



PRESS RELEASE

Issued by Corporate Communications Department
LARSEN & TOUBRO LIMITED
L&T House, Ballard Estate, Mumbai 400 001

Tel: 22685786 (Direct), 22685656 Ext: 772
Fax: 91-22-22685607/ 8
E-mail: jkp-ccd@lth.ltindia.com

L&T Wins Rs. 1160 Crore Orders For Road & Airport Projects

Mumbai, October 27, 2005: Orders for two prestigious 'Build Operate & Transfer' road projects in Tamil Nadu and Andhra Pradesh from the National Highways Authority of India and a Letter of Intent for construction of the passenger terminal building at the Hyderabad Airport from the principal contractors are among the slew of orders received by engineering and construction major Larsen & Toubro Limited (L&T).

L&T has secured two major orders from NHAI for 'Build Operate & Transfer' projects valued at Rs. 900 crores in Tamil Nadu and Andhra Pradesh. The orders in the country's prestigious North-South corridor, secured against global competition, highlight L&T's capabilities in building infrastructure to meet international benchmarks of quality and delivery.

In Tamil Nadu, L&T will be engaged in upgrading a crucial link in the Salem - Bangalore section of National Highway 7. The project valued at Rs. 525 crores, involves widening the existing two-lane road between Krishnagiri and Thoppurghat to four lanes. According to the terms of the BOT contract, L&T will operate and maintain the sections from KM 156 to KM 163 for a period of 20 years.

In the Mehaboobnagar district of Andhra Pradesh, L&T will be engaged in four-laning of a stretch from Jadcherla to Kottakota. The project is estimated to be worth Rs. 370 crores. The concession period of 20 years is inclusive of the construction period of 30 months in both projects.

L&T will design, engineer, finance and construct the roads within a period of two and half years and, subsequently, operate them on real toll basis at rates specified by NHAI for the specified concession period. The projects will be developed through Special Purpose Vehicles (SPV) formed exclusively for each project.

In the prestigious Hyderabad airport project, L&T has received a Letter of Intent of Rs. 261 crores for the construction of the passenger terminal building through the principal contractors China State Construction Engineering – Hong Kong Ltd. This is in addition to the Rs. 495 crore Engineer-Procure-Construct contract secured by L&T in August 2005.

Background:

L&T has established its position as a major builder of infrastructure projects in the transportation sector. Commencing with the Kolkata-Durgapur Expressway, L&T has executed several major road projects including Rourkela-Sambalpur, Bangalore-Hosur, Sirhind-Rajpura (in Punjab), Raniganj-Barakar (West Bengal), Mumbai-Pune Expressway and the Coimbatore Bypass.

Currently L&T is executing road projects of a total length of 180 km, valued at about Rs. 820 crores.

L&T offers engineering, procurement and construction services for major airport complexes. L&T is part of the consortium that is currently executing the Bangalore Airport project.

FN: 1100crore.doc