

L&T Press Release

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Performance for the period ended December 31, 2021

Revenues for nine months surpass pre-pandemic level, registering growth of 18% y-o-y
Record Order Book at ₹ 340,365 crore gives multi-year revenue visibility
Recurring PAT growth for nine months period by 40% y-o-y

Mumbai, January 28, 2022

Larsen & Toubro achieved Consolidated Revenues of ₹ 39,563 crore for the quarter ended December 31, 2021, registering a y-o-y growth of 11%. The increase reflects an improving project execution momentum and robust growth in the IT&TS portfolio. International sales during the quarter at ₹ 14,541 crore constituted 37% of the total revenue.

For the nine month ended December 31, 2021, the Consolidated Revenues at ₹ 103,671 crore recorded a y-o-y growth of 18% with international revenues during the nine month period at ₹ 38,045 crore constituting 37% of the total.

The Consolidated Net Profit After Tax for the quarter ended December 31, 2021 at ₹ 2,055 crore, registered a decline of 17% over the corresponding quarter of the previous year, which had an instance of a sale of commercial property in Realty business and gain on divestment from discontinued operations of the Electrical & Automation business.

For the nine month ended December 31, 2021, Consolidated Net Profit After Tax at ₹ 5,049 crore declined by 39% y-o-y since the corresponding period of the previous year included the one-time gain on divestment of the Electrical & Automation business. Adjusted for exceptional items and profit from discontinued operations, the Consolidated Net Profit After Tax for nine month period ending December 31, 2021 is ₹ 4,952 crore vis-à-vis ₹ 3,548 crore for corresponding previous year, registering a growth of 40%.

The Company bagged orders worth ₹ 50,359 crore during the quarter ended December 31, 2021, registering decline of 31% over the corresponding period of the previous

year, since the previous year had the benefit of the Company securing the biggest ever EPC contract for Mumbai Ahmedabad High Speed Rail in the Infrastructure segment. During the quarter, orders were received in various businesses viz Hydrocarbon Offshore, Metros, Rural Water Supply, Minerals and Metal, Public Space, Health Infrastructure and Power Transmission and Distribution. The International orders at ₹ 20,521 crore during the quarter comprised 41% of the total order inflow, with receipt of large value international orders in Hydrocarbon Offshore.

On a cumulative basis, the order inflow for the nine month ended December 31, 2021 stood at ₹ 119,056 crore, registering decline of 5% over the corresponding period of the previous year. International orders at ₹ 51,683 crore during the nine month period constituted 43% of the total.

The consolidated order book of the group was at ₹ 340,365 crore as on December 31, 2021, at record levels, with international orders having a share of 24%.

Infrastructure Segment

Infrastructure segment secured orders of ₹ 25,330 crore, during the quarter ended December 31, 2021, registering a decline of 44% over the corresponding quarter of the previous, which included the mega value order for High Speed Rail. International orders constituted 16% of the total order inflow for the quarter.

The segment order book stood at ₹ 248,900 crore as on December 31, 2021, with the share of international orders at 19%.

The segment recorded customer revenues of ₹ 18,345 crore for the quarter ended December 31, 2021, registering y-o-y growth of 16% with a good pick up in execution momentum of the large value orders in the portfolio. International revenues constituted 24% of the total customer revenues of the segment during the quarter.

The EBITDA margin of the segment during the quarter ended December 31, 2021 was at 7.1% vis-à-vis 6.2% recorded in the corresponding quarter of the previous year. Tapering of certain stressed jobs and overall higher site productivity aided the margin improvement despite the impact of higher material procurement costs.

Power Segment

The segment ordering activity reflects the ESG concerns on fossil fuel fired power generation, resulting in no major orders being received during the quarter.

The order book of the segment was at ₹ 10,446 crore as on December 31, 2021, with the share of international orders at 5%.

The segment recorded customer revenues of ₹ 1,066 crore for the quarter ended December 31, 2021, recording a growth of 19% over corresponding quarter of the previous year with projects in the order book gaining execution impetus.

The segment EBITDA margin for the quarter ended December 31, 2021 was at 4.2%, higher compared to 2% of the corresponding quarter of the previous year, reflecting the stage of execution of the order book.

Heavy Engineering Segment

The Heavy Engineering segment recorded an order inflow of ₹ 1,288 crore during the quarter ended December 31, 2021, recording a growth of 29% on corresponding quarter of the previous year with a spurt of orders in Refinery and Oil & Gas segments. International orders constituted 62% of the total order inflow.

The order book of the segment was at ₹ 4,937 crore as on December 31, 2021, with the share of export orders at 36%.

The segment posted customer revenues of ₹ 683 crore for the quarter ended December 31, 2021, recording a y-o-y decline of 7% due to a large project nearing completion in Nuclear Equipment business and new orders in their early stage of execution. International sales comprised 47% of the total customer revenues for the quarter.

The EBITDA margin of the segment at 15.6% for the quarter ended December 31, 2021 declined compared to 20% for the corresponding quarter of the previous year, in line with the change in sales mix.

Defence Engineering Segment

Defence Engineering segment recorded order inflow of ₹ 1,746 crore during the quarter ended December 31, 2021, registering a significant growth over the corresponding quarter of the previous year, with receipt of an order in the Shipbuilding business.

The order book of the segment was at ₹ 8,201 crore as on December 31, 2021, with export orders constituting 7% of the total order book.

The segment recorded customer revenues of ₹ 791 crore during the quarter ended December 31, 2021, recording a y-o-y decline of 23% due to tapering of execution of jobs in progress in the Shipbuilding Business. The share of international revenues was 9% of the total customer revenues for the quarter.

The EBITDA margin for the quarter ended December 31, 2021 at 23.6% was higher compared to 16.9% for the corresponding quarter of the previous year, with some key projects achieving margin recognition threshold.

Hydrocarbon Segment

The Hydrocarbon Segment secured orders valued at ₹ 8,005 crore during the quarter ended December 31, 2021, registering decline of 38% over the corresponding quarter of the previous year which had two large value orders received in the domestic Onshore vertical.

Majority of the order inflow during the current quarter comprised International Offshore orders.

The segment order book was at ₹ 53,676 crore as on December 31, 2021, with the international order book constituting 60%.

The segment posted customer revenues of ₹ 4,880 crore during the quarter ended December 31, 2021, recording a y-o-y growth of 11% with peaking of execution activities in the Onshore domestic vertical. International revenues had a share of 43% of the total customer revenues for the quarter.

The EBITDA margin of the segment at 9.6% for the quarter ended December 31, 2021 has declined compared to 12.2% over corresponding quarter of the previous year reflecting the mix of the various phases of jobs under execution.

IT & Technology Services (IT&TS) Segment

The segment comprises (a) L&T Infotech (b) L&T Technology Services and (c) Mindtree.

The segment recorded customer revenues of ₹ 8,397 crore during the quarter ended December 31, 2021, recording q-o-q growth of 7% & y-o-y growth of 29%, reflecting a surge in demand for more technology focused offerings. International billing contributed 90% of the total customer revenues. In USD terms, the segment revenues of 1,145 million for the quarter grew 6% and 28% on a q-o-q and y-o-y basis, respectively.

The EBITDA margin for the segment at 23.8% for the quarter ended December 31, 2021, declined over corresponding quarter of the previous year at 25.5% mainly on account of lower manpower utilization on increased hiring of fresh talent and higher employee costs.

Financial Services Segment

The segment reflects the performance of L&T Finance Holdings, a listed subsidiary. The segment recorded income from operations at ₹ 2,971 crore during the quarter ended December 31, 2021, registering a y-o-y decline of 13%, mainly attributed to targeted reduction in the overall loan book.

The Loan Book decreased to ₹ 85,552 crore as compared with December 2020 at ₹ 100,099 crore, reflecting a cautious lending approach, focus on collections, portfolio sell down and a phased liquidation of the de-focused business book.

The segment EBIT for the quarter ended December 31, 2021 increased to ₹ 434 crore as compared to ₹ 352 crore during the corresponding quarter of the previous year due to lower credit costs.

During the quarter, the business has entered into a definitive agreement with HSBC Asset Management (India) Private Limited for sale of its entire stake in the asset management company L&T Investment Management for a purchase consideration of USD 425 million plus

cash balances on the date of closure. The transaction closure is subject to receipt of regulatory approvals, in view of which the related assets & liabilities of the asset management business are shown as 'Held for Sale' in the consolidated financials of the Group.

Developmental Projects Segment

The segment recorded customer revenues of ₹ 976 crore during the quarter ended December 31, 2021, recording growth of 20% compared to corresponding quarter of previous year mainly due to higher PLF% in Nabha Power plant.

The segment EBIT for the quarter ended December 31, 2021 registers a loss of ₹ 48 crore as compared to loss of ₹ 76 crore during the corresponding quarter of the previous year. The under-utilisation of the Hyderabad Metro asset due to low ridership induced by Covid restrictions is the primary reason for losses in this segment.

“Others” Segment

“Others” segment comprises (a) Realty, (b) Construction & Mining Machinery, (c) Rubber Processing Machinery, (d) Industrial Valves, (e) Smart World and Communication businesses and (f) the recently launched EduTech digital services business.

The customer revenues of this segment during the quarter ended December 31, 2021 at ₹ 1,455 crore, recorded a y-o-y decline of 27% since previous year included the sale of a commercial property in the Realty business. Export sales at 9% of the total customer revenues majorly pertains to the export of Industrial Valves and Rubber Processing Machinery.

During the quarter ended December 31, 2021, the segment EBITDA margin at 13.7%, has declined compared to 34.3% in the corresponding quarter of the previous year. Previous year margin was higher as it had the gain on sale of the commercial property in Realty business.

Note:

Segment-wise summary of performance for the quarter and nine month ended December 31, 2021 is attached in Annexure 1

Profit & Loss summary for the quarter and nine month ended December 31, 2021 is attached in Annexure 2

Outlook

The Indian economy maintained the rebound momentum and continues to remain upbeat with many high frequency indicators pointing better than the pre-pandemic levels. With consumer confidence gradually returning, the aggregate demand conditions point towards a sustained recovery.

Even though the concerns revolving around the spread of new virus variant is surfacing, the healthy pace of vaccination and timely measures by the Government to curb the spread

should shield the path of economic recovery. The growth may be marred by intermittent supply side constraints and high commodity prices. Despite all these factors, India is still poised to retain the position of world's fastest growing economy for near future.

The Government's intent to push infrastructure spend to boost the overall economic growth and make 'Atmanirbhar Bharat' a reality, is gathering full momentum. The Company maintains a cautiously optimistic view of higher capex spends in the near term.

The global macroeconomic environment is likely to slow down with vaccine inequality and rapid spread of the Omicron variant. The world's largest economies are expected to see a delay in the recovery process with deceleration in activity, diminished fiscal support, rising inflation and lingering supply bottlenecks. With oil prices holding firm and coordinated production from OPEC+ countries, investment in GCC countries is likely to be boosted. There is an increasing interest in investments in the renewables segment aided by the commitment to net zero targets and this will open up a new range of opportunities.

In the backdrop of the current economic environment, the Company continues its planned path of winning targeted orders, focus on profitable execution of its large order book, leverage the strong growth momentum in its IT & TS portfolio and along with many other value enhancing measures, is committed to create sustainable long term returns to its stakeholders.

Background:

Larsen & Toubro is an Indian multinational engaged in EPC Projects, Hi-Tech Manufacturing and Services. It operates in over 50 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 eight decades.

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Annexure 1

Segment (in ₹ Crore)	Order Inflow		Customer Revenue		EBITDA Margin (%)	
	Q3 FY 21	Q3 FY 22	Q3 FY 21	Q3 FY 22	Q3 FY 21	Q3 FY 22
Infrastructure	45,574	25,330	15,828	18,345	6.2	7.1
Power	66	99	897	1,066	2.0	4.2
Heavy Engineering	998	1,288	733	683	20.0	15.6
Defence Engineering	705	1,746	1,022	791	16.9	23.6
Hydrocarbon	12,820	8,005	4,407	4,880	12.2	9.6
IT & Technology Services	6,505	8,397	6,505	8,397	25.5	23.8
Financial Services	3,401	2,971	3,401	2,971	11.0	15.4
Developmental Projects	814	976	814	976	0.1	3.2
Others	2,350	1,547	1,989	1,455	34.3	13.7

Segment (in ₹ Crore)	Order Inflow		Customer Revenue		EBITDA Margin (%)	
	9M FY 21	9M FY 22	9M FY 21	9M FY 22	9M FY 21	9M FY 22
Infrastructure	71,445	48,461	35,191	42,677	6.3	7.5
Power	190	1,154	1,958	2,938	2.2	3.2
Heavy Engineering	1,796	2,504	1,712	1,855	14.2	16.3
Defence Engineering	2,187	2,702	2,260	2,324	18.6	19.0
Hydrocarbon	14,139	23,510	11,512	13,938	9.1	9.1
IT & Technology Services	18,700	23,495	18,700	23,495	23.2	23.4
Financial Services	10,027	9,008	10,027	9,008	6.2	11.8
Developmental Projects	2,508	3,272	2,508	3,272	4.0	2.3
Others	3,854	4,951	4,023	4,163	24.1	16.5

Annexure 2

Particulars (in ₹ Crore)	Q3 FY 21	Q3 FY 22	% growth over PY	9M FY 21	9M FY 22	% growth over PY
Revenue from operations	35,596	39,563	11%	87,891	1,03,671	18%
1 Net profit after tax and share in profit/(loss) of joint ventures / associates from continuing operations before exceptional items	2,648	2,517		4,419	6,184	
2 Non-controlling interests - Recurring profits	391	462		872	1,232	
3 Recurring profit after tax attributable to Owners of the Company (3 = 1 - 2)	2,257	2,055	(9%)	3,548	4,952	40%
4 Exceptional items (net of tax)	-	-		(3,556)	97	
5 Non-controlling interests - Exceptional items				64		
6 Net profit after tax from discontinued operations	209	-		8,362	-	
7 Consolidated profit after tax (7 = 3 + 4 - 5 + 6)	2,467	2,055	(17%)	8,290	5,049	(39%)



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 NINE MONTHS ENDED DECEMBER 31, 2021

₹ Crore

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2021 [Reviewed]	September 30, 2021 [Reviewed]	December 31, 2020 [Reviewed]	December 31, 2021 [Reviewed]	December 31, 2020 [Reviewed]	March 31, 2021 [Audited]
1 Income:						
a) Revenue from operations	39562.92	34772.90	35596.42	103670.55	87891.13	135979.03
b) Other income (net)	571.39	532.14	1064.66	1751.49	2401.07	3429.35
Total Income	40134.31	35305.04	36661.08	105422.04	90292.20	139408.38
2 Expenses:						
a) Manufacturing, construction and operating expenses:						
i) Cost of raw materials and components consumed	4003.00	4387.90	4147.82	12112.86	10491.64	15571.40
ii) Stores, spares and tools consumed	771.03	677.35	510.02	1916.45	1285.55	2023.54
iii) Sub-contracting charges	5877.78	5236.89	6302.37	14894.25	13076.33	22316.18
iv) Construction materials consumed	9757.08	5840.37	6212.15	19793.41	12825.51	24558.23
v) Purchase of stock-in-trade	322.75	252.70	346.23	814.46	779.65	1213.58
vi) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(1281.73)	(521.71)	297.00	(2262.59)	644.96	343.37
vii) Other manufacturing, construction and operating expenses	4386.06	3869.55	3265.56	11750.68	8720.75	12983.56
b) Finance cost of financial services business and finance lease activity	1453.52	1491.40	1785.89	4510.71	5874.53	7691.04
c) Employee benefits expense	7631.46	7252.01	6167.55	21762.99	18399.11	24750.97
d) Sales, administration and other expenses	2111.55	2291.57	2281.88	6680.54	6557.91	8903.06
e) Finance costs	813.80	779.34	962.01	2420.60	3060.37	3913.44
f) Depreciation, amortisation, impairment and obsolescence	732.46	728.75	702.10	2178.60	2087.45	2904.21
Total Expenses	36578.76	32286.12	32980.58	96572.96	83803.76	127172.58
3 Profit before exceptional items and tax (1-2)	3555.55	3018.92	3680.50	8849.08	6488.44	12235.80
4 Tax expense:						
a) Current tax	1118.05	658.20	886.36	2796.92	2261.54	3923.39
b) Deferred tax	(59.36)	226.32	154.39	(135.28)	(337.43)	87.43
Total tax expense	1058.69	884.52	1040.75	2661.64	1924.11	4010.82
5 Net profit after tax (before exceptional items) from continuing operations (3-4)	2496.86	2134.40	2639.75	6187.44	4564.33	8224.98
6 Share in profit/(loss) after tax of joint ventures/associates (net)	20.28	0.63	8.58	(3.61)	(145.11)	14.40
7 Net profit after tax and share in profit/(loss) of joint ventures/associates from continuing operations before exceptional items (5+6)	2517.14	2135.03	2648.33	6183.83	4419.22	8239.38
8 Exceptional items:						
a) Exceptional items before tax	-	119.70	-	119.70	(3693.78)	(3693.78)
Current tax	-	22.77	-	22.77	48.44	48.44
Deferred tax	-	-	-	-	(186.20)	(186.20)
b) Total tax expense	-	22.77	-	22.77	(137.76)	(137.76)
Exceptional items (net of tax) (a-b)	-	96.93	-	96.93	(3556.02)	(3556.02)
9 Net profit after tax from continuing operations including share in profit/(loss) of joint ventures/associates (7+8)	2517.14	2231.96	2648.33	6280.76	863.20	4683.36
10 Profit before tax from discontinued operations	-	-	255.47	-	10922.64	10790.50
11 Tax expense of discontinued operations	-	-	46.14	-	2560.26	2552.58
12 Net profit after tax from discontinued operations (10-11)	-	-	209.33	-	8362.38	8237.92
13 Net profit after tax from continuing operations & discontinued operations (9+12)	2517.14	2231.96	2857.66	6280.76	9225.58	12921.28
Attributable to: Owners of the Company	2054.74	1819.45	2466.71	5048.63	8290.12	11582.93
Non-controlling interests	462.40	412.51	390.95	1232.13	935.46	1338.35
14 Other comprehensive income (OCI) [net of tax]	172.03	87.26	778.89	431.96	1868.89	1454.37
Attributable to: Owners of the Company	94.73	41.45	693.31	303.47	1567.35	1129.49
Non-controlling interests	77.30	45.81	85.58	128.49	301.54	324.88
15 Total comprehensive income (13+14)	2689.17	2319.22	3636.55	6712.72	11094.47	14375.65
Attributable to: Owners of the Company	2149.47	1860.90	3160.02	5352.10	9857.47	12712.42
Non-controlling interests	539.70	458.32	476.53	1360.62	1237.00	1663.23
16 Paid-up equity share capital (face value of share: ₹ 2 each)	280.97	280.93	280.85	280.97	280.85	280.91
17 Other equity attributable to owners of the Company						75587.62
18 Earnings per share (EPS) from continuing operations after exceptional items (not annualised):						
(a) Basic EPS (₹)	14.63	12.95	16.08	35.94	(0.51)	23.82
(b) Diluted EPS (₹)	14.61	12.94	16.06	35.90	(0.51)	23.80
19 Earnings per share (EPS) from discontinued operations (not annualised):						
(a) Basic EPS (₹)	-	-	1.49	-	59.55	58.67
(b) Diluted EPS (₹)	-	-	1.49	-	59.55	58.61
20 Earnings per share (EPS) from continuing operations & discontinued operations (not annualised):						
(a) Basic EPS (₹)	14.63	12.95	17.57	35.94	59.04	82.49
(b) Diluted EPS (₹)	14.61	12.94	17.55	35.90	59.04	82.41

Notes:

- (i) Based on the assessment of business/economic conditions in the backdrop of COVID-19 pandemic, the Group expects to recover the carrying value of its assets. The Group will continue to evaluate the continuing pandemic-related uncertainty and update its assessment.
- (ii) During the quarter, the Group entered into a definitive agreement with HSBC Asset Management (India) Private Limited, subject to regulatory approvals, to sell the asset management business forming part of the Financial Services segment. The proposed sale is expected to be completed within next one year and accordingly, the asset and related liabilities of the business have been classified as "Held for Sale".
- (iii) During the quarter, the Company has allotted 1,83,257 equity shares of ₹ 2 each fully paid-up, on exercise of stock options by employees in accordance with the Company's stock option schemes.
- (iv) The Group will assess the impact of Code on Wages, 2019 and the Code on Social Security, 2020 and give effect in the Financial Statements when the date of implementation of these codes and the Rules/Schemes thereunder are notified.
- (v) For better understanding of the Group's financial performance, line items have been added to show Profit after tax from continuing operations separately from Exceptional Items. This is in line with guidance available in Schedule III to the Companies Act, 2013.

(vi) Additional disclosures as per Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	March 31, 2021
1	Debt equity ratio	1.33	1.40	1.74	1.33	1.74	1.51
2	Debt service coverage ratio (DSCR)	4.84	2.61	3.74	2.98	1.18	1.80
3	Interest service coverage ratio (ISCR)	4.84	4.46	4.46	4.25	2.89	3.76
4	Current ratio	1.34	1.39	1.42	1.34	1.42	1.42
5	Long term debt to working capital ratio	1.19	1.24	1.39	1.19	1.39	1.31
6	Bad debts to accounts receivable ratio	0.00	0.00	0.00	0.00	0.01	0.01
7	Current liability ratio	0.68	0.64	0.60	0.68	0.60	0.62
8	Total debt to total assets ratio	0.40	0.41	0.47	0.40	0.47	0.43
9	Debtors turnover ratio	3.23	3.28	2.98	3.23	2.98	2.74
10	Operating margin (%)	11.45%	11.49%	12.02%	11.28%	10.51%	11.49%
11	Net profit margin (%)	5.19%	5.23%	6.93%	4.87%	9.43%	8.52%
12	Inventory turnover ratio (refer note below)	NA	NA	NA	NA	NA	NA
13	Outstanding Redeemable Preference Shares [₹ Crore]	353.90	1411.10	1411.10	353.90	1411.10	1411.10
14	Capital Redemption Reserve/Debenture Redemption Reserve [₹ Crore]	1086.86	1053.76	1184.86	1086.86	1184.86	1078.76
15	Net worth [₹ Crore] (As per section 2(57) of Companies Act, 2013)	77175.58	75068.11	71299.54	77175.58	71299.54	74603.26

Notes:

- (a) The ratios are to be read and interpreted considering that the Group has diversified nature of businesses.
(b) Number of Redeemable Preference Shares is not relevant as the paid-up value per share varies across the group companies.
(c) Formulae for computation of above ratios are as follows:

Sr. No.	Particulars	Formulae
1	Debt equity ratio	$\frac{\text{Total borrowings}}{\text{Total equity}}$
2	Debt service coverage ratio (DSCR)	$\frac{\text{Profit before interest, tax and exceptional items from continuing operations}^{\wedge}}{\text{Interest expense}^{\wedge} + \text{Principal repayments (net of refinancing) made during the period for long term borrowings}^{\wedge}}$ ([^] Excluding Financial Services and Finance lease model business)
3	Interest service coverage ratio (ISCR)	$\frac{\text{Profit before interest, tax and exceptional items from continuing operations}^{\wedge}}{\text{Interest expense}^{\wedge}}$ ([^] Excluding Financial Services and Finance lease model business)
4	Current ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$
5	Long term debt to working capital ratio	$\frac{\text{Long term borrowings (including current maturities of long term borrowings)}}{\text{Current assets (-) Current liabilities [excluding current maturities of long term borrowings]}}$
6	Bad debts to accounts receivable ratio	$\frac{\text{Bad debts}^{\wedge}}{\text{Average gross trade receivables}^{\wedge}}$ ([^] Excluding Financial Services)
7	Current liability ratio	$\frac{\text{Current liabilities}}{\text{Total liabilities}}$
8	Total debt to total assets ratio	$\frac{\text{Total borrowings}}{\text{Total assets}}$
9	Debtors turnover ratio	$\frac{\text{Revenue from operations for trailing 12 months}^{\wedge}}{\text{Average gross trade receivables}^{\wedge}}$ ([^] Excluding Financial Services)
10	Operating margin (%)	$\frac{\text{Profit before depreciation, interest, tax and exceptional items from continuing operations (-) Other income}}{\text{Revenue from operations}}$
11	Net profit margin (%)	$\frac{\text{Net profit after tax from continuing operations and discontinued operations attributable to the owners of the Company}}{\text{Revenue from operations}}$
12	Inventory turnover ratio	Not material considering the size and the nature of operations of the Group

(vii) The Company reports its consolidated financial results on a quarterly basis. 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, 2021 are given below:

₹ Crore

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2021 [Reviewed]	September 30, 2021 [Reviewed]	December 31, 2020 [Reviewed]	December 31, 2021 [Reviewed]	December 31, 2020 [Reviewed]	March 31, 2021 [Audited]
a) Revenue from continuing operations	21551.54	17061.00	19619.81	51721.54	43561.48	73315.59
b) Profit before tax from continuing operations (before exceptional items)	2062.19	2071.05	2183.24	5102.39	3780.06	7256.42
c) Profit before tax from continuing operations (after exceptional items)	2062.19	2361.11	2183.24	5392.45	961.41	4437.77
d) Net profit after tax from continuing operations (before exceptional items)	1670.84	1758.15	1704.90	4178.96	3038.10	5505.14
e) Net profit after tax from continuing operations (after exceptional items)	1670.84	2025.44	1704.90	4446.25	219.45	2686.49
f) Profit before tax from discontinued operations	-	-	213.08	-	11232.81	11199.23
g) Net profit after tax from discontinued operations	-	-	167.87	-	8676.41	8650.48
h) Net profit after tax from continuing operations & discontinued operations (e+g)	1670.84	2025.44	1872.77	4446.25	8895.86	11336.97

(viii) Figures for the previous periods have been regrouped/reclassified to conform to the classification of the current periods.

(ix) The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 28, 2022. The same have also been subjected to Limited Review by the Statutory Auditors.

for LARSEN & TOUBRO LIMITED

Mumbai
January 28, 2022

S. N. SUBRAHMANYAN
Chief Executive Officer & Managing Director

Consolidated unaudited segment-wise Revenue, Result, Total assets and Total liabilities:

₹ Crore

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2021 [Reviewed]	September 30, 2021 [Reviewed]	December 31, 2020 [Reviewed]	December 31, 2021 [Reviewed]	December 31, 2020 [Reviewed]	March 31, 2021 [Audited]
Gross segment revenue						
1 Infrastructure	18619.03	14156.39	15973.22	43318.88	35524.95	61961.64
2 Power	1071.00	1118.16	903.74	2953.64	1972.43	3192.64
3 Heavy Engineering	755.21	687.72	803.36	2072.69	1936.54	3018.48
4 Defence Engineering	793.25	845.95	1023.98	2329.25	2269.28	3410.12
5 Electrical & Automation (discontinued operations)	-	-	4.83	-	1605.67	1605.67
6 Hydrocarbon	4896.75	4883.83	4422.35	13982.14	11542.11	16963.80
7 IT & Technology Services	8506.63	7903.27	6530.11	23651.20	18773.33	25618.76
8 Financial Services	2970.55	2975.74	3400.72	9007.68	10026.81	13403.55
9 Developmental Projects	975.56	1169.91	813.80	3271.77	2507.66	3621.43
10 Others	1513.09	1472.43	2050.72	4369.47	4186.26	6092.75
Total	40101.07	35213.40	35926.83	104956.72	90345.04	138888.84
Less: Revenue of discontinued operations	-	-	4.83	-	1605.67	1605.67
Less: Inter-segment revenue	538.15	440.50	325.58	1286.17	848.24	1304.14
Net segment revenue from continuing operations	39562.92	34772.90	35596.42	103670.55	87891.13	135979.03
Segment result						
1 Infrastructure	1114.66	971.87	822.63	2643.26	1726.02	4521.54
2 Power	37.11	22.08	8.79	70.22	16.29	111.22
3 Heavy Engineering	95.06	86.00	134.69	267.76	207.71	488.32
4 Defence Engineering	158.19	86.90	138.37	355.80	314.15	616.98
5 Electrical & Automation (discontinued operations)	-	-	(3.22)	-	84.37	84.37
6 Hydrocarbon	425.77	359.46	493.18	1144.54	909.99	1568.31
7 IT & Technology Services	1700.53	1536.88	1359.51	4620.07	3457.18	4823.20
8 Financial Services	434.02	321.64	351.99	989.49	555.02	1285.78
9 Developmental Projects	(48.02)	(35.43)	(75.98)	(174.18)	(131.37)	(196.55)
10 Others	173.46	263.52	655.29	614.69	889.62	1122.96
Total	4090.78	3612.92	3885.25	10531.65	8028.98	14426.13
Less: Result of discontinued operations	-	-	(3.22)	-	84.37	84.37
(Add)/Less: Inter-segment margins on capital jobs	20.26	8.77	7.72	37.02	10.50	24.95
Less: Finance costs	813.80	779.34	962.01	2420.60	3060.37	3913.44
Add/(Less): Unallocable corporate income net of expenditure	298.83	194.11	761.76	775.05	1614.70	1832.43
Profit before tax from continuing operations (before exceptional items)	3555.55	3018.92	3680.50	8849.08	6488.44	12235.80
Add/(Less): Exceptional items (net)	-	119.70	-	119.70	(3693.78)	(3693.78)
Profit before tax from continuing operations (including exceptional items)	3555.55	3138.62	3680.50	8968.78	2794.66	8542.02
Segment assets						
1 Infrastructure				79823.41	72824.40	77112.89
2 Power				6803.90	6545.28	6694.17
3 Heavy Engineering				3023.25	3384.30	3169.97
4 Defence Engineering				5383.43	6485.38	5857.41
5 Electrical & Automation (discontinued operations)				-	-	-
6 Hydrocarbon				15418.30	14159.44	14519.27
7 IT & Technology Services				33038.96	28710.54	30340.20
8 Financial Services				102625.01	108771.73	107342.41
9 Developmental Projects				28035.49	29698.83	30091.85
10 Others				14385.18	13938.54	13636.87
Total segment assets				288536.93	284518.44	288765.04
Less: Inter-segment assets				2761.95	1866.91	2241.23
Add: Unallocable corporate assets				20053.80	28117.08	24749.90
Total assets				305828.78	310768.61	311273.71
Segment liabilities						
1 Infrastructure				52724.28	44481.24	51943.12
2 Power				4652.68	4671.58	4672.13
3 Heavy Engineering				1416.38	1738.72	1430.06
4 Defence Engineering				3034.05	3755.34	3766.94
5 Electrical & Automation (discontinued operations)				-	-	-
6 Hydrocarbon				11959.81	11319.92	11489.78
7 IT & Technology Services				7697.10	6388.30	6898.22
8 Financial Services				84277.20	94908.53	89968.72
9 Developmental Projects				7430.77	8147.58	8689.24
10 Others				6279.97	5106.18	5984.01
Total segment liabilities				179472.24	180517.39	184842.22
Less: Inter-segment liabilities				2761.95	1866.91	2241.23
Add: Unallocable corporate liabilities				37364.39	48603.12	40752.66
Total liabilities				214074.68	227253.60	223353.65

Notes:

- (i) The Group has reported segment information as per Ind AS 108 "Operating Segments". 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 (a) building and factories, (b) transportation infrastructure, (c) heavy civil infrastructure, (d) power transmission & distribution, (e) water & effluent treatment and (f) metallurgical & material handling systems. **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 and Thermal & Nuclear Power. **Defence Engineering segment** comprises (a) design, development, serial production and through life-support of equipment, systems and platforms for Defence and Aerospace sectors and (b) design, construction and repair/refit of defence vessels. **Electrical & Automation segment** (upto the date of divestment and disclosed as discontinued operation) comprises (a) 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 and (b) marine control & automation systems. **Hydrocarbon segment** comprises 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 and asset management. **Developmental Projects segment** comprises (a) development, operation and maintenance of infrastructure projects, toll and fare collection and (b) power generation & development (i) thermal power and (ii) hydel power. **Others segment** includes realty, manufacture and sale of industrial valves, smart world & communication projects (including military communications), 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 and EduTech business.
- (iii) Segment revenue comprises sales and operational income allocable specifically to a segment and includes in the case of Developmental Projects and Realty business (grouped under "Others" segment) profits on sale of stake in the subsidiary and/or joint venture companies in those segments. Segment result represents profit before interest and tax. 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. Investment (including long term loans) in joint ventures and associates identified with a particular segment are reported as part of the segment assets of those respective segments. Unallocable corporate liabilities mainly comprise borrowings. In respect of (a) Financial Services segment and (b) Developmental Projects segment relating to a power generation asset given on finance lease, segment liabilities include borrowings as finance costs on the borrowings are accounted as segment expense.
- (iv) In respect of most of the segments of the Group, revenue and margins do not accrue uniformly during the year.
- (v) Figures for the previous periods have been regrouped/reclassified to conform to the classification of the current periods.

for LARSEN & TOUBRO LIMITED

Mumbai
January 28, 2022

S. N. SUBRAHMANYAN
Chief Executive Officer & Managing Director