



PRESS RELEASE

Issued by Corporate Communications Department
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L&T Consortia bag Rs. 1550 crore Contracts For Tata Steel Expansion

Mumbai, August 4, 2005: Larsen & Toubro Limited (L&T) and its international consortium partners have bagged two major EPC (Engineer-Procure-Construct) contracts valued at Rs.1550 crore for Tata Steel's 2.4 million tonne expansion project in Jamshedpur.

L&T will construct India's biggest blast furnace -- a state-of-art 3800 cu. m unit with a capacity of 2.5 million tonnes of steel per year. Valued at Rs. 1,190 crore, L&T's Construction Division will execute the contract in consortium with Paul Wurth Italia within a stringent time frame of 32 months. L&T's share in this project will be Rs. 713.90 crore. The order, incidentally, was won against stiff competition from Chinese bidders.

L&T has also bagged, in partnership with Outokumpu Technologies, Germany (formerly Lurgi Metallurgie), a contract worth Rs. 360 crore, for construction of a 2.3 million tonnes per annum capacity Sinter Plant to be built in 24 months. L&T's share in this project is Rs. 288 crore. This prestigious order comes close on the heels of the L&T-Outokumpu consortium having successfully constructed and commissioned an identical plant for Tata Steel a few months ago in a record time of 19 months.

The consortium partners of L&T -- world leaders in their respective fields -- bring in the latest technology in steel plant execution. Paul Wurth Italia (the merged entity of Paul Wurth of Luxembourg and SMS Demag of Italy) are Blast Furnace technology leaders in Europe. Outokumpu Technologies are pioneers in development of iron ore agglomeration technology and have over 300 sinter plants worldwide to their credit.

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