LARSEN & TOUBRO

Larsen & Toubro Limited
Secretarial Department
L&T House, Ballard Estate
Narottam Morarjee Marg
Mumbai - 400 001, INDIA
Tel: +91 22 6752 5656
Fax: +91 22 6752 5893
www.Larsentoubro.com

SEC/PAM/2015

May 30, 2015

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 Consolidated Results for the year ended **31st March 2015**, pursuant to clause 41 of the Listing Agreement.

At the Meeting of Board of Directors held today, the Directors have approved the Consolidated Audited Accounts for the year ended March 31, 2015.

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 ₹ **16.25/-** per share (previous year ₹ 14.25/- per share) and the Company will arrange to pay the same on **11th September 2015**, if approved by the members in Annual General Meeting scheduled to be held on **9th September 2015**. 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
(ACS 3471)

Encl : as above

ISO 9001 REGISTERED
DNV
MGMT.SYS.
RvA C024
DNV Certification B.V., The Netherlands

CIN : L99999MH1946PLC004768

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
CIN: L99999MH1946PLC004768

Performance for the year ended March 31, 2015

Consolidated Results

Order inflow grows 22%
Revenue up by 8%

Mumbai, May 30, 2015: Larsen & Toubro recorded Consolidated Gross Revenue of ₹ 92762 crore for the year ended March 31, 2015, registering an increase of 8.0% on a y-o-y basis over the previous year. The International revenue during the year at ₹ 25926 crore constituted 28% of the total revenue.

The Consolidated Gross Revenue for the quarter ended March 31, 2015 stood at ₹ 28275 crore registering a modest y-o-y growth of 3.8% as certain sectoral constraints slowed down the pace of execution.

The Company was successful in garnering fresh orders worth ₹ 155367 crore at consolidated level during the year ended March 31, 2015, recording an impressive y-o-y growth of 22%. The order inflow growth was driven by domestic orders across businesses. The International orders during the year at ₹ 39116 crore constituted lower share at 25% of the order inflow, as the Company was selective in pursuing international opportunities. 55% of the total order inflow during the year was secured by the Infrastructure segment.

The order intake for the quarter ended March 31, 2015 was also higher at ₹ 47582 crore recording a y-o-y growth of 39%. International order inflow during the quarter at ₹ 11364 crore constituted 24% of the order inflow for the quarter.

Consolidated Order Book of the group stood at ₹ 232649 crore as at March 31, 2015, higher by 28% on a y-o-y basis. International Order Book constituted 26% of the total Order Book.

Consolidated Profit After Tax (PAT) for the year ended March 31, 2015 at ₹ 4765 crore was lower vis-à-vis PAT of ₹ 4902 crore for the previous year, mainly due to challenges faced during execution of international projects in the hydrocarbon sector. Infrastructure and Services businesses of the group, however, recorded healthy increase in the PAT, thereby limiting y-o-y decline in overall PAT for the year at 2.8%. Moreover, PAT of the previous year included a one-time write back of ₹ 664 crore on account of amortization charge of toll road projects. Neutralizing this high base effect, the PAT for the year 2014-15 shows an increase.

The overall PAT for the quarter January to March 2015 stood at ₹ 2070 crore on the higher base PAT of ₹ 2840 crore for the corresponding quarter of the previous year, which included the aforesaid one-time write back.

The Board of Directors has recommended a dividend of ₹ 16.25 per equity share.

Infrastructure Segment

Infrastructure Segment achieved Customer Revenue of ₹ 43426 crore for the year ended March 31, 2015 registering a smart y-o-y growth of 19%, driven by good progress of jobs under execution. International revenue constituted 25% of the total customer revenue of the segment during the year. For the quarter January-March 2015, the Customer Revenue of Infrastructure segment was at ₹ 15097 crore recording a y-o-y increase of 12%.

The businesses of Infrastructure segment secured fresh orders of ₹ 85763 crore, during the year ended March 31, 2015 registering a y-o-y growth of 5.4%. The increase in order inflow during the year was mainly contributed by Building & Factories and Power Transmission & Distribution businesses. International orders at ₹ 18464 crore constituted 22% of the total order inflow of the segment during the year.

During the quarter January-March 2015, the Segment recorded order inflow of ₹ 28238 crore registering a growth of 21% over the corresponding quarter of the previous year.

The Order Book of the Segment grew 28% on a y-o-y basis and stood healthy at ₹ 166120 crore as at March 31, 2015.

The segment sustained EBIDTA margin during the year ended March 31, 2015 at 11.1%.

Power Segment

Power Segment recorded customer revenue of ₹ 4738 crore during the year ended March 31, 2015, registering a reduction of 23% over the previous year due to low opening order book and delays in regulatory clearances impacting the progress of a job. Large portion of order book is at initial stage of execution and yet to contribute to significant accretion to revenue. For the quarter January-March 2015, the Customer Revenue was at ₹ 1446 crore, recording a y-o-y decline of 8%.

Power Segment secured fresh orders of ₹ 15125 crore for the year ended March 31, 2015, recording a significant increase over order inflow of ₹ 4409 crore for the previous year. Order Inflow of the Segment during the quarter ended March 31, 2015 stood at ₹ 5623 crore as against ₹ 2313 crore secured in the corresponding quarter of the previous year.

The Order Book of the Segment grew 46% on a y-o-y basis and stood at ₹ 23472 crore as at March 31, 2015.

The segment EBIDTA margin stood at 16.3% for the year ended March 31, 2015. The EBITDA margin for the previous year was higher at 25.2% on the back of higher margin accrual on projects nearing completion.

Metallurgical & Material Handling (MMH) Segment

The Customer Revenue of MMH Segment during the year ended March 31, 2015 at ₹ 3182 crore, registered a y-o-y decline of 42% on account of lower executable order book and slower progress on some of the existing jobs. The Customer Revenue for the quarter January-March 2015 stood at ₹ 792 crore registering a y-o-y decline of 55%.

MMH Segment secured fresh orders of ₹ 6136 crore during the year ended March 31, 2015, registering a growth of more than 2 times over the previous year. The order inflow for the quarter January-March 2015 stood at ₹ 2942 crore registering a significant growth over the corresponding quarter of the previous year, consequent to bagging of a large order in ferrous business.

The Order Book of the Segment grew by 9.2% on a y-o-y basis and stood at ₹ 10690 crore as at March 31, 2015.

The EBIDTA margin of the segment declined to 10.6% for the year ended March 31, 2015 vis-à-vis 16.6% recorded in the previous year due to low capacity utilization, cost overruns and slow progress on certain jobs under execution.

Heavy Engineering Segment

Heavy Engineering Segment achieved Customer Revenue of ₹ 3459 crore registering a y-o-y decline of 22% over the previous year on account of slowdown in award of contracts and non-receipt of targeted orders in Process Plant and Nuclear Equipment business. International sales constituted 32% of the total customer revenue of the segment. The Customer Revenue during the quarter January-March 2015 stood at ₹ 1000 crore recording a y-o-y decline of 31%.

Heavy Engineering Segment secured fresh orders valued ₹ 4989 crore during the year ended March 31, 2015, recording a y-o-y growth of 35%, led by Defence business. International orders constituted 29% of the total order inflow of the segment during the year.

During the quarter January-March 2015, the Segment recorded order inflow of ₹ 1084 crore.

The Order Book of the Segment grew by 23% on a y-o-y basis and stood at ₹ 8387 crore as at March 31, 2015.

The EBIDTA margin of the segment stood at 12.2% for the year ended March 31, 2015 vis-à-vis 15.8% recorded in the previous year due to pricing pressures, cost overruns and under-utilisation of capacity.

Electrical & Automation (E&A) Segment

E&A Segment recorded Customer Revenue of ₹ 5061 crore during the year ended March 31, 2015, registering a modest y-o-y increase of 5.3%, despite sluggish industrial demand. International Revenue constituted 32% of the total customer revenue of the segment for the year ended March 31, 2015. The Customer Revenue during the quarter January-March 2015 stood at ₹ 1561 crore recording a y-o-y growth of 7.4%.

The EBIDTA margin of the E&A Segment stood at 14.8% for the year ended March 31, 2015 recording an increase over 14.2% earned during the previous year on the back of decrease in prices of some of the key inputs and favourable revenue mix.

The Order Book of the Segment registered a y-o-y growth of 5.1% and stood at ₹ 3096 crore as at March 31, 2015.

Hydrocarbon Segment

Hydrocarbon Segment recorded Customer Revenue of ₹ 7351 crore registering a y-o-y decline of 27% over the previous year, as majority of jobs under execution were close to completion. Delayed receipt of fresh orders during the year also resulted in decline in revenues. International sales constituted 50% of the total customer revenue of the segment for the year ended March 31, 2015. The Customer Revenue during the quarter January-March 2015 stood at ₹ 2215 crore recording a marginal y-o-y growth of 1.4%.

Hydrocarbon Segment secured fresh orders valued ₹ 10716 crore during the year ended March 31, 2015, registering a growth of 10% over the previous year. International orders constituted 64% of the total order inflow of the segment. The order inflow for the quarter January-March 2015 stood at ₹ 699 crore vis-à-vis ₹ 813 crore recorded in the corresponding quarter of the previous year.

The Order Book of the Segment registered a y-o-y growth of 31% and stood at ₹ 13684 crore as at March 31, 2015.

The segment recorded operating losses during the year ended March 31, 2015. The EBIDTA for the year was negative on account of time and cost overruns on international jobs and under-recovery of overheads both due to low volumes as well as investment being made in building an organization for successfully catering to international business.

IT & Technology Services Segment

IT & Technology Services Segment achieved Customer Revenue of ₹ 7589 crore during the year ended March 31, 2015, registering a healthy y-o-y growth of 19.4%. International sales constituted 95% of the total customer revenue of the segment for the year ended March 31, 2015. The Customer Revenue during the quarter January-March 2015 stood at ₹ 2023 crore recording a y-o-y growth of 19.3%.

The EBIDTA margin of the IT&TS Segment at 20.4% for the year ended March 31, 2015 was lower vis-à-vis 22.2% for the previous year, largely due to increase in staff costs incurred for strengthening the sales organization and due to higher deployment of resources onsite.

Developmental Projects Segment

Developmental Projects Segment registered Customer Revenue of ₹ 5148 crore during the year ended March 31, 2015, recording a significant y-o-y growth. The power plant at Rajpura commenced full-fledged operations of both its units during the year, contributing substantially to the revenue growth.

The EBIDTA margin of the Developmental Projects Segment for the year ended March 31, 2015 stood at 41.7% vis-à-vis 40.3% earned during the previous year.

Financial Services Segment

Financial Services Segment recorded Customer Revenue of ₹ 6393 crore during the year ended March 31, 2015, registering a y-o-y growth of 24%, driven by growth in loan assets and disbursements in the focus areas of retail and wholesale finance business.

The operating margin of the Financial Services Segment for the year ended March 31, 2015 at 15.4% increased over 14.3% earned during the previous year.

"Others" Segment

"Others" Segment comprises Realty, Shipbuilding, Construction & Mining Equipment and Industrial Machinery & Product businesses.

Customer Revenue of "Others" Segment during the year ended March 31, 2015 at ₹ 6414 crore registered an increase of 20% over the previous year, driven by growth achieved by Realty, Valves and Shipbuilding businesses. International sales constituted 14.2% of the total customer revenue of the segment.

During the year ended March 31, 2015, the segment EBIDTA margin improved to 22.9% as compared to margin of 13.7% earned in the previous year aided by growth in Realty business.

Outlook

Sub-dued investment climate during the year 2014-15 limited opportunities for capital goods and infrastructure sector in India. Initiatives which could potentially trigger investment interest in core sectors were time consuming. The Government is expected to address the policy hurdles by accelerating decision making and by enhancing the ease of doing business.

Meanwhile the global recovery has been slow. Sharp decline in oil prices and persisting geo-political uncertainties in the Middle East Region have impacted the investment momentum. Several currencies have depreciated against the USD causing changes in the competitive landscape.

Though demand in short-term remains impacted, the reform process in India is expected to gain ground in the medium term. Faster implementation of crucial projects and de-bottlenecking of stalled projects will help revive the growth momentum. The Government's focus on infrastructure development, manufacturing of defence equipment, fast tracking power and mining sector reforms and providing thrust to Make in India programme are positive indicators for the Company. Further, progress on major reforms like land acquisition and GST should significantly improve the sentiment.

The Company is well placed to benefit early as sustainable growth opportunities emerge over the next few years.

Background:

Larsen & Toubro is a major Indian multinational engaged in technology, engineering, construction, manufacturing and financial services, with global operations. Its products and systems are marketed 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.

LARSEN & TOUBRO LIMITED

Registered Office: L&T House, Ballard Estate, Mumbai 400 001
CIN : L99999MH1946PLC004768

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2015

₹ Lakh

	Particulars	3 months ended			Year ended	
		March 31, 2015	December 31, 2014	March 31, 2014	March 31, 2015	March 31, 2014
1	Gross sales/revenue from operations	2827471	2403254	2722732	9276166	8588904
	Less: Excise duty	25209	18468	20318	75708	76064
	Net sales/revenue from operations	**2802262**	**2384786**	**2702414**	**9200458**	**8512840**
2	**Expenses:**					
a)	i) Consumption of raw materials, components and stores, spares & tools	327200	359150	293693	1280732	1216125
	ii) Sub-contracting charges	616653	409397	520979	1740401	1694991
	iii) Construction materials consumed	689854	506498	639380	2033139	1856702
	iv) Purchases of stock-in-trade	44623	30383	50902	142404	160722
	v) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(6996)	52273	173538	(84830)	(54916)
	vi) Other manufacturing, construction and operating expenses	408306	423549	376141	1617524	1387242
b)	Employee benefits expense	202626	191722	185807	792220	713505
c)	Sales, administration and other expenses	159101	123234	88102	545307	465492
d)	Depreciation, amortisation, impairment and obsolescence [refer note (i)]	58755	67906	(28597)	262250	144582
	Total expenses	**2500122**	**2164112**	**2299945**	**8329147**	**7584445**
3	**Profit from operations before other income, finance costs and exceptional items (1-2)**	**302140**	**220674**	**402469**	**871311**	**928395**
4	Other income	28081	23472	26928	100715	98178
5	**Profit from ordinary activities before finance costs and exceptional items (3+4)**	**330221**	**244146**	**429397**	**972026**	**1026573**
6	Finance costs	47392	91624	78751	285072	313800
7	**Profit from ordinary activities after finance costs but before exceptional items (5-6)**	**282829**	**152522**	**350646**	**686954**	**712773**
8	Exceptional items [refer note (ii)]	9842	-	29444	34770	36150
9	**Profit from ordinary activities before tax (7+8)**	**292671**	**152522**	**380090**	**721724**	**748923**
10	**Provision for taxes:**					
a)	Provision for current tax	82293	63188	76602	266191	250164
b)	Provision for deferred tax	(5716)	(6257)	10813	(40867)	10594
c)	Additional tax on dividend distributed/proposed by subsidiaries	3032	-	1399	3032	2081
	Total provision for taxes	**79609**	**56931**	**88814**	**228356**	**262839**
11	**Net profit after tax from ordinary activities (9-10)**	**213062**	**95591**	**291276**	**493368**	**486084**
12	Extraordinary items	-	-	31	-	(625)
13	**Net profit after tax for the period (11+12)**	**213062**	**95591**	**291307**	**493368**	**485459**
14	Share in profit of associates (net)	(179)	169	532	214	925
15	Adjustments for minority interests in subsidiaries	(5919)	(9106)	(7799)	(17100)	3816
16	**Net Profit after tax, minority interest and share in profit of associates (13+14+15)**	**206964**	**86654**	**284040**	**476482**	**490200**
17	Paid-up equity share capital (face value of share: ₹ 2 each)		18577		**18591**	18538
18	Reserves excluding revaluation reserve				**4070759**	**3750698**
	Earnings per share (Not annualised):					
19	Basic EPS before extraordinary items (₹)	**22.27**	9.33	30.65	**51.33**	53.04
20	Diluted EPS before extraordinary items (₹)	**22.05**	9.27	30.47	**50.98**	52.72
21	Basic EPS after extraordinary items (₹)	**22.27**	9.33	30.65	**51.33**	52.97
22	Diluted EPS after extraordinary items (₹)	**22.05**	9.27	30.47	**50.98**	52.65

See accompanying notes to the financial results

Select information for the quarter ended March 31, 2015 of Larsen & Toubro Limited (Parent Company) pursuant to clause 41 of the listing agreement

	Particulars	3 months ended			Year ended	
		March 31, 2015	December 31, 2014	March 31, 2014	March 31, 2015	March 31, 2014
A	**PARTICULARS OF SHAREHOLDING**					
1	Public shareholding :					
	- Number of shares ('000s)	**908296**	907927	902116	**908296**	902116
	- Percentage of shareholding	**97.71%**	97.75%	97.32%	**97.71%**	97.32%
2	Promoters and promoter group shareholding [refer note (viii)]	**Nil**	Nil	Nil	**Nil**	Nil

B	**INVESTOR COMPLAINTS**	3 months ended March 31, 2015
	Pending at the beginning of the quarter	1
	Received during the quarter	15
	Disposed of during the quarter	15
	Remaining unresolved at the end of the quarter	1

Notes :

(i) (a) With effect from April 1, 2014, depreciation has been computed and provided on the basis of useful life of fixed assets specified in Schedule II to the Companies Act, 2013 except in respect of certain assets , where the useful life was determined by technical evaluation. Consequently, depreciation for the quarter ended March 31, 2015 is higher and the profit before tax lower by ₹ 3654 lakh.

(b) In respect of assets where useful life specified in Schedule II has expired as on April 1, 2014, the carrying amount of ₹ 7704 lakh (net of tax of ₹ 3854 lakh) was adjusted against retained earnings as on April 1, 2014.

(ii) Exceptional items during the quarter ended March 31, 2015 represent gain on sale of part stake in a subsidiary company.

(iii) The Board of Directors of the Company has recommended a dividend of ₹ 16.25 per equity share of face value of ₹ 2 each.

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

₹ Lakh

Particulars	As at	
	31.03.2015	31.03.2014
EQUITY AND LIABILITIES		
Shareholders' funds:		
(a) Share capital	18591	18538
(b) Reserves and surplus (including revaluation reserve)	4072316	3752623
Sub-total - Shareholders' funds	**4090907**	**3771161**
Minority Interest	499862	317918
Non-current liabilities		
(a) Long-term borrowings	6527798	5544489
(b) Deferred tax liabilities (net)	53956	61785
(c) Other long term liabilities	417858	399086
(d) Long-term provisions	57305	37424
Sub-total - Non-current liabilities	**7056917**	**6042784**
Current liabilities		
(a) Short-term borrowings	1698924	1385852
(b) Current maturities of long term borrowings	830416	1102698
(c) Trade payables	2485899	2084988
(d) Other current liabilities	2402974	1918096
(e) Short-term provisions	352511	292691
Sub-total - Current liabilities	**7770724**	**6784325**
TOTAL EQUITY AND LIABILITIES	**19418410**	**16916188**
ASSETS		
Non-current assets		
(a) Fixed Assets	4804677	4443981
(b) Goodwill on consolidation	221500	213617
(c) Non-current investments	164680	143279
(d) Deferred tax assets (net)	72420	28039
(e) Long-term loans and advances	4609276	3540115
(f) Other non-current assets	46872	22361
Sub-total - Non-current assets	**9919425**	**8391392**
Current assets		
(a) Current investments	796532	667616
(b) Inventories	651819	552747
(c) Trade receivables	3008937	2638455
(d) Cash and bank balances	575621	409657
(e) Short-term loans and advances	2044120	1809889
(f) Other current assets	2421956	2446432
Sub-total - Current assets	**9498985**	**8524796**
TOTAL ASSETS	**19418410**	**16916188**

(v) The standalone financial results are available on the Company's website viz. www.larsentoubro.com and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com). The specified items of the standalone financial results of the Company for the quarter and year ended March 31, 2015 are given below:

Particulars	3 months ended			Year ended	
	March 31, 2015	December 31, 2014	March 31, 2014	March 31, 2015	March 31, 2014
Gross sales/revenue from operations	1914591	1512489	2022938	5755807	5716385
Profit before tax	266584	142711	336159	670122	726791
Profit after tax	206065	105980	272348	505618	549313

(vi) During the quarter ended March 31, 2015, 7,12,822 equity shares of ₹ 2 each fully paid-up were allotted on exercise of stock options by employees, in accordance with the Company's stock option schemes.

(vii) The figures for the quarter ended March 31, 2015 and March 31, 2014 are the balancing figures between audited figures in respect of the full financial year and the limited reviewed year-to-date published figures upto the quarter ended December 31, 2014 and December 31, 2013 respectively.

(viii) The Company has no promoters or promoter group. Hence, the promoters and promoter group shareholding is Nil and accordingly the information on shares pledged / encumbered is not applicable.

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

(x) The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 30, 2015.

for LARSEN & TOUBRO LIMITED

A.M.NAIK
Group Executive Chairman

Mumbai
May 30, 2015

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

₹ Lakh

Particulars	3 months ended			Year ended	
	March 31, 2015	December 31, 2014	March 31, 2014	March 31, 2015	March 31, 2014
Gross segment revenue					
1 Infrastructure	1568486	1179835	1414247	4485884	3802134
2 Power	144808	114102	158842	475644	615462
3 Metallurgical & Material Handling	95284	73380	182925	342646	573197
4 Heavy Engineering	102140	85517	146343	362464	452471
5 Electrical & Automation	174518	135943	156220	545954	513271
6 Hydrocarbon	223529	177932	213389	743176	1013161
7 IT & Technology Services	204219	198890	171158	765894	644962
8 Financial Services	167604	163625	139431	640050	518086
9 Developmental Projects	87836	114049	64340	515364	154290
10 Others [refer note (I) below]	163526	207679	168226	658479	549246
Total	**2931950**	**2450952**	**2815121**	**9535555**	**8836280**
Less: Inter-segment revenue	104479	47698	92389	259389	247376
Net segment revenue	**2827471**	**2403254**	**2722732**	**9276166**	**8588904**
Segment result (Profit before interest and tax)					
1 Infrastructure	194485	88289	151001	424664	369667
2 Power	14418	15267	37467	55084	137580
3 Metallurgical & Material Handling	5991	4038	30685	23898	82692
4 Heavy Engineering	8159	4099	24505	22700	49962
5 Electrical & Automation	23451	13908	21744	54923	54240
6 Hydrocarbon	(20925)	(13723)	(16835)	(134281)	9954
7 IT & Technology Services	38320	34743	28805	131646	123957
8 Financial Services	21141	23799	21744	101584	64569
9 Developmental Projects	12461	23977	91778	167434	89944
10 Others [refer note (I) below]	29104	48796	27484	119213	47552
Total	**326605**	**243193**	**418378**	**966865**	**1030117**
Less: Inter-segment margins on capital jobs	4617	339	7478	6307	9700
Less: Interest expenses	47392	91624	78751	285072	313800
Add: Unallocable corporate income net of expenditure	18075	1292	47941	46238	42306
Profit Before Tax (before extraordinary item)	**292671**	**152522**	**380090**	**721724**	**748923**
Capital employed (Segment assets less segment liabilities)					
1 Infrastructure				1415013	1277744
2 Power				204947	243028
3 Metallurgical & Material Handling				322803	327925
4 Heavy Engineering				411444	429562
5 Electrical & Automation				288132	253855
6 Hydrocarbon				227076	373135
7 IT & Technology Services				337654	264755
8 Financial Services				773975	702121
9 Developmental Projects				2704232	2633681
10 Others [refer note (I) below]				1076999	956217
Total capital employed in segments				**7762275**	**7462023**
Unallocable corporate assets *less* corporate liabilities				880837	758873
Total Capital Employed				**8643112**	**8220896**

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 smaller business segments not separately reportable have been grouped under "Others" segment. The businesses of manufacture and sale of industrial valves, welding and cutting equipment, manufacture, marketing and servicing of construction equipment and parts thereof, marketing and servicing of mining machinery and parts thereof, manufacture and sale of rubber processing machinery & castings, which were hitherto reported as the Machinery and Industrial Products segment have been grouped under "Others" segment with effect from April 1, 2014 based on internal restructuring. The figures pertaining to the corresponding previous periods have been regrouped for proper comparison.

(II) Segment composition: **Infrastructure segment** comprises engineering and construction of building and factories, transportation infrastructure, heavy civil infrastructure, power transmission & distribution and water & renewable energy projects. **Power segment** comprises turnkey solutions for Coal-based and Gas-based thermal power plants including power generation equipment with associated systems and / or balance-of-plant packages. **Metallurgical & Material Handling segment** comprises turnkey solutions for ferrous (iron & steel making) and non-ferrous (aluminium, copper, lead & zinc) metal industries, bulk material & ash handling systems in power, port, steel and mining sector including manufacture and sale of industrial machinery and equipment. **Heavy Engineering segment** comprises manufacture and supply of custom designed, engineered critical equipment & systems to core sector industries like Fertiliser, Refinery, Petrochemical, Chemical, Oil & Gas, Thermal & Nuclear Power, Aerospace and Defence. **Electrical & Automation segment** comprises manufacture and sale of low and medium voltage switchgear components, custom built low and medium voltage switchboards, electronic energy meters / protection (relays) systems and control & automation products. **Hydrocarbon segment** comprises complete EPC solutions for the global Oil & Gas Industry from front-end design through detailed engineering, modular fabrication, procurement, project management, construction, installation and commissioning. **IT & Technology Services segment** comprises information technology and integrated engineering services. **Financial Services segment** comprises retail and corporate finance, housing finance, infrastructure finance, general insurance, asset management of mutual fund schemes and related advisory services. **Developmental Projects segment** comprises development, operation and maintenance of basic infrastructure projects, toll collection, power development, development and operation of port facilities and providing related advisory services. **Others segment** includes realty, shipbuilding, manufacture and sale of industrial valves, welding and cutting equipment, manufacture, marketing and servicing of construction equipment and parts thereof, marketing and servicing of mining machinery and parts thereof, manufacture and sale of rubber processing machinery & castings, ready-mix concrete, asphalt & paving materials, mining and aviation.

(III) Segment revenue comprises sales & operational income allocable specifically to a segment including profit on sale of stake in the subsidiary and / or joint venture companies under developmental projects segment and realty business grouped under "Others" segment. Unallocable income primarily includes interest income, dividends and profit on sale of investments. Unallocable expenditure mainly includes expenses incurred on common services provided to segments and other corporate expenses. Corporate assets mainly comprise investments.

(IV) In respect of majority of the segments for the Company, sales and margins do not accrue uniformly during the year. Hence, the operational / financial performance of aforesaid segments can be discerned only on the basis of figures for the full year.

for LARSEN & TOUBRO LIMITED

A.M.NAIK
Group Executive Chairman

Mumbai
May 30, 2015

INDEPENDENT AUDITOR'S REPORT

To the members of Larsen & Toubro Limited

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Larsen & Toubro Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, comprising of the consolidated balance sheet as at 31 March 2015, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's responsibility for the consolidated financial statements

The Holding Company's board of directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. The respective board of directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Holding Company, as aforesaid.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 the 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 financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's board of directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31 March 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other matters

a) We did not audit the financial statements of 70 subsidiaries, and 11 jointly controlled entities, whose financial statements reflect total assets of Rs. 62,254.30 crores as at 31 March 2015, total revenues of Rs. 12,951.38 crores and net cash flows amounting to Rs. 1,707.67 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs. 1.13 crores for the year ended 31 March 2015, as considered in the consolidated financial statements, in respect of 4 associates, whose financial statements have not been audited by us. These financial statements have been audited/jointly audited by other auditors whose reports have been furnished to us by management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates and our report in terms of sub-sections (3) and (11) of section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, jointly controlled entities and associates is based solely on the reports of the other auditors.

b) We did not audit the financial statements of 1 subsidiary, and 2 jointly controlled entities, whose financial statements reflect total assets of Rs. 150.53 crores as at 31 March 2015, total revenues of Rs. 3.38 crores and net cash flows amounting to Rs. 1.29 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 2.96 crores for the year ended 31 March 2015, as considered in the consolidated financial statements, in respect of 5 associates, whose financial statements have not been audited by us. These financial statements are certified by management and have been furnished to us by management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates and our report in terms of sub-sections (3) and (11) of section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, jointly controlled entities and associates is based solely on such financial statements certified by management. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by management.

Report on other legal and regulatory requirements

1 As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the central government of India in terms of sub-section (11) of section 143 of the Act, based on the comments in the auditors' reports of the Holding Company, subsidiary companies, associate companies and jointly controlled entities incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 As required by section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2015 taken on record by the board of directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on 31 March 2015 from being appointed as a director in terms of section 164 (2) of the Act.

(f) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities - refer notes I, Q(17)(VI), Q(18) and Q(23) to the consolidated financial statements.

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts – refer (a) notes C(II), D(IV) and Q(9)(a) to the consolidated financial statements in respect of such items as it relates to the Group and jointly controlled companies; and (b) the Group's share of net profit in respect of its associates.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group, its associates and jointly controlled entities.

Sharp & Tannan
Chartered Accountants
Firm's registration no. 109982W

Milind P. Phadke
Partner
Membership no. 33013

Mumbai, 30 May 2015

Annexure to the Auditor's report
(Referred to in 'Other matters' and paragraph 1 under 'Report on other legal and regulatory requirements' of our report of even date)

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

(b) We are informed that the respective companies in the Group have formulated a program of physical verification of fixed assets which, in our opinion, is reasonable having regard to the size of the respective companies and nature of their 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.

2 (a) Where applicable in the Group, inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable.

(b) The procedures of physical verification of inventory followed by the management of the Group are, in our opinion, reasonable and adequate in relation to the size of the Group and the nature of its business.

(c) The Group is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stock and book records in certain companies in the Group were not material and have been properly dealt with in the books of account.

3 According to the information and explanations given to us, there are no companies, firms and other parties covered in the register maintained under section 189 of the Companies Act, 2013 other than in the case of an associate company, which has granted interest bearing unsecured loans to four entities covered under the said section. The principal amount is repayable on demand and there is no repayment schedule.

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 respective companies in the Group and the nature of their businesses for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of the examination of the books and records of the respective companies in the Group and according to the information and explanations given to us, we have neither come across nor have we 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, the Group has not accepted deposits from the public and accordingly, paragraph 3(v) of the Order is not applicable.

6 The books of account and records maintained by certain companies in the Group pursuant to the rules prescribed by the central government for the maintenance of cost records under section 148(1) of the Act have been broadly reviewed and we 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.

7 (a) According to the information and explanations given and as per the records of the respective companies in the Group examined, in our opinion, the Group is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, 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, employees state insurance, income-tax, sales-tax, wealth tax, duty of

customs, duty of excise, value added tax, cess and other statutory dues outstanding as at 31 March 2015 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the respective companies examined, the particulars of income-tax, sales-tax, wealth tax, service tax, duty of custom, duty of excise, value added tax or cess as at 31 March 2015 which have not been deposited on account of a dispute pending are as under:

Name of the statute	Nature of the disputed dues	Amount Rs. crores*	Period to which the amount relates	Forum where dispute are pending
Central Sales Tax Act, Local Sales Tax Acts and Works Contract Tax Act	Classification disputes, disallowance of input tax credit of other matters, VAT liability, taxability of sub-contractor turnover, rate of tax for declared goods, interstate sales and non submission of forms	108.44	1991-1992, 1995-1996, 1997-1998, 1999-2000 to 2013-2014	Supreme Court
	Penalty on the disputed tax not covered by declaration forms, disallowance of deemed sales in course of import, taxability of sub-contractor's turnover, local hire purchase turnover made taxable and other matter, dispute regarding question of law, non-submission of forms, classification dispute, tax deducted at source at lower rate, sales in transit, high sea sales, labour turnover, local VAT, local WCT, rate of tax on declared goods and other matters	338.95	1986-1987 to 2011-2012	High Court
	Disallowance of deemed sales in course of inter state and import transactions, classification disputes, non submission of forms, disallowance of Form N 14B sale by appellate authority which was earlier allowed by assessing authority, tax on additional turnover, differential rate of tax including interest and penalty, disallowance of sales occasioning import, arbitrary demand raised, sub-contractors turnover disallowed, pumping and freight charges, TDS disallowed, rates of tax of declared goods, disallowance of works contract tax and other matters	353.52	1987-1988 to 1991-1992, 1994-1995 to 2011-2012	Sales Tax Tribunal
	Classification disputes, disallowance of CST sales, non submission of forms, wrong classification of sales, disallowances of high sea sales, interest levied on short payment arising out of disallowance of input tax credit, differential tax levied for non-submission of Form-C, disallowance of exemption claimed for deemed sale in the course of inter state and import transactions, refusal of Input tax credit, disallowance of sale-in-transit, forms submitted but rejected by Assessing Officer and other matters	264.87	1995-1996, 1996-1997, 1997-1998, 1999-2000 to 2012-2013	Commissioner (Appeals) / Joint Commissioner (Appeals)
	Disallowance of deemed interstate sales, non-submission of forms, disallowance of sales occasioning imports, rate of tax dispute and other matters	1.91	1991-1992, 1992-1993, 1996-1997 to 2005-2006, 2008-2009	Assistant Commissioner (Appeals)

Name of the statute	Nature of the disputed dues	Amount Rs. crores*	Period to which the amount relates	Forum where dispute are pending
	Non submission of forms	17.50	1995-1996, 1997-1998, 2001-2002 to 2004-2005, 2006-2007 to 2012-2013	Additional Commissioner (Appeals)
	Disallowance of sales in transit, deemed inter state sales, import transactions, non-submission of forms, software exports and service income revenue considered as domestic sales and other classification disputes, VAT liability, additional demand for pending forms, rate of tax dispute, disallowance of branch transfer, sub-contractors turnover, interest demand on road permit and other matters	1,103.25	1989-1990, 1991-1992, 1992-1993, 1994-1995 to 2013-2014	Deputy Commissioner (Appeals)
	Sales tax on scrap sales and sale of assets , non-submission of forms and dispute related to sales in transit, disallowance of exemption claimed for deemed sale in the course of inter state and import transactions	4.71	1994-1995 to 2014-2015	The Commercial Tax Officer
The Central Excise Act, 1944, Service Tax under Finance Act, 1994 and Customs Act, 1962	Dispute of excise duty on site mix concrete and PSC grinder	0.27	1997-98	Supreme Court
	Demand of interest on the cenvat credit availed on inputs removed, export rebate claim, service tax on commercial construction services, service tax liability against rate change and penalty imposed for wrong availment of cenvat credit	42.49	2003-2004 to 2006-2007	High Court
	Valuation disputes, demand for excise duty on fabrication of tanks, platforms and ladders, demand for service tax on manpower recruitment and supply agency service and dispute on adjustment of excess service tax paid, demand for service tax including penalty and interest on lump-sum turnkey jobs, dispute on classification, demand for duty on sales through inter-connected units, denial of benefit of exemption under notification no. 108/95, denial of service tax credit on payment of commission to sole selling agent, denial of cenvat credit on input services, service tax on reimbursement of electricity, water and diesel charges, demand of excise duty on site fabricated steel structures, export rebate disallowance, excise duty on concrete mix made at site, non maintenance of separate records, demand of service tax including penalty, demand of penalty on late payment of service tax and other matters	862.11	1989-1990, 1991-1992, 2001-2002 to 2013-2014	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)

Name of the statute	Nature of the disputed dues	Amount Rs. crores*	Period to which the amount relates	Forum where dispute are pending
	Demand for duty for availing cenvat credit on the basis of supplementary invoice, penalty disputed on the delayed period of payment of duty on the scrap in job worker place, dispute in classification of cobalt rod during imports, disallowance of cenvat credit, excise duty refund, short payment of service tax, service tax rate dispute, excise duty on concrete mix made at site, service tax on reimbursement of electricity, water and diesel charges and other matters	2.87	1993-1994 to 1999-2000, 2006-2007, 2008-2009 to 2012-2013, 2014-2015	Commissioner (Appeals)
	Demand for service tax on manpower recruitment, dispute on software procurement, denial of excise duty exemption under Excise Notification 6 of 2006, service tax levied on receipt of interest on delayed payment	8.38	2005-2006 to 2012-2013	Commissioner
	Service tax, demand for excise duty on fabrication of tanks, platforms and ladders	0.63	1989-1990 to 2011-2012	Additional Commissioner
Income-tax Act, 1961	Dispute regarding depreciation and income tax dues	0.80	2002-2003, 2004-2005	High Court
	Dispute regarding tax not deducted on bank guarantee charges and interest charges, disallowance of distributorship commission, revenue expenditure, adjustment on account of arms length price of transfer pricing transaction under section 92CA(3), disallowance of exemption under section 10A, dispute regarding shortfall in tax deducted at source, income tax, interest and penalty, cenvat credit treated as income, disallowance of deduction under Section 80IA for income from BTS projects, assessment under section 143(3) read with section 144C(13)	484.16	2003-2004 to 2012-2013	Income Tax Appellate Tribunal (ITAT)
	Dispute regarding tax not deducted on bank guarantee charges and interest charges	1.11	2011-2012	Chief Commissioner of Income Tax (Appeals)
	Disallowance of expenses and exemption under section 10A, dispute regarding depreciation and disallowance under section 14A, disallowance under section 40(a)(ia) and computation of deduction under section 80IA, taxability of income received in advance, treatment of reimbursement of expenses as income, income tax, interest and penalty, dispute regarding applicability of tonnage tax provision, cenvat credit treated as income, hedging loss disallowed, dispute regarding tax deducted at source at lower rates	63.79	2004-2005 to 2012-2013	Commissioner of Income Tax (Appeals)
	Tax, interest and penalty	19.56	2006-2007, 2009-2010, 2010-2011	Commissioner of Income Tax
	Difference in rate of tax deducted at source	2.57	2007-2008, 2008-2009	Director of Income Tax (International Taxation)

Name of the statute	Nature of the disputed dues	Amount Rs. crores*	Period to which the amount relates	Forum where dispute are pending
	Dispute regarding depreciation, disallowance under section 14A, mismatch of TDS credit, income tax dues including interest and fringe benefit tax dues	4.32	2007-2008 to 2010-2011	Assessing Officer
	Dispute regarding depreciation and income tax dues	0.80	2002-2003, 2004-2005	High Court
	Income tax dues	13.17	2012-2013	Assistant Commissioner of Income Tax
	Tax, interest and penalty	19.56	2006-2007, 2009-2010, 2010-2011	Commissioner of Income Tax

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

Note: The above amounts do not include penalty and interest of Rs. 104.85 crores stayed by the Honourable Customs, Excise and Service Tax Appellate Tribunal (CESTAT) and VAT authorities.

(c) The amounts required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act 1956 (1 of 1956) and rules made thereunder are transferred to such fund within time.

8 The Group has no accumulated losses as at 31 March 2015 and it has not incurred cash losses in the financial year ended on that date or in the immediately preceding financial year.

9 According to the records of the respective companies in the Group and the information and explanations given to us, none of the companies in the Group has defaulted in repayment of dues to any financial institution or bank or debenture holder as at the balance sheet date.

10 The terms and conditions of guarantees given by certain companies in the Group for loans taken by others from banks or financial institutions are prima facie not prejudicial to the interests of the Group.

11 In our opinion and according to the information and explanations given to us, on an overall basis, we are of the opinion that the respective companies have applied term loans for the purpose for which they were obtained.

12 According to the information and explanations given to us, there were no instances of material fraud on or by the companies in the Group, noticed or reported during the year, nor have we been informed of such case by management.

Sharp & Tannan
Chartered Accountants
Firm's registration no. 109982W

Milind P. Phadke
Partner
Membership no. 33013

Mumbai, 30 May 2015