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Press Release

CG expands its RMU capacity to cater to the Indian Subcontinent

- To address larger goal of cutting power distribution losses
- Expansion of domestic footprint, investment of INR 100 mn
- Production capacity more than doubled to produce 1,000 RMUs per month

Mumbai, July 01, 2014: Avantha Group Company CG's joint venture – CG Lucy, today inaugurated its new Ring Main Unit (RMU) production facility at Nashik, India. Incorporated in 1994, CG Lucy Switchgear Ltd. is a joint venture company between CG and W. Lucy & Co. Ltd., Oxford, U.K. The facility offers RMUs for enhancing the efficiency of power distribution networks, preventing transformer burnouts and is equipped with a partial discharge testing facility up to 33kV.

The new facility is the fruition of CG's expansion strategy in the domestic market. CG Lucy has more than doubled its capacity to produce 1000 RMUs per month for the growing demand of reliable and secure power supply in the rapidly expanding Indian subcontinent. Built with an investment of INR 100 million, this plant is spread across an area of 3500 square meters and aims to employ 200 people.

This plant is specially equipped with an Automated Sealant preparation process, a Robotic Welding setup and a Partial Discharge test facility for producing High Quality and Reliable products. It will produce RMUs for the expansion of power distribution networks for utilities, especially in megacities, industries, infrastructure projects and buildings with a huge power demand. Compact, lightweight and easy to install, these RMUs isolate the faulty section, ensuring continuous power supply to end users. They can be universally applied across 12kV/ 24kV distribution controls in network distribution, for e.g. the municipality, compact substations, buildings, complexes, hospitals and industries.

In 2013, CG won the largest contract for the Design, Engineering, Manufacture, Supply, Erection, Testing and Commissioning of 11kV and 22kV RMUs and associated materials in consortium with the ECC Division of L&T Ltd. This order primarily includes the supply of 3,283 RMUs to the Tamil Nadu Generation & Distribution Corporation Limited (TANGEDCO), for their Restructured Accelerated Power Development and to the Reforms Programme (R-APDRP) in seven cities of Tamil Nadu.

Power distribution losses in India are approximately INR 600-650 bn. CG holds a market share of 18 percent in the distribution switchgear market.

Commenting on the inauguration of the new facility, Lucy Switchgear Chairman, Richard Dick, said: I am very pleased to be here in Nashik to mark the inauguration of this new RMU manufacturing facility. This will provide a significant increase in capacity to enable CG Lucy to meet a growing demand in India for RMUs and allied equipment. The latest techniques will be employed to ensure that CG Lucy's reputation as a first class supplier is maintained and additional engineering resources will be available so that new customer specific requirements can be met. I congratulate the CG Lucy team on completing this fine new building.

Commenting on the inauguration of the new facility, Avantha Group Company CG's CEO and Managing Director Laurent Demortier averred: "I commend the CG Lucy team for this new feat. It is our proud privilege to have partnered with Lucy switchgear - a 100+ year old leader in secondary power distribution solutions. This is our second RMU facility which is an example of cutting edge medium voltage design and innovation. The new facility reinforces CG's strategic business intent to further expand its domestic footprint to offer best-in-class electrical products and solutions to the megacities of the Indian subcontinent where distribution losses are a major concern."

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