

## Tata Power sells its Defense business to Tata Advanced Systems Limited a wholly owned subsidiary of Tata Sons

**National , 29<sup>th</sup> March 2018:** Tata Power, India's largest integrated power company, today announced that its Board has approved the sale of its Defense business to Tata Advance Systems Limited, a wholly owned subsidiary of Tata Sons at an enterprise value of Rs. 2,230 Crore (out of which Rs 1,040 crore payable at the time of closing and Rs. 1,190 crore payable on achieving certain milestones), subject to Government & other approvals. This is as part of the company's plan to monetize its non-core assets and improve the balance sheet. This will be subject to Shareholders approval.

Speaking on this sale, **Mr. Anil Sardana, CEO & Managing Director**, Tata Power said *"SED is a non-core business division of Tata Power. The Company has been working on charting its next phase of growth, for which monetization of non-core assets is a critical step. This sale will also help in reduction of leverage."*

Strategic Engineering Division (SED) is a non-core defence electronics division of the Company, engaged in business of indigenous design, development, production, integration, supply and life cycle support of mission critical defence systems. The key products include manufacturing and assembling missile launchers, electronic warfare, night vision systems and gun systems. The division has been awarded programs of national importance such as (i) Missile Launchers: Pinaka MBRL / Akash Launchers for Army & Air Force (AAFL & AAL) / Strategic Missile Launcher / MR-SAM Launchers, (ii) Electronic Warfare (iii) Modernization of Airfield Infrastructure (MAFI). SED has three dedicated manufacturing units viz. Bangalore Electronic City, Vemagal in Karnataka (under construction) and a SEZ near Bengaluru (under construction).

### **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 10757 MW 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 is serving more than 2.6 million distribution consumers in India and 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 with a clean energy portfolio of 3417 MW. 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"); in Singapore through Trust Energy Resources to securitize 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 sub-Sahara Africa; in Zambia through 50:50 joint venture with ZESCO for 120 MW Hydro which has become operational in 2016; in Georgia through AGL which is a joint venture with Clean Energy, Norway & IFC for development of 187 MW hydro project 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](http://www.tatapower.com)

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