LARSEN & TOUBRO

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SEC/PAM/2016

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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**

Dear Sir,

Sub: **L&T sells its stake in L&T General Insurance Company Limited**

Larsen & Toubro Limited (the Company) has today entered into a Share Sale and Purchase Agreement with HDFC ERGO General Insurance Company Limited (HDFC ERGO) for sale of its entire stake in L&T General Insurance Company Limited (LTGI), a wholly owned subsidiary of the Company for a total consideration of Rs.551 crore. The transaction envisages share sale by the Company to HDFC ERGO and subsequent merger of HDFC ERGO and LTGI. The transaction is subject to various approvals, including approval of Insurance Regulatory and Development Authority of India and Honourable Bombay High Court. Upon closing, the Group would exit from the general insurance and health insurance business. LTGI Gross earned premium income during the year 2015-16 was Rs. 483 crores, constituting around 0.5% of the Company's consolidated revenue for the year 2015-16 and reported a net worth of Rs.142 crore as on 31st March, 2016. The share sale is part of the Company's strategy of exiting from its non-core activity.

About L&T

Larsen & Toubro is an Indian multinational engaged in technology, engineering, construction, manufacturing and financial services with **USD 16 billion** in revenue. It operates in over 30 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 over seven decades.

About HDFC

HDFC ltd is India's first retail housing finance company and is currently one of the largest originators of housing loans in the country. HDFC has financed 5.4 million housing units. 77% of shareholders in HDFC are foreign investors. Over the years, the HDFC group has emerged as a strong financial conglomerate with a presence in banking, life and general insurance, asset management, venture capital and

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education finance. Besides HDFC Ergo General Insurance Company Limited, HDFC's key associate and subsidiary companies include HDFC Bank Limited, HDFC Standard Life Insurance Company Limited, HDFC Asset Management Company Limited, GRUH Finance Limited, HDFC Venture Capital Limited and Credila Financial Services Limited

About ERGO

ERGO is one of the major insurance groups in Germany and Europe. ERGO is part of Munich Re, one of the leading reinsurers and risk carriers worldwide. The Group is represented in over 30 countries and concentrates on Europe and Asia. ERGO offers a comprehensive spectrum of insurance, provision and services. In its home market of Germany, ERGO ranks among the leading providers across all segments. About 43,000 people work for the Group, either as salaried employees or as full-time self-employed sales representatives. In 2015, ERGO recorded a premium income of 18 billion euros and rendered benefits to customers of 17 billion euros

About HDFC ERGO

HDFC ERGO, a 51:49 joint venture between housing major HDFC Limited and ERGO International, Germany (part of Munich Re Group), is the 4th largest private sector general insurer in India and offers all lines of general insurance products including motor, health , personal accident, home, fire, marine, aviation, liability, crop insurance etc . During the financial year ended March 31, 2016, the company wrote gross premiums of Rs 3467 crores and made a profit after tax of Rs 151 crores. The company operates through 108 offices and employees strength of 2007.

Please take note of the above.

Thanking you

Yours faithfully,
for LARSEN & TOUBRO LIMITED

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

LARSEN & TOUBRO LIMITED * MUMBAI *