8th September 2015
BJ/SH-L2/

BSE Limited
Corporate Relationship Department
1st Floor, New Trading Ring
Rotunda Bldg., PJ Towers
Dalal Street, Fort
Mumbai – 400 001.

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra (East)
Mumbai – 400 051.

Dear Sirs,

Tata Power's Strategic Engineering Division Pledges Substantial Investment in Vemagal, Karnataka for Defence & Security Systems

The foundation stone laying ceremony for the greenfield Defence Production facility of the Company's Strategic Engineering Division (Tata Power SED) at Vemagal District Kolar, Karnataka, was held today, with the Hon'ble Chief Minister of Karnataka, Shri Siddaramaiah laying the foundation stone.

Tata Power SED has the unique distinction of participating in the Country's Defence programs through a dedicated R&D set up at Mumbai and a dedicated 10.5 acres Defence manufacturing facility at Electronics City, Bengaluru, operational since 1986. Over the next one year, the Division is making an investment of ₹ 450 crore at its new 50-acre Vemagal facility to create a state-of-the-art Integrated Digital Design-to-Manufacturing facility for Large Systems Engineering and Integration. This is the largest ongoing investment to create a 'Make in India - Defence' manufacturing asset in the country. The facility is the largest Strategic Electronics Manufacturing unit approved under the MSIPS program of DeitY, Government of India.

The Press Release to be issued by the Company is attached for your ready reference.

Yours faithfully,
For The Tata Power Company Limited

(H. M. Mistry)
Company Secretary

Encl.

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Tata Power's Strategic Engineering Division Pledges Substantial Investment in Vemagal, Karnataka for Defence & Security Systems

Foundation Stone laid down by Hon'ble Chief Minister of Karnataka, Shri Siddaramaiah

Bangalore, Delhi, Mumbai, September 08, 2015: The foundation stone laying ceremony for the greenfield Defence Production facility of The Tata Power Company Limited, Strategic Engineering Division ***("Tata Power SED")*** at Vemagal (District Kolar), Karnataka, was held today with the Hon'ble Chief Minister of Karnataka, Shri Siddaramaiah laying the foundation stone.

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The Vemagal facility will be the largest Strategic Electronics Manufacturing unit incorporating fully Automated PCB Assembly Lines, Sub-system / System testing facilities with full qualification for Military and Aerospace Standards. The facility will have ferrous / non-ferrous Structure Manufacturing, Precision Engineering and Machining capabilities, System / Shelter Integration bays and Specialised Manufacturing / Test facilities for Electronic Warfare Systems, Inertial Navigation Systems, RF Systems etc. Additionally, the facility will cater to Optronics and Night Vision equipment including Tube and Detectors manufacturing. This Integrated Systems Engineering facility will be able to deliver Artillery and Air Defence Weapon Systems; Network Centric Systems such as Tactical Communication / Battlefield Management Systems; Integrated Electronic Warfare Systems and Radar / Sensor Suites catering to the Land, Naval and Airborne Warfare requirements of the Indian Armed Forces. The facility will also be able to deliver State-of-the-Art systems for Homeland Security and is geared to produce Clean Energy Solutions for Defence as well as Civilian use.

On this occasion, Mr. Rahul Chaudhry, CEO – Tata Power SED said, "For the last four decades Tata Power SED has focused on Indigenous Defence R&D and Manufacturing. This month we delivered the 64th Akash Air Force Launcher; one of the largest serially produced indigenous Weapon Systems, for our Armed Forces. The Vemagal investment is in line with the Company's commitment towards the 'Make in India' initiative and the facility will be dedicated to the national effort of 'Swavalamban' in the Strategic Defence sector. We are thankful for the support extended by the Government of Karnataka since our Electronic City plant was operationalised in the eighties and their continued to support our expansion."

About Tata Power SED (http://www.TataPowerSED.in)

For close to four decades, Tata Power's Strategic Engineering Division **("Tata Power SED")** has been a leading private-sector player in the indigenous Design, Development, Production, Integration, Supply and Life-cycle Support of mission-critical Defence Systems of strategic importance. The Division has partnered the Ministry of Defence (MoD), the Armed Forces, Defence PSUs and Defence R&D Organisation (DRDO) in the development & supply of state-of-the-art Systems and emerged as a Prime Contractor to MoD for Indigenous Defence Systems.

In 1996, Tata Power SED was nominated by MoD as a Major Work Centre for the Army's Samyukta Electronic Warfare Program under the aegis of DRDO. Thereafter, in 2006, Tata Power SED secured and executed Production Orders for the prestigious Pinaka Multi Barrel Rocket Launchers. Other noteworthy programs that were successfully undertaken included the Akash

Army & Air Force Missile Launchers, AGNI Strategic Missile Launcher, Futuristic Automatic Data Handling System at 16 Air Defence sites and the in-progress Modernisation of Airfield Infrastructure (MAFI) for the Air Force as well as many other Communications & Offset Programs for Defence. Along with the successful test of its indigenous 155/52mm Mounted Gun System prototype, the Division has also indigenously developed Optronics systems i.e. both cooled and un-cooled Thermal Imaging Sights as well as advanced Gen 3 Image Intensifier-tube based Night Vision Devices. Additionally, Technology / Advance Development initiatives undertaken by Tata Power SED for Long-range Ship / Land based Surveillance / 3D Radars will facilitate the process of developing and qualifying our indigenous prototypes of these advanced Radar systems for future deployment at Army and Naval installations.

Tata Power SED has also received several national awards from industry associations such as the Federation of the Indian Chamber of Commerce and Industry (FICCI), the Confederation of Indian Industry (CII) and the Ministry of Science and Technology. In 2014, Tata Power SED was adjudged as one of the top 26 most innovative Companies in India by the CII Industrial Innovation Awards jury.

About Tata Power (http://www.tatapower.com)

Tata Power is India's largest private sector power utility with an installed generation capacity of over 8669 MW and a presence in all the segments of the power sector viz. Generation (thermal, hydro, solar and wind), Transmission, Distribution and Trading. The Company has successful public-private partnerships in Generation, Transmission and Distribution - "North Delhi Power Limited" with Delhi Vidyut Board for distribution in North Delhi, 'Powerlinks Transmission Ltd.' with Power Grid Corporation of India Ltd. for evacuation of Power from Tala hydro plant in Bhutan to Delhi and 'Maithon Power Ltd.' with Damodar Valley Corporation for a 1050 MW Mega Power Project at Jharkhand.

It has acquired 30% stake in Coal Companies at Indonesia and is developing the first 4000 MW Ultra Mega Power Project at Mundra (Gujarat) based on super-critical technology. With its track record of technology leadership, customer care and redefining contours of the Indian power sector, Tata Power is poised for a five-fold growth and committed to 'lighting up lives' for generations to come.

Disclaimer Statement: Some of the statements in this document, except for the historical information, are forward-looking statements. These forward-looking statements include references to growth projections, plans, strategies, intentions and beliefs concerning our business and operating environment. There are risks, uncertainties and other factors that may cause actual results to differ materially from those projected by these forward-looking statements.

For further information please contact:

Shalini Singh
Head - Corporate Communications
The Tata Power Company Limited
Email: shalinis@tatapower.com

Sneha Dev / Aneesha Singh
Rediffusion / Edelman
9958000706/ 7506730635
Email:sneha.dev@edelman.com/
aneesha.singh@edelman.com