

SEC/PAM/2019

January 25, 2019

The Secretary BSE Limited Phiroze Jejeebhoy Towers, Dalal Street, MUMBAI - 400 001 STOCK CODE: 500510	National Stock Exchange of India Limited Exchange Plaza, 5th Floor Plot No.C/1, G Block Bandra-Kurla Complex Bandra (E), Mumbai - 400 051 STOCK CODE: LT
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Dear Sir,

Sub.: **Standalone Unaudited Financial Results for the
quarter and nine month period ended 31st December 2018.**

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose a copy of the statement containing the **Standalone Unaudited Financial Results** of the Company, **for the quarter and nine month period ended 31st December 2018**, which has been approved at the Meeting of the Board of Directors, held today. The Board Meeting commenced at 10.30 a.m. and concluded at 4-00 p.m.

We also enclose a copy of the "**Limited Review Report for the quarter and nine month period ended 31st December 2018**" issued by our Statutory Auditors', **M/s. Deloitte Haskins & Sells LLP**, Chartered Accounts, Mumbai.

Please inform your members accordingly and display this on your Notice Boards.

Thanking you,

Yours faithfully,
for **LARSEN & TOUBRO LIMITED**



N. HARIHARAN
EXECUTIVE VICE PRESIDENT &
COMPANY SECRETARY
(ACS 3471)

Encl : as above



LARSEN & TOUBRO LIMITED
Registered Office: L&T House, Ballard Estate, Mumbai 400 001
CIN : L99999MH1946PLC004768

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018

₹ Crore

Particulars	Quarter ended			Nine months ended		Year ended March 31, 2018 [Audited]
	December 31, 2018 [Reviewed]	September 30, 2018 [Reviewed]	December 31, 2017 [Reviewed]	December 31, 2018 [Reviewed]	December 31, 2017 [Reviewed]	
1 Income:						
a) Revenue from operations	22342.98	18648.76	17717.98	56165.43	47669.92	74611.65
b) Other income	887.00	723.79	446.31	2157.50	1510.23	1884.82
Total Income	23229.98	19372.55	18164.29	58322.93	49180.15	76496.47
2 Expenses:						
a) Manufacturing, construction and operating expenses:						
i) Cost of raw materials and components consumed	2234.19	1807.67	1720.64	5776.70	6055.69	8092.54
ii) Stores, spares and tools consumed	656.41	650.35	542.94	1810.03	1330.03	1815.21
iii) Excise duty	-	-	-	-	149.10	149.10
iv) Sub-contracting charges	5195.92	4684.89	4685.35	13780.22	12087.24	19620.99
v) Construction materials consumed	8135.65	5610.20	5473.20	17953.49	13372.25	22237.57
vi) Purchases of stock-in-trade	358.51	342.32	276.25	981.05	892.57	1296.62
vii) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(657.22)	(251.79)	(143.18)	(1413.60)	(793.27)	(962.36)
viii) Other manufacturing, construction and operating expenses	2111.25	1787.04	1407.43	5590.71	4593.26	6370.72
b) Employee benefits expense	1507.83	1595.26	1429.73	4599.18	4238.49	5713.59
c) Sales, administration and other expenses	660.15	763.82	653.12	2050.09	1777.62	2848.95
d) Finance costs	488.56	369.74	330.49	1205.26	1056.38	1432.23
e) Depreciation, amortisation, impairment and obsolescence	268.32	259.53	264.98	782.10	782.95	1049.46
Total Expenses	20959.57	17619.03	16640.95	53115.23	45542.31	69664.62
3 Profit before exceptional items (1-2)	2270.41	1753.52	1523.34	5207.70	3637.84	6831.85
4 Exceptional items (net)	-	496.79	56.80	499.62	231.71	430.53
5 Profit before tax (3+4)	2270.41	2250.31	1580.14	5707.32	3869.55	7262.38
6 Tax expense:						
a) Current tax	663.48	544.88	371.76	1467.94	966.59	1974.07
b) Deferred tax	(27.85)	(48.28)	(13.57)	(60.91)	(39.14)	(98.99)
Total tax expense	635.63	496.60	358.19	1407.03	927.45	1875.08
7 Net profit after tax (PAT) (5-6)	1634.78	1753.71	1221.95	4300.29	2942.10	5387.30
8 Other comprehensive income (OCI)	62.31	(49.17)	(64.77)	(166.46)	(30.52)	(50.94)
9 Total Comprehensive Income (7+8)	1697.09	1704.54	1157.18	4133.83	2911.58	5336.36
10 Paid-up equity share capital (face value of share: ₹ 2 each)	280.44	280.44	280.21	280.44	280.21	280.27
11 Other equity						48893.98
12 Earnings per share (EPS) of ₹ 2 each (not annualised):						
(a) Basic EPS (₹)	11.66	12.51	8.72	30.67	21.01	38.46
(b) Diluted EPS (₹)	11.64	12.49	8.67	30.62	20.95	38.37

Notes:

- Revenue for the periods upto June 30, 2017 includes Excise Duty collected from customers. Revenue from July 1, 2017 onwards is exclusive of Goods and Service Tax which subsumed Excise Duty.
- Effective April 1, 2018, the Company aligned its revenue recognition policy with Ind AS 115 "Revenue from Contracts with Customers" to (a) recognise revenue from realty business on delivery of units to customers as against percentage completion basis used in the previous years and (b) recognise provision for expected credit loss on contract assets. The cumulative impact of initial application of Ind AS 115 has been adjusted against the Retained Earnings as at April 1, 2018. Accordingly, the figures for the current year are not comparable with the previous year.
- Spectrum Infotech Private Limited (SIPL), a wholly owned subsidiary, was merged with the Company pursuant to the scheme of amalgamation approved by National Company Law Tribunal on March 27, 2018 which was effective from the Appointed date April 1, 2017. Consequently, the figures for the quarter and nine months ended December 31, 2017 have been re-presented to reflect the impact of merger.
- The Company had made a public announcement on October 5, 2018 offering to buyback up to 6,10,16,949 equity shares at a price of ₹ 1475 per equity share, subject to regulatory approvals. The buyback proposal in accordance with the extant laws and regulations was approved by the shareholders on the basis of the standalone debt of the Company not being more than twice the equity after the buyback. The Securities and Exchange Board of India (SEBI) vide its letter dated January 18, 2019 advised the Company not to proceed with the buyback since the Group's debt exceeds twice the equity of the Company. The Group's debt includes debt of financial services business, a listed company operating within the norms for Debt:Equity prescribed by the Reserve Bank of India (RBI).
- Figures for the previous periods have been regrouped/re-classified to conform to the figures of the current periods.
- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 25, 2019. The same have also been subjected to Limited Review by the Statutory Auditors.

for LARSEN & TOUBRO LIMITED

S. N. Subrahmanyam
S. N. SUBRAHMANYAM
Chief Executive Officer & Managing Director



Standalone unaudited 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:

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2018 [Reviewed]	September 30, 2018 [Reviewed]	December 31, 2017 [Reviewed]	December 31, 2018 [Reviewed]	December 31, 2017 [Reviewed]	March 31, 2018 [Audited]
Gross segment revenue						
1 Infrastructure	17291.80	14345.46	14100.60	43071.49	35972.32	58366.65
2 Power	908.30	1059.92	1269.85	3048.79	4701.47	6208.23
3 Heavy Engineering	692.83	544.13	376.59	1614.21	1086.25	1567.52
4 Defence Engineering	1012.87	885.96	746.44	2601.83	2286.74	3250.45
5 Electrical & Automation	1289.03	1175.37	1031.99	3524.21	3107.02	4446.53
6 Others	1314.41	812.86	438.66	2802.08	1238.93	1742.04
Total	22509.24	18823.70	17964.13	56662.61	48392.73	75581.42
Less: Inter-segment revenue	166.26	174.94	246.15	497.18	722.81	969.77
Net segment revenue	22342.98	18648.76	17717.98	56165.43	47669.92	74611.65
Segment result						
1 Infrastructure	731.52	765.17	1026.16	2120.53	2199.59	5010.02
2 Power	15.41	52.63	18.27	101.49	109.94	161.96
3 Heavy Engineering	104.40	102.67	88.29	317.42	170.25	259.03
4 Defence Engineering	82.66	236.60	65.89	410.09	224.80	320.76
5 Electrical & Automation	217.68	205.08	160.86	555.96	399.52	624.78
6 Others	727.40	194.21	93.20	1066.00	280.93	332.34
Total	1879.07	1556.36	1452.67	4571.49	3385.03	6708.89
Less: Inter-segment margins on capital jobs	1.26	-	3.60	1.26	5.58	14.71
Less: Finance costs	488.56	369.74	330.49	1205.26	1056.38	1432.23
Add: Unallocable corporate income net of expenditure	881.16	1063.69	461.56	2342.35	1546.48	2000.43
Profit before tax	2270.41	2250.31	1580.14	5707.32	3869.55	7262.38
Segment assets						
1 Infrastructure				63800.14	55289.02	59969.40
2 Power				5351.20	6342.96	5725.11
3 Heavy Engineering				2687.03	2407.92	2143.85
4 Defence Engineering				6487.33	5907.41	6227.68
5 Electrical & Automation				2960.05	2873.56	2938.01
6 Others				3991.96	2632.35	2738.78
Total segment assets				85277.71	75453.22	79742.83
Less: Inter-segment assets				721.57	754.75	711.23
Add: Unallocable corporate assets				43646.96	39286.27	36575.10
Total assets				128203.10	113984.74	115606.70
Segment liabilities						
1 Infrastructure				41100.75	33981.02	40034.89
2 Power				5086.16	6149.32	5657.36
3 Heavy Engineering				1442.25	1116.07	1010.70
4 Defence Engineering				5199.97	5260.53	5160.94
5 Electrical & Automation				1495.63	1382.80	1663.94
6 Others				1676.60	1263.60	1220.22
Total segment liabilities				56001.36	49153.34	54748.05
Less: Inter-segment liabilities				721.57	754.75	711.23
Add: Unallocable corporate liabilities				22820.74	18859.44	12395.63
Total liabilities				78100.53	67258.03	66432.45

Notes:

- (I) The Company has reported segment information as per Ind AS 108 "Operating Segments" read with SEBI circular dated July 5, 2016. The identification of operating segments is consistent with performance assessment and resource allocation by the management.
- (II) Effective from April 1, 2018, the following changes have been made in constitution of segments to reflect the organisation structure, evaluation and management of financial performance: (a) Defence & Aerospace business and Shipbuilding business have been constituted as a business segment. Prior to this, Defence & Aerospace was part of Heavy Engineering segment and Shipbuilding was part of "Others" segment. (b) Metallurgical & Material handling systems business has been aggregated with Infrastructure segment.
- (III) Segment composition: **Infrastructure** segment comprises engineering and construction of building and factories, transportation infrastructure, heavy civil infrastructure, power transmission & distribution, water & effluent treatment, smart world & communication projects and metallurgical & material handling systems (hitherto reported under Others segment). **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 and Thermal & Nuclear Power. **Defence Engineering** segment comprises design, development, prototyping, serial production, delivery, commissioning and through life-support of equipment, systems and platforms for Defence and Aerospace sectors. It also includes Defence Shipbuilding comprising design, construction, commissioning, repair/refit and upgrades of Naval and Coast Guard vessels. **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 [refer note (VI) below]. **Others** segment includes Hydrocarbon, Realty, marketing and servicing of construction & mining machinery and parts thereof, manufacture and sale of rubber processing machinery.
- (IV) Unallocable corporate income primarily includes interest income, dividends and profit on sale of investments. Unallocable expenditure mainly includes corporate expenses not allocated to segments. Unallocable corporate assets mainly comprise investments. Corporate liabilities mainly comprise borrowings.
- (V) In respect of most of the segments for the Company, sales and margins do not accrue uniformly during the year.
- (VI) As disclosed earlier, the Company has signed definitive agreements with Schneider Electric for strategic divestment of its Electrical & Automation business. The Company is in the process of obtaining the necessary regulatory approvals.
- (VII) Figures for the previous periods have been regrouped/re-classified to conform to the classification of the current periods.

for LARSEN & TOUBRO LIMITED

S. N. Subrahmanyam
S. N. SUBRAHMANYAN
Chief Executive Officer & Managing Director

Mumbai

January 25, 2019



INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF LARSEN & TOUBRO LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Interim Financial Results of **LARSEN & TOUBRO LIMITED** (the "Company"), which includes the result of 29 Joint Operations consolidated on a proportionate basis for the quarter and nine months ended December 31, 2018 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors of the Company, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. The Statement includes the results of the joint operations listed in **Annexure A**.
5. Based on our review conducted as stated above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The Statement includes the interim financial information of 7 joint operations whose interim financial information reflect total revenue of ₹1,266.94 crore and ₹3,661.90 crore, total profit after tax (net) of ₹99.12 crore and ₹264.08 crore and total comprehensive income (net) of ₹99.12 crore and ₹264.08 crore for the quarter and nine months ended December 31, 2018, respectively, which have not been reviewed by us. The interim financial information of these joint operations have been reviewed by the other auditors of those joint operations whose reports have been furnished to us by the Management of the Company, and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these joint operations, is based solely on the reports of such other auditors.

Our report on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the review reports of the other auditors.

7. The Statement includes the interim financial information of 21 joint operations, which have not been reviewed by their auditors, whose interim financial information reflect total revenue of ₹342.57 crore and ₹743.84 crore, total profit/(loss) after tax (net) of (₹0.22) crore and ₹14.84 crore and total comprehensive income/(loss) (net) of (₹0.22) crore and ₹14.84 crore for the quarter and nine months ended December 31, 2018, respectively. These interim financial information have been furnished to us by the Management of the Company and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these joint operations, is based solely on such interim financial information certified by the Management of the Company. According to the information and explanation given to us by the Management of the Company, the interim financial information of these joint operations are not material to the Company.

Our report on the Statement is not modified in respect of our reliance on the interim financial information certified by the Management of the Company.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Sanjiv V. Pilgaonkar
Partner
(Membership No. 39826)

Delhi, January 25, 2019

Annexure A: List of Joint Operations

Sr. No.	Name of Joint Operations
1	Desbuild L&T Joint Venture
2	Larsen and Toubro Limited-Shapoorji Pallonji & Co. Ltd. Joint Venture
3	Al Balagh Trading & Contracting Co W.L.L- L&T Joint Venture
4	L&T - AM Tapovan Joint Venture
5	HCC - L&T Purulia Joint Venture
6	International Metro Civil Contractors Joint Venture
7	Metro Tunneling Group
8	L&T - Hochtief Seabird Joint Venture
9	Metro Tunneling Chennai-L&T Shanghai Urban Construction (Group) Corporation Joint Venture
10	Metro Tunneling Delhi-L&T Shanghai Urban Construction (Group) Corporation Joint Venture
11	L&T-Shanghai Urban Construction (Group) Corporation Joint Venture CC27 Delhi
12	Aktor- Larsen & Toubro-Yapi Merkezi-STFA-Al Jaber Engineering Joint Venture
13	Civil Works Joint Venture
14	L&T-Shanghai Urban Construction (Group) Corporation Joint Venture
15	DAEWOO and L&T Joint Venture
16	L&T – STEC JV Mumbai
17	L&T-Eastern Joint Venture
18	Larsen and Toubro Limited-Scomi Engineering BHD Consortium-Residual Joint Works Joint Venture
19	Larsen and Toubro Limited-Scomi Engineering BHD Consortium-O&M Joint Venture
20	L&T-Delma Mafraq Joint Venture
21	L&T-AL-Sraiya LRDP 6 Joint Venture
22	Larsen & Toubro Limited & NCC Limited Joint Venture
23	Besix – Larsen & Toubro Joint Venture
24	Larsen & Toubro Ltd - Passavant Energy & Environment JV
25	LNT - Shriram EPC Tanzania UJV
26	LTH Milcom Private Limited
27	L&T- Inabensa Consortium
28	L&T- ISDPL (JV)
29	L&T-IHI Consortium

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