

L&T Press Release

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L&T to Divest Nabha Power Limited to Torrent Power

Mumbai, February 16, 2026: L&T Power Development Ltd (LTPDL), a wholly-owned subsidiary of Larsen & Toubro (L&T), today agreed to sell 100% of equity and convertible instruments in Nabha Power Ltd (NPL) to Torrent Power Ltd, a leading name in the Indian power sector.

NPL is a wholly-owned subsidiary of LTPDL, and the transaction is subject to requisite regulatory approvals.

Given NPL's long-term power purchase agreement and stable operating performance, the divestment is a value-driven monetisation exercise. The transaction is aligned with L&T's broader strategy to exit the development projects business.

Commenting on this, **S N Subrahmanyam, Chairman & Managing Director - L&T**, said: "The divestment of NPL aligns with L&T's strategic objective of unlocking value to strengthen our robust core businesses. This move positions us to create long-term value for all our stakeholders – business partners, shareholders and employees".

Speaking on the development, **Samir Mehta, Chairman - Torrent Power Ltd**, stated: "The acquisition marks Torrent's entry into the high-growth power market of northern India. Upon completion, NPL will add a high-quality, best-in-class and well-established operating asset to our portfolio supported by fully contracted cash flows and a strong operational track record. The acquisition will be value accretive from day one, delivering a meaningful uplift in the overall revenues and profitability. Leveraging our proven expertise in managing power assets, this addition provides a robust platform to enhance scale, improve operational efficiency and strengthen cash-flow stability. Importantly, the transaction expands our footprint without introducing development or execution risk and further enhances portfolio diversification while remaining firmly aligned with our disciplined approach to growth, prudent capital allocation, and balance-sheet resilience".

Nabha Power: A Legacy of Vision and Execution

Nabha Power Ltd (NPL) is a wholly-owned subsidiary of L&T Power Development Ltd. NPL owns and operates a 1,400 MW (2 X 700 MW) supercritical coal-fired thermal power plant at Rajpura in Patiala district, Punjab.

Commissioned in 2014, the power plant was set up under Case II Competitive Bidding Guidelines of Government of India. It operates under a 25-year Power Purchase Agreement.

Further, the plant has long-term Fuel Supply Agreement (FSA) with SECL and NCL for 2.775 million MT and 2.464 million MT, respectively, along with mechanisms for alternate coal procurement to address any supply shortfall. The plant's equipment is designed to blend domestic and imported coal, providing operational and fuel flexibility.

The power plant has built a strong operational and sustainability track record, underscored by a highest-ever Plant Availability Factor (PAF) of 95.36% in FY25 and a PLF of 94.33% in July 2024, ranking 2nd among all thermal power plants (>500 MW) in India.

About Larsen & Toubro:

Larsen & Toubro is a USD 30 billion Indian multinational engaged in EPC Projects, Hi-Tech Manufacturing, and Services, operating across multiple geographies. A strong, customer-focussed approach and the constant quest for top-class quality have enabled L&T to attain and sustain leadership in its major lines of business for eight decades.

About Torrent Power:

Torrent Power Ltd. is one of the largest private power sector players in India and ranks amongst the best run power utilities in the country with highly efficient generation assets. It is one of the very few fully integrated power companies in India encompassing the entire value chain - power generation, transmission and distribution. This end-to-end presence enables operational synergies across the value chain, supports efficient execution, and provides stability for sustained and focussed growth.

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