



PRESS RELEASE

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L&T Bags Rs. 10,476 million order from Railways

First Order for Railway Business Unit from IR

Mumbai, July 8, 2008: Larsen & Toubro Limited (L&T), India's leading engineering, technology and construction company, has bagged a Rs. 10,476 million (Rs. 1047.60 crore) order from the Indian Railways for setting up a Cast Steel Wheel Manufacturing plant in Saran (Chhapra) District of Bihar. The plant when commissioned will have the capacity to manufacture 100,000 Cast Steel Railroad Wheels per annum.

The new plant will help the Indian Railways meet the huge shortage of wheels for rolling stocks due to rapid growth in the passenger and freight traffic and will reduce dependence on imports. With the Dedicated Freight Corridor project expected to take off soon, the demand for wheels is also expected to go up considerably.

The scope of work for this turnkey project involves Engineering, Procurement and Construction of the complete plant including Civil works, Electrical installation, Design, Supply Erection and commissioning of Machinery and Plant. This is the first instance of an Indian company executing a project of such complexity without any foreign collaboration. The only other such plant was set up in Bangalore by the Indian Railways in early 80s with American collaboration. The project is to be completed within a tight schedule of 2 yrs.

A year ago, L&T, as a part of its new initiatives, launched a dedicated Railway Business Unit with the intention to target the emerging opportunities in Rail Sector such as Dedicated Freight Corridor, Railway Station Modernization, Merry Go Round Systems for Power Plants, Ports, Steel Plants, rail based Urban Mass Transportation systems like Monorails, Metros and Light Rail Transport Systems, etc.

Design & Project engineering capability have been developed in L&T's Railway Business Unit to address various rail sector projects in an integrated and comprehensive manner and to provide one stop shop for all types of railway related requirements. L&T is also looking at participating in various upcoming PPP projects in rail sector viz., Rolling Stock Manufacturing, Station Redevelopment, Urban Mass transit systems, etc.

Background:

L&T is a USD 7 billion technology, engineering and construction group with global operations. It is one of the largest and most respected companies in India's private sector.

A strong, customer-focussed approach and the constant quest for top-class quality have enabled L&T to attain and sustain leadership in its major lines of business across seven decades. L&T has distinguished records of achievements including the world's largest coal gasifier made in India and exported to China, India's first indigenous hydrocracker reactor, oil and gas platform projects executed to global benchmarks and the world's largest Continuous Catalyst Regeneration reactor.
