



PRESS RELEASE

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L&T Bags Order For Asia's Largest Milk Powder Plant From Mother Dairy

Baroda, July 5, 2004: Mother Dairy, Gandhinagar -- a unit of Gujarat Co-operative Milk Marketing Federation Limited (GCMMF) -- has awarded an order for setting-up Asia's largest, fully automated milk powder plant of 100 tonnes per day capacity on turnkey basis to Food & Pharma Strategic Business Unit of Engineering and Construction major Larsen & Toubro Limited (L&T). Total value of the order is Rs. 58 crores. The order includes civil works also which would be executed by L&T's Construction Division, ECC. This plant is scheduled to go on stream during 2005-06.

L&T will be responsible for total Engineering, Procurement and Construction (EPC) of the complete project based on the process know-how from world renowned Niro A/S, Denmark -- L&T's associate for over last five decades. There are over 10,000 spray drying plants world over based on Niro technology.

The order represented trust and confidence the customer has in L&T's all round capabilities as single window solution provider. After having supplied over 150 spray drying plants, when this project is completed, L&T will have the distinction of the only company in India to build dairy plant of such high capacities.

The project will put Gujarat and India on the global dairy map for its state-of-the-art technology at par with world standards and would add many 'firsts' to its credit in the Indian Dairy sector like:

- ◆ Largest ever capacity plant producing milk powder and a fast track project.
- ◆ Milk evaporation plant with mechanical vapour re-compression and wrap-around integral separators.
- ◆ Multi-stage dryer for production of instant milk powder.
- ◆ Next generation bag filter setting new standards for powder recovery and environmental regulations.

- ◆ Vacuum dense phase conveying system facilitating the advantages of gentle powder conveying which minimizes damage to fragile and agglomerated powder.
- ◆ Latest DCS based automation system and Advance Predictive Control unit for process optimization equipped with online Management Information system.
- ◆ Intelligent motor and power control centres with sophisticated microprocessor based relays for metering and protection.

FN: Mother Dairy.doc