



BGR ENERGY SYSTEMS LIMITED

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Press Release

**BGR and Foster Wheeler enter Collaboration
for Complete Range of PC Boilers**

New Delhi, 1st April, 2009, BGR Energy Systems Limited (BGR Energy), through a Special Purpose Company Viz., BGR Boilers Private Limited, has entered into a Licence Agreement with Foster Wheeler North America Corp., a subsidiary of Foster Wheeler's Global Power Group having its operational headquarters at New Jersey, USA.

The Licence Agreement grants to BGR Boilers an exclusive licence and rights for the Indian Market to design, manufacture and sell:

- (a) Sub-critical coal fired Steam Generators (Boilers)
- (b) Super-critical coal fired Steam Generators (Boilers)

Typical Unit sizes would be 300 MW, 500 MW, 600 MW, 660 MW, 800 MW and 1000 MW. BGR Boilers will have access to international markets via case-by-case licence. The 20 year licence agreement is subject to approval of the Government of India.

This license agreement is a significant step forward for BGR group and Foster Wheeler. This will also support Government of India's vision for sustained growth of power sector duly backed by domestic manufacture of power plant equipments. BGR group will also emerge as one of the select list of group with both manufacturing and EPC capabilities.

Mr. David J. Parham, Executive Vice President of Global Sales and Marketing, Foster Wheeler Global Power Group observed that "As India's need for electric power continues to increase, the Foster Wheeler-BGR team will be positioned to

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add value by providing the Indian power generators high quality advanced technology to meet their growing power production needs." He added "This agreement with BGR to jointly serve the domestic power market in India, represents a major step forward in our strategy to steadily expand our global presence."

"BGR Energy is a leading EPC contractor in the Power Generation sector in India and this partnership with Foster Wheeler to manufacture the full range of Pulverized Coal Boilers will increase the value of in-house contribution in our EPC projects as well as offer Quality Products of World Repute to the Indian Customers" said Mr.B.G.Raghupathy, Chairman & Managing Director of BGR Energy Systems Limited.

FOSTER WHEELER

Foster Wheeler North America Corp., ("FWNAC"), is a subsidiary of Foster Wheeler AG, a global engineering and construction contractor and power equipment supplier delivering technically advanced, reliable facilities and equipment. The company employs over 14,000 talented professionals with specialized expertise dedicated to serving its clients through one of its two primary business groups. The company's Global Engineering and Construction Group designs and constructs leading-edge processing facilities for the upstream oil and gas, LNG and gas-to-liquids, refining, chemicals and petrochemicals, power, environmental, pharmaceuticals, biotechnology and healthcare industries. The company's Global Power Group is a world leader in combustion and steam generation technology that designs, manufactures and erects steam generating and auxiliary equipment for power stations and industrial facilities and also provides a wide range of aftermarket services. The company is based in Zug,



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Switzerland, and its operational headquarters are in Clinton, New Jersey, USA. For more information about Foster Wheeler, please visit our Web site at www.fwc.com.

BGR ENERGY SYSTEMS LIMITED

BGR Energy - BSE and NSE listed company is a key player in the Indian power sector with capability to execute large power plant EPC (Engineering, Procurement and Construction) contracts and BOP (Balance of Plant) contracts. Currently BGR Energy is executing several BOP and EPC contracts aggregating to 3800 MW. The new license agreement will enable BGR Energy to source large utility boilers from assured source within the group. This will place BGR Energy in advantageous position in terms of pricing, quality and schedule for their EPC contracts. BGR Energy's present order book aggregates to Rs.10,060 Crores.

BGR Energy carries on business in two segments as a manufacturer of Capital Goods and as Prime contractor of Turnkey Engineering Projects.

1. Capital Goods – Design, Engineering, Manufacture and Supply of Hi-Tech Systems and Equipment for the Power, Oil & Gas, Refinery, Petrochemical and Process Industries.
2. Turnkey Engineering Projects – Engineering, Procurement and Construction (EPC) and Balance of Plant (BOP) contracts for Power, Water and Infrastructure projects and LSTK contracts for Oil & Gas sector.

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