



PRESS RELEASE

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

Tel: 22685786 (Direct), 22685656 Ext: 772
Fax: 91-22-22685607/ 8
E-mail: jkp-ccd@lth.ltindia.com

L&T And DUBAL To Set Up Rs. 15,000-crore Alumina Refinery And Smelter In Orissa

Bhubaneswar, September 22, 2005: Larsen & Toubro Limited (L&T) – India’s largest engineering and construction company will partner the international aluminium major – Dubai Aluminium Company Limited (DUBAL) -- in setting up the Rs. 15,000 crore integrated Bauxite Mining cum Alumina Refinery and Smelter near Rayagada in Orissa. The massive project comprises a 3-million tonnes per annum capacity alumina refinery, smelter, bauxite mining and development of associated infrastructure, a township and related utilities. This represents the single largest Foreign Direct Investment in India by a company from UAE.

DUBAL will have an equity of 74 per cent, and L&T 26 per cent.

L&T will have the responsibility for the construction of a major part of the project based on the latest technology and will incorporate state-of-the-art environment control systems. The first phase of 1.5 million tones alumina stream is expected to be commissioned in 2010.

The bauxite mines for the project are located at Kutrumali and Sijimali. A 10 km long over-head conveyor will transport bauxite from the mines to the refinery site. Power requirements will be met by 60 MW captive co-generation plant. The township near the plant will provide accommodation to the employees.

The second stream of doubling the alumina refinery’s capacity to 3 million tonnes per annum has been envisaged along with the construction of an aluminium smelter utilising DUBAL’s own technology and expertise. Work on second stream will start in 2008.

In the larger context of international collaboration, the L&T-DUBAL project reflects a unique economic relationship between the UAE and India that is certain to benefit Orissa’s economy and industry, and will provide gainful employment to its people.