

NPCIL and L&T Flag off Venture for Special Steels and Ultra Heavy Forgings

One of World's Biggest High Tech Forging Facilities

Surat, January 09, 2010: The Nuclear Power Corporation of India Limited (NPCIL), a Government of India Company responsible for design, construction, commissioning and operation of nuclear power plants and Larsen & Toubro (L&T), India's leading engineering, manufacturing & construction major have laid the foundation stone for their world class steel manufacturing & heavy forging plant.

On 30th November 2009, L&T and NPCIL had announced the formation of a joint venture company to produce special steels and ultra heavy forgings.

At a ceremony in Surat, NPCIL and L&T said that the new, fully integrated facility will help develop India's capabilities in manufacturing critical components for the nuclear power & other core sector industries.

The foundation stone was laid jointly by Dr. S K Jain Chairman & Managing Director NPCIL & BHAVINI and Mr. M V Kotwal Member of the Board of L&T in presence of Dr. S. Banerjee, Secretary, Department of Atomic Energy and Chairman Atomic Energy Commission, and Mr. A. M. Naik, Chairman & Managing Director of L&T.

The state-of-the-art facility will be one of the best of its kind in the world. It will have the capability to produce ingots weighing up to 600 MT each, and a heavy forge shop equipped with a forging press which will be amongst the largest in the world. The facility will supply finished forgings for nuclear reactors, pressurizers & steam generators, in addition to heavy forgings for critical equipment in the hydrocarbon sector, as well as for thermal power plants and steel plants. Direct access to a water front at Hazira will facilitate multi-modal transportation and exports.

With the addition of this forge facility, L&T's Hazira Manufacturing Complex will enter an exclusive club of manufacturers with an integrated capability covering the entire range - from melting of steel to finished equipment.

Indigenous manufacture of forgings will close a critical gap in Indian industry's capability to produce equipment for nuclear, thermal power and hydrocarbon plants. It will enable significant reduction in cycle times. Considering the thrust

on infrastructure growth in India, and the global nuclear renaissance, the market potential for such forgings is expected to remain strong over the long term.

The new facility fits in with L&T's commitment to remain at the forefront of manufacturing technology across key sectors. Operating at the higher end of the technology spectrum, over the years, L&T has introduced new products & processes into Indian industry. In critical sectors such as space research, nuclear and thermal power, defence and hydrocarbons. L&T's manufacturing facilities have met the challenges of technology, quality conformance and delivery, while ensuring the highest value to its customers.

About NPCIL

NPCIL currently operates 17 Nuclear Power Reactors in India with a total capacity of 4120 MW and is constructing six reactors with an installed capacity of 3160 MW. 18th reactor has achieved first criticality on Nov 24, 2009 and is poised to start commercial operation soon. NPCIL has recorded over 300 reactor years of safe and reliable operation of nuclear reactors. The first pour of concrete for four indigenous reactors of 700 MW is targeted for the year 2010. It has ambitious plans for capacity addition through international co operation in addition to the indigenous programme.

About L&T

Larsen & Toubro Limited (L&T) is a USD 8.5 billion technology-driven engineering, manufacturing and construction conglomerate, and one of the largest companies in India's private sector. A strong, customer focused approach and the constant quest for top-class quality have enabled the company to achieve and sustain leadership over seven decades in its major lines of business.

L&T is globally acknowledged as one the top five manufacturing companies in the heavy engineering sector.

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