



7th April 2016
BJ/SH-L2/51

BSE Limited
Corporate Relationship Department
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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, G Block
Bandra-Kurla Complex
Bandra (East)
Mumbai – 400 051.

Dear Sirs,

APTEL Order on Compensatory Tariff matter

This is in furtherance to our letter Ref No.BJ/SH-L2/50 dated 7th April 2016 on the above subject.

The appeals filed by the Procurers in the Compensatory Tariff matter of Coastal Gujarat Power Limited (CGPL), the 100% subsidiary of the Company under which functions the 4000 MW Ultra Mega Power Project at Mundra, Gujarat, were listed today before the Full Bench of Appellate Tribunal for Electricity (APTEL) for Judgment. APTEL, while disposing off the said appeals has inter-alia observed that:

- (a) Central Electricity Regulatory Commission (CERC) has no regulatory powers U/s 79 (1) (b) of the Electricity Act (Act) to change the Tariff determined under tariff based competitive bidding process U/s 63 of the Act. In case "Force majeure" or "Change in Law" is made out, relief can be granted to Generating Companies under the Power Purchase Agreement (PPA) under the adjudicatory power of the Regulator;
- (b) Increase in price of coal consequent to Promulgation of Indonesian Regulation constitutes a Force Majeure event in terms of the PPA and accordingly, CERC is directed to assess the impact of such Force Majeure event and grant such relief as may be available to the Generating Companies under their respective PPA's and in the light of the instant judgement. .

Orders dated 15.04.2013 and 21.02.2014 passed by CERC have been set-aside and the matter has been remanded back to CERC to consider the relief to be granted to CGPL for Force Majeure event. CERC has also been directed to conclude the said exercise as expeditiously as possible, but certainly within a period of 3 months from today.

The above is based on our understanding of the Judgment pronounced earlier today and the same is subject to such further views/observations once the Judgment has been perused by us.

Yours faithfully,
For The Tata Power Company Limited

(H. M. Mistry)
Company Secretary

TATA POWER

The Tata Power Company Limited

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