

L&T Press Release

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Performance for the quarter ended September 30, 2011

**Revenue grows 20 %
Recurring PAT up 15%**

Mumbai, October 21, 2011: Larsen & Toubro reported Gross Revenue of ₹ 11375 crore for the quarter ended September 30, 2011, registering a growth of 20 % y-o-y.

Order inflow of ₹ 16096 crore during the quarter takes the Company's Order Book to ₹ 142185 crore as on September 30, 2011. Despite the current slowdown in new investment decisions in many industries, and uncertainty in global markets, the Company succeeded in garnering orders against stiff competition, mainly from Building & Factories, Hydrocarbon, Minerals & Metals and Power Transmission and Distribution sectors.

Highlights	Quarter ended September 30, 2011	
	₹ crore	Y-o-Y Growth
Gross Revenue	11375	20%
Profit before tax excluding other income	806	16%
Other Income	363	-4%
Profit After Tax from ordinary activities (recurring PAT)	798	15%

Profit after Tax (PAT) for the quarter from

1% y-o-y. Execution of various ongoing projects is progressing as per schedule.

During the quarter, the Segment secured orders totaling to ₹ 14552 crore with International orders constituting 35 % of the total order inflow.

The Order Book of the Segment stood at a healthy ₹ 139891 crore as at September 30, 2011.

The Segment recorded an Operating Margin of 11.9% during the quarter ended September 30, 2011 aided by efficient project management and execution.

Electrical & Electronics (E&E) Segment

The E&E Segment Gross Revenue at ₹ 782 crore for the quarter ended September 30, 2011 recorded a growth of 21%

	2011	2010	2011	2010	2011 (Audited)
1 Gross Sales / Revenue from Operations	1137500	950361	2095337	1741264	4432989
Less: Excise duty	12976	8145	22552	15930	39024
Net Sales / Revenue from Operations	1124524	942216	2072785	1725334	4393965
2 Expenditure:					
a) (Increase)/decrease in stock-in-trade, finished goods and work-in-progress	(12984)	(9758)	(42351)	(39234)	(55949)
b) i) Consumption of raw materials, components and stores, spares & tools	309061	209780	564807	385023	1010944
ii) Sub-contracting charges	175036	186786	359584	355421	916940
iii) Construction materials	237308	193287	430166	372818	970094
iv) Purchase of traded goods	44353	52191	93198	96638	206803

Notes :

(i) The Company, during the quarter ended September 30, 2011, has allotted 11,37,879 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) Statement of Assets and Liabilities as per clause 41(v) (h) of the Listing Agreement.

Lakh

Particulars	30.9.2011 (Unaudited)	30.9.2010 (Unaudited)	31.3.2011 (Audited)
SOURCES OF FUNDS			
Shareholders' funds:			
Share capital	12223	12099	12177
Reserves and surplus (including revaluation reserve)	2324221	198208548482	172449
	2336444	1994104	2184626
Loan funds			
	861528	772359	716111
Deferred tax liabilities (net)	15513	8453	26347
TOTAL	3213485	2774916	2927084
APPLICATION OF FUNDS			
Fixed assets	766124	684064	741618
Investments	1299561	1287763	1468482
Current assets, loans and advances:			
(i) Inventories	181196	152320	157715
(ii) Sundry debtors	1362737	1006665	1242761
(iii) Cash and bank balances	104986	133064	173035
(iv) Other current assets	1180543	840134	1103602
(v) Loans and advances	1002467	852560	823523
	3831929	2984743	3500636
Less : Current liabilities and provisions:			
(i) Liabilities	2561100	2084458	2559234
(ii) Provisions			

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

₹ Lakh

Particulars	3 months ended September 30,		6 months ended September 30,		Year ended March 31, 2011 (Audited)
	2011	2010	2011	2010	
Gross segment revenue					
1 Engineering & Construction	972129	810465	1782072	1470072	3825671
2 Electrical & Electronics	84741	67157	159360	141368	321156
3 Machinery & Industrial Products	67803	69955	136843	124627	279292
4 Others	22211	16090	42109	28104	65971
Total	1146884	963667	2120384	1764171	4492090
Less: Inter-segment revenue	9384	13306	25047	22907	59101
Net segment revenue	1137500	950361	2095337	1741264	4432989
Segment result (Profit before interest and tax)					
1 Engineering & Construction	103500	89404	184143	170655	474407
2 Electrical & Electronics	7098	8682	13323	16058	39943
3 Machinery & Industrial Products	10627	11558	22822	22858	53047
4 Others	4768	1721	8991	5070	11801
Total	125993	111365	229279	214641	579198
Less: Inter-segment margins / (loss) on capital jobs	1480	(309)	589	209	1239
Less: Interest expenses	19701	18699	35430	32518	61926
Add: Unallocable corporate income net of expenditure	12119	14376	33025	23169	67258
Profit before tax	116931	107351	226285	205083	583291
Capital employed (Segment assets less segment liabilities)					
1 Engineering & Construction			982842	733418	753346
2 Electrical & Electronics			138581	115712	118618
3 Machinery & Industrial Products			69040	27231	47022
4 Others			62952	43188	54250
Total capital employed in segments			1253415	919549	973236
Unallocable corporate assets less corporate liabilities			1960070	1855367	1953848
Total capital employed			3213485	2774916	2927084

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 & TOUBRO LIMITED

 A. M. NAIK
 Chairman & Managing Director

 Mumbai
 October 21, 2011