

PRESS RELEASE

Issued by Corporate Communications Department
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L&T Power Sector Vision Achieves Important Milestone - Signs Technology Agreement with Mitsubishi, Japan

Mumbai, November 13, 2006: Larsen & Toubro Limited (L&T), the over USD 4 billion engineering, construction and technology major, made a significant move forward in its plans of being a comprehensive player in the Power Sector. Its plans in the power sector include the full spectrum from power project development, manufacture of power plant equipment and construction. It has signed an agreement with Mitsubishi Heavy Industries Limited (MHI) of Japan for transfer of technology for the manufacture of super critical boilers that can meet the requirements of the mega power projects being planned for the country.

Under the agreement MHI will grant an exclusive licence and transfer the know-how and technical information to the Power Business Unit of L&T. The areas covered under this agreement include design, engineering, manufacture, testing, inspection, erection, installation, commissioning, operation, repair, services and retrofitting of super critical boilers including pulverisers. The licence that is for a period of 20 years would cover output range from 300 MW to 1000 MW for

