



PRESS RELEASE

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L&T Bags Rs. 411 Crore Gangavaram Port Project Order

Mumbai, December 26, 2005: Larsen & Toubro Limited (L&T) has been awarded an order by Gangavaram Port Ltd. (GPL) to execute the first phase of the Green Field 'Deep Water Port Project' in Andhra Pradesh. This order valued at Rs. 411 crores, will be executed on Engineering Procurement & Construction basis by L&T within 24 months from December 2005. The project site is located at Gangavaram, about 15 km south of Vishakapatnam Port.

The scope of works involves construction of two breakwaters having a total length of approximately 2.6 km and five berths for handling different types of cargo. Apart from the offshore works, L&T will also execute some of the onshore civil works.

When completed the port will handle 35 million tonnes of cargo in the first phase and boost the industrial development of Vishakapatnam region and its hinterland.

Announcing the order, Mr. K. V. Rangaswami, Member of the Board and Senior Vice-President (Construction), L&T, stated, "This is a very prestigious order for L&T since it happens to be a greenfield port and this is for the first time in India that an order for a 1.5-km long berth has been released for construction in a single package. The order brings immense credit to L&T, since we bagged the order amidst stiff global competition from major players in construction. L&T will further build on its strengths in this marine business which is expected to grow rapidly in the next few years."

FN: Gangavaram.doc