



SEC/PAM/2013

May 22, 2013

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 2013**,
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, 2013.

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.

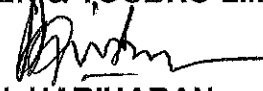
The Directors have recommended a Dividend of ₹ **18.50/-** per share (previous year ₹ 16.50/- per share) and the Company will arrange to pay the same on **26th August 2013**, if approved by the members in Annual General Meeting scheduled to be held on 22nd August 2013.

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
Registered Office: L&T House, Ballard Estate, Mumbai 400 001
AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2013

₹ Lakh

Particulars	Standalone Financials					Consolidated Financials	
	3 months ended		Year ended			Year ended	
	March 31, 2013	December 31, 2012	March 31, 2012	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
1 Gross Sales / Revenue from operations	2048451	1558099	1884577	6147086	5373778	7519531	6496008
Less: Excise duty	19069	15163	18487	59760	56726	69731	64697
Net Sales / Revenue from operations	2029383	1542936	1866090	6087326	5317052	7449800	6431311
2 Expenses:							
a) i) Consumption of raw materials, components, and stores, spares & tools	344898	282036	329699	1318039	1171495	1349526	1304825
ii) Sub-contracting charges	483654	422373	402039	1447206	1074727	1432247	1096925
iii) Construction materials consumed	504363	415139	484135	1458112	1252742	1556264	1303700
iv) Purchases of stock-in-trade	80786	51658	76196	206323	236940	217987	245602
v) Changes in inventories of finished goods, work-in-progress and stock-in-trade	82206	(56137)	11704	(113203)	(53977)	(151433)	(59876)
vi) Other manufacturing, construction and operating expenses	144019	128615	127845	478763	420312	1064704	817873
b) Employee benefits expense	113439	105457	97758	443632	366609	622417	499823
c) Sales, administration and other expenses	50932	47593	60832	207748	219943	372167	334048
d) Depreciation, amortisation, obsolescence and impairment [refer note (III)]	22221	20035	18036	81847	69946	183707	158029
Total expenses	1806518	1416789	1608044	5528467	4758737	6827586	5700949
3 Profit from operations before other income, finance costs and exceptional items (1-2)	222865	126187	238046	558859	558315	822214	730362
4 Other income	37438	54309	31414	185090	133628	109593	82897
5 Profit from ordinary activities before finance costs and exceptional items (3+4)	260303	180476	269460	743949	692143	931807	813259
6 Finance costs	28099	23796	12109	98240	66610	209502	121585
7 Profit from ordinary activities after finance costs but before exceptional items (5-6)	232204	156678	257351	645709	625533	722305	691674
8 Exceptional items [refer note (I)]	-	-	5500	17595	5500	33676	5677
9 Profit from ordinary activities before tax (7+8)	232204	156678	262851	663304	631033	755981	697351
10 Provision for taxes:							
a) Provision for current tax	48017	37892	72020	165821	181413	223529	231433
b) Provision for deferred tax	7265	6611	(1210)	13579	3970	14375	(3176)
c) Additional Tax on dividend distributed / proposed by subsidiaries	-	-	-	-	-	1296	867
Total provision for taxes	55282	44503	70810	179400	185383	239200	229122
11 Net Profit after tax from ordinary activities (9-10)	176922	112175	192041	483904	445650	516781	468229
12 Extraordinary items [net of tax - ₹ 650 lakh] [refer note (II)]	1872	-	-	7161	-	7161	-
13 Net Profit after tax for the period (11+12)	178794	112175	192041	491065	445650	523942	468229
14 Share in profit of associates (net)						3843	4816
15 Adjustments for minority interests in subsidiaries						(7218)	(3476)
16 Net Profit after tax, minority interest and share of profit of associates (13+14+15)	178794	112175	192041	491065	445650	520567	469389
17 Paid-up equity share capital (face value of share: ₹ 2 each)				12308	12248	12308	12248
18 Reserves excluding revaluation reserve				2899945	2507940	3371641	2923973
Earnings per share (Not annualised):							
19 Basic EPS before extraordinary items (₹)	28.76	18.26	31.37	78.32	72.92	83.63	76.81
20 Diluted EPS before extraordinary items (₹)	28.56	18.11	31.14	78.18	72.23	82.94	76.08
21 Basic EPS after extraordinary items (₹)	29.06	18.26	31.37	79.99	72.92	84.79	76.81
22 Diluted EPS after extraordinary items (₹)	28.86	18.11	31.14	79.33	72.23	84.10	76.08
23 Debt service coverage ratio (DSCR) [no. of times]*				2.27	3.13		
24 Interest service coverage ratio (ISCR) [no. of times]**				7.57	10.39		
25 Profit after tax from normal operations (i.e. excluding exceptional and extraordinary items)	176922	112175	187731	469528	441340	491077	454882

* 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, 2013

A PARTICULARS OF SHAREHOLDING					
1 Public shareholding:					
- Number of shares ('000s)		593337	593300	593337	593300
- Percentage of shareholding		96.42%	96.88%	96.42%	96.88%
2 Promoters and promoter group shareholding [refer note (ix)]		Nil	Nil	Nil	Nil
B INVESTOR COMPLAINTS		3 months ended March 31, 2013			
Pending at the beginning of the quarter		Nil			
Received during the quarter		33			
Disposed of during the quarter		33			
Remaining unresolved at the end of the quarter		Nil			

for LARSEN & TOUBRO LIMITED

A.M. NAIK
Executive Chairman

Mumbai
May 22, 2013

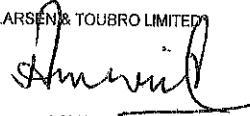
Notes :

- (i) Exceptional items in standalone financials for the year ended March 31, 2013 represent compensation to employees pursuant to Voluntary Retirement Scheme and gain on divestment of stake in a subsidiary company. Exceptional items in consolidated financials additionally include net gain on divestment of stake in subsidiary & associate companies, net of loss on impairment of group's share in net worth of a subsidiary. It also includes gain on sale of shares held as equity investment by a subsidiary.
- (ii) Extraordinary items for the year ended March 31, 2013 in the standalone and consolidated financials represent gain on sale of Medical Equipment business and reversal of provision made in earlier years on Company's investment in the equity shares of Satyam Computer Services Limited (SCSL).
- (iii) During the quarter and year ended March 31, 2013, the Company has revised its accounting policy of amortization of goodwill on consolidation for more appropriate presentation of financial statements. Accordingly, the goodwill on consolidation will be subjected to impairment test and will not be amortised. Consequently, the accumulated amortization of goodwill till December 31, 2012 has been credited to the Consolidated Financials. Had the Company continued to follow the accounting policy of amortization of goodwill, the profit for the year in the Consolidated Financials would have been lower by ₹ 526.72 crore (including write back of ₹ 352.04 crore being accumulated amortization in respect of earlier years).
- (iv) The Board of Directors has recommended a dividend of ₹ 18.50 per equity share of face value of ₹ 2 each.
- (v) The Board of Directors has recommended for the approval of shareholders, the issue of bonus equity shares in the ratio of 1:2 [one bonus equity share of ₹ 2 each for every two equity shares of ₹ 2 each held].
- (vi) The Company, during the quarter ended March 31, 2013, has allotted 4,62,078 equity shares of ₹ 2 each, fully paid up, on exercise of stock options by employees, in accordance with the Company's stock option schemes.
- (vii) Statement of assets and liabilities as per clause 41(v) (h) of the listing agreement.

Particulars	Standalone		Consolidated	
	As at		As at	
	31.3.2013	31.3.2012	31.3.2013	31.3.2012
	Audited		Audited	
EQUITY AND LIABILITIES				
Shareholders' funds:				
(a) Share capital	12308	12248	12308	12248
(b) Reserves and surplus (including revaluation reserve)	2901964	2510054	3373861	2926430
Sub-total - Shareholders' funds	2914272	2522302	3385969	2938678
Minority Interest			265287	175346
Non-current liabilities				
(a) Long-term borrowings	727103	533006	4740016	3685642
(b) Deferred tax liabilities (net)	24222	13301	37787	21088
(c) Other long term liabilities	50203	37635	459557	479596
(d) Long-term provisions	28592	27505	34358	31219
Sub-total - Non-current liabilities	830120	611447	5271718	4197545
Current liabilities				
(a) Short-term borrowings	73453	293672	728786	525636
(b) Current maturities of long term borrowings	82865	162899	730570	523730
(c) Trade payables	1873065	1560776	1881203	1740123
(d) Other current liabilities	1435265	1400940	1793034	1596935
(e) Short-term provisions	208381	211204	253938	234137
Sub-total - Current liabilities	3473029	3629491	5387531	4619561
TOTAL EQUITY AND LIABILITIES	7217421	6763240	14310505	11931130
ASSETS				
Non-current assets				
(a) Fixed Assets	890198	836366	3862025	3326258
(b) Goodwill on consolidation			211975	105389
(c) Non-current investments	1052270	908471	128295	156487
(d) Deferred tax assets (net)			19420	12904
(e) Long-term loans and advances	366417	405597	2404037	1864906
(f) Other non-current assets	8232	14121	17427	24532
Sub-total - Non-current assets	2317117	2164555	6741179	5490476
Current assets				
(a) Current investments	558069	678719	750455	722462
(b) Inventories	206418	177862	516947	422816
(c) Trade receivables	2261301	1871694	2301491	2055110
(d) Cash and bank balances	145566	177812	357154	337858
(e) Short-term loans and advances	649884	500562	1641405	1359836
(f) Other current assets	1179086	1192236	2001874	1532572
Sub-total - Current assets	4900304	4598685	7569326	6440654
TOTAL ASSETS	7217421	6763240	14310505	11931130

- (viii) The figures for the quarter ended March 31, 2013 and March 31, 2012 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, 2012 and December 31, 2011 respectively.
- (ix) The promoters and promoter group shareholding is Nil and accordingly the information on shares pledged / encumbered is not applicable.
- (x) Two of the subsidiaries of the Company viz. L&T Special Steels and Heavy Forgings Limited and L&T Shipbuilding Limited commenced commercial operations during the year ended March 31, 2013.
- (xi) Figures for the previous periods have been re-grouped / re-classified to conform to the figures of the current periods.
- (xii) The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 22, 2013.

for LARSEN & TOUBRO LIMITED



A.M. NAIK
Executive Chairman

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

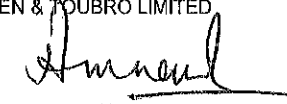
₹ Lakh

Particulars	Standalone Financials					Consolidated Financials	
	3 months ended			Year ended		Year ended	
	March 31,	December 31,	March 31,	March 31,	March 31,	March 31,	March 31,
	2013	2012	2012	2013	2012	2013	2012
Gross segment revenue							
1 Engineering & Construction	1839225	1388180	1679367	5450097	4727870	5861822	5149990
2 Electrical & Electronics	111688	88649	114345	364395	357943	484594	430302
3 Machinery & Industrial Products	74451	59322	68131	239519	255394	287994	337392
4 IT & Technology Services						499878	397547
5 Financial Services						407978	302388
6 Developmental Projects						140567	111428
7 Others	38055	33828	27488	141385	96302	5232	8249
Total	2063417	1569979	1889331	6195396	5437509	7687865	6737296
Less: Inter-segment revenue	14966	11880	24754	48310	63731	168334	241288
Net segment revenue	2048451	1558099	1864577	6147086	5373778	7519531	6496008
Segment result (Profit before interest and tax)							
1 Engineering & Construction	206534	128018	229012	559817	544078	605081	573983
2 Electrical & Electronics	14589	9873	15943	35800	36421	54653	42816
3 Machinery & Industrial Products	10488	16073	11217	40335	44342	45775	53330
4 IT & Technology Services						110731	71533
5 Financial Services						84808	55602
6 Developmental Projects						41160	21672
7 Others	10512	14510	3247	42262	19033	767	(1417)
Total	242123	168474	259419	678214	643874	942975	817519
Less: Inter-segment margins on capital jobs	617	285	1188	1752	2542	10487	21492
Less: Interest expenses	28099	23798	12109	98240	66610	209502	121585
Add: Unallocable corporate income net of expenditure	18797	12267	16729	85082	56311	32995	22909
Profit before tax	232204	156678	262851	663304	631033	755981	697351
Capital employed (Segment assets less segment liabilities)							
1 Engineering & Construction				1497138	1098014	2238792	1651163
2 Electrical & Electronics				128109	136345	211776	205480
3 Machinery & Industrial Products				59601	52813	120275	98367
4 IT & Technology Services						234832	190095
5 Financial Services						645102	501513
6 Developmental Projects						2709668	2001125
7 Others				85020	59995	17617	13622
Total capital employed in segments				1769868	1347167	6178062	4661365
Unallocable corporate assets less corporate liabilities				2052047	2178013	873536	1090230
Total capital employed				3821915	3525180	7051598	5751595

Notes:

- (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. The operations of Industrial machinery business and the Foundry at the Kansbahal Business unit which were earlier part of the Machinery and Industrial Products segment have been integrated with the Engineering & Construction segment during the quarter ended September 30, 2012 considering the risk / return profile of these businesses and the same have been reported as part of Engineering & Construction segment for the quarter and year ended March 31, 2013. The figures pertaining to the corresponding previous periods have been regrouped and restated for proper comparison.
- (ii) Segment composition: **Engineering & Construction** comprises execution of engineering and construction projects in India / abroad 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** comprises manufacture and 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 (upto the date of sale). **Machinery & Industrial Products** in standalone financials comprises manufacture and sale of rubber processing machinery & castings, manufacture and marketing of industrial valves, construction equipment and industrial products. Machinery & Industrial Products also includes marketing of welding products in the previous year. **Machinery & Industrial Products** in consolidated financials also includes manufacture and sale of plastic processing machinery (upto the date of sale of stake), manufacture and sale of undercarriage assemblies, manufacture and sale of welding and cutting equipments. **IT & Technology Services** comprises information technology and integrated engineering services. **Financial Services** comprises retail and corporate finance, housing finance, infrastructure finance, general insurance, asset management of mutual fund schemes and related advisory services. **Developmental Projects** comprises 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 ready-mix concrete, mining and aviation but do not include property development and integrated engineering services, which are classified under Developmental Projects and Technology Services respectively.
- (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.
- (iv) In the Engineering & Construction segment, sales and margins do not accrue uniformly during the year. Hence the operational / financial performance of aforesaid segment can be discerned only on the basis of figures for the full year.

for LARSEN & TOUBRO LIMITED



 A. M. NAIK
Executive Chairman

 Mumbai
May 22, 2013



SHARP & TANNAN
Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of Larsen & Toubro Limited

Report on the financial statements

We have audited the accompanying financial statements of Larsen & Toubro Limited ("the Company"), which comprise the balance sheet as at March 31, 2013, and the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the statement of profit and loss, of the profit for the year ended on that date; and
- (c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

Ravindra Annexe, 194, Churchgate Reclamation, Dinshaw Vachha Road, Mumbai - 400 020, India.

Tel. (22) 2204 7722/23, 6633 8343 - 47 Fax (22) 6633 8352 E-mail : admin.mumbai@sharpandtannan.com

Farook M. Kobla Shreedhar T. Kunte Milind P. Phadke L. Vaidyanathan Ramnath D. Kare Ashwin B. Chopra
Edwin Augustine Raghunath P. Acharya Firdosh D. Buchia Tirtharaj A. Khot Pavan K. Aggarwal

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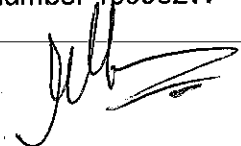
Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the central government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

- a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. the balance sheet, statement of profit and loss and cash flow statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the balance sheet, statement of profit and loss, and cash flow statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; and
- e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the board of directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

SHARP & TANNAN
Chartered Accountants
Firm's registration number 109982W



Milind P. Phadke
Partner

Membership No. 33013

Mumbai, 22 May 2013

Annexure to the Auditors' report
(Referred to paragraph (1) of our report of even date)

- 1 (a) The Company is maintaining proper records to show full particulars including quantitative details and situation of all fixed assets.

(b) We are informed that the Company has formulated a programme of physical verification of all the fixed assets over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Accordingly, the physical verification of the fixed assets has been carried out by management during the year and no material discrepancies were noticed on such verification.

(c) The Company has not disposed off any substantial part of its fixed assets so as to affect its going concern status.
- 2 (a) As explained to us, inventories have been physically verified by management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable.

(b) As per the information given to us, the procedures of physical verification of inventory followed by management are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- 3 (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, paragraphs 4(iii)(b), (c) and (d) of the Order are not applicable.

(b) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured from companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, paragraphs 4(iii)(f) and (g) of the Order are not applicable.
- 4 In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations



given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control systems.

- 5 According to the information and explanations given to us, we are of the opinion that there are no contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956; accordingly paragraph 4(v) (b) of the Order is not applicable.
- 6 The Company had accepted deposits from the public and in our opinion and according to the information and explanations given to us, the directives issued by the Reserve Bank of India and the provisions of section 58A and 58AA and the relevant provisions of the Companies Act, 1956 and rules framed thereunder, where applicable, have been complied with. We are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal. As of the date of the balance sheet, the Company has no fixed deposits other than unclaimed matured deposits.
- 7 In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- 8 We have broadly reviewed the books of account and records maintained by the Company pursuant to the rules prescribed by the central government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 in respect of all its manufacturing and construction activities and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. The contents of these accounts and records have not been examined by us.
- 9
 - (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues outstanding as at 31 March 2013 for a period of more than six months from the date they became payable except for tax deducted at source on works contract aggregating to ₹ 0.02 crores which has since been paid.
 - (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of sales tax, excise duty, service tax, customs duty and income tax as at 31 March 2013 which have not been deposited on account of a dispute pending are as under:



SHARP & TANNAN

LETTER NO: _____

SHEET NO: _____

Name of the statute	Nature of the disputed dues	Amount ₹ crore*	Period to which the amount relates	Forum where disputes are pending
Central Sales Tax Act, Local Sales Tax Acts and Works Contract Tax Act	Non-submission of forms and other matters	0.87	1991-1992, 1992-1993, 1996-1997 to 2000-2001, 2005-2006 to 2008-2009	Commercial Tax Officer
	Non-submission of forms, dispute related to sales in transit, rejection of exemption certificates, rate of tax dispute and other matters	6.10	1991-1992, 1992-1993, 1996-1997, 1997-1998, 1999-2000 to 2008-2009, 2010-2011 and 2011-2012	Assistant Commissioner (Appeals)
	Non-submission of forms, additional demand for pending forms, rate of tax dispute, disallowance of branch transfer, sub-contractor's turnover, interest demand on road permit, disallowance of exemptions on sale of assets, transit sale and other matters	956.03	1989-1990, 1991-1992 to 2011-2012	Deputy Commissioner (Appeals)
	Non-submission of forms, disallowance of transit sales, high seas sales, classification dispute and other matters	143.19	1993-1994, 1996-1997, 1997-1998, 2001-2002 to 2009-2010	Joint Commissioner (Appeals)
	Non-submission of forms and disallowance of exemption certificates	12.81	2001-2002, 2003-2004 to 2008-2009, 2010-2011 and 2011-2012	Additional Commissioner (Appeals)



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	Non-submission of forms, dispute related to sales in transit and other matters	0.99	1994-1995, 2001-2002, 2002-2003 and 2005-2006 to 2008-2009	Commissioner (Appeals)
	Non-submission of forms, labour and service charges, sub-contractors turnover, pumping and freight charges, inter-state sales turnover, arbitrary demand raised, TDS disallowed, rate dispute, classification dispute, disallowance of works contract tax and other matters	290.62	1987-1988, 1989-1990 to 2011-2012	Sales Tax Tribunal
	Inter-state sales, classification dispute and disallowance of deemed sales in course of imports and taxability of sub-contractors turnover	298.38	1986-1987, 1987-1988, 1998-1999 to 2011-2012	High Court
	Taxability of sub-contractor turnover, rate of tax for declared goods, inter-state sales, non-submission of forms and high seas sales	197.89	1991-1992, 1995-1996, 1997-1998 and 1999-2000 to 2006-2007	Supreme Court
The Central Excise Act, 1944, Service Tax under Finance Act, 1994 and Customs Act, 1962	Demand of excise duty on steel price variation claims, changes in assessable value due to reduction in billing schedule quantity and demand on fabrication of tanks, platforms and ladders	0.86	1989-1990 to 2011-2012	Additional Commissioner

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	Interest on excise duty demand for duty paid on trading registration in place of manufacturing registration and demand for custom duty on software	0.02	2006-2007 and 2012-2013	Commissioner (Appeals)
	Demand of excise duty on site fabricated steel structure, export rebate disallowance, valuation dispute, excise duty on concrete mix made at site, non-maintenance of proper records, demand of service tax on various services and other matters	131.76	1991-1992, 2001-2002, 2003-2004 to 2009-2010, and 2011-2012	CESTAT
	Dispute on site mix concrete and PSC grinder	0.27	1997-1998	Supreme Court
	Demand of service tax on lumpsum turnkey jobs and other matters	220.02	2003-2004 to 2011-2012	Commissioner (Appeals)
	Demand of service tax including penalty and interest on lumpsum turnkey jobs and demand of penalty on late payment of service tax	151.59	1991-1992, 2001-2002, 2003-2004 to 2009-2010 and 2011-2012	CESTAT
	Export rebate claim and service tax on commercial construction service	7.00	2003-2004, 2006-2007 to 2008-2009	High Court
Income-tax Act, 1961	Dispute regarding tax not deducted on bank guarantee charges, interest charges and purchase of software	2.20	2010-2011 and 2011-2012	Assessing Officer

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	Dispute regarding tax deducted at source at lower rate on maintenance charges	0.03	2005-06	Commissioner (Appeals)
	Difference in rate of tax deducted at source	2.23	2007-2008 and 2008-2009	Director of Income Tax (International Taxation)

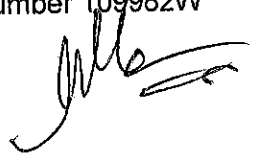
*Net of pre-deposit paid in getting the stay/appeal admitted

- 10 The Company has no accumulated losses as at 31 March 2013 and it has not incurred cash losses in the financial year ended on that date or in the immediately preceding financial year.
- 11 According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- 12 According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13 The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
- 14 In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in securities. The Company has invested surplus funds in marketable securities and mutual funds. According to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The investments in marketable securities and mutual funds have been held by the Company in its own name.
- 15 In our opinion and according to the information and explanations given to us, the terms and conditions of guarantees given by the Company for loans taken by subsidiary companies from banks or financial institutions are not prima facie prejudicial to the interests of the Company.
- 16 In our opinion and according to the information and explanations given to us, on an overall basis the term loans have been applied for the purposes for which they were obtained.



- 17 According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term investments.
- 18 The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
- 19 According to the information and explanations given to us and the records examined by us, security or charge has been created in respect of the debentures issued.
- 20 The Company has not raised any money by public issues during the year.
- 21 During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by management.

SHARP & TANNAN
Chartered Accountants
Firm's registration number 109982W



Milind P. Phadke
Partner

Mumbai, 22 May 2013

Membership No. 33013



SHARP & TANNAN
Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Larsen & Toubro Limited

We have audited the accompanying consolidated financial statements of Larsen & Toubro Limited ("the Company") and its subsidiaries, associates and joint ventures ("the L&T Group") which comprise the consolidated balance sheet as at March 31, 2013, and the consolidated statement of profit and loss and consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Ravindra Annexe, 194, Churchgate Reclamation, Dinshaw Vachha Road, Mumbai - 400 020, India.

Tel. (22) 2204 7722/23, 6633 8343 - 47 Fax (22) 6633 8352 E-mail : admin.mumbai@sharpandtannan.com

Farook M. Kobla Shreedhar T. Kunte Milind P. Phadke L. Vaidyanathan Ramnath D. Kare Ashwin B. Chopra
Edwin Augustine Raghunath P. Acharya Firdosh D. Buchia Tirtharaj A. Khot Pavan K. Aggarwal

Also at Pune. Associate Offices : Bangalore, Chennai, Goa, Hyderabad & New Delhi

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries, associates and joint ventures as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the consolidated balance sheet, of the state of affairs of the L&T Group as at March 31, 2013;
- b) in the case of the consolidated statement of profit and loss, of the profit of the L&T Group for the year ended on that date; and
- c) in the case of the consolidated cash flow statement, of the cash flows of the L&T Group for the year ended on that date.

Other matters

In respect of the financial statements of a subsidiary, we carried out the audit jointly with other auditor. The details of assets, revenues and net cash flows in respect of the subsidiary to the extent to which they are reflected in the consolidated financial statements are given below:

Jointly audited :				
		₹ crore	₹ crore	₹ crore
		Total assets	Total revenues	Net cash inflows / (outflows)
	Indian subsidiary	418.83	140.57	(0.34)

In respect of the financial statements of certain subsidiaries, associates and joint ventures, we did not carry out the audit. These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included in respect of the subsidiaries, associates and joint ventures is based solely on the reports of the other auditors. The details of assets, revenues and net cash flows in respect of these subsidiaries and joint ventures and the net carrying cost of investment and current year share of net profit in respect of these associates, to the extent to which they are reflected in the consolidated financial statements are given below:

Audited by other auditors:				
		₹ crore	₹ crore	₹ crore
		Total assets	Total revenues	Net cash inflows / (outflows)
A	Indian subsidiaries	32549.44	2552.03	111.89
B	Foreign subsidiaries	5260.25	3961.34	(40.16)
C	Joint ventures	2089.08	382.53	64.02
			Net carrying cost of investment	Current year share of net profit
D	Associates		68.66	4.33

We further report that in respect of certain subsidiaries, associates and joint ventures, we did not carry out the audit. These financial statements have been certified by

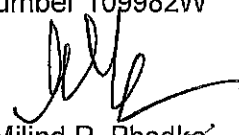
management and have been furnished to us, and in our opinion, insofar as it relates to the amounts included in respect of the subsidiaries, associates and joint ventures, are based solely on these certified financial statements.

Since the financial statements for the financial year ended March 31, 2013, which were compiled by management of these companies, were not audited, any adjustments to their balances could have consequential effects on the attached consolidated financial statements. However, the size of these subsidiaries, associates and joint ventures, in the consolidated position is not significant in relative terms. The details of assets, revenues and net cash flows in respect of these subsidiaries and joint ventures and the net carrying cost of investment and current year/period share of net profit in respect of these associates, to the extent to which they are reflected in the consolidated financial statements are given below:

Certified by management :				
		₹ crore	₹ crore	₹ crore
		Total assets	Total revenues	Net cash inflows / (outflows)
A	Indian subsidiaries	103.15	16.33	3.60
B	Foreign subsidiaries	0.60	2.92	(1.12)
C	Joint ventures	112.14	180.62	0.22
			Net carrying cost of investment	Current year/period share of net profit
D	Associates		56.31	6.29

Our opinion is not qualified in respect of these matters.

SHARP & TANNAN
Chartered Accountants
Firm's registration number 109982W


Milind P. Phadke
Partner

Mumbai, May 22, 2013

Membership No.33013