LARSEN & TOUBRO

L&T Press Release

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Performance for the year ended March 31, 2013

Order inflow grows by 25%
Revenues increase by 14.4%

Mumbai, 22 May 2013: Larsen & Toubro recorded Gross Revenue of ₹ 61471 crore for the year ended March 31, 2013, registering an increase of 14.4% on a y-o-y basis over the corresponding previous year. International Revenue at ₹ 12110 crore doubled as compared to the previous year.

The Gross Revenue for the quarter ended March 31, 2013 at ₹ 20485 crore recorded 10% growth over the corresponding quarter of the previous year, as certain sectoral bottlenecks moderated the pace of execution.

The Company successfully garnered fresh orders worth ₹ 88035 crore during the year 2012-13, recording a healthy y-o-y growth of 25%. The order Inflow during the quarter January-March 2013 was ₹ 27929 crore and recorded an impressive increase of 32%, despite challenging economic environment. International order inflow constituted 17% of the total order inflow for the year 2012-13. The major orders during the year came from Building & Factories, Power Transmission & Distribution, Transportation Infrastructure and Power sectors.

The Order Book is ₹ 153604 crore as at March 31, 2013. International Order Book constituted 13% of the total Order Book.

Profit after Tax (PAT) for the year April-March 2013 stood at ₹ 4911 crore, recording an increase of 10.2% over the corresponding previous year.

The Board of Directors has recommended a dividend of ₹ 18.50 per equity share.

The Board of Directors has recommended for the approval of shareholders, the issue of bonus equity shares in the ratio of 1:2 [one bonus equity share of ₹ 2 each for every two equity shares of ₹ 2 each held].

Engineering & Construction (E&C) Segment

The E&C Segment achieved Segment Revenue of ₹ 54378 crore for the year ended March 31, 2013 registering a y-o-y growth of 16%. International sales constituted 19% of the total revenue as compared to 10% in the corresponding previous year.

The businesses of the E&C Segment secured fresh orders of ₹ 79766 crore, during the year ended March 31, 2013 registering a y-o-y growth of 25% on the back of the proven track record and international forays. International orders constituted 16% of the total order inflow of the segment during the year ended March 31, 2013.

The Order Book of the Segment is ₹ 150346 crore as at March 31, 2013.

The EBIDTA margin of the segment is 11.5% for the year 2012-13 vis-à-vis 12.7% recorded in the previous year reflects the cost and pricing pressures prevalent in the sector.

Electrical & Electronics (E&E) Segment

E&E Segment recorded Segment Revenue of ₹ 3403 crore for the year ended March 31, 2013, recording a modest y-o-y growth of 5%, on account of depressed market conditions. International sales contributed to 10% of the total segment revenue for the year.

The Segment recorded an improved EBDITA Margin at 13.6% during the year, aided by better price realization and cost efficiencies.

Machinery & Industrial Products (MIP) Segment

MIP Segment recorded Segment Revenue of ₹ 2303 crore for the year ended March 31, 2013 vis-à-vis the Revenue of ₹ 2475 crore for the corresponding previous year. Slow-down in industrial production in India adversely impacted the Revenue during the year. International sales, however, picked pace to reach 22% of the total revenue of the segment during the year.

The Segment recorded EBIDTA Margin at 16.3% during the year ended March 31, 2013.

"Others" Segment

The Segment which includes Integrated Engineering Services and Property Development businesses, recorded Revenue of ₹ 1387 crore, registering a robust growth of 47% over the corresponding previous year. The Segment recorded improved EBIDTA Margin of 27.3% for the year ended March 31, 2013 over 22.4% earned during the previous year on the back of profitable growth achieved by Integrated Engineering Services business.

Consolidated Group Financials

The Consolidated Group revenue at ₹ 75195 crore for the year grew by 16% over ₹ 64960 crore for the previous year. The Consolidated Group Profit is ₹ 5206 crore, recording an y-o-y increase of 10.9%.

Capacity Augmentation

L&T Special Steel and Heavy Forgings Limited, a subsidiary of the Company commenced its commercial operations during the year 2012-13. The facility has been set up with a project cost of ₹ 1700 crore and is one of the longest forging facilities in the world spread over an area of 4,20,000 sq. mts.

L&T Shipbuilding Limited, another subsidiary of the Company also commenced its commercial operations during the year 2012-13. The facility is a state of the art integrated shipyard cum minor port complex and related fabrication facilities set up with a capital outlay of ₹ 4000 crore.

Outlook

The challenges in the growth path of Indian economy are still persisting in the form of infrastructure bottlenecks, resource availability, high fiscal and current account deficits. Moreover, constraints to the speedy implementation of the reform process is adversely impacting the investment climate in India.

High domestic savings and improved channelization of risk capital are expected to provide impetus to growth in the medium term. Improvement in the fortunes of the power sector, privatization and indigenisation of defence manufacturing and resolution of issues relating to mining, gas pricing, land acquisition etc will boost the Company's prospects. The infrastructure development is an irreversible process for reviving growth momentum in India and the Company, with its proven execution capabilities, is well positioned to harness the potential opportunities.

The international business environment provides opportunities but is highly competitive. The Countries in the Middle East, select markets in CIS Region, Africa and South Asia, however, hold good prospects. The Company is investing in business development efforts in these select international markets.

The Company is optimistic in sustaining its growth momentum on the back of healthy order book and strong balance sheet.

LARSEN & TOUBRO LIMITED

Registered Office: L&T House, Ballard Estate, Mumbai 400 001

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2013

₹ Lakh

	Particulars	Standalone Financials					Consolidated Financials	
		3 months ended			Year ended		Year ended	
		March 31, 2013	December 31, 2012	March 31, 2012	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
1	Gross Sales / Revenue from operations	2048451	1558099	1864577	6147086	5373778	7519531	6496008
	Less : Excise duty	19068	15163	18487	59760	56726	69731	64697
	Net Sales / Revenue from operations	**2029383**	**1542936**	**1846090**	**6087326**	**5317052**	**7449800**	**6431311**
2	**Expenses:**							
a)	i) Consumption of raw materials, components, and stores, spares & tools	344898	282036	329699	1318039	1171495	1349526	1304825
	ii) Sub-contracting charges	483654	422373	402039	1447206	1074727	1432247	1096925
	iii) Construction materials consumed	504363	415139	484135	1458112	1252742	1556264	1303700
	iv) Purchases of stock-in-trade	60786	51658	76196	206323	236940	217987	245602
	v) Changes in inventories of finished goods, work-in-progress and stock-in-trade	82206	(56137)	11704	(113203)	(53977)	(151433)	(59876)
	vi) Other manufacturing, construction and operating expenses	144019	128615	127645	478763	420312	1064704	817873
b)	Employee benefits expense	113439	105457	97758	443632	366609	622417	499823
c)	Sales, administration and other expenses	50932	47593	60832	207748	219943	372167	334048
d)	Depreciation, amortisation, obsolescence and impairment [refer note (iii)]	22221	20035	18036	81847	69946	163707	158029
	Total expenses	**1806518**	**1416769**	**1608044**	**5528467**	**4758737**	**6627586**	**5700949**
3	**Profit from operations before other income, finance costs and exceptional items (1-2)**	**222865**	**126167**	**238046**	**558859**	**558315**	**822214**	**730362**
4	Other income	37438	54309	31414	185090	133828	109593	82897
5	**Profit from ordinary activities before finance costs and exceptional items (3+4)**	**260303**	**180476**	**269460**	**743949**	**692143**	**931807**	**813259**
6	Finance costs	28099	23798	12109	98240	66610	209502	121585
7	**Profit from ordinary activities after finance costs but before exceptional items (5-6)**	**232204**	**156678**	**257351**	**645709**	**625533**	**722305**	**691674**
8	Exceptional items [refer note (i)]	-	-	5500	17595	5500	33676	5677
9	**Profit from ordinary activities before tax (7+8)**	**232204**	**156678**	**262851**	**663304**	**631033**	**755981**	**697351**
10	**Provision for taxes:**							
a)	Provision for current tax	48017	37892	72020	165821	181413	223529	231433
b)	Provision for deferred tax	7265	6611	(1210)	13579	3970	14375	(3178)
c)	Additional Tax on dividend distributed / proposed by subsidiaries						1296	867
	Total provision for taxes	**55282**	**44503**	**70810**	**179400**	**185383**	**239200**	**229122**
11	**Net Profit after tax from ordinary activities (9-10)**	**176922**	**112175**	**192041**	**483904**	**445650**	**516781**	**468229**
12	Extraordinary items [net of tax - ₹ 650 lakh] [refer note (ii)]	1872	-	-	**7161**	-	**7161**	-
13	**Net Profit after tax for the period (11+12)**	**178794**	**112175**	**192041**	**491065**	**445650**	**523942**	**468229**
14	Share in profit of associates (net)						3843	4616
15	Adjustments for minority interests in subsidiaries						(7218)	(3476)
16	**Net Profit after tax, minority interest and share of profit of associates (13+14+15)**	**178794**	**112175**	**192041**	**491065**	**445650**	**520567**	**469369**
17	Paid-up equity share capital (face value of share: ₹ 2 each)				**12308**	12248	**12308**	12248
18	Reserves excluding revaluation reserve				**2899945**	2507940	**3371641**	2923973
	Earnings per share (Not annualised):							
19	Basic EPS before extraordinary items (₹)	**28.75**	18.26	31.37	**78.82**	72.92	**83.63**	76.81
20	Diluted EPS before extraordinary items (₹)	**28.56**	18.11	31.14	**78.18**	72.23	**82.94**	76.08
21	Basic EPS after extraordinary items (₹)	**29.06**	18.26	31.37	**79.99**	72.92	**84.79**	76.81
22	Diluted EPS after extraordinary items (₹)	**28.86**	18.11	31.14	**79.33**	72.23	**84.10**	76.08
23	Debt service coverage ratio (DSCR) [no.of times]*				**2.27**	3.13		
24	Interest service coverage ratio (ISCR) [no.of times]**				**7.57**	10.39		
25	***Profit after tax from normal operations (i.e. excluding exceptional and extraordinary items)***	**176922**	112175	**187731**	**469528**	441340	**491077**	464882

**** DSCR = [Profit before interest and exceptional & extraordinary items ÷ (Interest expense +principal repayments of long-term debt during the year)]***

***** ISCR = [Profit before interest and exceptional & extraordinary items ÷ interest expense]***

See accompanying notes to the financial results

SELECT INFORMATION FOR THE QUARTER AND YEAR ENDED MARCH 31, 2013

A	**PARTICULARS OF SHAREHOLDING**							
1	Public shareholding:							
	- Number of shares ('000s)				**593337**	593300	**593337**	593300
	- Percentage of shareholding				**96.42%**	96.88%	**96.42%**	96.88%
2	Promoters and promoter group shareholding [refer note (ix)]				**Nil**	Nil	**Nil**	Nil

B	**INVESTOR COMPLAINTS**	3 months ended March 31, 2013
	Pending at the beginning of the quarter	Nil
	Received during the quarter	33
	Disposed of during the quarter	33
	Remaining unresolved at the end of the quarter	Nil

for LARSEN & TOUBRO LIMITED

A.M.NAIK
Executive Chairman

Mumbai
May 22, 2013

Notes :

(i) Exceptional items in standalone financials for the year ended March 31, 2013 represent compensation to employees pursuant to Voluntary Retirement Scheme and gain on divestment of stake in a subsidiary company. Exceptional items in consolidated financials additionally include net gain on divestment of stake in subsidiary & associate companies, net of loss on impairment of group's share in net worth of a subsidiary. It also includes gain on sale of shares held as equity investment by a subsidiary.

(ii) Extraordinary items for the year ended March 31, 2013 in the standalone and consolidated financials represent gain on sale of Medical Equipment business and reversal of provision made in earlier years on Company's investment in the equity shares of Satyam Computer Services Limited (SCSL).

(iii) During the quarter and year ended March 31, 2013, the Company has revised its accounting policy of amortization of goodwill on consolidation for more appropriate presentation of financial statements. Accordingly, the goodwill on consolidation will be subjected to impairment test and will not be amortised. Consequently, the accumulated amortization of goodwill till December 31, 2012 has been credited to the Consolidated Financials. Had the Company continued to follow the accounting policy of amortization of goodwill, the profit for the year in the Consolidated Financials would have been lower by ₹ 525.72 crore (including write back of ₹ 352.04 crore being accumulated amortization in respect of earlier years).

(iv) The Board of Directors has recommended a dividend of ₹ 18.50 per equity share of face value of ₹ 2 each.

(v) The Board of Directors has recommended for the approval of shareholders, the issue of bonus equity shares in the ratio of 1:2 [one bonus equity share of ₹ 2 each for every two equity shares of ₹ 2 each held].

(vi) The Company, during the quarter ended March 31, 2013, has allotted 4,62,078 equity shares of ₹ 2 each, fully paid up, on exercise of stock options by employees, in accordance with the Company's stock option schemes.

(vii) Statement of assets and liabilities as per clause 41(v) (h) of the listing agreement:

₹ Lakh

Particulars	Standalone		Consolidated	
	As at		As at	
	31.3.2013	31.3.2012	31.3.2013	31.3.2012
	Audited		Audited	
EQUITY AND LIABILITIES				
Shareholders' funds:				
(a) Share capital	12308	12248	12308	12248
(b) Reserves and surplus (including revaluation reserve)	2901964	2510054	3373661	2926430
Sub-total - Shareholders' funds	**2914272**	**2522302**	**3385969**	**2938678**
Minority interest			265287	175346
Non-current liabilities				
(a) Long-term borrowings	727103	533006	4740016	3665642
(b) Deferred tax liabilities (net)	24222	13301	37787	21088
(c) Other long term liabilities	50203	37635	459557	479596
(d) Long-term provisions	28592	27505	34358	31219
Sub-total - Non-current liabilities	**830120**	**611447**	**5271718**	**4197545**
Current liabilities				
(a) Short-term borrowings	73453	293672	728786	525636
(b) Current maturities of long term borrowings	82865	162899	730570	523730
(c) Trade payables	1673065	1560776	1881203	1740123
(d) Other current liabilities	1435265	1400940	1793034	1595935
(e) Short-term provisions	208381	211204	253938	234137
Sub-total - Current liabilities	**3473029**	**3629491**	**5387531**	**4619561**
TOTAL EQUITY AND LIABILITIES	**7217421**	**6763240**	**14310505**	**11931130**
ASSETS				
Non-current assets				
(a) Fixed Assets	890198	836366	3962025	3326258
(b) Goodwill on consolidation			211975	105389
(c) Non-current investments	1052270	908471	126295	156487
(d) Deferred tax assets (net)			19420	12904
(e) Long-term loans and advances	366417	405597	2404037	1864906
(f) Other non-current assets	8232	14121	17427	24532
Sub-total - Non-current assets	**2317117**	**2164555**	**6741179**	**5490476**
Current assets				
(a) Current investments	558069	678719	750455	722462
(b) Inventories	206418	177662	516947	422816
(c) Trade receivables	2261301	1871694	2301491	2065110
(d) Cash and bank balances	145566	177812	357154	337858
(e) Short-term loans and advances	549884	500562	1641405	1359836
(f) Other current assets	1179066	1192236	2001874	1532572
Sub-total - Current assets	**4900304**	**4598685**	**7569326**	**6440654**
TOTAL ASSETS	**7217421**	**6763240**	**14310505**	**11931130**

(viii) The figures for the quarter ended March 31, 2013 and March 31, 2012 are the balancing figures between audited figures in respect of the full financial year and the year-to-date published figures upto the quarter ended December 31, 2012 and December 31, 2011 respectively.

(ix) The promoters and promoter group shareholding is Nil and accordingly the information on shares pledged / encumbered is not applicable.

(x) Two of the subsidiaries of the Company viz. L&T Special Steels and Heavy Forgings Limited and L&T Shipbuilding Limited commenced commercial operations during the year ended March 31, 2013.

(xi) Figures for the previous periods have been re-grouped / re-classified to conform to the figures of the current periods.

(xii) The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 22, 2013.

for LARSEN & TOUBRO LIMITED

A.M.NAIK
Executive Chairman

Mumbai
May 22, 2013

Segment-wise Revenue, Result and Capital Employed in terms of clause 41 of the listing agreement:

₹ *Lakh*

Particulars	Standalone Financials					Consolidated Financials	
	3 months ended			Year ended		Year ended	
	March 31, 2013	December 31, 2012	March 31, 2012	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Gross segment revenue							
1 Engineering & Construction	1839225	1388180	1679367	5450097	4727870	5861622	5149990
2 Electrical & Electronics	111686	88649	114345	364395	357943	484594	430302
3 Machinery & Industrial Products	74451	59322	68131	239519	255394	287994	337392
4 IT & Technology Services						499878	397547
5 Financial Services						407978	302388
6 Developmental Projects						140567	111428
7 Others	38055	33828	27488	141385	96302	5232	8249
Total	**2063417**	**1569979**	**1889331**	**6195396**	**5437509**	**7687865**	**6737296**
Less : Inter-segment revenue	14966	11880	24754	48310	63731	168334	241288
Net segment revenue	**2048451**	**1558099**	**1864577**	**6147086**	**5373778**	**7519531**	**6496008**
Segment result (Profit before interest and tax)							
1 Engineering & Construction	206534	128018	229012	559817	544078	605081	573983
2 Electrical & Electronics	14589	9873	15943	35800	36421	54653	42816
3 Machinery & Industrial Products	10488	16073	11217	40335	44342	45775	53330
4 IT & Technology Services						110731	71533
5 Financial Services						84808	55602
6 Developmental Projects						41160	21672
7 Others	10512	14510	3247	42262	19033	767	(1417)
Total	**242123**	**168474**	**259419**	**678214**	**643874**	**942975**	**817519**
Less : Inter-segment margins on capital jobs	617	265	1188	1752	2542	10487	21492
Less : Interest expenses	28099	23798	12109	98240	66610	209502	121585
Add : Unallocable corporate income net of expenditure	18797	12267	16729	85082	56311	32995	22909
Profit before tax	**232204**	**156678**	**262851**	**663304**	**631033**	**755981**	**697351**
Capital employed (Segment assets *less* segment liabilities)							
1 Engineering & Construction				1497138	1098014	2238792	1651163
2 Electrical & Electronics				128109	136345	211776	205480
3 Machinery & Industrial Products				59601	52813	120275	98367
4 IT & Technology Services						234832	190095
5 Financial Services						645102	501513
6 Developmental Projects						2709668	2001125
7 Others				85020	59995	17617	13622
Total capital employed in segments				**1769868**	**1347167**	**6178062**	**4661365**
Unallocable corporate assets *less* corporate liabilities				2052047	2178013	873536	1090230
Total capital employed				**3821915**	**3525180**	**7051598**	**5751595**

Notes:

(i) Segments have been identified in accordance with Accounting Standard (AS) 17 on Segment Reporting, considering the risk/return profiles of the businesses, their organisational structure and the internal reporting systems. The operations of industrial machinery business and the Foundry at the Kansbahal Business unit which were earlier part of the Machinery and Industrial Products segment have been integrated with the Engineering & Construction segment during the quarter ended September 30, 2012 considering the risk / return profile of these businesses and the same have been reported as part of Engineering & Construction segment for the quarter and year ended March 31, 2013. The figures pertaining to the corresponding previous periods have been regrouped and restated for proper comparison.

(ii) Segment composition: **Engineering & Construction** comprises execution of engineering and construction projects in India / abroad to provide solutions in civil, mechanical, electrical and instrumentation engineering (on turnkey basis or otherwise) to core/infrastructure sectors including railways, shipbuilding and supply of complex plant and equipment to core sectors. **Electrical & Electronics** comprises manufacture and sale of low and medium voltage switchgear components, custom built low and medium voltage switchboards, electronic energy meters/protection (relays) systems, control & automation products and medical equipment(upto the date of sale). **Machinery & Industrial Products in standalone financials** comprises manufacture and sale of rubber processing machinery & castings, manufacture and marketing of industrial valves, construction equipment and industrial products. Machinery & Industrial Products also includes marketing of welding products in the previous year. **Machinery & Industrial Products in consolidated financials** also includes manufacture and sale of plastic processing machinery (upto the date of sale of stake), manufacture and sale of undercarriage assemblies, manufacture and sale of welding and cutting equipments. **IT & Technology Services** comprises information technology and integrated engineering services. **Financial Services** comprises retail and corporate finance, housing finance, infrastructure finance, general insurance, asset management of mutual fund schemes and related advisory services. **Developmental Projects** comprises development, operation and maintenance of basic infrastructure projects, toll collection, development of urban infrastructure, power development, development and operation of port facilities and providing related advisory services. **Others** in standalone financials include property development and integrated engineering services. **Others in consolidated financials** also include ready-mix concrete, mining and aviation but do not include property development and integrated engineering services, which are classified under Developmental Projects and Technology Services respectively.

(iii) Segment revenue comprises sales & operational income allocable specifically to a segment. Unallocable expenditure mainly includes expenses incurred on common services provided to segments and other corporate expenses. Unallocable income primarily includes interest income, dividends and profit on sale of investments. Corporate assets mainly comprise investments.

(iv) In the Engineering & Construction segment, sales and margins do not accrue uniformly during the year. Hence the operational / financial performance of aforesaid segment can be discerned only on the basis of figures for the full year.

for LARSEN & TOUBRO LIMITED

A. M. NAIK
Executive Chairman

Mumbai
May 22, 2013