



Press Release

Thermax - Babcock & Wilcox Joint Venture for Supercritical Boilers: Offers higher efficiency of power generation in India's mega projects

Mumbai, March 10, 2010

Thermax Limited and Babcock & Wilcox Power Generation Group, Inc. (B&W PGG), a global leader in power generation industry and the original Babcock & Wilcox, today announced the formation of a strategic joint venture to engineer, manufacture and supply supercritical boilers for the Indian power sector. The Joint venture will also manufacture subcritical boilers over 300 megawatts (MW) in size. The agreement was signed by M S Unnikrishnan, Managing Director and CEO, Thermax, and Richard L. Killion, President and Chief Operating Officer, B&W PGG.

Thermax will own 51% share of the joint venture while United States-based B&W PGG will have 49% ownership. The joint venture will bring to the Indian power sector Thermax's expertise of integrating energy and environment solutions and B&W's long history of providing proven, state-of-the-art power generation technology and world class project management capabilities.

B&W pioneered the development of supercritical boilers, and this technology will allow the new joint venture to contribute to efficient power generation in the mega thermal plants planned to meet the massive energy requirements of the country. Supercritical boilers operate at higher pressures than subcritical boilers, increasing efficiency and producing more energy from the same amount of fuel.

“We are proud to offer the services of this joint venture to support the government's initiatives to improve the power scenario of the country. And we are happy that in B&W our joint venture partner, we have a global technology leader whose boilers generate over 300,000 MW of power around the world,” said Unnikrishnan.

The supercritical boilers will be manufactured in a new facility that is being planned. The plant, with an annual capacity of 3000 MW equivalent in the first phase will indigenize the technology and contribute to local component development.

Thermax and B&W have maintained a business relationship for over 20 years. Recently in February 2008, Thermax signed a technology transfer agreement with B&W PGG for manufacturing subcritical power boilers.

“This joint venture presents substantial opportunities for both B&W PGG and Thermax, two companies which have successfully worked together on joint ventures and licensing agreements for more than two decades,” Killion said. “This agreement also augments B&W PGG’s presence and profile in the global marketplace and presents a substantial opportunity to continue the growth of our business in India and around the world.”

The new joint venture is being established at a critical time when India’s ambitious growth plans and its dependence on coal fired power plants for power throw up tremendous energy and environment challenges. In the context of emission reduction and the need to conserve fossil fuel, energy efficient power generation is a critical requirement. This joint venture will help meet these challenges.

About Thermax Limited

Thermax Limited, a Rs. 3300 crore energy and environment solutions provider, is one of the few companies in the world that offers integrated, innovative solutions in the areas of heating, cooling, power, water and waste management, air pollution control and chemicals. The sustainable solutions that Thermax develops for client companies are environment-friendly and enable efficient deployment of energy and waste resources.

Thermax has a well established technology research and development facility. The company has 120 patents, 82 national and 16 international trademarks to its credit. Over the years, Thermax has had technology partnerships and alliances with at over 40 global organisations. For more information on Thermax, visit www.thermaxindia.com

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About The Babcock & Wilcox Company

B&W PGG is an operating unit of The Babcock & Wilcox Company (B&W). B&W, a subsidiary of McDermott International, Inc., is a leader in advanced energy technology innovation and service, primarily in nuclear and fossil power. Providing quality products and technical services to commercial and government customers, B&W is focused on issues such as energy efficiency, clean air, global market competitiveness, and safe and secure resolution for nuclear waste. B&W has locations worldwide and employs more than 20,000 people. The company is located on the Internet at www.babcock.com.

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