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# The Tata Power Company Ltd.

Analyst Call – 30<sup>th</sup> May, 2014

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Financial Performance – Standalone

# FY2014 Standalone Results



PART I					
STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2014					
Particulars	Quarter ended			Year ended	
	31-Mar-14	31-Dec-13	31-Mar-13	31-Mar-14	31-Mar-13
	MUs	MUs	MUs	MUs	MUs
(A)					
1. Generation	2,670	3,212	3,366	13,183	15,770
2. Sales	3,071	3,547	3,542	14,516	16,002
	(` in crore)				
(Refer Notes Below)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
(B)					
1. <b>Income from operations</b>					
a) Revenue from power supply and transmission charges	1,477.73	1,749.92	1,741.91	7,241.41	7,947.89
Add: Income to be recovered in future tariff determination (net)	124.50	(42.00)	165.47	513.50	1,028.72
Add/(Less): Income to be recovered in future tariff determination (net) in respect of earlier years	-	185.00	127.00	300.00	104.72
Net Revenue	1,602.23	1,892.92	2,034.38	8,054.91	9,081.33
b) Other operating income (net of excise duty)	209.86	115.00	179.89	572.13	485.95
<b>Total income from operations (net)</b>	<b>1,812.09</b>	<b>2,007.92</b>	<b>2,214.27</b>	<b>8,627.04</b>	<b>9,567.28</b>
2. <b>Expenses</b>					
a) Cost of power purchased	233.32	173.58	173.15	789.97	623.39
b) Cost of fuel	510.09	648.46	968.65	3,350.91	5,244.40
c) Transmission charges	116.98	116.99	65.17	467.96	233.43
d) Cost of components, materials and services in respect of contracts	73.84	29.78	58.65	178.99	150.75
e) Employee benefits expense	151.28	136.38	134.52	544.95	547.60
f) Depreciation and amortisation expense	163.11	148.35	(74.42)	587.14	364.10
g) Other expenses	229.31	190.97	232.83	739.97	709.87
<b>Total expenses</b>	<b>1,477.93</b>	<b>1,444.51</b>	<b>1,558.55</b>	<b>6,659.89</b>	<b>7,873.54</b>
3. <b>Profit from operations before other income, finance costs and tax (1-2)</b>	<b>334.16</b>	<b>563.41</b>	<b>655.72</b>	<b>1,967.15</b>	<b>1,693.74</b>
4. <b>Other Income</b>					
a) (Loss)/Gain on exchange (net)	(49.63)	(64.64)	(29.49)	(263.54)	(27.62)
b) Others	224.99	55.31	149.87	655.76	721.67
5. <b>Profit before finance costs and tax (3+4)</b>	<b>509.52</b>	<b>554.08</b>	<b>776.10</b>	<b>2,359.37</b>	<b>2,387.79</b>
6. Finance costs	254.70	214.34	198.52	868.21	684.41
7. <b>Profit before tax (5-6)</b>	<b>254.82</b>	<b>339.74</b>	<b>577.58</b>	<b>1,491.16</b>	<b>1,703.38</b>
8. Tax expense	170.64	88.61	377.55	537.08	678.69
9. <b>Net profit after tax (7-8)</b>	<b>84.18</b>	<b>251.13</b>	<b>200.03</b>	<b>954.08</b>	<b>1,024.69</b>

# FY2014 Standalone Segmental Results



` crore

Particulars (Refer Notes Below)	Quarter ended			Year ended	
	31-Mar-14 (Audited)	31-Dec-13 (Audited)	31-Mar-13 (Audited)	31-Mar-14 (Audited)	31-Mar-13 (Audited)
Segment Revenue					
Power Business	1,645.99	1,922.23	2,054.80	8,168.70	9,157.96
Others	166.10	85.69	159.47	458.34	409.32
Total Segment Revenue	1,812.09	2,007.92	2,214.27	8,627.04	9,567.28
Less: Inter Segment Revenue	-	-	-	-	-
<b>Revenue / Income from Operations (Net of Excise Duty)</b>	<b>1,812.09</b>	<b>2,007.92</b>	<b>2,214.27</b>	<b>8,627.04</b>	<b>9,567.28</b>
Segment Results					
Power Business	314.18	579.50	635.54	1,933.28	1,684.68
Others	40.27	7.33	30.80	67.52	45.07
Total Segment Results	354.45	586.83	666.34	2,000.80	1,729.75
Less: Finance Costs	254.70	214.34	198.52	868.21	684.41
Add: Unallocable (Expense) / Income (Net)	155.07	(32.75)	109.76	358.57	658.04
<b>Profit Before Tax</b>	<b>254.82</b>	<b>339.74</b>	<b>577.58</b>	<b>1,491.16</b>	<b>1,703.38</b>
Capital Employed					
Power Business	11,429.74	11,739.96	11,464.55	11,429.74	11,464.55
Others	567.43	460.39	146.05	567.43	146.05
Unallocable	2,898.91	2,554.62	2,068.03	2,898.91	2,068.03
<b>Capital Employed</b>	<b>14,896.08</b>	<b>14,754.97</b>	<b>13,678.63</b>	<b>14,896.08</b>	<b>13,678.63</b>

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**FY2014 vs. FY2013**  
**Financial Performance – Standalone**

# FY2014 Financial Highlights – Standalone



Gross generation at 13183 MUs (PY: 15770 MUs) down by 16%

- Generation in Mumbai Operations at 8680 MUs (PY: 10874 MUs) down by 20% mainly due to
  - *Lower generation in Trombay due to backdown of unit-6 due to high fuel cost and forced outage of Unit-8*
- Generation outside Mumbai Operations at 4504 MUs (PY: 4897 MUs) down by 8% mainly due to
  - *Lower demand by Tata Steel, end of PPA in Belgaum and lower PLF in wind farms*
- Sales (net of eliminations) at 14516 MUs (PY: 16002 MUs) down by 9%
  - Sales in Mumbai Operations were 10597 MUs (PY: 11711 MUs) down by 10%
  - Sales outside Mumbai Operations were 4278 MUs (PY: 4644 MUs) down by 8%
- Haldia merchant sales at 870 MUs (PY: 855 MUs) up by 2%; merchant realizations at Rs. 2.55/kwh (PY: Rs. 2.80/kwh) down by 9%

# FY2014 Financial Highlights – Standalone



- Net Revenue at Rs. 8055 Cr (PY: Rs. 9081 Cr) down by 11% mainly due to lower generation in Trombay offset by favourable ATE order
- Other Operating Income at Rs. 572 Cr (PY: Rs. 486 Cr) up by 18% mainly due to higher revenue from SED
- Cost of Power Purchased at Rs. 790 Cr (PY: Rs. 623 Cr) up by 27% mainly due to availability of cheaper power in the grid and higher standby charges
- Cost of Fuel at Rs. 3351 Cr (PY: Rs. 5244 Cr) down by 36% mainly due to
  - Lower use of gas and oil in Trombay and due to decrease in generation
- Transmission Charges at Rs. 468 Cr (PY: 233 Cr) up by 101% mainly due to revision in inter-state transmission charges vide order in April 2013
- Cost of components consumed at Rs. 179 Cr. (PY: Rs. 151 Cr) up by 19%
- Employee Benefits Expense at Rs. 545 Cr (PY: Rs. 548 Cr)
- Depreciation and Amortization at Rs. 587 Cr (PY: Rs. 364 Cr) up by 61% as PY included reversal on account of change in depreciation policy based on MCA notification made in Q4 FY13 effective FY09
- Other Expenses at Rs. 740 Cr (PY: Rs. 710 Cr) up by 4%

# FY2014 Financial Highlights – Standalone



- Profit from Operations before Other Income, Finance Cost and Tax at Rs. 1967 Cr (PY: Rs. 1694 Cr) up by 16%
- Other Income at Rs. 392 Cr (PY: Rs. 694 Cr) down by 44% mainly due to
  - *Increase in Loss on Exchange by Rs. 236 Cr due to realignment of borrowings due to rupee depreciation and PY included gain due to repayment of 100mn loan from coal SPVs*
  - *Decrease in Other Income by Rs. 66 Cr as PY includes higher interest on delayed payment from BEST and due to lower dividend and lower treasury income*
- Profit Before Finance Cost and Tax at Rs. 2359 Cr (PY: Rs. 2388 Cr) down by 1%
- Interest and Finance Cost at Rs. 868 Cr (PY: Rs. 684 Cr) up by 27% mainly due to higher borrowings and higher hedging cost
- Profit before Tax at Rs. 1491 Cr (PY: Rs. 1703 Cr) down by 12%
- Tax at Rs. 537 Cr (PY: Rs. 679 Cr) down by 21% mainly due to
  - *Lower deferred tax as PY included deferred tax due to change in depreciation rate as per MCA notification*
  - *Offset by MAT credit reversal and tax on perpetual bond interest*
- PAT at Rs. 954 Cr (PY: Rs. 1025 Cr) down by 7%

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## Q4 FY2014 vs. Q4 FY2013 Financial Performance – Standalone

# Q4 FY2014 Highlights – Standalone

- Gross generation at 2670 MUs (PY: 3366 MUs) down by 21%
  - Generation in Mumbai Operations at 1693 MUs (PY: 2395 MUs) down by 29% mainly due to
    - *Lower generation at Trombay due to back-down of Unit-6 due to high fuel cost and forced outage of Unit-8*
  - Generation outside Mumbai Operations at 977 MUs (PY: 971 MUs)
- Sales (net of eliminations) at 3071 MUs (PY: 3542 MUs) down by 13%
  - Sales in Mumbai Operations were 2188 MUs (PY: 2673 MUs) down by 18%
  - Sales outside Mumbai Operations were 932 MUs (PY: 916 MUs) up by 2%
- Haldia merchant sales at 223 MUs (PY: 224 MUs); merchant realizations at Rs. 2.61/kwh (PY: Rs. 2.67/kwh)

# Q4 FY2014 Financial Highlights – Standalone



- Net Revenue at Rs. 1602 Cr (PY: Rs. 2034 Cr) down by 21% mainly due to
  - *Lower fuel cost due to lower generation in Trombay and PY included favourable ATE order*
  - *Offset by higher power purchase cost and higher transmission charges*
- Other Operating Income at Rs. 210 Cr (PY: Rs. 180 Cr) up by 17% mainly due to higher income from SED and higher REC sales and CDM income in wind
- Cost of Power Purchased at Rs. 233 Cr (PY: Rs. 173 Cr) up by 35% mainly due to availability of cheaper power in the grid
- Cost of Fuel at Rs. 510 Cr (PY: Rs. 969 Cr) down by 47% mainly due to lower generation in Trombay
- Transmission Charges at Rs. 117 Cr (PY: 65 Cr) up by 80% mainly due to revision in inter-state transmission charges vide order in April 2013
- Cost of Components Consumed at Rs. 74 Cr (PY: Rs. 59 Cr) up by 25%
- Employee Benefit Expenses at Rs. 151 Cr (PY: Rs. 135 Cr) up by 12% mainly due to increase in salary
- Depreciation/Amortization at Rs. 163 Cr (PY: Rs. (74) Cr) as PY included reversal on account of change in depreciation policy based on MCA notification made in Q4FY13 effective FY09
- Other Expenses at Rs. 229 Cr (PY: Rs. 233 Cr)

# Q4 FY2014 Financial Highlights – Standalone



- Profit from Operations before Other Income, Finance Cost and Tax at Rs. 334 Cr (PY: Rs. 656 Cr) down by 49%
- Other income at Rs. 175 Cr (PY: Rs. 120 Cr) up by 46% due to
  - *Increase in Other Income by Rs. 75 Cr due to higher dividend from Coal SPV and interest income on sub-debts to CGPL*
  - *Offset by increase in Loss on Exchange by Rs. 20 Cr*
- Profit Before Finance Cost and Tax at Rs. 510 Cr (PY: Rs. 776 Cr) down by 34%
- Interest and Finance Cost at Rs. 255 Cr (PY: Rs. 199 Cr) up by 28% mainly due to
  - *Higher interest charge on working capital and higher short term borrowings*
  - *Higher hedging cost*
- Profit before Tax at Rs. 255 Cr (PY: Rs. 578 Cr) down by 56%
- Tax at Rs. 171 Cr (PY: Rs. 378 Cr) down by 55% mainly due to
  - *Lower deferred tax as PY included deferred tax due to change in depreciation rate as per MCA notification*
  - *Offset by MAT credit reversal and reversal of old tax provisions*
- PAT at Rs. 84 Cr (PY: Rs. 200 Cr) down by 58%

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## Financial Performance – Consolidated

# FY2014 Consolidated Results



Particulars (Refer Notes Below)	Quarter ended			Year ended	
	31-Mar-14 (Audited)	31-Dec-13 (Unaudited)	31-Mar-13 (Audited)	31-Mar-14 (Audited)	31-Mar-13 (Audited)
<b>1. Income from operations</b>					
a) <b>Revenue</b>	8,473.21	8,236.93	8,441.63	34,203.48	30,875.28
Add : Income to be recovered in future tariff determination (net)	331.98	234.18	428.68	966.70	1,856.05
Add/(Less): Income to be recovered in future tariff determination (net) in respect of earlier years	-	185.00	127.00	300.00	104.72
Net Revenue	8,805.19	8,656.11	8,997.31	35,470.18	32,836.05
b) Other operating income (net of excise duty)	39.31	43.91	35.15	178.52	189.38
<b>Total Income from operations (net)</b>	<b>8,844.50</b>	<b>8,700.02</b>	<b>9,032.46</b>	<b>35,648.70</b>	<b>33,025.43</b>
<b>2. Expenses</b>					
a) Cost of power purchased	1,765.03	1,635.39	2,165.70	7,396.13	7,818.66
b) Cost of fuel	2,328.89	2,306.86	2,422.43	9,895.61	9,661.60
c) Raw materials consumed	308.51	174.26	154.48	721.88	386.74
d) Purchase of goods / spares / stock for resale	9.27	10.17	9.29	43.70	37.47
e) Transmission charges	129.59	126.97	84.07	508.83	286.50
f) Cost of components, materials and services in respect of contracts	73.84	29.78	58.65	178.99	150.75
g) Decrease/(increase) in stock-in-trade and work-in-progress	68.62	136.87	93.14	130.77	(275.12)
h) Royalty towards coal mining	317.83	348.63	290.75	1,249.37	1,111.14
i) Coal processing charges	664.53	733.46	618.65	2,683.10	2,544.99
j) Employee benefits expense	388.76	323.03	334.18	1,349.35	1,322.95
k) Depreciation and amortisation expense	724.23	665.54	416.37	2,729.62	2,051.69
l) Other expenses	968.10	1,088.11	943.76	3,784.52	3,341.25
<b>Total expenses</b>	<b>7,747.20</b>	<b>7,579.07</b>	<b>7,591.47</b>	<b>30,671.87</b>	<b>28,438.62</b>
<b>3. Profit from operations before other income, finance costs, exceptional item and tax (1-2)</b>	<b>1,097.30</b>	<b>1,120.95</b>	<b>1,440.99</b>	<b>4,976.83</b>	<b>4,586.81</b>
<b>4. Other income</b>					
a) Gain / (Loss) on exchange (net)	17.85	(159.69)	(24.75)	(789.12)	(187.64)
b) Others	35.21	65.60	64.26	227.26	369.20
<b>5. Profit before finance costs, exceptional item and tax (3+4)</b>	<b>1,150.36</b>	<b>1,026.86</b>	<b>1,480.50</b>	<b>4,414.97</b>	<b>4,768.37</b>
<b>6. Finance costs</b>	<b>858.61</b>	<b>875.03</b>	<b>726.22</b>	<b>3,439.90</b>	<b>2,641.69</b>
<b>7. Profit before exceptional item and tax (5-6)</b>	<b>291.75</b>	<b>151.83</b>	<b>754.28</b>	<b>975.07</b>	<b>2,126.68</b>
<b>8. Exceptional item -</b>					
Provision for impairment	-	-	-	-	850.00
<b>9. Profit before tax (7-8)</b>	<b>291.75</b>	<b>151.83</b>	<b>754.28</b>	<b>975.07</b>	<b>1,276.68</b>
<b>10. Tax expense</b>	<b>382.80</b>	<b>165.55</b>	<b>499.23</b>	<b>1,008.38</b>	<b>1,177.96</b>
<b>11. Net (Loss) / Profit after tax (9-10)</b>	<b>(91.05)</b>	<b>(13.72)</b>	<b>255.05</b>	<b>(33.31)</b>	<b>98.72</b>
<b>12. Share of profit of associates</b>	<b>19.61</b>	<b>9.43</b>	<b>5.13</b>	<b>45.37</b>	<b>23.92</b>
<b>13. Less: Minority interest</b>	<b>73.89</b>	<b>70.62</b>	<b>78.82</b>	<b>272.03</b>	<b>208.07</b>
<b>14. Net (Loss) / Profit after tax, minority interest and share of profit of associates (11+12-13)</b>	<b>(145.33)</b>	<b>(74.91)</b>	<b>181.36</b>	<b>(259.97)</b>	<b>(85.43)</b>

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**FY2014 vs. FY2013**  
**Financial Performance – Consolidated**

# FY2014 Financial Highlights – Consolidated



- Total Income from Operations at Rs. 35649 Cr (PY: Rs. 33025 Cr) up by 8%
  - *Increase in CGPL by Rs. 2789 Cr due to full operation of all 5 units in CY*
  - *Increase in Maithon by Rs. 660 Cr due to full operation of both units and higher capacity tie up of long term power*
  - *Increase in Tata Power Solar by Rs. 639 Cr due to higher volume sold*
  - *Increase in TPTCL by Rs. 362 Cr mainly due to higher volume traded offset by lower average rate realization*
  - *Increase in EEPL by Rs. 261 Cr due to higher income from shipping business*
  - *Decrease in Tata Power standalone by Rs. 940 Cr as explained earlier*
  - *Decrease in Trust Energy by Rs. 227 Cr due to lower revenue from coal sales and lower income from shipping business*
  - *Decrease in Coal Companies by Rs. 203 Cr mainly due to lower realization of coal*
  - *Offset by inter-company eliminations by Rs. 761 Cr*

# FY2014 Financial Highlights – Consolidated



- Cost of Power Purchased at Rs. 7396 Cr (PY: Rs. 7819 Cr) down by 5%
  - *Increase in TPTCL by Rs. 331 Cr due to higher volume traded*
  - *Increase in Tata Power standalone by Rs. 167 Cr as explained earlier*
  - *Decrease due to inter-company eliminations by Rs. 828 Cr*
- Cost of Fuel at Rs. 9896 Cr (PY: Rs. 9662 Cr) up by 2%
  - *Increase in CGPL by Rs. 2240 Cr due to full operation of all 5 units*
  - *Increase in Maithon by Rs. 328 Cr due to higher generation*
  - *Decrease in Tata Power standalone by Rs. 1894 Cr as explained earlier*
  - *Decrease in Trust Energy by Rs. 188 Cr mainly due to lower shipment during the year*
  - *Decrease due to inter-company eliminations by Rs. 126 Cr*
- Transmission Charges at Rs. 509 Cr (PY: 286 Cr) up by 78% mainly due to revision in inter-state transmission charges vide order in April 2013
- Raw Material Consumed at Rs. 722 Cr (PY: 387 Cr) up by 87% mainly due to increase in sales volume in Tata Power Solar
- Cost of Components consumed at Rs. 179 Cr (PY: Rs. 151 Cr) up by 19%
- Royalty towards Coal Mining at Rs. 1249 Cr (PY: 1111 Cr) up by 12% due to higher quantity of coal sold and depreciation of rupee offset by lower realization of coal

# FY2014 Financial Highlights – Consolidated

- Coal Processing Charges at Rs. 2683 Cr (PY: Rs. 2545 Cr in PY) up by 5% mainly due to
  - *Increase in quantity of coal processed by Rs. 214 Cr*
  - *Increase due to depreciation of rupee by Rs. 125 Cr*
  - *Offset by lower cost of processing by Rs. 200 Cr*
- Employee Benefit Expenses at Rs. 1349 Cr (PY: Rs. 1323 Cr) up by 2%
- Depreciation/Amortization at Rs. 2730 Cr (PY: Rs. 2052 Cr) up by 33% mainly due to
  - *Increase in CGPL by Rs. 354 Cr due to full operation of all 5 units*
  - *Increase in Tata Power standalone by Rs. 223 Cr as explained earlier*
  - *Increase in Tata Power Solar by Rs. 73 Cr due to higher capitalization and accelerated depreciation*
- Other expenses at Rs. 3785 Cr (PY: Rs. 3341 Cr) up by 13% mainly due to
  - *Increase in Coal Companies by Rs. 341 Cr mainly due to increase in operational expenses and depreciation of rupee*
  - *Increase in CGPL by Rs. 82 Cr mainly due to higher operation and maintenance cost with increased number of operational units*

# FY2014 Financial Highlights – Consolidated



- Profit from Operations before Other Income, Finance Costs, Exceptional Items and Tax at Rs. 4977 Cr (PY: Rs. 4587 Cr) up by 9%
- Other Income at Rs. (562) Cr (PY: Rs. 182 Cr) down mainly due to
  - *Increase in Loss on Exchange by Rs. 601 Cr due to*
    - *Higher loss in Tata Power standalone by Rs. 236 Cr as explained earlier*
    - *Higher loss in CGPL by Rs. 211 Cr due to realignment of coal and freight liabilities due to INR depreciation*
    - *Higher loss in Coal Companies by Rs. 153 Cr due to realignment of VAT receivable due to IDR depreciation*
  - *Decrease in Other Income by Rs. 142 Cr*
- Finance cost at Rs. 3440 Cr (PY: Rs. 2642 Cr) up by 30% mainly due to
  - *Increase in CGPL by Rs. 623 Cr due to full operations of all 5 units and higher hedging cost*
  - *Increase in Tata Power standalone by Rs. 184 Cr as explained earlier*
  - *Increase in Maithon by Rs. 75 Cr mainly due to full operation of both units*
- PY had Impairment provision of Rs. 850 Cr
- PBT at Rs. 975 Cr (PY: Rs. 1277 Cr) down by 24%
- Tax Expenses at Rs. 1008 Cr (PY: Rs. 1178 Cr) down by 14%
  - *Decrease in Tata Power standalone by Rs. 142 Cr as explained earlier*
  - *Decrease in Coal Companies by Rs. 122 Cr due to lower profits and deferred tax reversals*
- PAT at Rs. (260) Cr (PY: Rs. (85) Cr)

CGPL has not accounted revenue of Rs. 1,019 Cr towards Compensatory Tariff for the period from 1<sup>st</sup> April, 2012 to 31<sup>st</sup> March, 2014 due to significant amount associated nor reversed the provision of impairment of Rs. 2650 Cr till further progress is achieved on payout and proceedings.

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## Q4 FY2014 vs. Q4 FY2013 Financial Performance – Consolidated

# Q4 FY2014 Financial Highlights – Consolidated



- Total Income from Operations at Rs. 8844 Cr (PY Rs. 9032 Cr) down by 2%
  - *Increase in Tata Power Solar by Rs. 244 Cr due to higher volume sold*
  - *Increase in CGPL by Rs. 233 Cr due to full operation of all 5 units*
  - *Decrease in Coal Companies by Rs. 673 Cr (Rs. 1645 Cr lower due to lower realization offset by Rs. 611 Cr due to higher quantity of coal sold and Rs. 361 Cr due to rupee depreciation)*
  - *Decrease in Tata Power standalone by Rs. 402 Cr as explained earlier*
  - *Decrease in TPTCL by Rs. 218 Cr mainly due to lower volume traded*
  - *Decrease in TPDDL by Rs. 143 Cr due to reclassification of exchange sale*
  - *Increase due to inter-company eliminations by Rs. 614 Cr*

# Q4 FY2014 Financial Highlights – Consolidated



- Cost of Power Purchased at Rs. 1765 Cr (PY: Rs. 2166 Cr) down by 19% mainly due to
  - *Decrease in TPTCL by Rs. 234 Cr due to mainly due to lower average cost of power purchased and lower volume purchased*
  - *Decrease in TPDDL by Rs. 112 Cr due to reclassification of exchange sale*
  - *Increase in Tata Power standalone by Rs. 60 Cr as explained earlier*
  - *Decrease due to inter-company eliminations by Rs. 101 Cr*
- Cost of Fuel at Rs. 2329 Cr (PY: Rs. 2422 Cr) down by 4% mainly due to
  - *Decrease in Tata Power standalone by Rs. 459 Cr as explained earlier*
  - *Decrease in Trust Energy by Rs. 56 Cr due to lower coal trading in the quarter*
  - *Increase in CGPL by Rs. 236 Cr due to full operation all 5 units*
  - *Increase in Coal Companies by Rs. 86 Cr mainly due to higher quantity of coal sold and rupee depreciation*
  - *Increase due to inter-company eliminations by Rs. 77 Cr*
- Transmission Charges at Rs. 130 Cr (PY: 84 Cr) up by 55% mainly due to revision in inter-state transmission charges vide order in April 2013
- Cost of Components consumed at Rs. 74 Cr (PY: Rs. 59 Cr) up by 25%
- Royalty towards Coal Mining at Rs. 318 Cr (PY: 291 Cr) up by 9% due to higher quantity of coal sold and depreciation of rupee offset by decrease in realization of coal

# Q4 FY2014 Financial Highlights – Consolidated



- Coal Processing Charges at Rs. 665 Cr (PY: Rs. 619 Cr) up by 7% mainly due to
  - *Higher quantity of coal processed by Rs. 106 Cr*
  - *Higher due to depreciation of rupee by Rs. 82 Cr*
  - *Offset by decrease in cost of coal processing per ton by Rs. 142 Cr*
- Depreciation/Amortization at Rs. 724 Cr (PY: Rs. 416 Cr) up by 74% mainly due to
  - *Increase in Tata Power standalone by Rs. 238 Cr as explained earlier*
  - *Increase in Tata Power Solar by Rs. 53 Cr due to accelerated depreciation*
  - *Increase in CGPL by Rs. 37 Cr due to full operation of all 5 units*
  - *Decrease in Coal Companies by Rs. 34 Cr due to lower amortization of mining property in Arutmin due to decreased production*
- Other expenses at Rs. 968 Cr (PY: Rs. 944 Cr) up by 3% mainly due to
- Employee Benefit Expenses at Rs. 389 Cr (PY: Rs. 334 Cr) up by 16%

# Q4 FY2014 Financial Highlights – Consolidated



- Profit from Operations before Other Income, Finance Costs, Exceptional Items and Tax at Rs. 1097 Cr (PY: Rs. 1441 Cr) down by 24%
- Other Income at Rs. 53 Cr (PY: Rs 40 Cr) up by 33% due to
  - *Gain on Exchange by Rs. 43 Cr due to*
    - *Forex gain in Coal Companies by Rs. 112 Cr on realignment of VAT receivable*
    - *Higher forex loss in CGPL by Rs. 25 Cr*
    - *Higher loss in Tata Power standalone by Rs. 20 Cr as explained earlier*
  - *Decrease in Other Income by Rs. 29 Cr*
    - *Decrease in Coal SPVs by Rs. 117 Cr due to lower dividend from coal mines*
    - *Increase in Tata Power standalone by Rs. 75 Cr as explained earlier*
- Profit Before Finance Cost and Tax at Rs. 1150 Cr (PY: Rs. 1480 Cr) down by 22%
- Finance cost at Rs. 859 Cr (PY: Rs. 726 Cr) up by 18% mainly due to increase in CGPL due to full operation of all 5 units and increase in Tata Power standalone as explained earlier
- Profit before Tax at Rs. 292 Cr (PY: Rs. 754 Cr) down by 61%
- Tax Expenses at Rs. 383 Cr (PY: Rs. 499 Cr) down by 23% mainly due to
  - *Decrease in Tata Power standalone by Rs. 207 Cr as explained earlier*
  - *Increase in Coal Companies by Rs. 63 Cr due to reversal of deferred tax asset in Arutmin*
- PAT at Rs. (145) Cr (PY: Rs. 181 Cr)

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## Segment wise Financial Performance – Consolidated

# Segment Results (Consolidated): FY2014



Particulars (Refer Notes Below)	Quarter ended			Year ended	
	31-Mar-14 (Audited)	31-Dec-13 (Unaudited)	31-Mar-13 (Audited)	31-Mar-14 (Audited)	31-Mar-13 (Audited)
Segment Revenue					
Power Business	5,982.91	5,962.78	6,531.71	25,268.18	23,382.73
Coal Business	2,414.90	2,567.55	2,345.47	9,693.90	9,140.99
Others	663.17	496.14	389.26	1,779.76	1,074.47
Total Segment Revenue	9,060.98	9,026.47	9,266.44	36,741.84	33,598.19
Less: Inter Segment Revenue	216.48	326.45	233.98	1,093.14	572.76
<b>Revenue / Income from Operations (Net of Excise Duty)</b>	<b>8,844.50</b>	<b>8,700.02</b>	<b>9,032.46</b>	<b>35,648.70</b>	<b>33,025.43</b>
Segment Results					
Power Business	780.87	1,043.78	1,112.59	3,732.84	3,087.58
Coal Business	476.80	16.89	374.56	1,069.41	1,499.95
Others	(7.07)	28.46	16.60	31.11	20.71
Total Segment Results	1,250.60	1,089.13	1,503.75	4,833.36	4,608.24
Less: Finance Costs	858.61	875.03	726.22	3,439.90	2,641.69
Less: Exceptional Item - Power Business	-	-	-	-	850.00
Add / (Less): Unallocable (Expense) / Income (Net)	(100.24)	(62.27)	(23.25)	(418.39)	160.13
<b>Profit Before Tax</b>	<b>291.75</b>	<b>151.83</b>	<b>754.28</b>	<b>975.07</b>	<b>1,276.68</b>
Capital Employed					
Power Business	43,510.62	43,491.90	40,868.55	43,510.62	40,868.55
Coal Business	9,238.91	9,479.65	8,825.24	9,238.91	8,825.24
Others	1,165.05	1,136.72	768.21	1,165.05	768.21
Unallocable	(38,283.85)	(37,892.18)	(35,021.08)	(38,283.85)	(35,021.08)
<b>Total Capital Employed</b>	<b>15,630.73</b>	<b>16,216.09</b>	<b>15,440.92</b>	<b>15,630.73</b>	<b>15,440.92</b>

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Subsidiary Performance

# Key Subsidiary Performance: FY2014

Key Subsidiaries	Op. Income		Op. Profit		PBT		PAT	
	FY14	FY13	FY14	FY13	FY14	FY13	FY14	FY13
CGPL	5636	2791	755	333	(1492)	(752)	(1492)	(1602) *
TPDDL	5979	5644	1023	1031	424	390	334	310
TPTCL	4140	3789	66	38	59	37	39	24
MPL	2293	1636	721	448	103	(86)	103	(86)
Tata Power Solar	1103	505	18	(35)	(127)	(111)	(127)	(83)
IEL	480	513	237	241	112	101	89	81
Powerlinks	254	244	238	227	122	104	113	119
Coal SPVs (\$ mn) **	45.0	60.0	38.1	54.9	59.6	63.7	47.7	51.4

- CGPL – Increase in Operating Profit due to full year of operation leading to higher impact of interest and depreciation
- TPDDL – Increase in PAT mainly due to increase in returns offset by impact of tariff order
- TPTCL – Increase in PAT mainly due to increase in sales volumes & margins
- MPL – Increase in operating income due to higher recovery of fixed cost due to long term tie up of 150 MW and higher efficiency gain
- TPSSL – Improvement in Operating Profit due to increased sales
- IEL – Increase in PAT mainly due to increase in treasury income

\* Inclusive of impairment provision of Rs. 850 Cr in FY13

\*\* Income pertaining to management and technical fees and interest income

# Key Subsidiary Performance: Q4 FY2014



Key Subsidiaries	Op. Income		Op. Profit		PBT		PAT	
	Q4 FY14	Q4 FY13	Q4 FY14	Q4 FY13	Q4 FY14	Q4 FY13	Q4 FY14	Q4 FY13
CGPL	1580	1342	225	234	(328)	(147)	(328)	(147)
TPDDL	1429	1377	271	306	117	146	93	118
TPTCL	1023	1254	17	11	14	10	10	6
MPL	580	515	183	143	17	(12)	19	(12)
Tata Power Solar	439	194	5	(11)	(71)	(33)	(71)	(30)
IEL	118	112	58	58	26	25	21	20
Powerlinks	63	47	60	41	32	12	30	39
Coal SPVs (\$ mn) *	10.0	15.0	7.5	12.9	25.8	58.8	21.7	51.5

- CGPL – Decrease in PBT as in PY 4 units were operational and full impact of interest & depreciation in CY
- TPDDL – Decrease in PAT mainly due to low billing by and increase in depreciation
- TPTCL – Increase in PAT mainly due to increased margins on account of discount not availed
- MPL – Increase PAT due to higher recovery of fixed cost due to long term tie up of 150 MW and higher efficiency gain
- TPSSL – Improvement in PAT mainly due to higher sales offset by increased Interest cost and higher depreciation
- IEL – Increase in PAT mainly due to higher PLF incentives

\* Income pertaining to management and technical fees and interest income

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