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L&T Group Company Bags Rs. 165 Crore **Order From Oman**

Mumbai, September 26, 2005: Larsen & Toubro Electromech LLC (LTEM), Oman, an associate company of L&T, has secured a contract from Petroleum Development Oman LLC (PDO), Oman. This contract is for revamping and upgradation of the transmission lines and substations in its existing oil fields in Central Oman as part of a major infrastructure development undertaken by PDO.

The order is valued at Rs. 165 crores (US \$ 37.15 million) and has been bagged against stiff competition from local and international players. The scope of work involves construction of 293 km of 132 kV overhead transmission lines interconnecting various existing substations, construction of new transmission lines and additional substations in the oil fields of interior Oman to expand the existing electrical network. The work is scheduled to be completed by February 2007.

LTEM, formerly known as Zubair Kilpatrik LLC, is a recent acquisition of L&T as part of its efforts to accelerate business in the Middle East. The company was a unit of Zubair Corporation, L&T's JV partners in Larsen & Toubro (Oman) LLC (LTO), which has been operating successfully for over a decade in Oman.

LTEM, where L&T has a shareholding of 65%, is operating with four key Business Units, viz., MEP Services, Electrical and Instrumentation for Oil and Gas, Engineering and Maintenance Contracts for Electrical and Instrumentation, and Facilities Management. It will also complement and supplement LTO in projects involving facilities management and building utility works.

FN: PDO Order.doc