17th March 2015
BJ/SH-L2/33

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,

Commissioning of 2nd unit of 126 MW Dagachhu Hydro Power Project in Bhutan to provide clean power to India

The Company achieved successful commissioning of 2nd unit of 63 MW of its 126 MW Dagachhu Hydro Power Project in Bhutan. The project has achieved full commissioning and clean power generated by this plant will be sold to India, thereby helping to reduce carbon emission.

The Dagachhu project is a Joint Venture initiative between Tata Power and Druk Green Power Corporation, owned by Royal Government of Bhutan (RGoB), and National Pension & Provident Fund of Bhutan. It is a run of river hydro project located in Dagana Dzongkhag, Bhutan. DHPC has entered into a 25 year Power Purchase Agreement with Tata Power Trading Company Limited (TPTCL, a company of Tata Power) for sale of power from the project. The power generated from the project shall be sold by TPTCL in the Indian power market.

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

(H. M. Mistry)
Company Secretary

Encl.

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TATA POWER

TATA

for immediate use **PRESS RELEASE**

Tata Power announces commissioning of second unit of 126 MW Dagachhu Hydro Power Project in Bhutan to provide clean power to India

Achieves full commissioning of this milestone hydro project in its centenary year

- *Successfully commissions 2nd unit of 63 MW Dagachhu Hydro project in Bhutan, makes it fully commercial*
- *First public-private partnership in infrastructure investment in Bhutan with participation from international stakeholders*
- *Reinforces Company's commitment to commission 120 MW of new Hydro Power Project during the centenary year*

National, 16h March, 2015: Tata Power, India's largest integrated power company, achieved successful commissioning of 2nd unit of 63 MW of its 126 MW Dagachhu Hydro Power Corporation (DHPC) in Bhutan. The project has achieved full commissioning and clean power generated by this plant will be sold to India, thereby helping to reduce carbon emission.

TATA POWER CELEBRATING 100 YEARS OF INVISIBLE GOODNESS

The Dagachhu project is a Joint Venture initiative between Tata Power (and Druk Green Power Corporation, owned by Royal Government of Bhutan (RGoB), and National Pension & Provident Fund of Bhutan. It is a run of river hydro project located in Dagana Dzongkhag, Bhutan. DHPC has entered into a 25 year Power Purchase Agreement (PPA) with Tata Power Trading Company Limited (TPTCL, a company of Tata Power) for sale of power from the project. The power generated from the project shall be sold by TPTCL in the Indian power market.

The Unit-2 of 63 MW was commissioned within few days of commissioning of the Unit-1 in February 2015. The commercial flow of energy generated from the Unit 2 of Dagachhu project to India officially started at 09:54 am (Bhutan time) on 15th March, 2015 in a ceremony by Lam Neten as a Chief Guest.

Being the first PPP in infrastructure investment in Bhutan, Dagachhu Hydro Project serves as a model for other countries - particularly those with a low GHG-emitting grid - to harness the benefits of CDM towards enhancing the socioeconomic development of the country while meeting the escalating energy demand in a sustainable way. With the commissioning of the project, Tata Power's total hydro generation capacity today stands at 576 MW and overall capacity at 8747 MW.

This power project aims to augment the power market in India by transmitting clean energy across the border. It is the first cross border project registered under UNFCCC's Clean Development Mechanism. Through this project, India will be able to pave way for essential clean energy development process, which is a much-needed requirement for the power sector and is also in line with Tata Power's commitment towards promoting clean and renewable energy.

TATA POWER

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Speaking on the development, **Mr. Anil Sardana, CEO and Managing Director, Tata Power,** *said, "It is indeed an honour to announce the successful commissioning of the 2nd unit of the Dagachhu hydro project in Bhutan, after the commissioning of the 1st unit few weeks ago. The power generated from this project will provide a much needed boost to the power market in India. With Tata Power's centenary year's celebrations, we had committed to 120 MW of Hydro Power this year and we have achieved the same. We now aim to develop another new project of another 450 MW in 2015. Being the first cross border project registered under UNFCCC's Clean Development Mechanism (CDM), it reinforces our commitment towards promoting clean and renewable energy sources. We would like to thank the Royal Government of Bhutan, Druk Green Power Corporation, Ministry of External Affairs of Bhutan & India, Ministry of Power, GoI and all the stakeholders, for the support extended in setting up this project in Bhutan."*

Mr. Chhewang Rinzin, Chairman, DHPC, and Managing Director, DGPC, said, *"We are happy about the smooth commissioning of Unit 2 and in a timely manner. The successful commissioning of both the units of the 126 MW Dagachhu project, showcases the robustness and ability to undertake big projects in Bhutan and we will continue to build the suitable atmosphere to take up similar projects. Druk Green hopes to achieve similar successes with its future projects and would like to thank the Tata Power and Tata Power Trading for helping Dagachhu project to achieve this commissioning."*

About Tata Power:

Tata Power is India's largest integrated power company with a growing international presence. The Company together with its subsidiaries and jointly controlled entities has an installed gross generation capacity of [8621] MW in India and a presence in all the segments of the power sector viz. Fuel Security and Logistics, 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. Tata Power has developed the country's first 4000 MW Ultra Mega Power Project at Mundra (Gujarat) based on super-critical technology. It is also one of the largest renewable energy players in India. Its international presence includes strategic investments in Indonesia through a 30% stake in the leading coal company PT Kaltim Prima Coal (KPC), 26% stake in mines at PT Baramulti Suksessarana Tbk ("BSSR") 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

For further information, please contact:

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