



L&T Press Release

Issued by Corporate Communications Department

L&T House, 2nd Floor,
Ballard Estate, Mumbai 400 001
Tel: 91 22 6752 5656 / 836
Fax: 91 22 6752 5796

L&T-MHI Power Joint Ventures Start Production

Mumbai, July 15, 2010: Larsen & Toubro's (L&T's) two joint venture companies with Mitsubishi Heavy Industries (MHI) and Mitsubishi Electric Corporation (MELCO) commenced production of turbine-generators and boilers at their newly set-up factories in Hazira, Surat. L&T-MHI JVs thus become only the second in India to produce power generation equipment locally, which will give a major impetus to the growth of new generating capacity.

Each of the two factories is capable of producing 4000 MW of power generating equipment annually. L&T is setting up an integrated power equipment manufacturing complex in Hazira spread over 800 acres of land. The factories of both L&T-MHI JVs are located within the same complex. In addition to the turbine and boiler factories, L&T is also setting up dedicated factories for axial fans, air-preheaters, electrostatic precipitators (ESPs), high pressure piping and a forge plant. In all, L&T will be investing about INR 3,600 crores in the power equipment manufacturing units.

Commenting on the development, Mr. A.M.Naik, Chairman and Managing Director, L&T, said, "The factories have been commissioned in record time and reiterates L&T's commitment to build world class facilities to serve the Indian power sector. Our collaboration with MHI and MELCO is a reflection of our commitment to introduce the best-of-class technology and manufacturing capabilities in India. We are in this business for the long haul, and will continue to strengthen our presence in the sector"

Mr. Tsukuda, CEO of MHI Power and Mr. Nakatani, Group President of MELCO Power & Industrial Systems were present in Hazira to flag off the facility. Mr. Tsukuda of MHI described the start of their production activities as a major landmark, and pointed out that their JV with L&T is one of MHI's largest investment and production facility outside Japan. Mr. Nakatani of MELCO stated that they are very pleased with their participation in the Turbine-Generator JV. They are glad to see the rapid development of the Indian power equipment market, and consider the launch of their products in India well timed.

Speaking about the capabilities of the JVs, Mr Ravi Uppal, CEO and MD, L&T Power, said, "We are fully geared up to meet the requirements of the Indian power sector, and to provide our customers with state-of-the-art equipment from these factories. We are confident that our products will demonstrate their superior quality and performance over the long term".

Back ground:

Larsen & Toubro is a USD 9.8 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.