

Press Release

Punj Lloyd-Limak JV wins Rs 2780 crore pipeline contract in Turkey

Project awarded by TANAP Doğalgaz İletim A.Ş

New Delhi, January 28, 2016 : Diversified EPC conglomerate, Punj Lloyd today announced winning 459 km of the 48” dia TANAP Gas Pipeline in Turkey worth Rs.2,780 crore (USD 409 million) in Joint Venture with Limak (50-50 share). Awarded to the JV by **TANAP Doğalgaz İletim A.Ş.**, Punj Lloyd’s value of the project amounts to Rs1,390 crore (USD 204 million).

TANAP, The Trans Anatolian Natural Gas Pipeline Project, will be built to transport natural gas emanating from the South Caucasus Pipeline Company (SCPC) pipeline in Georgia and terminating into the Trans-Adriatic Pipeline (TAP) in Greece.

Punj Lloyd’s scope of the present project (Lot 4) is the second phase of construction from the new Eskisehir Compressor station to the tie-in point of the Trans Adriatic Pipeline (TAP). The proposed natural gas pipeline is of 48” diameter and 459 km in length. The scope also includes 10 Block Valve Stations, Pigging facility (two within Compressor stations, two at pigging stations) and Tie-ins with Metering Stations.

President and CEO, Pipelines and Tankage, Atul Jain said, “*This is the second project for Punj Lloyd-Limak JV in Turkey. In laying the Baku-Tbilisi-Ceyhan pipeline, popularly known as the Pipeline of the Century in Turkey and Georgia, the Punj Lloyd Limak JV was awarded the ‘Best Contractor’s Award’. We were then the only Indian contractor to execute the transnational pipeline and even now I am proud to state that we are the only Indian company to win a pipeline TANAP order. With our extensive knowledge of the region’s topography and our internationally recognised best practices, I am confident of executing this pipeline in the given timeframe of 35 months.*”

In such environmentally sensitive regions, one may need to reinstate rivers, conserve archaeological discoveries, employ innovative waste management practices and conserve and restore ecosystems. Our people are sensitized and trained to achieve this,” he further added.

The proposed pipeline section begins from Compressor Station 5A at Eskisehir in Turkey and travel through the vicinity of major cities like Eskisehir, Bursa, Balıkesir, Canakkale and Edirne, passing through a terrain ranging from lowland to high rocky mountain ranges with steep slopes/side slopes, deep forest, agricultural fields, numerous river and road/track crossings, environmental sensitive and archaeological areas. The elevations are up to 1394 m in this section.

The TANAP Project aims to bring natural gas produced from Azerbaijan’s Shah Deniz-2 gas field, and other areas of the Caspian Sea, primarily to Turkey and also on to Europe. The TANAP Project, along with the South Caucasus Pipeline (SCP) and the Trans-Adriatic Pipeline (TAP) form the elements of the Southern Gas Corridor.

With this win, the Group’s order backlog stands at Rs 23,228 crore. The order backlog is the value of unexecuted orders on September 30, 2015 plus new orders received after that date.

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About TANAP

This project is of strategic importance for both Azerbaijan and Turkey. It will allow first Azerbaijani gas exports to Europe, beyond Turkey. It will also strengthen the role of Turkey as a regional energy hub.

The initial capacity of TANAP is expected to reach 16 bn m3 of gas per year. Around six bn m3 gas will be delivered to Turkey, and the remaining volume will be supplied to Europe. The capacity of the pipeline could potentially be increased to 31 bn m3 in the future.

Gas supply to Turkey is expected to begin in 2018. First gas is expected to reach Europe in early 2020 follow the construction of the Trans Adriatic Pipeline (TAP), which will connect to TANAP.

The total cost of the TANAP project is estimated at \$10 to \$11 bn.

<http://www.tanap.com>

About Punj Lloyd:

Punj Lloyd (BSE SCRIP ID: PUNJLLOYD, NSE SYMBOL: PUNJLLOYD) is a diversified international conglomerate offering EPC services in Energy and Infrastructure along with engineering and manufacturing capabilities in the Defence sector. The second largest engineering and construction company in India, Punj Lloyd has operations spread across 24 countries, a mix across the Middle East, Africa, the Caspian, Europe, Asia Pacific and South Asia.

With a turnover of US \$1.12 billion, the Group's three brands - Punj Lloyd and PL Engineering headquartered in India and Sembawang Engineers & Constructors in Singapore, each with its own subsidiaries and joint ventures, converge to offer complementary services, rich experiences and best practices from across the globe. The Group has over 8000 skilled multicultural workforce worldwide. Known for its capabilities in delivering mega projects 'on time,' thereby ensuring repeat customers, the Group delivers reliable, high-quality solutions for global infrastructure always ensuring integrity, safety and sustainability.

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