



16th August 2012
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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, 5th Floor
Plot No.C/1, Block "G"
Bandra-Kurla Complex
Bandra (East)
Mumbai 400 051.

Dear Sirs,

Rating to the proposed issue of Unsecured Debentures

CRISIL Limited has assigned 'AA' rating (with stable outlook) to its proposed issue of ₹ 1,500 crore unsecured, listed, subordinated Debentures. CRISIL has also reaffirmed its ratings on the Company's existing debt instruments and bank facilities at AA/Stable/CRISIL A1+.

CARE Limited has assigned 'CARE AA' rating to this proposed issuance. Further, CARE has also reaffirmed its 'CARE AA' rating assigned to Perpetual Debentures of the Company.

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

Yours faithfully,
For The Tata Power Company Limited

(H M Mistry)
Company Secretary

Encl.

TATA POWER

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TATA POWER

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PRESS RELEASE

Crisil Assigns 'CRISIL AA' Rating to the proposed issue of Unsecured Debentures of Tata Power

Reaffirmed its ratings on the Company's existing debt instruments and bank facilities at AA/Stable/CRISIL A1+

Mumbai, August 16th, 2012: Tata Power, India's largest integrated power Company today announced that rating agency CRISIL has assigned 'AA' rating (with stable outlook) to its proposed issue of Rs.1500 Crores unsecured, listed, subordinated, Debentures. CRISIL has also reaffirmed its ratings on the Company's existing debt instruments and bank facilities at AA/Stable/CRISIL A1+.

CRISIL's ratings on the bank facilities and debt instruments of Tata Power, continue to reflect the Company's strong position in the electricity generation, transmission, and distribution business, its stable licensee business that has regulated returns, and the significant progress made by the company in its two key ongoing projects: Maithon Power Project and Mundra UMPP project, where the second unit has declared commercial operations. According to CRISIL, Tata Power has demonstrated strong financial flexibility through timely financial closure for its two ongoing projects, with long-term loans, and raising funds through global depositary receipts, foreign currency convertible bonds, perpetual debentures, USD hybrid bonds and sale of investments. CRISIL believes that Tata Power enjoys financial flexibility by virtue of the need-based support that it will receive from the other Tata group companies, and its substantial investments in these companies, which can be liquidated to meet its fund requirements.

CRISIL also believes that the strong performance of Tata Power's Mumbai operations and the coal companies will help offset the unfavourable project economics for the Mundra UMPP. The outlook may be revised to 'Positive' if the tariff renegotiations for CGPL are successful and if Tata Power does not undertake any large, incremental, debt-funded capex programme without commensurate infusion of equity capital.

CARE has assigned 'CARE AA' rating to this proposed issuance. Further, CARE has also reaffirmed its 'CARE AA' rating assigned to Perpetual Debentures of the Company.

About Tata Power:

Tata Power is India's largest integrated power company with a significant international presence. The Company has an installed generation capacity of 6099 MW in India and a presence in all the segments of the power sector viz Generation (thermal, hydro, solar and wind), Transmission, Distribution and Trading. It has successful public-private partnerships in Generation, Transmission and Distribution in India namely "Tata Power Delhi Distribution 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 is one of the largest renewable energy players in India and is developing country's first 4000 MW Ultra Mega Power Project at Mundra (Gujarat) based on super-critical technology. Its international presence includes strategic investments in Indonesia through 30% stake in coal mines and a geothermal project; in Singapore through Trust Energy Resources to securitise coal supply and the shipping of coal for its thermal power generation operations; in South Africa through a joint venture called 'Cennergi' to develop projects in South Africa, Botswana and Namibia; in Australia through investments in enhanced geothermal and clean coal technologies and in Bhutan through a hydro project in partnership with The Royal Government of Bhutan. With its track record of technology leadership, project execution excellence, world class safety processes, customer care and driving green initiatives, Tata Power is poised for a multi-fold growth and committed to 'lighting up lives' for generations to come. Visit us at: www.tatapower.com

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.

Lighting up Lives!



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PRESS RELEASE**For Further information, please contact:**

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