



## **L&T Press Release**

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# **L&T Wins Rs 6,897 Crore Order from Mahagenco for 2000 MW Supercritical Power Plant**

## **- Largest EPC Contract in Power Sector**

**Mumbai November 3, 2009:** L&T secured one of the single largest EPC orders in India's power sector by winning a contract valued at Rs 6897 crores from Maharashtra State Power Generation Co. Ltd. (Mahagenco) for 3X 660 MW super-critical Boiler Turbine Generator (BTG) units. The project was won against stiff competition from domestic and international power majors.

When commissioned, Mahagenco's prestigious 1980 MW project in Koradi (20km from Nagpur) will add close to 50 million units to the national grid every day. L&T's advanced supercritical thermal sets will ensure higher plant efficiencies and lower greenhouse gas emissions, thus introducing a new and green era of environment friendly power generation.

Under the total EPC (Engineer-Procure-Construct) contract, L&T's scope includes design, engineering, manufacture, supply, erection and commissioning of super-critical boilers, Steam Turbine Generators (STGs) and associated auxiliaries besides substantial balance-of-plant equipment and services such as transformers, plant electricals, state-of-the-art Controls and Instrumentation (C&I) system and civil and architectural work.

L&T is geared for a major thrust into engineering and construction in the power sector – both thermal and nuclear. A slew of recent initiatives have served to integrate and augment its capabilities. It set up a wholly owned subsidiary - L&T Power Limited which brings together all its offerings in the thermal power segment. It has entered into joint ventures with Mitsubishi Heavy Engineering for the manufacture of supercritical boilers and steam turbine generators. This complements the Company's existing strengths in design engineering, project execution and construction. L&T's EPC capability extends to building single units up to 1000 MW for supercritical coal-based power projects.

L&T is also setting up manufacturing capabilities for other critical equipment including pressure piping, coal pulverizers, ESPs, and heavy forging. This will streamline availability of components, and increase overall plant reliability and availability.

L&T Power has emerged as a very strong domestic manufacturer, having secured a number of projects within the last year. The Rs 6897 crore order from Mahagenco follows a Rs 4000 crore order received weeks earlier from Jaypee Industries for 2 x 660 MW supercritical equipment.

Given the demand-supply gap that the country faces, with a peak deficit of close to 14 per cent, the high tech solutions that L&T offers are of immediate relevance to the power sector. Timely completion of projects with no cost over-runs and the adoption of technology that is more energy efficient and environment friendly will be useful as India implements plans to ramp up generating capacity.

**Background:**

Larsen & Toubro is a USD 8.5 billion technology, engineering and construction group, with global operations. It is one of the largest and most respected companies in India's private sector.

A strong, customer-focused approach and the constant quest for top-class quality have enabled L&T to attain and sustain leadership in its major lines of business over seven decades.