

L&T Press Release

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Financial Results for the quarter ended June 30, 2023

A Quarter of Robust Performance

Order Inflow **↑ 57%**, Revenue **↑ 34%**, PAT **↑ 46%**

Order Book crosses ₹ 4 lakh crore

Board approves Buyback of ₹ 10,000 crore &
Special Dividend of ₹ 6 per share

Mumbai, July 25, 2023

Larsen & Toubro achieved Consolidated Revenues of ₹ 47,882 crore for the quarter ended June 30, 2023 recording a y-o-y growth of 34%, primarily aided by execution of a healthy opening order book in its Projects and Manufacturing portfolio. International revenues during the quarter at ₹ 19,022 crore constituted 40% of the total revenue.

The Company for the quarter ended June 30, 2023, posted a total Consolidated Profit After Tax (PAT) of ₹ 2,493 crore, registering a high growth of 46% compared to the corresponding quarter of the previous year.

The Company received orders worth ₹ 65,520 crore at the group level during the quarter ended June 30, 2023, registering a strong y-o-y growth of 57%. During the quarter, orders were received across diverse segments like Rail, Renewables, Rural Water Supply, Transmission & Distribution, IT & Office Space and Onshore & Offshore verticals of the Hydrocarbon business. International orders at ₹ 27,646 crore during the quarter comprised 42% of the total order inflow.

The consolidated order book of the group is at ₹ 412,648 crore as on June 30, 2023, with international orders having a share of 29%.

The Board of Directors has approved a proposal to buy-back through the tender offer route equity shares of the Company for an aggregate amount not exceeding ₹ 10,000 crore (excluding tax on buy-back). The proposal is subject to the approval of shareholders. Further, the Board of Directors has also approved a special dividend of ₹ 6 per equity share.

These proposals underline the confidence of the Company in achieving its growth plans and endorses the financial strength.

Infrastructure Projects Segment

The Infrastructure Projects segment secured order inflow of ₹ 40,051 crore, during the quarter ended June 30, 2023, registering a significant growth of more than 100% y-o-y on receipt of a healthy mix of large value orders across sub-segments. International orders at ₹ 13,872 crore constituted 35% of the total order inflow of the segment during the quarter.

The segment order book stood at ₹ 301,159 crore as on June 30, 2023, with the share of international orders at 24%.

The segment posted customer revenues of ₹ 22,058 crore during the quarter ended June 30, 2023, registered a healthy y-o-y growth of 56% led by improved execution momentum witnessed across various projects. International revenue constituted 23% of the total customer revenue of the segment during the quarter.

The EBITDA margin of the segment during the quarter ended June 30, 2023 was at 5.1% vis-à-vis 6.5% recorded in the corresponding quarter of the previous year. Margin for the quarter is a function of job mix with legacy jobs nearing completion and reflects the uneven accrual of margin across quarters given the inherent nature of projects business.

Energy Projects Segment

The Energy Projects segment secured orders valued at ₹ 7,245 crore during the quarter ended June 30, 2023, registering a substantial growth of 66% y-o-y with receipt of orders in the Onshore and Offshore vertical of Hydrocarbon business. International order inflow constituted 40% of the total order inflow of the segment during the quarter.

The segment order book was at ₹ 72,870 crore as on June 30, 2023, with the international order book constituting 62%.

The segment achieved customer revenues of ₹ 6,682 crore during the quarter ended June 30, 2023, recording growth of 32% over the corresponding quarter of the previous year mainly due to execution ramp up in international projects in the Hydrocarbon business. International revenues had a share of 49% of the total customer revenues for the quarter.

The EBITDA margin of the segment at 9.1% for the quarter ended June 30, 2023 improved compared to 8.5% over the corresponding quarter of the previous year, mainly reflective of job mix and stage of execution.

Hi-Tech Manufacturing Segment

The Hi-Tech Manufacturing segment secured orders valued at ₹ 1,051 crore during the quarter ended June 30, 2023 registering a decline of 70% over the corresponding quarter of the previous year, largely due to relatively higher base effect of the previous year led by

order wins in Defence Engineering business. Export orders constituted 50% of the total order inflow of the segment during the quarter.

The order book of the segment was at ₹ 25,630 crore as on June 30, 2023, with the share of export orders at 12%.

The segment posted customer revenues of ₹ 1,781 crore for the quarter ended June 30, 2023, registering growth of 40% over the corresponding quarter of the previous year, with execution momentum derived from the opening order book. Export sales comprised 37% of the total customer revenues for the quarter.

The EBITDA margin of the segment at 16.8% for the quarter ended June 30, 2023 registered growth, compared to 15.1% reported in the corresponding quarter of the previous year, mainly on account of execution cost savings and improved realisations.

IT & Technology Services (IT&TS) Segment

The segment recorded customer revenues of ₹ 10,851 crore for the quarter ended June 30, 2023, registering y-o-y growth of 14% and reflecting growth impetus in the IT&TS sector. International billing contributed 92% of the total customer revenues of the segment for the quarter ended June 30, 2023. The aggregate revenue of the two listed subsidiaries (LTI Mindtree and L&T Technology Services Limited) in this segment at USD 1,339 Mn registered a healthy y-o-y growth of 8% in USD terms.

The EBITDA margin for the segment was at 20.6% for the quarter ended June 30, 2023 as compared to 21.9% in the corresponding quarter of the previous year. The segment margin was impacted mainly due to increased talent acquisition and retention costs.

Financial Services Segment

The segment reflects the performance of L&T Finance Holdings (LTFH), a listed subsidiary. The segment recorded income from operations at ₹ 3,020 crore during the quarter ended June 30, 2023, registering y-o-y growth of 2%, mainly attributed to higher disbursement in retail business, in line with its stated objective of retailisation of the loan book.

The total Loan Book is at ₹ 78,566 crore in June 23 vs ₹ 80,893 crore in March 23. This variation is due to planned phaseout of Wholesale loan book upon repayments and sell downs during the quarter. The Retail loan book now constitutes 82% of the total loan book as on June 30, 2023. Financial services business is poised to achieve its Lakhsya targets ahead of FY 2025-26.

The segment PBT for the quarter ended June 30, 2023 increased to ₹ 714 crore as compared to ₹ 356 crore in the corresponding quarter of the previous year due to lower provision of credit costs arising from improved asset quality and rising NIM+Fees of the retail portfolio.

Development Projects Segment

The segment recorded customer revenues of ₹ 1,294 crore during the quarter ended June 30, 2023.

The segment EBIT for the quarter ended June 30, 2023 registered a profit of ₹ 123 crore as compared to a loss of ₹ 21 crore during the corresponding quarter of the previous year, primarily due to consolidation of Nabha Power profits and improved Metro ridership.

“Others” Segment

“Others” segment comprises (a) Realty (b) Industrial Valves (c) Construction Equipment & Mining Machinery and (d) Rubber Processing Machinery.

Customer revenues during the quarter ended June 30, 2023 at ₹ 2,197 crore registered a substantial growth of 50% y-o-y, primarily on sale of commercial property and higher handover of residential flats in the Realty business. Export sales constituted 5% of the total customer revenues of the segment during the quarter, majorly relating to Industrial Valves and Rubber Processing Machinery businesses.

During the quarter ended June 30, 2023, the segment EBITDA margin at 18.6%, is in line with the corresponding quarter of the previous year.

Note:

Group Performance - Key Parameters for the quarter ended June 30, 2023 is attached in Annexure 1

Segment-wise summary of performance for the quarter ended June 30, 2023 is attached in Annexure 2

Outlook

India’s real GDP growth of 7.2% in FY 2022-23 was amplified by strong capital formation. Further, domestic economic activity has remained resilient in Q1 FY 2023-24 as reflected by the buoyancy in various high frequency economic indicators. Purchasing managers’ indices (PMI) for manufacturing and services is also indicating sustained expansion. Disciplined fiscal stance by the Central Government and prudent monetary policy management by RBI has aided macro economic stability and has catapulted India into a league of fastest growing economies in the world.

Growth momentum is likely to continue on stable rabi crop production, expected normal monsoon, continued buoyancy in services and stable inflation with a softening bias. Further, given the healthy balance sheets of banks and corporates and declining uncertainty, conditions are favourable for the capex cycle to sustain the momentum. Higher government capex allocation in the green economy, including clean and renewable energy will provide the necessary impetus to investments in energy transition and larger infrastructure projects. Both the current account and the fiscal deficit are likely to remain within manageable levels in FY 2023-24.

On the global front, major economies are turning around the corner. Falling energy prices and headline inflation, easing supply bottlenecks and the reopening of China's economy are some of the positive factors guiding the economy towards attaining the much needed growth. Major oil producing nations continue to invest on oil & gas, industrialization and energy transition initiatives, that will augur well for the Company's Projects business.

In the backdrop of this mixed sentiment, the Company will continue its planned trajectory of profitable and return accretive growth. Focus will remain on cash generation and judicious capital allocation. The Company has a robust order prospects pipeline in the medium term and is confident of sustaining its growth momentum by utilizing the emerging opportunities, with an overarching aim of improving shareholder value on a sustainable basis.

Background:

Larsen & Toubro is a USD 23 billion Indian multinational engaged in EPC Projects, Hi-Tech Manufacturing and Services. It operates in over 50 countries worldwide. A strong, customer-focused approach and the constant quest for top-class quality have enabled L&T to attain and sustain leadership in its major lines of business for eight decades.

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Annexure 1

Group Performance - Key Parameters

Q1 FY'23	Key Parameters (in ₹ crore)	Q1 FY'24	% Var
35,853	Revenue from operations	47,882	34%
37%	International revenue %	40%	
31,900	Total operational expenses	43,013	35%
3,953	EBITDA	4,869	23%
11.0%	EBITDA %	10.2%	
756	Finance cost	851	13%
963	Depreciation & Amortisation	830	-14%
1,702	Consolidated profit after tax	2,493	46%

Annexure 2

Segment Wise Details

Segment (in ₹ Crore)	Order Inflow		Customer Revenue		EBITDA Margin (%)	
	Q1 FY'23	Q1 FY'24	Q1 FY'23	Q1 FY'24	Q1 FY'23	Q1 FY'24
Infrastructure Projects	18,343	40,051	14,181	22,058	6.5%	5.1%
Energy Projects	4,366	7,245	5,073	6,682	8.5%	9.1%
Hi-Tech Manufacturing	3,489	1,051	1,272	1,781	15.1%	16.8%
IT & Technology Services	9,424	10,851	9,556	10,851	21.9%	20.6%
Financial Services	2,958	3,020	2,958	3,020	Refer Note 1	
Development Projects	1,345	1,294	1,345	1,294	Refer Note 2	
Others	1,879	2,008	1,467	2,197	18.6%	18.6%
Total	41,805	65,520	35,853	47,882		

Note 1:

Financial Services	Q1 FY'23	Q1 FY'24
NIM + Fees %	8.2%	9.6%

Note 2:

Development Projects (₹ crore)	Q1 FY'23	Q1 FY'24
EBIT	(21)	123

**LARSEN & TOUBRO LIMITED**

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

CIN: L99999MH1946PLC004768

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2023

₹ Crore

Particulars	Quarter ended			Year ended
	June 30, 2023 [Reviewed]	March 31, 2023 [Reviewed] [Note (v)]	June 30, 2022 [Reviewed]	March 31, 2023 [Audited]
1 Income:				
a) Revenue from operations	47882.37	58335.15	35853.20	183340.70
b) Other income (net)	1145.56	740.91	694.72	2929.17
Total Income	49027.93	59076.06	36547.92	186269.87
2 Expenses:				
a) Manufacturing, construction and operating expenses:				
i) Cost of raw materials and components consumed	4629.32	6018.27	4214.05	18995.11
ii) Construction materials consumed	10988.13	15472.91	7753.04	43237.35
iii) Purchase of stock-in-trade	325.37	175.45	199.32	1052.86
iv) Stores, spares and tools consumed	1168.42	1358.52	1022.78	4814.89
v) Sub-contracting charges	7349.90	9118.55	3527.41	25624.45
vi) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(407.88)	66.37	(1522.76)	(3156.64)
vii) Other manufacturing, construction and operating expenses	5262.42	5755.83	4336.93	20020.81
b) Finance cost of financial services business and finance lease activity	1447.72	1521.29	1456.41	6026.44
c) Employee benefits expense	9889.36	9981.09	8546.09	37214.11
d) Sales, administration and other expenses	2360.97	2033.92	2366.52	8758.04
e) Finance costs	851.36	813.00	756.05	3207.16
f) Depreciation, amortisation, impairment and obsolescence	830.47	853.50	963.40	3502.25
Total Expenses	44695.56	53168.70	33619.24	169296.83
3 Profit before exceptional items and tax (1-2)	4332.37	5907.36	2928.68	16973.04
4 Exceptional items:				
a) Exceptional items before tax (net) [gain/(loss)]	-	-	-	(91.97)
Current tax	-	-	-	448.35
Deferred tax	-	-	-	(676.31)
b) Total tax expense	-	-	-	(227.96)
c) Exceptional items (net of tax) (c=a-b)	-	-	-	135.99
5 Profit before tax (3+4)	4332.37	5907.36	2928.68	17109.03
6 Tax expense:				
a) Current tax	1251.08	1129.75	948.92	5055.17
b) Deferred tax	(34.83)	330.87	(313.25)	(571.01)
Total tax expense	1216.25	1460.62	635.67	4484.16
7 Net profit after tax (5-6)	3116.12	4446.74	2293.01	12624.87
8 Share in profit/(loss) after tax of joint ventures/associates (net)	(20.53)	11.84	(64.68)	(94.25)
9 Net profit after tax and share in profit/(loss) of joint ventures/associates (7+8)	3095.59	4458.58	2228.33	12530.62
Attributable to: Owners of the Company	2493.00	3986.78	1702.07	10470.72
Non-controlling interests	602.59	471.80	526.26	2059.90
10 Other comprehensive income (OCI)				
a) i) Items that will not be reclassified to profit and loss	(22.16)	(41.49)	8.03	(8.02)
ii) Income tax relating to items that will not be reclassified to profit and loss	6.26	10.79	(7.73)	6.79
b) i) Items that will be reclassified to profit and loss	490.12	538.61	(1256.48)	(1336.04)
ii) Income tax relating to items that will be reclassified to profit and loss	(142.99)	(91.63)	300.23	378.73
Other comprehensive income [net of tax] (a+b)	331.23	416.28	(955.95)	(958.54)
Attributable to: Owners of the Company	176.78	352.58	(825.04)	(754.74)
Non-controlling interests	154.45	63.70	(130.91)	(203.80)
11 Total comprehensive income (9+10)	3426.82	4874.86	1272.38	11572.08
Attributable to: Owners of the Company	2669.78	4339.36	877.03	9715.98
Non-controlling interests	757.04	535.50	395.35	1856.10
12 Paid-up equity share capital (face value of share: ₹ 2 each)	281.11	281.10	281.03	281.10
13 Other equity attributable to owners of the Company				89044.85
14 Earnings per share (EPS) (not annualised):				
(a) Basic EPS (₹)	17.74	28.37	12.11	74.51
(b) Diluted EPS (₹)	17.73	28.35	12.10	74.45

Notes:

- (i) The Board of Directors at its meeting held on July 25, 2023, approved a proposal to buy-back through the tender offer route equity shares of the Company at a price not exceeding ₹ 3,000 per share, for an aggregate amount on such buyback not exceeding ₹ 10,000 crore (excluding tax on buy-back). The proposal is subject to the approval of shareholders. The buyback price per equity share will be determined by the Board in accordance with the SEBI (Buy-back of Securities) Regulations, 2018, subject to the maximum buy-back size of ₹ 10,000 crore (excluding tax on buy-back).
- (ii) The Board of Directors have declared a special dividend of ₹ 6 per equity share of face value of ₹ 2 each.
- (iii) During the quarter, the Company has allotted 90,563 equity shares of ₹ 2 each fully paid-up, on exercise of stock options by employees in accordance with the Company's stock option schemes.
- (iv) The Company entered into a Share Purchase Agreement dated December 16, 2022 to sell its entire shareholding in L&T Infrastructure Development Projects Limited, a joint venture, primarily engaged in the development and operation of toll roads and power transmission assets. The sale transaction is subject to receipt of necessary approvals. Accordingly, the investment in the joint venture is classified as "Held for Sale".
- (v) Figures for the quarter ended March 31, 2023 represent the difference between audited figures for the financial year and the limited reviewed figures for the nine months period ended December 31, 2022.

(vi) Additional disclosures as per Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sr. No.	Particulars	Quarter ended			Year ended
		June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
1	Debt equity ratio	1.06	1.14	1.24	1.14
2	Debt service coverage ratio (DSCR)	0.75	6.92	0.67	1.99
3	Interest service coverage ratio (ISCR)	5.13	6.92	4.40	5.45
4	Current ratio	1.37	1.36	1.21	1.36
5	Long term debt to working capital ratio	1.02	1.02	1.24	1.02
6	Bad debts to accounts receivable ratio	0.00	0.01	0.00	0.01
7	Current liability ratio	0.71	0.71	0.75	0.71
8	Total debt to total assets ratio	0.35	0.36	0.38	0.36
9	Debtors turnover ratio	3.60	3.45	3.20	3.45
10	Operating margin (%)	10.17%	11.71%	11.03%	11.32%
11	Net profit margin (%)	5.21%	6.83%	4.75%	5.71%
12	Inventory turnover ratio (refer note below)	NA	NA	NA	NA
13	Outstanding Redeemable Preference Shares [₹ Crore]	-	-	353.90	-
14	Capital Redemption Reserve/Debenture Redemption Reserve [₹ Crore]	332.83	353.25	593.50	353.25
15	Net worth [₹ Crore] (As per section 2(57) of Companies Act, 2013)	90658.30	88142.76	82327.33	88142.76

Notes:

- (a) The ratios are to be read and interpreted considering that the Group has diversified nature of businesses.
(b) Number of Redeemable Preference Shares is not relevant as the paid-up value per share varies across the group companies.
(c) Formulae for computation of above ratios are as follows:

Sr. No.	Particulars	Formulae
1	Debt equity ratio	$\frac{\text{Total borrowings}}{\text{Total equity}}$
2	Debt service coverage ratio (DSCR)	$\frac{\text{Profit before interest, tax and exceptional items}^{\wedge}}{\text{Finance costs}^{\wedge} + \text{Principal repayments (net of refinancing) made during the period for long term borrowings}^{\wedge}}$ ([^] Excluding Financial Services and Finance lease model business)
3	Interest service coverage ratio (ISCR)	$\frac{\text{Profit before interest, tax and exceptional items}^{\wedge}}{\text{Finance costs}^{\wedge}}$ ([^] Excluding Financial Services and Finance lease model business)
4	Current ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$
5	Long term debt to working capital ratio	$\frac{\text{Long term borrowings (including current maturities of long term borrowings)}}{\text{Current assets (-) Current liabilities [excluding current maturities of long term borrowings]}}$
6	Bad debts to accounts receivable ratio	$\frac{\text{Bad debts}^{\wedge}}{\text{Average gross trade receivables}^{\wedge}}$ ([^] Excluding Financial Services)
7	Current liability ratio	$\frac{\text{Current liabilities}}{\text{Total liabilities}}$
8	Total debt to total assets ratio	$\frac{\text{Total borrowings}}{\text{Total assets}}$
9	Debtors turnover ratio	$\frac{\text{Revenue from operations for trailing 12 months}^{\wedge}}{\text{Average gross trade receivables}^{\wedge}}$ ([^] Excluding Financial Services)
10	Operating margin (%)	$\frac{\text{Profit before depreciation, interest}^{\wedge}, \text{ tax and exceptional items (-) Other income}}{\text{Revenue from operations}}$ ([^] Excluding Finance cost of Financial Services and Finance Lease model business)
11	Net profit margin (%)	$\frac{\text{Net profit after tax attributable to the owners of the Company}}{\text{Revenue from operations}}$
12	Inventory turnover ratio	Not material considering the size and the nature of operations of the Group

(vii) The Company reports its consolidated financial results on a quarterly basis. The standalone financial results are available on the Company's website viz. www.larsentoubro.com and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com). The specified items of the standalone financial results of the Company for the quarter ended June 30, 2023 are given below:

₹ Crore

Particulars	Quarter ended			Year ended
	June 30, 2023 [Reviewed]	March 31, 2023 [Reviewed] [Note (v)]	June 30, 2022 [Reviewed]	March 31, 2023 [Audited]
a) Revenue from operations	26930.54	36734.13	20211.69	110500.98
b) Profit before exceptional items and tax	1805.73	3712.87	1267.34	9832.70
c) Profit before tax	2203.70	3712.87	1267.34	9832.70
d) Net profit after tax	1792.36	3002.85	911.22	7848.97

(viii) Figures for the previous periods have been regrouped/reclassified to conform to the classification of the current period.

(ix) The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 25, 2023. The same have also been subjected to Limited Review by the Statutory Auditors.

for LARSEN & TOUBRO LIMITED

Mumbai
July 25, 2023

S. N. SUBRAHMANYAN
Chief Executive Officer & Managing Director

Consolidated unaudited segment-wise Revenue, Result, Total assets and Total liabilities:				
₹ Crore				
Particulars	Quarter ended			Year ended
	June 30, 2023 [Reviewed]	March 31, 2023 [Reviewed] [Note (V)]	June 30, 2022 [Reviewed]	March 31, 2023 [Audited]
Gross segment revenue				
1 Infrastructure Projects	22395.64	31548.78	14400.51	87823.15
2 Energy Projects	6690.42	7929.18	5087.52	24956.26
3 Hi-Tech Manufacturing	1968.27	2320.79	1388.07	7160.87
4 IT & Technology Services	10960.69	11014.26	9592.25	41789.25
5 Financial Services	3019.64	3116.33	2958.14	12574.92
6 Development Projects	1296.40	1232.10	1345.39	5028.77
7 Others	2347.18	1885.54	1499.86	6270.78
Total	48678.24	59046.98	36271.74	185604.00
Less: Inter-segment revenue	795.87	711.83	418.54	2263.30
Net segment revenue	47882.37	58335.15	35853.20	183340.70
Segment result				
1 Infrastructure Projects	850.17	2082.99	686.18	5140.18
2 Energy Projects	557.08	771.20	379.69	2066.69
3 Hi-Tech Manufacturing	254.43	375.28	150.30	995.24
4 IT & Technology Services	1917.41	1839.06	1772.80	7215.08
5 Financial Services	714.04	659.61	355.55	2258.78
6 Development Projects	123.02	429.98	(21.10)	391.77
7 Others	382.60	356.19	250.41	1103.02
Total	4798.75	6514.31	3573.83	19170.76
(Add)/Less: Inter-segment margins on capital jobs	51.33	25.83	9.29	69.43
Less: Finance costs	851.36	813.00	756.05	3207.16
Add/(Less): Unallocable corporate income net of expenditure	436.31	231.88	120.19	1078.87
Profit before exceptional items and tax	4332.37	5907.36	2928.68	16973.04
Add: Exceptional items (net of tax)	-	-	-	135.99
Profit before tax	4332.37	5907.36	2928.68	17109.03
Segment assets				
1 Infrastructure Projects	87977.85		83816.37	86528.20
2 Energy Projects	23527.47		22152.91	23880.49
3 Hi-Tech Manufacturing	9696.70		8332.01	9263.35
4 IT & Technology Services	39913.58		36154.74	39028.20
5 Financial Services	97554.91		102261.05	104501.99
6 Development Projects	27014.15		27596.92	26774.69
7 Others	14755.46		12836.56	14386.27
Total segment assets	300440.12		293150.56	304363.19
Less: Inter-segment assets	3014.80		3061.09	2973.58
Add: Unallocable corporate assets	29172.09		25571.32	28962.70
Total assets	326597.41		315660.79	330352.31
Segment liabilities				
1 Infrastructure Projects	61625.96		57627.38	61951.34
2 Energy Projects	18556.74		17567.63	19581.52
3 Hi-Tech Manufacturing	6443.75		5014.49	6612.24
4 IT & Technology Services	9221.70		8984.27	9640.18
5 Financial Services	77272.28		83263.81	84718.92
6 Development Projects	7340.12		7642.57	7020.88
7 Others	6604.10		5099.83	6546.25
Total segment liabilities	187064.65		185199.98	196071.33
Less: Inter-segment liabilities	3014.80		3061.09	2973.58
Add: Unallocable corporate liabilities	35480.98		36830.54	33687.34
Total liabilities	219530.83		218969.43	226785.09
Notes:				
(I) The Group has reported segment information as per Ind AS 108 "Operating Segments". The identification of operating segments is consistent with performance assessment and resource allocation by the management.				
(II) Consequent to transfer of the Carved-out Business of Smart World and Communication (SWC) to L&T Technology Services Limited (LTTS), a listed subsidiary w.e.f. April 1, 2023, the business which was hitherto a part of Others segment has now been included in IT & Technology Services segment. Concurrently, the military communications business has been transferred from Others segment to Hi-Tech Manufacturing segment. The revised Segment composition: Infrastructure Projects segment comprises engineering and construction of (a) building and factories, (b) transportation infrastructure, (c) heavy civil infrastructure, (d) power transmission & distribution, (e) water & effluent treatment and (f) minerals and metals. Energy Projects segment comprises EPC/turnkey solutions in (a) Hydrocarbon business covering Oil & Gas industry from front-end design through detailed engineering, modular fabrication, procurement, project management, construction, installation and commissioning, (b) Power business covering Coal-based and Gas-based thermal power plants including power generation equipment with associated systems and/or balance-of-plant packages and (c) EPC solutions in Green Energy space. Hi-Tech Manufacturing segment comprises (a) design, manufacture and supply of (i) custom designed, engineered critical equipment & systems to core sector industries like Fertiliser, Refinery, Petrochemical, Chemical, Oil & Gas and Thermal & Nuclear Power (ii) equipment, systems and platforms for Defence and Aerospace sectors (including military communications) and (b) design, construction and repair/refit of defence vessels. IT & Technology Services segment comprises (a) information technology and integrated engineering services (including smart world & communication projects) and (b) E-commerce/digital platforms & data centres. Financial Services segment comprises retail finance, wholesale finance and asset management (upto the date of divestment). Development Projects segment comprises (a) development, operation and maintenance of infrastructure projects, toll and fare collection and (b) power generation & development – (i) thermal power and (ii) Green Energy. Others segment includes (a) realty, (b) manufacture and sale of industrial valves, (c) manufacture, marketing and servicing of construction equipment and parts thereof, (d) marketing and servicing of mining machinery and parts thereof and (e) manufacture and sale of rubber processing machinery.				
(III) Segment revenue comprises sales and operational income allocable specifically to a segment and includes in the case of Development Projects and Realty business (grouped under "Others" segment) profits on sale of stake in the subsidiary and/or joint venture companies in those segments. Segment result represents profit before interest and tax. Unallocable corporate income includes majorly interest income, dividends and profit on sale of investments. Unallocable expenditure includes majorly corporate expenses not allocated to segments. Unallocable corporate assets comprise majorly investments. Investment in joint ventures and associates identified with a particular segment are reported as part of the segment assets of those respective segments. Unallocable corporate liabilities comprise majorly borrowings. In respect of (a) Financial Services segment and (b) Development Projects segment relating to a power generation asset given on finance lease, segment liabilities include borrowings as finance costs on the borrowings are accounted as segment expense.				
(IV) In respect of segments of the Group, revenue and margin do not accrue uniformly during the year.				
(V) Figures for the quarter ended March 31, 2023 represent the difference between audited figures for the financial year and the limited reviewed figures for the nine months period ended December 31, 2022.				
(VI) Figures for the previous periods have been regrouped/reclassified to conform to the classification of the current period.				
for LARSEN & TOUBRO LIMITED				
Mumbai July 25, 2023	S. N. SUBRAHMANYAN Chief Executive Officer & Managing Director			