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L&T receives Rs 1557 Cr Order for 2 x 800 MW Steam Turbine Generator package from APPDCL

First Indian Co. to Bag Order using Supercritical Tech

Mumbai, June 30, 2008: Larsen & Toubro Limited (L&T), India's leading engineering, technology and Construction Company, has received a Letter of Intent (LOI) for Rs 1557 Crore for the Steam Turbine Generator package of 2 x 800 MW Sri Damodaram Sanjeevaiah Thermal Power Station at Krishnapatnam, Andhra Pradesh. This project is being developed by Andhra Pradesh Power Development Company Limited (APPDCL).

This is the first order for supercritical 800MW Steam Turbine Generator Island (including auxiliaries) in the country and was tendered through the International Competitive Bidding route.

With this order, L&T has flagged off its journey into becoming a leading player in the area of Thermal Power, employing supercritical technology.

The Steam Turbine Generator package includes engineering, procurement, manufacture, supply, erection, commissioning and performance guarantee tests of two sets of 800MW supercritical Steam Turbine Generators and Auxiliaries.

The steam turbine generators for the project will be supplied by L&T-MHI Turbine Generators Private Limited, a joint venture company set up by L&T and Mitsubishi Heavy Industries (MHI), Japan, for manufacturing supercritical steam turbines and generators in India. The JV was formalized in November, 2007 and has secured its first order within six months. L&T-MHI is in the process of setting up a manufacturing facility in Hazira, Gujarat.

L&T had taken a strategic decision to enter into the coal based thermal power arena as it constitutes the single largest segment of the power market. With this order, L&T has taken a significant step in fulfilling its aspiration to contribute to the nation's increasing demand for power, a key driver of economic growth.

L&T has also set up another JV with MHI, Japan, for the manufacture of Supercritical Boilers. Both the JVs will be the pillars on which L&T's power business will be built in the years ahead. They will complement L&T's existing expertise in design and engineering of power plants, manufacture of feed cycle equipment as well as construction of power plants.

Background:

Larsen & Toubro Group is a USD 7 billion technology, engineering and construction group, with global operations. L&T 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.
