



PRESS RELEASE

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

Tel: 67525772 (Direct), 67525656 Ext: 772
Fax: 91-22-678525607/ 8
E-mail: jkp-ccd@lth.ltindia.com

L&T Wins Rs 750 Crore BOT Highway Contract in Gujarat

Mumbai, June 15, 2006: Larsen & Toubro Limited (L&T) has received an order valued at around Rs 750 crores for the six laning of NH-8 from Vadodara to Bharuch in Gujarat. The contract was awarded by the National Highways Authority of India on Build-Operate-Transfer basis through international competitive bidding.

The 83.3 km stretch of NH-8 between Vadodara and Baruch, forms part of the Golden Quadrilateral and is an important link in the high-density corridor connecting Mumbai and Delhi. This stretch is adjacent to the Second Narmada Bridge, which is already under operation on BOT basis by L&T. The project involves widening of the existing four-lane highway to six lanes, with amenities and support infrastructure. The 15-year concession period includes a construction period of 30 months.

L&T will design, engineer, finance, construct, operate and maintain the highway section for the period of concession, employing state of the art equipment during construction and operation. The project will be domiciled in a special purpose company called L&T Vadodara Bharuch Tollways Limited, formed exclusively for the project.

The highway passes through the districts of Anand, Vadodara, and Bharuch and cuts through various urban centres with a number of road and rail crossings. The proposal envisages construction of 10 major and 36 minor bridges, 11 new flyovers, 2 new ROBs, pedestrian and cattle crossings at specified locations and other junction improvements. L&T would put in place modern toll collection systems and highway traffic management systems.

Mr. K.V.Rangaswami, Member Board and Sr. Exec Vice President (Operations) Larsen & Toubro Limited said: "This project is located on the corridor with the highest traffic density in the country and is one of the most prestigious six laning project being offered on BOT basis on the Golden Quadrilateral. The project has a strategic fit with company's core competencies in infrastructure development. We will be taking up more of such challenging construction and engineering projects to set high standards in the India's road sector".