



PRESS RELEASE

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L&T Ties Up With International Major To Set Up Rs. 5000 Crore Alumina Refinery

Mumbai, April 04, 2005: Larsen & Toubro Limited (L&T), India's leading engineering and construction company, has entered into an understanding with Dubai Aluminium Company Limited (Dubal), an aluminium major in Dubai, to set up an integrated Bauxite Mining cum Alumina Refinery Project in Orissa.

The project involves setting up of a 1.4 million tonnes per annum (mtpa) world class alumina refinery, bauxite mine and associated infrastructure including a captive power plant, port facility, township and other utilities. L&T already has development rights to bauxite deposits and prospecting in Orissa. The refinery is expected to be commissioned in 2009. The project will be based on the latest technology and will incorporate state-of-the-art environment control systems.

L&T's Chairman & Managing Director, Mr. A.M. Naik, said that the proposed joint venture with Dubal is in line with L&T's objective of setting up large projects in alliance with world leaders, and reflects L&T's desire to increase business with UAE. This will provide L&T's Engineering & Construction Division an opportunity to execute a project, valued over Rs. 3,000 crores. The project will contribute to the development of Orissa where L&T is already engaged in project execution of Dhamra Port.

L&T's Executive Vice President, Mr. A.K. Chhatwani, who signed the understanding with Dubal's Chief Executive Officer, Mr. Abdulla Kalban, said that the total project will cost around Rs. 5,000 crores, and will have the potential to expand in phases.

In the second phase, the refining capacity will be doubled to 2.8 mtpa, which envisages setting up of an aluminium smelter utilizing Dubal's own technology.

FN: *Dubal.doc*