# L&T Press Release

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## Performance for the quarter ended September 30, 2017

### Consolidated Revenue up by 6%
### Consolidated PAT increases by 27%

**Mumbai, November 11, 2017:**

Larsen & Toubro reported Consolidated Gross Revenue of ₹ 26,447 crore for the quarter ended September 30, 2017, registering an increase of 6% on a y-o-y basis. The International revenue during the quarter at ₹ 9,517 crore constituted 36% of the total revenue. For the half year April-September 2017, the Consolidated Gross Revenue at ₹ 50,437 crore recorded a y-o-y increase of 8%.

The company secured orders worth ₹ 28,732 crore at the group level during the quarter amidst subdued business environment, policy uncertainties and delayed implementation. International orders at ₹ 10,420 crore constituted 36% of the total order inflow. On a cumulative basis, the order inflow for the half year ended September 30, 2017 stood at ₹ 55,084 crore. Major orders were received by Infrastructure and Hydrocarbon Segments.

Consolidated Order Book of the group stood at ₹ 257,526 crore as at September 30, 2017, higher by 2% on a y-o-y basis with International Order Book constituting 26% of the total Order Book.

Consolidated Profit After Tax (PAT) for the quarter before exceptional items at ₹ 1,683 crore grew by 63% over previous year. Overall PAT for the quarter including exceptional gain of ₹ 137 crore on divestment of a subsidiary stood at ₹ 1,820 crore vis-à-vis ₹ 1,435 crore reported for the corresponding quarter of the previous year. For the half-year ended September 30, 2017, overall PAT stood at ₹ 2,712 crore registering an increase of 33% over ₹ 2,044 crore for similar period last year.

**Infrastructure Segment**

Infrastructure Segment achieved customer revenue of ₹ 11,798 crore for the quarter, registering a y-o-y increase of 4%. Delays in clearances, work front availability and right of way issues, aggravated by GST transition challenges with effect from July 2017, impacted execution progress during the quarter. Transportation Infrastructure and

Water & Effluent Treatment businesses contributed to the revenue growth during the quarter. International revenue constituted 32% of the total customer revenue of the segment.

Infrastructure segment secured orders of ₹ 12,064 crore during the quarter. Bid deferrals, delay in finalising awards and weak private investment especially in IT Institutional, Health & Leisure and Hydel business impacted the order inflows for the segment. International orders contributed around 23% of the total order inflow of the segment during the quarter.

The Order Book of the Segment as on September 30, 2017 at ₹ 190,982 crore marginally increased by 2% y-o-y, reflecting the slower pace of new orders.

The segment recorded EBIDTA margin at 7.5% for the quarter vis-à-vis 7.1% for the corresponding quarter of the previous year. The margin improvement during the quarter was due to cost and other efficiencies.

**Power Segment**

Power Segment recorded customer revenue of ₹ 1,667 crore during the quarter, registering a decrease of 4% over the corresponding quarter of the previous year. International revenue constituted 42% of the total customer revenue of the segment during the quarter.

The segment reported meagre order inflow for the quarter as prospects in power segment continue to remain impacted by poor financial health of State Discoms, slow progress of tariff reforms and aggressive competition for limited opportunities.

The Order Book of the Segment stood at ₹ 10,472 crore as on September 30, 2017.

The segment EBIDTA margin for the quarter increased to 5.4% from 3% for the corresponding quarter of the previous year on the back of progress in international jobs under execution.

**Heavy Engineering Segment**

Heavy Engineering Segment achieved customer revenue of ₹ 1,149 crore for the quarter, registering a substantial growth of 52% over the corresponding quarter of the previous year on good execution progress in defence jobs. International Revenue constituted 17% of the total customer revenue of the segment.

Heavy Engineering Segment recorded order inflow for the quarter at ₹ 1,847 crore, led by receipt of defence orders during the quarter. International orders constitute 7% of the order inflow.

Order Book of the Segment stood at ₹ 12,152 crore as on September 30, 2017, reflecting a y-o-y growth of over 57%.

EBIDTA margin improved to 15.4% for the quarter vis-à-vis 14.6% recorded for the corresponding quarter of the previous year.

**Electrical & Automation (E&A) Segment**

E&A Segment recorded customer revenue of ₹ 1,227 crore during the quarter, registering a y-o-y increase of 7%. International revenue constituted 32% of the total customer revenue for the quarter.

The Order Book of the Segment registered a y-o-y decline of 3% and stood at ₹ 2,940 crore as on September 30, 2017.

The EBIDTA margin of the E&A Segment stood at 15.3% for the quarter, recording an increase over 15% for the corresponding quarter of the previous year.

**Hydrocarbon Segment**

Hydrocarbon Segment recorded customer revenue of ₹ 2,559 crore, registering a growth of 3% over the corresponding quarter of the previous year at ₹ 2,494 crore. International revenue constituted 59% of the total customer revenue of the segment for the quarter.

Hydrocarbon Segment did well to secure two international orders during the quarter, helping to notch up order inflow of ₹ 4,531 crore which reflects a substantial growth over the corresponding quarter of the previous year.

The Order Book of the Segment at ₹ 25,199 crore as on September 30, 2017, registered a robust y-o-y growth of 25%.

EBIDTA margin of the segment registered a significant improvement at 10.9% for the quarter vis-à-vis 7.1% recorded in the corresponding quarter of the previous year. Previous year was impacted by close-out of a few challenging international legacy projects.

**IT & Technology Services (IT&TS) Segment**

IT & Technology Services Segment achieved customer revenue of ₹ 2,703 crore during the quarter, registering a y-o-y growth of 11%. International Revenue constituted 95% of the total customer revenue of the segment for the quarter.

EBIDTA margin of the segment at 21.7% for the quarter vis-à-vis 21% recorded in the corresponding quarter of the previous year, improved due to cost optimization & better manpower utilization apart from growth in revenues.

**Financial Services Segment**

Financial Services Segment recorded customer revenue of ₹ 2,413 crore during the quarter, registering a y-o-y growth of 13%, driven by growth in loan assets and disbursements in the focused business verticals of Rural, Housing and Wholesale lending. The Segment also witnessed a strong growth in its Investment and Wealth Management businesses.

Operating margin for the quarter at 13% decreased over 17.9% during the corresponding quarter of the previous year due to higher provisioning towards credit cost.

## Developmental Projects Segment

Developmental Projects Segment registered customer revenue of ₹ 1,218 crore during the quarter vis-à-vis ₹ 962 crore recorded in the corresponding quarter of the previous year.

The EBIDTA margin of the Developmental Projects Segment for the quarter stood at 32.2% vis-à-vis 12.6 % earned during the corresponding quarter of the previous year. The improvement is on account of resumption of revenue recognition with respect to the disputed items, pursuant to favourable Supreme Court judgement in the case of Nabha Power.

## "Others" Segment

"Others" segment comprises Metallurgical & Material Handling, Realty, Shipbuilding, and Industrial Product & Machinery businesses.

Customer Revenue during the quarter at ₹ 1,713 crore registered a decline of 15% over the corresponding quarter of the previous year, mainly in the Realty business due to low demand. International Revenue constituted 23% of the total customer revenue of the segment.

The segment margin stood at 13.1% during the quarter vis-à-vis 6.6% during the corresponding quarter of the previous year. Previous year included inventory write down in Shipbuilding business.

## Outlook

The Government's determined efforts to revive the investment sentiment while undertaking impactful economic reforms have expectedly caused transition challenges. While the potential for investment in growth remains compelling, the readjustment to the continuing impact of currency purge and the accelerated implementation of GST has upset business environment and tripped growth in an economy already beset with twin challenges of attracting investments and adhering to fiscal rectitude.

Globally, the developed economies appear hopeful of a recovery and better growth prospects. The investment climate in the Company's focus market Middle East continues to provide some selective opportunities despite the oil price shock and the geo-political risks.

The Company expects that the various reforms and economic measures over the past year would take some more time to stoke growth. Focus for the company continues to remain on improvement of return on equity through reduction of working capital and higher operational efficiencies.

## Background

Larsen & Toubro is an Indian multinational engaged in technology, engineering, construction, manufacturing and financial services with **USD 17 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 : L99999MH1946PLC004768**

**STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2017**

*₹ Crore*

| | Particulars | Quarter ended | | | Six months ended | | Year Ended |
|---|---|---|---|---|---|---|---|
| | | September 30, 2017 | June 30, 2017 | September 30, 2016 | September 30, 2017 | September 30, 2016 | March 31, 2017 (Audited) |
| **1** | **Income:** | | | | | | |
| a) | Revenue from operations | 26446.76 | 23989.79 | 25022.25 | 50436.55 | 46896.06 | 110011.00 |
| b) | Other income | 401.29 | 384.85 | 451.81 | 786.14 | 757.58 | 1401.01 |
| | **Total Income** | **26848.05** | **24374.64** | **25474.06** | **51222.69** | **47653.64** | **111412.01** |
| **2** | **Expenses:** | | | | | | |
| a) | Manufacturing, construction and operating expenses: | | | | | | |
| | i) Cost of raw materials and components consumed | 4191.20 | 3341.80 | 3956.37 | 7533.00 | 7470.41 | 14320.98 |
| | ii) Stores, spares and tools consumed | 491.82 | 572.14 | 602.29 | 1063.96 | 1168.61 | 2090.42 |
| | iii) Excise duty | - | 178.93 | 166.08 | 178.93 | 313.35 | 699.19 |
| | iv) Sub-contracting charges | 4548.95 | 4962.58 | 4950.51 | 9511.53 | 8902.96 | 22556.13 |
| | v) Construction materials consumed | 4843.23 | 3806.60 | 4097.35 | 8649.83 | 7273.94 | 20732.39 |
| | vi) Purchase of stock-in-trade | 341.63 | 360.51 | 329.81 | 702.14 | 640.38 | 1610.57 |
| | vii) Changes in inventories of finished goods, work-in-progress and stock-in-trade | (359.15) | (375.41) | 24.85 | (734.56) | (154.90) | 84.00 |
| | viii) Other manufacturing, construction and operating expenses | 2592.24 | 2476.25 | 2356.74 | 5068.49 | 4527.27 | 10592.96 |
| b) | Finance cost of financial services business and finance lease activity | 1520.37 | 1394.09 | 1355.04 | 2914.46 | 2689.35 | 5362.09 |
| c) | Employee benefits expense | 3794.88 | 3530.59 | 3436.50 | 7325.47 | 6856.52 | 13853.07 |
| d) | Sales, administration and other expenses | 1521.16 | 1684.98 | 1431.64 | 3206.14 | 3004.10 | 7034.51 |
| e) | Finance costs | 392.89 | 365.05 | 339.61 | 757.94 | 664.43 | 1339.84 |
| f) | Depreciation, amortisation, impairment and obsolescence | 430.59 | 551.27 | 460.15 | 981.86 | 924.93 | 2369.93 |
| | **Total Expenses** | **24309.81** | **22849.38** | **23506.94** | **47159.19** | **44281.35** | **102646.08** |
| **3** | **Profit before exceptional items (1-2)** | **2538.24** | **1525.26** | **1967.12** | **4063.50** | **3372.29** | **8765.93** |
| 4 | Exceptional items | 136.74 | - | 402.43 | 136.74 | 402.43 | 121.43 |
| **5** | **Profit before tax (3+4)** | **2674.98** | **1525.26** | **2369.55** | **4200.24** | **3774.72** | **8887.36** |
| **6** | **Tax expense:** | | | | | | |
| a) | Current tax | 726.88 | 499.47 | 657.75 | 1226.35 | 1263.05 | 2976.31 |
| b) | Deferred tax | (95.02) | (42.50) | 22.96 | (137.52) | (33.54) | (827.76) |
| c) | Additional tax on dividend distributed by subsidiaries | (87.92) | 2.75 | - | (85.17) | - | (141.96) |
| | **Total tax expense** | 543.94 | 459.72 | 680.71 | 1003.66 | 1229.51 | 2006.59 |
| **7** | **Net Profit after tax (5-6)** | **2131.04** | **1065.54** | **1688.84** | **3196.58** | **2545.21** | **6880.77** |
| 8 | Share in profit/(loss) of joint ventures/associates (net) | (110.74) | (37.24) | (156.69) | (147.98) | (330.25) | (395.27) |
| **9** | **Net Profit after tax and share in profit/(loss) of joint ventures/associates (PAT) (7+8)** | **2020.30** | **1028.30** | **1532.15** | **3048.60** | **2214.96** | **6485.50** |
| | **Attributable to:** | | | | | | |
| a) | Owners of the Company | 1819.88 | 892.54 | 1434.63 | 2712.42 | 2044.23 | 6041.23 |
| b) | Non-controlling interests | 200.42 | 135.76 | 97.52 | 336.18 | 170.73 | 444.27 |
| **10** | **Other comprehensive income (OCI)** | **(45.21)** | **156.13** | **83.25** | **110.92** | **(36.30)** | **177.78** |
| **11** | **Total comprehensive income (9+10)** | **1975.09** | **1184.43** | **1615.40** | **3159.52** | **2178.66** | **6663.28** |
| | **Attributable to:** | | | | | | |
| a) | Owners of the Company | 1781.02 | 1044.17 | 1512.83 | 2825.19 | 2006.80 | 6187.61 |
| b) | Non-controlling interests | 194.07 | 140.26 | 102.57 | 334.33 | 171.86 | 475.67 |
| 12 | Paid-up equity share capital (face value of share: ₹ 2 each) | 280.11 | 186.68 | 186.47 | 280.11 | 186.47 | 186.59 |
| 13 | Other Equity attributable to owners of the Company | | | | | | 50029.93 |
| **14** | **Earnings per share (EPS) of ₹ 2 each (not annualised):** | | | | | | |
| | (a) Basic EPS (₹) | 13.00 | 6.38 | 10.26 | 19.37 | 14.62 | 43.20 |
| | (b) Diluted EPS (₹) | 12.96 | 6.36 | 10.22 | 19.32 | 14.57 | 43.05 |

**Notes:**

(i) 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 as amended. 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 ended September 30, 2017 are given below:

*₹ Crore*

| Particulars | Quarter ended | | | Six months ended | | Year ended |
|---|---|---|---|---|---|---|
| | September 30, 2017 | June 30, 2017 | September 30, 2016 | September 30, 2017 | September 30, 2016 | March 31, 2017 (Audited) |
| Revenue from operations | 15859.84 | 14086.14 | 14705.48 | 29945.98 | 26855.50 | 66301.35 |
| Profit before tax | 1517.82 | 771.54 | 3004.89 | 2289.36 | 3791.18 | 6757.84 |
| Net profit after tax | 1161.91 | 558.14 | 2718.74 | 1720.05 | 3265.48 | 5453.74 |

(ii) Statement of assets and liabilities as per Regulation 33(3)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular dated July 5, 2016:

₹ Crore

| Particulars | As at | |
|---|---|---|
| | September 30, 2017 | March 31, 2017 (Audited) |
| **ASSETS** | | |
| **Non-current assets** | | |
| Property, plant and equipment | 10932.89 | 11242.66 |
| Capital work-in-progress | 1907.27 | 1944.71 |
| Investment property | 3793.80 | 3603.19 |
| Goodwill | 1526.46 | 1398.66 |
| Other intangible assets | 415.73 | 432.59 |
| Intangible assets under development | 12656.44 | 11353.23 |
| Financial Assets | | |
| Investments in joint ventures and associates | 2668.67 | 2772.90 |
| Other investments | 3087.58 | 3180.74 |
| Loans | 1718.12 | 1487.17 |
| Loans towards financing activities | 55676.42 | 47133.86 |
| Other financial assets | 704.30 | 857.59 |
| Deferred tax assets (net) | 1784.90 | 1736.15 |
| Other non-current assets | 4375.87 | 3675.80 |
| **Sub-total - Non-current assets** | **101248.45** | **90819.25** |
| **Current assets** | | |
| Inventories | 4776.16 | 4139.74 |
| Financial assets | | |
| Investments | 14412.88 | 13799.39 |
| Trade receivables | 29229.83 | 28686.85 |
| Cash and cash equivalents | 3218.81 | 3793.33 |
| Other bank balances | 2132.95 | 1779.16 |
| Loans | 696.68 | 466.90 |
| Loans towards financing activities | 21105.79 | 24927.38 |
| Other financial assets | 2687.13 | 2700.65 |
| Other current assets | 43567.10 | 39376.59 |
| **Sub-total - Current assets** | **121827.33** | **119669.99** |
| **Group(s) of assets classified as held for sale** | 1537.06 | 1649.37 |
| **TOTAL ASSETS** | **224612.84** | **212138.61** |
| **EQUITY AND LIABILITIES:** | | |
| **EQUITY** | | |
| Equity share capital | 280.11 | 186.59 |
| Other equity | 50541.45 | 50029.93 |
| **Equity attributable to owners of the company** | **50821.56** | **50216.52** |
| Non-controlling interest | 4155.01 | 3563.60 |
| **Sub-total - Equity** | **54976.57** | **53780.12** |
| **LIABILITIES** | | |
| **Non-current liabilities** | | |
| Financial Liabilities | | |
| Borrowings | 67626.54 | 67340.58 |
| Other financial liabilities | 231.28 | 271.61 |
| Provisions | 583.00 | 526.59 |
| Deferred tax liabilities (net) | 635.41 | 610.95 |
| Other non-current liabilities | 181.21 | 172.14 |
| **Sub-total - Non-current liabilities** | **69257.44** | **68921.87** |
| **Current liabilities** | | |
| Financial Liabilities | | |
| Borrowings | 23834.24 | 16556.79 |
| Current maturities of long term borrowings | 11344.35 | 10078.90 |
| Trade payables | 28369.57 | 29773.59 |
| Other financials liabilities | 4973.94 | 5189.70 |
| Other current liabilities | 27491.54 | 23443.41 |
| Provisions | 2625.37 | 2658.34 |
| Current tax liabilities | 287.76 | 240.29 |
| **Sub-total - Current liabilities** | **98926.77** | **87941.02** |
| **Liabilities associated with group(s) of assets classified as held for sale** | 1452.06 | 1495.60 |
| **TOTAL EQUITY AND LIABILITIES** | **224612.84** | **212138.61** |

(iii) On July 15, 2017, 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 Indian Accounting Standard 33 "Earnings Per Share" (Ind AS 33).

(iv) During the quarter ended September 30, 2017, the Company has allotted 4,20,340 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.

(v) Revenue for the periods upto June 30, 2017 includes excise duty collected from customers. Revenue from the current quarter onwards would be exclusive of Goods and Service tax which subsumed excise duty.

(vi) Exceptional item during the quarter ended September 30, 2017 represents gain on divestment of stake in a subsidiary company.

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

(viii) The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 11, 2017. The same have also been subjected to Limited Review by the Statutory Auditors.

for LARSEN & TOUBRO LIMITED

Mumbai
November 11, 2017

S.N. SUBRAHMANYAN
Chief Executive Officer & Managing Director

**Consolidated unaudited segment-wise Revenue, Result, Total Assets and Total Liabilities in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended:**

*₹ Crore*

| Particulars | Quarter ended | | | Six months ended | | Year Ended |
|---|---|---|---|---|---|---|
| | September 30, 2017 | June 30, 2017 | September 30, 2016 | September 30, 2017 | September 30, 2016 | March 31, 2017 (Audited) |
| **Gross segment revenue** | | | | | | |
| 1 Infrastructure | 11988.68 | 10728.35 | 11596.91 | 22717.03 | 20884.45 | 53920.81 |
| 2 Power | 1667.29 | 1764.34 | 1744.62 | 3431.63 | 3467.28 | 6938.79 |
| 3 Heavy Engineering | 1211.11 | 731.28 | 808.20 | 1942.39 | 1541.96 | 3446.94 |
| 4 Electrical & Automation | 1309.33 | 1268.41 | 1251.79 | 2577.74 | 2333.01 | 5367.27 |
| 5 Hydrocarbon | 2561.40 | 2549.23 | 2500.65 | 5110.63 | 4646.34 | 9628.34 |
| 6 IT & Technology Services | 2723.84 | 2566.26 | 2461.67 | 5290.10 | 4836.59 | 9887.54 |
| 7 Financial Services | 2412.95 | 2294.45 | 2140.02 | 4707.40 | 4230.75 | 8545.29 |
| 8 Developmental Projects | 1415.71 | 1259.86 | 1072.62 | 2675.57 | 2455.75 | 4367.28 |
| 9 Others | 1845.19 | 1753.82 | 2192.71 | 3599.01 | 4010.82 | 10862.43 |
| **Total** | **27135.50** | **24916.00** | **25769.19** | **52051.50** | **48406.95** | **112964.69** |
| *Less* : Inter-segment revenue | 688.74 | 926.21 | 746.94 | 1614.95 | 1510.89 | 2953.69 |
| **Net segment revenue** | **26446.76** | **23989.79** | **25022.25** | **50436.55** | **46896.06** | **110011.00** |
| **Segment result** | | | | | | |
| 1 Infrastructure | 728.85 | 701.03 | 644.95 | 1429.88 | 1324.09 | 4722.54 |
| 2 Power | 79.06 | 12.61 | 41.24 | 91.67 | 130.38 | 201.18 |
| 3 Heavy Engineering | 125.77 | 70.13 | 80.00 | 195.90 | 147.05 | 498.57 |
| 4 Electrical & Automation | 149.74 | 78.19 | 123.08 | 227.93 | 159.16 | 549.89 |
| 5 Hydrocarbon | 248.02 | 141.67 | 142.64 | 389.69 | 151.99 | 508.42 |
| 6 IT & Technology Services | 530.37 | 491.97 | 450.50 | 1022.34 | 905.47 | 1825.53 |
| 7 Financial Services | 301.60 | 358.07 | 360.64 | 659.67 | 602.53 | 786.44 |
| 8 Developmental Projects | 377.61 | (49.19) | 106.66 | 328.42 | 204.61 | 32.01 |
| 9 Others | 160.91 | (51.32) | 65.47 | 109.59 | (6.53) | 414.69 |
| **Total** | **2701.93** | **1753.16** | **2015.18** | **4455.09** | **3618.75** | **9539.27** |
| *Less* : Inter-segment margins on capital jobs | (8.91) | (3.44) | 1.58 | (12.35) | 9.79 | 28.14 |
| *Less* : Interest expenses | 392.89 | 365.05 | 339.61 | 757.94 | 664.43 | 1339.84 |
| *Add* : Unallocable corporate income net of expenditure | 357.03 | 133.71 | 695.56 | 490.74 | 830.19 | 716.07 |
| **Profit before tax** | **2674.98** | **1525.26** | **2369.55** | **4200.24** | **3774.72** | **8887.36** |
| **Segment assets** | | | | | | |
| 1 Infrastructure | | | | 51002.66 | 46769.56 | 50020.69 |
| 2 Power | | | | 7934.72 | 7382.22 | 6847.03 |
| 3 Heavy Engineering | | | | 5691.45 | 5272.84 | 5112.41 |
| 4 Electrical & Automation | | | | 4285.72 | 4366.32 | 4364.25 |
| 5 Hydrocarbon | | | | 7569.59 | 6920.89 | 6728.63 |
| 6 IT & Technology Services | | | | 6799.85 | 4916.82 | 6166.03 |
| 7 Financial Services | | | | 77873.94 | 65810.95 | 71841.82 |
| 8 Developmental Projects | | | | 29440.15 | 25800.30 | 28240.72 |
| 9 Others | | | | 18799.79 | 19048.58 | 18457.93 |
| Total segment assets | | | | 209397.87 | 186288.48 | 197779.51 |
| *Less:* Inter-segment assets | | | | 2895.65 | 1749.31 | 1490.25 |
| *Add:* Unallocable corporate assets | | | | 18110.62 | 14034.45 | 15849.35 |
| **Total assets** | | | | **224612.84** | **198573.62** | **212138.61** |
| **Segment liabilities** | | | | | | |
| 1 Infrastructure | | | | 33123.74 | 29374.13 | 33912.75 |
| 2 Power | | | | 7046.85 | 6894.84 | 6362.49 |
| 3 Heavy Engineering | | | | 4993.89 | 3715.53 | 3815.67 |
| 4 Electrical & Automation | | | | 1736.00 | 1730.28 | 1935.65 |
| 5 Hydrocarbon | | | | 6125.20 | 5688.66 | 5589.70 |
| 6 IT & Technology Services | | | | 1978.01 | 1608.62 | 1893.77 |
| 7 Financial Services | | | | 69597.36 | 58417.13 | 64341.27 |
| 8 Developmental Projects | | | | 10576.56 | 8532.02 | 8931.32 |
| 9 Others | | | | 6822.70 | 6436.43 | 6843.41 |
| Total segment liabilities | | | | 142000.31 | 122397.64 | 133626.03 |
| *Less:* Inter-segment liabilities | | | | 2895.65 | 1749.31 | 1490.25 |
| *Add:* Unallocable corporate liabilities | | | | 30531.61 | 28601.83 | 26222.71 |
| **Total liabilities** | | | | **169636.27** | **149250.16** | **158358.49** |

**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, water & effluent treatment and smart world & 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 rural finance, housing finance, wholesale finance, mutual fund, wealth management and general insurance (upto the date of sale). **Developmental Projects segment** comprises development, operation and maintenance of basic infrastructure projects, toll and fare collection, power development, development and operation of port facilities and providing related advisory services. **Others segment** includes metallurgical & material handling systems, realty, shipbuilding, manufacture and sale of industrial valves, welding, cutting equipment (till the date of sale) , 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, mining and aviation.

(III) Segment revenue comprises sales and 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 corporate income primarily includes interest income, dividends and profit on sale of investments. Unallocable expenditure mainly includes corporate expenses not allocated to segments. Unallocable corporate assets mainly comprise investments. Corporate liabilities mainly comprise borrowings.

(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

Mumbai
November 11, 2017

S.N. SUBRAHMANYAN
Chief Executive Officer & Managing Director