

## Performance for the quarter ended June 30, 2017

**Consolidated Results**  
**Revenue up by 10%**  
**PAT increases by 46%**

**Mumbai, July 28, 2017:**

Larsen & Toubro recorded Consolidated Gross Revenue of ₹ 23,990 crore for the quarter ended June 30, 2017, registering an increase of 10% on a y-o-y basis. The International revenue during the quarter at ₹ 8,233 crore constituted 34% of the total revenue.

The Company won new [contracts worth ₹ 2,300 crore](#) during the quarter.

The Order Book of the Segment grew 4% on a y-o-y basis and stood at ₹ 197,823 crore as on June 30, 2017.

The segment recorded EBIDTA margin at 8.1% during the quarter ended June 30, 2017 vis-à-vis 9.2% recorded in the corresponding quarter of the previous year. The margin during the quarter was impacted due to delayed approvals

The Order Book of the Segment registered a y-o-y decline of 19% and stood at ₹ 2,744 crore as on June 30, 2017.

### **Hydrocarbon Segment**

Hydrocarbon Segment recorded customer revenue of ₹ 2,546 crore registering a growth of 19% vis-a-vis ₹ 2,135 crore over the corresponding quarter of the previous year as jobs under execution gained momentum. International revenue constituted 57% of the total customer revenue of the segment for the quarter ended June 30, 2017.

Hydrocarbon Segment secured fresh orders valued ₹ 811 crore

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corresponding quarter of the previous year due to provisioning against certain disputed receivables.

### “Others” Segment

“Others” segment comprises Metallurgical & Material Handling, Realty, Shipbuilding, Construction & Mining Equipment and Industrial Machinery & Product businesses.

Customer Revenue during the quarter ended June 30, 2017 at ` 1,653 crore registered a marginal decrease of 1% over the corresponding quarter of the previous year.

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|  |                 |                 |                  |                  |
|--|-----------------|-----------------|------------------|------------------|
| <b>2 Expenses:</b>   |                 |                 |                  |                  |
| a)   |                 |                 |                  |                  |
|  |                 | 3383.20         | 3514.04          | 14320.98         |
|  |                 | 548.51          | 566.31           | 2090.42          |
|  |                 | 209.25          | 147.27           | 699.19           |
| iv) Sub-contracting charges  |                 | 8346.43         | 3952.45          | 22556.13         |
| v) Construction materials consumed   |                 | 7485.91         | 3176.57          | 20732.39         |
| vi) Purchase of stock-in-trade   |                 | 584.99          | 310.57           | 1610.57          |
| vii) Changes in inventories of finished goods, work-in-progress and stock-in-trade |                 | 1097.92         | (179.78)         | 84.00            |
| viii) Other manufacturing, construction and operating expenses                     | 2413.16         | 3597.59         | 2170.59          | 10583.48         |
| b) Finance cost of financial services business and finance lease activity          | 1394.09         | 1340.33         | 1334.31          | 5362.09          |
| c) Employee benefits expense   | 3530.59         | 3500.44         | 3420.01          | 13853.07         |
| d) Sales, administration and other expenses  | 1687.14         | 2398.32         | 1572.47          | 7043.99          |
| e) Finance costs   | 365.05          | 296.63          | 324.83           | 1339.84          |
| f) Depreciation, amortisation, impairment and obsolescence                         | 551.27          | 722.70          | 464.78           | 2369.93          |
| <b>Total Expenses</b>  | <b>22849.38</b> | <b>33512.22</b> | <b>20774.42</b>  | <b>102646.08</b> |
| <b>3</b>   | <b>1525.26</b>  | <b>3715.24</b>  | <b>1405.17</b>   | <b>8765.93</b>   |
| 4 Exceptional items  | -               | (281.00)        | -                | 121.43           |
| <b>5 Profit before tax (3+4)</b>   | <b>1525.26</b>  | <b>3434.24</b>  | <b>1405.17</b>   | <b>8887.36</b>   |
| <b>6 Tax expense:</b>  |                 |                 |                  |                  |
| a) Current tax   | 499.47          | 1005.97         | 605.29           | 2976.31          |
| b) Deferred tax  | (42.50)         | (526.79)        | (56.49)          | (827.76)         |
| c) Additional tax on dividend distributed by subsidiaries                          | 2.75            | (141.96)        | -                | (141.96)         |
| <b>Total tax expense</b>   | <b>459.72</b>   | <b>337.22</b>   | <b>548.80</b>    | <b>2006.59</b>   |
| <b>7 Net Profit after tax (5-6)</b>  | <b>1065.54</b>  | <b>3097.02</b>  | <b>856.37</b>    | <b>6880.77</b>   |
| 8 Share in profit/(loss) of joint ventures/associates (net)                        | (37.24)         | 83.39           | (173.5t5.7(net)) | TJ8.4005 0 0 8.4 |

**Unaudited Consolidated Segment-wise Revenue, Result, Total Assets and Total Liabilities in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended:**

₹ Crore

| Particulars   | Quarter ended    |                 |                  | Year ended               |
|---|------------------|-----------------|------------------|--------------------------|
|   | June 30, 2017    | March 31, 2017  | June 30, 2016    | March 31, 2017 (Audited) |
| <b>Gross segment revenue</b>                                  |                  |                 |                  |                          |
| 1 Infrastructure  | 10728.35         | 20300.96        | 9287.54          | 53920.81                 |
| 2 Power   | 1764.34          | 1838.55         | 1722.66          | 6938.79                  |
| 3 Heavy Engineering   | 731.28           | 1034.65         | 733.76           | 3446.94                  |
| 4 Electrical & Automation                                     | 1268.41          | 1678.63         | 1081.22          | 5367.27                  |
| 5 Hydrocarbon   | 2549.23          | 2579.72         | 2145.69          | 9628.34                  |
| 6 IT & Technology Services                                    | 2566.26          | 2548.62         | 2374.92          | 9887.54                  |
| 7 Financial Services  | 2294.45          | 2206.52         | 2090.73          | 8545.29                  |
| 8 Developmental Projects                                      | 1259.86          | 1006.48         | 1383.13          | 4367.28                  |
| 9 Others  | 1753.82          | 4417.34         | 1818.10          | 10862.43                 |
| <b>Total</b>  | <b>24916.00</b>  | <b>37611.47</b> | <b>22637.75</b>  | <b>112964.69</b>         |
| Less: Inter-segment revenue                                   | 926.21           | 783.48          | 763.95           | 2953.69                  |
| <b>Net segment revenue</b>                                    | <b>23989.79</b>  | <b>36827.99</b> | <b>21873.80</b>  | <b>110011.00</b>         |
| <b>Segment result [Profit/(Loss) before interest and tax]</b> |                  |                 |                  |                          |
| 1 Infrastructure  | 701.03           | 2519.12         | 679.14           | 4722.54                  |
| 2 Power   | 12.61            | 58.90           | 89.14            | 201.18                   |
| 3 Heavy Engineering   | 70.13            | 225.35          | 67.05            | 498.57                   |
| 4 Electrical & Automation                                     | 78.19            | 240.43          | 36.08            | 549.89                   |
| 5 Hydrocarbon   | 141.67           | 208.01          | 9.35             | 508.42                   |
| 6 IT & Technology Services                                    | 491.97           | 455.36          | 454.97           | 1825.53                  |
| 7 Financial Services  | 358.07           | (52.80)         | 241.89           | 786.44                   |
| 8 Developmental Projects                                      | (49.19)          | (62.65)         | 97.95            | 32.01                    |
| 9 Others  | (51.32)          | 404.95          | (72.00)          | 414.69                   |
| <b>Total</b>  | <b>1753.16</b>   | <b>3996.67</b>  | <b>1603.57</b>   | <b>9539.27</b>           |
| Less: Inter-segment margins on capital jobs                   | (3.44)           | 18.22           | 8.22             | 28.14                    |
| Less: Interest expenses                                       | 365.05           | 296.63          | 324.83           | 1339.84                  |
| Add: Unallocable corporate income net of expenditure          | 133.71           | (247.58)        | 134.65           | 716.07                   |
| <b>Profit before tax</b>                                      | <b>1525.26</b>   | <b>3434.24</b>  | <b>1405.17</b>   | <b>8887.36</b>           |
| <b>Segment assets</b>   |                  |                 |                  |                          |
| 1 Infrastructure  | 51464.69         |                 | 46562.63         | 50020.69                 |
| 2 Power   | 8001.88          |                 | 7880.22          | 6847.03                  |
| 3 Heavy Engineering   | 5127.01          |                 | 5294.47          | 5112.41                  |
| 4 Electrical & Automation                                     | 4440.94          |                 | 4422.38          | 4364.25                  |
| 5 Hydrocarbon   | 7576.92          |                 | 6132.90          | 6728.63                  |
| 6 IT & Technology Services                                    | 6626.04          |                 | 4547.00          | 6085.75                  |
| 7 Financial Services  | 73465.61         |                 | 65510.78         | 71841.82                 |
| 8 Developmental Projects                                      | 28993.47         |                 | 25548.03         | 28240.72                 |
| 9 Others  | 18308.86         |                 | 19033.06         | 18459.26                 |
| Total segment assets  | 204005.42        |                 | 184931.47        | 197700.56                |
| Less: Inter-segment assets                                    | 1868.91          |                 | 1815.56          | 1490.25                  |
| Add: Unallocable corporate assets                             | 17351.47         |                 | 13425.48         | 15849.36                 |
| <b>Total assets</b>   | <b>219487.98</b> |                 | <b>196541.39</b> | <b>212059.67</b>         |
| <b>Segment liabilities</b>                                    |                  |                 |                  |                          |
| 1 Infrastructure  | 33209.00         |                 | 28956.26         | 33912.75                 |
| 2 Power   | 7169.01          |                 | 7201.89          | 6362.49                  |
| 3 Heavy Engineering   | 4451.84          |                 | 3692.10          | 3815.67                  |
| 4 Electrical & Automation                                     | 1922.60          |                 | 1728.85          | 1935.65                  |
| 5 Hydrocarbon   | 6201.29          |                 | 4756.29          | 5589.70                  |
| 6 IT & Technology Services                                    | 1927.05          |                 | 1689.79          | 1813.49                  |
| 7 Financial Services  | 65269.09         |                 | 58101.72         | 64341.27                 |
| 8 Developmental Projects                                      | 10305.10         |                 | 8755.57          | 8931.32                  |
| 9 Others  | 6768.07          |                 | 6491.57          | 6844.74                  |
| Total segment liabilities                                     | 137223.05        |                 | 121374.04        | 133547.08                |
| Less: Inter-segment liabilities                               | 1868.91          |                 | 1815.56          | 1490.25                  |
| Add: Unallocable corporate liabilities                        | 28715.18         |                 | 29310.49         | 26222.72                 |
| <b>Total liabilities</b>                                      | <b>164069.32</b> |                 | <b>148868.97</b> | <b>158279.55</b>         |

**Notes:**

- (I) The Company has reported segment information as per Indian Accounting Standard 108 "Operating Segments" (Ind AS 108) read with SEBI's circular dated July 5, 2016. The identification of operating segments is consistent with performance assessment and resource allocation by the management.
- (II) Segment composition: **Infrastructure segment** comprises engineering and construction of building and factories, transportation infrastructure, heavy civil infrastructure, power transmission & distribution, water & effluent treatment and smart world & communication projects. **Power segment** comprises turnkey solutions for Coal-based and Gas-based thermal power plants including power generation equipment with associated systems and/or balance-of-plant packages. **Heavy Engineering segment** comprises manufacture and supply of custom designed, engineered critical equipment & systems to core sector industries like Fertiliser, Refinery, Petrochemical, Chemical, Oil & Gas, Thermal & Nuclear Power, Aerospace and Defence. **Electrical & Automation segment** comprises manufacture and sale of low and medium voltage switchgear components, custom built low and medium voltage switchboards, electronic energy meters/protection (relays) systems and control & automation products. **Hydrocarbon segment** comprises complete EPC solutions for the global Oil & Gas Industry from front-end design through detailed engineering, modular fabrication, procurement, project management, construction, installation and commissioning. **IT & Technology Services segment** comprises information technology and integrated engineering services. **Financial Services segment** comprises retail and corporate finance, housing finance, infrastructure finance, general insurance (upto the date of sale), asset management of mutual fund schemes and related advisory services. **Developmental Projects segment** comprises development, operation and maintenance of basic infrastructure projects, toll and fare collection, power development, development and operation of port facilities and providing related advisory services. **Others segment** includes metallurgical & material handling systems, realty, shipbuilding, manufacture and sale of industrial valves, welding and cutting equipment, manufacture, marketing and servicing of construction equipment and parts thereof, marketing and servicing of mining machinery and parts thereof, manufacture and sale of rubber processing machinery, mining and aviation.
- (III) Segment revenue comprises sales and operational income allocable specifically to a segment including profit on sale of stake in the subsidiary and/or joint venture companies under developmental projects segment and realty business grouped under "Others" segment. Unallocable income primarily includes interest income, dividends and profit on sale of investments. Unallocable expenditure mainly includes corporate expenses not allocated to segments. Corporate assets mainly comprise investments. Corporate liabilities mainly comprise borrowings.
- (IV) In respect of majority of the segments for the Company, sales and margins do not accrue uniformly during the year. Hence, the operational/financial performance of aforesaid segments can be discerned only on the basis of figures for the full year.

for LARSEN & TOUBRO LIMITED

Mumbai  
July 28, 2017

A.M.NAIK  
Group Executive Chairman