net)	(852.17)	634.78
Add/(Less): Regulatory Income/(Expense) (Net) in respect	(167.27)	4.50

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
of earlier years		
	(1,019.44)	639.28
<b>PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX</b>	<b>2,217.21</b>	<b>1,484.35</b>
Exceptional Items:		
Reversal of Provision for Impairment	2,320.00	NIL
Provision for Impairment	(67.19)	NIL
Impairment of Goodwill	(2,533.35)	NIL
<b>PROFIT BEFORE TAX</b>	<b>1,936.67</b>	<b>1,484.35</b>
<b>TAX EXPENSE</b>		
Current Tax Expense	840.38	826.57
MAT Credit (Entitlement)/Reversal (Net)	(21.47)	(18.29)
Current Tax Expense relating to Prior Years	(20.75)	0.14
Net Current Tax Expense	798.16	808.42
Deferred Tax Expense	71.12	266.50
	869.28	1,074.92
<b>PROFIT AFTER TAX AND BEFORE SHARE OF PROFIT OF ASSOCIATES AND MINORITY INTEREST</b>	<b>1,067.39</b>	<b>409.43</b>
Share of Profit of Associates for the Year	61.62	47.77
Minority interest	(255.66)	(289.37)
<b>PROFIT FOR THE YEAR</b>	<b>873.35</b>	<b>167.83</b>
<b>EARNINGS PER SHARE (FACE VALUE Rs. 1/- PER SHARE)</b>		
Basic (Rs.)	2.73	0.17
Diluted (Rs.)	2.73	0.17

## Consolidated Cash Flow Statement for the year ended March 31, 2016

(Rs.. in Crore)

	For the Year ended Rs. 31st March, 2016	For the Year ended 31st March, 2015
<b>A. Cash Flow from Operating Activities</b>		
Net profit before Taxes	1,936.67	1,484.35
Adjustments for:		
Depreciation/Amortisation	2,376.39	2,174.15
Reversal of Provision for Impairment	(2,320.00)	NIL
Provision for impairment	67.19	NIL
Impairment of Goodwill	2,533.35	NIL
Share Issue Expenses	0.07	0.27
Loss/(Profit) on Sale/Retirement of Assets (Net)	(16.70)	(15.57)
Finance Cost (Net of Capitalisation)	3,476.53	3,698.72
Interest Income (Net of Interest Income Capitalised)	(188.86)	(213.09)
Dividend Income (Net of Dividend Income Capitalised)	(26.98)	(17.44)
Profit on Sale of Investments (Net)-Current Investments	(64.13)	(78.70)
Profit on Sale of Investments (Net)-Non-Current Investments	(26.56)	(5.52)
Liabilities / Provisions no longer required written back	(8.32)	(0.58)
Provision for Diminution in Value of Investments (Net)	1.42	7.10
Provision for Doubtful Debts/Advances (Net)	98.11	4.95
Bad Debts	2.47	1.23
Provision for Contingencies	35.00	55.59
Provision for Warranties	11.05	16.06
Discount accrued on Bonds (Net)	(0.30)	Nil
Provision for Restoration and Rehabilitation	142.73	51.13
Grants/Consumer Contributions Transferred	(35.09)	(34.26)
Project Expenditure Written Off	77.18	27.87
Commission Earned	(9.30)	(9.43)
Exchange Loss on Investing/Financing Activity (Net)	29.22	17.24

	For the Year ended Rs. 31st March, 2016	For the Year ended 31st March, 2015
Unrealised Exchange Loss (Net)	43.13	186.46
	6,197.60	5,866.18
Operating Profit before Working Capital Changes	8,134.27	7,350.53
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	78.11	247.84
Trade Receivable	487.03	(1,075.39)
Short-term loans and advances	(115.90)	164.75
Long-term loans and advances	(48.35)	(133.85)
Other Current Assets	(714.74)	(104.58)
Other non-current assets	1,214.29	(564.98)
Current Investments		
Purchased	(130.53)	(32.63)
Proceeds from Sale	132.16	29.69
Non-current Investments		
Purchased	(0.91)	(3.70)
Proceeds from Sale	16.33	12.55
Deposits Given	(20.00)	Nil
	897.49	(1,460.30)
Adjustments for operating liabilities:		
Trade Payable	709.43	579.09
Other current liabilities	393.85	315.13
Other long-term liabilities	112.40	57.94
Short-term provisions	(1.81)	(9.89)
Long-term provisions	(62.60)	(43.09)
	1,151.27	899.18

	For the Year ended Rs. 31st March, 2016	For the Year ended 31st March, 2015
Cash Generated from Operations	10,183.03	6,789.41
Taxes Paid (Net)	(429.48)	(808.50)
Net Cash generated from Operating Activities (A)	9,753.55	5,980.91
<b>B. Cash Flow from Investing Activities</b>		
Capital Expenditure on Fixed Assets, including Capital Advances	(3,986.38)	(3,493.62)
Deferred Stripping Expenditure	4.15	0.16
Proceeds from Insurance on Assets Destroyed	NIL	29.78
Sale of Fixed Assets	73.07	66.98
Inter-corporate Deposits (Net)	(753.91)	(435.24)
Current investments		
- Purchased	(20,349.85)	(23,116.35)
- Proceeds from sale	20,572.62	22,910.69
Purchase consideration paid on acquisition of interest in Jointly Controlled Entity (including Goodwill)	(275.74)	Nil
Purchase of Long-term investments - Others	(18.71)	Nil
Proceeds from sale of long-term investments		
- Others	10.85	3.46
Interest Received	188.79	184.86
Commission Received	7.80	9.54
Dividend Received	25.30	22.97
Exchange Gain on Investing Activity	NIL	2.74
Bank Balance not Considered as Cash and Cash Equivalents	25.35	(60.89)
Net cash used in investing activities (B)	(4,476.66)	(3,874.92)
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Issue of Shares including shares issued to Minority Shareholders	14.94	2,069.23
Increase in Capital Contributions and Capital Grants	120.92	110.61

	For the Year ended Rs. 31st March, 2016	For the Year ended 31st March, 2015
Proceeds from Long Term Borrowings	8,100.85	8,240.74
Repayment of Long Term Borrowings	(7,637.54)	(8,140.82)
Debenture/Share Issue Expenses	(1.76)	(25.47)
Proceeds from Short Term Borrowings	12,179.49	9,492.19
Repayment of Short Term Borrowings	(13,944.75)	(9,694.73)
Other Borrowing Cost Paid (including Borrowing Cost Capitalised)	(287.00)	(223.00)
Interest Paid (including Interest Capitalised)	(3,351.47)	(3,384.24)
Dividend Paid	(501.63)	(461.45)
Additional Income-tax on Dividend Paid	(89.16)	(50.65)
Distribution on Unsecured Perpetual Securities	(170.85)	(171.00)
Net Cash Used in Financing Activities (C)	(5,567.96)	(2,238.59)
Net Decrease in Cash and Cash Equivalents (A+B+C)	(291.07)	(132.60)
Cash and Cash Equivalents as at 1st April (Opening Balance)	1,261.64	1,384.50
Cash and Cash Equivalents Acquired on Acquisition of Subsidiary and Jointly Controlled Entities	4.77	Nil
Effect of Exchange Fluctuation on Cash and Cash Equivalents	33.75	9.74
Cash and Cash Equivalents as at 31st March (Closing Balance)	1,009.09	1,261.64

Notes:

1. Cash and cash equivalents include:

(Rs.. in Crore)

	As at March 31, 2015	As at March 31, 2014
(a) Cash on hand	1.40	1.58
(b) Cheques on hand	35.86	29.25
(c) Balance with banks		
(i) In current accounts	890.52	802.54
(ii) In deposit accounts	81.31	428.27
	1,009.09	1,261.64

Serial No.

*Private & Confidential – For Private Circulation Only*  
*(This Information Memorandum is neither a Prospectus nor a statement in Lieu of Prospectus)*  
*Dated: 15 November 2017*

Previous year's figures have been regrouped, wherever necessary, to conform to this year's classification.

## **STANDALONE FINANCIAL STATEMENTS FOR FINANCIAL YEAR 2016-17**

Balance Sheet as at March 31, 2017

	As at 31st March, 2017 ` crore	As at 31st March, 2016 ` crore
<b>ASSETS</b>		
<b>Non-current Assets</b>		
(a) Property, plant and equipment	8,130.21	8,251.53
(b) Capital Work-in-Progress	666.10	485.72
(c) Other Intangible Assets	189.87	140.54
(d) Intangible Assets under Development	254.68	209.70
(e) Financial Assets		
(i) Investments	22,369.35	14,031.71
(ii) Trade Receivables	185.76	185.76
(iii) Loans	22.82	3,644.45
(iv) Finance Lease Receivables	573.47	617.63
(v) Other Financial Assets	820.10	1,006.26
(f) Non-current Tax Assets (Net)	Nil	Nil
(g) Other Non-current Assets	1,014.40	1,143.96
<b>Total Non-current Assets</b>	34,226.76	29,717.26
<b>Current Assets</b>		
(a) Inventories	671.09	689.05
(b) Financial Assets		
(i) Investments	89.34	0.22
(ii) Trade Receivables	1,234.26	1,057.23
(iii) Unbilled Revenue	560.98	299.96
(iv) Cash and cash Equivalents	141.60	33.83
(v) Bank Balances other than (iv) above	14.47	12.06
(vi) Loans	Nil	106.00
(vii) Finance lease receivables	39.16	48.80
(viii) Other financial assets	376.71	212.06
(c) Other Current Assets	267.81	345.06
	3,395.42	2,804.27

Assets Classified as Held For Sale		<i>Nil</i>
	332.49	
<b>Total Current Assets</b>	<b>3,727.91</b>	<b>2,804.27</b>
<b>Total Assets before Regulatory Deferral Account</b>	<b>37,954.67</b>	<b>32,521.53</b>
<b>Regulatory Deferral Account - Assets</b>	<b>1,914.00</b>	<b>2,093.09</b>
<b>TOTAL ASSETS</b>	<b>39,868.67</b>	<b>34,614.62</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity Share Capital		270.50
		<i>270.48</i>
(b) Unsecured Perpetual Securities		1,500.00
		<i>1,500.00</i>
(c) Other Equity		14,778.06
		<i>15,079.98</i>
<b>Total Equity</b>		<b>16,548.56</b>
		<i>16,850.46</i>
<b>LIABILITIES</b>		
<b>Non-current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings		8,847.86
		<i>8,983.62</i>
(ii) Trade Payables		35.57
		<i>33.12</i>
(iii) Other Financial Liabilities		31.98
		<i>33.59</i>
(b) Provisions		170.17
		<i>151.57</i>
(c) Deferred Tax Liabilities (Net)		1,472.09
		<i>1,543.94</i>
(d) Other Non-current Liabilities		187.34
		<i>176.85</i>
<b>Total Non-current Liabilities</b>		<b>10,745.01</b>
		<i>10,922.69</i>
<b>Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings		2,391.98
		<i>1,507.09</i>
(ii) Trade Payables		1,344.68
		<i>1,263.26</i>
(iii) Other Financial Liabilities		7,824.16
		<i>3,044.63</i>
(b) Provisions		52.33
		<i>73.59</i>
(c) Current Tax Liabilities (Net)		18.26
		<i>29.74</i>
(d) Other Current Liabilities		287.69
		<i>242.78</i>
<b>Total Current Liabilities</b>		<b>11,919.10</b>
		<i>6,161.09</i>

<b>Total Liabilities before Regulatory Deferral Account</b>		
	22,664.11	17,083.78
<b>Regulatory Deferral Account - Liability</b>	656.00	680.38
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>39,868.67</b>	<b>34,614.62</b>
		<b>For the year ended</b>
		<b>31st March, 2017</b>
		<b>31st March, 2016</b>
		<b>₹ crore</b>
		<b>₹ crore</b>
I      Revenue from Operations	8,696.94	
	7,218.06	
II     Other Income	913.83	905.27
III <b>Total Income</b>	<b>9,602.21</b>	
	<b>8,131.89</b>	
IV <b>Expenses</b>		
Cost of Power Purchased	466.52	785.06
Cost of Fuel	2,550.42	
	2,342.83	
Transmission Charges	221.30	262.96
Cost of Components Consumed	349.98	397.66
Employee Benefits Expense	660.80	648.47
Finance Costs	1,146.12	
	1,295.68	
Depreciation and Amortisation Expenses	634.21	604.46
Other Expenses	1,091.36	
	1,718.44	
<b>Total Expenses</b>	<b>7,486.51</b>	
	<b>7,689.76</b>	
V <b>Profit Before Tax And Rate Regulated Activities</b>	<b>2,115.70</b>	
	<b>442.13</b>	
Add/(Less): Regulatory income/(expense) (net)	(13.00)	(438.00)
Add/(Less): Regulatory income/(expense) (net) in respect of earlier years	77.00	56.59
	64.00	(381.41)
VI <b>Profit Before Tax</b>	<b>1,734.29</b>	
	<b>506.13</b>	
VII <b>Tax Expense</b>		

Current Tax	290.92	279.20
MAT Credit reversed in respect of Prior Years	Nil	Nil
Excess Provision for Tax relating to Prior Years	Nil	Nil
Current Tax Expense	290.92	279.20
Deferred Tax	(68.24)	100.10
Deferred tax [including tax to be (recovered) / charged in future tariff determination ₹ 15.07 Crore - previous year (₹ 13.43 Crore)]	222.68	379.30
<b>VIII Profit For The Year</b>	<b>283.45</b>	<b>1,354.99</b>
<b>IX Other Comprehensive Income</b>		
A Add/(Less):		
(i) Items that will not be reclassified to profit and loss		
(a) Equity Instruments through Other Comprehensive Income	(113.97)	(246.36)
(b) Gain on sale of Investment classified at FVTOCI	0.10	Nil
(c) Remeasurement of the Defined Benefit Plans	(11.40)	(7.76)
(ii) Tax relating to items that will not be reclassified to profit and loss		
(a) Current Tax	Nil	Nil
(b) Deferred Tax	4.07	(3.88)
B Add/(Less):		
(i) Items that will be reclassified to profit and loss	Nil	Nil
(ii) Income tax relating to items that will be reclassified to profit and loss	Nil	Nil
<b>Total Other Comprehensive Income</b>	<b>(121.20)</b>	<b>(258.00)</b>
<b>X Total Comprehensive Income for the year (VIII + IX)</b>	<b>162.25</b>	<b>1,096.99</b>
<b>XI Earnings Per Equity Share (Face Value ₹ 1/- Per Share)</b>		
Basic (₹)		4.59
	0.63	
Diluted (₹)		4.59
	0.63	

Certified True Copy  
The Tata Power Company Limited  
  
Company Secretary