



L&T Press Release

Issued by Corporate Communications Department

L&T House, Second Floor
Ballard Estate, Mumbai 400 001
Tel: 91 22 6752 5656 / 836
Fax: 91 22 6752 5796

Performance for the quarter ended September 30, 2011

**Revenue grows 20 %
Recurring PAT up 15%**

Mumbai, October 21, 2011: Larsen & Toubro reported Gross Revenue of ₹ 11375 crore for the quarter ended September 30, 2011, registering a growth of 20 % y-o-y.

Order inflow of ₹ 16096 crore during the quarter takes the Company's Order Book to ₹ 142185 crore as on September 30, 2011. Despite the current slowdown in new investment decisions in many industries, and uncertainty in global markets, the Company succeeded in garnering orders against stiff competition, mainly from Building & Factories, Hydrocarbon, Minerals & Metals and Power Transmission and Distribution sectors.

Highlights	Quarter ended September 30, 2011	
	₹ crore	Y-o-Y Growth
Gross Revenue	11375	20%
Profit before tax excluding other income	806	16%
Other Income	363	-4%
Profit After Tax from ordinary activities (recurring PAT)	798	15%

Profit after Tax (PAT) for the quarter from ordinary activities stood at ₹ 798 crore recording an increase of 15 % over the corresponding quarter of the previous year.

Engineering & Construction (E&C) Segment

The E&C Segment achieved Gross Revenue of ₹ 9704 crore for the quarter ended September 30, 2011 registering a growth of 21% y-o-y. Execution of various ongoing projects is progressing as per schedule.

During the quarter, the Segment secured orders totaling to ₹ 14552 crore with International orders constituting 35 % of the total order inflow.

The Order Book of the Segment stood at a healthy ₹ 139891 crore as at September 30, 2011.

The Segment recorded an Operating Margin of 11.9% during the quarter ended September 30, 2011 aided by efficient project management and execution.

Electrical & Electronics (E&E) Segment

The E&E Segment Gross Revenue at ₹ 782 crore for the quarter ended September 30, 2011 recorded a growth of 21% over the corresponding quarter of the previous year, even in a sluggish market.

The Segment margin at 10.7% during the quarter was maintained almost at the same level seen in the immediately preceding quarter, despite an unabated increase in key input costs.

Machinery & Industrial Products (MIP) Segment

The MIP Segment recorded Gross Revenue of ₹ 666 crore during the quarter ended September 30, 2011 on the back of a general downtrend in the industrial off-take.

The Segment earned an Operating Margin of 17.7% during the quarter ended September 30, 2011 mainly contributed by the Construction & Mining Machinery Business.

Outlook

The current slowdown in investment momentum witnessed in almost all sectors of the economy, is constraining growth opportunities. Intensifying competition, high inflation, elevated interest rates, volatile financial markets and delayed policy intervention are posing considerable challenge for the decision-makers. Irrational pricing offered in the market place for the limited pie of opportunity, is yet another factor to reckon in selection of remunerative projects to participate in.

While keeping itself ever agile to win every worthwhile prospect meriting attention, be it in the domestic or in the international market, the Company is focused on timely execution of its large order book.

In the medium term, the Company sees itself in a strong position to maintain its revenue growth trajectory and stay totally prepared to benefit from opportunities when they materialise.



LARSEN & TOUBRO LIMITED

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

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2011

		₹ Lakh				
Particulars	3 months ended September 30,		6 months ended September 30,		Year ended March 31,	
	2011	2010	2011	2010	2011 (Audited)	
1	Gross Sales / Revenue from Operations	1137500	950361	2095337	1741264	4432989
	Less: Excise duty	12976	8145	22552	15930	39024
	Net Sales / Revenue from Operations	1124524	942216	2072785	1725334	4393965
2	Expenditure:					
a)	(Increase)/decrease in stock-in-trade, finished goods and work-in-progress	(12984)	(9758)	(42351)	(39234)	(55949)
b)	i) Consumption of raw materials, components and stores, spares & tools	309061	209780	564807	385023	1010944
	ii) Sub-contracting charges	175036	186786	359584	355421	916940
	iii) Construction materials	237308	193287	430166	372818	970094
	iv) Purchase of traded goods	44353	52191	93198	96638	206803
	v) Other manufacturing/operating expenses	85291	71098	163486	136655	299559
c)	Employee cost	110409	83023	187007	139416	288453
d)	Sales, administration and other expenses	58645	55643	87231	77026	196650
e)	Depreciation, amortisation and obsolescence	17090	12121	33876	23536	59922
	Total expenditure	1024209	854171	1877004	1547299	3893416
3	Profit from operations before other income, interest & exceptional items (1-2)	100315	88045	195781	178035	500549
4	Other income	36317	38005	65934	59566	118461
5	Profit before interest & exceptional items (3+4)	136632	126050	261715	237601	619010
6	Interest expenses	19701	18699	35430	32518	61926
7	Profit after interest but before exceptional items (5-6)	116931	107351	226285	205083	557084
8	Exceptional items	-	-	-	-	26207
9	Profit from ordinary activities before tax (7+8)	116931	107351	226285	205083	583291
10	Provision for taxes:					
a)	Provision for current tax	36162	37047	70291	68152	177886
b)	Provision for deferred tax	930	890	1540	900	16700
	Total provision for taxes	37092	37937	71831	69052	194586
11	Profit after tax from ordinary activities (9-10)	79839	69414	154454	136031	388705
12	Extraordinary items [net of tax]	-	7084	-	7084	7084
13	Profit after tax (11+12)	79839	76498	154454	143115	395789
14	Paid-up equity share capital (face value of share: ₹ 2 each)			12223	12099	12177
15	Reserves excluding revaluation reserve					2170236
	Earnings per share:					
16	Basic EPS before extraordinary items (₹)	13.07	11.48	25.31	22.53	64.16
17	Diluted EPS before extraordinary items (₹)	12.94	11.30	25.05	22.16	63.20
18	Basic EPS after extraordinary items (₹)	13.07	12.66	25.31	23.71	65.33
19	Diluted EPS after extraordinary items (₹)	12.94	12.45	25.05	23.32	64.35
20	Debt service coverage ratio (DSCR) [no.of times]*			4.17	3.49	3.35
21	Interest service coverage ratio (ISCR) [no.of times]**			7.39	7.31	10.00
22	Aggregate of public shareholding:					
	- Number of shares ('000s)			585239	583247	587206
	- Percentage of shareholding			95.76%	96.41%	96.44%
23	Promoters and promoter group shareholding [refer note v]			Nil	Nil	Nil

* 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]

for LARSEN & TOUBRO LIMITED

A. M. NAIK

Chairman & Managing Director

Mumbai
October 21, 2011

Notes :

- (i) The Company, during the quarter ended September 30, 2011, has allotted 11,37,879 equity shares of ₹ 2 each, fully paid up, on exercise of stock options by employees, in accordance with the Company's stock option schemes.
- (ii) Statement of Assets and Liabilities as per clause 41(v) (h) of the Listing Agreement.

₹ Lakh

Particulars	As at		
	30.9.2011 (Unaudited)	30.9.2010 (Unaudited)	31.3.2011 (Audited)
SOURCES OF FUNDS			
Shareholders' funds:			
Share capital	12223	12099	12177
Reserves and surplus (including revaluation reserve)	2324221	1982005	2172449
	2336444	1994104	2184626
Loan funds	861528	772359	716111
Deferred tax liabilities (net)	15513	8453	26347
TOTAL	3213485	2774916	2927084
APPLICATION OF FUNDS			
Fixed assets	766124	684064	741618
Investments	1299561	1287763	1468482
Current assets, loans and advances:			
(i) Inventories	181196	152320	157715
(ii) Sundry debtors	1362737	1006665	1242761
(iii) Cash and bank balances	104986	133064	173035
(iv) Other current assets	1180543	840134	1103602
(v) Loans and advances	1002467	852560	823523
	3831929	2984743	3500636
Less : Current liabilities and provisions:			
(i) Liabilities	2561100	2084458	2559234
(ii) Provisions	123029	97196	224418
	2684129	2181654	2783652
Net current assets	1147800	803089	716984
Miscellaneous expenditure (to the extent not written-off or adjusted)	-	-	-
TOTAL	3213485	2774916	2927084

- (iii) Figures for the previous periods have been re-grouped / re-classified to conform to the figures of the current periods.
- (iv) There were no pending investor complaints as on July 1, 2011. During the quarter ended September 30, 2011, 12 complaints were received and resolved.
- (v) The promoter and promoter group shareholding is nil and accordingly the information on shares pledged / encumbered is not applicable.
- (vi) The results for the quarter ended September 30, 2011 have been subjected to Limited Review by the Statutory Auditors, reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 21, 2011.

for LARSEN & TOUBRO LIMITED

Mumbai
October 21, 2011

A.M.NAIK
Chairman & Managing Director

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

₹ Lakh

Particulars	3 months ended September 30,		6 months ended September 30,		Year ended March 31, 2011 (Audited)
	2011	2010	2011	2010	
Gross segment revenue					
1 Engineering & Construction	972129	810465	1782072	1470072	3825671
2 Electrical & Electronics	84741	67157	159360	141368	321156
3 Machinery & Industrial Products	67803	69955	136843	124627	279292
4 Others	22211	16090	42109	28104	65971
Total	1146884	963667	2120384	1764171	4492090
Less: Inter-segment revenue	9384	13306	25047	22907	59101
Net segment revenue	1137500	950361	2095337	1741264	4432989
Segment result (Profit before interest and tax)					
1 Engineering & Construction	103500	89404	184143	170655	474407
2 Electrical & Electronics	7098	8682	13323	16058	39943
3 Machinery & Industrial Products	10627	11558	22822	22858	53047
4 Others	4768	1721	8991	5070	11801
Total	125993	111365	229279	214641	579198
Less: Inter-segment margins / (loss) on capital jobs	1480	(309)	589	209	1239
Less: Interest expenses	19701	18699	35430	32518	61926
Add: Unallocable corporate income net of expenditure	12119	14376	33025	23169	67258
Profit before tax	116931	107351	226285	205083	583291
Capital employed (Segment assets less segment liabilities)					
1 Engineering & Construction			982842	733418	753346
2 Electrical & Electronics			138581	115712	118618
3 Machinery & Industrial Products			69040	27231	47022
4 Others			62952	43188	54250
Total capital employed in segments			1253415	919549	973236
Unallocable corporate assets less corporate liabilities			1960070	1855367	1953848
Total capital employed			3213485	2774916	2927084

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.
- (ii) Segment composition: **Engineering & Construction** comprises execution of engineering and construction projects 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** includes manufacture and/or 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. **Machinery & Industrial Products** comprises manufacture and sale of industrial machinery & equipment, manufacture and marketing of industrial valves, construction equipment and welding/industrial products. **Others** include property development and integrated engineering services.
- (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
 Chairman & Managing Director

 Mumbai
 October 21, 2011