



## **L&T Press Release**

Issued by Corporate Communications Department

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### **Performance for the quarter ended June 30, 2011**

#### **Revenue grows 21%**

**Mumbai, August 8, 2011:** Larsen & Toubro reported Gross Revenue of ₹ 9578 crore for the quarter ended June 30, 2011, registering 21% y-o-y growth, on the back of a healthy order book and superior execution of jobs.

In the current scenario of moderating growth momentum in the economy, the Company garnered fresh orders of ₹ 16190 crore, taking its Order Book to ₹ 136172 crore as at June 30, 2011. The major orders during the quarter came from Buildings & Factories, Infrastructure, Power Generation, Transmission & Distribution, Minerals & Metals and Hydrocarbon sectors.

The Company's Profit after Tax (PAT) for the quarter stood at ₹ 746 crore recording an increase of 12% over the corresponding quarter of the previous year.

#### **Engineering & Construction (E&C) Segment**

The E&C Segment achieved Gross Revenue of ₹ 8018 crore for the quarter ended June 30, 2011 registering a y-o-y growth of 23%. Execution of several jobs on hand is on schedule.

Despite the sluggish pace of investments seen in the various key sectors of the economy, the segment succeeded in bagging orders totaling to ₹ 14416 crore during the quarter.

The Order Book of the Segment stood at ₹ 133739 crore as at June 30, 2011.

Execution efficiencies and tight cost monitoring strategies have enabled the segment achieve an Operating Margin of 11.9% during the quarter ended June 30, 2011. Certain high value jobs are yet to reach the threshold level for margin recognition and hence, could not contribute to the operating margin during the quarter.

## **Electrical & Electronics (E&E) Segment**

Sluggish growth in exports and low demand from domestic market constrained the revenue growth of the segment during the quarter. Gross Revenue was ₹ 695 crore for the quarter ended June 30, 2011.

The Segment margin at 10.8% during the quarter was under pressure with steep increase in input prices, heightened competitive pressures restricting the avenues for price increase and lower volumes.

## **Machinery & Industrial Products (MIP) Segment**

The Segment recorded Gross Revenue of ₹ 666 crore during the quarter ended June 30, 2011, registering a growth of 25% over the corresponding quarter of the previous year. The Segment earned Operating Margin of 20.1% during the quarter even on a higher sales volume.

## **Outlook**

Global economic concerns, spiraling inflation and hardening interest rates are likely to impact the growth prospects in the economy. Indian economy, however, has withstood such cycles in the past and emerged resilient with its strong fundamentals. Speedy implementation of various initiatives by the Government for industrial and infrastructure development holds the key to an accelerated growth momentum.

On the global front, the GCC countries of the Middle East hold opportunities in the areas of Hydrocarbon, Power Transmission & Distribution, and infrastructure development.

With expanded capacities, new organisation structure and presence in diverse sectors, the Company is in a good position to harness the available opportunities. The large order book of the Company, besides providing good revenue visibility, underscores its leadership position.

The Company is confident of sustaining the growth momentum in the medium term with its proven track record, strong order book and execution excellence.

**LARSEN & TOUBRO LIMITED**

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

**UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2011**

		₹ Lakh		
Particulars	3 months ended June 30,		Year ended March 31,	
	2011	2010	2011 (Audited)	
1	Gross Sales / Revenue from Operations (Including other operational income)	957837	790904	4432989
	Less: Excise duty	9576	7785	39024
	<b>Net Sales / Revenue from Operations</b>	<b>948261</b>	<b>783119</b>	<b>4393965</b>
2	<b>Expenditure:</b>			
a)	(Increase)/decrease in stock-in-trade and work-in-progress	(29368)	(29476)	(55949)
b)	i) Consumption of raw materials, components and stores, spares & tools	256659	175244	1010944
	ii) Sub-contracting charges	184549	168635	916940
	iii) Construction materials	191944	179532	970094
	iv) Purchase of traded goods	48845	44447	206803
	v) Other manufacturing/operating expenses	78192	65557	299559
c)	Employee cost	76600	56392	288453
d)	Sales, administration and other expenses	28193	22288	191961
e)	Depreciation, amortisation and obsolescence	16785	11415	59922
	<b>Total expenditure</b>	<b>852399</b>	<b>694034</b>	<b>3888727</b>
3	<b>Profit from operations before other income, interest &amp; exceptional items (1-2)</b>	<b>95862</b>	<b>89085</b>	<b>505238</b>
4	Other income	29618	21563	118461
5	<b>Profit before interest &amp; exceptional items (3+4)</b>	<b>125480</b>	<b>110648</b>	<b>623699</b>
6	Interest expenses	16126	12916	66615
7	<b>Profit after interest but before exceptional items (5-6)</b>	<b>109354</b>	<b>97732</b>	<b>557084</b>
8	Exceptional items	-	-	26207
9	<b>Profit from ordinary activities before tax (7+8)</b>	<b>109354</b>	<b>97732</b>	<b>583291</b>
10	<b>Provision for taxes:</b>			
a)	Provision for current tax	34129	31105	177886
b)	Provision for deferred tax	610	10	16700
	<b>Total provision for taxes</b>	<b>34739</b>	<b>31115</b>	<b>194586</b>
11	<b>Profit after tax from ordinary activities (9-10)</b>	<b>74615</b>	<b>66617</b>	<b>388705</b>
12	Extraordinary items [net of tax]	-	-	7084
13	<b>Profit after tax (11+12)</b>	<b>74615</b>	<b>66617</b>	<b>395789</b>
14	Paid-up equity share capital (face value of share: ₹ 2 each) [refer note i]	12200	12063	12177
15	Reserves excluding revaluation reserve			2170236
	<b>Earnings per share:</b>			
16	Basic EPS before extraordinary items (₹)	12.24	11.05	64.16
17	Diluted EPS before extraordinary items (₹)	12.11	10.87	63.20
18	Basic EPS after extraordinary items (₹)	12.24	11.05	65.33
19	Diluted EPS after extraordinary items (₹)	12.11	10.87	64.35
20	Aggregate of public shareholding:			
	- Number of shares ('000s)	585542	584465	587206
	- Percentage of shareholding	95.99%	96.90%	96.44%
21	Promoters and promoter group shareholding [refer note iv]	Nil	Nil	Nil

**Notes :**

- (i) The Company, during the quarter ended June 30, 2011, has allotted 11,71,092 equity shares of ₹ 2 each, fully paid up, on exercise of stock options by employees, in accordance with the Company's stock option schemes.
- (ii) Figures for the previous periods have been re-grouped / re-classified to conform to the figures of the current period.
- (iii) There were no pending investor complaints as on April 1, 2011. During the quarter ended June 30, 2011, 47 complaints were received and resolved.
- (iv) The promoter and promoter group shareholding is nil and accordingly the information on shares pledged / encumbered is not applicable.
- (v) The results for the quarter ended June 30, 2011 have been subjected to Limited Review by the Statutory Auditors, reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on August 8, 2011.

for LARSEN &amp; TOUBRO LIMITED

Mumbai  
August 8, 2011A.M.NAIK  
Chairman & Managing Director

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

Particulars	3 months ended June 30,		Year ended March 31, 2011 (Audited)
	2011	2010	
<b>Gross segment revenue</b>			
1 Engineering & Construction	809943	659608	3825671
2 Electrical & Electronics	74619	74211	321156
3 Machinery & Industrial Products	69040	54672	279292
4 Others	19898	12014	65971
<b>Total</b>	<b>973500</b>	<b>800505</b>	<b>4492090</b>
Less: Inter-segment revenue	15663	9601	59101
<b>Net segment revenue</b>	<b>957837</b>	<b>790904</b>	<b>4432989</b>
<b>Segment result (Profit before interest and tax)</b>			
1 Engineering & Construction	81040	81666	477217
2 Electrical & Electronics	6225	7376	39943
3 Machinery & Industrial Products	12195	11300	53047
4 Others	4223	3349	11801
<b>Total</b>	<b>103683</b>	<b>103691</b>	<b>582008</b>
Less: Inter-segment margins / (loss) on capital jobs	(891)	518	1239
Less: Interest expenses	16126	12916	66615
Add: Unallocable corporate income net of expenditure	20906	7475	69137
<b>Profit before tax</b>	<b>109354</b>	<b>97732</b>	<b>583291</b>
<b>Capital employed</b> <b>(Segment assets less segment liabilities)</b>			
1 Engineering & Construction	883045	705222	753346
2 Electrical & Electronics	127766	110860	118618
3 Machinery & Industrial Products	55966	17614	47022
4 Others	56765	39663	54250
Total capital employed in segments	<b>1123542</b>	<b>873359</b>	<b>973236</b>
Unallocable corporate assets less corporate liabilities	1950209	1837588	1953848
<b>Total capital employed</b>	<b>3073751</b>	<b>2710947</b>	<b>2927084</b>

**Notes:**

- (i) Segments have been identified in accordance with Accounting Standard (AS) 17 on Segment Reporting, considering the risk/return profiles of the businesses, their organisational structure and the internal reporting systems.
- (ii) Segment composition: **Engineering & Construction** comprises execution of engineering and construction projects to provide solutions in civil, mechanical, electrical and instrumentation engineering (on turnkey basis or otherwise) to core/infrastructure sectors including railways, shipbuilding and supply of complex plant and equipment to core sectors. **Electrical & Electronics** includes manufacture and/or sale of low and medium voltage switchgear components, custom built low and medium voltage switchboards, electronic energy meters/protection (relays) systems, control & automation products and medical equipment. **Machinery & Industrial Products** comprises manufacture and sale of industrial machinery & equipment, manufacture and marketing of industrial valves, construction equipment and welding/industrial products. **Others** include property development and integrated engineering services.
- (iii) Segment revenue comprises sales & operational income allocable specifically to a segment. Unallocable expenditure mainly includes expenses incurred on common services provided to segments and other corporate expenses. Unallocable income primarily includes interest income, dividends and profit on sale of investments. Corporate assets mainly comprise investments.
- (iv) In the Engineering & Construction segment, sales and margins do not accrue uniformly during the year. Hence the operational/financial performance of aforesaid segment can be discerned only on the basis of figures for the full year.

for LARSEN &amp; TOUBRO LIMITED

 A. M. NAIK  
 Chairman & Managing Director

 Mumbai  
 August 8, 2011