

SEC/PAM/2017

January 28, 2017

The Secretary BSE Limited Phiroze Jejeebhoy Towers, Dalal Street, MUMBAI - 400 001 STOCK CODE: 500510	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
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Dear Sir,

Sub.: **Consolidated Unaudited Financial Results for the quarter and nine month period ended 31st December 2016.**

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose a copy of the statement containing the **Consolidated Unaudited Financial Results** of the Company, for the **quarter and nine month period ended 31st December, 2016**, which has been approved at the Meeting of the Board of Directors, held today and **Press Release** related to the same. The Board Meeting commenced at 10.30 a.m. and concluded at 1.45 p.m.

We also enclose a copy of the "**Limited Review Report** for the **nine month period ended 31st December 2016**" issued by our Statutory Auditors, **M/s. Sharp & Tannan**, and **M/s. Deloitte Haskins & Sells LLP**, Chartered Accounts, Mumbai.

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

Further, pursuant to Regulation 54 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the listed, Secured Non-Convertible Debentures of the Company aggregating to ₹ 400 crore, issued on 5th January 2009 and outstanding as on 31st December, 2016 are secured by way of first mortgage/charge on the Company's various properties.

Thanking you,

Yours faithfully,
for **LARSEN & TOUBRO LIMITED**



N. HARIHARAN
EXECUTIVE VICE PRESIDENT &
COMPANY SECRETARY
(ACS 3471)

Encl : as above

L&T Press Release

Issued by Corporate Brand Management & Communications

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Group Performance for the quarter ended December 31, 2016

Mumbai, January 28, 2017: Larsen & Toubro recorded Consolidated Gross Revenue of ₹ 26287 crore for the quarter ended December 31, 2016, registering an increase of 1.4% on a y-o-y basis. The International revenue during the quarter at ₹ 9590 crore constituted 36% of the total revenue. For the nine months April-December 2016, the Consolidated Gross Revenue at ₹ 73183 crore recorded a y-o-y increase of 5.9%.

The Company garnered fresh orders worth ₹ 34885 crore at the group level during the quarter ended December 31, 2016, amid subdued business environment. The International orders at ₹ 11865 crore constituted 34% of the total order inflow. On a cumulative basis, the order inflow for the nine months period ended December 31, 2016 stood at ₹ 95706 crore. Major orders were secured by Infrastructure and Hydrocarbon Segments.

Consolidated Order Book of the group stood healthy at ₹ 258585 crore as on December 31, 2016, higher by 1.4% on a y-o-y basis. International Order Book constituted 29% of the total Order Book.

Consolidated Profit After Tax (PAT) for the quarter ended December 31, 2016 at ₹ 972 crore, was higher by 39% y-o-y. For the nine months period ended December 31, 2016, the overall PAT was ₹ 3017 crore, higher by 59% y-o-y, as compared to ₹ 1898 crore recorded for the corresponding period of the previous year.

Infrastructure Segment

Infrastructure Segment achieved customer revenue of ₹ 12467 crore for the quarter ended December 31, 2016, registering a y-o-y growth of 6%. Delays in obtaining clearances and work slowdown, due to abrupt liquidity constraints of customers aggravated by demonetisation, impacted progress of jobs under execution especially in Buildings & Factories business. Transportation Infrastructure and Water & Effluent Treatment businesses contributed to the revenue growth during the quarter. International revenue constituted 37% of the total customer revenue of the segment.

During the quarter ended December 31, 2016, Infrastructure segment won fresh orders of ₹ 21516 crore despite sluggish investment climate. Some of the anticipated orders did not materialize due to delays in bid process. The order inflow during the quarter was contributed by Heavy Civil Infrastructure, Power Transmission & Distribution, Building & Factories and Water & Effluent Treatment businesses. International orders contributed to around 33% of the total order inflow of the segment during the quarter.

The Order Book of the Segment grew 2% on a y-o-y basis and stood at ₹ 194315 crore, as on December 31, 2016.

The segment recorded EBIDTA margin at 8.3% during the quarter ended December 31, 2016, vis-à-vis 7.2% recorded in the corresponding quarter of the previous year. The margin improvement during the quarter was driven by good progress on jobs under execution and cost optimization initiatives.

Power Segment

Power Segment recorded customer revenue of ₹ 1633 crore during the quarter ended December 31, 2016, registering a y-o-y decrease of 23%, due to lower order book. International revenue constituted 14% of the total customer revenue of the segment during the quarter.

Power Segment secured fresh orders of ₹ 297 crore for the quarter ended December 31, 2016. On a cumulative basis, the order inflow of the segment for the nine-month period ended December 31, 2016 stood at ₹ 2629 crore, registering a modest growth of 1% y-o-y. International orders constituted 23% of the total order inflow of the segment during the nine-month period ended December 31, 2016.

The Order Book of the Segment stood at ₹ 15684 crore as on December 31, 2016.

The segment EBIDTA margin for the quarter ended December 31, 2016 was lower at 1.5% vis-à-vis 5.4% recorded in the corresponding quarter of the previous year, reflecting the mix and stage of completion of jobs under execution.

Heavy Engineering Segment

Heavy Engineering Segment recorded customer revenue of ₹ 798 crore registering a y-o-y decrease of 8%, on account of deferral in award of targeted orders and tapering opening order book. International Revenue constituted 42% of the total customer revenue of the segment.

Heavy Engineering Segment secured fresh orders valued ₹ 601 crore during the quarter ended December 31, 2016, recording a y-o-y increase of 80% on a low base. International orders constituted 9% of the total order inflow of the segment during the quarter.

The Order Book of the Segment stood at ₹ 7494 crore as on December 31, 2016.

The EBIDTA margin of the segment improved significantly to 20.3% for the quarter ended December 31, 2016, on the back of better execution progress and cost savings vis-à-vis low margin of 1.5% impacted by cost and time overruns during the corresponding quarter of the previous year.

Electrical & Automation (E&A) Segment

E&A Segment recorded customer revenue of ₹ 1282 crore during the quarter ended December 31, 2016, registering a marginal growth of 1% y-o-y. Revenue accrual during the quarter was impacted, due to non-receipt of orders by Metering and Protection Systems business and delayed international order inflows. International Revenue constituted 27% of the total customer revenue of the segment for the quarter ended December 31, 2016.

The EBIDTA margin of the E&A Segment strengthened to 15.7% for the quarter ended December 31, 2016, recording an increase over 11.1% earned during the corresponding quarter of the previous year driven by favourable product mix and improved operational efficiencies.

The Order Book of the Segment registered a y-o-y decline of 2% and stood at ₹ 3300 crore as on December 31, 2016.

Hydrocarbon Segment

Hydrocarbon Segment achieved customer revenue of ₹ 2398 crore for the quarter ended December 31, 2016, registering a y-o-y growth of 14% over the corresponding period of the previous year. International revenue constituted 52% of the total customer revenue of the segment for the quarter ended December 31, 2016.

Hydrocarbon Segment secured fresh orders valued ₹ 2638 crore during the quarter ended December 31, 2016, taking the total order intake for the nine months ended December 31, 2016 to ₹ 11249 crore, which more than doubled on y-o-y basis. International orders during nine months ended December 31, 2016 constituted 74% of the total order inflow of the segment.

The Order Book of the Segment registered a y-o-y growth of 57% and stood at ₹ 20375 crore as on December 31, 2016.

Hydrocarbon segment recorded improvement in the EBIDTA margin at 7.8% for the quarter October to December 2016 vis-à-vis 1.5% recorded in the corresponding quarter of the previous year, as jobs under execution gained momentum. Legacy international jobs, which had impacted margins in the previous year, have been substantially closed out.

IT & Technology Services (IT&TS) Segment

IT & Technology Services Segment achieved customer revenue of ₹ 2454 crore during the quarter ended December 31, 2016, registering a y-o-y growth of 9%. International Revenue constituted 93% of the total customer revenue of the segment for the quarter ended December 31, 2016.

The EBIDTA margin of the IT&TS Segment was 21.5% for the quarter ended December 31, 2016 vis-à-vis 22.1% for the corresponding quarter of the previous year.

Developmental Projects Segment

Developmental Projects Segment registered customer revenue of ₹ 905 crore during the quarter ended December 31, 2016, vis-à-vis ₹ 1485 crore recorded in the corresponding quarter of the previous year.

The EBIDTA margin of the Developmental Projects Segment for the quarter ended December 31, 2016 stood at negative 10.6% vis-à-vis positive 5.8% earned during the corresponding quarter of the previous year due to provisioning towards certain disputed receivables.

Financial Services Segment

Financial Services Segment recorded customer revenue of ₹ 2108 crore during the quarter ended December 31, 2016, registering a y-o-y growth of 11%, driven by growth in loan assets and disbursements mainly in Microfinance & Housing finance and Wholesale Finance.

The PAT of the Financial Services Segment for the quarter ended December 31, 2016 at ₹ 123 crore was higher by 40% y-o-y compared to ₹ 88 crore recorded in the corresponding quarter of the previous year.

“Others” Segment

“Others” segment comprises Metallurgical & Material Handling Systems, Realty, Shipbuilding, Construction & Mining Equipment and Industrial Machinery & Product businesses.

Customer Revenue of “Others” Segment during the quarter ended December 31, 2016 at ₹ 2242 crore registered a moderate increase of 3% over the corresponding quarter of the previous year on the back of weak demand. International Revenue constituted 23% of the total customer revenue of the segment.

The segment margin for the quarter declined to 15.8% as compared to margin of 17.4% earned in the corresponding quarter of the previous year.

Outlook

Global economic revival hinges on the outcome of post Brexit events in the UK, change in the economic policy stance in the US, political developments in some of the major European countries and China’s policy responses to slowdown. Recovery of commodity prices and oil price uptick have provided a positive twist to the global economic revival predictions.

Domestic growth appears to take longer time as investment momentum remains weak and the banking system is burdened by debt overhang. Government’s initiatives to curb the parallel economy and make a transition to cashless economy has caused disruption whose impact on the business sentiment is yet to be conclusively assessed. The challenging business conditions are expected to continue in the next few quarters until the government moves to lift growth thru’ infra spend and tax reforms take effect.

The Company's focus would be on selective pursuit of opportunities, working capital reduction, cost optimization thru' supply chain efficiencies and productivity enhancement thru' digitalization initiatives. Aided by these initiatives, the Company is hopeful of a satisfactory performance given the current business environment.

Background

Larsen & Toubro is an Indian multinational engaged in technology, engineering, construction, manufacturing and financial services with over USD 16 billion in revenue. It operates 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 : L9999MH1040PLC004768

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2016

₹ Crore

Particulars	Quarter ended			Nine months ended		Year Ended
	December 31,	September 30,	December 31,	December 31,	December 31,	March 31,
	2016	2016	2015	2016	2015	2016 (Audited)
1 (a) Gross Sales/Revenues from operations	26018.15	24923.98	25591.00	72660.72	68433.28	101066.21
(b) Other Operational Income	268.83	98.27	337.07	522.27	668.59	909.13
Total Income from Operations (a + b)	26286.98	25022.25	25928.07	73182.99	69099.85	101975.34
2 Expenses:						
a) Manufacturing, construction and operating expenses:						
i) Consumption of raw materials, components and stores, spares & tools	3843.30	4554.91	4225.64	12475.80	11439.14	15676.85
ii) Sub-contracting charges	5148.40	4879.47	5238.40	13589.69	12969.44	19548.75
iii) Construction materials consumed	6125.78	4172.03	5644.82	13870.37	14037.40	21384.20
iv) Purchases of stock-in-trade	385.20	329.81	339.54	1025.88	958.42	1333.44
v) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(858.98)	24.85	(372.68)	(1013.91)	(1012.44)	(514.87)
vi) Other manufacturing, construction and operating expenses	2839.65	2520.55	2505.08	7475.37	6974.97	9993.02
b) Finance cost of financial services business and finance lease activity	1332.42	1355.04	1212.34	4021.76	3625.75	4967.11
c) Employee benefits expense	3496.51	3436.50	3417.12	10353.05	9901.74	13325.01
d) Sales, administration and other expenses	1652.00	1451.92	1591.77	4672.97	4323.93	5876.72
e) Depreciation, amortisation, impairment and obsolescence	722.29	460.15	367.97	1647.23	1362.36	1786.73
Total expenses	24486.57	23185.23	24170.00	68117.91	64580.71	93376.96
3 Profit from operations before other income, finance costs and exceptional items (1-2)	1800.41	1837.02	1758.07	5065.08	4519.14	8598.38
4 Other income	256.83	469.71	241.03	1028.85	845.92	981.94
5 Profit before finance costs and exceptional items (3+4)	2057.24	2306.73	1999.10	6093.93	5365.06	9580.32
6 Finance costs	378.77	339.61	404.26	1043.21	1215.68	1654.92
7 Profit after finance costs but before exceptional items (5-6)	1678.47	1967.12	1594.84	5050.72	4149.38	7925.40
8 Exceptional items	-	402.43	-	402.43	45.69	94.22
9 Profit before tax (7+8)	1678.47	2369.55	1594.84	5453.15	4195.07	8019.62
10 Tax Expense	439.85	680.71	512.37	1669.38	1475.32	2430.84
11 Not Profit after tax (9-10)	1238.62	1688.84	1082.47	3783.77	2719.75	5588.78
12 Share in profit/(loss) of joint ventures / associates (net)	(148.41)	(156.69)	(294.21)	(478.66)	(667.38)	(900.16)
13 Adjustments for non-controlling interest in subsidiaries	(117.74)	(97.52)	(87.92)	(288.47)	(164.70)	(319.56)
14 Net Profit after tax, non-controlling interest and share in profit/(loss) of joint ventures / associates (11+12+13) (PAT)	972.47	1434.63	700.34	3016.64	1897.67	4279.06
15 Other comprehensive income	(160.53)	78.20	67.62	(197.95)	(95.98)	155.92
16 Total Income [including other comprehensive income] (14+15)	811.94	1512.83	767.96	2818.69	1801.69	4434.98
17 Paid-up equity share capital (face value of share: ₹ 2 each)	186.54	186.47	186.24	186.54	186.24	186.30
18 Other Equity attributable to shareholders						44268.19
19 Earnings per share (EPS) of ₹ 2 each (Not annualised):						
(a) Basic EPS (₹)	10.43	15.39	7.52	32.36	20.39	45.07
(b) Diluted EPS (₹)	10.40	15.34	7.49	32.25	20.29	45.76

See accompanying notes to the financial results

Notes:

- (i) The above results are in compliance with Indian Accounting Standards (IND AS) notified by the Ministry of Corporate Affairs. The results for the previous periods have been restated as per IND AS and are comparable on like-to-like basis.
- (ii) Statement of reconciliation of net PAT under IND AS and net PAT reported under previous Indian GAAP (IGAAP) for the previous periods:

Sr. No.	Particulars	Net PAT reconciliation		
		Quarter ended	Nine months	Year ended
		December 31, 2015	ended December 31, 2015	March 31, 2016
	Net Profit after Tax as per previous IGAAP	1034.80	2636.89	5090.53
1	Impact of provision for expected credit loss	6.62	(215.68)	13.83
2	Gain on divestment of stake in subsidiary directly taken to other equity	-	(263.88)	(263.88)
3	Provision for employee benefits based on constructive obligations	(35.08)	78.09	(37.44)
4	Impact of fair valuation of investments	(183.42)	(61.95)	(147.22)
5	Increase in borrowing cost pursuant to application of Effective Interest Rate method	(27.29)	(77.06)	(88.42)
6	Reclassification of net actuarial (gain)/loss on employee defined benefit obligations to other comprehensive income	(7.24)	(15.67)	13.88
7	Increase in borrowing cost due to initial fair valuation of long term financial liabilities	(89.15)	(216.80)	(304.74)
8	Others	(29.01)	5.03	10.69
9	Deferred and current taxes	10.11	28.70	(8.17)
	Net Profit after tax (before other comprehensive income) as per IND AS	700.34	1897.67	4279.06

- (iii) The Company reports consolidated financial results on quarterly basis, pursuant to the option made available as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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 nine months ended December 31, 2016 are given below:

Particulars	Quarter ended			Nine months ended		Year ended
	December 31,	September 30,	December 31,	December 31,	December 31,	March 31,
	2016	2016	2015	2016	2015	2016 (Audited)
Total Income from Operations	15946.20	14705.48	15868.18	42801.70	41547.24	63812.65
Profit before tax	1226.90	3004.89	067.56	5018.08	3260.56	6256.62
Net Profit after tax	934.18	2718.74	801.27	4199.66	2608.50	4999.58

- (iv) During the quarter ended December 31, 2016, the Company has allotted 3,42,722 equity shares of ₹ 2 each fully paid-up on exercise of stock options by employees, in accordance with the Company's stock option schemes.
- (v) Figures for the previous periods have been re-grouped/re-classified to conform to the figures of the current periods.
- (vi) The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 28, 2017. The same have also been subjected to Limited Review by the Statutory Auditors.

for LARSEN & TOUBRO LIMITED

A.M. NAIK
Group Executive Chairman

Mumbai
January 28, 2017



Unaudited Consolidated Segment-wise Revenue, Result, Assets and Liabilities in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Particulars	₹ Crore					
	Quarter ended			Nine months ended		Year ended
	December 31, 2016	September 30, 2016	December 31, 2015	December 31, 2016	December 31, 2015	March 31, 2016 (Audited)
Gross segment revenue						
1 Infrastructure	12735.40	11596.91	12121.55	33619.85	31803.53	50558.34
2 Power	1632.96	1744.62	2116.46	5100.24	4535.18	6426.80
3 Heavy Engineering	870.33	808.20	929.30	2412.29	2195.40	3255.87
4 Electrical & Automation	1355.63	1251.79	1350.96	3688.64	3783.24	5401.30
5 Hydrocarbon	2402.28	2500.65	2118.43	7048.62	6168.87	8618.25
6 IT & Technology Services	2502.33	2461.67	2305.79	7338.92	6639.30	9014.59
7 Financial Services	2108.02	2140.02	1898.93	6338.77	5571.69	7695.00
8 Developmental Projects	905.05	1072.62	1490.99	3360.80	3775.04	4620.02
9 Others	2434.30	2192.71	2306.72	6445.07	6815.77	9720.42
Total	26946.30	25769.19	26639.13	75353.20	71288.02	105310.59
Less: Inter-segment revenue	659.32	746.94	711.06	2170.21	2188.17	3335.25
Net segment revenue	26286.98	25022.25	25928.07	73182.99	69099.85	101975.34
Segment result [Profit/(Loss) before interest and tax]						
1 Infrastructure	879.33	644.95	778.87	2203.42	2177.87	4990.54
2 Power	11.90	41.24	104.27	142.28	146.40	112.84
3 Heavy Engineering	126.17	80.00	(11.82)	273.22	(93.23)	(97.51)
4 Electrical & Automation	150.30	123.08	99.33	309.46	242.60	433.06
5 Hydrocarbon	148.42	142.64	(4.55)	300.41	(6.52)	(95.01)
6 IT & Technology Services	464.70	450.50	443.02	1370.17	1151.93	1584.30
7 Financial Services	236.71	360.64	279.23	839.24	740.49	1304.26
8 Developmental Projects	(109.95)	106.66	72.47	94.66	145.11	238.56
9 Others	16.27	65.47	287.28	9.74	679.91	989.49
Total	1923.85	2015.18	2048.10	5542.60	5184.56	9460.53
Less: Inter-segment margins on capital jobs	0.13	1.57	9.58	9.92	13.17	62.15
Less: Interest expenses	378.77	339.61	404.26	1043.21	1215.68	1654.92
Add: Unallocable corporate income net of expenditure	133.52	695.55	(39.42)	963.68	239.36	276.16
Profit Before Tax	1678.47	2369.55	1594.84	5453.15	4195.07	8019.62
Segment assets						
1 Infrastructure				48244.74	41864.62	46912.79
2 Power				7018.33	6857.44	7967.27
3 Heavy Engineering				4948.28	5660.53	5143.32
4 Electrical & Automation				4365.93	4351.40	4472.16
5 Hydrocarbon				5637.39	6134.56	6064.34
6 IT & Technology Services				5435.06	4589.99	4475.44
7 Financial Services				67273.45	61318.61	64090.99
8 Developmental Projects				26527.27	25109.02	25408.10
9 Others				18875.76	19426.10	19374.38
Total segment assets				188326.21	175312.27	183908.79
Less: Inter Segment assets				2960.62	1757.75	1845.44
Add: Unallocable corporate assets				18154.73	13120.28	12684.18
Total Assets				203520.32	186674.80	194747.53
Segment liabilities						
1 Infrastructure				30647.23	26150.93	30380.00
2 Power				6604.41	6468.59	7382.07
3 Heavy Engineering				3314.83	3775.21	3482.34
4 Electrical & Automation				1830.29	1772.13	1774.34
5 Hydrocarbon				5612.55	4427.68	4488.36
6 IT & Technology Services				1737.92	1689.36	1606.85
7 Financial Services				59977.87	54579.90	56954.86
8 Developmental Projects				10070.57	8478.16	8548.17
9 Others				6543.60	6742.10	6879.29
Total segment liabilities				126339.27	114084.06	121496.28
Less: Inter Segment liabilities				2960.62	1757.75	1845.44
Add: Unallocable corporate liabilities				29784.33	29915.69	27931.50
Total Liabilities				153162.98	142242.00	147582.34

- Notes:**
- (I) The Company has reported segment information as per Indian Accounting Standard 108 "Operating Segments" (IND AS 108) read with SEBI's circular dated July 5, 2016. The identification of operating segments is consistent with performance assessment and resource allocation by the management.
- (II) Segment composition: **Infrastructure segment** comprises engineering and construction of building and factories, transportation infrastructure, heavy civil infrastructure, power transmission & distribution and water, smart world and communication 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. **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 (upto the date of sale), 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. Based on internal organisational restructuring and the threshold for reportable segment, Metallurgical & Material Handling systems segment which was hitherto voluntarily reported as a separate reportable segment has been reclassified and reported under "Others" segment. **Others segment** includes metallurgical & material handling systems, 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 (upto the date of sale), 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 corporate expenses not allocated to segments. 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

DELOITTE HASKINS & SELLS LLP
Chartered Accountants
Indiabulls Finance Centre, Tower 3
27th – 32nd Floor, Senapati Bapat Marg
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SHARP & TANNAN
Chartered Accountants
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194, Churchgate Reclamation
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Mumbai 400 020.

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

**TO THE BOARD OF DIRECTORS OF
LARSEN & TOUBRO LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **LARSEN & TOUBRO LIMITED** (the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group"), and its share of the profit/ (loss) of its joint ventures and associates for the quarter and nine months ended December 31, 2016 (the "Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Parent's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", 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 Statement is free of material misstatement. A review is limited primarily to inquiries of Parent's 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. The Statement includes the results of the entities listed in **Annexure A**.
4. The consolidated unaudited financial results includes the interim financial information/ results of 14 subsidiaries which have not been reviewed by us whose interim financial information/ results reflect total revenues of ₹ 3,627.39 crore and ₹ 10,108.17 crore for the quarter and nine months ended December 31, 2016, respectively, and total profit (net) after tax of ₹ 161.73 crore and ₹ 314.09 crore and total comprehensive income (net) of ₹ 106.20 crore and ₹ 218.15 crore for the quarter and nine months ended December 31, 2016, respectively, as reported by the respective subsidiaries companies and which have been considered in the consolidated unaudited financial results.

The consolidated unaudited financial results also includes the Group's share of loss (net) after tax of ₹ 132.56 crore and ₹ 344.03 crore and total comprehensive loss (net) of ₹ 132.56 crore and ₹ 344.03 crore for the quarter and nine months ended December 31, 2016, respectively, as reported by the respective joint venture and associate companies and which have been considered in the consolidated unaudited financial results, in respect of 3 joint ventures, whose interim financial information/ results have not been reviewed by us.

These interim financial information/ results have been reviewed by other auditors whose reports have been furnished to us by the management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, is based solely on the reports of the other auditors.

The above includes 9 subsidiaries and 1 joint venture which are located outside India whose financial information/ results have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under generally accepted auditing standards applicable in their respective countries. The parent company's management has converted the financial information/ results of such subsidiaries and joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the parent company's management. Our opinion in so far as it relates to the amount and disclosure included in respect of said subsidiaries, joint ventures and associates located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the parent company and reviewed by us.



5. Based on our review conducted as stated above and based on the consideration of the reports of the other auditors referred to in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The consolidated unaudited financial results includes the interim financial information/ results of 60 subsidiaries which have not been reviewed by their auditors, whose interim financial information/ results reflect total revenue of ₹ 453.37 crore and ₹ 1,491.57 crore for the quarter and nine months ended December 31, 2016, respectively, and total profit/ (loss) (net) after tax of ₹ 18.75 crore and ₹ (45.74) crore and total comprehensive income/ loss (net) of ₹ 36.83 crore and ₹ (22.97) crore for the quarter and nine months ended December 31, 2016, respectively, as considered in the consolidated unaudited financial results.

The consolidated unaudited financial results also includes the Group's share of profit (net) after tax of ₹ 11.24 crore and ₹ 27.11 crore and total comprehensive income (net) of ₹ 11.22 crore and ₹ 27.07 crore for the quarter and nine months ended December 31, 2016, respectively, as considered in the consolidated unaudited financial results, in respect of 8 joint ventures and 7 associates, based on their interim financial information/ results which have not been reviewed by their auditors.

These interim financial information/ results have been furnished to us by the Management and our report on the consolidated financial results, in so far as it relates to amounts and disclosures included in respect of these subsidiaries, joint ventures and associates is solely on such financial information/ results certified by Management. In our opinion and according to the information and explanation given to us by the Management, these financial results are not material to the Group.

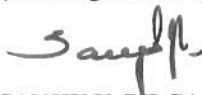
Our report on the Statement is not modified in respect of our reliance on the interim financial information/ results certified by the Management.

7. The comparative financial information for the quarter and nine months ended December 31, 2015 in respect of 11 subsidiaries, 2 joint ventures and 1 associates included in this statement prepared in accordance with the Indian Accounting Standards ("Ind AS") have been reviewed by other auditors and have been relied upon by us.

The statement also includes the comparative financial information for the quarter and nine months ended December 31, 2015 in respect of 62 subsidiaries, 10 joint ventures and 10 associates included in this statement prepared in accordance with Ind AS which have not been reviewed by their auditors. In our opinion and according to the information and explanations given to us by the Management, these financial information/ results are not material to the Group.

Our report is not qualified in respect of these matters.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm Registration No. 117366W/W-100018)



SANJIV V. PILGAONKAR
(Partner)
(Membership No. 39826)

For SHARP & TANNAN
Chartered Accountants
(Firm Registration No. 109982W)



FIRDOSH D. BUCHIA
(Partner)
(Membership No. 38332)

Mumbai, January 28, 2017



Annexure A:

Sr. No	Name of the Entities:
	Subsidiaries:-
1	L&T Cutting Tools Limited
2	Bhilai Power Supply Company Limited
3	Spectrum Infotech Private Limited
4	L&T-Valdel Engineering Limited
5	L&T Shipbuilding Limited
6	L&T Electricals and Automation Limited
7	Hi-Tech Rock Products & Aggregates Limited
8	L&T Seawoods Limited
9	Kesun Iron & Steel Company Private Limited
10	Ewac Alloys Limited
11	L&T Geostructure LLP
12	L&T Valves Limited
13	L&T Realty Limited
14	L&T Asian Realty Project LLP
15	L&T Parel Project LLP
16	Chennai Vision Developers Private Limited
17	L&T South City Projects Limited
18	L&T Vision Ventures Limited
19	L&T Power Limited
20	L&T Cassidian Limited
21	L&T Aviation Services Private Limited
22	Larsen & Toubro Infotech Limited
23	L&T Finance Holdings Limited
24	L&T Housing Finance Limited
25	Family Credit Limited
26	L&T Finance Limited
27	L&T Capital Markets Limited
28	L&T Investment Management Limited
29	L&T Mutual Fund Trustee Limited
30	L&T FinCorp Limited
31	L&T Infrastructure Finance Company Limited
32	L&T Infra Debt Fund Limited
33	L&T Infra Investment Partners Advisory Private Limited
34	L&T Infra Investment Partners Trustee Private Limited
35	L&T Financial Consultants Limited (Formerly known as L&T Vrindavan Properties Limited)
36	L&T Access Distribution Services Limited
37	Mudit Cement Private Limited
38	L&T Capital Company Limited



Sr. No	Name of the Entities:
39	L&T Trustee Company Private Limited
40	L&T Power Development Limited
41	L&T Uttaranchal Hydropower Limited
42	L&T Arunachal Hydropower Limited
43	L&T Himachal Hydropower Limited
44	Nabha Power Limited
45	L&T Metro Rail (Hyderabad) Limited
46	L&T Technology Services Limited
47	L&T Construction Equipment Limited
48	L&T Infrastructure Engineering Limited
49	L&T Thales Technology Services Private Limited
50	L&T Hydrocarbon Engineering Limited
51	Sahibganj Ganges Bridge-Company Private Limited
52	Seawoods Retail Private Limited
53	Seawoods Realty Private Limited
54	Larsen & Toubro LLC
55	Larsen & Toubro Infotech GmbH
56	Larsen & Toubro Infotech Canada Limited
57	Larsen & Toubro Infotech LLC
58	L&T Infotech Financial Services Technologies Inc.
59	Larsen & Toubro Infotech South Africa (PTY) Limited
60	L&T Information Technology Services (Shanghai) Co. Ltd.
61	L&T Realty FZE
62	Larsen & Toubro International FZE
63	Larsen & Toubro Hydrocarbon International Limited LLC
64	Thalest Limited
65	Servowatch Systems Limited
66	Larsen & Toubro (Oman) LLC
67	L&T Modular Fabrication Yard LLC
68	Larsen & Toubro (East Asia) Sdn.Bhd
69	Larsen & Toubro Qatar LLC
70	L&T Overseas Projects Nigeria Limited
71	PT Larsen & Toubro Hydrocarbon Engineering Indonesia
72	L&T Electricals & Automation Saudi Arabia Company LLC
73	Larsen & Toubro Kuwait Construction General Contracting Company, WLL
74	Larsen & Toubro Readymix & Asphalt Concrete Industries LLC
75	Larsen & Toubro Saudi Arabia LLC
76	Larsen Toubro Arabia LLC
77	Larsen & Toubro ATCO Saudia LLC
78	Tamco Switchgear (Malaysia) Sdn Bhd
79	Henikwon Corporation Sdn Bhd
80	Tamco Electrical Industries Australia Pty Ltd.
81	PT Tamco Indonesia
82	Larsen & Toubro Heavy Engineering LLC



Sr. No	Name of the Entities:
83	L&T Electrical & Automation FZE
84	Kana Controls General Trading & Contracting Company W.L.L.
85	Larsen & Toubro T&D SA (Proprietary) Limited
86	L&T Technology Services LLC
87	L&T Infotech Austria GmbH LLC
88	Marine Infrastructure Developer Private Limited
89	L&T Global Holdings Limited
90	L&T Information Technology Spain SL
91	AugmentIQ Data Sciences Private Limited
92	Consumer Financial Services Limited#
93	L&T General Insurance Company Limited*
	Joint Ventures:-
1	L&T Transportation Infrastructure Limited
2	PNG Tollway Limited
3	Larsen & Toubro Electromech LLC
4	L&T Howden Private Limited
5	L&T Sapura Shipping Private Limited
6	L&T Sapura Offshore Private Limited
7	L&T-Gulf Private Limited
8	L&T-MHPS Boilers Private Limited
9	L&T-MHPS Turbine Generators Private Limited
10	Raykal Aluminium Company Private Limited
11	L&T Special Steels and Heavy Forgings Private Limited
12	L&T Kobelco Machinery Private Limited
13	L&T-Sargent & Lundy Limited
14	Indiran Engineering Projects and Systems Kish PJSC
15	L&T Infrastructure Development Private Limited
	Associates:-
1	L&T-Chiyoda Limited
2	Gujarat Leather Industries Limited @
3	Larsen & Toubro Qatar & HBK Contracting LLC
4	L&T Camp Facilities LLC
5	Feedback Infra Private Limited
6	Magtorq Private Limited
7	Grameen Capital India Limited

* Sold during the period.

The Company is merged during the period with effect from April 01, 2015.

@ The Company is under liquidation.

