



PRESS RELEASE

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

Tel: 67 525 656 Ext: 832/645/649/856/853
Fax: 91-22-67 525 607/ 8

L&T consortium bags USD 150 million methanol plant order in Saudi Arabia

Mumbai, August 24, 2006:

engineering, technology and construction organization, along with its consortium partner, Haldor Topsoe AS of Denmark has been awarded an order worth around USD 150 million from Saudi Formaldehyde Chemical Company Limited (SFCCL) in Saudi Arabia. This E&P (Engineering & Procurement) order involves setting up high technology methanol and carbon monoxide plants.

SFCCL is a private sector enterprise, developed, promoted and financed by a group of leading industrialists from the Gulf Co-operation Council (GCC) countries. It is a grass-roots, second-generation petrochemical complex located in the Al Jubail Industrial City, Saudi Arabia, manufacturing formaldehyde and its derivative products. SFCCL is undertaking backward integration by installing a 700 tonnes per day (TPD) of methanol and 100 TPD of carbon monoxide plant near its existing plants. Methanol and carbon monoxide are critical building blocks for producing several value-added chemicals such as formaldehyde, acetic acid, methyl carbonate and methylamines.

process technology and the license for methanol and carbon monoxide process.

management and procurement of the equipment and materials for the plant. L&T will manufacture some of the critical equipment at its Powai and Hazira Works. L&T and Haldor Topsoe will also provide the technical services for the erection and commissioning of the plant.

L&T and Haldor Topsoe have a long association, having worked on many domestic and

es will ensure delivery and successful commissioning of the plant meeting international standards.