

**LARSEN & TOUBRO LIMITED**

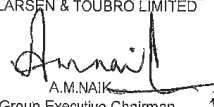
Registered Office: L&T House, Ballard Estate, Mumbai 400 001

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2013

₹ Lakh

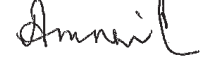
Particulars	3 months ended			9 months ended		Year ended March 31, 2013 (Audited)
	December 31, 2013	September 30, 2013	December 31, 2012	December 31, 2013	December 31, 2012	
	See Note (i)	Restated	Restated	See Note (i)	Restated	
1 Gross Sales/Revenue from operations	1453406	1244685	1301604	3693447	3388470	5215521
Less: Excise duty	14655	13844	14670	41464	39417	58431
2 Net Sales/Revenue from operations	1438751	1230841	1286934	3651983	3349053	5157090
2 Expenses:						
a) i) Consumption of raw materials, components, and stores, spares & tools	192794	185804	203146	579116	702191	966346
ii) Sub-contracting charges	341006	293477	357199	892354	807057	1218342
iii) Construction materials consumed	438633	316627	380403	1028099	889271	1389746
iv) Purchases of stock-in-trade	46411	46954	51658	141060	145536	206323
v) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1832	(40334)	(54287)	(168537)	(192260)	(109087)
vi) Other manufacturing, construction and operating expenses	97891	99414	89632	294634	246592	354627
b) Employee benefits expense	106815	137534	92675	343266	288170	386112
c) Sales, administration and other expenses	45886	72800	40683	166771	133169	202808
d) Depreciation, amortisation and obsolescence	19917	19257	17787	57858	53088	72774
Total expenses	1291185	1131533	1178896	3334621	3072814	4687991
3 Profit from operations before other income, finance costs and exceptional items (1-2)	147566	99308	108038	317362	276239	469099
4 Other income	44678	46559	56952	139946	154845	194170
5 Profit from ordinary activities before finance costs and exceptional items (3+4)	192244	145867	163990	457308	431084	663269
6 Finance costs	29085	23788	23382	77115	69140	95475
7 Profit from ordinary activities after finance costs but before exceptional items (5-6)	163159	122079	140608	380193	361944	567794
8 Exceptional items	10439	-	-	10439	17624	17624
9 Profit from ordinary activities before tax (7+8)	173598	122079	140608	390632	379568	585418
10 Provision for taxes:						
a) Provision for current tax	46928	35145	32674	110907	101085	140551
b) Provision for deferred tax	2600	470	6611	2760	6314	13579
Total provision for taxes	49528	35615	39285	113667	107399	154130
11 Net profit after tax from ordinary activities (9-10)	124070	86464	101323	276965	272169	431288
12 Extraordinary items	-	-	-	-	5289	7161
13 Net profit after tax from continuing operations (11+12)	124070	86464	101323	276965	277458	438449
14 Profit before tax from discontinued operations			16070		51632	77886
15 Tax expense on discontinued operations			5218		16719	25270
16 Net Profit after tax from discontinued operations (14-15)			10852		34813	52616
17 Net profit after tax for the period			112175		312271	491065
18 Paid-up equity share capital (face value of share: ₹ 2 each)		18505		18521	12298	12308
19 Reserves excluding revaluation reserve						2899945
Earnings per share (Post-bonus) (Not annualised) [refer note (iii) and (iv)]:						
20 Basic EPS before extraordinary items (₹)	13.40	9.35	12.17	29.94	33.36	52.55
21 Diluted EPS before extraordinary items (₹)	13.32	9.30	12.07	29.77	33.09	52.12
22 Basic EPS after extraordinary items (₹)	13.40	9.35	12.17	29.94	33.93	53.33
23 Diluted EPS after extraordinary items (₹)	13.32	9.30	12.07	29.77	33.65	52.89
24 Recurring Profit after tax from continuing operations (i.e. Profit after tax excluding exceptional, extraordinary items and discontinued operations)	113631	86464	101323	266526	257773	416892

See accompanying notes to the financial results

SELECT INFORMATION FOR THE QUARTER ENDED DECEMBER 31, 2013						
Particulars		3 months ended		9 months ended		Year ended March 31, 2013 (Audited)
		December 31, 2013	September 30, 2013	December 31, 2012	December 31, 2013	December 31, 2012
A	PARTICULARS OF SHAREHOLDING					
1	Public shareholding :					
	- Number of shares ('000s)		897877*		899673*	594038
	* post bonus [refer note (iii)]					
	- Percentage of shareholding		97.04%		97.15%	96.60%
2	Promoters and promoter group shareholding [refer note (v)]		NII		NII	NII
B	INVESTOR COMPLAINTS		3 months ended December 31, 2013			
	Pending at the beginning of the quarter		NII			
	Received during the quarter		21			
	Disposed of during the quarter		21			
	Remaining unresolved at the end of the quarter		NII			
Notes :						
(i) Pursuant to the Scheme of Arrangement ("the scheme") between Larsen & Toubro Limited and L&T Hydrocarbon Engineering Limited ("LTHE"), a wholly owned subsidiary of the Company and their respective shareholders and creditors, the Hydrocarbon business undertaking along with related assets and liabilities has been transferred to LTHE upon sanction of the scheme by the Hon'ble Bombay High Court vide order dated December 20, 2013. The certified copy of the order sanctioning the scheme has been filed with the Registrar of Companies on January 16, 2014. Accordingly, the effect of the scheme has been given from April 1, 2013 as follows:						
a) The financial results of the Company exclude the financial results of erstwhile Hydrocarbon business undertaking for the periods commencing on or after April 1, 2013. The transactions with the erstwhile Hydrocarbon business undertaking entered on or after April 1, 2013 have been considered as inter-company transactions.						
b) The figures for the periods ending on or before March 31, 2013 have been restated as per the requirement of Accounting Standard (AS) 24 to exclude the financial results of erstwhile Hydrocarbon business undertaking to arrive at the financial results from continuing operations. The transactions with the erstwhile Hydrocarbon business undertaking entered in the periods ending on or before March 31, 2013 have been reclassified and presented under respective heads.						
c) The net result of the erstwhile Hydrocarbon business undertaking has been disclosed separately under discontinued operations for the periods ending on or before March 31, 2013 as required by Accounting Standard (AS) 24 and Revised Schedule VI of the Companies Act 1956. Revenue from operations of the erstwhile Hydrocarbon business undertaking for quarter ended December 31, 2012, nine-months period ended December 31, 2012 and year ended March 31, 2013 is ₹ 261903 Lakh, ₹ 734881 Lakh and ₹ 961543 Lakh respectively.						
(ii) The Company, during the quarter ended December 31, 2013, has allotted equity shares equivalent to 8,12,615 equity shares of ₹ 2 each post-bonus fully paid-up, on exercise of stock options by employees, in accordance with the Company's stock option schemes.						
(iii) On July 15, 2013, the Company allotted bonus equity shares of ₹ 2 each, fully paid-up, in the ratio of 1:2, (one bonus equity share of ₹ 2 each for every two equity shares of ₹ 2 each held) to all registered shareholders as on the record date. The earnings per share ["EPS"] data for all the periods disclosed above have been adjusted for the issue of bonus shares as per the Accounting Standard (AS) 20 on Earnings Per Share.						
(iv) The basic and diluted EPS as disclosed under Sr. No. 20 to 23 in the aforesaid results do not include the results of Hydrocarbon business for the periods from April 1, 2013. However, the EPS figures for the corresponding periods of the previous year are based on results which include Hydrocarbon business. Accordingly, the basic and diluted EPS for the periods commencing on or after April 1, 2013 are not comparable with the figures of the corresponding periods of the previous year.						
(v) 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.						
(vi) Figures for the previous periods have been re-grouped / re-classified to conform to the figures of the current periods.						
(vii) The above results have been subjected to Limited Review by the Statutory Auditors, reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 22, 2014.						
Mumbai January 22, 2014		for LARSEN & TOUBRO LIMITED  A.M.NAIK Group Executive Chairman				

Segment-wise Revenue, Result and Capital Employed in terms of clause 41 of the listing agreement:						
Particulars	3 months ended			8 months ended		Year ended
	December 31, 2013	September 30, 2013	December 31, 2012	December 31, 2013	December 31, 2012	March 31, 2013 (Audited)
Gross segment revenue from continuing operations						
1 Infrastructure	890846	721483	733462	2157584	1731377	2881902
2 Power	121164	118113	173933	388774	599490	807388
3 Metallurgical and Material Handling	155664	111549	164785	375805	442174	543044
4 Heavy Engineering	104847	106420	86881	296447	204373	300283
5 Electrical & Automation	100200	94989	89650	274716	252712	364355
6 Machinery & Industrial Products [refer note III below]	44233	50585	59322	148555	165085	239519
7 Others	57426	52767	42390	142113	114305	152588
Total	1474260	1266016	1348293	3762097	3609499	5389085
Less: Inter-segment revenue	20854	11331	46089	68650	121029	173574
Net segment revenue from continuing operations	1453406	1244685	1301604	3693447	3388470	5215511
Segment result (Profit before interest and tax)						
1 Infrastructure	91329	85884	65942	231001	164841	287030
2 Power	6562	14584	11178	31018	45678	59012
3 Metallurgical and Material Handling	22011	15913	24690	51739	52211	58670
4 Heavy Engineering	15936	16548	10304	41172	33723	50707
5 Electrical & Automation	11630	8283	9673	26942	21211	36800
6 Machinery & Industrial Products [refer note III below]	5796	4335	16073	16462	29847	40335
7 Others	9167	(7316)	12309	733	24734	22280
Total	162161	136232	150369	399067	379245	581834
Less: Inter-segment margins on capital jobs	246	26	206	312	1749	2500
Less: Interest expenses	29085	23788	23382	77115	69140	95475
Add: Unallocable corporate income net of expenditure	40778	7680	13007	68952	71212	91659
Profit Before Tax (before extraordinary item) from continuing operations	173598	122079	140608	390632	379568	585418
Capital employed (Segment assets less segment liabilities)						
1 Infrastructure				1093983	802130	819197
2 Power				22887	94244	67439
3 Metallurgical and Material Handling				293443	224504	250151
4 Heavy Engineering				226489	205678	206153
5 Electrical & Automation				137594	136385	128109
6 Machinery & Industrial Products [refer note III below]				56550	58195	58501
7 Others				115957	121080	114139
Total capital employed in segments				1946933	1642207	1654799
Unallocable corporate assets less corporate liabilities				2520216	2178959	2058116
Total Capital Employed (in continuing operations)				4476149	3821166	3712915
Capital Employed (in discontinued operations) [refer note III]					158405	109000
Total Capital Employed (in continuing and discontinued operations)				4476149	3980571	3821915
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 the Engineering and Construction which were hitherto reported as part of one single segment have now been reported into different segments based on internal restructuring and granular clarity of segment information.						
II Pursuant to the transfer of the Hydrocarbon business undertaking under the Scheme of Arrangement w.e.f. April 1, 2013, the capital employed of the erstwhile Hydrocarbon segment has been disclosed under discontinued operations. The revenue from operations of the Hydrocarbon business undertaking for the periods ending on or before March 31, 2013 has been disclosed vide Note @ (c) to the financial results.						
III The Company has transferred at book value to its wholly owned subsidiaries, the business of manufacturing and marketing of industrial valves effective July 1, 2013 and Cutting Tools business effective July 15, 2013. Both these businesses were hitherto reported as part of the Machinery and Industrial Products segment.						
IV Segment composition: Infrastructure comprises engineering and construction of building and factories, transportation infrastructure, heavy civil infrastructure, power transmission & distribution and water & renewable energy projects. Power 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 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 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 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. Electrical & Automation also included medical equipment business in the previous year. Machinery & Industrial Products comprises manufacture and sale of rubber processing machinery & castings, manufacture and marketing of industrial valves (upto the date of transfer), construction equipment and industrial products (upto the date of transfer). Others comprise integrated engineering services, shipbuilding and property development.						
V Segment revenue comprises sales & operational income allocable specifically to a 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.						
VI 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
January 22, 2014

L&T Press Release

Issued by Corporate Brand Management & Communications

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Performance for the quarter ended December 31, 2013 (Post transfer of Hydrocarbon business from April 1, 2013)

**Order inflow surges 21%
Revenue & Recurring PAT up by 12%
Total PAT increases by 22%**

Mumbai, 22 January 2014: Larsen & Toubro announced its results for the quarter and nine months ended December 31, 2013, excluding the performance of Hydrocarbon business segment, which has been transferred with effect from April 1, 2013 to L&T Hydrocarbon Engineering Limited, a wholly owned subsidiary of the Company upon sanction of the scheme by the Hon'ble Bombay High Court vide order dated December 20, 2013. Consequently, the performance for the previous quarter ended September 30, 2013 and the numbers relating to the previous periods have been suitably restated.

Larsen & Toubro recorded Gross Revenue of ₹ 14534 crore for the quarter ended December 31, 2013, registering a y-o-y growth of 12% with progress on various jobs under execution. The Gross Revenue for nine months period April-December 2013 at ₹ 36934 crore, grew by 9% on y-o-y basis.

Order Inflow at ₹ 21722 crore during the quarter October-December 2013 recorded y-o-y growth of 21%, sustaining the growth during the first half of the current year, despite prevailing weak investment climate. Major orders came from the Infrastructure segment. The International order inflow during the quarter at ₹ 8237 crore, more than doubled on the back of major orders secured in the Middle East. The cumulative order inflow for the nine months period April-December 2013 stood at ₹ 67371 crore registering a 23% growth over the nine months period of the previous year.

Order Book at ₹ 171184 crore as at December 31, 2013, grew 13% on a y-o-y basis. International Order Book constituted 15% of the total Order Book.

The recurring Profit after Tax (PAT) for the quarter October-December 2013 stood at ₹ 1136 crore, recording an increase of 12 % over the corresponding quarter of the previous year. After considering the exceptional gain on dilution of part stake in a subsidiary company, the overall PAT grew by 22% during the quarter.

Infrastructure Segment

Infrastructure Segment achieved Customer Revenue of ₹ 8818 crore for the quarter ended December 31, 2013 registering a healthy y-o-y growth of 23%, driven by Buildings and Factories, Power Transmission & Distribution, Water & Renewable Energy and Transportation Infrastructure businesses. International sales constituted 16% of the total customer revenue of the segment.

Aided by order wins in the international markets, the order inflows of Infrastructure segment at ₹ 18390 crore sustained the accelerated growth momentum registering a growth of 36% during the quarter ended December 31, 2013. International orders constituted around 41% of the total order inflow of the segment.

The Order Book of the Segment grew 28% on a y-o-y basis and stood at ₹ 130464 crore as at December 31, 2013.

The segment recorded improved EBIDTA margin at 11.4% during the quarter October-December 2013 vis-à-vis 10.3% recorded in the corresponding quarter of the previous year on progress of jobs under execution.

Power Segment

Power Segment achieved Customer Revenue of ₹ 1212 crore for the quarter ended December 31, 2013 registering a y-o-y decrease of 30%, due to declining order book.

Multiple unresolved sectoral issues have resulted in near halt in the order inflows of the Power Segment, which could secure fresh orders of ₹ 200 crore, during the quarter ended December 31, 2013.

The Order Book of the Segment declined 14% on a y-o-y basis and stood at ₹ 15030 crore as at December 31, 2013.

The segment recorded EBIDTA margin of 6.4% for the quarter October-December 2013 vis-à-vis 7.2% recorded in the corresponding quarter of the previous year.

Metallurgical & Material Handling (MMH) Segment

The Customer Revenue of MMH Segment during the quarter ended December 31, 2013 at ₹ 1521 crore remained flat on account of reduced opening order book.

MMH Segment secured fresh orders of ₹ 329 crore, during the quarter ended December 31, 2013, impacted by continued order deferrals due to slow-down in minerals and metals industry.

The Order Book of the Segment declined 30% on a y-o-y basis and stood at ₹ 14084 crore as at December 31, 2013.

The EBIDTA margin of the segment stood at 16.1% for the quarter October-December 2013 vis-à-vis 17.6% recorded in the corresponding quarter of the previous year.

Heavy Engineering Segment

Heavy Engineering Segment achieved Customer Revenue of ₹ 1046 crore for the quarter ended December 31, 2013 registering an impressive growth of 28% over the corresponding quarter of the previous year aided by good progress in the execution of jobs. International sales constituted 33% of the total revenue of the segment.

The businesses of the Heavy Engineering Segment secured fresh orders of ₹ 559 crore, during the quarter ended December 31, 2013. International orders constituted 23% of the total order inflow of the segment.

The Order Book of the Segment stood at ₹ 7484 crore as at December 31, 2013.

During the quarter October-December 2013, the segment EBIDTA margin improved to 17.2% as compared to 15.3% earned during the quarter October-December 2012, on the back of improved execution efficiencies.

Electrical & Automation (E&A) Segment

E&A Segment recorded Customer Revenue of ₹ 939 crore for the quarter ended December 31, 2013, recording a growth of 13% over the corresponding quarter of the previous year. International sales contributed to 13% of the total segment revenue for the quarter.

The EBIDTA Margin of the E&A Segment at 14.9% for the quarter October-December 2013 recorded an improvement over the 14.3% earned during the quarter October-December 2012.

Machinery & Industrial Products (MIP) Segment

MIP Segment recorded Customer Revenue of ₹ 436 crore for the quarter ended December 31, 2013 registering a decline of 23% over the corresponding quarter of the previous year.

The Valves business and Industrial Cutting Tools business of the segment have been transferred to subsidiary companies during July - September 2013. The sales for October - December 2013 are, therefore, not comparable with corresponding quarter of the previous year.

The Segment EBIDTA Margin at 15.2% during the quarter ended December 31, 2013 recorded a decline compared to 17.9% earned during the quarter October-December 2012 due to lower sales on account of business restructuring.

"Others" Segment

"Others" segment comprises Integrated Engineering Services (IES), Shipbuilding and Property Development business.

Customer Revenue of Others Segment at ₹ 563 crore for the quarter ended December 31, 2013 registered a growth of 34% over the corresponding quarter of the previous year led by good performance of the IES business. International sales constituted 70% of the total revenue of the segment.

During the quarter October-December 2013, the segment EBITDA margin improved to 18.7% as compared to 14.1% earned during the quarter October-December 2012.

Outlook

Persisting inflation, tight liquidity, elevated interest rates and macro-economic & policy uncertainties have impacted the investment sentiment in the domestic economy. Sliding GDP and IIP numbers are indicative of the task ahead for achieving economic recovery. Data from other major economies around the world in the meanwhile suggest improving conditions overseas.

Thus, while the company continues to focus on maximizing the domestic opportunities, it is strengthening its international presence in select overseas markets. Competitive value proposition to the clients and disciplined execution have helped the company sustain its profitable growth momentum.

Presence in the diverse sectors, healthy order book, proven track record and strong balance sheet are the key enablers for the Company to steer through the near to medium term challenges and meet its growth aspirations.



SHARP & TANNAN
Chartered Accountants

Larsen & Toubro Limited

Limited review report to the board of directors for the nine month period ended 31 December 2013

- 1 We have reviewed the accompanying statement of unaudited financial results of Larsen & Toubro Limited for the nine month period ended 31 December 2013. This statement is the responsibility of the Company's management and has been approved by the board of directors. Our responsibility is to issue a report on these financial statements based on our review.
- 2 We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Company issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
- 3 Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards, notified pursuant to the Companies (Accounting Standard) Rules, 2006, and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of clause 41 of the listing agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

Sharp & Tannan
Chartered Accountants
Firm's registration no. 109982W
By the hand of

Milind P. Phadke
Partner

Membership no. 33013

Mumbai, 22 January 2014