



PRESS RELEASE

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L&T and Kanoo Group join hands For High-End Electrical Systems Project

Dammam, Saudi Arabia, March 27, 2006: Larsen & Toubro Limited (L&T), India's leading engineering and construction company, has joined hands with Saudi Arabia's reputed house of Kanoo today to offer a range of high end intelligent electrical systems to Saudi Arabian market. A joint venture of Larsen & Toubro International FZE (LTFZE) and Yusuf Bin Ahmed Kanoo will offer what has been described as intelligent architecture for the control and distribution of power. It entails manufacture, marketing and sales of switchboards and related systems solutions as well as allied products.

The joint venture was signed by Mr. R. N. Mukhija, whole time Director of L&T, and Mr. Bader Abdulaziz Kanoo, Director of YBA Kanoo in the presence of Mr. A. M. Naik, CMD, L&T, Mr. M. V. Kotwal, L&T Board Member, and Mr. Abdulaziz Qassim Kanoo, Dy. Chairman of YBA Kanoo. Other members of L&T and Kanoo Group were also present.

L&T will hold majority stake besides the management and operational control of the joint venture company.

Announcing this at the press conference Mr. A. M. Naik said, "L&T's decision to invest in Saudi Arabia is based on indicators of enormous potential in electrical business. Saudi Arabia has given huge thrust on development and improvement in infrastructure for making the economy driven by not only oil but many other industrial projects and petrochemicals. These business prospects offer a large potential for L&T's switchboards business among GCC countries."

L&T's Capability Spectrum

As a technology-driven engineering conglomerate, L&T's capabilities cover large process plants, construction, electrical distribution, electronics & information technology. L&T is in a position to offer its customers a single window for meeting a variety of industrial requirements with a single point of responsibility. L&T has a successful track record in building plant and equipment used in the oil

& gas sector, refineries, infrastructure and power projects, and has technology relationships with world leaders that have enabled it to execute world-class projects in the region.

L&T in Saudi Arabia

L&T's local joint venture L&T Saudi Arabia LLC has an impressive track record in the infrastructure and energy sectors. It has built hospitals, electrical substations, and has erected transmission line towers for power supply between Qatif and King Fahad International Airport. It is currently executing a 200-bed hospital, a cement plant and a major school building project. L&T has also recently commissioned a gas insulated switchgear substation for supplying power to Saudi Aramco's Qatif / Abu sa'fa Field Development Project in Juaymah. L&T's heavy engineering arm has, in association with Saudi Arabian industry, set a record by manufacturing a 104-m long product splitter in a single piece along with 8 catofin reactors. This massive 2000 MT consignment was directly shipped from L&T's works at Hazira on India's western seaboard to the petrochemical plant in Saudi Arabia. The heavy engineering division, ranked among the top five in the world, has supplied several critical high-end equipment to Saudi Arabia such as waste heat boilers, reactors and high pressure heat exchangers since 1994. L&T's Electricals arm has also supplied switchboards and allied products to many critical installations including various paper plants and chemical industries.

Projects Executed By L&T In The Gulf

L&T is engaged in the final phase of the execution of a major process platform for Bunduq Company in Abu Dhabi, a gas compression facility for GASCO (the Abu Dhabi Gas Industries Limited), an environment-protection facility for Takreer at Ruwais and gas insulated sub-station, package units and transmission lines for ADWEA. The company is also involved in the construction of four bridges in Palm Jumeraih and high rise buildings in Dubai Marina. Earlier, L&T had carried out mechanical erection and installation of a crude distillation unit at Zirku Island, built a gas insulated sub station at Al Ain and has set up power transmission lines for ADWEA and the Fujairah-Dhaid transmission line for UWEC.

Recently, L&T completed sulphur recovery units for KNPC refineries in Kuwait. On-going projects include a technologically challenging 430-metre, six-lane cable stayed bridge in Amman, Jordan and a major hotel in Bahrain.

L&T and its joint ventures have set up a number of energy and infrastructure projects. In Oman, L&T set up a 200-MW power plant on a turnkey basis at Salalah. This 200-MW open cycle power plant with six gas turbines supplies power to the entire Dhofar region. In addition to the plant, L&T set up the 132 kV substation, and erected over 150 kilometres of transmission lines. In Muscat, L&T (Oman) constructed an 'Interchange' at Al Khoud – major boon for motorists in

the capital. Other projects executed by L&T include the horse shoe shaped tunnel for the Al-Jissah Resort and the Royal Flight Hangar at Seeb-Al Maymoon. The heavy engineering arm of L&T added another dimension by being the principal supplier of critical equipment for both the ammonia and urea sections of OMIFCO - the Oman Fertilizer project. L&T's Electricals arm supplied all LV Motor Control Centers of this plant. L&T's Construction Division has also been active in building of pharmaceutical units, steel billet plant, cement projects, and commercial and shopping complexes in Oman.

L&T is executing a critical section of an oil platform project for Qatar Petroleum. L&T's Construction Division has built two stadiums in Qatar. The company has also built power plants and distribution networks in other parts of the world. The Qatar two-wheeler Grand Prix test track is powered by L&T switchgear.
