

SEC/PAM/2016

November 28, 2016

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
---	--

Dear Sir,

Sub.: Investor Presentation

Pursuant to Regulation 46(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a copy of updated Investor Presentation, which will be uploaded to our Investor Website <http://investors.larsentoubro.com/>

We request you to take note of the same.

Thanking you,

Yours faithfully,
for LARSEN & TOUBRO LIMITED



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

Encl : as above

Larsen & Toubro

Investor Presentation - Q2 / H1 FY17

November 22, 2016



Disclaimer

This presentation contains certain forward looking statements concerning L&T's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements.

The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and the target countries for exports, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions with respect to investments, fiscal deficits, regulations, etc., interest and other fiscal costs generally prevailing in the economy. Past performance may not be indicative of future performance.

The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the company.

Presentation Outline



L&T Overview



Business Overview



Group Performance



Sectoral opportunities & Outlook

Presentation Outline



L&T Overview



Business Overview



Group Performance



Sectoral opportunities & Outlook

L&T - At a Glance

India's largest E&C company with interests in Projects, Infrastructure Development, Manufacturing, IT & Financial Services



**Professionally
Managed
Company**



**FY 16 Group
Revenues:
₹1026 Bn
(approx.
US\$ 16 Bn)**



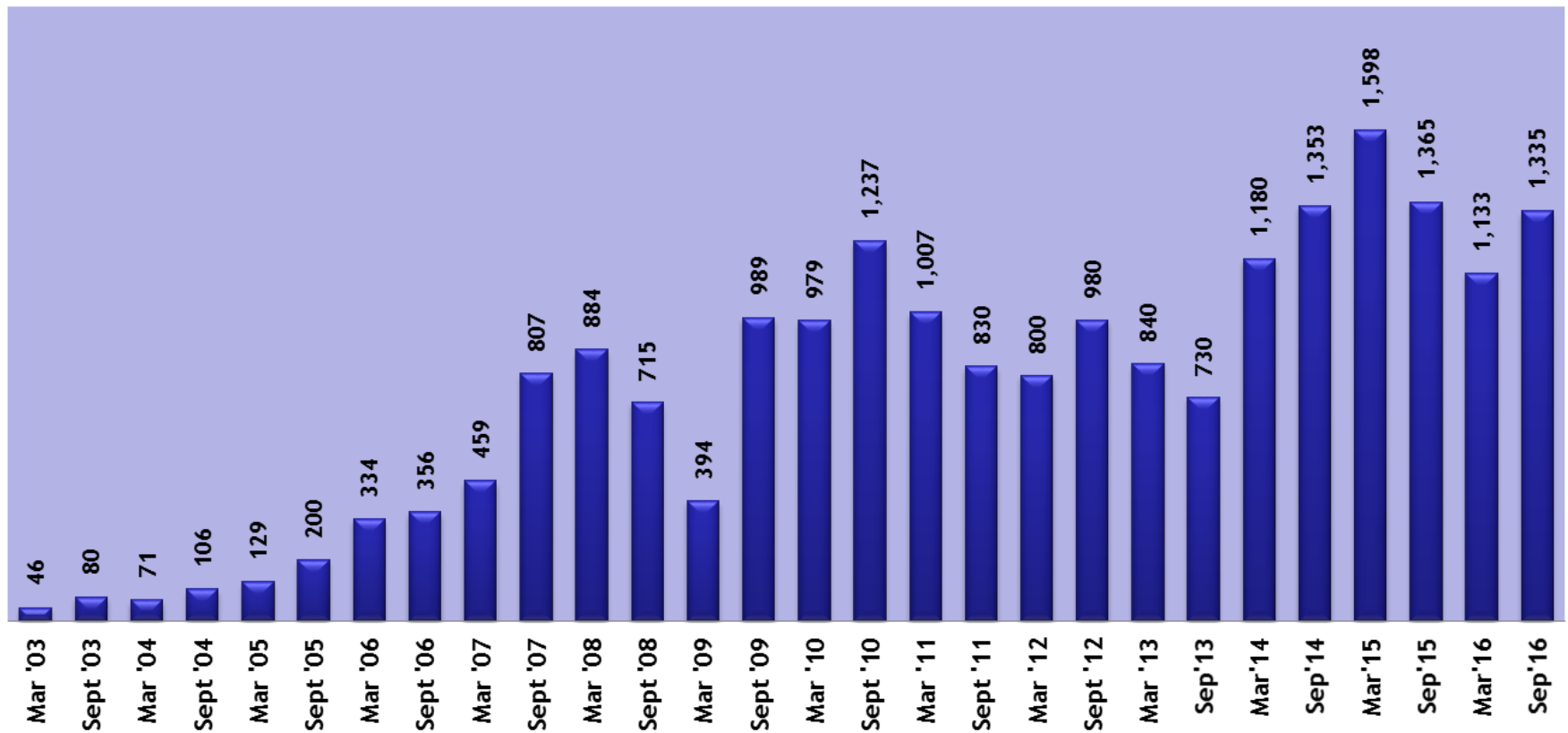
**Market Cap
(30th Sep'16):
₹1335 Bn
(approx.
US\$ 20 Bn)**



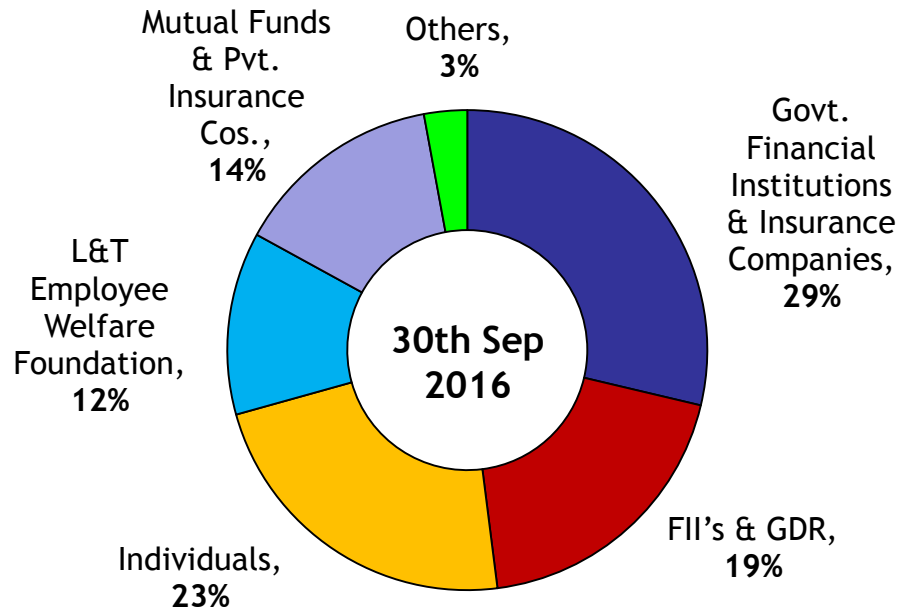
**Credit Ratings
CRISIL:
AAA/Stable
ICRA:
AAA(Stable)**

L&T - At a Glance

L&T Market Cap (Amt. ₹ Bn)



L&T - Shareholding Pattern



Major Institutional Shareholders	% Shares
Life Insurance Corporation of India	16.5%
Administrator of the SUUTI	8.1%
HDFC Mutual Fund	2.5%
General Insurance Corp. of India	1.8%
ICICI Prudential Life Insurance	1.7%
Government of Singapore	1.4%
Reliance Mutual Fund	1.4%
ICICI Prudential Mutual Fund	1.2%

- Listed with BSE & NSE
- GDRs listed with LSE and LuxSE
- L&T is one of the most widely held listed companies in India
- No promoter holding
- Uninterrupted Dividend payment record since 1946; FY16 Dividend of Rs. 18.25 per share (FY15: Rs. 16.25 per share)

Experienced Management Team



A M Naik

Group Executive Chairman

- BE [Mech]
- Joined L&T in March 1965
- Diverse and vast experience in general management, Technology and E&C



S. N. Subrahmanyan

Deputy Managing Director & President

- B.SC ENGG (CIVIL), MBA (Finance)
- Joined L&T in November 1984

- Vast experience in Design & Build (D&B) Contracts, PPP Projects, Engineering and Construction Industry



R Shankar Raman

Whole-time Director & Chief Financial Officer

- B.Com, ACA, CWA
- Joined L&T Group in November 1994

- Vast experience in Finance, Taxation, Insurance, Risk Management, Legal and Investor Relations



Shailendra Roy

Whole-time Director & Sr. Executive Vice President (Power, Heavy Engg. & Defence)

- BTech
- Joined L&T in 2004

- Vast experience in Thermal Power, Heavy Engineering, Defence & Aerospace Business



D. K. Sen

Whole-time Director & Sr. Executive Vice President (Infrastructure)

- B.SC ENGG (CIVIL), MBA (Finance)
- Joined L&T in 1989

- Vast experience in Design & Engineering, Business Development, Tendering and construction



M. V. Satish

Whole-time Director & Sr. Executive Vice President (Building, Minerals & Metals)

- BE (Civil)
- Joined L&T in 1980

- Vast experience in Construction, Business Development, Contracts Management and Property Development in India and GCC region



Subramanian Sarma

Non-Executive Director

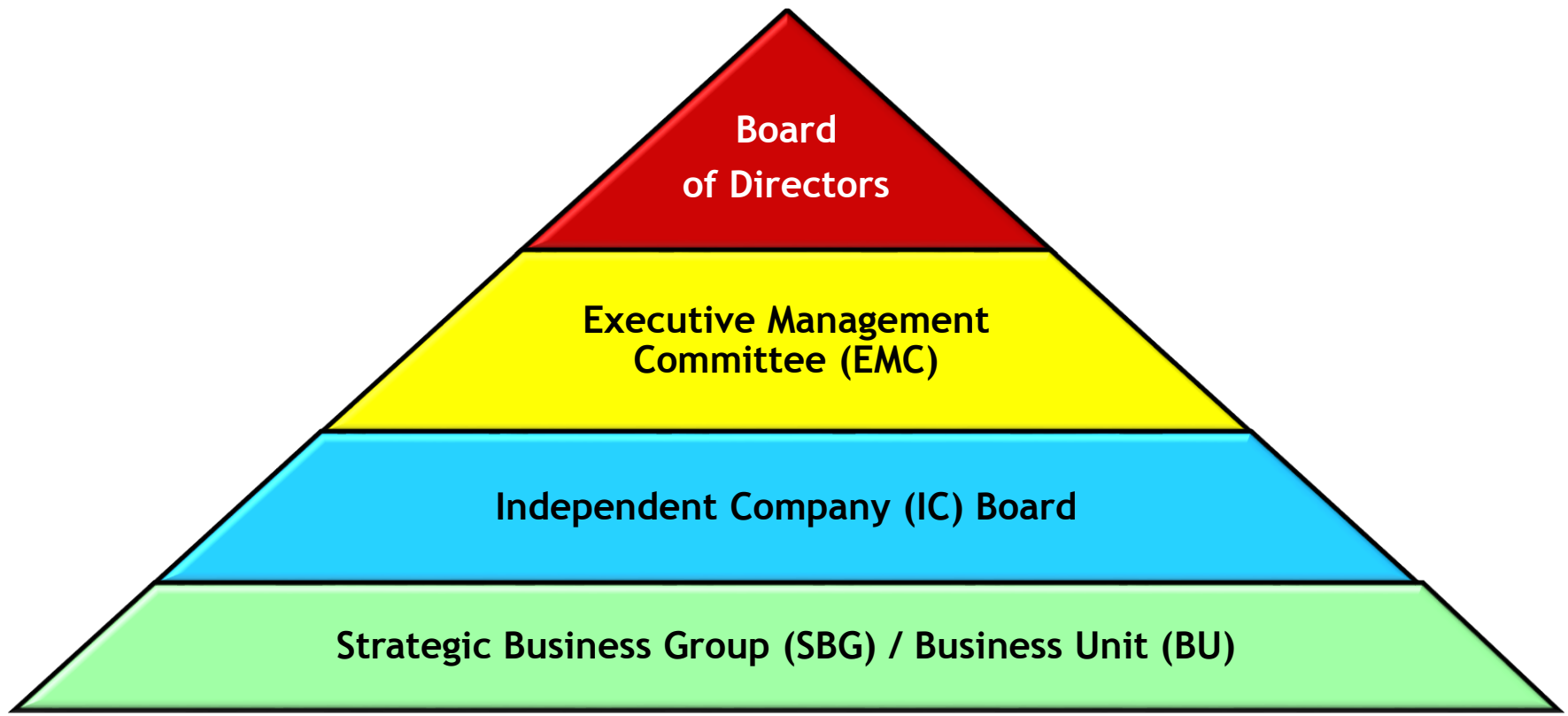
- B.Tech (Chem.), M.Tech - IIT, Mumbai
- Joined L&T Group in 2015

- Vast experience in managing large business portfolios in energy sector

Corporate Governance

L&T's essential character revolves around values based on transparency, integrity, professionalism and accountability

Four-tier Governance Structure



L&T's Sustainability Programme

Sustainability Report 2015 is a 'GRI Checked', Externally Assured, and In Accordance- Comprehensive, highest level of disclosures in public domain

Sustainability Thrust Areas

Climate Change
Carbon footprint mapping



Energy Conservation



Water Conservation



Material Management



Safety



Community



Accolades

2013 vs 2014 Rankings

Rank	Company (2014)	Rank	Company (2013)
1	M&M	1	Tata Steel
2	Tata Power Co	2	Tata Chemicals
3	Tata Steel	3	M&M
4	Larsen & Toubro	4	Maruti Suzuki India
5	Tata Chemicals	5	Tata Motors
6	Tata Motors	6	Siemens
7	GAIL (India)	7	Larsen & Toubro
8	BPCL	8	Coca-Cola India
9	Infosys	9	SAIL
10	Jubilant Life	10	Infosys

L&T Ranks among Top 5 Companies for CSR by The Economic Times



Being featured in Carbon Disclosure Leadership Index since 2009. L&T Scored 98 out of 100 in 2015 on Carbon disclosure index



Only company from India to feature in Capital goods segment of Dow Jones Sustainability - Emerging Market Index. Company's sustainability performance improved by 35 % as compared to 2014.



United nations conference on climate change
COP21/CMP11

Company's efforts to establish energy efficiency have been showcased in the form of case story in COP 21, United Nations Conference on Climate Change held in Paris in Dec 2015.

Sustainability - Environment & Social



Green Buildings
 L&T's own - 2.1 million sq. ft.
 Constructed for Clients - 43.7 million sq. ft.
 Under certification- 21.9 Million Sq. ft



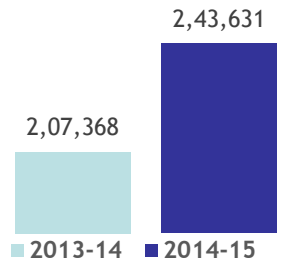
All 28 L&T Campuses are zero wastewater discharge
 8 Campuses are water positive



**New CSR Theme:
 Building India's Social Infrastructure**

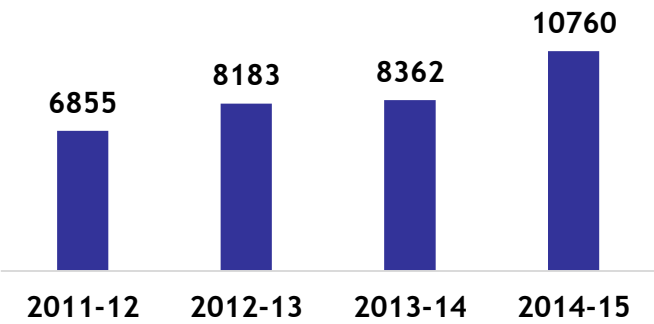
- To pursue holistic & integrated social development programs at identified locations which are most needy
- Achieved through interventions in water & sanitation, education, health and skill development

Energy Conservation (GJ)



Parameter	Values
Direct Energy Consumption (GJ/Employee)	100.68
Direct GHG Emissions (Tons/Employee)	5.63
Water Consumption (m3/employee)	153.6

**Green Product Portfolio (Cr.)
 (18.16% of overall sales) in 2014-15**



Renewable power contributes 11 % of indirect energy
 Food waste processing plants for treatment of organic waste

Aligned with

- National Action Plan on Climate Change
- UN Millennium Development Goals
- United Nations Global Compact

Presentation Outline



L&T Overview



Business Overview



Group Performance



Sectoral opportunities & Outlook

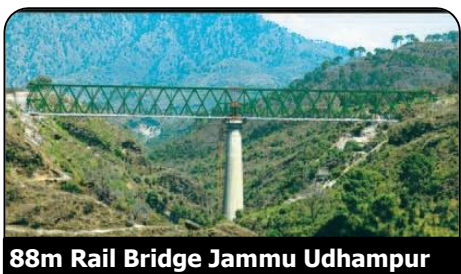
Builders to the Nation



Vizag Steel Plant



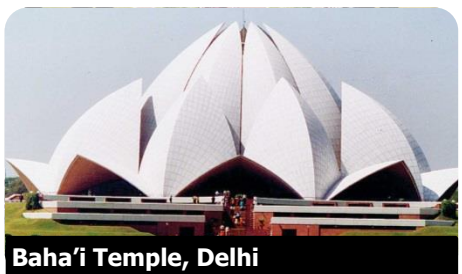
Turbine Rotor, Gujarat



88m Rail Bridge Jammu Udhampur



Wankhede Stadium, Mumbai



Baha'i Temple, Delhi



Mumbai International Airport



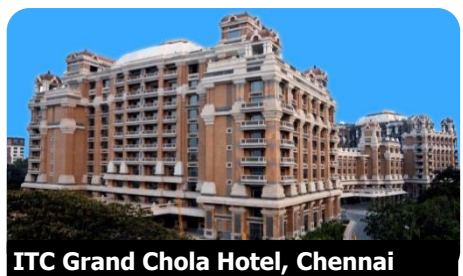
Oil & Gas Equipment



Vivekanand Bridge, Kolkata



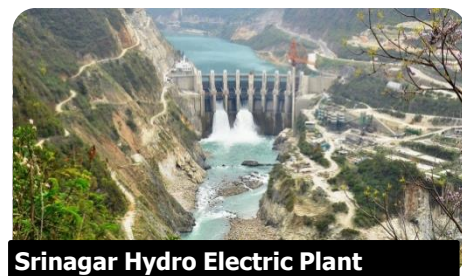
Kakrapar Nuclear Power Plant, Guj



ITC Grand Chola Hotel, Chennai



Sri Sathya sai Whitefield Hospital



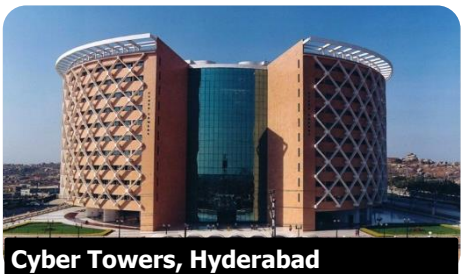
Srinagar Hydro Electric Plant



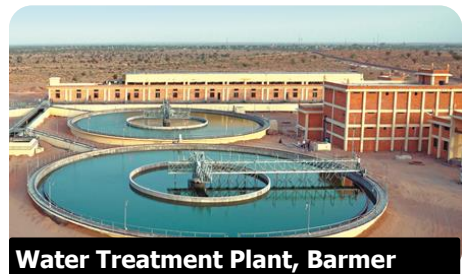
Vacuum Column, Paradip Refinery



2x384 MW CCPP, Vemagiri, A.P.



Cyber Towers, Hyderabad



Water Treatment Plant, Barmer

International Footprint - Marquee Jobs



Stadium at Barbados



Salalah Airport, Oman



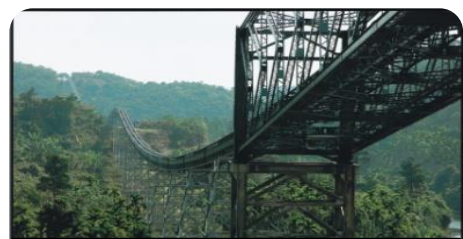
Twin Towers, Dubai Marina



NMC Speciality hospital, Abu Dhabi



Bhukara Hotel, Uzbekistan



World's Longest Conveyer, Bangladesh



Bulk Cement Terminal, Colombo



Fabrication Facility, Oman



Punatsangchu HEP, Bhutan



Sheikh Khalifa Interchange, UAE



Coal Gasifier for China



Transmission Lines, Fujirah, Dhaid



Water Treatment Plant, Doha



Petronas Refinery, Malaysia



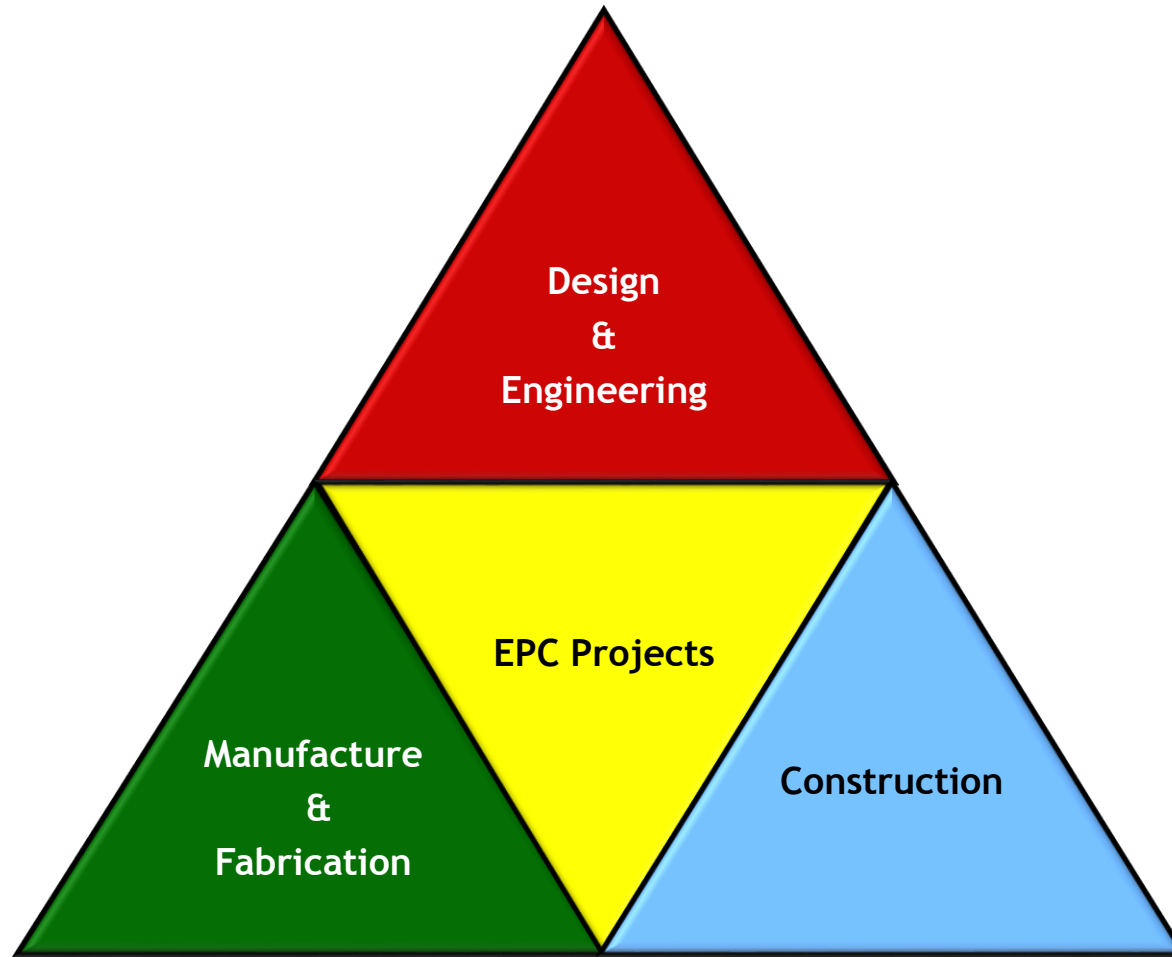
Bi-metallic Urea Stripper for Saudi



MV Switchgear Factory, Malaysia

E&C Delivery Platform

One of Asia's largest vertically integrated E&C Companies



Single point responsibility for turnkey solutions

Quality Customer Mix



Multiple Alliances & Joint Ventures

Alliances



Pre qualifications

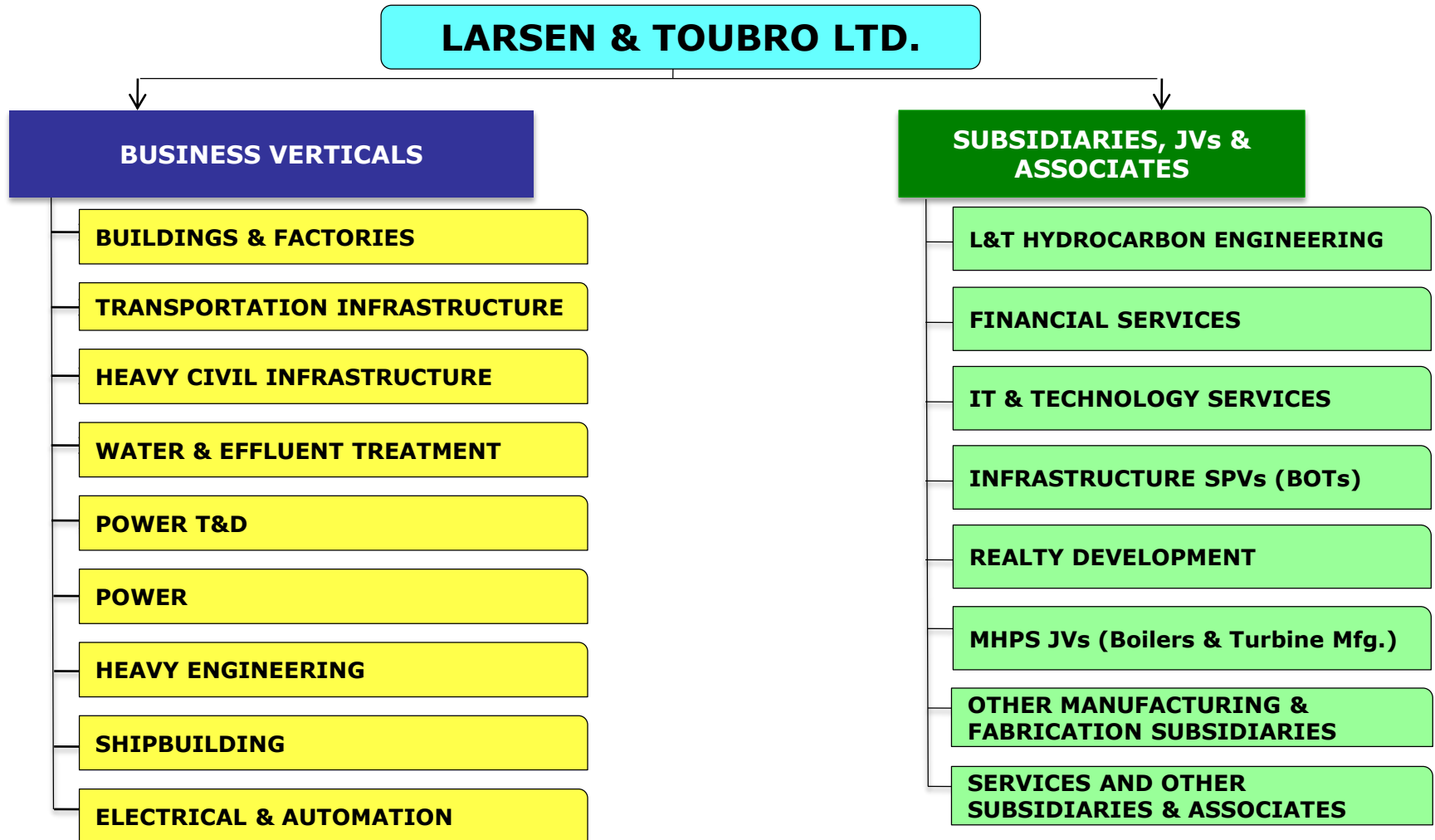


Joint Ventures



Note: Some of these are project specific alliances & pre qualifications

L&T's Business Structure



Presentation Outline

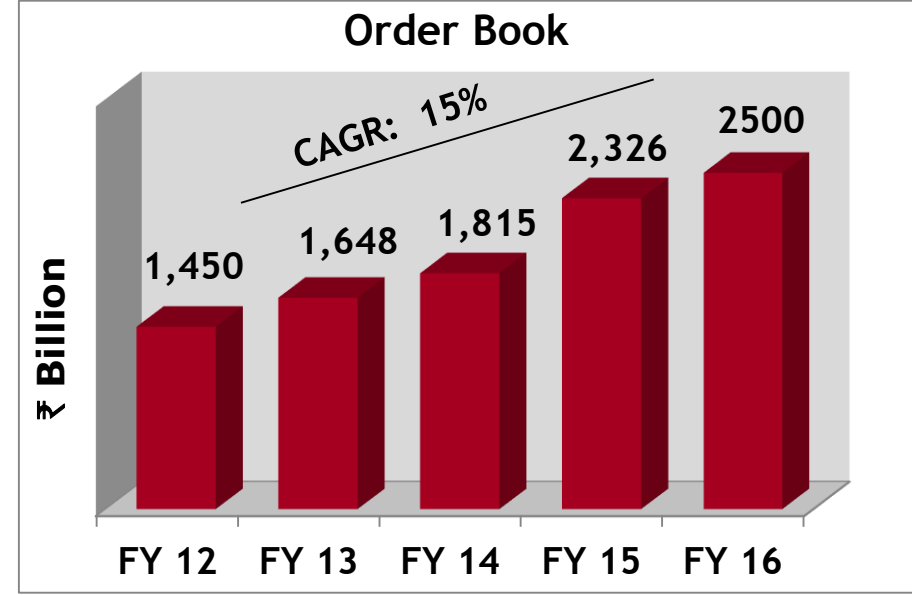
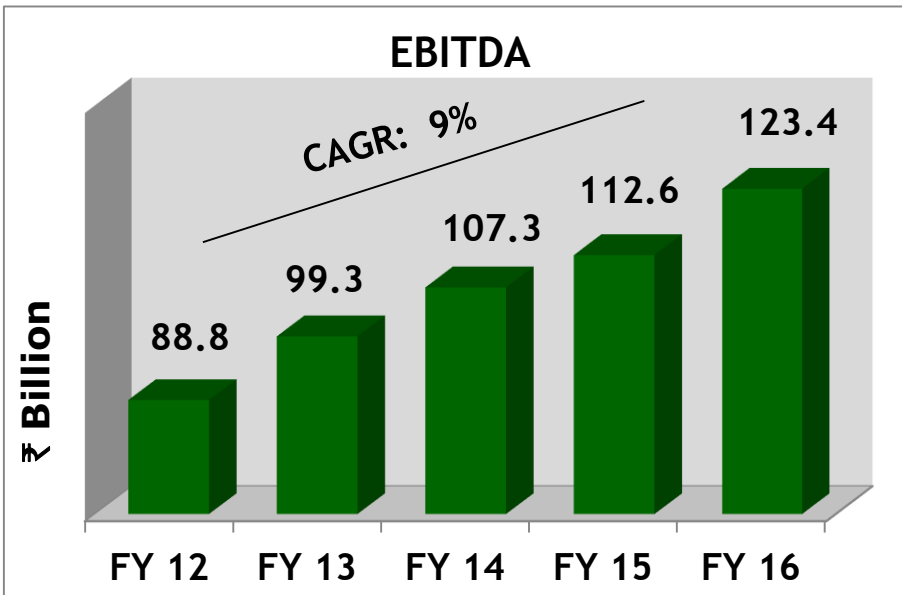
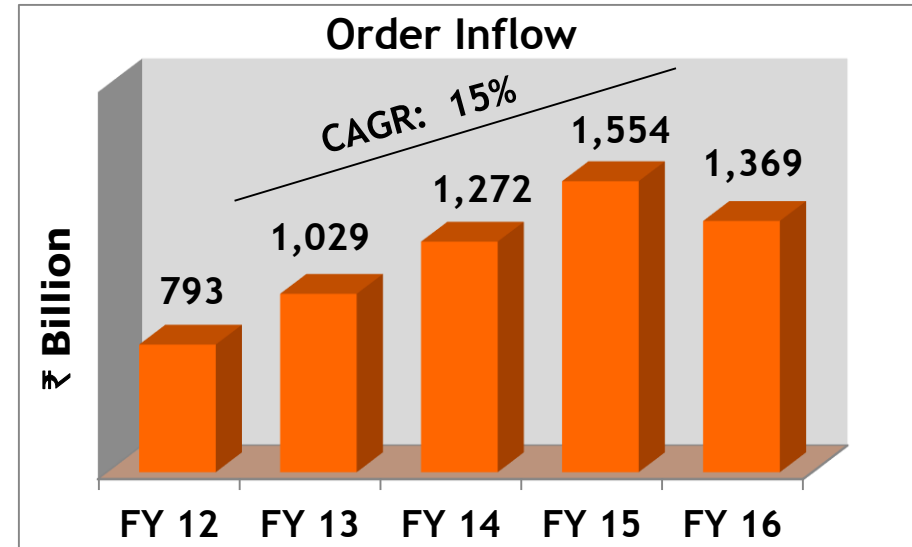
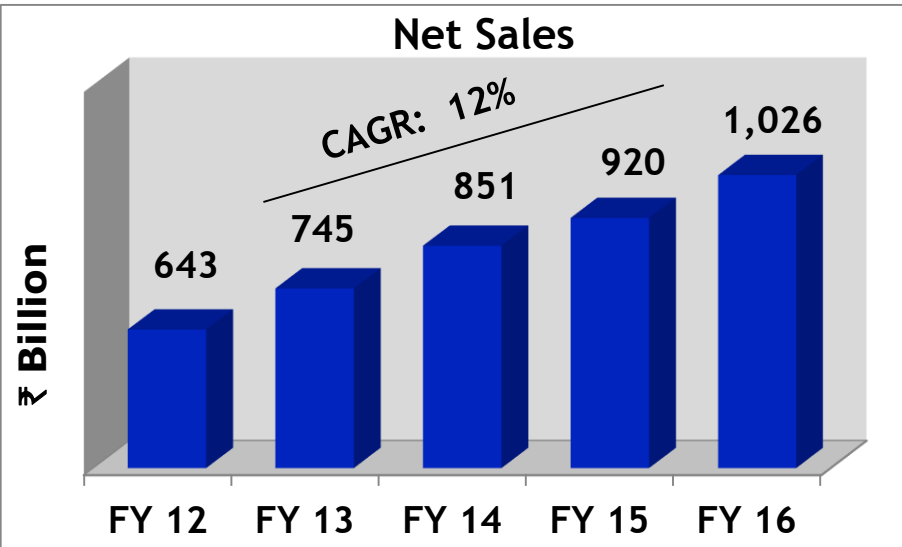
L&T Overview

Business Overview

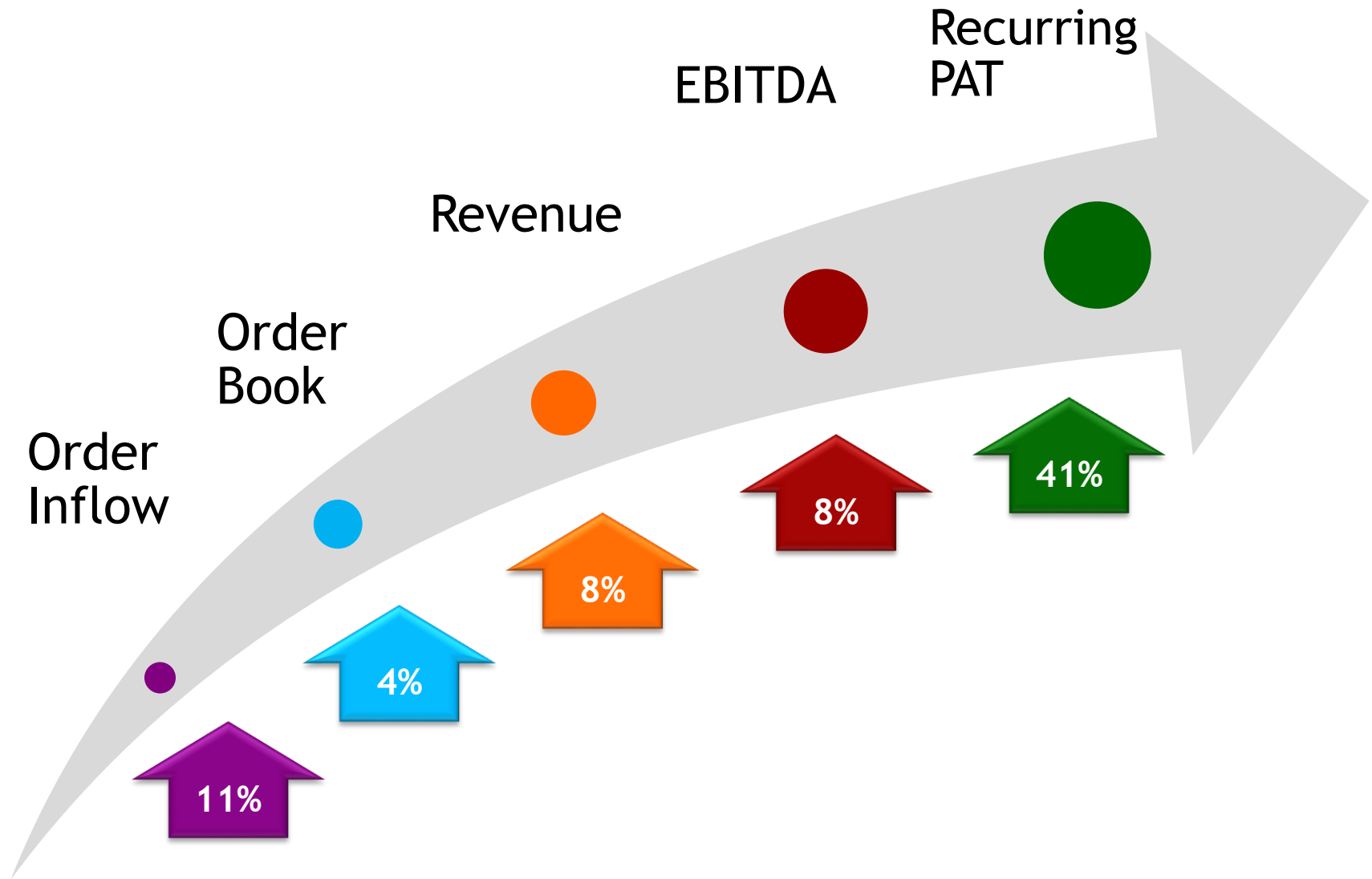
Group Performance

Sectoral opportunities & Outlook

Five Year Performance



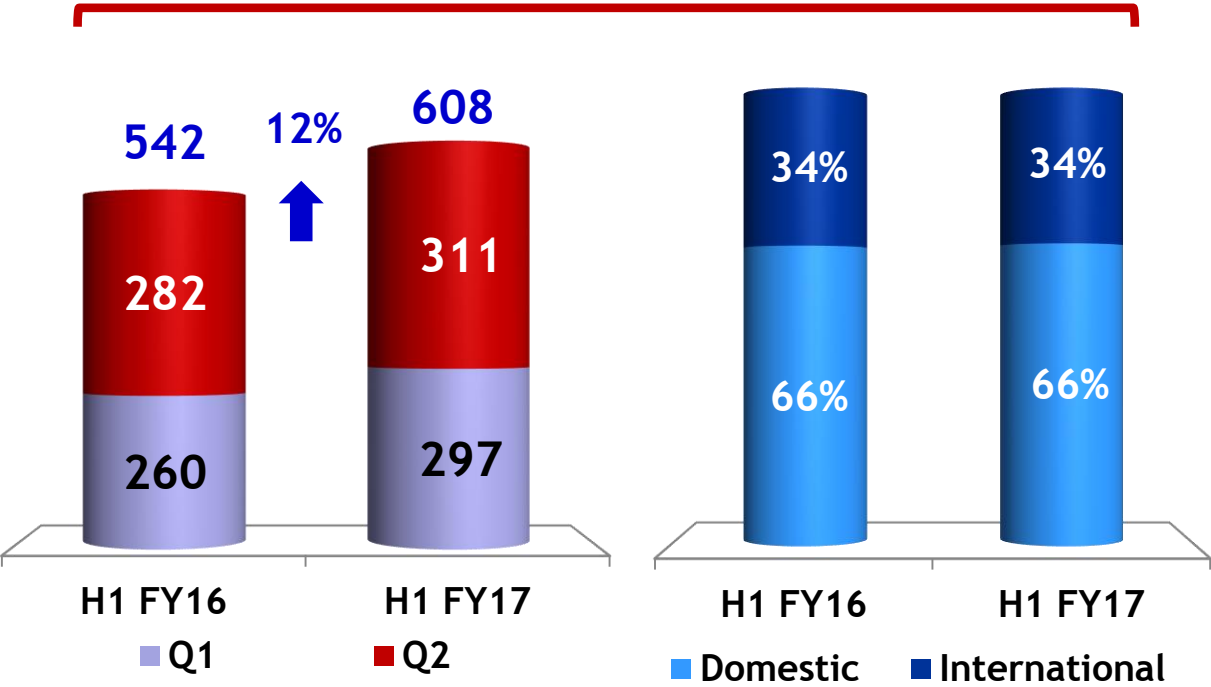
Performance Highlights - Q2 FY17



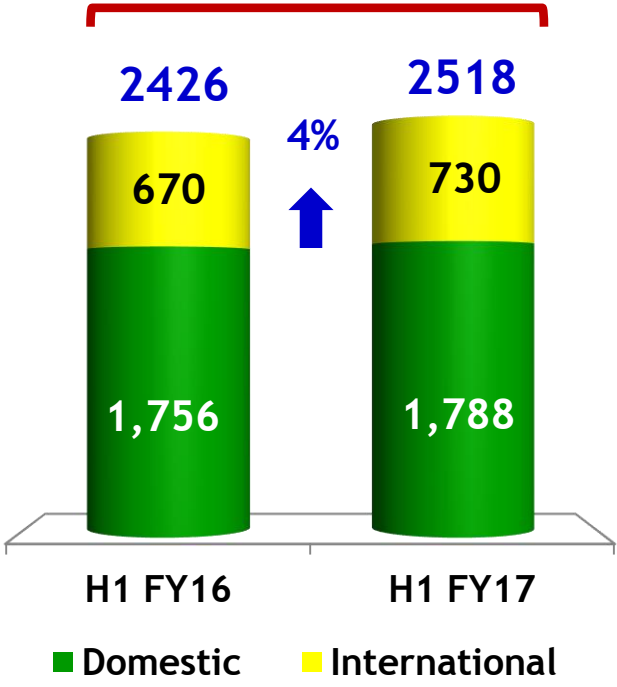
Group level Order Inflow & Order Book

Amount in ₹ Bn

Order Inflows



Order Book



- Order Inflow growth mainly from Domestic Infrastructure and International Hydrocarbon verticals
- Domestic capex picking up in selective areas
- Order Book at 2x+ TTM Revenues

Group Performance - Sales & Costs

Q2 FY16	Q2 FY17	% Change	₹ Billion	H1 FY16	H1 FY17	% Change	FY16
231.24	250.11	8%	Revenue from Operations	431.72	468.85	9%	1,019.64
74.51	89.30	20%	International Revenue	138.99	165.53	19%	323.37
32.2%	35.7%	3%	% of Revenue	32%	35%	3%	32%
150.77	164.82	9%	Mfg, Cons. & Opex (MCO)	277.86	301.40	8%	674.46
12.06	13.43	11%	Finance Cost of Fin. Services and Fin. Lease Activities	23.97	26.65	11%	49.67
33.35	34.37	3%	Staff Costs	64.85	68.57	6%	133.25
13.75	14.52	6%	Sales & Admin. Expense (SGA)	27.32	30.21	11%	58.77
209.93	227.13	8%	Total Opex	394.00	426.82	8%	916.15

- Revenue growth driven by Hydrocarbon, Power, Heavy Engineering and Services businesses
- MCO charge in line with level of operations
- Staff Cost changes consistent with manpower rationalisation initiatives
- Increase in SGA charge mainly due to NPA provisioning and exchange variation

Group Performance Summary - Profitability

Q2 FY16	Q2 FY17	% Change	₹ Billion	H1 FY16	H1 FY17	% Change	FY16
21.31	22.98	8%	EBITDA	37.72	42.03	11%	103.49
9.2%	9.2%	0.0%	EBITDA Margin	8.7%	9.0%	0.2%	10.2%
(4.39)	(3.52)	-20%	Interest Expenses	(8.28)	(6.89)	-17%	(16.40)
(5.29)	(4.60)	-13%	Depreciation	(9.94)	(9.25)	-7%	(17.87)
3.22	4.81	50%	Other Income	6.05	7.84	30%	10.03
(5.35)	(6.81)	27%	Provision for Taxes	(9.63)	(12.30)	28%	(24.16)
(1.67)	(1.57)		Share in profit / (loss) of JVs / Associates	(3.63)	(3.30)		(9.90)
(0.5)	(0.98)		Non-controlling Interest	(0.77)	(1.71)		(3.20)
7.33	10.32	41%	PAT (Before Exceptionals)	11.52	16.42	43%	42.00
0.46	4.02		Exceptional (Net of Tax)	0.46	4.02		0.79
7.78	14.35	84%	Reported PAT	11.97	20.44	71%	42.79

- Margin improvement mainly driven by Heavy Engineering, Hydrocarbon and Services Businesses
- Interest expense decline mainly due to refinancing
- Growth in Other Income contributed by Treasury operations
- CY Exceptional represents sale of stake in subsidiary company

Group Balance Sheet

₹ Billion	Sep-16	Mar-16	Incr / (Decr)
Equity & Reserve	462.41	444.54	17.86
Non Controlling Interest	31.75	27.11	4.64
Borrowings - Financial Services	568.25	545.86	22.39
Development Projects	148.10	142.03	6.07
Others	191.61	193.52	(1.90)
Other Non-Current Liabilities	9.29	8.77	0.52
Sources of Funds	1,411.41	1,361.83	49.58
Fixed Assets (Tangible / Intangible / Goodwill)	187.94	188.06	(0.12)
Development Projects Fixed Assets	137.41	123.22	14.19
Finance lease receivable	92.88	94.28	(1.41)
Loans towards Financing Activities	585.10	571.66	13.44
Other Non-Current Assets (Incl. S&A / JV Investment)	66.94	80.28	(13.35)
Current Investments	97.58	74.91	22.67
Net Working Capital	214.09	216.99	(2.90)
Corporate Working Capital	29.47	12.41	17.06
Application of Funds	1,411.41	1,361.83	49.58

Reconciliation of Net PAT (FY 2015-16)

Adjustments	₹ Billion	
Net Profit After Tax as per previous IGAAP		50.91
Provision for Expected Credit Loss	0.14	
Gain/loss on divestment of stake in subsidiary	(2.64)	
Provision for Employee Benefits based on constructive obligations	(0.37)	
Gain on fair valuation of investments	(1.47)	
Increase in borrowing cost pursuant to application of Effective Interest Rate method	(0.88)	
Reclassification of net actuarial gain on Employee Defined Benefit Obligations to OCI	0.14	
Increase in borrowing cost due to initial fair valuation of long term financial liabilities	(3.05)	
Others	0.11	
Deferred and current taxes in respect of above adjustments	(0.08)	(8.11)
Net Profit After Tax as per IND AS		42.79

Components of Other Comprehensive Income (OCI)

₹ Billion	H1FY16	H1FY17
Changes arising out of re-measurement of defined benefit plans for employees	0.07	(0.41)
MTM of investment in Debt instruments	0.02	0.28
Changes in Foreign Currency Translation Reserve	(0.41)	(0.29)
MTM of Off-Balance Sheet Hedges	(1.31)	0.04
Total	(1.64)	(0.37)

- OCI represents movement in components of Equity (Net Worth) in Balance Sheet
- Components:
 - Re-measurement of defined benefit (retirement) plans - Volatile and dependent on G-Sec rate movement due to actuarial valuation; no flow back to P&L
 - MTM of Debt investments - Flow back to P&L on actual sale
 - Changes in FCTR represents MTM on Consolidation of Balance Sheets of Businesses with Foreign Functional Currency - Flow back to P&L only on sale of business
 - MTM of Off-Balance Sheet Hedges - Flow back to P&L on entry of underlyings into Balance Sheet

Group Cash Flow

Q2 FY16	H1 FY16	₹ Billion	Q2 FY17	H1 FY17
23.43	41.04	Operating Profit	23.04	43.50
4.00	1.04	Changes in Working Capital	20.82	(0.63)
(7.90)	(13.73)	Direct Taxes paid	(7.74)	(13.33)
19.53	28.35	Net Cash from Operations (A)	36.12	29.54
(14.06)	(26.49)	Investments in Fixed Assets (Net)	(10.28)	(18.69)
4.01	(21.61)	Net Purchase of Long Term & Curr. Inv.	(7.75)	(20.48)
(0.80)	(1.59)	Loans/Deposits made with Associate Cos.	(1.80)	(2.58)
0.24	0.37	Interest & Div. Received and Others	6.86	7.21
(10.61)	(49.32)	Net Cash from/(used in) Invest. Act. (B)	(12.96)	(34.54)
5.72	6.02	Issue of Share Capital / Minority	20.41	20.59
26.70	74.75	Net Borrowings	1.24	27.51
(17.28)	(36.67)	Disbursements towards financing activities*	(15.88)	(13.52)
(25.73)	(30.60)	Interest & Dividend paid	(24.87)	(29.06)
(10.59)	13.50	Net Cash from Financing Activities (C)	(19.10)	5.53
(1.66)	(7.47)	Net (Dec) / Inc in Cash & Bank (A+B+C)	4.05	0.53

* included under Net Cash from operations under statutory financial statements

Segment Performance Analysis

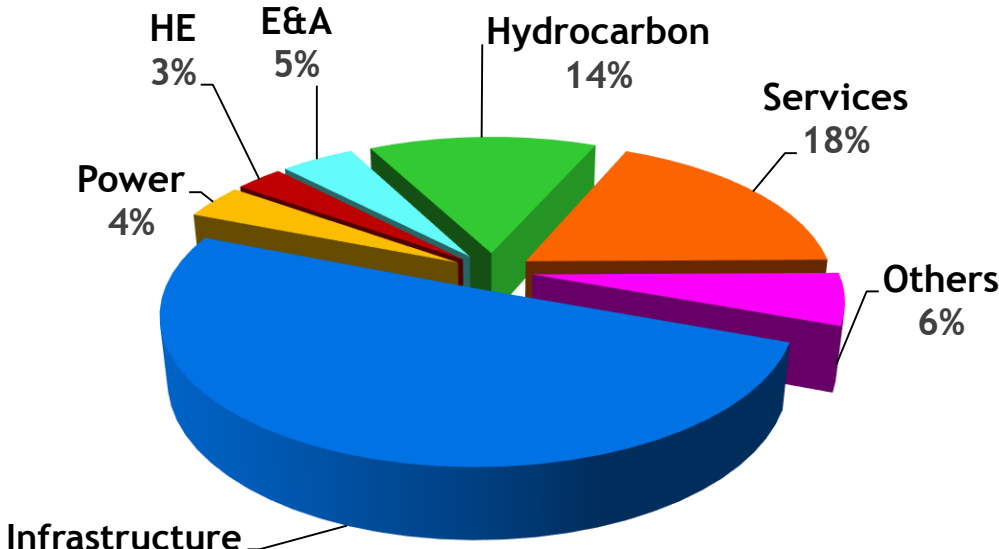
Segment Composition

Infrastructure	Power	Heavy Engineering	Electrical & Automation
Buildings & Factories	EPC - Coal & Gas	Process Plant Equipment	Electrical Standard Products
Transportation Infra		Nuclear Power Plant Equipment	Electrical Systems & Equipment
Heavy Civil Infra		Thermal Power Plant Construction	Defence & Aerospace
Water & Effluent Treatment	Electrostatic Precipitators	Piping Centre	Control & Automation
Power T&D			
Smart World & Communication			

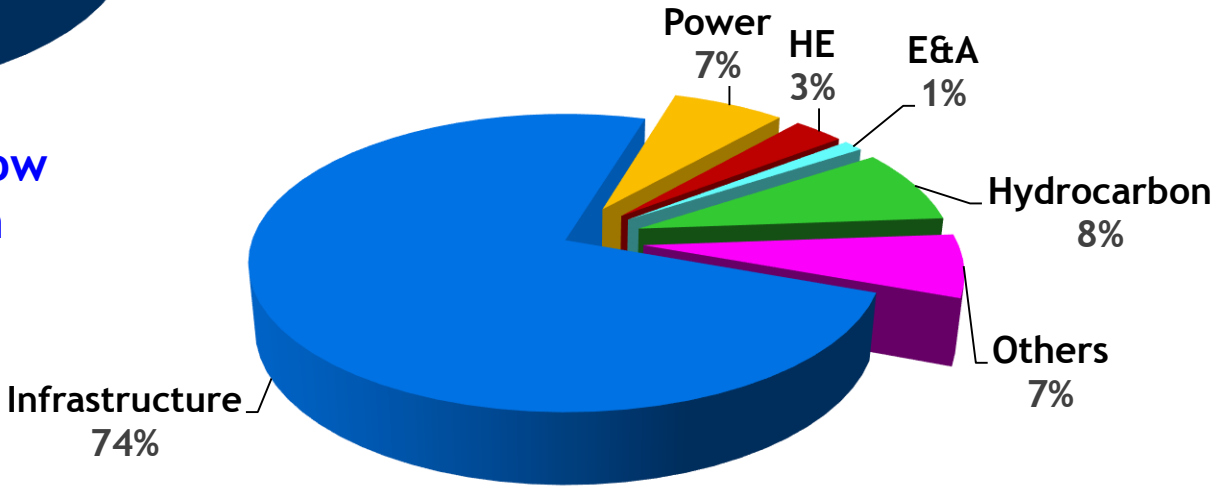
Hydrocarbon	Developmental Projects	IT & TS	Financial Services	Others
Onshore	Roads*	Information Technology	Retail & Corporate	Shipbuilding
Offshore	Metros		Technology Services	Infrastructure
	Ports	Mutual Fund Asset Management		Metallurgical & Material Handling
	Power		Construction & Mining Equipment	
			Machinery & Industrial Products	

* Consolidated at PAT level

Segmental Breakup of Orders - H1 FY17



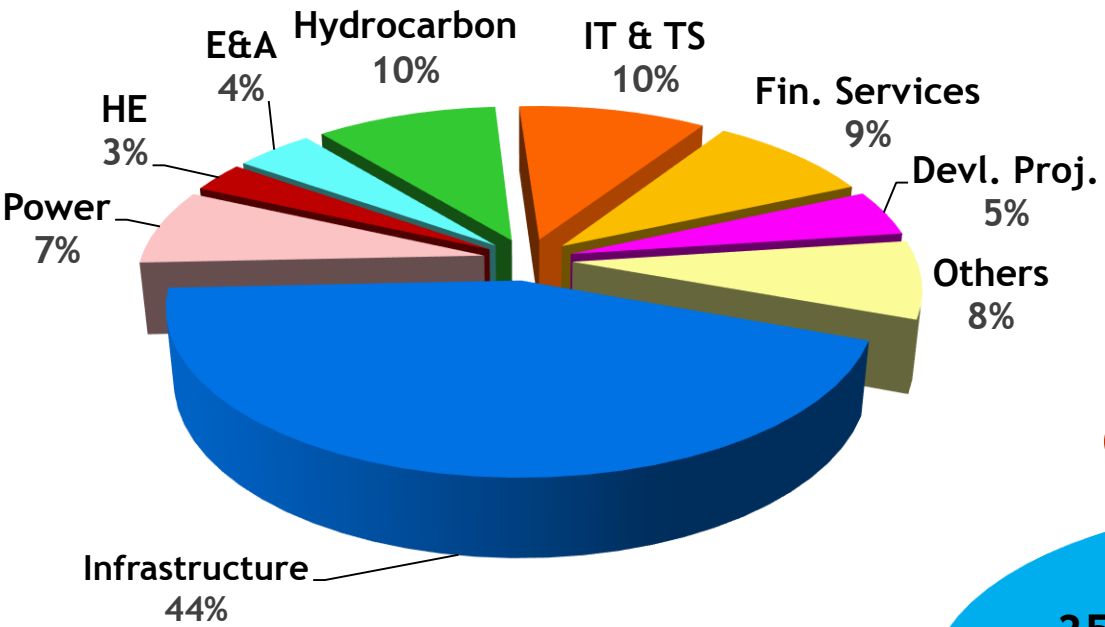
Order Inflow
₹ 608 Bn



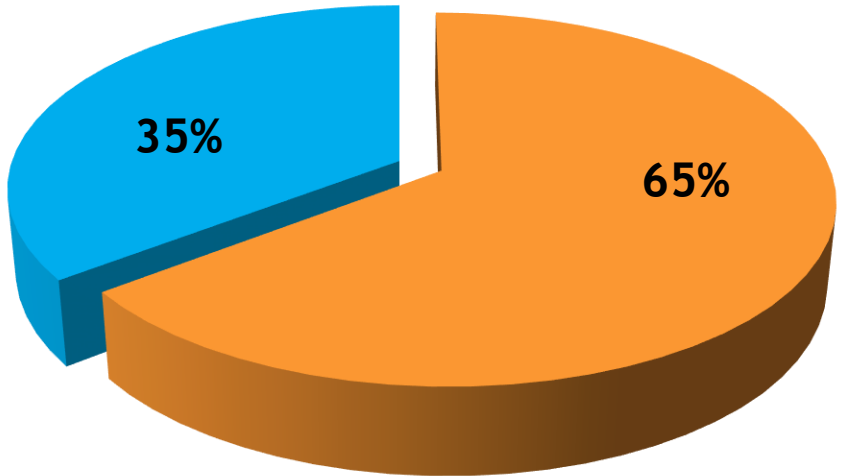
Order Book
₹ 2518 Bn

Revenue Breakup - H1 FY17

Segmental Breakup



Geographical breakup

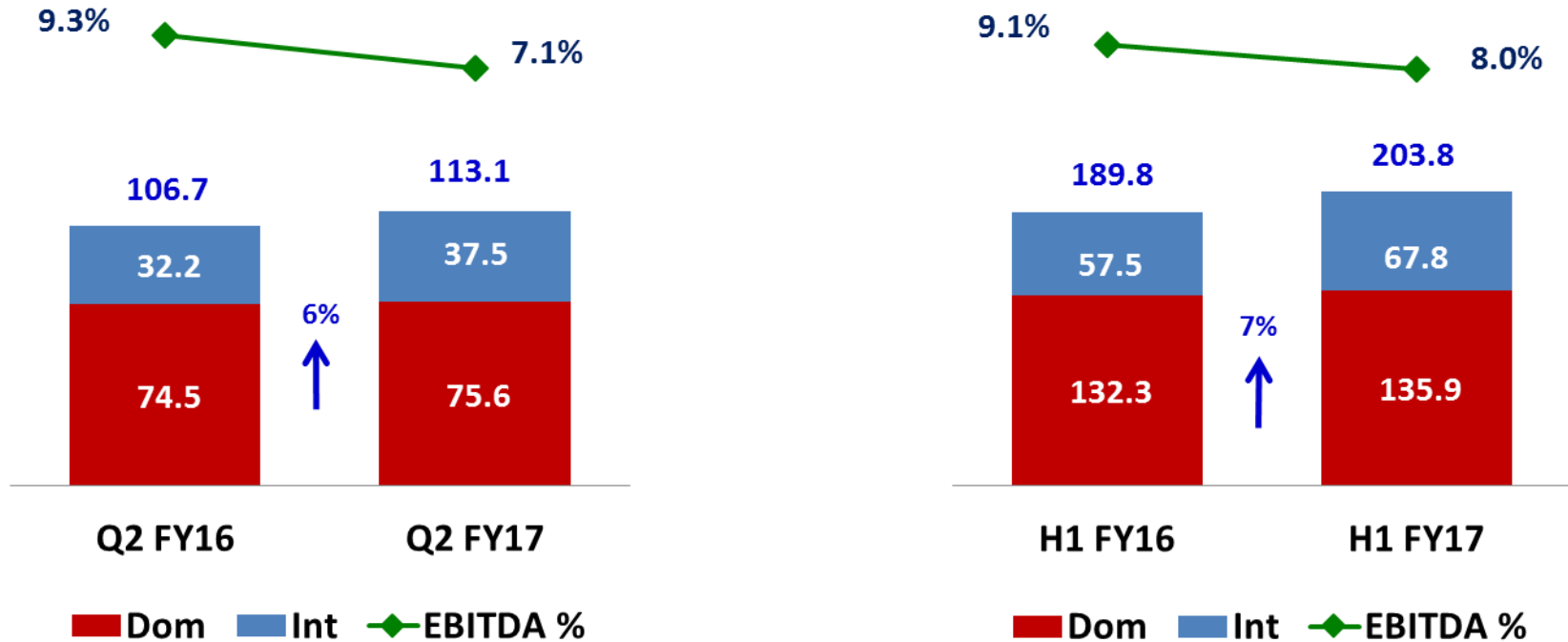


■ Domestic ■ International

Infrastructure Segment

Amount in ₹ Bn

Net Revenues & Margin

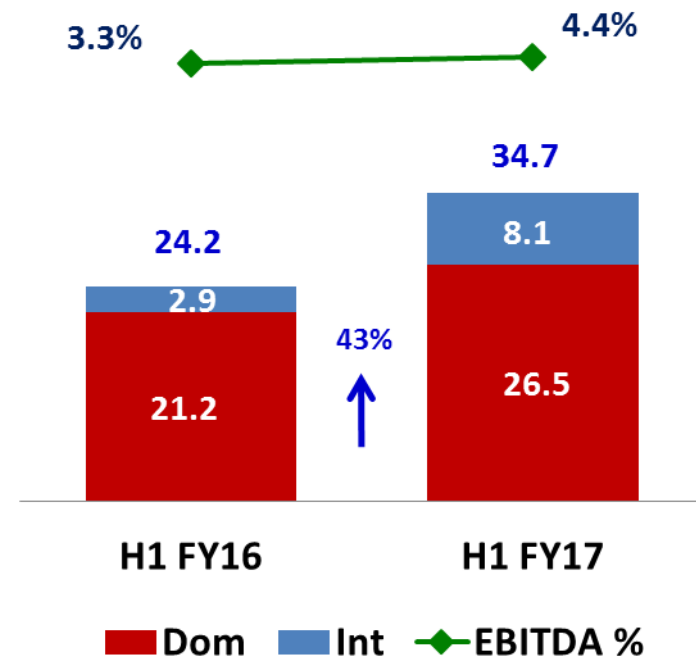
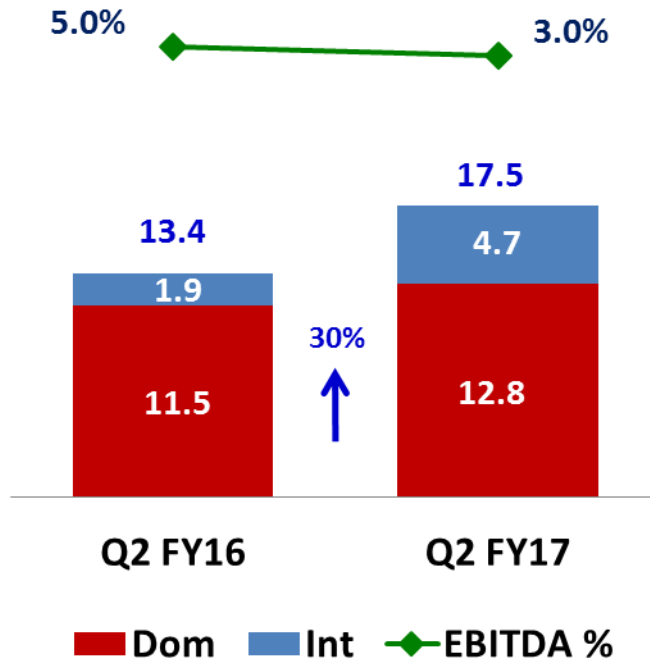


- Muted sales growth in Q2 mainly due to delayed client readiness including workfront availability and payment preparedness
- International jobs in Transportation and Heavy Civil Infra seeing execution ramp-up
- Q2 Margin decline on account of client side issues and unexpected natural/climatic conditions

Power Segment

Amount in ₹ Bn

Net Revenues & Margin

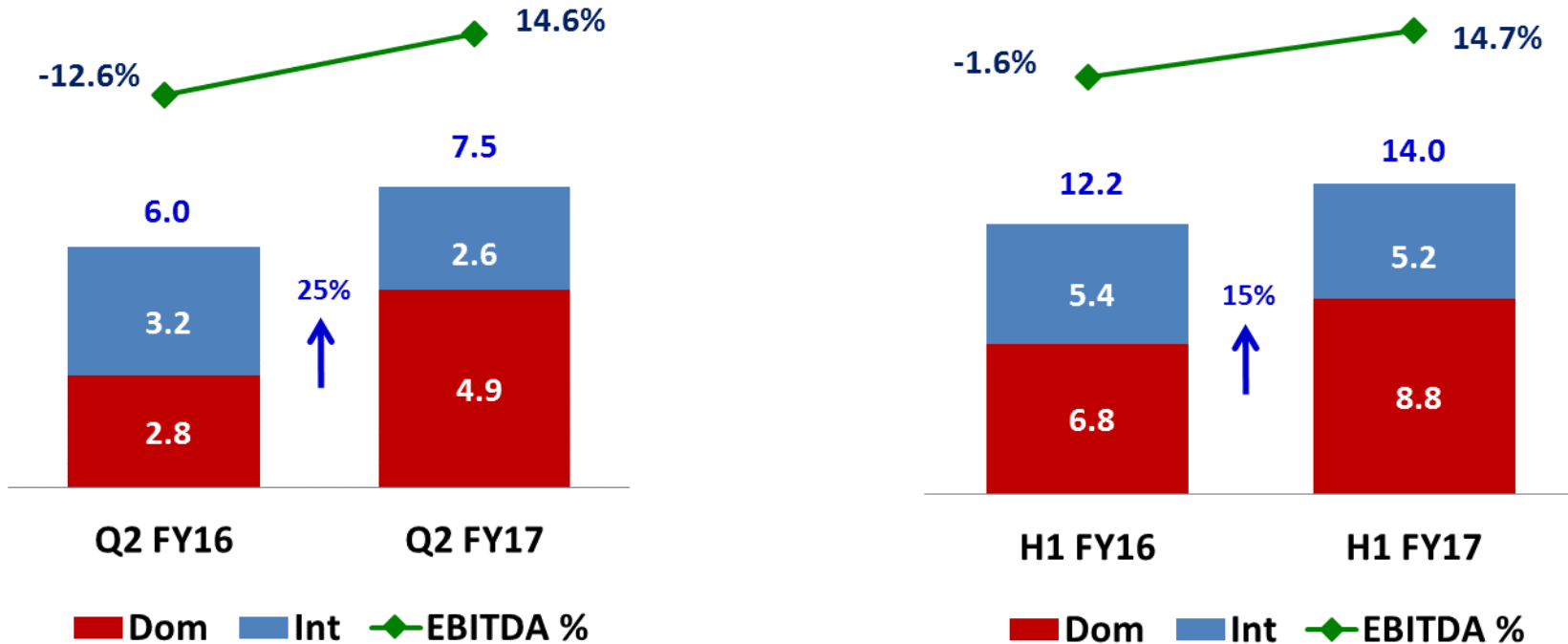


- Robust revenue growth due to strong execution progress
- Bangladesh Jobs contributing to International Sales growth
- MHPS JVs operations consolidated under Equity method

Heavy Engineering Segment

Amount in ₹ Bn

Net Revenues & Margin

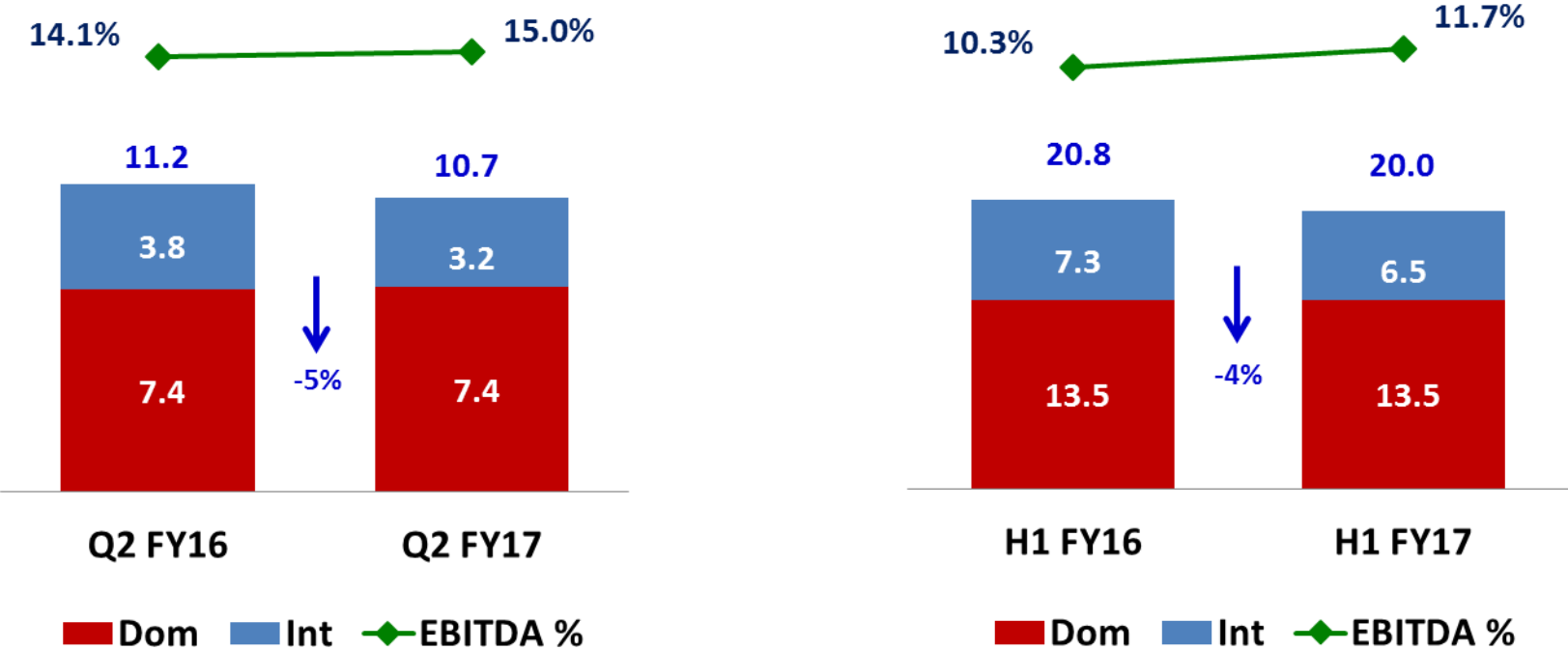


- PPN and D&A Businesses contributing to strong revenue growth
- Margin improvement achieved through operational efficiencies in current year

Electrical & Automation (E&A) Segment

Amount in ₹ Bn

Net Revenues & Margin

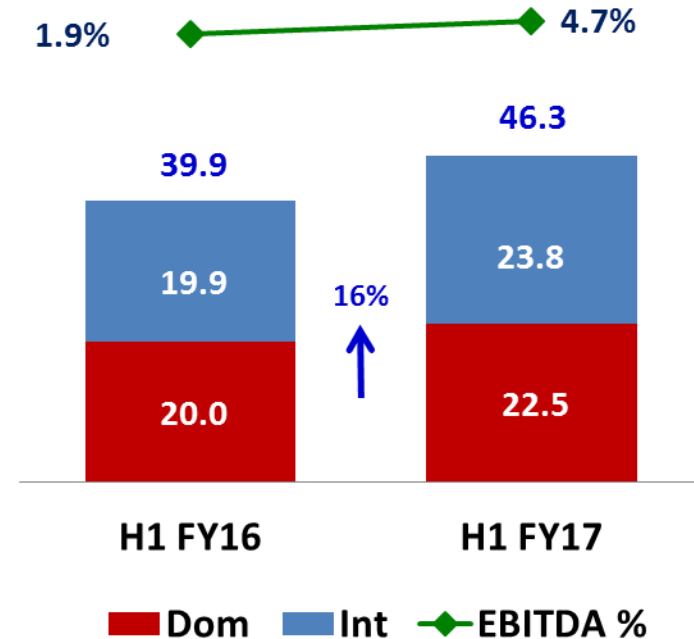
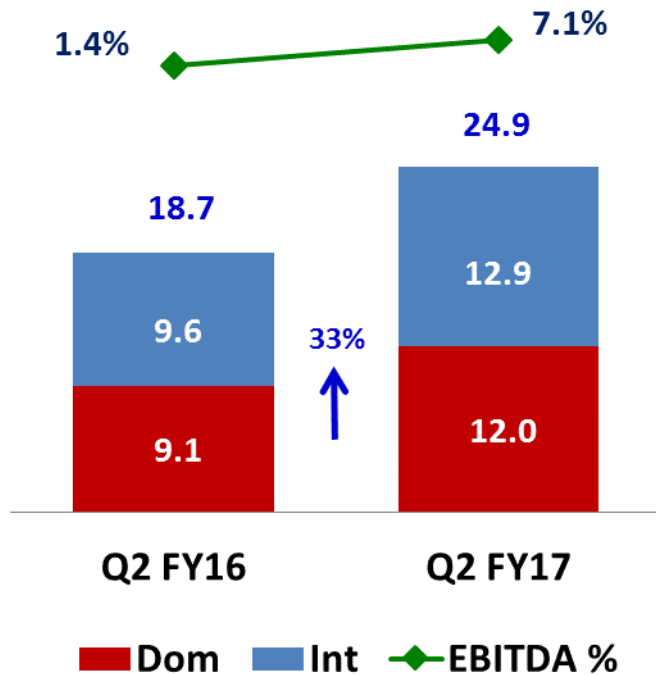


- Muted industrial activity affecting Segment Business
- Growth in Electrical Standard Product Business offset by decline in Project Business
- Margin improvement due to improved realisations and favourable product mix in Electrical Standard Product Business

Hydrocarbon Segment

Amount in ₹ Bn

Net Revenues & Margin

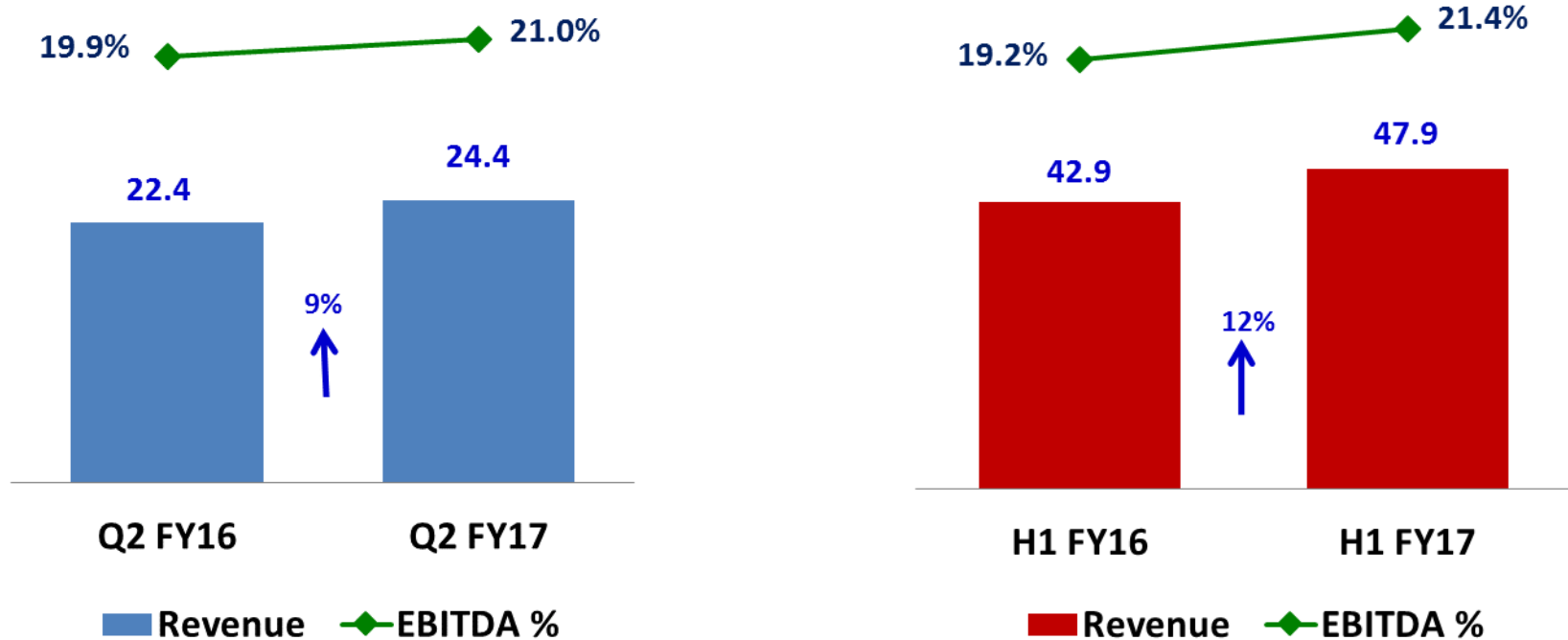


- Revenue growth led by strong execution on increased Order Book
- Diminishing impact of legacy projects in Middle East
- Q2 Margin increase through operational improvement and claim settlement

IT & Technology Services Segment

Amount in ₹ Bn

Net Revenues & Margin

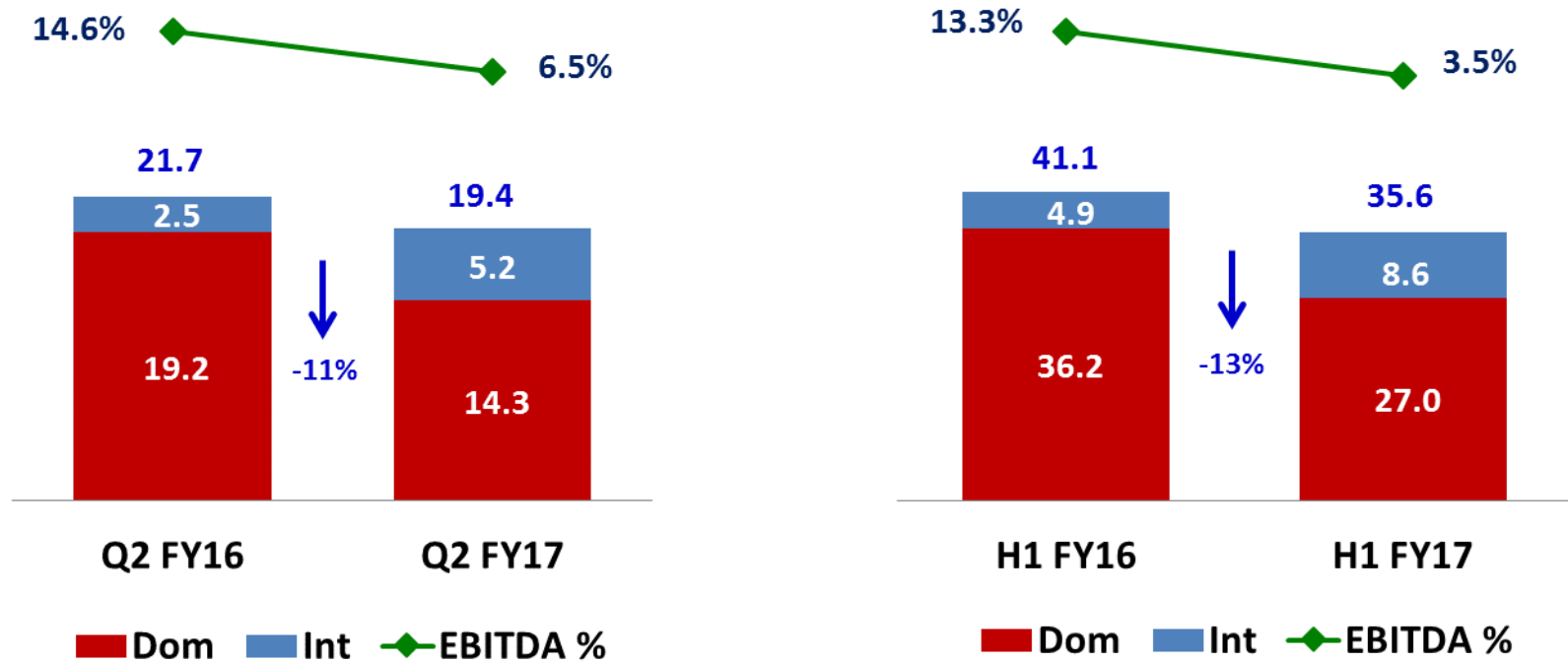


- Revenue growth contributed by Insurance, Auto & Aero for IT business and Industrial Products & Telecom verticals for Tech Services business
- Margin improvement due to higher offsite mix, improved utilization and operational excellence
- Current focus on growth strategies and digital solutions

Others Segment

Amount in ₹ Bn

Net Revenues & Margin

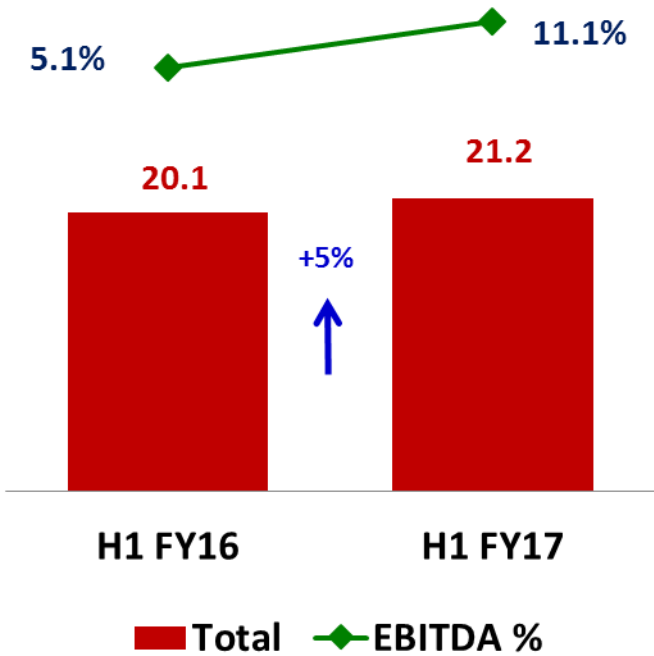
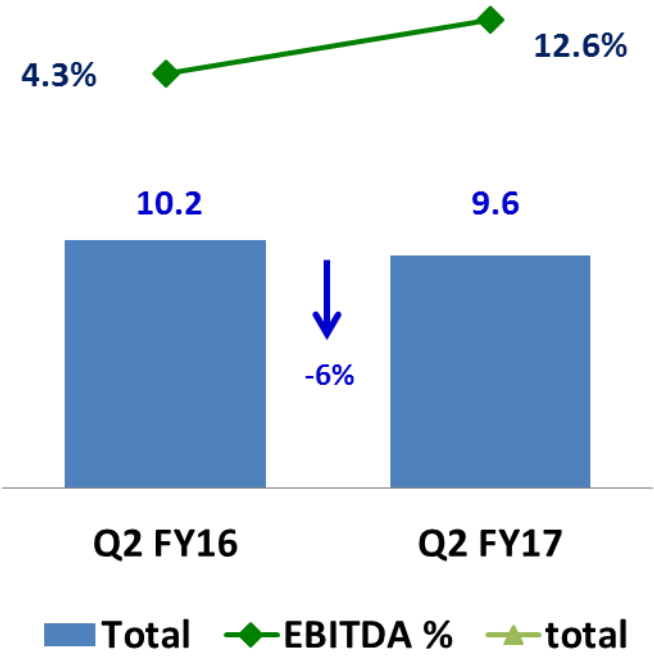


- Weak industrial demand and low capacity utilization continues to challenge the business environment
- Revenue impacted by lower offtake in construction and mining equipment, delayed defence ordering and end-stage execution of current Realty projects
- Q2 Margins adversely affected by inventory write down in Shipbuilding and cost overruns / under-recoveries in MMH (Metallurgical and Material Handling) Business

Developmental Projects Segment

Amount in ₹ Bn

Net Revenues & Margin



- Q2 revenue decline mainly on account of lower portion of externally ordered construction jobs in Hyderabad Metro
- Increased revenues in Nabha Power due to higher PLF
- Margin improvement largely arising from Nabha Power Plant and outsourced operator agreement for Kattupalli Port

Concessions Business Portfolio - 21 SPVs



Roads and Bridges:

Portfolio: 15 projects (1661 Km); 13 Operational
Project Cost: ₹161 Bn

Power (Excl. Projects under DPR):

Portfolio: 2 projects (1499 MW); 1 Operational
Project Cost: ₹112 Bn



Ports:

Portfolio: 2 projects (18 MTPA) - Operational
Project Cost: ₹20 Bn

Metros:

Portfolio: 1 project (71.16 Km) - Under-implementation
Project Cost (Fin. Closure): ₹170 Bn



Transmission Lines:

Portfolio: 1 project (482 Km)
Project Cost: ₹13.5 Bn

Total Project Cost (Sep 2016): ₹ 476 Bn

Equity Invested (Sep 2016): ₹ 97 Bn

Balance Equity Commitment (Sep 2016): ₹ 18 Bn

41

L&T Finance Holdings (I-GAAP)

₹ Billion	Q2 FY16	Q2 FY17	% Change
Networth (Incl. Pref.Cap and Warrants)	87.11	88.59	2%
Consolidated Debt	473.85	536.89	13%
Loans and Advances	514.11	608.98	18%
Mutual Fund Average AUM	242.80	326.67	35%
Income from Operations	35.11	40.84	16%
Net NPA (%) - 120 DPD	4.05%	3.07%	-0.98%
PAT	2.15	2.48	15%

- ROE stands at 11.72% in Q2FY17 as against 9.84% in Q2FY16 and 9.78% in Q1FY17
- Loans and advances in focused business grew by 24% vs. 31% decline in the de-focused business; overall growth in loans & advances is 18%

Presentation Outline



L&T Overview



Business Overview



Group Performance



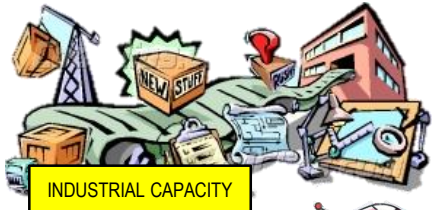
Sectoral opportunities & Outlook



RAILROADS



DEMONETIZATION



INDUSTRIAL CAPACITY



WORLD ECONOMY



SURGICAL STRIKE



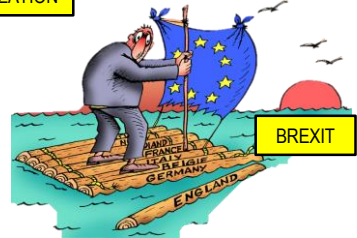
REAL ESTATE



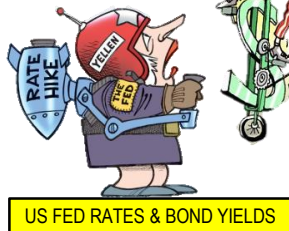
DEBT



POWER SECTOR



BREXIT



US FED RATES & BOND YIELDS



CORRUPTION



MAKE IN INDIA

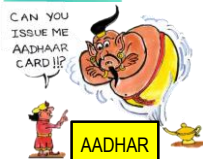


US ELECTIONS

OVER-LEVERAGED PVT. SECTOR

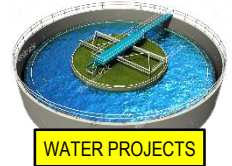


CLIMATE CHANGE



AADHAAR

The Environment... ... and the Outlook



WATER PROJECTS



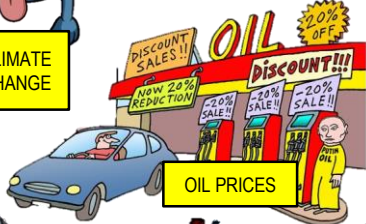
ROADS



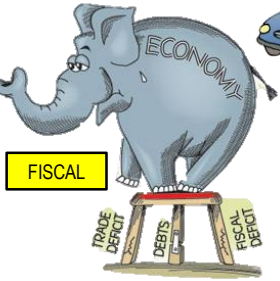
DEFENCE SECTOR



INFLATION



OIL PRICES



FISCAL



MARKETS



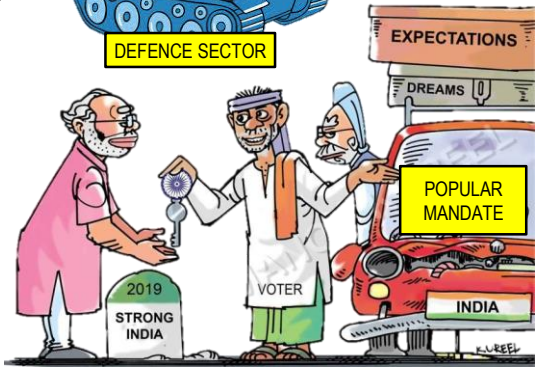
REFORMS



PARALLEL ECONOMY



GROWTH ECONOMY



POPULAR MANDATE

Infrastructure Segment - Urban Infra



Presence :

Residential & Commercial Buildings, IT & Office Space, Hospitals, Shopping Malls, Educational Institutions, Luxury Hotels, Airport Terminals, and Factory Buildings

Opportunities:

- High end residential projects by cash rich developers
- Affordable housing projects
- Government and Private sector office buildings
- Healthcare capacity expansion in India & Middle East
- Brownfield Airport terminal expansions
- Thrust on Education facility expansion by Govt
- New Manufacturing facilities under Make In India as well as capacity expansions in light engg. and Cement



Presence :

Smart Cities, telecom infrastructure, and security systems

Opportunities:

- Defence sector fibre optic connectivity projects
- Intra-city telecom connectivity
- Smart cities: Smart Infrastructure and e-Governance projects
- Security and Surveillance solutions for cities, industrial establishments and infrastructure facilities

Infrastructure Segment - Transportation Infra



Presence :

Roads, Elevated Corridors, Railway Construction & Airport Runways

Opportunities:

- Increased road build-out by NHAI with current focus on EPC projects
- Expressway projects by State Governments
- Elevated corridors and Ring Roads in major cities
- Dedicated Freight Corridor program
- Track modernisation and expansion by Indian Railways
- Brownfield Airport expansion
- Highway projects in Middle East

Infrastructure Segment - Heavy Civil Infra



Presence :

Metro Railways, Monorails, Ports, Hydel Power Plant construction, Nuclear (civil) plant construction, Defence Infrastructure, Special Bridges and Tunnels

Opportunities:

- Metro Rail projects planned in multiple cities across India (to decongest urban traffic)
- Thrust on connectivity to hilly states with Tunnels and Border Roads
- Major road and railway bridges and sea links
- Increased spends on infrastructure facilities for armed forces
- Thrust being given by Govt on increasing nuclear power installed base
- International Port construction and expansion

Infrastructure Segment - Water & Effluent Treatment



Presence :

Bulk transmission of water, water treatment, waste water treatment, sewage rehabilitation, effluent treatment

Opportunities:

- Thrust on water infra due to growing scarcity in India
- Water treatment, management & distribution, desalination
- Lift irrigation programs
- Waste water treatment plants from municipalities
- Clean Ganga and other river water pollution prevention projects
- Effluent treatment plants in Industrial units/clusters
- Thrust on Water recycling, conservation, Desalination and availability improvement in Middle East

Infrastructure Segment - Power T&D



Presence :

Sub-stations, Transmission Lines, Solar Power projects

Opportunities:

- Thrust on Grid Strengthening, Expansion and Efficiency programs with growing generation capacities and increasing loads
- Transmission lines from State, Central and Private Transmission utilities
- Inter-regional and HVDC grid connectivity
- Feeder Separation scheme (DDUGJY), IPDS, and other Rural electrification programs
- Dedicated Green Energy Transmission Corridors
- Thrust on Solar Power capacity addition
- T&D expansion in Middle East, Africa, South East Asia

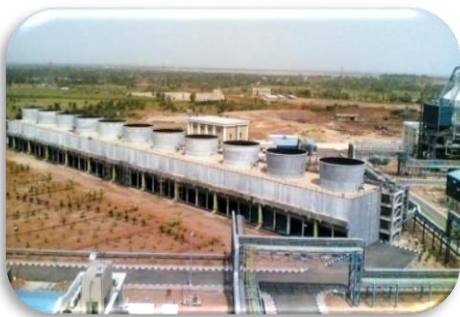
Infrastructure Segment - Challenges



Major Challenges in Infrastructure:

- Investment constraints
- Lending capacity of Banking system
- Lack of private sector interest in PPP projects
- Land acquisition
- Government Funding
- Environmental Clearances
- Slow evolution of policy frameworks
- Pace of awards and execution
- Oil price-led fiscal deficits in Middle East

Power Segment



Presence : EPC Projects in Power Capacity addition (Coal & Gas), Coal based Power Plant Equipment (Boilers, Turbines, ESP, and other Power Auxiliaries)

Opportunities:

- Base level capacity addition in Coal based Power Plants
- Improving coal availability outlook
- Distribution Reforms under UDAY

Challenges:

- Fuel supply
- Land acquisition
- Environment and Forest Clearances
- Poor financial health of Distribution Cos
- Lack of interest from Private sector investors
- Slackening power demand growth due to economic slowdown
- Aggressive bidding by competing equipment suppliers



Presence : Equipment for process plants (mainly for oil and gas), High pressure piping, Nuclear power plant equipment, Defense (mainly for Navy and Army), Aerospace



Opportunities:

- Oil & Gas equipment supply opportunities in India and key Petroleum / Petrochem producing regions
- Nuclear Power Plant equipment in India
- Indigenisation thrust for Defence equipment
- Interceptor Boats, Naval vessels and Submarines for Indian Navy and Coastguard
- Artillery guns and other equipment for Indian Army
- Components for Indian Space Program



Challenges:

- Shrinking spends on Oil & Gas with low Crude price
- Reduced prospect base of nuclear power equipment; Indian civil liability overhang
- Very long prospect-to-award timelines and dominance of Public Sector and foreign OEMs in Defense orders

Hydrocarbon Segment



Presence : *Offshore Platforms, Subsea pipelines, Floating Systems, Subsea installations, Onshore Oil & Gas installations, Refineries, Petrochemical and Fertiliser Plants (EPC), Onshore pipelines, Regasification Terminals*

Opportunities:

- Select International prospects - mainly Onshore
- Opportunities from ONGC Capex - Offshore / Onshore
- Opportunities for Fertilizer EPC
- Clean Fuel projects, Refinery Expansion and upgrade
- Pipeline projects

Challenges:

- Reduced Capex in Middle East in low Crude price scenario
- Long bid-to-award timelines
- Aggressive competition in Domestic and GCC markets
- Project execution in international markets

Thank You

Annexure-1: Group Profit & Loss

₹ Billion	IT & TS	Fin. Services *	Devl. Projects	L&T & Others (Incl. Eliminations)	L&T Group		
					H1 FY17	H1 FY16	% Change
Revenue from Operations	47.93	42.31	24.55	354.05	468.85	431.72	9%
EBITDA	10.10	5.04	2.11	24.78	42.03	37.72	11%
Interest Expenses	(0.02)	(0.25)	(0.79)	(5.83)	(6.89)	(8.28)	-17%
Depreciation	(1.22)	(0.47)	(0.30)	(7.26)	(9.25)	(9.94)	-7%
Other Income	0.18	1.71	0.23	5.72	7.84	6.05	30%
Provision for Taxes	(2.15)	(2.15)	(0.36)	(7.64)	(12.30)	(9.63)	28%
Share in profit/(loss) of JVs / Associates	-	0.05	(2.94)	(0.41)	(3.30)	(3.63)	
Adjustments for non -controlling interest in Subs., etc.	(0.50)	(1.54)	0.55	(0.21)	(1.71)	(0.77)	
Net PAT	6.40	2.38	(1.50)	13.17	20.44	11.97	71%

* Includes Insurance Business

Annexure-2: Share in Profit/(Loss) of JVs/Associates

₹ Billion	H1FY17	H1FY16	FY16
MHPS JVs	0.59	0.02	0.54
IDPL & Subs.	(2.94)	(2.66)	(8.19)
Others	(0.96)	(0.99)	(2.25)
Total	(3.30)	(3.63)	(9.90)