



18th April 2011
BJ/SH-L2/ 134

Bombay Stock Exchange Limited
Corporate Relationship Department
1st Floor, New Trading Ring
Rotunda Bldg, P J Towers
Dalal Street, Fort
Mumbai - 400 001.

National Stock Exchange of India Limited
Exchange Plaza,
Plot No. C/1, G Block
Bandra- Kurla Complex
Bandra (E)
Mumbai - 400 051.

Dear Sirs,

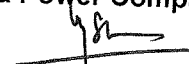
The Tata Power Company Limited [rated Ba3 / Stable (Moody's), BB - / Positive (S&P)] has appointed Deutsche Bank, Goldman Sachs, and UBS as Joint Bookrunners for a 60 year Non-callable for 5 years Reg S hybrid capital offering of US\$300 million to US\$400 million with final size to be determined by market demand, and proposed to be undertaken through a wholly owned overseas subsidiary of The Tata Power Company Limited. The aforesaid offering is proposed to be guaranteed by The Tata Power Company Limited. Terms of the transaction are to be announced.

Please find attached, the Profit and Loss Account, Balance Sheet and Cash Flow Statement for the nine month period ended December 31, 2010 of The Tata Power Company Limited. These statements would form a part of the Offering Circular to be circulated for the proposed Reg S hybrid capital offering.

This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States or in any other jurisdiction. Securities may not be offered or sold within the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended and rules and regulations made thereunder. The Tata Power Company Limited or Bhira Investments Limited does not intend to register any securities in the United States, and no public offering of securities will be made in the United States or in any other jurisdiction where such an offering is restricted or prohibited. A rating is not a recommendation to buy, sell or hold the securities and may be subject to suspension, reduction or withdrawal at any time by the rating agency.

Stabilization, if any, will be conducted in accordance with the stabilization rules of the Financial Services Authority.

Yours faithfully,
For The Tata Power Company Limited


(B. J. Shroff)

Executive Vice-President & Company Secretary

Encls.

Deloitte Haskins & Sells

Chartered Accountants
12, Dr. Annie Besant Road
Opp. Shiv Sagar Estate
Worli, Mumbai - 400 018
India

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AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF THE TATA POWER COMPANY LIMITED

1. We have audited the attached Condensed Balance Sheet of **THE TATA POWER COMPANY LIMITED** ("the Company") as at 31st December, 2010, the Condensed Profit and Loss Account and the Condensed Cash Flow Statement for the nine months ended on that date, both annexed thereto. These condensed financial statements are the responsibility of the Company's Management and have been approved by the Board of Directors. Our responsibility is to express an opinion on these condensed financial statements based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting issued pursuant to the Companies (Accounting Standards) Rules, 2006 and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management. We believe that our audit provides a reasonable basis for our opinion.
3. Without qualifying our opinion we draw attention to Note 7 (f) of the Notes forming part of the Condensed Accounts. As stated in the note, subject to the outcome of the Appeal filed before the Supreme Court, no adjustment has been made by the Company in respect of the standby charges accounted for as revenue in earlier periods estimated at Rs. 519 crores and its consequential effects [Notes 7(f) and (g)] for the period upto 31st December, 2010. The impact of the above on the results for the nine months ended 31st December, 2010 cannot presently be determined pending the ultimate outcome of the matter. The Company is of the view, supported by legal opinion, that the Tribunal's Order can be successfully challenged. In view of this no provision/adjustment has been considered necessary.

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Deloitte Haskins & Sells

4. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give a true and fair view in conformity with the accounting principles generally accepted in India:
- a) in the case of the Condensed Balance Sheet, of the state of affairs of the Company as at 31st December, 2010;
 - b) in the case of the Condensed Profit and Loss Account, of the profit of the Company for the nine months ended on that date ; and
 - c) in the case of the Condensed Cash Flow Statement, of the cash flows of the Company for the nine months ended on that date.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No. 117366W)



N.VENKATRAM
Partner
(Membership No: 71387)

MUMBAI, 14th February, 2011

THE TATA POWER COMPANY LIMITED
Condensed Balance Sheet as at 31 December, 2010

	Schedule No.	As at 31-12-2010	As at 31-3-2010
		Rupees Millions	
FUNDS EMPLOYED:			
1. SHARE CAPITAL	"A"	2,373.3	2,373.3
2. RESERVES AND SURPLUS	"B"	104,688.1	97,614.2
3. SPECIAL APPROPRIATION TOWARDS PROJECT COST		5,336.1	5,336.1
4. CAPITAL CONTRIBUTIONS FROM CONSUMERS		965.4	914.1
5. SECURED LOANS	"C"	44,726.8	41,053.8
6. UNSECURED LOANS	"D"	20,856.4	17,666.3
7. DEFERRED TAX LIABILITY (NET)		2,384.4	2,094.2
<i>Less: Tax to be recovered in future tariff determination</i>		107.3	16.4
		<u>2,277.1</u>	<u>2,077.8</u>
8. TOTAL FUNDS EMPLOYED		<u>181,223.2</u>	<u>167,035.6</u>
APPLICATION OF FUNDS:			
9. FIXED ASSETS	"E"	102,114.0	100,108.0
a. Gross Block			
<i>Less: Depreciation to date</i>		46,159.6	42,580.6
		<u>55,954.4</u>	<u>57,527.4</u>
b. Capital Work-in-Progress (including advances against capital expenditure ₹ 4,294.5 million -Previous Year - ₹ 1,116.2 million)		12,578.0	4,762.1
c. Increase in foreign currency liabilities (Net) for purchase of capital assets		6,453.2	6,453.2
<i>Less: Amount written off to date</i>		6,453.2	6,453.2
		<u>-</u>	<u>-</u>
		68,532.4	62,289.5
10. INVESTMENTS	"F"	73,513.2	66,886.2
11. CURRENT ASSETS, LOANS AND ADVANCES	"G"		
a. Inventories		6,054.0	5,893.6
b. Unbilled Revenue		1,180.3	1,192.0
c. Sundry Debtors		17,639.0	18,571.1
d. Cash and Bank balances		7,574.9	12,776.4
e. Other Current Assets		171.2	393.4
f. Loans and Advances		25,974.0	20,716.1
		<u>58,593.4</u>	<u>59,542.6</u>
<i>Less:</i>			
12. CURRENT LIABILITIES AND PROVISIONS	"H"		
a. Current Liabilities		15,592.8	14,657.0
b. Provisions		3,823.0	7,025.7
		<u>19,415.8</u>	<u>21,682.7</u>
13. NET CURRENT ASSETS		39,177.6	37,859.9
14. TOTAL APPLICATION OF FUNDS		<u>181,223.2</u>	<u>167,035.6</u>
15. NOTES FORMING PART OF THE ACCOUNTS	"I"		

THE TATA POWER COMPANY LIMITED

Condensed Profit and Loss Account for the nine months ended 31 December, 2010

	Schedule No.	Nine months ended 31-12-2010	Nine months ended 31-12-2009
		Rupees Millions	
INCOME:			
1. REVENUE	"1"	51,558.5	53,032.2
2. OTHER INCOME	"1"	4,063.0	2,282.6
3. TOTAL INCOME		55,621.5	55,314.8
EXPENDITURE :			
4. COST OF POWER PURCHASED		5,833.8	1,061.2
Less: Cash Discount		31.4	0.8
5. COST OF FUEL		5,802.4	1,060.4
6. GENERATION, DISTRIBUTION AND OTHER EXPENSES	"2"	26,604.9	31,245.6
7. DEPRECIATION / AMORTISATION	"2"	7,493.4	6,475.2
8. INTEREST AND FINANCE CHARGES	"3"	3,880.5	3,509.9
9. ADJUSTMENT OF EXPENSES RECOVERABLE THROUGH TARIFF	"3"	3,294.6	3,235.7
LESS: DRAWN FROM - CONTINGENCIES RESERVE		-	1,088.3
10. TOTAL EXPENDITURE		-	1,088.3
PROFIT BEFORE TAXES AND STATUTORY APPROPRIATIONS		47,075.8	45,526.8
11. PROVISION FOR TAXATION		8,545.7	9,788.0
a. Current Tax			
For the period		1,508.3	1,799.0
In respect of earlier years		(184.8)	31.3
b. Deferred Tax		1,323.5	1,830.3
For the period		567.0	838.7
In respect of earlier years		7.1	17.9
Net Tax to be (recovered) / utilised in future tariff determination		574.1	856.6
c. Fringe Benefit Tax (Net)		(90.9)	13.5
12. PROVISION FOR WEALTH TAX (Net of reversal of prior years)		483.2	870.1
PROFIT AFTER TAXES AND BEFORE STATUTORY APPROPRIATIONS		6,737.8	7,081.6
13. STATUTORY APPROPRIATIONS	"4"	80.0	(128.9)
DISTRIBUTABLE PROFITS		6,657.8	7,210.5
APPROPRIATIONS :			
14. DIVIDEND (in respect of previous year)		-	3.1
15. ADDITIONAL INCOME-TAX ON DIVIDEND		(150.2)	0.5
BALANCE CARRIED TO BALANCE SHEET		6,808.0	7,206.9
16. EARNINGS PER SHARE (In ₹)			
(on distributable profits on shares outstanding)			
(Face Value ₹ 10)			
Basic Earnings Per Share (not annualised)		28.0	31.2
Diluted Earnings Per Share (not annualised)		27.2	30.9
17. NOTES FORMING PART OF THE ACCOUNTS	"T"		

THE TATA POWER COMPANY LIMITED

Condensed Cash Flow Statement for the nine months ended 31 December, 2010

	Nine Months ended 31-12-2010	Nine Months ended 31-12-2009
	Rupees Millions	
A. Cash Flow from Operating Activities		
Net Profit before Taxes and Extraordinary Items	8,545.7	9,788.0
Adjustments for:		
Depreciation/Amortisation	3,880.5	3,509.9
Interest Expenditure	2,974.9	3,116.6
Interest Income	(1,410.2)	(843.9)
Dividend Income	(1,877.9)	(885.5)
Provision for doubtful debts/advances (Net)	(54.8)	44.4
Provision for diminution in value of Investments written back (Net)	(57.8)	-
Provision for future foreseeable losses etc.	(34.3)	7.8
Provision for Warranties	(0.9)	10.7
Premium amortised on Bonds (Net)	(37.9)	(1.8)
Derivative Premium Charges	275.3	66.2
Guarantee Commission received from Subsidiaries	(7.7)	(7.7)
Provision in respect of Current Assets held for disposal	-	330.0
Profit on sale/retirement of Assets (Net)	(153.9)	(5.3)
Profit on settlement of Options/Swaps	(150.9)	-
Adjustment of expenses recoverable under tariff	-	(1,088.3)
Profit on Sale of Investments (Net)	(229.1)	(147.1)
Unrealised Exchange Gain (Net)	(61.1)	(200.8)
	3,054.2	3,905.2
Operating Profit before Working Capital Changes	11,599.9	13,693.2
Adjustments for:		
Trade and Other Receivables	1,031.2	(229.1)
Inventories	(160.4)	861.4
Trade Payables and Provisions	889.6	(1,901.9)
	1,760.4	(1,269.6)
Cash Generated from Operations	13,360.3	12,423.6
Taxes Paid (including Fringe Benefit Tax) (Net)	(1,974.1)	(1,356.6)
Net Cash from Operating Activities	A 11,386.2	11,067.0
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets and CWIP	(9,805.2)	(5,551.4)
Sale of Fixed Assets	189.2	28.2
Purchase of Investments in Subsidiaries	(12,267.5)	(7,630.8)
Purchase of Investments in Joint Ventures/Associates	(408.7)	(171.8)
Purchase of Investments - Others	(1,443.1)	-
Sale of Investments	1,890.9	1,019.1
Sale of Investments in Mutual Funds (Net)	2,067.6	(353.1)
Interest Received	957.8	835.8
Inter-corporate deposits (Net)	(40.0)	302.9
Shareholder Loan to Subsidiaries (Net)	(280.0)	-
Dividend Received	1,881.9	885.5
Derivative Premium Charges Paid	(275.3)	(66.2)
Guarantee Commission received from Subsidiaries	5.2	5.0
Profit on Settlement of Option/Swaps	150.9	155.6
Net Cash used in Investing Activities	B (17,376.3)	(10,541.2)
C. Cash Flow from Financing Activities		
Increase in Capital Contributions	51.3	301.6
Proceeds from Borrowings	12,183.4	1,450.1
Repayment of Borrowings	(5,161.4)	(11,868.9)
Debt Issue Expenses	(12.0)	-
Proceeds from Global Depository Receipt Issue	-	16,197.2
Global Depository Receipt Issue Expenses Paid	-	(29.4)
Proceeds from Issue of Foreign Currency Convertible Bonds (FCCB)	-	14,044.5
FCCB Issue Expenses Paid	-	(124.0)
Interest Paid	(3,158.7)	(3,491.4)
Dividend Paid	(2,837.8)	(2,528.0)
Additional Income-tax on Dividend Paid	(229.1)	(316.8)
Net Cash from Financing Activities	C 835.7	13,634.9
Net (Decrease)/Increase in Cash and Cash Equivalents	(A+B+C) (5,154.4)	14,160.7
Cash and Cash Equivalents as at 1 April, 2010 (Opening Balance)	12,776.4	455.0
Cash and Cash Equivalents as at 31 December, 2010 (Closing Balance)	7,622.0	14,615.7

Notes:

1. Interest paid is exclusive of and purchase of Fixed Assets is inclusive of interest capitalised ₹ 281.2 million (*Previous Period - ₹ 265.0 million*).
2. Cash Flow from Financing Activities excludes non-cash transaction of conversion of FCCB to equity shares.
3. Cash and Cash Equivalents include:

	As at 31-12-2010	As at 31-12-2009
	Rupees	Millions
(i) Cash and Cheques on Hand (includes cheques on hand ₹ 22.3 million, <i>Previous period - ₹ 23.0 million</i>)	24.5	24.8
(ii) Current Accounts with Scheduled Banks	509.5	617.0
(iii) Current Accounts with Standard Chartered Bank - Singapore and Jakarta branches - Non Scheduled Bank	28.7 !	34.7 !
(iv) Term Deposits with Scheduled Banks	7,012.2 !	13,893.0 !
	<u>7,574.9</u>	<u>14,569.5</u>
Add: Unrealised Exchange Loss included in Cash and Cash Equivalents	47.1	46.2
	<u>7,622.0</u>	<u>14,615.7</u>

! In foreign currency

4. Purchase of investments in subsidiaries and joint venture/associates includes advance paid towards equity.
5. Previous period's figures have been regrouped, wherever necessary, to confirm to current period's classification.

THE TATA POWER COMPANY LIMITED

Schedule forming part of the Condensed Balance Sheet

Schedule "A"

SHARE CAPITAL

		As at 31-12-2010	As at 31-3-2010
		Rupees Millions	
AUTHORISED CAPITAL -			
22,900,000	Cumulative, Redeemable Preference Shares of ₹ 100 each	2,290.0	2,290.0
300,000,000	Equity Shares of ₹ 10 each	3,000.0	3,000.0
		<u>5,290.0</u>	<u>5,290.0</u>
ISSUED CAPITAL -			
242,947,084	Equity Shares of ₹ 10 each (31 March, 2010 - 242,947,084 shares) [including 230,308 shares (31 March, 2010 - 230,308 shares) not allotted but held in abeyance, 440,270 shares cancelled pursuant to a Court Order, 4,804,040 shares of the Company held by the erstwhile The Andhra Valley Power Supply Company Limited cancelled pursuant to the Scheme of Amalgamation sanctioned by the High Court of Judicature, Bombay]	2,429.5	2,429.5
SUBSCRIBED CAPITAL -			
237,307,236	Equity Shares of ₹ 10 each (31 March, 2010 - 237,307,236 shares) (excluding 230,308 shares not allotted but held in abeyance, 440,270 shares cancelled pursuant to a Court Order and 4,804,040 shares of the Company held by the erstwhile The Andhra Valley Power Supply Company Limited cancelled pursuant to the Scheme of Amalgamation sanctioned by the High Court of Judicature, Bombay)	2,373.1	2,373.1
	Less: Calls in arrear [including ₹ 0.1 million (31 March, 2010 - ₹ 0.1 million) in respect of the erstwhile The Andhra Valley Power Supply Company Limited and the erstwhile The Tata Hydro-Electric Power Supply Company Limited]	0.4	0.4
		<u>2,372.7</u>	<u>2,372.7</u>
165,230	Add: Equity Shares forfeited - Amount paid	0.6	0.6
		<u>2,373.3</u>	<u>2,373.3</u>

THE TATA POWER COMPANY LIMITED

Schedule forming part of the Condensed Balance Sheet

Schedule "B"

RESERVES AND SURPLUS

	Opening Balance As at 01-4-2010	Additions	Deductions	Closing Balance As at 31-12-2010
		Rupees	Millions	
STATUTORY RESERVES:				
[Under the repealed Electricity (Supply) Act, 1948 and Tariff Regulations]				
TARIFFS AND DIVIDENDS CONTROL RESERVE	224.3	-	-	224.3
	473.2	-	248.9	224.3
SPECIAL RESERVE	270.0	10.0	-	280.0
	210.0	60.0	-	270.0
CONTINGENCIES RESERVE	805.2	70.0	-	875.2
	1,793.5	100.0	1,088.3	805.2
DEVELOPMENT RESERVE	52.9	-	-	52.9
	52.9	-	-	52.9
DEFERRED TAXATION LIABILITY FUND	2,797.6	-	-	2,797.6
	2,797.6	-	-	2,797.6
INVESTMENT ALLOWANCE RESERVE	1,211.8	-	-	1,211.8
	1,211.8	-	-	1,211.8
DEBT REDEMPTION RESERVE	519.4	-	-	519.4
	519.4	-	-	519.4
DEBENTURE REDEMPTION RESERVE	566.3	-	-	566.3
	566.3	-	-	566.3
OTHER RESERVES:				
CAPITAL RESERVE	616.6	-	-	616.6
	616.6	-	-	616.6
CAPITAL REDEMPTION RESERVE	16.0	-	-	16.0
	16.0	-	-	16.0
SECURITIES PREMIUM	36,809.7	-	12.0	36,797.7
	21,475.4	16,817.9	1,483.6	36,809.7
DEBENTURE REDEMPTION RESERVE	2,220.3	-	-	2,220.3
	1,622.6	597.7	-	2,220.3
EXCHANGE TRANSLATION RESERVE (Net)	(1,075.1)	283.9	86.0	(877.2)
	595.4	-	1,670.5	(1,075.1)
GENERAL RESERVE	28,401.7	-	-	28,401.7
	24,401.7	4,000.0	-	28,401.7
PROFIT AND LOSS ACCOUNT	24,177.5	6,808.0	-	30,985.5
	22,532.1	1,645.4	-	24,177.5
Total Reserves and Surplus - 31 December, 2010	97,614.2	7,171.9	98.0	104,688.1
- 2009-10	78,884.5	23,221.0	4,491.3	97,614.2

THE TATA POWER COMPANY LIMITED

Schedule forming part of the Condensed Balance Sheet

**Schedule "C"
SECURED LOANS**

	As at <u>31-12-2010</u>	As at <u>31-3-2010</u>
	Rupees Millions	
DEBENTURES:		
(a) 10.20% Secured, Redeemable, Non-Convertible Debentures (2010)	-	436.7
(b) 7.10% Secured, Redeemable, Non-Convertible Debentures (2015)	6,000.0	6,000.0
(c) 10.10% Secured, Redeemable, Non-Convertible Debentures (2019)	5,000.0	5,000.0
(d) 10.40% Secured, Redeemable, Non-Convertible Debentures (2019)	5,000.0	5,000.0
(e) 9.15% Secured, Redeemable, Non-Convertible Debentures (2026)	6,000.0	-
	<u>22,000.0</u>	<u>16,436.7</u>
TERM LOANS:		
(f) Term Loan from Asian Development Bank	1,498.1	1,655.7
(g) Term Loans from IDBI Bank	6,962.5	6,980.0
(h) Term Loans from Industrial Renewable Energy Development Agency	694.2	4,296.8
(i) Loan from HDFC Bank	3,761.2	2,940.0
(j) Term Loans from ICICI Bank	1,422.5	-
(k) Term Loans from Infrastructure Development Finance Company Limited (IDFC)	8,231.3	8,567.0
(l) Term Loan from Export Import Bank of India **	152.5	170.4
(m) Lease finance - Vehicle loans	4.5	7.2
	<u>22,726.8</u>	<u>24,617.1</u>
	<u>44,726.8</u>	<u>41,053.8</u>

** In foreign currency

THE TATA POWER COMPANY LIMITED

Schedule forming part of the Condensed Balance Sheet

Schedule "D"

UNSECURED LOANS

	As at 31-12-2010	As at 31-3-2010
	Rupees Millions	
SHORT TERM LOANS AND ADVANCES -		
FROM BANKS:		
(a) Temporary overdrawn balance in bank current accounts	187.6	543.1
FROM OTHERS:		
(b) Short Term Borrowing from Companies	50.7	50.7
	238.3	593.8
OTHER LOANS:		
(c) 8.50% Euro Notes (2017) **	2,670.6	2,689.4
(d) 1.75% Foreign Currency Convertible Bonds (2014) **	13,452.8	13,547.3
(e) Buyers Credit **	3,658.9	-
(f) Sales Tax Deferral (2018)	835.8	835.8
	20,618.1	17,072.5
	20,856.4	17,666.3

** Repayable in foreign currency.

THE TATA POWER COMPANY LIMITED

**Schedule forming part of the Condensed Balance Sheet
Schedule "E"**

FIXED ASSETS

	GROSS BLOCK			DEPRECIATION/AMORTISATION			NET BLOCK	
	As at	Deductions/ Reclassification	As at	As at	For the	Deductions	As at	As at
	01-4-2010 (at cost)		31-12-2010 (at cost)	01-4-2010	period	31-12-2010	31-12-2010	31-03-2010
		Additions						
Rupees Millions								
INTANGIBLE ASSETS								
1. TECHNICAL KNOW-HOW	9.5	-	-	9.5	9.4	*	-	0.1
2. LICENCES	2.6	-	-	2.6	2.6	-	2.6	-
TANGIBLE ASSETS								
3. LAND (including land development)	330.0	79.7	-	409.7	-	-	409.7	330.0
4. LEASEHOLD LAND	1,077.8	41.8	-	1,119.6	22.6	10.9	33.5	1,086.1
5. HYDRAULIC WORKS	4,782.2	1.3	-	4,783.5	1,373.3	107.2	-	1,055.2
6. BUILDINGS - PLANT	6,421.2	75.9	0.2	6,496.9	2,084.6	224.5	1,480.5	3,408.9
7. BUILDINGS - OTHERS	1,178.9	2.3	1.4	1,179.8@	361.1	25.8	2,309.0	4,336.6
8. COAL JETTY	1,059.6	0.9	-	1,060.5	70.7	37.8	385.6	794.2
9. RAILWAY SIDINGS, ROADS, CROSSINGS, ETC	433.7	4.6	-	438.3	98.6	14.4	108.5	817.8
10. PLANT AND MACHINERY	73,034.1	1,589.5	64.4	74,559.2	33,064.6	2,937.2	113.0	988.9
11. TRANSMISSION LINES, CABLE NETWORK, ETC	10,211.3	476.0	0.2	10,687.1	4,627.6	354.0	57.3	335.1
12. FURNITURE, FIXTURES AND OFFICE EQUIPMENT	450.3	40.4	6.1	484.6	241.9	31.7	35,944.5	39,969.5
13. MOTOR VEHICLES, LAUNCHES, BARGES, ETC	508.7	29.9	36.5	502.1	361.2	47.2	4,981.4	5,583.7
14. MOTOR VEHICLES UNDER FINANCE LEASE	14.8	-	1.5	13.3	10.4	1.8	268.4	208.4
15. HELICOPTERS	593.3	0.5	226.5	367.3	252.0	88.0	376.2	147.5
TOTAL - 2010-2011	100,108.0	2,342.8	336.8	102,114.0	42,580.6	3,880.5	301.5	46,159.6
- 2009-2010	89,858.6	10,444.5	195.1	100,108.0	37,953.2	4,779.4	152.0	55,954.4
								57,527.4

@ Buildings include ₹ * being cost of ordinary shares in co-operative housing societies.

Fixed Assets having Gross Block of ₹ 16,307.6 million (31 March, 2010 - ₹ 16,171.0 million) [Net Block ₹ 6,035.9 million (31 March, 2010 - ₹ 6,686.5 million)] are on leased land for which agreement is pending finalisation.

In respect of Fixed Assets having Gross Block of ₹ 451.8 million (Net Block ₹ 427.7 million), transfer formalities are pending completion.

Figures below ₹ 50,000 are denoted by '*'.

THE TATA POWER COMPANY LIMITED

Schedule forming part of the Condensed Balance Sheet

Schedule "F" INVESTMENTS

	As at 31-12-2010	As at 31-03-2010
	Rupees Millions	
1. CONTINGENCIES RESERVE INVESTMENTS -		
A. Government of India Securities - (Unquoted)		
7.50% GOI (2010)	-	42.7
11.30% GOI (2010)	-	115.0
6.85% GOI (2012)	90.9	90.9
9.00% GOI (2013)	100.0	100.0
7.59% GOI (2016)	1.9	1.9
7.49% GOI (2017)	73.6	73.6
7.99% GOI (2017)	124.6	124.6
6.35% GOI (2020)	160.1	-
8.24% GOI (2027)	96.5	96.5
	647.6	645.2
B. Other Securities - (Unquoted)		
5.50% NABARD Capital Gain Bonds (2011)	157.7	90.0
	805.3	735.2
2. DEFERRED TAXATION LIABILITY FUND INVESTMENTS -		
A. Government of India Securities - (Unquoted)		
7.55% GOI (2010)	-	250.0
11.30% GOI (2010)	-	735.0
9.39% GOI (2011)	600.0	600.0
6.85% GOI (2012)	409.1	409.1
9.00% GOI (2013)	100.0	100.0
7.99% GOI (2017)	45.2	45.2
6.05% GOI (2019)	170.0	-
6.35% GOI (2020)	24.9	-
	1,349.2	2,139.3
B. Other Securities - (Unquoted)		
5.50% NABARD Capital Gain Bonds (2011)	1,091.8	259.8
7.85% EXIM Bank Bonds F6 Series (2012)	400.0	400.0
	1,491.8	659.8
	2,841.0	2,799.1
3. TRADE INVESTMENTS -		
A. Ordinary Shares - (Quoted) fully paid up		
Tata Teleservices (Maharashtra) Ltd.	1,196.7	1,196.7
Tata Communications Ltd.	3,438.1	2,938.1
	4,634.8	4,134.8
B. Ordinary Shares - (Unquoted) fully paid up		
Tata Services Ltd.	1.1	1.1
The Associated Building Co. Ltd.	1.3 **	1.3 **
Yashmun Engineers Ltd.	0.1	0.1
Tata Projects Ltd.	850.1	850.1
Tata Teleservices Ltd	7,354.8	7,354.8
Patanone Finvest Ltd.	5,000.0	5,000.0
Indian Energy Exchange Ltd.	12.5	12.5
	13,219.9	13,219.9
C. Debentures - (Unquoted) fully paid up		
Tata Projects Ltd.	187.5	281.3
Patanone Finvest Ltd.	1,000.0	1,000.0
	1,187.5	1,281.3
	19,042.2	18,636.0
Carried over..	22,688.5	22,170.3

THE TATA POWER COMPANY LIMITED

Schedule forming part of the Condensed Balance Sheet

Schedule "F"

INVESTMENTS (Contd.)

	As at 31-12-2010	As at 31-03-2010
	Rupees	Millions
Brought forward..	22,688.5	22,170.3
4. INVESTMENTS IN SUBSIDIARY COMPANIES -		
A. Ordinary Shares - (Quoted) fully paid up		
NELCO Ltd.	110.7	110.7
B. Ordinary Shares - (Unquoted) fully paid up		
Chemical Terminal Trombay Ltd.	428.8	428.8
Af-Taab Investment Co. Ltd.	792.5	857.2
Power Links Transmission Ltd.	2,386.8	2,386.8
Tata Power Trading Co. Ltd.	370.0	370.0
Maithon Power Ltd.	8,060.4	4,878.3
Industrial Energy Ltd.	2,464.2	2,464.2
Coastal Gujarat Power Ltd.	22,340.0	17,340.0
Bhira Investments Limited	41.0	41.0
Bhivpuri Investments Ltd.	40.8	40.8
Veltina Holdings Ltd.	0.1	0.1
Khopoli Investments Ltd.	0.3	0.3
Trust Energy Resources Pte Ltd.	5,566.6	5,060.0
North Delhi Power Ltd.	2,009.3	2,009.3
Industrial Power Utility Ltd.	1.1	-
Industrial Power Infrastructure Ltd.	1.1	-
	44,503.0	35,876.8
	44,613.7	35,987.5
5. INVESTMENTS IN JOINT VENTURE COMPANIES -		
A. Ordinary Shares - (Unquoted) fully/partly paid up		
Tubed Coal Mines Ltd.	19.8	19.8
Mandakini Coal Company Ltd.	59.0	52.0
Dagachhu Hydro Power Corporation Ltd. - partly paid up	406.1	286.4
Tata BP Solar India Ltd.	1,114.3	1,114.3
	1,599.2	1,472.5
B. Preference Shares - (Unquoted) fully paid up		
Tata BP Solar India Ltd.	220.5	220.5
	1,819.7	1,693.0
6. OTHER INVESTMENTS -		
A. Ordinary Shares - (Quoted) fully paid up		
HDFC Bank Ltd.	*	*
Industrial Development Bank of India	11.4	11.4
Voltas Ltd.	2.5	2.5
Tata Consultancy Services Ltd.	*	*
	13.9	13.9
B. Ordinary Shares - (Unquoted) fully paid up		
Aditya Birla Minacs IT Services Ltd.	-	64.5 **
Tata Industries Ltd.	1,026.9	400.9
Rujuvalika Investments Ltd.	3.0	3.0
Tata Ceramics Ltd.	91.1 **	91.1 **
Tata Sons Ltd.	2,419.5	2,419.5
Haldia Petrochemicals Ltd.	225.0	225.0
	3,765.5	3,204.0
Carried over..	72,901.3	63,068.7

THE TATA POWER COMPANY LIMITED

Schedule forming part of the Condensed Balance Sheet

Schedule "F"

INVESTMENTS (Contd.)

	As at 31-12-2010	As at 31-03-2010
	Rupees	Millions
Brought forward..	72,901.3	63,068.7
C. Government of India Securities - (Unquoted) 8.07% GOI (2017)	0.3	0.3
D. Other Securities - (Unquoted)		
5.50% NABARD Capital Gain Bonds (2011)	-	1,313.3
5.50% Rural Electrification Corporation Bonds (2011)	219.9	219.9
J M Equity Fund - Units	5.0	5.0
Taurus Mutual Fund - Bonanza Exclusive Growth	5.0	5.0
Templeton India Growth Fund	2.5	2.5
UTI Balanced Fund	1.1	1.1
# Tata Liquid Super High Investment Fund - Appreciation	336.3	650.0
# ICICI Prudential Institutional Liquid Plan - Super Institutional Growth	-	1,000.0
# Birla Sunlife Cash Plus Institutional Premium - Growth	133.6	-
# HDFC Cash Management Fund - Savings Plan - Growth	-	500.0
# DWS Insta Cash Management Fund - Super Institutional Plan - Growth	-	270.0
	703.4	3,966.8
	4,483.1	7,185.0
	73,605.0	67,035.8
** Provision for diminution in value of Investments other than temporary	(91.8)	(149.6)
	73,513.2	66,886.2
# Current Investments - all other investments are long term investments		

	As at 31-12-2010	As at 31-03-2010
	Rupees	Millions
Notes - (1) Aggregate of Quoted Investments -		
Cost.....	4,759.4	4,259.4
Market Value	7,463.8	8,030.0
(2) Aggregate of Unquoted Investments -		
Cost.....	68,845.6	62,776.4

THE TATA POWER COMPANY LIMITED

Schedule forming part of the Condensed Balance Sheet Schedule "G"

CURRENT ASSETS, LOANS AND ADVANCES

	As at 31-12-2010	As at 31-3-2010
	Rupees Millions	
CURRENT ASSETS -		
(a) Inventories -		
(i) Stores and Spare Parts	2,083.3	1,893.4
(ii) Loose Tools	3.6	3.1
(iii) Fuel	2,580.8	2,811.1
(iv) Fuel in transit	1,099.6	932.9
(v) Property under development	286.7	253.1
	6,054.0	5,893.6
(b) Unbilled Revenue	1,180.3	1,192.0
(c) Sundry Debtors -		
(i) Debtors	8,980.0	11,293.0
(ii) Fuel Adjustment Charges Recoverable	3,033.6	1,858.4
(iii) Tariff Adjustment Account	5,805.3	5,603.4
	17,818.9	18,754.8
Less: Provision for Doubtful Debts	179.9	183.7
	17,639.0	18,571.1
(d) Cash and Bank Balances -		
(i) Cash and Cheques on Hand	24.5	214.6
(ii) Current Accounts with Scheduled Banks	509.5	424.0
(iii) Current Accounts with Standard Chartered Bank - Singapore and Jakarta branches - Non Scheduled Bank	28.7 !	31.1 !
(iv) Term Deposits with Scheduled Banks	7,012.2 !	12,106.7 !
	7,574.9	12,776.4
! Partially in foreign currency.		
(e) Other Current Assets -		
Assets held for disposal	-	105.0
Interest accrued on Investments / Bank Deposits	171.2	288.4
	171.2	393.4
	32,619.4	38,826.5
LOANS AND ADVANCES - Considered good - unless otherwise stated -		
(Unsecured)		
(a) Advances with public bodies	21.0	22.6
(b) VAT/Sales Tax receivable (Inputs) (Net)	322.4	306.9
(c) Shareholders Loans to subsidiaries (including interest accrued):		
Bhira Investments Limited	12,705.9	12,402.3
Khopoli Investments Ltd.	1,389.2	1,365.9
Coastal Gujarat Power Ltd.	2,162.6	1,736.5
	16,257.7	15,504.7
(d) Deposits with Industrial Power Utility Ltd. (a Subsidiary Company)	40.0	-
(e) Advances to Subsidiaries/Joint Ventures (Net)	23.1	4.5
(f) Deposits with other Companies	12.7	12.7
Less: Provision for doubtful deposits	12.7	12.7
	-	-
(g) Other Deposits	2,960.4	2,873.4
Less: Provision for doubtful deposits	82.0	164.4
	2,878.4	2,709.0
(h) Other Advances (including advances considered doubtful)	5,676.6	2,021.2
Less: Provision for doubtful advances	31.4	-
	5,645.2	2,021.2
(i) Payment of Taxes (Net)	786.2	147.2
	25,974.0	20,716.1
	58,593.4	59,542.6

THE TATA POWER COMPANY LIMITED

Schedule forming part of the Condensed Balance Sheet

Schedule "H"

CURRENT LIABILITIES AND PROVISIONS

	As at 31-12-2010	As at 31-3-2010
	Rupees Millions	
CURRENT LIABILITIES -		
(a) Consumers' Benefit Account	219.4	219.4
(b) Sundry Creditors	7,514.0	7,761.5
(c) Tariff Adjustment Account	3,030.0	2,263.2
(d) Advance and progress payments	211.7	190.5
(e) Premium on redemption of Debentures	1,347.0	1,347.0
(f) Interest accrued but not due on Secured Loans.....	493.2	684.2
(g) Interest accrued but not due on Unsecured Loans.....	121.5	114.3
(h) Investor Education and Protection Fund shall be credited by the following amounts namely:- **		
(i) Unpaid Dividend	104.8	92.1
(ii) Unpaid Matured Debentures	*	*
(iii) Interest	1.0	1.0
(iv) Unpaid Matured Deposits	0.7	0.8
(i) Other Liabilities	500.8	457.2
(j) Security Deposits from Consumers	1,011.3	626.2
(k) Tender Deposits from Vendors	25.2	28.4
(l) Sundry Deposits from Customers	1,012.2	871.2
	15,592.8	14,657.0

** Includes amounts outstanding for more than seven years pending legal cases.

PROVISIONS -

(a) Provision for Wealth Tax	12.3	22.7
(b) Provision for Proposed Dividend	-	2,850.5
(c) Provision for Additional Income-tax on Dividend	-	379.3
(d) Provision for Employee Benefits	2,475.2	2,393.6
(e) Provision for Premium on redemption of Foreign Currency Convertible Bonds	1,274.0	1,282.9
(f) Provision for future foreseeable losses on contracts, etc	-	34.3
(g) Provision for Warranties	61.5	62.4
	3,823.0	7,025.7
	19,415.8	21,682.7

THE TATA POWER COMPANY LIMITED

Schedule forming part of the Condensed Profit and Loss Account Schedule "1"

REVENUE AND OTHER INCOME

	Nine months ended 31-12-2010	Nine months ended 31-12-2009
	Rupees	Millions
1. REVENUE -		
(a) Revenue from Power Supply and Transmission Charges	50,889.6	49,703.7
Less: Cash Discount	(438.2)	(367.0)
Add / (Less) : Income to be (utilised) / recovered in future tariff determination (Net)	(760.0)	2,420.0
	49,691.4	51,756.7
(b) Revenue from Contracts:		
Electronic Products	842.8	689.2
Less: Excise Duty	(22.6)	(8.1)
	820.2	681.1
Transmission EPC Business	-	14.8
Project / Operation Management Services	325.6	174.0
	1,145.8	869.9
(c) Rental of Land, Buildings, Plant and Equipment, etc	119.1	83.6
(d) Income in respect of Services rendered	95.8	96.3
(e) Compensation Earned	96.9	-
(f) Miscellaneous Revenue and Sundry Credits	200.8	220.4
(g) Provision for Doubtful Debts and Advances written back (Net)	54.8	-
(h) Profit on sale / retirement of Assets (Net)	153.9	5.3
	51,558.5	53,032.2
2. OTHER INCOME -		
(a) Interest on Government and Other Securities, Loans, Advances, Deposits etc. (Net)	586.3	205.4
(b) Interest on Contingency Reserve Investments	43.2	45.5
(c) Interest on Deferred Tax Liability Fund Investments	163.5	189.8
(d) Interest from Subsidiaries	571.3	310.0
(e) Interest from Trade Investments	15.1	17.8
(f) Interest from Other Investments **	30.8	75.4
(g) Dividend from Trade Investments	72.9	61.1
(h) Dividend from Subsidiaries	1,676.4	691.3
(i) Dividend from Joint Ventures	79.6	79.6
(j) Dividend from Other Investments **	49.0	53.5
(k) Discount amortised / accrued on Bonds (Net)	37.9	1.8
(l) Profit on Sale of Current Investments (Net)	117.5	146.8
(m) Provision for diminution in value of investments written back	57.8	-
(n) Profit on Sale of Long-Term Investments (Net) (including ₹ 162.6 million profit on Buyback of shares of a Subsidiary - Previous Period ₹ Nil)	111.6	0.3
(o) Guarantee Commission from Subsidiaries	7.7	7.7
(p) Gain on Exchange (Net)	442.4	396.6
	4,063.0	2,282.6
	55,621.5	55,314.8

** Long term Investments

THE TATA POWER COMPANY LIMITED

**Schedule forming part of the Condensed Profit and Loss Account
Schedule "2"**

GENERATION, DISTRIBUTION AND OTHER EXPENSES

	Nine months ended 31-12-2010	Nine months ended 31-12-2009
	Rupees Millions	
1. PAYMENTS TO AND PROVISIONS FOR EMPLOYEES -		
(a) Salaries, Wages and Bonus	2,047.7	1,499.7
(b) Company's contribution to Provident Fund	92.8	71.2
(c) Retiring Gratuities	355.2	222.1
(d) Welfare Expenses	418.4	327.2
(e) Contribution to Superannuation Fund	121.6	99.1
(f) Leave Encashment Scheme	(242.4)	301.8
(g) Pension Scheme	17.9	12.0
Less - Employee cost capitalised	2,811.2	2,533.1
Less - Employee cost recovered	129.9	75.3
	39.3	41.7
	2,642.0	2,416.1
2. OPERATION AND OTHER EXPENSES -		
(a) Stores, Oil, etc. consumed	154.8	94.4
(b) Rental of Land, Buildings, Plant and Equipment, etc	111.7	114.8
(c) Repairs and Maintenance -		
(i) To Buildings and Civil Works	127.3	190.6
(ii) To Machinery and Hydraulic Works	1,436.6	1,072.8
(iii) To Furniture, Vehicles, etc.....	31.2	22.2
	1,595.1	1,285.6
(d) Rates and Taxes	224.2	368.0
(e) Insurance	129.1	115.9
(f) Components consumed	467.4	172.9
(g) Cost of materials and erection charges	-	1.5
(h) Other Operation Expenses	774.0	573.2
(i) Auditors' Remuneration	28.9	29.6
(j) Cost of Services Procured	371.3	236.5
(k) Provision for Doubtful Debts and Advances (Net)	-	44.4
(l) Miscellaneous Expenses	460.9	377.7
	4,317.4	3,414.5
3. TRANSMISSION CHARGES	534.0	380.7
4. PROVISION IN RESPECT OF CURRENT ASSETS HELD FOR DISPOSAL	-	269.1
5. TRANSFER OF REVENUE EXPENSES TO CAPITAL	-	(5.2)
	7,493.4	6,475.2

THE TATA POWER COMPANY LIMITED

**Schedule forming part of the Condensed Profit and Loss Account
Schedule "3"**

INTEREST AND FINANCE CHARGES

	Nine months ended 31-12-2010	<i>Nine months ended 31-12-2009</i>
	Rupees	Millions
INTEREST:		
(a) Interest on Debenture Loans	1,266.6	<i>1,094.2</i>
(b) Interest on Fixed Period Loans - Euro Notes and FCCB	379.8	<i>210.0</i>
(c) Interest on Fixed Period Loans - Others	1,849.8	<i>2,014.0</i>
(d) Other Interest and Commitment Charges (Net)	(240.1)	<i>63.4</i>
	<u>3,256.1</u>	<u><i>3,381.6</i></u>
 <i>Less:</i> Interest Capitalised	 281.2	 <i>265.0</i>
	<u>2,974.9</u>	<u><i>3,116.6</i></u>
FINANCE CHARGES:		
(a) Commission and Brokerage	15.0	<i>15.9</i>
(b) Other Finance Charges	304.7	<i>103.2</i>
	<u>319.7</u>	<u><i>119.1</i></u>
	<u>3,294.6</u>	<u><i>3,235.7</i></u>

THE TATA POWER COMPANY LIMITED

Schedule forming part of the Condensed Profit and Loss Account

Schedule "4"

STATUTORY APPROPRIATIONS

	Nine months ended 31-12-2010	<i>Nine months ended 31-12-2009</i>
	Rupees	Millions
(a) Contingencies Reserve	70.0	70.0
(b) Special Reserve	10.0	50.0
(c) Tariffs and Dividends Control Reserve	-	(248.9)
	80.0	(128.9)

SCHEDULE "T"
Notes forming part of the Accounts

1. Basis of Condensed Financial Statements:
 - (a) These condensed financial statements should be read in conjunction with the audited financial statements of the Company for the year ended 31 March, 2010.
 - (b) Basis of presentation:

These condensed financial statements have been prepared in accordance with requirements of Accounting Standard (AS) 25 on 'Interim Financial Reporting', notified under the Companies (Accounting Standards) Rules, 2006. In the opinion of the Management, all adjustments which are necessary for a fair presentation have been included. The results of interim periods are not necessarily indicative of the results that may be expected for any other interim period or for the full year.
 - (c) The accounting policies followed in preparing these condensed financial statements for the nine months ended 31 December, 2010 are the same as were followed in the annual financial statements for the year ended 31 March, 2010.
2.
 - (a) In an earlier year, the Company issued 200,000 1 per cent. Foreign Currency Convertible Bonds (FCCB) with face value of U.S.\$ 1,000 each aggregating to U.S.\$ 200 million (₹ 8,788.0 million at issue). The bondholders had an option to convert these Bonds into shares, at an initial conversion price of ₹ 590.85 per share at a fixed rate of exchange on conversion of ₹ 43.38 = U.S.\$ 1.00, at any time on or after 6 April, 2005, upto 15 February, 2010. The conversion price is subject to adjustment in certain circumstances. The FCCB may be redeemed, in whole but not in part, at the option of the Company at any time on or after 24 February, 2008 and prior to 15 February, 2010 subject to satisfaction of certain conditions. Unless previously converted, redeemed or repurchased and cancelled, the FCCB fall due for redemption on 25 February, 2010 at 115.734 percent of their principal amount. Accordingly, in the previous year, the Company had redeemed the balance non converted Bonds at a premium as per the terms of the issue.
 - (b) During the previous year, the Company issued 3,000 1.75 per cent. Foreign Currency Convertible Bonds (FCCB) with face value of U.S.\$ 100,000 each aggregating to U.S.\$ 300 million (₹ 14,044.5 million at issue, net proceeds received ₹ 13,916.7 million). The bondholders have an option to convert these Bonds into Equity Shares, at an initial conversion price of ₹ 1,456.125 per share at a fixed rate of exchange on conversion of ₹ 46.81 = U.S. \$ 1.00, at any time on and after 31 December, 2009, upto 11 November, 2014. The conversion price is subject to adjustment in certain circumstances. The FCCB may be redeemed, in whole but not in part, at the option of the Company at any time on or after 20 November, 2011 subject to satisfaction of certain conditions. Unless previously converted, redeemed or repurchased and cancelled, the FCCB fall due for redemption on 21 November, 2014 at 109.47 percent of their principal amount together with accrued and unpaid interest.

The unutilised portion of FCCB amounting to U.S.\$ 149.43 million (31 March, 2010 – U.S.\$ 247.75 million) has been invested in short term deposits with bank.
3. During the previous year, the Company issued equity shares in the form of Global Depository Receipts (GDRs) listed on the Luxembourg Stock Exchange for a gross amount of U.S.\$ 335 million. Each GDR represents 1 equity share of the Company, at a nominal value of ₹ 10 per equity share. The Company had issued 14,838,110 GDRs which have been priced at U.S.\$ 22.577 per GDR (₹ 48.27 being the reference exchange rate) as per relevant pricing guidelines for issue of GDRs. Consequently, in previous year, there was an increase in the Subscribed Share Capital by ₹ 148.4 million and Securities Premium Account by ₹ 16,013.8 million (net of issue expenses).

4. In an earlier year, the Company had commissioned its 120 MW thermal power unit at Jojobera, Jharkhand. Revenue in respect of this unit is recognised on the basis of a draft Power Purchase Agreement prepared jointly by the Company and its customer which is pending finalisation.
5. The Company has an investment in Tata Teleservices Limited (TTSL) of ₹ 7,354.8 million (31 March, 2010 - ₹ 7,354.8 million). Based on the accounts as certified by the Management for the period ended 31 December, 2010, have accumulated losses which have significantly eroded the net worth. In the opinion of the Management, having regard to the long term nature of the business, there is no diminution other than temporary, in the value of the investment.
6. Capital commitments (net of advance) not provided for are estimated at ₹ 12,220.6 million (31 March, 2010 - ₹ 5,941.0 million).
7. Contingent Liabilities and Other Commitments:
 - (a) Claims against the Company not acknowledged as debts aggregating to ₹ 2,584.3 million (31 March, 2010 - ₹ 2,161.4 million) consists mainly of the following:
 - (i) Octroi claims disputed by the Company aggregating to ₹ 50.3 million (31 March, 2010 - ₹ 50.3 million), in respect of Octroi exemption claimed by the Company.
 - (ii) A Suit has been filed against the Company claiming compensation of ₹ 205.1 million (31 March, 2010 - ₹ 205.1 million) by way of damages for alleged wrongful disconnection of power supply and interest accrued thereon ₹ 1,022.9 million (31 March, 2010 - ₹ 990.6 million).
 - (iii) Rates, Cess, Way Leave Fees and Duty claims disputed by the Company aggregating to ₹ 868.7 million (including interest) (31 March, 2010 - ₹ 621.4 million), consist mainly for levy of cess / way leave fees by Maharashtra Pollution Control Board and Mumbai Port Trust at higher rates which is challenged by the Company and for levy of entry tax / excise duty on fuel purchased. In respect of certain dues as per the terms of an agreement, the Company has the right to claim reimbursement from a third party.
 - (iv) Other claims against the Company not acknowledged as debts ₹ 437.3 million (31 March, 2010 - ₹ 294.0 million).
 - (b) Taxation matters for which liability, relating to issues of deductibility and taxability, is disputed by the Company and provision is not made (computed on the basis of assessments which have been re-opened and assessments remaining to be completed):

	₹ millions	
	<i>As at</i>	
	<i>31 March,</i>	
	<i>2010</i>	
(i) Matters on which there are decisions of the appellate authorities in the Company's favour, not accepted by the tax authorities.....	290.6	290.6
(ii) Interest and penalty demanded	101.3	101.3
(c) Uncalled liability on partly paid up shares - ₹ 436.3 million (31 March, 2010 - ₹ 556.0 million).		

(d) (i) Indirect exposures of the Company :

Name of the Company	Contingent Liabilities			Other Commitments	
	Guarantees given	Shares pledged	Sponsor support agreement	Letter of Comfort	Undertaking for non-disposal of shares
	(₹ millions)	(Nos.)	(₹ millions)	(₹ millions)	(₹ millions)
Tata Teleservices Limited (TTSL) [refer (d) (ii) below]	-	219,818,101	-	-	-
	-	219,818,101	-	-	-
Panatone Finvest Limited (PFL)	-	-	-	-	-
	2,500.0	-	-	-	-
North Delhi Power Limited (NDPL)	-	-	-	-	11,572.8
	-	-	-	-	11,572.8
Powerlinks Transmission Limited (PTL)	-	238,680,000	-	-	-
	-	238,680,000	-	-	-
	-	[refer (d) (iii) below]	3,660.0	-	-
NELCO Limited (NELCO)	-	-	-	250.0	-
	-	-	-	250.0	-
	-	-	-	[refer (e) below]	-
Tata Power Trading Company Limited (TPTCL)	-	-	-	-	-
	500.0	-	-	-	-
Coastal Gujarat Power Limited (CGPL)	25,631.2 (including USD 10 million and JPY 31,219 million)	1,139,340,000	[refer (d) (iv) below]	-	-
	18,574.0 (including USD 10 million and JPY 31,219 million)	884,340,000	[refer (d) (iv) below]	-	-
Industrial Energy Limited (IEL)	-	125,674,200	[refer (d) (v) below]	-	-
	-	125,674,200	[refer (d) (v) below]	-	-
Bhivpuri Investments Limited (BIL)	-	746,250	-	-	-
	-	746,250	-	-	-

Name of the Company	Contingent Liabilities			Other Commitments	
	Guarantees given	Shares pledged	Sponsor support agreement	Letter of Comfort	Undertaking for non-disposal of shares
	(₹ millions)	(Nos.)	(₹ millions)	(₹ millions)	(₹ millions)
Khopoli Investments Limited (KIL)	26,232.9 (equivalent to USD 585 million) plus interest and finance costs 26,417.1 (equivalent to USD 585 million) plus interest and finance costs	- -	- -	- -	- -
Bhira Investments Limited (BHIL)	- -	1,000,000 1,000,000	- -	- -	- -
Trust Energy Resources Pte. Limited (TERPL)	4,770.3 (equivalent to USD 106.38 million) 5,604.5 (equivalent to USD 124.11 million)	- -	- -	- -	- -
Tubed Coal Mines Limited (TCML)	113.6 113.6	- -	- -	- -	- -
Mandakani Coal Company Limited (MCCL)	202.6 202.6	- -	- -	- -	- -
Tata Sons Limited (TSL)	[refer (h) below] [refer (h) below]	- -	- -	- -	- -

Note: Previous year's figures are in Italics.

- (ii) The Company has in terms of the shareholders agreement, an obligation to subscribe for or arrange along with the participants of the Tata Group, for additional capital as per specified schedule, in case of TTSL.

- (iii) In terms of the Deed of Pledge of Shares executed by the Company and PowerGrid Corporation of India Limited (PowerGrid) in favour of Infrastructure Development Finance Company Limited (IDFC) acting as Security Trustee for the Lenders, with PTL as a confirming party for pledging the Company's current and future shareholding in PTL. Powers of Attorney are executed in favour of the Security Trustee and the Lenders to accomplish the purpose of the Deed with full authority in terms of the Deed.
- (iv) In terms of the Sponsor Support agreement entered into between the Company, Coastal Gujarat Power Limited (CGPL) and lender's of CGPL, the Company has undertaken to provide support by way of base Equity contribution to the extent of 25 per cent. of CGPL's project cost and additional equity or subordinated loans to be made or arranged for, if required as per the financing agreements to finance the project. The sponsor support also includes support by way of additional equity for any overrun in project costs and Debt Service Reserve Guarantee as provided under the financing agreements. The support will cease on the date of "financial completion" as defined under the relevant financing agreements. Further, CGPL has entered into an Agreement with the Company for Additional Subordinated Loan to the extent of U.S.\$50 million (equivalent to ₹ 2,000.0 million). In accordance with this agreement the Company has provided an Additional Subordinated Loan of ₹ 2,000.0 million *(as at 31 March, 2010 - ₹ 1,720.0 million)* to CGPL. The accrued interest on Additional Subordinated Loan shall be payable subject to fulfilment of conditions in Subordination Agreement and Coal Supply and Transportation Agreements Completion Date (CSTACD) agreement.
- (v) In terms of the Sponsor Support agreement entered into between the Company, Industrial Energy Limited (IEL) and lender's of IEL, in the event of any overrun in the project cost of IEL to the extent of 10 per cent. of the project cost, the Company has undertaken to provide in proportion to its shareholding in IEL, support by way of infusion of fresh equity/preference capital or unsecured loans.
- (e) In respect of NELCO Limited, the Company has undertaken to arrange for the necessary financial support to NELCO Limited in the form of interim short term funding for meeting its business requirements.
- (f) In respect of the Standby Charges dispute with Reliance Infrastructure Ltd. (R-Infra -formerly Reliance Energy Ltd.) for the period from 1 April, 1999 to 31 March, 2004, the ATE, set aside the MERC Order dated 31 May, 2004 and directed the Company to refund to R-Infra as at 31 March, 2004, ₹ 3,540.0 million (including interest of ₹ 151.4 million) and pay interest at 10 per cent. per annum thereafter. As at 31 December, 2010 the accumulated interest was ₹ 1,595.6 million *(31 March, 2010 - ₹ 1,511.6 million)* (₹ 84.0 million for the nine months ended 31 December, 2010). On appeal, the Hon'ble Supreme Court vide its interim order dated 7 February, 2007, has stayed the ATE Order and in accordance with its directives, the Company has furnished a bank guarantee of the sum of ₹ 2,270.0 million and also deposited ₹ 2,270.0 million with the Registrar General of the Court (the Court) which has been withdrawn by R-Infra on furnishing the required undertaking to the Court. The said deposit has been accounted as "Other Deposits".

Further, no adjustment has been made for the reversal in terms of the ATE Order dated 20 December, 2006 of Standby Charges credited in previous years estimated at ₹ 5,190.0 million. The aggregate of Standby Charges credited in previous years, net of tax is estimated at ₹ 3,929.3 million, which will be adjusted, wholly by a withdrawal / set off from certain Statutory Reserves as allowed by MERC. No provision has been made in the accounts towards interest that may be finally determined as payable to R-Infra. However, since 1 April, 2004, the Company has accounted Standby Charges on the basis determined by the respective MERC Tariff Orders.

The Company is of the view, supported by legal opinion, that the ATE's Order can be successfully challenged and hence, adjustments, if any, including consequential adjustments to the Deferred Tax Liability Fund and the Deferred Tax Liability Account will be recorded by the Company on the final outcome of the matter.

- (g) MERC vide its Tariff Order dated 11 June, 2004, had directed the Company to treat the investment in its Wind energy project as outside the Mumbai Licensed Area, consider a normative Debt Equity ratio of 70:30 to fund the Company's fresh capital investments effective 1 April, 2003 and had also allowed a normative interest charge at 10 per cent. p.a. on the said normative debt. The change to the Clear Profit and Reasonable Return (consequent to the change in the Capital Base) as a result of the above mentioned directives for the period upto 31 March, 2004, had been adjusted by MERC from the Statutory Reserves along with the disputed Standby Charges referred to in note 7 (f) above. Consequently, the effect of these adjustments would be made with the adjustments pertaining to the Standby charges dispute as mentioned in note 7 (f) above.
- (h) During the previous year, in terms of the agreements entered into between Tata Teleservices Ltd. (TTSL), Tata Sons Ltd. (TSL) and NTT DoCoMo, Inc. of Japan (Strategic Partner-SP), the Company was given by Tata Sons an option to sell 27,282,177 equity shares in TTSL to the SP, as part of a secondary sale of 253,163,941 equity shares effected along with a primary issue of 843,879,801 shares by TTSL to the SP. Accordingly, the Company had realised ₹ 3,167.2 million on sale of these shares resulting in a profit of ₹ 2,556.2 million.

If certain performance parameters and other conditions are not met, should the SP decide to divest its entire shareholding in TTSL, acquired under the primary issue and the secondary sale, and should TSL be unable to find a buyer for such shares, the Company is obligated to acquire the shareholding of the SP, at the higher of fair value or 50 percent of the subscription purchase price, in proportion of the number of shares sold by the Company to the aggregate of the secondary shares sold to the SP, or if the SP divests the shares at a lower price pay a compensation representing the difference between such lower sale price and the price referred to above. Further, in the event of breach of the representations and warranties (other than title and tax) and covenants not capable of specific performance, the Company is liable to reimburse TSL, on a pro rata basis, upto a maximum sum of ₹ 4,095.1 million.

The exercise of the option by SP being contingent on several variables the liability, if any, is considered by management to be remote and indeterminable.

- (i) The Company has investments in 13,422,037 shares of Tata Communications Limited (TCL) which were acquired from Panatone Finvest Limited (Panatone) in prior years. In accordance with the terms of the Share Purchase Agreement (SPA) and the Shareholders' Agreement between Panatone and Government of India (GOI) (Principal Owners of TCL), Panatone has agreed to cause TCL to hive off or demerge certain land it owns into a separate company (the "Resulting Company") pursuant to a scheme of arrangement as further described in the SPA. The proportionate shares received in the Resultant Company are to be transferred to GOI at nil consideration. Consequently, Panatone would require the Company to give up proportionate shares received in the Resultant Company to enable it to meet its obligation.
8. In the matter of claims raised by the Company on R-Infra, towards (i) the difference in the energy charges for the period March 2001 to May 2004 and (ii) for minimum off-take charges of energy for the period 1998 to 2000, MERC has issued an Order dated 12 December, 2007 in favour of the Company. The total amount payable by R-Infra including interest is estimated to be ₹ 3,238.7 million as at 31 December, 2007. ATE in its order dated 12 May, 2008, on appeal by R-Infra, has directed R-Infra to pay for the difference in the energy charges amounting to ₹ 349.8 million for the period March 2001 to May 2004. In respect of the minimum off-take charges of energy for the period 1998 to 2000 claimed by the Company from R-Infra, ATE has directed MERC that the issue be examined afresh and after the decision of the Supreme Court in

the Appeals relating to the distribution licence and rebates given by R-Infra. The Company and R-Infra had filed appeals in the Supreme Court. The Supreme Court, vide its Order dated 14 December, 2009, has granted stay against ATE order and has directed R-Infra to deposit with the Supreme Court, a sum of ₹ 250.0 million and furnish Bank Guarantee of ₹ 99.8 million. The Company has withdrawn the above mentioned sum subject to an undertaking to refund the amount with interest, in the event the Appeal is decided against the Company. On grounds of prudence, the Company has not recognised any income arising from the above matters.

9. (a) In the current period, as per past practice, the Company has provisionally determined the Statutory Appropriations and the adjustments to be made on Annual Performance Review as stipulated under the Tariff Regulations, 2005 for its operations in respect of the Licensed Area.
- (b) In the previous year, in respect of the Company's Generation Business as a Licensee, MERC in its Tariff Order dated 28 May, 2009, had drawn from Contingencies Reserve to partially meet the impact on tariff of the ATE Order dated 12 May, 2008, wherein ATE upheld the stand taken by the Company regarding allowability of expenses/accounting principles which were earlier disallowed/not recognised by MERC in its truing-up for financial years 2004-05 and 2005-06. Accordingly, the Company had drawn ₹ 1,088.3 million from Contingencies Reserve. Further, the Company had recognised revenue of ₹ 1,054.0 million and transferred ₹ 248.9 million from Tariffs and Dividends Control Reserve consequent to the above Order and the Orders pertaining to the Transmission and Distribution Business dated 28 May, 2009 and 15 June, 2009 respectively. Certain disallowances arising from these Orders aggregating to about ₹ 830.0 million had not been recognised as expense since they have been challenged by the Company at the ATE.
- (c) In the previous year, ATE in its Order dated 15 July, 2009, had upheld the Company's claim regarding allowability of certain expenses/accounting principles which were earlier disallowed/not recognised by MERC in its truing-up for the financial year 2006-07. On this basis, during the period ended 31 December, 2009, the Company had treated such expenses as recoverable through tariff and had recognised revenue of ₹ 1,270.0 million in respect of the financial years 2006-07 to 2008-09.
- (d) During the period ended 31 December, 2010, MERC has completed truing-up for the financial year 2008-09 and has accordingly issued Tariff Orders. In these Tariff Orders, it has disallowed certain reasonable claims made by the Company amounting to ₹ 570.0 million. Further, while giving effect to the favourable ATE Order dated 15 July, 2009, pertaining to the financial years 2006-07 to 2007-08, MERC has disallowed certain items amounting to ₹ 470.0 million. Consequently, the Company has appealed to the ATE against these disallowances. Based on the earlier favourable ATE Order on similar matters, the Company is confident of ATE allowing its claims and accordingly, the above disallowances have not been recognised in the condensed financial statements.
10. Other Advances include advance towards equity, paid to Coastal Gujarat Power Limited – ₹ 4,630.0 million (31 March, 2010 - ₹ 520.0 million), Tubed Coal Mines Ltd. – ₹ 8.0 million (31 March, 2010 – ₹ Nil), Trust Energy Resources Pte. Limited – ₹ 21.7 million (31 March, 2010 - ₹ Nil), Mandakini Coal Company Limited. – ₹ 274.0 million (31 March, 2010 – ₹ Nil) and Maithon Power Limited – ₹ Nil (31 March, 2010 - ₹ 555.0 million).

11. Earnings per Share:

		December 09
(a) Distributable Profits (₹ millions)	6,657.8	7,210.5
(b) The weighted average number of Equity Shares for Basic EPS (Nos.)	237,537,544	230,782,238
(c) The nominal value per Equity Share (₹)	10.0	10.0
(d) Basic Earnings per Share (₹)	28.0	31.2
(e) Distributable Profit for Basic EPS (₹ millions)	6,657.8	7,210.5
Add/(Less): Debit/Credit to Profit and Loss account of FCCB (net of tax) (₹ millions)	75.2	(24.4)
(f) Distributable Profits for Diluted EPS (₹ millions)	6,733.0	7,186.1
(g) The weighted average number of Equity Shares for Basic EPS (Nos.)	237,537,544	230,782,238
Add: Effect of potential Equity Shares on Conversion of FCCB (Nos.)	9,644,090	1,528,017
(h) The weighted average number of Equity Shares for Diluted EPS (Nos.)	247,181,634	232,310,255
(i) Diluted Earnings per Share (₹)	27.2	30.9

12. Segment Information:

(a) Primary Segment Information:

	Power	Others	Eliminations	₹ Millions Total
REVENUE				
Total External Revenue	50,375.9	1,182.6	-	51,558.5
	52,099.0	933.2	-	53,032.2
RESULT				
Total Segment Results	8,225.4	149.0	-	8,374.4
	11,112.2	137.6	-	11,249.8
Interest Expense	-	-	-	(2,974.9)
	-	-	-	(3,116.6)
Unallocable Income net of unallocable expense	-	-	-	3,146.2
	-	-	-	1,654.8
Income Taxes	-	-	-	(1,807.9)
	-	-	-	(2,706.4)
Profit after Tax	-	-	-	6,737.8
	-	-	-	7,081.6
OTHER INFORMATION				
Segment Assets	94,571.9	2,460.8	-	97,032.7
	88,408.6	3,114.7	-	91,523.3
Unallocable Assets	-	-	-	103,606.3
	-	-	-	97,195.0
Total Assets	-	-	-	200,639.0
	-	-	-	188,718.3
Segment Liabilities	16,519.8	1,222.2	-	17,742.0
	15,571.2	1,003.2	-	16,574.4
Unallocable Liabilities	-	-	-	70,499.5
	-	-	-	66,820.3
Total Liabilities	-	-	-	88,241.5
	-	-	-	83,394.7

Notes: (i) Comparative figures for Profit and Loss Account items are for the nine months ended 31 December, 2009 and Balance Sheet items are as at 31 March, 2010.

(ii) Previous period/year's figures are in italics.

Types of products and services in each business segment:

Power – Generation, Transmission and Distribution of Electricity

Others – Defence Electronics, Project Contracts / Project Management Services, Coal Bed Methane and Property Development

(b) Secondary Segment Information:

There are no reportable geographical segments.

13. Other Notes :

- (a) As the figures disclosed in these Non-consolidated Condensed Financial Statements are extracted from the audited Non-consolidated Financial Statements for the year ended 31 March, 2010, audited Non-consolidated Condensed Financial Statements for the nine months ended 31 December, 2010 and nine months ended 31 December, 2009 approved by the Board of Directors on 24 May, 2010, 14 February, 2011 and 19 January, 2010 respectively and on which auditors have issued their opinion dated 24 May, 2010, 14 February, 2011 and 19 January, 2010 respectively, any event subsequent to the said dates has not been considered / adjusted.
- (b) These Non-consolidated Condensed Financial Statements have been prepared on the basis of the format of the Non-consolidated Condensed Financial Statements for the nine months ended 31 December, 2010. The Non-consolidated Condensed Financial Statements for nine months ended 31 December, 2009 and the Non-consolidated Financial Statements for the year ended 31 March, 2010 have been reformatted to conform to 31 December, 2010 representations.
- (c) Figures in the Notes/Schedules to the Non-consolidated Condensed Financial Statements pertain to 31 December, 2010 unless otherwise stated/indicated.
- (d) Previous period/year's figures have been regrouped, wherever necessary, to confirm to this period's classification. Figures are rounded off to nearest lakh. Figures below ₹ 50,000 are denoted by '*'.