LARSEN & TOUBRO

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February 1, 2018

The Secretary BSE Limited Phiroze Jejeebhoy Towers, Dalal Street, MUMBAI - 400 001 **STOCK CODE: 500510** **Kind Attn: Mr. Mangalam Iyer**	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** **Kind Attn: Mr. Sandeep Dhamal**

Sub: News Clarification – L&T
Ref: Email dated February 1, 2018

Dear Sir,

In connection with your aforesaid email and the queries raised, we would like to clarify as below:

a) Whether such event stated in published news were taking place? If so, you are advised to provide the said information along with the sequence of events in chronological order.

Reply: "Economic Times" appears to have picked up SEBI's consent order from SEBI's website and reported in today's newspaper. Mr. A.M Naik and Mr. Shailendra Roy had reported some trades relating to the sale of the Company's shares in March 2014 to the Stock Exchanges with a delay of few days. The Company had also reported all trades done by Mr. A.M Naik and Mr. Shailendra Roy within prescribed timelines except in one case, the reasoning for which is given below.

SEBI had issued notice to Larsen & Toubro Limited ("the Company"), Mr. A.M Naik and Mr. Shailendra Roy for alleged violation of the SEBI Act and SEBI (Prohibition of Insider Trading) Regulations, 1992 ("PIT Regulations") for delay in reporting obligations with certain trades in the shares of the Company that were carried out in the March 2014.

Separate replies were filed with SEBI indicating that there were trades where the delay in reporting was inadvertent or on account of a weekend or delivery by courier. All other trades except the ones pointed out in the SEBI Notice were reported on time.

The Company had also filed a reply with SEBI stating that the delay in reporting on the Company's front was due to certain technical issues on the exchange portal on the due date of filing and hence the same were filed on the next day.

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The Company, Mr. A.M Naik and Mr. Shailendra Roy had filed a consent application with SEBI for full and final settlement of the matter on a mutually agreed amount.

SEBI vide an email dated January 22, 2018 finalised the settlement amounts to be paid by the Company, Mr. A.M Naik and Mr. Shailendra Roy.

The Company was not in receipt of any formal order from SEBI. **Additionally, even on the date of this letter the Company is not in receipt of any formal communication from SEBI in connection with the same.**

Larsen & Toubro Infotech Limited ("LTI") and L&T Technology Services Limited ("LTTS"), had come out with Initial Public Offerings (IPO) in the year 2016, wherein the Company in the capacity of the Promoter had sold shares as a part of the IPO. The offer document filed with SEBI which was put up for public comments and filed with the Exchanges contained the aforesaid disclosures with respect to all concerned.

b) The material impact of this article on the Company.

Reply: There is no material impact of this Article on the Company.

c) Whether company are aware of any information that has not been announced to the Exchanges under Regulation 30 of Listing Regulations. If so, you are advised to provide the said information and the reasons for not disclosing the same to the Exchange earlier as required under Regulation 30 of the Listing Regulations.

Reply: The text of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") reads as under:

(1)Every listed entity shall make disclosures of any events or information which, in the opinion of the board of directors of the listed company, is material.
(2) Events specified in Para A of Part A of Schedule III are deemed to be material events and listed entity shall make disclosure of such events.
(3) The listed entity shall make disclosure of events specified in Para B of Part A of Schedule III, based on application of the guidelines for materiality, as specified in sub-regulation (4).
(4) (i) The listed entity shall consider the following criteria for determination of materiality of events/ information:
(a) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
(b) the omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date;
(c) In case where the criteria specified in sub-clauses (a) and (b) are not applicable, an event/information may be treated as being material if in the opinion of the board of directors of listed entity, the event / information is considered material.

Schedule III of the Regulations requires that events under Part B shall be disclosed upon application of guidelines for materiality referred to in sub-regulation (4) of Regulation 30

SEBI had revised the information required to be disclosed under PART A and Part B of Schedule III through its circular no. CIR/CFD/CMD/4/2015 dated September 9, 2015 ("Circular").

It would be pertinent to note that para 8 under Part B of the aforesaid Circular requires a listed entity to notify the stock exchanges of any litigation, assessment, adjudication, arbitration, or dispute in conciliation proceedings or upon institution of the aforesaid on the Company itself, its key managerial personnel or its promoter or ultimate person in control.

Considering that the subject matter in the news item is an order made by SEBI in accordance with a consent application filed by the pleading parties, it would not fall within the purview of the aforesaid intimation requirements.

Additionally, disclosures as required under the PIT Regulations, 1992 was made with a delay which was inadvertent or due to delay in the documents being delivered through courier or exchange terminal issues which is clearly spelt out in the IPO documents of LTI and LTTS.

Additionally in accordance with the materiality policy formulated by the Company in accordance with the Regulations, the subject matter in the news item is not a material event and hence did not warrant disclosure.

We would also like to bring it to the your kind attention that the entire Regulations were made effective only in December 2015 and the Show Cause Notice was issued to the Company, Mr. A.M Naik and Mr. Shailendra Roy in August 2015, during which no disclosure was envisaged under the Regulations.

To conclude we wish to submit that the intent of Regulation 30 is to disclose information that would have a bearing on the operation/ performance of the company which include all price sensitive information, etc.

We would like to reiterate, that the Notice issued by SEBI was only for delay in disclosure and not failure to report and the same would not have had any bearing on the operation/ performance of the company.

We request you to take note of the same.

Thanking You,

For LARSEN & TOUBRO LIMITED

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