LARSEN & TOUBRO

SEC/PAM/2012 May 14, 2012

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.: Submission of Audited Results for the year ended **31st March 2012**, pursuant to clause 41 of the Listing Agreement.

At the Meeting of Board of Directors held today, the Directors have approved the Audited Accounts for the year ended March 31, 2012.

The particulars required to be furnished under the listing agreement, are given in the enclosed statement. We also enclose Audit Report and the Press Release related to the same.

The Directors have recommended a Dividend of ₹ **16.50/-** per share (previous year ₹ 14.50/- per share) and the Company will arrange to pay the same on **28th August 2012**, if approved by the members in Annual General Meeting scheduled to be held on 24th August 2012.

The book closure for the above will be intimated later.

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

Thanking you,

Yours faithfully,
for LARSEN & TOUBRO LIMITED

N. HARIHARAN
COMPANY SECRETARY

Encl : as above

Larsen & Toubro Limited, Secretarial Department
L&T House, N. M. Marg, Ballard Estate, P. O. Box 278, Mumbai - 400 001, INDIA
Tel: +91 22 6752 5656 Fax: +91 22 6752 5893 www.Larsentoubro.com

ISO 9001 REGISTERED
DNV MGMT. SYS. RvA C 024
DNV Certification B.V., The Netherlands

LARSEN & TOUBRO

L&T Press Release

Issued by Corporate Brand Management & Communications

L&T House, 2nd Floor,
Ballard Estate, Mumbai 400 001
Tel: 91 22 6752 5656 / 836
Fax: 91 22 6752 5796

Performance for the quarter ended March 31, 2012

Revenue grows 21 %
Recurring PAT grows 25%

Mumbai, May 14, 2012: Larsen & Toubro recorded Gross Revenue of ₹ 18646 crore for the quarter ended March 31, 2012, registering a growth of 21.1 % y-o-y.

Excluding exceptional and extraordinary items, Recurring Profit after Tax (PAT) for the quarter ended March 31, 2012 stood at ₹ 1877 crore recording an increase of 24.8% over the corresponding quarter of the previous year.

Order inflow for the year at ₹ 70574 crore took the Company's Order Book to ₹ 145723 crore as on March 31, 2012. The order inflow and order book include proportionate share in the Integrated Joint Ventures.

Decelerating growth momentum across the sectors during 2011-12 led to deferment of capital expenditure and fresh investment decisions. Still the Company was able to garner sizeable new orders mainly from Building & Factories, Infrastructure, Power Transmission & Distribution and Minerals & Metals sectors.

Gross revenue for the year 2011-12 at ₹ 53738 crore registered a growth of 21.3% over the previous year.

Recurring Profit after Tax (PAT) for the year 2011-12 stood at ₹ 4413 crore recording an increase of 20.1 % over the previous year.

The Board of Directors has recommended a dividend of ₹ 16.50 per equity share.

Engineering & Construction (E&C) Segment

E&C recorded Net Segment Revenue of ₹ 16638 crore for the quarter ended March 31, 2012 recording a y-o-y growth of 23.4%.

For the year ended March 31, 2012, Net Segment Revenue was ₹ 46768 crore registering 23.3% growth over the previous year. Most of the ongoing projects progressed well contributing to growth in the revenue. This revenue growth was achieved despite deferment of some of the anticipated orders and delays in obtaining clearances in a few projects in the infrastructure, power, power transmission & distribution sectors, having temporary impact on the pace of activities.

During the year, the Segment secured orders totaling to ₹ 63574 crore with International orders constituting 18% of the total order inflow. The Order Book of the Segment stood at a healthy ₹ 143448 crore as at March 31, 2012 with international orders constituting 12% of the total order book.

The Segment recorded Operating Margin of 12.7% during the year ended March 31, 2012 through an efficient management of costs and its superior execution capabilities.

Electrical & Electronics (E&E) Segment

E&E recorded Net Segment Revenue of ₹ 998 crore for the quarter ended March 31, 2012 recording a y-o-y growth of 15%.

For the year ended March 31, 2012, Net Segment Revenue stood at ₹ 3251 crore recording a moderate y-o-y growth of 8.4%. Subdued industrial demand and intense competition led to lower off-take.

The Segment Operating Margin for the quarter ended March 31, 201 was 16.9% recording an improvement over the immediately preceding quarter when the margin stood at 10.9%. For the year ended March 31, 2012 the Operating Margin stood at 12.7%.

Machinery & Industrial Products (MIP) Segment

During the quarter ended March 31, 2012, MIP recorded Net Segment Revenue of ₹ 740 crore. International sales constituted 14% of the total revenue.

Net Segment Revenue for the year ended March 31, 2012 stood at ₹ 2775 crore International sales doubled during the year.

The Segment earned an Operating Margin of 19.8% and 19.5% during the quarter and year ended March 31, 2012 respectively.

Consolidated Group Financials

The Consolidated Group revenue at ₹ 64960 crore for the year grew by 23.8% vis-à-vis ₹ 52470 crore for the previous year. The Consolidated Group Profit After Tax excluding extraordinary and exceptional items, stood at ₹ 4649 crore.

Capacity Ramp-up

With continued thrust on capacity argumentation for current execution & future growth, the Company invested ₹ 1730 crore in 2011-12 mainly to acquire various plant and equipment for the businesses in Engineering and Construction segment and for expansion of the Modular Fabrication Yard at Kattupalli, Tamilnadu.
The manufacturing facilities at Vadodara and Ahmednagar for the Electrical and Electronics business segment are being ramped up to reap benefits of low cost locations.

At the Consolidated Group level, the port facility at Dhamra developed under Joint Venture with Tata Steel Limited commenced commercial operations during the year 2011-12. The manufacturing facility for Power Auxiliaries at Hazira, Gujarat has also been commissioned during the year.

The facilities for manufacture of heavy forgings at Hazira and the shipyard-cum-port facility at Kattupalli are at an advanced stage of completion and are scheduled to commence commercial operations during the year 2012-13.

Outlook

The year 2011-12 witnessed policy uncertainties, slowdown in investment momentum, aggressive competition, high inflation and significant rupee depreciation. Most of the major world economies have also been facing sluggish economic environment.

Gradual upswing in Indian economy is expected in the year 2012-13 with increasing government focus on certain sectors such as infrastructure, power, oil & gas and fertilizer, which are of key importance to the Company. A clear policy direction from the government, inflation containment, benign interest rate environment, and improved fiscal situation are key to revive the growth momentum & investment confidence.

The performance of the Company has strong linkage with the economic environment in India as well as the key markets such as the Middle East. While strengthening its domestic presence, the Company is accelerating forays into its major international markets backed by its superior delivery capabilities, execution excellence, proven track record and healthy balance sheet. Given its large Order Book, the Company is well positioned to sustain revenue growth momentum in the medium term.

LARSEN & TOUBRO LIMITED

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

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2012

₹ Lakh

	Particulars	Standalone Financials					Consolidated Financials	
		3 months ended			Year ended		Year ended	
		March 31, 2012	December 31, 2011	March 31, 2011	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
1	Gross Sales / Revenue from operations	1864577	1414049	1539552	5373778	4429611	6498008	5247022
	Less: Excise duty	18487	15688	13435	56726	39024	64897	42644
	Net Sales / Revenue from operations	**1846090**	**1398361**	**1526117**	**5317052**	**4390587**	**6433111**	**5204378**
2	**Expenses:**							
a)	i) Consumption of raw materials, components, and stores, spares & tools	331373	322339	270629	1176458	892546	1311610	1025689
	ii) Sub-contracting charges	392066	301895	285482	1064754	939597	1085025	894056
	iii) Construction materials consumed	482461	311632	403398	1247779	1006976	1299039	1035929
	iv) Purchases of stock-in-trade	76196	55352	73580	236940	228255	244603	216202
	v) Changes in inventories of finished goods, work-in-progress and stock-in-trade	11704	(23328)	1807	(53977)	(53264)	(61713)	(49787)
	vi) Other manufacturing, construction and operating expenses	137660	134998	108330	430084	332707	843283	636531
b)	Employee benefits expense	97544	86196	80172	366345	283008	499496	373529
c)	Sales, administration and other expenses	61010	72871	68364	220428	196805	332973	304486
d)	Depreciation, amortisation and obsolescence	18036	18033	23577	69946	59922	158029	131888
	Total expenses	**1608050**	**1279987**	**1316339**	**4758737**	**3888662**	**5712345**	**4568523**
3	**Profit from operations before other income, finance costs and exceptional items (1-2)**	**238040**	**118374**	**210778**	**558315**	**504035**	**718966**	**635855**
4	Other income	31420	42714	35718	133828	114746	82897	98878
5	**Profit from ordinary activities before finance costs and exceptional items (3+4)**	**269460**	**161088**	**246496**	**692143**	**618781**	**801863**	**732733**
6	Finance costs	12109	19071	12625	66810	61925	110189	80275
7	**Profit from ordinary activities after finance costs but before exceptional items (5-6)**	**257351**	**142017**	**233871**	**625333**	**556856**	**691674**	**652458**
8	Exceptional items [refer note (i)]	5500	-	22677	5500	26207	5677	20529
9	**Profit from ordinary activities before tax (7+8)**	**262851**	**142017**	**256548**	**631033**	**583063**	**697351**	**672987**
10	**Provision for taxes:**							
a)	Provision for current tax	72020	39222	73187	181413	177658	231433	220537
b)	Provision for deferred tax	(1210)	3640	14740	3970	16700	(3178)	14019
c)	Additional Tax on dividend distributed / proposed by subsidiaries						867	749
	Total provision for taxes	**70810**	**42862**	**87927**	**185383**	**194358**	**229122**	**235305**
11	**Net Profit after tax from ordinary activities (9-10)**	**192041**	**99155**	**168621**	**445650**	**388705**	**468229**	**437682**
12	Extraordinary items [net of tax - ₹ Nil]	-	-	-	-	7084	-	7084
13	**Net Profit after tax for the period (11+12)**	**192041**	**99166**	**168621**	**445650**	**395789**	**468229**	**444766**
14	Share of profit of associates (net)						4616	8707
15	Adjustments for minority interests in subsidiaries						(3478)	(7856)
16	**Net Profit after tax, minority interest and share of profit of associates (13+14+15)**	**192041**	**99155**	**168621**	**445650**	**395789**	**469369**	**445617**
17	Paid-up equity share capital (face value of share: ₹ 2 each)				12248	12177	12248	12177
18	Reserves excluding revaluation reserve				2507940	2170236	2923973	2489913
	Earnings per share (Not annualised):							
19	Basic EPS before extraordinary items (₹)	**31.37**	16.21	27.70	**72.92**	64.16	**76.81**	72.39
20	Diluted EPS before extraordinary items (₹)	**31.14**	16.11	27.41	**72.23**	63.20	**76.08**	71.30
21	Basic EPS after extraordinary items (₹)	**31.37**	16.21	27.70	**72.92**	65.33	**76.81**	73.56
22	Diluted EPS after extraordinary items (₹)	**31.14**	16.11	27.41	**72.23**	64.35	**76.08**	72.45
23	Debt service coverage ratio (DSCR) [no.of times]*				**3.13**	3.35		
24	Interest service coverage ratio (ISCR) [no.of times]**				**10.39**	9.99		
25	***Profit after tax from normal operations (i.e.excluding exceptional and extraordinary items)***	**187731**	99155	**160465**	**441340**	387573	**464882**	423790

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]*

See accompanying notes to the financial results

SELECT INFORMATION FOR THE QUARTER AND YEAR ENDED MARCH 31, 2012

A	**PARTICULARS OF SHAREHOLDING**						
1	Public shareholding:						
	- Number of shares ('000s)			**593300**	587206	**593300**	587206
	- Percentage of shareholding			**96.88%**	96.44%	**96.88%**	96.44%
2	Promoters and promoter group shareholding [refer note (vii)]			**Nil**	Nil	**Nil**	Nil

B	**INVESTOR COMPLAINTS**	3 months ended March 31, 2012
	Pending at the beginning of the quarter	1
	Received during the quarter	14
	Disposed of during the quarter	15
	Remaining unresolved at the end of the quarter	Nil

for LARSEN & TOUBRO LIMITED

A.M.NAIK
Chairman & Managing Director

Mumbai
May 14, 2012

Notes :

(i) Exceptional items during the quarter ended March 31, 2012 in the standalone financials represent gain on sale of part stake in a subsidiary company. Exceptional items in consolidated financials additionally include gain on divestment of stake in associate companies.

(ii) During the year, a subsidiary company has raised additional share capital through initial public offer (IPO) and pre-IPO placement which has resulted in dilution of stake of the parent company. The net gain of ₹ 717.40 crore on dilution of stake is credited to capital reserve in the Consolidated Balance Sheet.

(iii) The Board of Directors has recommended a dividend of ₹ 16.50 per equity share of face value of ₹ 2 each.

(iv) The Company, during the quarter ended March 31, 2012, has allotted 5,54,272 equity shares of ₹ 2 each, fully paid up, on exercise of stock options by employees, in accordance with the Company's stock option schemes.

(v) Statement of assets and liabilities as per clause 41(v) (h) of the listing agreement:

₹ Lakh

Particulars	Standalone As at		Consolidated As at	
	31.3.2012	31.3.2011	31.3.2012	31.3.2011
	Audited		Audited	
EQUITY AND LIABILITIES				
Shareholders' funds:				
(a) Share capital	12248	12177	12248	12177
(b) Reserves and surplus (including revaluation reserve)	2510054	2172449	2926430	2492878
Sub-total - Shareholders' funds	**2522302**	**2184626**	**2938678**	**2505055**
Minority interest			175346	102600
Non-current liabilities				
(a) Long-term borrowings	533006	542541	3615561	2484106
(b) Deferred tax liabilities (net)	13301	26347	21088	33161
(c) Other long term liabilities	37602	3241	501313	466988
(d) Long-term provisions	27505	24209	31219	27425
Sub-total - Non-current liabilities	**611414**	**596337**	**4169181**	**3011680**
Current liabilities				
(a) Short-term borrowings	293672	90617	577806	403683
(b) Current maturities of long term borrowings	162899	82963	521638	392041
(c) Trade payables	1575281	1285342	1671653	1468772
(d) Other current liabilities	1392524	1270915	1610824	1364906
(e) Short-term provisions	211204	200210	234307	224675
Sub-total - Current liabilities	**3635580**	**2930037**	**4616228**	**3854077**
TOTAL EQUITY AND LIABILITIES	**6769296**	**5711000**	**11899433**	**9473412**
ASSETS				
Non-current assets				
(a) Fixed Assets	836366	741553	3325962	2690408
(b) Goodwill on consolidation			105389	108245
(c) Non-current investments	908471	740084	156487	150333
(d) Deferred tax assets (net)			12904	2069
(e) Long-term loans and advances	404280	331706	1850665	1254697
(f) Other non-current assets	12714	80	34523	9587
Sub-total - Non-current assets	**2161831**	**1813423**	**5485930**	**4215339**
Current assets				
(a) Current investments	678719	728398	722460	771244
(b) Inventories	177662	157715	422987	304027
(c) Trade receivables	1872984	1242761	2040536	1411945
(d) Cash and bank balances	177812	172955	337858	364464
(e) Short-term loans and advances	508524	490823	1375872	1153835
(f) Other current assets	1191764	1104925	1513790	1252758
Sub-total - Current assets	**4607465**	**3897677**	**6413503**	**5258073**
TOTAL ASSETS	**6769296**	**5711000**	**11899433**	**9473412**

(vi) The figures for the quarter ended March 31, 2012 and March 31, 2011 are the balancing figures between audited figures in respect of the full financial year and the year-to-date published figures upto the quarter ended December 31, 2011 and December 31, 2010 respectively.

(vii) The promoter and promoter group shareholding is nil and accordingly the information on shares pledged / encumbered is not applicable.

(viii) Figures for the previous periods have been re-grouped / re-classified to conform to the figures of the current periods.

(ix) The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 14, 2012.

for LARSEN & TOUBRO LIMITED

A.M.NAIK
Chairman & Managing Director

Mumbai
May 14, 2012

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

₹ Lakh

Particulars	Standalone Financials					Consolidated Financials	
	3 months ended			Year ended		Year ended	
	March 31, 2012	December 31, 2011	March 31, 2011	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
ross segment revenue							
1 Engineering & Construction	1670850	1245109	1354393	4697882	3822356	5120001	4123482
2 Electrical & Electronics	114345	84203	100058	357943	321101	430302	398570
3 Machinery & Industrial Products	81690	71962	86560	285382	279280	367380	328182
4 Financial Services						302388	214389
5 Developmental Projects						111428	100952
6 Others	27486	26705	20912	96302	65975	405796	299427
Total	**1894373**	**1427979**	**1561923**	**5437609**	**4488712**	**6737295**	**5465002**
Less : Inter-segment revenue	29796	13930	22371	63731	59101	241287	217980
et segment revenue	**1864577**	**1414049**	**1539552**	**5373778**	**4429611**	**6496008**	**5247022**
egment result (Profit before interest and tax)							
1 Engineering & Construction	226523	128586	198071	539252	474407	557762	492023
2 Electrical & Electronics	15943	7155	15208	36421	39943	42816	49386
3 Machinery & Industrial Products	13334	13012	17331	49168	53047	58158	57208
4 Financial Services						55602	56785
5 Developmental Projects						21672	29102
6 Others	3248	6794	4588	19033	11801	70116	44999
Total	**259048**	**155547**	**235198**	**643874**	**579198**	**806124**	**729501**
Less : Inter-segment margins on capital jobs	1188	765	50	2542	1239	21492	20998
Less : Interest expenses	12109	19071	12625	66610	61925	110189	80275
Add : Unallocable corporate income net of expenditure	17100	6306	34025	56311	67029	22908	44759
rofit before tax	**262851**	**142017**	**256648**	**631033**	**583063**	**697351**	**672987**
apital employed							
Segment assets *less* segment liabilities)							
1 Engineering & Construction				1080731	753346	1949931	1289646
2 Electrical & Electronics				136345	118618	205480	180751
3 Machinery & Industrial Products				70096	47023	115650	82647
4 Financial Services						501513	388870
5 Developmental Projects						1685074	1251500
6 Others				59995	54250	203717	194905
Total capital employed in segments				**1347167**	**973237**	**4661365**	**3388319**
Unallocable corporate assets *less* corporate liabilities				2178013	1953847	1090230	1030937
otal capital employed				**3525180**	**2927084**	**5751595**	**4419256**

otes:

(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** include 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 in standalone financials** comprise manufacture and sale of industrial machinery & equipment, manufacture and marketing of industrial valves, construction equipment and welding/industrial products. **Machinery & Industrial Products in consolidated financials** also include manufacture and sale of undercarriage assemblies, manufacture and sale of welding and cutting equipment. **Financial Services** comprise corporate finance, equipment finance, infrastructure finance, general insurance, asset management of mutual fund schemes and related advisory services. **Developmental Projects** comprise development, operation and maintenance of basic infrastructure projects, toll collection, development of urban infrastructure, power development, development and operation of port facilities and providing related advisory services. **Others in standalone financials** include property development and integrated engineering services. **Others in consolidated financials** also include information technology services, ready-mix concrete, mining and aviation but do not include property development, which is classified under Developmental Projects.

(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.

for LARSEN & TOUBRO LIMITED

A. M. NAIK
Chairman & Managing Director

Mumbai
May 14, 2012