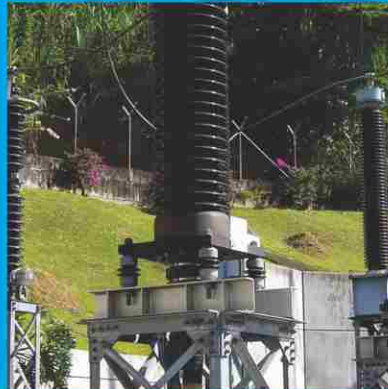


Exponential Growth
we make a difference to lives.



12th Annual Report 2014-15

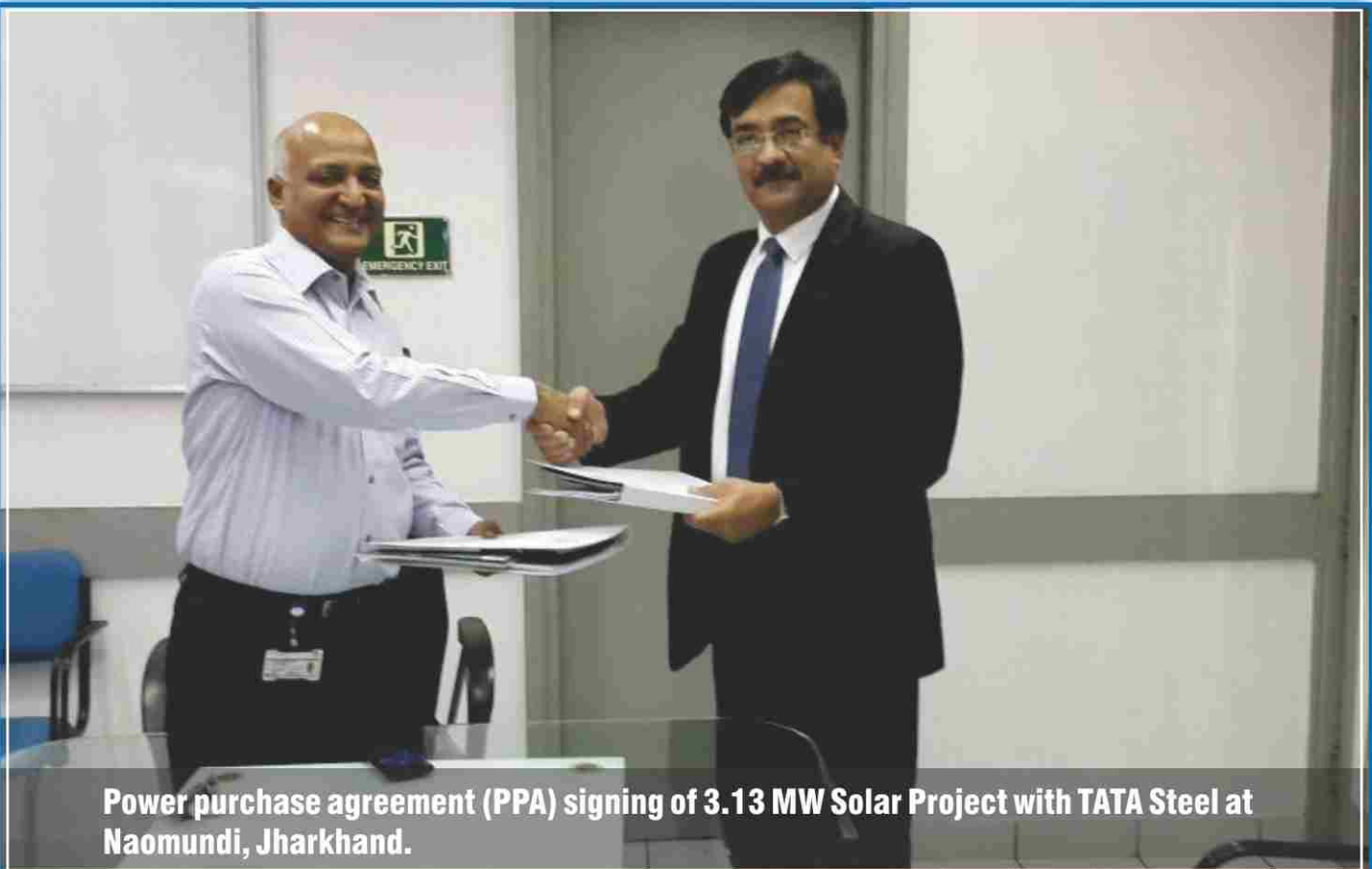


TATA POWER TRADING COMPANY LIMITED
Shaping India's Vibrant Power Market

Inauguration of 1.253 MW Rooftop Solar Project in SASTRA University



MD-TPTCL with former President of India (Late) Dr. APJ Abdul Kalam



Power purchase agreement (PPA) signing of 3.13 MW Solar Project with TATA Steel at Naomundi, Jharkhand.

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Empowering Business
through Partnerships for
sourcing and supplying electricity
across the length and
breadth of the country
and beyond...

ABOUT US

Tata Power Trading Company Limited is a wholly owned subsidiary of The Tata Power Company Limited. The Tata Power Company Limited is India's oldest and the largest integrated private sector power utility with an installed generation capacity of 8669 MW as on 31st March, 2015. The Company has emerged as a pioneer in the Indian power sector, with a track record of performance, customer care and sustained growth. Tata Power has a presence in all areas of power sector viz. Generation (thermal, hydro, solar and wind), Transmission and Distribution.

Tata Power Trading is the first company in India to be awarded a power trading license by Central Electricity Regulatory Commission on 9th June, 2004. Tata Power Trading was incorporated on 31st December, 2003 and registered as a Limited company on 16th February, 2004. The Company has progressively upgraded from Category 'A' license in 2004 to Category 'F' on 9th June, 2005 and again to Category 'I' on 16th February, 2009 which continues to entitle it to trade unlimited power. Tata Power Trading has become a trailblazer in the power trading arena with a host of innovative initiatives. Tata Power Trading has been at the forefront in shaping India's vibrant power trading market. With access to Technical, Managerial and Financial resources of its parent company, it is uniquely equipped to provide an unmatched range of services, customer care and complete payment security for its' customers at the most competitive rates. As an extremely well knit organization, it has domain expertise in all the segments of Power Trading whether it be Marketing, Commercial or Operations, supported ably by the Finance, Legal and Administrative functions. In a short span of time after receiving the license, Tata Power Trading has catalyzed the flow of electricity across the length and breadth of the country helping bridge the demand and supply gap of the various utilities.

In a short span of time after receiving the license, Tata Power Trading has catalyzed the flow of electricity across the length and breadth of the country helping bridge the demand and supply gap of the various utilities.

Our Key Strengths

- The name TATA epitomizes the core quality of "Leadership with Trust". Ethics and trustworthiness are our inherent assets and we are committed to create value for all our suppliers and customers. We conduct our operations with absolute professionalism, uncompromising integrity, transparency and total commitment.
- Our operational agility and state of the art techno-commercial platform ensures reliable and timely deliveries.
- We believe in developing and nurturing long term collaborative relationships with our suppliers and customers by being responsive and keeping customer requirements paramount.
- Leveraging generation, transmission and distribution business of our parent organization lends us a unique flexibility in managing energy surpluses and deficits.
- Assurance of timely payment and payment security to power suppliers.

BOARD OF DIRECTORS



Mr. S. Ramakrishnan - Chairman

Mr. S. Ramakrishnan holds a B.Tech (Mechanical) degree from Indian Institute of Technology, Madras and a Management degree from Indian Institute of Management, Ahmedabad. He joined The Tata Administrative Service in 1972 and during his long tenure handled a multitude of national as well as international projects. He is currently working as Advisor to CEO and MD, Tata Power.



Mr. Piyush G. Mankad - Independent Director

Mr. Mankad is a retired civil servant with a distinguished career of over 40 years in the Civil Services. He graduated with a Masters' degree from St. Stephen's College, Delhi University, and a Post Graduate Diploma in Development Studies from Cambridge University, United Kingdom. He has held a number of official positions including Counsellor (Economic) in the Indian Embassy, Tokyo; Controller of Capital Issues, Ministry of Finance; Finance Secretary, Government of India. He was the executive director for India and four other countries and Board Member for the Asian Development Bank, Manila until July 2004.



Mr. Seethapathy Chander - Independent Director

Mr. Seethapathy Chander, a B.Tech in Electrical Engineering from the Indian Institute of Technology (Delhi) and a Diploma in Business Management from IGNOU, has over 37 years of professional experience, 15 years at NTPC, India and over 22 years at the Asian Development Bank (ADB) in Manila, Philippines. Joining a fledgling NTPC in 1977 as one of its first batch of 35 engineering executive trainees, he served at its Corporate Planning, Power Systems Design, and Northern Regional Transmission Construction divisions, and as the chief of staff in the office of the Chairman and Managing Director.

He was part of teams that designed, procured, constructed, and commissioned, NTPC's first 400kV transmission lines and substations, and led the design and procurement of NTPC's (and

India's) first high voltage direct current (HVDC) systems. At ADB, Chander led the financing of infrastructure in public and private sector operations in Afghanistan, Bangladesh, Bhutan, Cambodia, China, India, Indonesia, Kazakhstan, Laos, the Maldives, Nepal, Sri Lanka, and Uzbekistan. He served as ADB's chief of IT for four years, before becoming the Director General of its Regional and Sustainable Development Department, concurrently serving as its Chief Compliance Officer. He retired from ADB in 2015 as the management's special senior advisor responsible for infrastructure and public private partnerships.

Mr. Ashok Sethi - Director

Mr. Ashok Sethi, a metallurgical engineer from IIT, Kharagpur, started his career as a Mechanical maintenance engineer at Tata Power's Trombay Thermal Power plant. He was associated with the erection and commissioning of India's first 500 MW thermal unit with multi-fuel firing facility and Quality Assurance and commissioning of second 500MW unit. Mr. Sethi subsequently headed Mechanical Maintenance, Planning and Coal handling plant O and M for 1330 MW Trombay station. He assumed charge of three Hydro power stations of Tata Power in 2004

and in addition, from 2006 he was also responsible for T and D business area. In 2007, as Sr.



General Manager he was heading Commercial Operations covering Regulatory, Corporate Sourcing, Fuel procurement and Customer relations for the License Area-Mumbai. Mr Sethi assumed the charge of Vice President, License Area Operations, Mumbai from 2008. He is responsible for Thermal and Hydro Stations, Load Control Center, Revenue collection, Customer relations, Demand Side Management and Fuel logistic for its thermal plants.

During the above tenure, Mr Sethi has presented number of papers at conferences organized by NITIE, IIPE, NTPC, CII etc.

Mr. Ramesh Subramanyam - Director

Mr. Ramesh Subramanyam is a graduate from Nagpur University. He is a member of Institute of Cost and Works Accountants of India (ICWAI) and Institute of Company Secretaries of India. He has also passed the CPA (Certified Public Accountants) examination of the American Institute of Certified Public Accountants (AICPA).

He is having 20 years of experience in leading companies like Lloyds Steel Limited, Hindustan Lever Limited, Monsanto India Limited. Before joining Tata Power, he worked as Assistant Vice-president, Global Corporate Treasury of Siemens AG.

He joined Tata Power in 2007 as Chief Financial Officer for Coastal Gujarat Power Limited (Mundra UMPP). He is also on the board of other Tata Power Group Companies namely PT Sumber Energi Andalán Tbk, Maithon Power Limited, Indian Energy Limited. He is also the member of core committee of power sector financing of CII.



Ms. Anjali Kulkarni – Director

Ms. Anjali Kulkarni, aged 56 years, is a graduate in Electronics and Telecommunication from Poona University. She has worked with Tata Power since 1979. During the years in Tata Power, she has worked in the areas of Engineering, Project Management, Commissioning and Maintenance of Thermal Power plants.

She currently handles the position of Head - Project Engineering and is responsible for the engineering of the mechanical systems of new Thermal Power plant projects as well as engineering of capital expenditure projects for operating plants.





Mr. Arun Srivastava - Director

Mr. Arun Srivastava has been working within the Power and Infrastructure sectors since 1981 and has a wide exposure in various aspects of project formulation, planning, management and implementation, budgeting and scheduling of numerous projects in the power sector, including policy formulation at the national level for the implementation of private power development in India.

Mr. Arun Srivastava has done his B. Sc in Engineering, (First Division with Distinction) from Bhagalpur College of Engineering (1977 - 1981) and also has attended course on Corporate Governance and Reforms from Princeton University.

Mr. Srivastava has wide experience in managing large power sector reform and restructuring projects involving multi-disciplinary inputs, dealing with multiple stakeholders, consensus building and steering the reform programmes in the planned direction.

He has been involved in the formulation, development and implementation of Private Power Policy of the Government of India (GOI) as well as development of legislation for creation of CERC and SERC. In addition, he has also been involved with the national level planning, project appraisal and resource management of power projects as Consultant to the Power and Energy Division, Planning Commission, and Government of India. He has also been involved in developing a corporate and strategic plan for India's largest power generator, NTPC.



Mr. Puneet Munjal – Director

Mr. Munjal, aged 49 years, is a Bachelor of Commerce (Honours) and a Masters in Business Administration specialising in Finance. Mr. Munjal has around 26 years of experience in the power sector. He brings with him rich experience in diverse areas of Financial Management, Business Development, Regulatory Affairs and Corporate Strategy. Recently, Mr. Munjal moved to Tata Power as Head - Commercial. Starting his career with a leading Public Sector Power Company, viz. NTPC Ltd., he moved to the Private Sector in FY 2001. He joined Tata Power Delhi Distribution Limited in 2003, a Joint Venture of Tata Power and the Government of Delhi and has been associated with the Power Sector Reforms in Delhi since inception. He was part of the core Due Diligence and subsequent Take-over Team for the BSES Discoms in Delhi in July 2002. Mr. Munjal is also actively involved in advocacy and policy formulation in the power sector and is part of various committees / task-forces constituted by Industrial Bodies, etc.



Mr. Sanjeev Mehra – Managing Director

Mr. Sanjeev Mehra is B.Tech (Electrical), and PG Diploma in Business Administration. He has a vast experience of over 30 years in Power Sector. He started his career in NTPC as an Executive Trainee in Electrical Design Department and worked there for almost 9 years. Thereafter he joined Power Grid Corporation of India Limited in the Commercial Department. He has taken various challenges in his previous assignments. When trading of power was conceived and PTC India Limited was formed, he joined it as an initial employee and worked in various functions before joining Tata Power Trading Company Limited as Managing Director in September 2011.

AGM NOTICE

TATA POWER TRADING COMPANY LTD.

NOTICE

The **TWELFTH ANNUAL GENERAL MEETING** of **TATA POWER TRADING COMPANY LIMITED** will be held at shorter notice on Wednesday, the 5th day of August, 2015 at 11.30 a.m. at the Conference Room of The Tata Power Company Limited, Bombay House, 24, Homi Mody Street, Mumbai 400 001, to transact the following business:-

1. To receive, consider and adopt the Audited Financial Statement for the year ended 31st March 2015 together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare a dividend for the financial year 2014-15 on Equity Shares
3. To appoint a Director in place of Mr. Arun Srivastava (DIN: 03547779), who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Mr. R N Subramanyam. (DIN: 02421481), who retires by rotation and is eligible for re-appointment.
5. Ratification of appointment of Statutory Auditors and fixing their remuneration

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-

RESOLVED THAT pursuant to Section 139 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 Rules made thereunder, as amended from time to time, the appointment of M/s Deloitte Haskins and Sells, Chartered Accountants, (ICAI Firm Registration No. 015125N), as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of Thirteenth Annual General

Meeting to conduct audit of the Company for FY2015-16 be and is hereby ratified.

FURTHER RESOLVED THAT the Statutory Auditors be paid such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors plus reimbursement of service tax, travelling and out-of-pocket expenses.”

6. Appointment of Ms. Anjali J Kulkarni as Director

To consider and if thought fit, to pass the following resolution with or without modification as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications) or re-enactments thereof, Ms. Anjali J Kulkarni (DIN: 06993909), who was appointed as an Additional Director under Section 161 of the Companies Act, 2013 (the Act), by the Board of Directors of the Company on 21st October, 2014 and who holds office up to the date of the Twelfth Annual General Meeting and in respect of whom Notice under Section 160 of the Act has been received from a member, signifying its intention to propose Ms. Anjali J Kulkarni as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT Ms. Anjali J Kulkarni be and is hereby appointed in a non-executive capacity and she will not be responsible for the day-to-day affairs of the Company.”

7. Appointment of Mr Puneet Munjal as Director of the Company

To consider and if thought fit, to pass the following resolution with or without modification as an Ordinary Resolution

“RESOLVED that Mr. Puneet Munjal (DIN: 06710641), who was appointed as an Additional Director under Section 161 of the Companies Act, 2013 (the Act), by the Board of Directors of the Company on 21st October 2014 and who holds office up to the date of the Twelfth Annual General Meeting and in respect of whom Notice under Section 160 of the Act has been received from a member, signifying its intention to propose Mr. Munjal as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT Mr. Puneet Munjal be and is hereby appointed in a non-executive capacity and he will not be responsible for the day- to- day affairs of the Company.”

8. Appointment of Mr Seethapathy Chander as Independent Director

To consider and if thought fit, to pass the following resolution with or without modification as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Sections 149 and Section 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications) or re-enactments thereof, Mr Seethapathy Chander (DIN:02336635), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company w.e.f 26th March 2015, not liable to retire by rotation and to hold office for three (3) consecutive years for a term upto 25th March 2018.”

9. Appointment of Mr Piyush Mankad as Independent Director

To consider and if thought fit, to pass the following resolution with or without modification as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Sections 149 and Section 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications) or re-enactments thereof, Mr Piyush Mankad (DIN: 00005001), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company w.e.f 26th March 2015, not liable to retire by rotation and to hold office for 17th November, 2016.

10. Re-appointment of Mr Sanjeev Mehra as Managing Director

To consider and if thought fit, to pass the following resolution with or without modification as an Ordinary Resolution:

“RESOLVED THAT in accordance with the applicable provisions of Companies Act, 2013, the Company hereby approves of the re-appointment and terms of remuneration of Mr.Sanjeev Mehra (DIN: 02626778), who has been re-appointed by the Board of Directors as the Managing Director of the Company for a period of three years w.e.f. 1st September, 2014, upon the terms and conditions laid down in the Agreement submitted to this meeting, which Agreement is hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or Agreement in such manner as may be agreed to between the Board of Directors and Mr. Sanjeev Mehra”.

NOTES:

- a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
- b) A blank proxy form is sent herewith.
- c) The instrument appointing proxy, duly stamped completed and signed, should be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of companies must be supported by appropriate resolution issued on behalf of the nominating companies.
- d) Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company duly certified copy of the relevant Board resolution authorizing such a representative to attend and vote on their behalf at the meeting.
- e) Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business under Item No. 6 to 10 above to be transacted at the meeting is annexed hereto.
- f) All documents referred to in the accompanying Notice and the Explanatory Statement are open to inspection by the members at the Registered office of the Company on all working days up to the date of Annual General Meeting between 11:00 AM and 1:00 PM.
- g) The Record Date for the purpose of payment of dividend would be 30th July, 2015.
- h) In case of Joint Holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

By Order of the Board of Directors,
Sourav Mukherjee
Chief Financial Officer
Noida, 31st July, 2015

Registered Office:

C/o The Tata Power Company Limited
Carnac Receiving Station,
34, Sant Tukaram Road,
Mumbai 400 009.
CIN: U40100MH2003PLC143770

AGM NOTICE

Explanatory Statement

TATA POWER TRADING COMPANY LIMITED

(As required by Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 6 to 10 of the accompanying Notice dated 31st July, 2015.

Item No. 6: Ms. Anjali Kulkarni was appointed as an Additional Director of the Company w.e.f. 21st October 2014, by the Board of Directors under Section 161 of the Act and as per the Article of Association of the Company. In terms of Section 161 of the Act, Ms. Kulkarni holds office only up to the date of forthcoming Annual General Meeting but is eligible for appointment as Director.

Ms. Anjali Kulkarni is a graduate in Electronics and Telecommunication from Poona University. She has been working with Tata Power since 1979. During the years in Tata Power, she has worked in the areas of Engineering, Project Management, Commissioning and Maintenance of Thermal Power plants.

She currently handles the position of Head - Project Engineering and is responsible for the engineering of the mechanical systems of new Thermal Power plant projects as well as engineering of capital expenditure projects for operating plants. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Ms. Anjali Kulkarni for the office of Director of the Company.

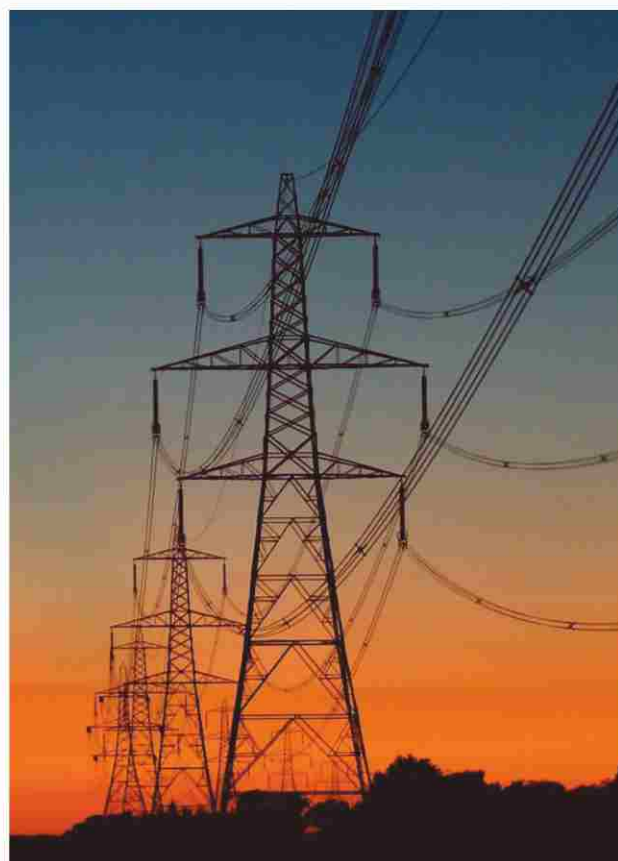
Save and except Ms. Kulkarni and her relatives, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board commends the Ordinary Resolution set out at item No. 6 of the Notice for approval by the members.

Item No. 7: Mr. Puneet Munjal was appointed as an

Additional Director of the Company w.e.f. 21st October, 2014, by the Board of Directors under Section 161 of the Act and as per the Article of Association of the Company. In terms of Section 161 of the Act, Mr. Munjal holds office only up to the date of forthcoming Annual General Meeting but is eligible for appointment as Director.

Mr. Munjal is a Bachelor of Commerce (Honours) and a Masters in Business Administration specialising in Finance. Mr. Munjal has around 26 years of experience in the power sector. He brings with him rich experience in diverse areas of Financial Management, Business Development, Regulatory Affairs and Corporate Strategy. Recently, Mr. Munjal moved to Tata Power as Head - Commercial. Starting his



career with a leading Public Sector Power Company, viz. NTPC Ltd., he moved to the Private Sector in FY 2000-01.

He joined Tata Power Delhi Distribution Limited in 2003, a Joint Venture of Tata Power and the Government of Delhi and has been associated with the Power Sector Reforms in Delhi since inception. He was part of the core Due Diligence and subsequent Take-over Team for the BSES Discoms in Delhi in July 2002. Mr. Munjal is also actively involved in advocacy and policy formulation in the power sector and is part of various committees / task-forces constituted by Industrial Bodies, etc.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Puneet Munjal for the office of Director of the Company.

Save and except Mr. Munjal and his relatives, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

The Board commends the Ordinary Resolution set out at item No. 7 of the Notice for approval by the members.

Item No. 8: In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members. Based on the recommendation of Nomination and Remuneration Committee, Mr. Seethapathy Chander was appointed as Additional Director in independent capacity with effect from 26th March, 2015 subject to the approval of members of the Company. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr Seethapathy Chander for the office of Director of the Company.

Mr. Chander is not disqualified from being appointed as a Director in terms of Section 164 of the Act and had given his consent to act as a Director.

Brief resume of Mr. Seethapathy Chander

Mr. Seethapathy Chander, a B.Tech in Electrical Engineering from the Indian Institute of Technology (Delhi) and a Diploma in Business Management from IGNOU, has over 37 years of professional experience, 15 years at NTPC, India and over 22 years at the Asian Development Bank (ADB) in Manila, Philippines. Joining a fledgling NTPC in 1977 as one of its first batch of 35 engineering executive trainees, he served at its Corporate Planning, Power Systems Design, and Northern Regional Transmission Construction divisions, and as the chief of staff in the office of the Chairman and Managing Director.

He was part of teams that designed, procured, constructed, and commissioned, NTPC's first 400kV transmission lines and substations, and led the design and procurement of NTPC's (and India's) first high voltage direct current (HVDC) systems. At ADB, Mr Chander led the financing of infrastructure in public and private sector operations in Afghanistan, Bangladesh, Bhutan, Cambodia, China, India, Indonesia, Kazakhstan, Laos, the Maldives, Nepal, Sri Lanka, and Uzbekistan. He served as ADB's chief of IT for four years, before becoming the Director General of its Regional and Sustainable Development Department, concurrently serving as its Chief Compliance Officer. He retired from ADB in 2015 as the management's special senior advisor responsible for infrastructure and public private partnerships.

Copy of the draft letter for appointment of Mr. Seethapathy Chander as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

In the opinion of the Board, Mr. Chander fulfils the conditions specified in the Act and rules made thereunder for appointment as Independent Director and he is independent of the management.

Save and except Mr. Seethapathy Chander and his relatives, none of the other Directors/ key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board commends the Ordinary Resolution set out at item No. 8 of the Notice for approval by the members.

Item No. 9: In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members. Based on the recommendation of Nomination and Remuneration Committee, Mr. Piyush Mankad was appointed as Additional Director in independent capacity with effect from 26th March, 2015 subject to the approval of members of the Company. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Piyush Mankad for the office of Director of the Company.

Mr. Mankad is not disqualified from being appointed as a Director in terms of Section 164 of the Act and had given his consent to act as a Director.

Brief resume of Mr. Piyush Mankad

Mr. Mankad is a retired civil servant with a distinguished career of over 40 years in the Civil Services. He graduated with a Masters' degree from St. Stephen's College, Delhi University, and a Post Graduate Diploma in Development Studies from Cambridge University, United Kingdom. He has held a number of official positions including Counsellor (Economic) in the Indian Embassy, Tokyo; Controller of Capital Issues, Ministry of Finance; Finance Secretary, Government of India. He was the Executive Director for India and four other countries and Board Member for the Asian Development Bank, Manila until July 2004.

Copy of the draft letter for appointment of Mr. Piyush Mankad as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

In the opinion of the Board, Mr. Mankad fulfils the conditions specified in the Act and rules made thereunder for appointment as Independent Director and he is independent of the management.

Save and except Mr. Piyush Mankad and his relatives, none of the other Directors/ key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

The Board commends the Ordinary Resolution set out at item No. 9 of the Notice for approval by the members.

Item No. 10: Mr. Sanjeev Mehra was appointed as Managing Director of the Company w.e.f. 2nd September 2011, by the Shareholders of the Company for a period of three years. Accordingly, his term expired on 31st August, 2014. The Board had re-appointed Mr. Sanjeev Mehra for a further period of 3 years w.e.f 1st September, 2014 subject to the approval of shareholders in the annual general meeting.

Mr. Sanjeev Mehra, aged 55 years is B.Tech (Electrical), and PG Diploma in Business Administration. He has a vast experience of over 29 years in Power Sector. He started his career in NTPC as an Executive Trainee in Electrical Design Department and worked there for almost 9 years. Thereafter he joined Power Grid Corporation of India Limited in the Commercial Department. He has taken various challenges in his previous assignments. When trading of power was conceived and PTC India Limited was formed, he joined it as an initial employee and worked in various functions before joining as Managing Director in September 2011.

The Directors are of the view that the re-appointment of Mr. Sanjeev Mehra as the Managing Director will be in the interest of the Company and the remuneration payable to him is commensurate with his ability and experience.

The agreement entered into between the Company and Mr. Sanjeev Mehra as Managing Director contains the following terms and conditions:

Period: From 1st September, 2014 to 31 st August, 2017 Remuneration		
i)	Basic Salary	₹ 2,34,150/- per month
ii)	Accommodation	Company owned / Leased accommodation in which case repairs, maintenance and society charges will be borne by the Company OR House Rent Allowance of 60% of Basic Salary and House Maintenance Allowance of 10% of Basic Salary
iii)	Perquisites and Benefits (overall 55% of Basic Salary) will include:	
	a) Leave Travel Allowance	One month's basic salary per annum, as per rules
	b) Medical	Domiciliary treatment: Reimbursement of medical expenses for self and dependant family at actuals upto ₹ 15,000/- (Rupees Fifteen Thousand only) per annum against medical bills
	c) Allowance	Balance to be paid with salary
iv)	Other Benefits	
	a) Hard Furnishing	₹ 5,00,000/- (Rupees Five Lakh only) once in tenure of service

	b) Others	Reimbursement towards subscription fees for one Club membership and premium for personal accident insurance as per Company rules.
The limits mentioned in iii(a) to iii(c) are interchangeable. All benefits mentioned in items ii and iii above shall be subject to an overall ceiling of 125% of the annual Basic Salary (or 55% of the annual Basic Salary, if Company owned / leased accommodation is provided).		
v)	Food Coupons	₹ 500/- (Rupees Five Hundred only) per month applicable to the location of posting.
vi)	Car	Provision of use of car for official duties OR Disbursement towards car and car related benefits, as applicable to the grade, as per Tata Power's Car policy
vii)	Telephone	Provision for use of telephone at residence for official duty (including payment for local calls and long distance official calls)
viii)	Leave	As per Tata Power's rules
ix)	a) Provident Fund b) Superannuation Fund c) Gratuity	Eligible for Provident Fund, Superannuation Fund and Gratuity benefits as per Tata Power schemes in force and as amended, altered or modified from time to time
x)	Performance linked Pay	At the discretion of Management, eligible for annual Performance linked Pay depending on his performance and other factors as determined by Tata Power from time to time.

The entire remuneration will be paid to Mr. Sanjeev Mehra by The Tata Power Company Limited and subsequently reimbursed to them by the Company.

Other Terms:

1. The eligibility of the above Perquisites and Benefits will be as per Tata Power's existing rules and regulations in force and as amended, altered or modified from time to time.
2. Monthly and Annual Perquisites and Benefits will not be reckoned for any other benefit or remuneration or payment whatsoever including Provident Fund contribution, Superannuation Fund contribution and Gratuity etc.
3. Consolidated Salary and Monthly and Annual Perquisites and Benefits, shall be proportionately deducted on account of absence without leave or authorized absence on loss of pay for any reason.

4. Consolidated Salary, Perquisites and other Benefits will be payable subject to applicable taxes.
5. The Managing Director shall abide by the Tata Code of Conduct during his term.
6. Either party shall be entitled to terminate the Agreement by giving the other party not less than six months notice.
7. Mr. Sanjeev Mehra shall devote the whole of time to the business of the Company and do his utmost to advance its interest and shall exercise all his powers subject to the superintendence and control of the Board of Directors of the Company.
8. Mr. Sanjeev Mehra shall perform such duties and exercise such powers as may be from time to time delegated to him by the Board of Directors of the Company.
9. Mr. Sanjeev Mehra during the currency of the Agreement shall not disclose or give information regarding the affairs of the Company to any other person.
10. Mr. Sanjeev Mehra shall not after the termination of this agreement represent himself as being in any way connected with or interested in the business of the Company.
11. The Company shall be entitled to terminate the Agreement in the event of Mr. Sanjeev Mehra found guilty of misconduct or negligence in the discharge of his duties.
12. Mr. Sanjeev Mehra shall cease to be a Managing Director of the Company if he ceases, for whatever reason, to be a Director of the Company.

Save and except Mr. Sanjeev Mehra and his relatives, none of the other Directors/ key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 10 of the Notice.

The Board commends the Ordinary Resolution set out at item No. 10 of the Notice for approval by the members

By Order of the Board of Directors,

Sourav Mukherjee

Chief Financial Officer

Noida, 31st July, 2015

Registered Office:

C/o The Tata Power Company Limited

Carnac Receiving Station,

34, Sant Tukaram Road,

Mumbai 400 009.

Details of the Directors, seeking appointment/re-appointment at the forthcoming Annual General Meeting

Name of Director	Mr. Arun Kumar Srivastava	Mr. Ramesh N. Subramanyam	Ms. Anjali J Kulkarni
Date of Birth	1 st July, 1956	27 th June, 1969	9 th August, 1958
Date of Appointment	7 th August, 2012	7 th May, 2012	21 st October, 2014
Expertise in functional areas	<p>Mr. Arun Srivastava has been working within the Power and Infrastructure sectors since 1981 and has a wide exposure in various aspects of project formulation, planning, management and implementation, budgeting and scheduling of numerous projects in the power sector, including policy formulation at the national level for the implementation of private power development in India. He has been involved in the formulation, development and implementation of Private Power Policy of the Government of India (GOI) as well as development of legislation for creation of Central Electricity Regulatory Commission (CERC) and State Electricity Regulatory Commission (SERC). In addition, he has also been involved with the national level planning, project appraisal and resource management of power projects as Consultant to the Power and Energy Division, Planning Commission, and Government of India. He has also been involved in developing a corporate and strategic plan for India's largest power generator, NTPC.</p>	<p>Mr. Ramesh N. Subramanyam has more than 23 years of experience in diverse organisations like Lloyds Steel Limited, Hindustan Unilever Limited, Monsanto India Limited and Siemens AG. After joining Tata Power in 2007 he has held various positions within Tata Power. He was Chief Financial Officer for Coastal Gujarat Power Limited (Mundra UMPP), Chief of Finance and Accounting for Indian Subsidiaries of Tata Power and Financial Controller of Tata Power before being appointed as CFO of Tata Power. He is also on the board of several other Tata Power Group Companies. He is also the member of core committee of power sector financing of CIL.</p>	<p>Ms. Anjali Kulkarni, has worked with Tata Power since 1979. During the years in Tata Power, she has worked in the areas of Engineering, Project Management, Commissioning and Maintenance of Thermal Power plants. She currently handles the position of Head - Project Engineering and is responsible for the engineering of the mechanical systems of new Thermal Power plant projects as well as engineering of capital expenditure projects for operating plants.</p>

Name of Director	Mr. Arun Kumar Srivastava	Mr. Ramesh N. Subramanyam	Ms Anjali J Kulkarni
Qualification	A graduate in Engineering, (First Division with Distinction) from Bhagalpur College of Engineering. He also has attended course on Corporate Governance and Reforms from Princeton University.	A graduate in Commerce from Nagpur University. He is a member of the Institute of Cost Accountants of India and Institute of Company Secretaries of India. He has also passed the CPA (Certified Public Accountants) examination of the American Institute of Certified Public Accountants (AICPA).	A graduate in Electronics and Telecommunication from Poon a University.
Terms and Conditions of appointment	Re-appointed as Director.	Re-appointed as Director	Appointed as Woman Director (non executive)
Remuneration	-	-	Only Sitting Fee is paid
Directorships held in other companies	Director of the following Companies <ol style="list-style-type: none"> 1. Powerlinks Transmission Ltd 2. NDPL Infra Company Ltd. 	Director of the following Companies <ol style="list-style-type: none"> 1. Maithon Power Limited 2. Industrial Power Utility Limited 3. Adjaristsqali Netherlands BV 4. Khopoli Investments 5. Bhira Investments 6. Tata Power Solar Systems Limited 7. Bhivpuri Investments 8. Cennergi (Proprietary) Limited 9. Trust Energy Resources Pte Ltd 10. Energy Eastern Pte Ltd 11. Koromkheti Georgia LLC 	

		<p>12. Tata Power Trading Company Limited</p> <p>13. Coastal Gujarat Power Limited</p> <p>14. Tata Power Renewable Energy Limited</p> <p>15. Tata Power Delhi Distribution Limited- Additional director Commissioner of the following Companies</p> <p>a) PT IndocoalKalsel Resources</p> <p>b) PT Kaltim Prima Coal</p> <p>c) PT Arutmin Indonesia</p> <p>d) PT IndocoalKaltim Resources</p> <p>e) PT Baramulti SuksessaranaTbk.</p>	
Committee positions held in other companies	<p>Chairman of the following Committee-</p> <p>1. Powerlinks Transmission Ltd- Nomination and Remuneration Committee</p> <p>Member of the following Committee-</p> <p>1. Powerlinks Transmission Ltd- Corporate Social Responsibility Committee</p>		
Number of Shares held	Nil	One equity share of Rupees Ten jointly with The Tata Power Company Limited.	Nil

Name of Director	Mr. Puneet Munjal	Mr. Seethapathy Chander	Mr Piyush Mankad
Date of Birth	16 th October, 1963	27 th December, 1954	18 th November, 1941
Date of Appointment	21 st October, 2014	26 th March, 2015	26 th March, 2015
Expertise in functional areas	Mr. Munjal, aged 49 years, has around 26 years of experience in the power sector. He brings with him rich experience in diverse areas of Financial Management, Business Development, Regulatory Affairs and Corporate Strategy. Starting his career with a leading Public Sector Power Company, viz. NTPC Ltd., he moved to the Private Sector in FY 20-01. He joined Tata Power Delhi Distribution Limited in 2003, a Joint Venture of Tata Power and the Government of Delhi and has been associated with the Power Sector Reforms in Delhi since inception. He was part of the core Due Diligence and subsequent Take-over Team for the BSES Discoms in Delhi in July, 2002. Mr. Munjal is also actively involved in advocacy and policy formulation in the power sector and is part of various committees / task-forces constituted by Industrial Bodies, etc.	Mr. Seethapathy Chander has over 37 years of professional experience, - 15 years at NTPC, India and over 22 years at the Asian Development Bank (ADB) in Manila, Philippines. Joining a fledgling NTPC in 1977 as one of its first batch of 35 engineering executive trainees, he served at its Corporate Planning, Power Systems Design, and Northern Regional Transmission Construction divisions, and as the chief of staff in the office of the Chairman and Managing Director. He was part of teams that designed, procured, constructed, and commissioned, NTPC's first 400kV transmission lines and substations, and led the design and procurement of NTPC's (and India's) first high voltage direct current (HVDC) systems. At ADB, Chander led the financing of infrastructure in public and private sector operations in Afghanistan, Bangladesh, Bhutan, Cambodia, China, India, Indonesia, Kazakhstan, Laos, the Maldives, Nepal, Sri Lanka, and Uzbekistan.	Mr. Mankad is a retired civil servant with a distinguished career of over 40 years in the Civil Services. He has held a number of official positions including C o u n s e l l o r (Economic) in the Indian Embassy, Tokyo; Controller of Capital Issues, Ministry of Finance; Finance Secretary, Government of India. He was the executive director for India and four other countries and Board Member for the Asian Development Bank, Manila until July 2004.

		He served as ADB's chief of IT for four years, before becoming the Director General of its Regional and Sustainable Development Department, concurrently serving as its Chief Compliance Officer. He retired from ADB in 2015 as the management's special senior advisor responsible for infrastructure and public private partnerships.	
Qualifications	Bachelor of Commerce (Honours) and a Masters in Business Administration specialising in Finance.	B.Tech in Electrical Engineering from the Indian Institute of Technology (Delhi) and a Diploma holder in Business Management from IGNOU,	A graduate with a Masters' degree from St. Stephen's College, Delhi University with a Post Graduate Diploma in Development Studies from Cambridge University, United Kingdom
Terms and Conditions of appointment	Appointed as Non-executive Director.	Given in explanatory statement after Item No. 8	Given in explanatory statement after Item No. 9
Remuneration	-	Only Sitting Fee is paid	Only Sitting Fee is paid
Directorships held in other companies	Tata Power Jamshedpur Distribution Limited	Tata Power Solar System Limited	Tata International Limited, Tata Elsi Limited, DSP Black Rock Investment Managers Private Limited, Mahindra And Mahindra Financial Services Limited, Noida Toll Bridge Company Limited, Heidelberg Cement India LimitedThe Tata Power Company Limited Hindustan Media Ventures Limited

Committee positions held in other companies			
Number of Shares held	Nil	Nil	Nil

Name of Director	Mr. Sanjeev Mehra
Date of Birth	1 st November, 1959
Date of Appointment	2 nd September, 2011
Expertise in functional areas	Mr. Sanjeev Mehra has a vast experience of over 29 years in Power Sector. He started his career in NTPC as an Executive Trainee in Electrical Design Department and worked there for almost 9 years. Thereafter he joined Power Grid Corporation of India Limited in the Commercial Department. He has taken various challenges in his previous assignments. When trading of power was conceived and PTC India Limited was formed, he joined it as an initial employee and worked in various functions before joining Tata Power Trading Company Limited as Managing Director in September 2011.

Name of Director	Mr. Sanjeev Mehra
Qualifications	B.Tech (Electrical), and PG Diploma in Business Administration.
Terms and Conditions of appointment	Re-appointed as Managing Director.
Remuneration	As given separately
Directorships held in other companies	Director of the following Companies 1. Powerlinks Transmission Ltd
Committee positions held in other companies	2. Member of Corporate Social Responsibility of Powerlinks Transmission Ltd.
Number of Shares held	One equity share of Rupees Ten jointly with The Tata Power Company Limited.

ATTENDANCE SLIP

TATA POWER TRADING COMPANY LIMITED

REGISTERED OFFICE: CARNAC RECEIVING STATION, 34, SANT TUKARAM ROAD, MUMBAI 400 009

CIN: U40100MH2003PLC143770

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

(Joint shareholders may obtain additional slip at the venue of the meeting)

Dp id*		Folio No	
Client id*		No of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER

I have recorded my presence at the 12th Annual General Meeting of the Company held on Wednesday, the 5th August, 2015 at 11:30 a.m at Conference Room of The Tata Power Company Ltd, Bombay House, 24, HomiMody Street, Mumbai – 400001.

*Applicable for investors holding shares in electronics form

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

TATA POWER TRADING COMPANY LIMITED

REGISTERED OFFICE : CARNAC RECEIVING STATION, 34, SANT TUKARAM ROAD, MUMBAI 400 009

CIN: U40100MH2003PLC143770

Name of the member(s)		e-mail Id :	
Registered address		Folio No/*Client Id :	
		*DP Id :	

I/We, being the member(s) of _____ shares of TATA POWER TRADING COMPANY LIMITED, hereby appoint:

- 1) _____ of _____ having e-mail id -----or failing him
- 2) _____ of _____ having e-mail id -----or failing him
- 3) _____ of _____ having e-mail id-----

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 12th Annual General Meeting of the Company, to be held on Wednesday, the 5th August, 2015 at 11:30 a.m at Conference Room of The Tata Power Company Ltd, Bombay House, 24, HomiMody Street, Mumbai – 400001, and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above Proxy to vote in the manner as indicated in the box below:

Resolution No	Description of Resolutions	FOR	AGAINST
Ordinary Business			
1.	Consider and adopt Audited Financial Statements, Reports of Board of Directors and Auditors for the Financial Year ended on 31 st March, 2015.		
2.	Declaration of dividend on Equity Shares for the financial year 2014-15.		
3.	Reappointment of Mr. Arun Kumar Srivastava, Director who retires by rotation and being eligible offer himself for reappointment		
4.	Reappointment of Mr. Ramesh N Subramanyam, Director who retires by rotation and being eligible offer himself for reappointment		
5.	Appointment of Statutory Auditors		

Special Business			
6.	Appointment of Ms. Anjali J Kulkarni as Director		
7.	Appointment of Mr. Puneet Munjal as Director		
8.	Appointment of Mr. Seethapathy Chander as Independent Director		
9.	Appointment of Mr. Piyush Mankad as Independent Director		
10.	Re-appointment of Mr. Sanjeev Mehra as Managing Director		

Signed this..... day of.....2015

Affix revenue
stamp

(Signature of shareholder)
(Signature of first proxy holder)
(Signature of second proxy holder)
(Signature of third proxy holder)

Notes:

- (1) **This form of proxy in order to be elective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
- (2) **A Proxy need not be a member of the Company.**
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (4) **** This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.**
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

DIRECTOR'S REPORT

To The Members,

The Directors are pleased to present the Twelfth Annual Report on the business and operations of your Company and the Statements of Account for the year ended 31st March, 2015.

FINANCIAL PERFORMANCE SUMMARY

		(₹ in crore)	
		FY 2014-15	FY 2013-14
A	FINANCIAL RESULTS		
	Units Traded (MUs)	10572	11488
(a)	Revenue from Power Supply	4180.09	4139.20
(b)	Income from Advisory Services/Consultancy	1.12	1.07
(c)	Other Income	5.09	5.72
(d)	Total Income	4186.30	4145.99
(e)	Cost of Power Purchased	4109.54	4057.57
(f)	Operating, Administration and other Finance charges	33.13	29.88
(g)	Total Expenditure	4142.67	4087.45
(h)	Profit Before Tax	43.63	58.54
(i)	Provision for Taxation	14.50	19.34
(j)	Net Profit After Tax	29.13	39.20
(k)	Balance brought forward from previous year	73.08	47.24
(l)	Amount Available for Appropriation	102.21	86.44
B	APPROPRIATIONS		
(m)	Proposed Equity Dividend	8.00	8.00
(n)	Additional Income-tax on Dividend	1.63	1.36
(o)	General Reserve	3.20	4.00
	TOTAL	12.83	13.36
(p)	Balance carried to Balance Sheet	89.38	73.08

1- DIVIDEND

Considering the Company's financial performance, the Directors have recommended a dividend of 5 per share on the paid-up Equity share capital of 1,60,00,000 Equity Shares of ₹ 10/- each for the FY 2014-15 (previous year: ₹ 5/- per share) subject to approval of the shareholders.

2- STATES OF COMPANY'S AFFAIRS

• FINANCIAL

During the year, the Company reported a Profit after Tax (PAT) of ₹ 29.13 crore, as against ₹ 39.20 crore for the previous year, a decline of 26%. The Operating Revenue was higher at ₹ 4181.21 crore, as against ₹ 4140.26 crore mainly on account of higher realization price per unit.

The decrease in profit was due to decline in MUs traded and reduction in trading margin per unit due to competition.

In addition to power trading business, the Company also provided consultancy services for Energy Management. The Company earned revenues of ₹ 1.12 crore from advisory services/consultancy business during the year. The Earnings per share (EPS) has decreased to ₹ 18.20/- as against ₹ 24.50/- in the previous year.

• POWER SECTOR OVERVIEW

India has an installed generation capacity of 267 GW as on 31st March

2015. Generation capacity in the country has been steadily increasing, driven by fresh investments by private players, attracted by a combination of factors such as growing demand for power in tandem with economic growth and creation of a vibrant power market that provides price signals for trading of merchant power. India's generating capacity comprises of 164 GW of coal based capacity, 23 GW of gas based capacity, 41 GW of Hydro capacity, 31 GW of renewable capacity and about 6 GW of nuclear capacity.

In order to meet the increasing demand of power, the Government of India has announced a capacity addition target of 88,537 MW in the XII plan (2013–17). The private sector is expected to add about 53% of this capacity. 22566 MW of generation capacity was added during FY 15 exceeding the target of 17830 MW.

The transmission sector plays an important role in the present power scenario which is characterized by geographical and seasonal diversity factors impacting demand and supply situation by facilitating transfer of power where required. In India, generation and transmission sectors as electricity is treated as concurrent subject. The Indian Power Transmission System is one of the largest integrated electricity transmission networks in the world. Inter-state transmission system (ISTS) in India is continuously expanding with current Inter – Regional Transmission capacity in excess of 46,450 MW. The national transmission grid system is divided into five regional grids i.e. North, East, West, South and the North-east. All the grids are frequency synchronized with commissioning of 765kV S/c Raichur – Sholapur line on 31st December, 2013 creating a single National Grid. The inter-regional power transfer capacity is envisaged to be augmented to about 72,250MW by the end of the XII Plan (2016-17). Southern Region beneficiaries are currently facing acute shortage of power due to corridor constraint in import of power resulting in market splitting and higher prices.

Power Supply position in the country has generally improved during FY 2014-15. The gap between requirement and availability of energy reduced from 3.6% during March 2014 to 2.1% during March 2015 and from 4.2% during FY 2014 to 3.6% during FY 2014-15. The gap between peak demand and supply also reduced from 4.7% during March 2014 to 3.2% during March, 2015.

For improving quality of the power system operation and enhancing security of the national electricity grid, Ministry of Power has already approved total five number of schemes submitted by Kerala, West Bengal, Rajasthan and Powergrid and sanctioned a grant of ₹ 618 Crore from Power System Development Fund (PSDF) for execution thereof. Eight more such schemes with an overall estimated cost of about ₹ 1,161 Crore submitted by the states of Assam, Karnataka, Nagaland, Odisha, Bihar, Uttar Pradesh (2 schemes) and Gujarat have been approved by the Ministry of Power in March, 2015 and sanctioned grant of about ₹ 803 Crore therefore from PSDF. Sanctioned grant will be released in phases based on achievement of prescribed milestones during execution of the schemes. Above projects will contribute to easing transmission constraints to a significant degree.

Electricity traded in the short term power market during FY 2014-15 was 98.98 BUs, 9.48% of total generation; comprising of 4.87% through Bilateral, 2.72% through power exchanges and 1.86% through Unschedule Interchange. There is decline in the volume of short term power market from FY 2014 to FY 2015 by 5.37%. Due to stringent deviation settlement mechanism imposed by Regional Load Despatch Center share of UI market has reduced significantly by 9.40%. In the next year both short term bilateral sale and power exchange Day Ahead Market

(DAM) transactions segments are expected to grow at slow pace. the company is expected to consolidate its position as one of market leaders in both the segments.

While the outlook for power trading is bright in the long term, the sector is currently facing several challenges such as

a. Poor Financial health of Discoms:

Although several states have raised tariffs in the last few years, the financial condition of several distribution entities still remains a matter of concern. Improvement in financial health of Discoms would be crucial to power trading market development. Procurement by discoms on the Case-I route is not progressing as envisaged, due to poor financial condition of the distribution entities. Merchant prices are also dampened as load-shedding is preferred by the discoms against supplying unmet demand of its customers.

b. Lower trading Margins:

The competition has grown fierce due to an increase in the number of CERC licensed traders. Due to this, trading margins are under immense downward pressure.

c. Transmission Constraints:

Power trading was also adversely affected by continued corridor constraints for power flow from ER and WR to SR leading to prevalence of high prices for the customers in the Southern states. During the year, corridor constraints also cropped for power flow from ER and W3 which led to stranding of significant generating capacities in the W3 sub-region. During the monsoon period, constraint is also seen to emerge for power flow to NR.

d. Fuel price risk:

There is an obligation on the Discoms for competitive bidding through Case I or Case II route for power procurement. Such procurement is not progressing as envisaged earlier, since the sellers are unwilling to take fuel price risks and would like it to be built into the tariff. Short term transactions are also becoming unviable with uncertainty on the availability of fuel to generators for sale of power in merchant market.

e. Lack of regulatory clarity for trading of imported power

Although Government of India (GoI) has shifted the subject of import of power from restricted category to free category, existing regulation lack clarity with regard to allowing sale of imported power in power exchange by traders like the company. Your Company is the only trader company who is importing power from Bhutan for sale on short term bilateral. The Company has also filed petition in CERC for allowing the cross-border import of power through power exchange. Considering that India is envisaging import of larger quantum of power from neighbouring countries such as Bhutan and Nepal over long term it is critical to have appropriate regulatory framework in place to facilitate trading of imported power.

f. Traders not being allowed to participate in Case-I bidding

Ministry of Power has revised the norms for competitive bidding process to be followed by Discoms for purchasing power on long term and medium term basis. According to the new norms, power traders are no longer allowed to participate in Case-I bids. This approach is bound to result in lesser competition in the bidding process.

g. Open access not growing:

The unwillingness of Discoms to allow open access to their consumers, in spite of facilitative provisions in Electricity Act, 2003, is acting as a major barrier to further growth and competition in the power trading sector. Growth in power trading can accelerate even further if the transmission corridor constraints, restrictive open access regime being followed in various states, excessive levels of cross subsidy charge are mitigated and do not hamper customer's desire to avail open access power.

• OPERATIONS

Your company was the first company to be granted a license by the Central Electricity Regulatory Commission (CERC) in June, 2004. The Company transacted 10,572 MUs in FY 2015 as compared to 11,448 MUs in the previous year and has shown a Compound Annual Growth Rate (CAGR) of 19.40% over the past five years. The Company was ranked the second largest trader with a market share of 13.10% in states of FY2014-15.

Under the Tata Electricity Account Mate (TEAM) initiative launched by Tata Power, the company is playing a key role for supplying conventional / renewable power to several Tata Group Companies enabling them to achieve energy cost optimization. The Company has also invested in roof top solar installations in Tamil Nadu for Renewable Purchase Obligation (RPO) management.

Your company is the only trading company having regional offices in Hyderabad, Mumbai, Chennai and Noida along with resident representatives in Kolkata and Dehradun.

Your company operates control room at its NOIDA premise and functions on 24x7 on 365 days basis.

In the area of Renewable Energy Certificates (RECs) trading the Company has emerged as one of the largest trader in the REC market during the year.

Dagachhu Hydro Power Project (DHPC) (2X63 MW), a run of the river hydro project located in Bhutan has been implemented under Build, Own, Operate, Transfer (BOOT) model between Druk Green Power Corporation (DGPC) and Tata Power. This is the first project in Bhutan whose power is being sold on short term basis in the Indian markets. Both the units of the project have been commissioned and power is being sold in Indian short term markets on bilateral basis. Your company is trading full power of DHPC in India. The units were commissioned on 20th February, 2015 and 15th March, 2015. The Regulatory issues faced in selling DHPC power in India is covered under point 6.2 of this report.

Your company has sold around 1.26 MUs of energy generated by DHPC project in FY 2014-15.

- **UPGRADING IT INFRASTRUCTURE**

SAP-Sashakt Project:

Your company, being among top three trader in power market and a large contributor in short term power trading and exchange traded power, was in need of a robust IT platform due to increased number of transactions.

SAP Sashakt project is being implemented in TPTCL which has a seamless integration between Marketing, short term operations, Long term power sale, commercial and finance departments. After SAP-Sashakt implementation, your company will be able to book almost zero error transactions and capture complex trades. Project SAP-Sashakt provides enhanced ability to execute more transactions and reduction in manual interventions increasing operational efficiency. This will help your company in centralized data storage and also help in generating various MIS reports and business documents, save them automatically at a common location.

Project Sashakt's GO_LIVE is scheduled in the calendar year 2015.

- **INVESTMENTS**

a. 1.253 MW Sastra Solar Rooftop Project, Tamil Nadu

Your company has set up a 1.253 MW Solar Rooftop Project in Sastra University, Tamil Nadu.

The project was commissioned on 15th March 2015, the Power Purchase Agreement (PPA) of Sastra University with your company is for 15 years.

b. 4 MW Wind Project Rojmal District Gujarat

Your company has set up a 4 MW Wind Power Plant at Rojmal, District Botad, Gujarat. The Gujarat Urja Vikas Nigam limited- (GUVNL) has agreed vide PPA dated 26th March 2015 to buy all the power generated from the project for a term of 25 years. The project has been commissioned on 17th April 2015

c. 3.13 MW Solar Project at Naomundi Jharkhand

You company proposes to implement a 3.13 MW Solar PV power plant at Naomundi in Jharkhand through an Engineering, Procurement and Construction (EPC) contract route and has awarded the turnkey, fixed time-fixed price EPC contracts to Tata Power Solar Systems Limited (TPSS), a wholly owned subsidiary of Tata Power.

The entire power from the Project shall be sold to Tata Steel Limited (TSL) for a period of 15 years. The Company has executed an agreement dated 09th March 2015 with Tata Steel Limited where project is developed, finance, design, construct, own, operate and maintained by your company.

- **FUTURE GROWTH AREAS**

The Amendment of Electricity Act, 2003 proposes Segregation of wire and supply business. With implementation of such amendment, the Company is looking at new business opportunities to open up which would lead to growth in trading volume.

The Company is developing a strategy on cross border trading wherein power is proposed to be traded from / to neighboring countries such as Bangladesh, Nepal and Bhutan. Power Trading with these countries have tremendous potential which would result in increase in trading volume and would also lead to expansion of our business reach geographically.

Exploring trading opportunity in Turkey Electricity Market

Tata Power has invested in Georgia through a SPV formed by Clean Energy Invest AS (CEI), IFC Infra Ventures and Tata Power for the execution of this project.

Adjaristsqali Hydro Project, developed by Adjaristsqali

Georgia LLC (AGL) is a Greenfield run-of-river hydro power project with a total installed capacity of 335 MW. The first phase of project (185 MW) is expected to be commissioned by November 2016.

Power from this project is planned to be sold to Turkey and Georgia. Trading Companies in Turkey are not willing to give any commitment and sale of AGL power will be on best effort basis. Your company is in the process of exploring the possibilities to establish a trading arm in Turkey for sale of AGL power in Georgia and Turkey.

3. RESERVES

Considering the dividend declared the Directors have recommended to transfer ₹ 3,20,00,000 to general reserve for the FY 2014-15 (previous year: ₹ 4,00,00,000/-) subject to approval of the shareholders

4. DIRECTORS AND KEY MANAGERIAL PERSONNEL

• Policy on appointment of directors

Extract on the policy is added as Annexure II, page no. 38.

• Additions

During the period under review, Ms. Anjali Kulkarni and Mr. Puneet Munjal were appointed as Additional Director w.e.f 21st October, 2014 and hold office up to the date of the forthcoming Annual General Meeting. Notice under Section 160(1) of the Companies Act, 2013 (the Act)

has been received from a member proposing their appointment as Directors. The Board now recommends their appointment as Directors liable to retire by rotation.

Subject to the approval of shareholders, Mr. Piyush Mankad and Mr. Seethapathy Chander were appointed as Additional Directors in independent capacity by the Board with effect from 26th March, 2015. Mr Mankad's term will expire on 17th November, 2016 and Mr. Chander has been appointed till 25th March, 2018. Notice under Section 160(1) of the Act has been received from a member proposing their appointment as Independent Directors. The Board now recommends the appointment of Mr. Piyush Mankad and Mr. Seethapathy Chander as independent directors under section 149 of the Companies Act, 2013 in ensuing Annual General Meeting to hold office as stated above with effect from 26th March, 2015.

Mr. Sanjeev Mehra, Managing Director, Mr Sourav Mukherjee, Chief Financial Officer and Ms Ankita Jain, Company Secretary had been designated as Key Managerial Personnel during the year.

Mr. R N Subramanyam and Mr Arun Srivastava are liable to retire by rotation and being eligible to offer themselves for reappointment.

• Retirements/resignations

Mr. S Padmanabhan resigned with effect from 30th June, 2014 from the Board of Tata Power Trading Company Limited

Ms. Ankita Jain, Company Secretary, submitted her resignation to the Board with effect from 20th May, 2015.

• Number of board meetings and dates

The Company confirms the following are the dates of meetings of the Board and Committees thereof during the financial year until the date of this letter:

Annual General Meeting held on 24th July, 2014.

Board of Directors meetings held on 10th April, 2014, 19th May, 2014, 24th July, 2014, 28th August, 2014, 21st October, 2014, 30th January 2015 and 23th March, 2015

Audit Committee, meetings held on 19th May, 2014, 24th July, 2014, 21st October, 2014 and 30th January, 2015

Corporate Social Responsibility (CSR) Committee meetings held on 21st October, 2014 and 17th December, 2014

We confirm the above is a complete list of all shareholder / member meetings, board and committee meetings passed during the FY 2014-15 and till the date of this letter.

- **A statement on declaration given by independent directors under sub-section 149 (7). - All pecuniary relationship or transactions of the non-executive directors vis-à-vis the company**

All independent directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013.

- **The following disclosures shall be made on the remuneration of directors. All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc.**

Added as Annexure VI, page no.48.

- **Committees of the Board**

The Company has the following Committees of the Board; the number of meetings held the committees is also mentioned:

Audit Committee, meetings held on 19th May, 2014, 24th July, 2014, 21st October, 2014, 30th January, 2015

Corporate Social Responsibility (CSR) Committee, meetings held on 21st October, 2014 and 17th December, 2014

5. REGULATORY AND LEGAL

5.1 REGULATORY ENVIRONMENT

The Electricity Act, 2003 is being proposed to be amended and

the Government has proposed draft amendments for the same. One of the main thrust of the amendments is to separate the carriage and content business in distribution sector and have two licensees: Distribution Licensee who will own the lines and Supply Licensee who will be responsible for supply of electricity to the consumers

The following are some of the important regulatory changes in FY2014-15:

- CERC issued its order on 11th September, 2014, notifying an interim arrangement enabling power to be imported from Dagachhu Hydro Power Corporation. The project was commissioned in February, 2015. Your company is importing power from the project and selling it bilaterally to customers under short term contracts. However, your company is not being allowed to sell Dagachhu power in power exchanges. Your company has filed a petition with CERC on 20th February, 2015 for allowing sale of Dagachhu power on power exchanges. First hearing was conducted on 12th March, 2015 wherein CERC directed respondents (NLDC and others) to file their replies. The replies were filed on 27th March, 2015 and the final hearing was conducted on 5th May, 2015. CERC has reserved its order in the case.
- The Electricity (Amendment) Bill, 2014 was introduced in Lok Sabha on 19th December, 2014. The Bills seeks to segregate the distribution network from the electricity supply business and to introduce multiple supply licensees in the market amongst other changes. The Bill was referred to Parliamentary Standing Committee on Energy which is seeking public comments. Your Company actively participated in the public consultation process directly as well as through industry associations.
- Revised Case I and Case II Standard Bidding Documents were issued in 2013 on which several concerns were raised. Ministry of Power initiated the process of relooking at the same. A committee has been constituted to review the documents and recommend changes if any. Your Company has communicated its concerns and suggestions. The revised Case-I documents have been issued, where some of the concerns highlighted by your company have been addressed.
- In addition, CERC issued an order on Extended Market Session on Power Exchanges. CERC vide its order dated 08th April, 2015 directed power exchange to commence round the clock operation within 3 months of date of

issuance of this order. Your Company is adequately prepared to serve its clients to enable them to take advantage of the extended hours.

- CERC has issued draft regulations on Ancillary Services Operations and solicited comments from the stakeholders. The regulations propose to identify capacities which can respond for ensuring grid stability. Your Company has communicated its views and suggestions.
- CERC has issued the draft regulations, where in the renewable sources would be required to schedule their generation. Any deviations from the schedule generation will be penalized. Your Company has submitted its comments on the proposal, stating that the forecasting should be the responsibility of a central agency and any deviation should only be penalized if it is against the forecast of the central agency.
- Central Electricity Regulatory Commission has issued (Sharing of Inter State Transmission Charges and Losses) (Third Amendment) Regulations, 2015 which was to be effective from 01st May, 2015. However, CERC has deferred its implementation. The regulations state that Yearly Transmission Charges (YTC) of the ISTS network shall be based on the Hybrid Methodology (point of connection charge), Reliability Support Charge and HVDC

Charge.

5.2 REGULATORY ORDERS OF RELEVANCE

- **Petition filed by IEX for seeking consent for enabling cross border transactions**

Indian Energy Exchange (IEX) has filed a petition with CERC seeking consent for enabling cross border transactions at IEX. As a consequence of this petition your company has been restricted from selling DHPC power through power exchanges, till CERC decides on the IEX petition. Hearing has been concluded in the matter and CERC has reserved its order.

- **Petition filed by your company for seeking consent for sale of DHPC power on Power Exchanges**

Your company filed a petition on 20th February, 2015 for seeking approvals / direction for sale of DHPC power in Power Exchange by your company. POSOCO has informed CERC that sale of Dagachhu power through exchanges may be allowed only after CERC decides on the issues raised in IEX petition. CERC has completed the hearing in the matter. CERC has observed that while it appreciates the importance and positives of interconnection of various grids, the issue under consideration involves multiple sovereign countries. Hence, it shall request Ministry of Power to give their views at the earliest and will decide after getting the inputs from them.

6. RISK MANAGEMENT FRAMEWORK

Your Company has instituted a Risk Management system to support the delivery of the Company's strategy by managing the risks of failing to achieve business objectives.

By focusing on the early identification of key risks, it enables your Company to conduct a detailed scrutiny of the existing level of mitigation and the further management actions required to either reduce or remove the risk.

On Periodic basis, each functional lead carries out a detailed risk review exercise and updates the risk register. The register ensures consistency of approach in management and reporting of risks. Risk Management framework aims at achieving the following:

- Identify and classify each risk
- Assess the inherent risk impact and likelihood
- Identify mitigation measures

- Identify risk owner who has responsibility for the timely implementation of the agreed mitigation plan; and
- Report on implementation of risk mitigation action plan.

Risk Management Sub Committee (RMSC) Meetings revise management of Risk Management framework annually. Due to rigorous Risk Management system, your company's outstanding is perhaps the lowest in the power trading industry.

7. SUSTAINABILITY

7.1 Safety – Care for our People

Safety Statistics FY 2014-15:

Sl. No.	Safety Parameters (Employees and contractors)	FY 2013-14	FY 2014-15
1	Fatality (Number)	NIL	NIL
2	LTIFR (Lost Time Injuries Frequency Rate per million man hours)	NIL	NIL
3	Total Injuries Frequency Rate (TIFR) (Number of Injuries per million man hours)	NIL	NIL
4	First Aid Cases (Number)	NIL	NIL

7.2 Care for our Community/Community Relations

Your company has a CSR Policy in place, the CSR Committee passed the policy on 21st October, 2015. The CSR budget of your company for FY 2014-15 was ₹.77.0 Lakhs. Your company sponsored two projects in FY 2014-15, one in the area of Child Primary Education in Maithon, Jharkhand and another in the area of Overall Development of Child and Women Empowerment with a focus on livelihood and employability in Shakurpur, New Delhi. The Implementing partners were NGO's and the projects were under the supervision of Maithon Power Limited (MPL) and Tata Power Delhi Distribution Limited (TPDDL) respectively. The details are given in the table. The unspent amount of ₹ 68.60 Lakhs were transferred to Tata Power Community Development Trust (TPCDT) as a grant for the financial year FY 2014-15.

The details of CSR expenses are added as Annexure III, page no. 43

7.3 Care for our Environment

Your Company addresses various aspects of environment conservation such as resource conservation, energy efficiency, renewable energy certificates trading, your Company strives to create environmentally responsible employees by promoting and showcasing individual efforts in green initiatives through Greenolution.

8. HUMAN RESOURCES

Human Resource function of your Company is supported by Tata Power. The employees are therefore covered by the Human Resources Practices and Policies of Tata Power.

9. CREDIT RATING

The Company's short term credit facility from banks was rated as 'A' by India Rating Agency.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The company has not given any loans, guarantee or investment under section 186

11. FOREIGN EXCHANGE EARNINGS AND OUTGO

₹ Crores

Particulars – Standalone	FY2014-15	FY2013-14
Foreign Exchange Earnings mainly on account of interest, dividend	0	0
Foreign Exchange Outflow mainly on account of:		
Fuel purchase	0	0
Interest on foreign currency borrowings, NRI dividends	0	0
Purchase of capital equipment, components and spares and other miscellaneous expenses	0.20	0.18

AUDITORS

M/s Deloitte, Haskins and Sells (DHS), Gurgaon, Chartered Accountants, who are the statutory auditors of your Company, hold office until the conclusion of the forthcoming Annual General Meeting. It is proposed to re-appoint DHS as statutory auditors of the Company from the conclusion of the forthcoming AGM till the conclusion of the Fourteenth AGM to be held in FY 2017-18, subject to ratification of their appointment at every AGM. DHS has, under Section 141 of the Act, furnished a certificate of its eligibility for re-appointment. The Members year on year will be requested, to ratify their appointment as Auditors and to authorize the Board of Directors to fix their remuneration.

AUDITORS' REPORT

Extract of Auditor's report is given in Annexure VII, page no. 59

SECRETARIAL AUDIT REPORT

Extract of Secretarial Auditor's report is given in Annexure VIII, page no.63

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors, based on the representations received from the Management, hereby confirm that –

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- (ii) They have, in the selection of the accounting policies consulted the Statutory Auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (iii) They have taken proper and sufficient care, to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities;

They have prepared the annual accounts on a going concern basis

ACKNOWLEDGEMENTS

The Directors place on record their appreciation to all the Shareholders, Clients, Business Associates and Bankers.

The Directors are thankful to the Ministry of Power, Government of India, CERC, the concerned State Governments and all concerned Statutory Authorities, including Regulatory Authorities for their support, and look forward to their continued support in future.

The Directors wish to convey their appreciation to the employees for their hard work, solidarity, cooperation and support to enable the Company to meet challenges and grow consistently.

On behalf of the Board of Directors,

Mr. S. Ramakrishnan

Chairman

Noida, 31st July, 2015

ANNEXURE I – TECHNOLOGY ABSORPTION

Conservation of Energy: The disclosures required in Form A of Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 pertaining to conservation of energy are not applicable to the Company.

Technology Absorption: Nil

FORM B

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

- Research and Development (R&D)

1	Specific area in which R and D carried out by the Company	Nil
2	Benefits derived as a result of the above R and D	Nil
3	Future Plan of Action	Nil
4	Expenditure on R and D (in ₹ crore) a) Capital b) Recurring c) Total	Nil

- Technology absorption, adaptation and innovation

1	Efforts, in brief, made towards Technology Absorption, adaptation and innovation	Nil
2	Benefits derived as a result of the above efforts	Nil
3	In case of imported technology (imported during the last five years reckoned from the beginning of the financial year), following information may be furnished: a) Technology Imported b) Year of Import c) Has technology been fully absorbed d) If not fully absorbed, areas where this has not taken place, reasons thereof and future plans of action	Nil

1. TECHNOLOGY ABSORPTION - NIL
2. TECHNOLOGIES BEING REVIEWED/ADOPTED - NIL

On behalf of the Board of Directors,

Mr. S. Ramakrishnan
Chairman
Noida, 31st July, 2015

ANNEXURE II – POLICY ON APPOINTMENT OF DIRECTORS AND REMUNERATION POLICY:

1. Objective

1.1 The Policy on Board Diversity ('the Policy') sets out the approach to diversity on the board of directors ('the Board') of Tata Power Trading Company Limited (the company).

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

2. Attributes of directors

The following attributes need to be considered in considering optimum board composition:

i) Gender diversity:

Having at least one woman director on the Board with an aspiration to reach three women directors.

ii) Age:

The average age of Board Members should be in the range of 60 - 65 years.

iii) Competency

The Board should have a mix of members with different educational qualifications, knowledge and with adequate experience in finance, accounting, economics, legal and regulatory matters, the environment, green technologies, operations of the Company's businesses, energy commodity markets and other disciplines related to the Company's businesses.

iv) Independence

The independent Directors should satisfy the requirements of the Companies Act, 2013 (the Act) and the listing agreements in respect of the 'independence' criterion.

Additional Attributes

- The Directors should not have any other pecuniary relationship with the company, its subsidiaries, associates or joint ventures and the company's promoters, besides sitting fees and commission.
- The Directors should not have any of their relatives (as defined in the Act and Rules made thereunder) as Directors or employees or other stakeholders (other than with immaterial dealings) of the Company, its subsidiaries, associates or joint ventures.
- The Directors should maintain an arm's length relationship between themselves and the employees of the Company, as also with the directors and employees of its subsidiaries, associates, joint ventures, promoters and stakeholders for whom the relationship with these entities is material.

- The Directors should not be the subject of allegations of illegal or unethical behaviour, in their private or professional lives.
- The Directors should have ability to devote sufficient time to the affairs of the Company.

3. Role of the Nomination and Remuneration Committee

- 3.1** The Nomination and Remuneration Committee ('the NRC') shall review and assess board composition whilst recommending the appointment or reappointment of Independent Directors.

4. Review of the Policy

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

REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

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

This Remuneration Policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("Act"). In case of any inconsistency between the provisions of law and this Remuneration Policy, the provisions of the law shall prevail and the Company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178(4) of the Act, which are as under:

"(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors of the quality required to run the company successfully;

(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) remuneration to the Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals"

Key principles governing this Remuneration Policy are as follows:

Remuneration for independent directors and non-independent non-executive directors

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

attending Board/ Board Committee Meetings, General Meetings, Court Convened Meetings, Meetings with shareholders/ creditors/ management, site visits, induction and training (organized

b

the company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/ her duties as a director.

Remuneration for Managing Director (“MD”)/ Executive Directors (“ED”)/ KMP/ rest of the employees

- The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be
 - a) Market competitive (market for every role is defined as companies from which the Company attracts talent or companies to which the company loses talent)
 - b) Driven by the role played by the individual,
 - c) Reflective of size of the Company, complexity of the sector/ industry/ company's operations and the Company's capacity to pay,
 - d) Consistent with recognized best practices and
 - e) Aligned to any regulatory requirements.
- In terms of remuneration mix or composition,
 - a) The remuneration mix for the MD/ EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
 - b) Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
 - c) In addition to the basic/ fixed salary, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The Company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through reimbursements or insurance cover and
 - d) Excludes employees covered by any long term settlements or specific term contracts. The remuneration for these employees would be driven by the respective long term settlements or contracts.
 - e) The Company provides retirement benefits as applicable.
 - f) In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the Company provides MD/ EDs such remuneration by way of an annual incentive remuneration/ performance linked bonus subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board. An indicative list of factors that may be considered for determination of the extent of this component are:
 - i) Company performance on certain defined qualitative and quantitative parameters as may be decided by the Board from time to time,
 - ii) Industry benchmarks of remuneration,
 - iii) Performance of the individual.
 - g) The Company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the Company.



Remuneration payable to Director for services rendered in other capacity

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

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

Policy implementation

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

ANNEXURE III – DETAILS OF CORPORATE SOCIAL RESPONSIBILITY SPEND



- Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹ 77.02 Lakhs
- Details of CSR spent during the financial year:
 - a) Total amount spent for the financial year: ₹ 77.02 Lakhs
 - b) Amount unspent, if any;
 - c) Manner in which the amount spent during the financial year is detailed below

S. No.	CSR project or activity identified	Sector in which the project is covered	Project/ Program	Amount Outlay (Budget) project wise	Amount Spent on projects or programs	Cumulative expenditure up to 31 st March, 2015	Amount spent: Direct or through implementation agency
			(Specify local area/ state and district)		Subheads: Direct and Overheads		
1	" Remedial Education Support in Railway affected villages"	Child Primary Education	" Remedial Education Support in Railway affected villages" (Maithon, Jharkhand)	₹ 29.05 Lakhs	Survey, Awareness Generation, Infrastructure for running the center, Teaching Learning Material, Instructors/ Teachers Salary	₹ 4.99 Lakhs	Direct

2	"Sponsoring Vocational Training Center"	1. Overall Development of Child and Women Empowerment 2. Livelihood and Employability	"Vocational Training Center" (Shakurpur, New Delhi)	₹ 6.69 Lakhs	The vocational training courses and remedial education course will have minimum of 220 beneficiaries in a year (160 beneficiaries in Beauty culture and Hair and Care, Computer Training (Hardware and Software) and 60 beneficiaries in Remedial Education / Tutorial course).	₹ 3.17 Lakhs	Direct
3	Workshop on CSR by CII			₹ 0.23 Lakhs	Workshop on CSR by CII	₹ 0.23 Lakhs	Direct
4	"Transfer of Grant to TATA Power Community Development Trust (TPCDT)"	Trust		₹ 68.6 Lakhs	"Transfer Grant to TPCDT for FY 14-15 for community based projects"	₹ 68.6 Lakhs	Direct
5	Total					₹ 77.02 Lakhs	

sd/
(CEO/MD/Director)

sd/
(Chairman CSR Committee)

ANNEXURE IV – RELATED PARTY TRANSACTIONS

- Policy on dealing with related party transactions - <http://tatapowertrading.com/resources/downloads.php>
- Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto (FORM AOC-2)

Details of contracts or arrangements or transactions not at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration	Salient terms including value	Date (s) of approval by the Board	Amount paid as advances, if any
The Tata Power Company Limited (Holding Company)	Lending of Services	9 th January, 2014 to 31 st March, 2015	As per CERC Regulations	30 th January, 2015	Nil
The Tata Power Company Limited (Holding Company)	Lending of Services	1 st February, 2015 to 31 st March, 2016	As per CERC Regulations	30 th January, 2015	Nil
Maithon Power Limited (Fellow Subsidiary)	Purchase of Power	1 st April, 2014 to 31 st March, 2015	As per CERC Regulations	30 th January, 2015	Nil
The Tata Power Company Limited, Mumbai Discom- (Fellow Subsidiary)	Purchase of Power	1 st February, 2015 to 31 st March, 2016	As per CERC Regulations	30 th January, 2015	Nil

The Tata Power Solar System Limited	Purchase of Fixed Assets	26 th September, 2014 to 30 th November, 2014	As per CERC Regulations	30 th January, 2015	Nil
The Tata Power Company Limited (Holding Company)	Reimbursement/ Recovery of expenses	1 st April, 2014 to 31 st March, 2015	As per CERC Regulations	30 th January, 2015	Nil
The Tata Power Company Limited (Holding Company)	Internal Audit Services	31 st January, 2015 to 31 st May, 2015	As per CERC Regulations	30 th January, 2015	Nil
The Tata Power Company Limited (Holding Company)	Leasing of Premises	1 st April, 2014 to 31 st March, 2015	As per CERC Regulations	30 th January, 2015	Nil
The Tata Power Company Limited (Holding Company)	Deputation of Employees	1 st April, 2014 to 31 st March, 2015	As per CERC Regulations	30 th January, 2015	Nil

Details of receipt of commission by a director from holding company or subsidiary company

ANNEXURE V – LOANS, GUARANTEES, SECURITIES AND INVESTMENTS MADE

Nature of transaction (whether Loan/ Guarantee/ Security/ Acquisition)	Name of Person/ Body Corporate (recipient)	Amount of Loan/ Security/ Acquisition/ Guarantee	Tenure	Purpose of proposed utilization by recipient	Loans		Guarantees	Securities	Acquisitions	Terms and conditions	Whether prejudicial to interest of the company
					Rate of Interest	Date of maturity					
None											

ANNEXURE VI – ANNUAL RETURN

Extract of annual return as per format prescribed Form No. MGT9

FORM NO. MGT9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31st March, 2015
Pursuant to Section 92(3) of the companies Act, 2013 and rule 12(1) of the company (Management and Administration) Rules, 2014

I REGISTRATION and OTHER DETAILS:

i	CIN	U40100MH2003PLC143770
ii	Registration Date	31 st December, 2003
iii	Name of the Company	TATA POWER TRADING COMPANY LTD
iv	Category/Sub-category of the Company	PUBLIC COMPANY
v	Address of the Registered office and contact details	CARNAC RECEIVING STATION, 34 SANT TUKARAM ROAD, MUMBAI, MAHARASHTRA
vi	Whether listed company	NO
vii	Name, Address and contact details of the Register and Transfer Agent, if any.	

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL NO	Name and Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Power		

III PARTICULARS OF HOLDING, SUBSIDIARY and ASSOCIATES COMPANIES

SL NO	Name and Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATES	% of Shares Held	Applicable Section
1	The Tata Power Company Ltd.	L28920MH1919PLC 000567	HOLDING	100%	Section 2(46)

III SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Enquiry)

Category of Share holders	No. of Share held at the beginning of the year				No. of Share held at the end of the year				% change during the year	
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares		
A. Promoters										
(1) Indian										
(a) Individual/HUF										
(b) Central govt. or State govt.										
(c) Bodies Corporates	0	160,00,000	160,00,000	100%	0	160,00,000	160,00,000	100%	0%	0%
(d) Bank/FI										
(e) Any other										
SUB TOTAL:(A) (1)	0	160,00,000	160,00,000	100	0	160,00,000	160,00,000	100	0%	0%
(2) Foreign										
(a) NRI - Individuals										
(b) Other Individuals										
(c) Bodies Corp.										
(d) Bank/FI										
(e) Any other										
SUB TOTAL:(A) (2)	0	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	0	160,00,000	160,00,000	100	0	160,00,000	160,00,000	100	0%	0%

B. PUBLIC SHAREHOLDING											
(1) Institutions											
(a) Mutual Funds											
(b) Bank/FI											
(c) Central govt.											
(d) State govt.											
(e) Venture Capital Fund											
(f) Insurance Comp.											
(g) FIIS											
(h) Foreign Venture Capital Funds											
(i) Other (Specify)											
SUB TOTAL:(B) (1)											
(2) Non Institutions											
(a) Bodies Corp.											
(i) Indian											
(ii) Overseas											
(b) Individuals											
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakhs											
(ii) Individual shareholders holding nominal share capital excess ₹ 1 lakhs											
(c) Other (Specify)											
SUB TOTAL:(B) (2)											
Total Public Share holding (B)=(B)(1) + (B)(2)											
C. Shares held by Custodian for GDRs and ADRs											
Grand Total (A+B+C)	0	160,00,000	160,00,000	100%	0	160,00,000	160,00,000	100%	0%	0%	

(ii) SHARE HOLDING OF PROMOTERS

S. NO	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged	No. of shares	% of total shares of the company	% of shares pledged	
1	The Tata Power Company Ltd	15999994	100%	0%	15999994	100%	0%	NIL
2	The Tata Power Company Ltd and Mr S Ramakrishnan	1	0%	0%	0	0%	0%	100%
3	The Tata Power Company Ltd and Mr A S Bapat	1	0%	0%	1	0%	0%	NIL
4	The Tata Power Company Ltd and Mr H M Mistry	1	0%	0%	1	0%	0%	NIL
5	The Tata Power Company Ltd and Mr Sanjay Dube	1	0%	0%	1	0%	0%	NIL
6	The Tata Power Company Ltd and Mr Deepak Mahendar	1	0%	0%	1	0%	0%	NIL
7	The Tata Power Company Ltd and Mr S Padmanabhan	1	0%	0%	0	0%	0%	100%
8	The Tata Power Company Ltd and Mr Sanjeev Mehra	0	0%	0%	1	0%	0%	100%
9	The Tata Power Company Ltd and Mr R N Subramanyam	0	0%	0%	1	0%	0%	100%
	Total	16000000	100%	0%	16000000	100%	0%	

(iii) **CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)**

S. NO	Name Shareholders	Shareholding at the beginning of the year		Reason	Increase/Decrease in Promoters' shareholding during the year			Cumulative Share holding during the year
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	The Tata Power Company Ltd	15999994	100%	No Change	0	0%	15999994	100%
2	The Tata Power Company Ltd and Mr S Ramakrishnan	1	0%	Transfer to another promoter	-1	0%	0	0%
3	The Tata Power Company Ltd and Mr A S Bapat	1	0%	No Change	1	0%	1	0%
4	The Tata Power Company Ltd and Mr H M Mistry	1	0%	No Change	1	0%	1	0%
5	The Tata Power Company Ltd and Mr Sanjay Dube	1	0%	No Change	1	0%	1	0%
6	The Tata Power Company Ltd and Mr Deepak Mahendar	1	0%	No Change	1	0%	1	0%
7	The Tata Power Company Ltd and Mr S Padmanabhan	1	0%	Transfer to another promoter	-1	0%	0	0%
8	The Tata Power Company Ltd and Mr Sanjeev Mehra	0	0%	Transfer to another promoter	1	0%	1	0%
9	The Tata Power Company Ltd and Mr R N Subramanyam	0	0%	Transfer to another promoter	1	0%	1	0%

(iv) **Shareholding pattern of top ten shareholders other than directors, Promoters and Holders of GDRs ADRs**

S. NO	Shareholding at the beginning of the year		Reason	Increase or decrease in		Cumulative share holding during	
	No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
	NIL*	NA				NIL	NA

* All Shareholders are in the category of Promoters/Directors

(v) **Shareholding of Directors and key Managerial Personnel**

S. NO	Name Shareholders	Shareholding at the beginning of the year		Reason	Increase/Decrease in			Cumulative Share holding
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr S Ramakrishnan (Second Joint Holder)	1	0%	Transfer to another promoter	-1	0%	0	0%
2	Mr Sanjeev Mehra Second Joint Holder	0	0%	Transfer to another promoter	1	0%	1	0%

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	3486,92,762	-	-	3486,92,762
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	3486,92,762			3486,92,762
Change in Indebtedness during the financial year				
Additions	150078,84,767			150078,84,767
Reduction	128376,55,690			128376,55,690
Net Change	21702,29,077			21702,29,077
Indebtedness at the end of the financial year				
(i) Principal Amount	25189,21,839			25189,21,839
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	25189,21,839			25189,21,839

(vi) **REMUNERATION OF DIRECTOR AND KEY MANAGERIAL PERSONNEL**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S. NO	Particular of Remuneration	Name of MD/WTG/ Manager	Total Amount
		Mr. Sanjeev Mehra	
1	Gross Salary	In ₹	In ₹
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	13,266,153.04	13,266,153.04
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	57,922.00	57,922.00
	(c) Profits in lieu of salary u/s 17(3) of the Income-tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission - as % of profit - others, specify	NIL	NIL
5	Others, please specify	NIL	NIL
	Total (A)	133,24,075.04	133,24,075.04
	Ceiling as per the Act	(being 5% of net profits of the Company calculated as per Section 198 of the Companies Act 2013)	

B. Remuneration to other directors:

S. NO	Particular of Remuneration	Name of Directors			Total Amount
1	Independent Directors				
	(a) Fee for attending board committee meetings	NIL			
	(b) Commission	NIL			
	(c) Other, please specify				
	Total (1)				
2	Other Non Executive Directors				
	(a) Fee for attending board committee meetings	NIL			
	(b) Commission	NIL			
	(c) Other, please specify	NIL			
	Total (2)				
	Total (B) = (1+2)				
	Total Managerial Remuneration*				133,24,075
	Overall Ceiling as per the Act.				

A. Remuneration to Key Managerial Personnel* Other than Managing Director/ Manager / Whole Time Director

S. NO	Particular of Remuneration			
		Company Secretary	CFO	Total Amount
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,02,000	27,35,651	29,37,651
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	NIL	4,37,888	4,37,888
	(c) Profits in lieu of salary u/s 17(3) of the Income-tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission - as % of profit - others, specify	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL
	Total	2,02,000	31,73,538	33,75,538

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty		Nil			
Punishment		Nil			
Compounding		Nil			
OTHER OFFICERS IN DEFAULT					
Penalty		Nil			
Punishment		Nil			
Compounding		Nil			

ANNEXURE VII – AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TATA POWER TRADING COMPANY LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **TATA POWER TRADING COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit

evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

For **Deloitte Haskins and Sells**
Chartered Accountants
(Firm's Registration No.015125N)
Sd/-

Alka Chadha
Partner
(Membership No. 93474)
Noida, 12th May, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. In respect of its fixed assets:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The fixed assets were physically verified during the previous year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- ii. The Company is in the business of power. Accordingly it does not hold any physical inventories. Thus, provisions of clause 3(ii) of the Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- v. According to the information and explanations given to us, the Company has not accepted any deposit during the year.
- vi. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act for the Company. Accordingly, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - a. The Company has been regular in depositing undisputed statutory dues, including Income-tax, Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. We are informed that the provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employees' State Insurance Act, 1948 are not applicable to the Company and the operations of the Company during the year did not give rise to any liability for Sales Tax, Wealth Tax, Customs Duty, Excise Duty and Value Added Tax.
 - b. There were no undisputed amounts payable in respect of Income Tax, Service Tax, Cess and other material statutory dues in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable. We are informed that the provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employees' State Insurance Act, 1948 are not applicable to the Company and the operations of the Company during the year did not give rise to any liability for Sales Tax, Wealth Tax, Customs Duty, Excise Duty and Value Added Tax.
 - c. There are no dues of Income Tax, Service Tax and Cess which have not been deposited as on 31st March, 2015 on account of disputes. We are informed that the operations of the Company

during the year did not give rise to any liability for Sales Tax, Wealth Tax, Customs Duty, Excise Duty and Value Added Tax.

- d. There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.
- viii. The Company does not have accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- ix. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company has neither taken any loans from financial institutions nor has it issued any debentures.
- x. According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks and financial institutions.
- xi. In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.
- xii. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **Deloitte Haskins and Sells**

Chartered Accountants

(Firm's Registration No. 015125N)

Sd/-

Alka Chadha

Partner

(Membership No. 93474)

Noida, 12th May, 2015

ANNEXURE VIII – SECRETARIAL AUDIT REPORT

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015

(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,

The Members,

TATA POWER TRADING COMPANY LIMITED

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

Based on our verification of the Tata Power Trading Company Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by Tata Power Trading Company Limited for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Other laws applicable to the Company as per the representations made by the Company.

Secretarial Standards of The Institute of Company Secretaries of India with respect to board and general meetings was not applicable for the period under review.

During the period under review and as per the explanations and representations made by the management

and subject to clarifications given to us the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors as on 31st March, 2015. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice for the Board/Committee Meetings was given at least seven days in advance to the directors for holding the Board Meetings during the year. Agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously.

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

We further report that during the audit period there were no major events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For **Parikh and Associates**

Company Secretaries

Place: Mumbai

Sd/-

Signature:

Mitesh Dhabliwala

Partner

ACS No: 24539CP No: 9511

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

'Annexure A'

To,

The Members

Tata Power Trading Company Limited

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Parikh and Associates**

Company Secretaries

Place: Mumbai

Sd/-

Signature:

Mitesh Dhabliwala

Partner

ACS No: 24539CP No: 9511

Date: 31st July, 2015

TATA POWER TRADING COMPANY LIMITED

BALANCE SHEET AS AT

31st March, 2015

	Notes	As at 31.03.2015 ₹	As at 31.03.2014 ₹
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share capital	3	16,00,00,000	16,00,00,000
(b) Reserves and surplus	4	1,23,82,71,924	1,04,32,97,041
		1,39,82,71,924	1,20,32,97,041
2. Non-Current Liabilities			
(a) Long-term borrowings	5	6,30,00,000	-
(b) Deferred tax liabilities (net)	6	5,39,000	-
		6,35,39,000	-
3. Current Liabilities			
(a) Short-term borrowings	7	2,45,59,21,839	34,86,92,762
(b) Trade payables	8	2,68,93,01,172	2,16,08,63,786
(c) Other current liabilities	9	38,68,17,337	18,89,00,738
(d) Short-term provisions	10	11,25,82,520	11,61,41,512
		5,64,46,22,868	2,81,45,98,798
Total		7,10,64,33,792	4,01,78,95,839
II. ASSETS			
1. Non-current Assets			
(a) Fixed Assets			
(i) Tangible assets	11	9,33,23,090	45,21,457
(ii) Intangible assets	11	50,48,652	70,02,969
(iii) Capital work-in-progress		35,59,95,138	-
(iv) Intangible assets under development		2,54,72,290	-
		47,98,39,170	1,15,24,426
(b) Non-current investments	12	3,00,00,000	3,00,00,000
(c) Deferred tax assets (net)	13	-	2,04,05,900
(d) Long-term loans and advances	14	67,86,800	73,18,701
		51,66,25,970	6,92,49,027
2. Current Assets			
(a) Trade receivables	15	5,27,77,25,091	2,66,61,48,382
(b) Cash and cash equivalents	16	3,42,92,381	63,93,359
(c) Short-term loans and advances	17	4,94,71,922	4,35,96,904
(d) Other current assets	18	1,22,83,18,428	1,23,25,08,167
		6,58,98,07,822	3,94,86,46,812
Total		7,10,64,33,792	4,01,78,95,839
See accompanying notes forming part of the financial statements	1-31		

In terms of our report attached.
For **Deloitte Haskins and Sells**
Chartered Accountants
Alka Chadha, Partner
Noida 12th May, 2015

For and on behalf of the Board of Directors
S. Ramakrishnan - Chairman
Sanjeev Mehra - Managing Director
Ankita Jain - Company Secretary
Sourav Mukherjee - Chief Finance Officer
Noida 12th May, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

31st March, 2015

	Notes	As Year ended 31.03.2015 ₹	As Year ended 31.03.2014 ₹
1. Revenue from operations	19	41,81,20,57,705	41,40,26,46,076
2. Other income	20	5,08,70,751	5,71,95,036
3. Total revenue (1+2)		41,86,29,28,456	41,45,98,41,112
4. Expenses			
(a) Cost of power purchased		41,69,95,20,324	41,27,81,55,455
Less : Cash discount earned		(60,41,18,907)	(70,24,78,476)
		41,09,54,01,417	40,57,56,76,979
(b) Compensation expenses / (income) (net)			
Compensation incurred		9,98,09,636	1,69,11,171
Less: Compensation earned		(9,99,86,651)	(1,65,59,909)
		(1,77,015)	3,51,262
(c) Finance costs	21	11,60,45,527	12,41,77,495
(d) Depreciation and amortisation expense	11	48,12,080	33,67,184
(e) Other expenses	22	21,06,30,546	17,08,06,869
Total expenses		41,42,67,12,555	40,87,43,79,789
5. Profit before tax (3-4)		43,62,15,901	58,54,61,323
6. Tax expenses			
Current tax expense for current year		12,40,10,000	14,36,50,000
Deferred tax		2,09,44,900	4,97,79,100
Total tax expense		14,49,54,900	19,34,29,100
7. Profit for the year (5-6)		29,12,,61,001	39,20,32,223
8. Earnings per equity share	28	18.20	24.50
[face value of share ₹ 10 each]			
Basic and diluted			
See accompanying notes forming part of the financial statements	1-31		

In terms of our report attached.
For **Deloitte Haskins and Sells**
Chartered Accountants

Alka Chadha, Partner
Noida 12th May, 2015

For and on behalf of the Board of Directors

S. Ramakrishnan -Chairman
Sanjeev Mehra - Managing Director
Ankita Jain- Company Secretary
Sourav Mukherjee - Chief Financial Officer
Noida 12th May, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED

31st March, 2015

	As at 31.03.2015 ₹	As at 31.03.2014 ₹
A. Cash flow from operating activities		
Net Profit before taxes	43,62,15,901	58,54,61,323
Adjustments for:		
Depreciation / amortisation expenses	48,12,080	33,67,184
Finance costs	11,60,45,527	12,41,77,495
Loss on sale of fixed assets	1,39,969	-
Interest income	(2,60,239)	(43,80,704)
Liabilities no longer required written back	(53,55,490)	(87,78,832)
Dividend income	(1,74,83,541)	(1,64,21,965)
Profit on sale of investments	(1,38,892)	-
Provision for doubtful trade receivables and advances / (written back)	(2,72,74,131)	(2,75,02,557)
Operating profit before working capital changes	50,67,01,184	65,59,21,944
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(2,58,97,90,103)	(15,57,34,500)
Short-term loans and advances	(3,87,493)	16,72,23,467
Other current assets	41,89,739	-
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	53,37,92,876	(81,13,81,165)
Other current liabilities	2,76,06,948	81,43,928
Cash generated from operations	(1,51,78,86,849)	(20,58,26,326)
Taxes paid	(12,97,27,209)	(15,00,89,713)
Net cash used in operating activities A	(1,64,76,14,058)	(35,59,16,039)
B. Cash flow from investing activities		
Purchase of fixed assets	(30,30,08,617)	(2,68,249)
Proceeds from sale of fixed assets	51,475	-
Purchase of current investments	(26,07,94,83,543)	(19,69,64,21,778)
Proceeds from sale of current investments	26,07,96,22,435	19,69,64,21,778
Purchase of non-current investments	-	(3,00,00,000)
Bank balances not considered as cash and cash equivalents	-	13,20,00,000
Interest received	2,60,239	53,41,425
Dividend received	1,74,83,541	1,64,21,965
Net cash / (used in) investing activities B	(28,50,74,470)	12,34,95,141
C. Cash flow from financing activities		
Proceeds from long-term borrowings	6,30,00,000	-
Proceeds/(Repayment) of short-term borrowings-bank overdraft	(4,98,92,762)	4,86,92,762
Proceeds from other short-term borrowings	14,94,48,84,767	12,54,70,35,348
Repayment of other short-term borrowings	(12,78,89,62,928)	(12,74,70,35,348)
Interest paid	(10,50,61,612)	(11,87,04,846)
Bank charges paid	(1,09,83,915)	(89,12,377)
Dividend paid	(8,00,00,000)	(4,80,00,000)
Tax on dividend	(1,35,96,000)	(81,57,600)
Net cash from / (used in) financing activities C	1,96,05,87,550	33,50,82,061
D. Net decrease in cash and cash equivalents (A+B+C)	2,78,99,022	(56,75,02,959)
E. Cash and cash equivalents at the beginning of the year	63,93,359	57,38,96,318
F. Cash and cash equivalents at the end of the year 16	3,42,92,381	63,93,359

In terms of our report attached.
For **Deloitte Haskins and Sells**
Chartered Accountants
Alka Chadha, Partner
Noida 12th May, 2015

For and on behalf of the Board of Directors
S. Ramakrishnan - Chairman
Sanjeev Mehra - Managing Director
Ankita Jain - Company Secretary
Sourav Mukherjee - Chief Finance Officer
Noida 12th May, 2015

TATA POWER TRADING COMPANY LIMITED

ACCOUNTING POLICIES

Note 1 Background:

Tata Power Trading Company Limited is a wholly owned subsidiary of The Tata Power Company Limited. The Company is engaged in the business of trading of electricity across the country. Central Electricity Regulatory Commission (CERC) has granted Category "F" certificate to the Company for purposes of power trading, which allows the Company to trade power units without any quantitative restrictions. The Company sources power from different public and private sectors utilities and supplies to various consumers being public and private sectors power utilities. Further, the Company also provides consultancy services relating to procurement/sale of power, coal and Clean Development Mechanism (CDM) advisory services.

Note 2 Significant Accounting Policies:

(a) Basis of Preparation of Financial Statements:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act / 2013 Act, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

(b) Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the periods in which the results are known / materialise.

(c) Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation, amortisation and impairment loss if any. Cost includes purchase price, borrowing costs and all other applicable expenses incurred to bring the assets to its present location and condition.

(d) Depreciation:

Schedule II of the Companies Act, 2013 came into effect from 1 April, 2014, accordingly Schedule XIV of the Companies Act, 1956 ceased to exist effective from 1 April, 2014. The carrying amount of assets as on that date have been depreciated on Straight Line Method (SLM) over the remaining useful life of the assets as per Schedule II of the Companies Act, 2013 except in the case of vehicles, where the remaining life has been revised as 4 years based on the evaluation made by the management.

(e) Cash flow statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(f) Investments:

Long term investments are carried at cost, less provision for diminution other than temporary, if any, in the value of such investments. Current investments are carried at lower of cost and fair value.

(g) Revenue Recognition:

- (i) Revenue from sale of power is accounted for based on rates agreed with the customers and is inclusive of trading margin.
- (ii) For sale of power under banking arrangements only margin earned on the transactions is accounted for as revenue.

- (iii) Revenue in the nature of advisory services rendered towards finalisation of power purchase agreements, CDM services, load management etc. is recognised when the fees are determined under the terms of respective agreements.
- (iv) Delayed payment charges for power supply on grounds of prudence are recognised when recovery is virtually certain.
- (v) Compensation recoverable from customers/suppliers for default in purchase/sale of power is accrued as determined under the terms of respective agreements and acknowledged by customers/suppliers.

(h) Segment Reporting:

As the Company's business activity consists only of Power Trading and related consultancy activities, as such there are no separate reportable segments as per the requirements of Accounting Standard (AS-17) "Segment Reporting" as notified under the Companies (Accounting Standards) Rules, 2006.

(i) Taxes on Income:

Current tax is determined as the amount of tax payable in respect of taxable income for the year in accordance with the provisions of the Income Tax Act, 1961. Deferred tax, which is computed on the basis of enacted / substantively enacted rates, is recognized, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Where there is unabsorbed depreciation or carry forward loss, deferred tax assets are recognised only if there is reasonable certainty of realization of such assets. Other deferred tax assets are recognised only to the extent there is virtual certainty of realization in future.

(j) Provision, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in financial statements.

(k) Operating Cycle

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

31st March, 2015

Note 3 Share capital

	As at 31.03.2015		As at 31.03.2014	
	Nos.	₹	Nos.	₹
Authorised				
Equity shares of ₹10 each	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000
6% Non cumulative redeemable preference shares of ₹10 each	1,80,00,000	18,00,00,000	1,80,00,000	18,00,00,000
	3,80,00,000	38,00,00,000	3,80,00,000	38,00,00,000
Issued, subscribed and fully paid-up				
Equity shares of ₹10 each fully paid	1,60,00,000	16,00,00,000	1,60,00,000	16,00,00,000
Total issued, subscribed and fully paid-up share capital	1,60,00,000	16,00,00,000	1,60,00,000	16,00,00,000
a. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:				
	As at 31.03.2015		As at 31.03.2014	
Equity shares	Nos.	₹	Nos.	₹
At the beginning and at the end of the year	1,60,00,000	16,00,00,000	1,60,00,000	16,00,00,000
b. Terms/rights attached to equity shares				
The Company has one class of equity shares having a par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportionate to the number of equity shares held by the shareholders.				
c. Shares held by holding company				
16,000,000 shares (31 st March, 2014 - 16,000,000 shares) being entire share capital is held by the The Tata Power Company Limited.				
d. Details of shares held by each shareholders holding more than 5% shares				
Out of equity shares issued by the Company, shares held by its holding company are as below:				
	As at 31.03.2015		As at 31.03.2014	
	Nos.	% holding in the class	Nos.	% holding in the class
Equity shares of ₹10 each fully paid				
The Tata Power Company Limited holding company	1,60,00,000	100%	1,60,00,000	100%

Note 4 Reserves and surplus

	As at 31.03.2015	As at 31.03.2014
Securities premium account		
Opening and closing balance	20,89,50,000	20,89,50,000
General reserve		
Opening balance	10,35,00,000	6,35,00,000
Add: Amount transferred from surplus in Statement of Profit and Loss	3,20,00,000	4,00,00,000
Closing balance	13,55,00,00	10,35,00,000
Surplus in Statement of Profit and Loss		
Opening balance	73,08,47,041	47,24,10,818
Add: Profit for the year	29,12,61,001	39,20,32,223
Less: Proposed dividend (amount per share ₹5 (31 March 2014 - ₹5))	8,00,00,000	8,00,00,000
Less: tax on proposed dividend	1,62,86,118	1,35,96,000
Less: Transfer to general reserve	3,20,00,000	4,00,00,000
Closing surplus in Statement of Profit and Loss	89,38,21,924	73,08,47,041
	1,23,82,71,924	1,04,32,97,041

Note 5 Long-term borrowings

	As at 31.03.2015	As at 31.03.2014
Term loan from Kotak Mahindra bank (Secured) (See note below)	6,30,00,000	-
Note:		

Term loan from Kotak Mahindra Bank has interest rate of 10.7% per annum and is secured by first charge by way of hypohecation of Company's moveables including book-debts, bills, outstanding monies, receivables, both present and future ranking pari-passu with other participating banks. The loan is repayable in 36 quarterly equal installments commencing from 30th June, 2016.

Note 6 Deferred tax liability (net)

Deferred tax liability (A)		
On difference between book balance and tax balance of fixed	1,31,93,454	-
Deferred tax assets (B)		
Provision for doubtful trade receivables and advances	1,26,54,454	-
Deferred tax liability (net) (A-B)	5,39,000	-

Note 7 Short-term borrowing

	As at 31.03.2015	As at 31.03.2014
Inter corporate deposit from the holding company - on demand (Unsecured)	-	30,00,00,000
Term loan from banks (Secured) (See note below)	2,45,59,21,839	-
Bank overdraft (Secured) (See note below)	-	4,86,92,762
	2,45,59,21,839	34,86,92,762
Details of Term loan from banks		
ICICI Bank	1,25,03,26,217	-
Kotak Mahindra Bank	63,27,85,021	-
HDFC Bank	57,28,10,601	-
Note:		

Secured by first charge by way of hypohecation of Company's moveables including book-debts, bills, outstanding monies, receivables, both present and future ranking pari-passu with other participating banks.

Note 8 Trade Payables

	As at 31.03.2015	As at 31.03.2014
Other than acceptances (See note 23)	2,68,93,01,172	2,16,08,63,786

Note 9 Other current liabilities

	As at 31.03.2015	As at 31.03.2014
Statutory liabilities (withholding taxes, service tax etc.)	1,91,54,191	1,20,42,535
Payables on purchase of fixed assets	17,03,09,651	-
Security deposits from customers	14,26,74,088	11,52,63,863
'Security deposits from vendors	50,56,995	50,56,995
Advances from customers	4,85,50,699	5,06,92,373
Other liabilities	10,71,713	58,44,972
	38,68,17,337	18,89,00,738

Note 10 Short-term provisions

	As at 31.03.2015	As at 31.03.2014
Other provisions		
Provision for tax (net of advance tax ₹ 348,543,084 (as at 31 st March, 2014 - ₹ 268,854,490))	1,62,96,402	2,25,45,512
Proposed dividend	8,00,00,000	8,00,00,000
Provision for tax on proposed dividend	1,62,86,118	1,35,96,000
	11,25,82,520	11,61,41,512

Note 11 Fixed Assets

(All Amount in ₹)

	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK
	As at 01.04.2014	Additions	Disposals	As at 31.03.2015	As at 01.04.2014	For the Year	Eliminated on disposal of assets	As at 31.03.2015	
Tangible assets									As at 31.03.2015
Plant and equipment	67,48,547 65,11,378	9,18,48,027 2,37,169	10,19,711 -	9,75,76,863 67,48,547	46,31,681 36,87,842	19,43,647 9,43,839	8,28,267 -	57,47,061 46,31,681	9,18,29,802 21,16,866
Furniture and fixtures	9,74,424 9,74,424	- -	- -	9,74,424 9,74,424	7,19,034 4,94,706	9,208 2,24,328	- -	7,28,242 7,19,034	2,46,182 2,55,390
Office equipment	16,79,760 16,48,680	2,813 31,080	- -	16,82,573 16,79,760	4,04,989 3,05,391	6,29,978 99,598	- -	10,34,967 4,04,989	6,47,606 12,74,771
Vehicles	15,27,389 15,27,389	- -	- -	15,27,389 15,27,389	6,52,959 5,07,857	2,74,930 1,45,102	- -	9,27,889 6,52,959	5,99,500 8,74,430
Sub total	1,09,30,120 1,06,61,871	9,18,50,840 2,68,249	10,19,711 -	10,17,61,249 1,09,30,120	64,08,663 49,95,796	28,57,763 14,12,867	8,28,267 -	84,38,159 64,08,663	9,33,23,090 45,21,457
	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK
	As at 01.04.2014	Additions	Disposals	As at 31.03.2015	As at 01.04.2014	For the Year	Eliminated on disposal of assets	As at 31.03.2015	
Intangible assets									As at 31.03.2015
Computer software	3,02,31,311 3,02,31,311	- -	- -	3,02,31,311 3,02,31,311	2,32,28,342 2,12,74,025	19,54,317 19,54,317	- -	2,51,82,659 2,32,28,342	50,48,652 70,02,969
Sub total					2,32,28,342 2,12,74,025	19,54,317 19,54,317	- -	2,51,82,659 2,32,28,342	50,48,652 70,02,696
Total	4,11,61,431 4,08,93,182	9,18,50,840 2,68,249	10,19,711 -	13,19,92,560 4,11,61,431	2,96,37,005 2,62,69,821	48,12,080 33,67,184	8,28,267 -	3,36,20,818 2,96,37,005	9,83,71,742 1,15,24,426

	As at 31.03.2015 ₹	As at 31.03.2014 ₹
Note 12 Non - current investments		
Trade investments (valued at cost less diminution, other than temporary, if any)		
Equity Shares (Unquoted)		
2,500,000 (31 st March, 2014 - 2,500,000) equity shares of ₹ 10 each fully paid - up in Power Exchange India Limited	2,50,00,000	2,50,00,000
Less: Provision for other than temporary diminution in value of investments	(2,50,00,000)	(2,50,00,000)
	-	-
Non - trade investments		
Preference Shares (Unquoted)		
300,000 (31 st March, 2014 - 300,000) 7.25% redeemable cumulative convertible preference shares of ₹ 100 each fully paid - up in Tata Ceramics Limited	3,00,00,000	3,00,00,000
	3,00,00,000	3,00,00,000
Note 13 Deferred tax assets (net)		
Deferred tax liability (A)		
On difference between book balance and tax balance of fixed assets	-	15,17,031
Deferred tax assets (B)		
Provision for doubtful trade receivables and advances	-	2,19,24,931
Deferred tax assets (net) (b - a)	-	2,04,05,900
Note 14 Long term loans and advances		
Unsecured, considered good		
Advance income - tax (net of provisions ₹ 255,463,599 (as at 31 st March, 2014 - ₹ 204,893,083)	67,86,800	73,18,701
Note 15 Trade receivables		
(Unsecured unless otherwise stated)		
Trade receivables outstanding for a period exceeding six months from the due date of payment		
Considered good	73,47,256	35,23,338
Considered doubtful	1,39,24,064	3,35,09,323
	2,12,71,320	3,88,32,661
Less : Provision for doubtful trade receivables	1,39,24,064	3,53,09,323
	73,47,256	35,23,338
Other Trade receivables		
Considered good	5,27,03,77,835	2,66,26,25,044
Considered doubtful	1,91,17,101	1,95,18,448
	5,28,94,94,936	2,68,21,43,492
Less : Provision for doubtful trade receivables	(1,91,17,101)	(1,95,18,448)
	5,27,03,77,835	2,66,26,25,044
	5,27,77,25,091	2,66,61,48,382

	As at 31.03.2015 ₹	As at 31.03.2014 ₹
Note 16 Cash and cash equivalents		
Balances with banks :		
In current accounts	3,42,92,381	63,93,359

Note 17 Short-term loans and advances - Unsecured

Security deposits		
Considered good	2,07,61,790	3,18,75,098
Doubtful	5,00,000	39,00,000
	2,12,61,790	3,57,75,098
Provision for doubtful advances	(5,00,000)	(39,00,000)
	2,07,61,790	3,18,75,098
Other loans and advances		
Considered good	2,87,10,132	1,17,21,806
Doubtful	36,88,766	57,76,291
	3,23,98,898	1,74,98,097
Less: Provision for doubtful advances	(36,88,766)	(57,76,291)
	2,87,10,132	1,17,21,806
	4,94,71,922	4,35,96,904

Note 18 Other current assets

Unbilled revenue	1,22,83,18,428	1,23,25,08,167
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Note 19 Revenue from operations

Revenue from power supply	42,08,62,48,729	41,76,49,66,654
Less : Cash discount allowed	29,02,51,668	38,59,14,869
	41,79,59,97,061	41,37,90,51,785
Sale of services		
Revenue from power banking sale (net of service tax paid)	49,07,504	1,29,23,875
Income from advisory services	20,62,323	40,35,355
Income from other services	90,90,817	66,35,061
	1,60,60,644	2,35,94,291
	41,81,20,57,705	41,40,26,46,076

	Year ended 31.03.2015 ₹	Year ended 31.03.2014 ₹
Note 20 Other income		
Dividend income from current investments-mutual fund	1,74,83,541	1,64,21,965
Profit on sale of current investments	1,38,892	-
Interest income from banks on deposits	2,60,239	43,80,704
Delayed payment charges collected	3,58,458	1,10,978
Provision for doubtful trade receivables and advances written back (net)	2,72,74,131	2,75,02,557
Liabilities no longer required written back	53,55,490	87,78,832
	5,08,70,751	5,71,95,036
Note 21 Finance costs		
Interest expense on:		
- short - term borrowings from holding company	3,64,932	4,35,74,010
- other short - term borrowings	10,43,04,195	7,15,49,855
- delayed payment of income tax	-	1,41,253
Delayed payment charges	3,92,485	-
Bank charges	1,09,83,915	89,12,377
	11,60,45,527	12,41,77,495
Note 22 Other expenses		
Rent expense	1,96,60,853	1,70,43,383
Repairs and maintenance - Others	34,69,568	20,71,833
Travelling and conveyance	61,13,054	73,85,947
Loss on sale of fixed assets (net)	1,39,969	-
Licence and other fees	1,07,91,536	98,61,110
Cost of outsourced services	11,08,15,341	7,99,62,015
Brand equity fees	2,59,65,304	3,52,51,725
Bad debts written off	-	11,69,37,252
Less : Provision for doubtful trade receivables written back	-	(11,69,37,252)
Payments to auditors (See note below)	25,63,943	30,51,753
Legal and professional charges	1,76,76,439	1,08,58,116
Community welfare expenses	77,00,501	-
Miscellaneous expenses	57,34,038	53,20,987
	21,06,30,546	17,08,06,869
Payment to the auditors comprises (inclusive of service tax):		
To statutory auditors		
For audit	13,48,320	1,348,320
For taxation matters	196,630	196,630
For other services	7,97,756	15,06,803
Reimbursement of expenses	2,21,237	-
	25,63,943	30,51,753

Notes Forming Part of The Financial Statements

- 23.** Based on the information available with the Company, the balance due to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 is ₹ Nil (31st March, 2014: ₹ Nil) and no interest has been paid or is payable during the period under the terms of the MSMED Act, 2006. The information provided by the Company has been relied upon by the auditors.
- 22.** Total number of units purchased and sold during the year - 10,432 MU's (31st March, 2014 - 10,979 MU's) excluding sold under banking arrangement - 140 MU's (31st March, 2014 - 509 MU's).
- 23. Contingent Liabilities and commitments :**
- Other money for which the Company is contingently liable (No cash outflow is expected in the near future) :-
- Power banking arrangement - ₹ 1,796,900 (31st March, 2014 - ₹ 567,148,960)
 - Estimated amount of contracts remaining to be executed on capital account and not provided for - ₹ 145,888,817 (31st March, 2014 - ₹ 976,883)
- 24. Disclosure as required by Accounting Standard 18 (AS - 18) "Related Party Disclosures" as notified under the Companies (Accounting Standards) Rules, 2006 is as follows:**
- (a) Names of the related parties and description of relationship:

Holding Company:
The Tata Power Company Ltd. (TPCL)
Fellow Subsidiaries
(where the transactions have taken place during the year):
1. Tata Power Delhi Distribution Limited (TPDDL)
2. Maithon Power Limited (MPL)
3. Coastal Gujarat Power Limited (CGPL)
4. Tata Power Solar Systems Limited. (TPSS)
5. Tata Power Renewal Energy Limited (TPREL)
Key Management Personnel
Sanjeev Mehra, Managing Director

(b)

Details of related party transactions during the year ended 31st March, 2015

Particulars	TPCL	TPDDL	MPL	TPSS	TPREL	CGPL	All amounts in ₹ Total
Transactions during the year							
Cost of power purchased	2,03,29,05,192	-	19,27,37,27,120	-	-	-	21,30,66,32,312
	2,12,43,11,488	92,28,14,321	17,10,17,66,832	-	-	-	20,14,88,92,641
Cash discount earned	2,46,02,269	-	34,78,24,787	-	-	-	37,24,27,056
	3,39,71,270	1,84,56,286	35,77,20,124	-	-	-	41,01,47,680
Revenue from power supply	28,34,353	10,37,01,50,886	-	-	-	-	10,37,29,85,239
	52,18,49,788	8,88,28,69,785	-	-	-	-	9,40,47,19,573
Cash discount allowed	-	9,62,39,298	-	-	-	-	9,62,39,298
	99,12,103	8,83,91,864	-	-	-	-	9,83,03,967
Revenue from power banking sale	-	-	-	-	-	-	-
	-	57,06,198	-	-	-	-	57,06,198
Income from other services	35,32,116	-	-	-	-	-	35,32,116
	16,01,242	-	-	-	-	-	16,01,242
Receiving of services	11,11,17,394	-	-	-	-	-	11,11,17,394
	7,02,99,084	-	-	-	-	-	7,02,99,084
Compensation paid (net)	-	-	-	-	-	-	-
	4,77,000	-	-	-	-	-	-
Interest expenditure	3,64,932	-	-	-	-	-	3,64,932
	4,35,74,010	-	-	-	-	-	4,35,74,010
Inter corporate deposit accepted	-	-	-	-	-	-	-
	6,20,00,00,000	-	-	-	-	-	6,20,00,00,000
Inter corporate deposit refunded	30,00,00,000	-	-	-	-	-	30,00,00,000
	6,40,00,00,000	-	-	-	-	-	6,40,00,00,000
Dividend paid	8,00,00,000	-	-	-	-	-	8,00,00,000
	4,80,00,000	-	-	-	-	-	4,80,00,000
Purchase of fixed assets	-	-	-	22,27,88,052	19,71,29,520	-	41,99,17,572
	-	-	-	-	-	-	-

(c) Details of balances outstanding as at 31st March, 2015

Trade receivables	-	2,63,06,72,843	-	-	-	-	2,63,06,72,843
	-	1,26,56,19,940	-	-	-	-	1,26,56,19,940
Loans payable along with interest	-	-	-	-	-	-	-
	30,00,00,000	-	-	-	-	-	30,00,00,000
Unbilled revenue	-	4,89,52,945	-	-	-	-	4,89,52,945
	-	5,87,77,024	-	-	-	-	5,87,77,024
Trade payables	14,06,97,361	-	1,95,31,06,549	-	-	-	2,09,38,03,910
	18,00,88,668	-	1,36,8423,828	-	-	2,40,110	1,54,87,52,606
Payables on purchase of fixed assets	-	-	-	14,18,01,154	-	-	14,18,01,154
	-	-	-	-	-	-	-
Notes:							
1.	The Tata Power Company Limited (TPCL) has given an undertaking to MPL (fellow subsidiary) to fulfill payment obligations of the Company in case of default in payment for power sold on behalf of MPL.						
2.	Figures in italics pertains to year ended 31 st March, 2014						

Notes Forming Part of The Financial Statements

25. Expenditure in foreign currency:

Particulars	Year ended 31.03.2015 ₹	Year ended 31.03.2014 ₹
Repairs and maintenance -Others	20,17,907	16,33,543
Travelling and conveyance	-	2,12,936

26. Earnings per share:

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
Net profit after tax (₹) (A)	29,12,61,001	39,20,32,223
The weighted average number of equity shares (Nos.) (B)	1,60,00,000	1,60,00,000
The nominal value of equity shares (₹)	10	10
Basic and diluted earnings per share (₹) (A)/(B)	18.20	24.50

27. Segment reporting:

As the Company's business activity consists only of Power Trading and related consultancy activities, as such there are no separate reportable segments as per the requirements of Accounting Standard (AS-17) "Segment Reporting" as notified under the Companies (Accounting Standards) Rules, 2006.

28. During the year, the Company has revised the estimated useful life of some of its assets to align the useful life with those specified in Schedule II. The details of previously applied depreciation rates / useful life are as follows:

Asset	Depreciation method	Previous useful life	Revised useful life
Computers	SLM	6	3
Furniture and fixtures	SLM	15	10
Vehicles	SLM	10	5
Office equipment	SLM	20	5

The depreciation expense in the Statement of Profit and Loss for the year is higher by ₹ 1,028,366 consequent to the change in the useful life of the assets.

29. Previous year's amounts have been regrouped / reclassified wherever necessary to correspond with the current period's classification / disclosures.

For and on behalf of the Board of Directors	
S. Ramakrishnan	Sanjeev Mehra
Chairman	Managing Director
Ankita Jain	Sourav Mukherjee
Company Secretary	Chief Finance Officer
Noida	
12 th May, 2015	



TPTCL Family Get together at Manesar



TPTCL Annual Strategy Workshop



Customer Affection workshop at Delhi



TATA POWER TRADING COMPANY LIMITED

S h a p i n g I n d i a ' s V i b r a n t P o w e r M a r k e t

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Carnac Bunder, Mumbai 400 009

CIN : U40100MH2003PLC143770