



## **L&T Press Release**

Issued by Corporate Communications Department

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### **L&T and Befula Investments (South Africa) to Collaborate on Power Transmission & Distribution Opportunities in South Africa.**

**Mumbai, September 23, 2010,** Larsen & Toubro (L&T), India's leading engineering, technology & construction company and Befula Investments (PTY) Ltd., South Africa have signed a Share Holders Agreement to incorporate a Joint venture company '**LARSEN & TOUBRO T&D SA (PTY) LTD**' in South Africa to capitalize on the Power Transmission and Distribution opportunities in South Africa.

With an installed capacity close to 44000 MW South Africa is facing a severe peaking demand shortage in electricity. The current peak demand shortage is approximately 3,000 MW and this is expected to grow 6% every year. Thus there is a long felt necessity of huge generation capacity additions. Sizeable investments are lined up by the Government to cater to major generation capacity addition and augmentation of Transmission & Distribution Network in the next five years. The Transmission Lines are expected to be in 400 / 765 kV class to service the major load centers and strengthen the National Grid for balancing of power and to minimize instances of shut downs.

Recognising this opportunity and to exploit the business potential existing in the country, L&T has signed the Share Holders Agreement with Befula Investments (PTY) Ltd – a leading general engineering and investment company located in Durban having core strengths in general engineering with structural and plate fabrication, tank manufacture including cranes and material handling equipment

Befula Investments with its associate partners have a wide network access to resource pools for labour and services across multiple sectors including Labour sourcing, site location of labour, logistics and supply chain management support.

The agreement was signed by Mr. S. Rajavel, Executive Vice President (Electrical & Gulf Projects OC), L&T with Mr. Ravi Desai – Director, Befula Investments (PTY) Ltd at Chennai in the presence of Mr. K.V. Rangaswami, President (Construction) and Member of the Board, L&T

Through the agreement the two companies have agreed to collaborate on areas including turnkey execution of Power Transmission Lines, Sub-Station, Rural Electrifications, Power Distribution, and Industrial Electrification in South Africa.

Mr. K.V.Rangaswami, President Construction and Member of the Board, L&T said: "The agreement brings together L&T's vast experience in power transmission and distribution and

Befula's country knowledge and local networking capabilities. The JV will effectively leverage the strengths of both the companies to tap rapidly emerging opportunities in South Africa."

## **Background**

### **Larsen & Toubro**

L&T is a \$9.8 billion technology, engineering, construction and manufacturing company with global operations. It is one of the India's most respected companies, widely admired for its technological achievements, its professional value systems and high standards of corporate governance.

Execution of extra high voltage power transmission line is a major area of operation for L&T.

L&T executes all types of power distribution projects from concept to commissioning on EPC basis. With ISO and OHSAS certified 1,00,000 tonne capacity tower manufacturing facilities in Pondicherry and Pithampur, L&T offers end-to-end solutions for transmission line construction business. It has earned a high reputation for executing high voltage power transmission and distribution works in the GCC and neighboring countries. L&T has already executed more than 10000 km of TL constructions in the domestic market and 1500 km in the Gulf markets. Projects executed by L&T range from low voltage levels up to 765 kV EHV AC and 800 kV HVDC lines passing through tough terrains.

### **Befula Investments**

Befula Investments is a local South African company having Capabilities in General Engineering & Refurbishment, Material handling Solutions & Plant & equipment reconditioning & refurbishment.

Befula Investments (Pty) Ltd, an investment holding group, trading as Rossi Engineering, has its interests in the field of engineering, technology, maintenance and EPC. Some of the major companies under its holding include :Transpec (Pty) Ltd, Rowglen (Pty) Ltd, FabBox cc, VBR Marine (Pty) Ltd, Hamburg Port Consulting, Mercury Electrical, Hire Intelligence, Hi-EPC, EQ-Tech etc.