

January 28, 2017

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001

National Stock Exchange of India Limited
Exchange Plaza,
Plot No. C/1, G-Block
Bandra-Kurla Complex, Bandra (East)
Mumbai – 400051

Stock Code – 500510

Stock Code – LT

Dear Sirs,

Re: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”) - Scheme of Arrangement

The Board of Directors of Larsen & Toubro Limited (“the Company”) at its Meeting held today, have considered and approved a Scheme of Amalgamation between the Company and Spectrum Infotech Private Limited (“SIPL”) a Wholly-owned Subsidiary of the Company) and their respective Shareholders and Creditors under Section 230 to 232 of the Companies Act, 2013. (“the Scheme”).

The scheme is subject to necessary statutory and regulatory approvals including the approvals of the National Company Law Tribunal, the Stock Exchanges, SEBI, the respective Shareholders and Lenders/Creditors of each of the companies involved in the scheme.

It may be noted that the proposed Scheme has been reviewed and recommended for approval by the Audit Committee to the Board of the Company at its meeting held on January 27, 2017.

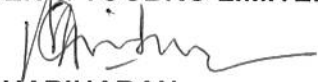
The Scheme will be filed with the Stock Exchanges as per the applicable provisions of Regulation 37 of SEBI LODR.

Enclosed as Annexure A is the information pursuant to Regulation 30 of SEBI LODR read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015.

We request you to take the same on record.

Regards,

For LARSEN & TOUBRO LIMITED


N. HARIHARAN
EXECUTIVE VICE-PRESIDENT &
COMPANY SECRETARY
(M.NO – A3471)

ANNEXURE A

Disclosure of Information pursuant to Regulation 30 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015.

1. Details of the Transferor and Transferee Companies:

Transferor Entity: Spectrum Infotech Private Limited ("Transferor Company") is a private company limited by shares, incorporated on June 23, 1995 under the provisions of the Companies Act, 1956 and having its registered office at L and T House, 38 Cubbon Road, Bengaluru – 560001. The Transferor Company is engaged in the defence business.

Transferee Entity: Larsen & Toubro Limited ("Transferee Company") is a public company incorporated on February 7, 1946 under the provisions of the Companies Act, 1913 and having its registered office at L&T House, N.M Marg, Ballard Estate, Mumbai – 400001. The shares of the Transferee Company are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (together referred to as the Stock Exchanges). The Company is engaged in the business of technology, engineering, construction, manufacturing and financial services.

Particulars	(In Rs. Cr)			
	Net Worth (as per IND AS)		Total Revenue (as per IND AS)	
	March 31, 2016	September 30, 2016	March 31, 2016	September 30, 2016
Larsen & Toubro Limited	42,135.31	43,602.26	63,265.83	14,589.44
Spectrum Infotech Private Limited	17.41	16.99	18.09	6.18

The Transferor Company is a wholly-owned subsidiary of the Transferee Company. The proposed amalgamation does not fall within the purview of related party transaction in lieu of General Circular No. 30/2014 dated July 17, 2014 issued by the Ministry of Corporate Affairs and since the same is subject to the sanction of the National Company Law Tribunal. Further, pursuant to Regulation 23(5)(b) of the LODR Regulations, the related party provisions are not applicable to the proposed Scheme.

2. Rationale for the Proposed Scheme:

The proposed scheme of amalgamation of Spectrum Infotech Private Limited ("Transferor Company") with Larsen & Toubro Limited ("Transferee Company"), under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Scheme") provides for the amalgamation of the Transferor Company with the Transferee Company. The rationale for the scheme is as follows:

- a) The Transferor Company and the Transferee Company are operating in complementary/similar line of business and can be conveniently combined for mutual benefit.

- b) One of the reasons necessitating the merger is that the Transferor Company is a wholly owned subsidiary of the Transferee Company as the complete shareholding of the Transferor Company is held by the Transferee Company and its nominee.
- c) The amalgamation will improve organizational capability arising from the pooling of human capital that has diverse skills, talent and vast experience.
- d) The Scheme is commercially and economically viable and feasible and is in fact fair and reasonable.
- e) The proposed amalgamation will result in administrative and operations rationalization, organizational efficiencies, reduction in overheads, personnel costs, compliance cost and other administrative expenses.
- f) The proposed amalgamation would be beneficial from a revenue generation and cost optimization perspective as the Transferee Company would continue to reap the benefits of qualifications/certifications of the Transferor Company and its preferred vendor status with identified customer RFPs post amalgamation.
- g) The proposed amalgamation will prevent cost duplication and will result in synergies in operations. The synergies created by the amalgamation would increase operational efficiency and integrate business functions.
- h) Since the Transferor Company is already a wholly owned subsidiary of the Transferee Company, the management of the two aforementioned companies have evaluated the plan and strategy for both the Companies and feel that merging the two entities will be effective in obtaining synergy in the operations of the Transferor Company and the Transferee Company.

3. Nature of Consideration:

As the Transferor Company is a wholly-owned subsidiary of the Transferee Company, the entire share capital of the Transferor Company is held by the Transferee Company. Therefore, upon the proposed scheme becoming effective, all shares held by the Transferee Company in the share capital of the Transferor Company as on the Effective Date shall stand cancelled, without any further act or deed, upon the Scheme becoming effective. In lieu thereof, no allotment of any new shares or any payment will be made by the Company to the shareholders of the Transferor Company.

4. Details of Change in Shareholding Pattern:

There will be no change in shareholding pattern of the Transferee Company pursuant to the proposed Scheme as no shares are being issued by the Company in consideration of the proposed Scheme.