

Auditor's report on standalone financial results of Larsen & Toubro Infotech Limited for the quarter and year ended March 31, 2019 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To the Board of Directors of
Larsen & Toubro Infotech Limited**

1. We have audited the accompanying statement of standalone financial results ("the Statement") of Larsen & Toubro Infotech Limited ("the Company") for the quarter and year ended March 31, 2019, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The quarterly financial results are the derived figures between the audited figures for the year ended March 31, 2019 and the published year-to-date figures up to December 31, 2018, being the end of the previous quarter of the current financial year, which were subjected to limited review.
2. The standalone financial results for the quarter ended March 31, 2019 which have been prepared on the basis of the interim standalone financial statements for the nine-month period ended, December 31, 2018, the audited standalone financial statements for the year ended March 31, 2019, and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, are the responsibility of the Company's management and have been approved by the Board of Directors of the Company in their meeting held on May 2, 2019. The interim financial information for the nine-month period ended December 31, 2018 and the audited financial statements for the year ended March 31, 2019 have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder, respectively and other accounting principles generally accepted in India.
3. Our responsibility is to express an opinion on these standalone financial results based on our review of such interim standalone financial statements and audit of the standalone financial statements as at and for the year ended March 31, 2019.

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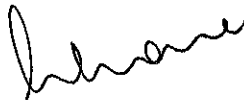
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4. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the financial results. An audit also includes assessing the accounting principles used and the significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
5. In our opinion and to the best of our information and according to the explanations given to us, these quarterly and year to date financial results:
- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended in this regard; and
 - (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the profit, total comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2019.

For **B. K. Khare & Co.**
Chartered Accountants
Firm's Registration Number 105102W



Padmini Khare Kaicker
Partner
Membership Number: 044784
Mumbai
May 2, 2019





Let's Solve

LARSEN & TOUBRO INFOTECH LIMITED

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

CIN : L72900MH1996PLC104693

Statement of Audited Standalone Financial Results for the quarter and year ended March 31, 2019

₹ million

		Quarter ended			Year ended	
		March 31 2019	December 31 2018	March 31 2018	March 31 2019	March 31 2018
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Income from operations					
	Revenue from operations	23,333	23,305	18,831	89,072	69,064
	Other income (Refer Note 4a. & 4b.)	693	386	1,526	3,290	5,254
	Total income	24,026	23,691	20,357	92,362	74,318
2	Expenses					
	a) Employee benefits expense	13,308	13,317	10,960	51,287	41,348
	b) Operating expenses (Refer Note 4c.)	5,327	5,030	4,988	19,316	16,286
	c) Finance costs	10	6	37	43	138
	d) Depreciation & Amortization expense	230	218	203	881	913
	e) Other expenses	364	315	209	1,238	949
	Total expenses	19,239	18,886	16,397	72,765	59,634
3	Profit before tax (1-2)	4,787	4,805	3,960	19,597	14,684
4	Tax expenses					
	a) Current tax	1,222	1,022	833	4,476	3,330
	b) Deferred tax	(39)	156	(84)	370	(247)
	Total tax expenses	1,183	1,178	749	4,846	3,083
5	Net profit after tax (3-4)	3,604	3,627	3,211	14,751	11,601
6	Other comprehensive income	1,298	2,825	(931)	258	(994)
7	Total comprehensive income (5+6)	4,902	6,452	2,280	15,009	10,607
8	Paid-up equity share capital (Face value : ₹ 1 per share)	174	174	172	174	172
9	Other equity	46,961	41,959	37,014	46,961	37,014
10	Earnings per share (Refer note 6)					
	a) Basic (in ₹)	20.78	20.94	18.68	85.31	67.74
	b) Diluted (in ₹)	20.54	20.90	18.32	84.11	66.23



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Audited Standalone Segment Information for the quarter and year ended March 31, 2019

₹ million

	Quarter ended			Year ended	
	March 31 2019	December 31 2018	March 31 2018	March 31 2019	March 31 2018
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Segment revenue					
Banking, Financial Services & Insurance	9,969	10,453	8,465	40,050	31,341
Manufacturing	4,041	3,756	3,340	14,650	11,867
Energy & Utilities	2,725	2,666	2,256	10,043	8,488
High-Tech, Media & Entertainment	3,015	2,730	2,041	10,663	7,535
CPG, Retail, Pharma & Others	3,583	3,700	2,729	13,666	9,833
Revenue from operations	23,333	23,305	18,831	89,072	69,064
Segment results					
Banking, Financial Services & Insurance	2,245	2,516	1,670	9,374	5,994
Manufacturing	695	664	448	2,684	1,597
Energy & Utilities	538	520	437	1,902	1,403
High-Tech, Media & Entertainment	362	296	276	1,290	1,044
CPG, Retail, Pharma & Others	566	729	465	2,281	1,340
Segment results	4,406	4,725	3,296	17,531	11,378
Unallocable expenses (Refer note VI)	72	82	622	300	897
Other income	693	386	1,526	3,290	5,254
Finance costs	10	6	37	43	138
Depreciation & amortisation expenses	230	218	203	881	913
Profit before tax	4,787	4,805	3,960	19,597	14,684

- I. Segments have been identified in accordance with Indian Accounting Standards ("Ind AS") 108 on Operating Segments, considering the risk or return profiles of the business. As required under Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the performance of and allocates resources to segments based on analysis of various performance indicators. Accordingly, information has been presented for the Company's operating segments.
- II. Segment revenue is the revenue directly identifiable with the segment.
- III. Expenses that are directly identifiable with or allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not identifiable with / allocable to segments are included under "unallocable expenses".
- IV. Other income relates to the Company as a whole and not identifiable with/allocable to segments.
- V. Assets and liabilities used in the Company's business are not identified to any of the reportable segment as these are used interchangeably.
- VI. Unallocable expenses for the quarter and year ended March 31, 2018 included an expense towards one time commercial settlement of ₹ 617 million (refer note 4c. to the Standalone Audited Financial Results).

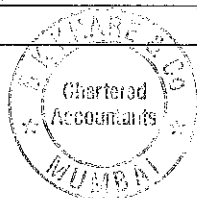
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Audited Standalone Statement of Assets and Liabilities as at March 31, 2019

₹ million

	As at March 31, 2019 (Audited)	As at March 31, 2018 (Audited)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	2,816	2,412
(b) Capital work-in-progress	31	10
(c) Other intangible assets	331	315
(d) Intangible assets under development	51	58
(e) Financial assets		
(i) Investments (Refer note 7)	5,198	2,959
(ii) Loans	467	384
(iii) Other financial assets	1,606	721
(f) Deferred tax assets (net)	1,564	1,919
(g) Income tax assets (net)	768	802
(h) Other non-current assets	1,029	1,067
Total non-current assets	13,861	10,647
Current assets		
(a) Financial assets		
(i) Investments	17,402	12,644
(ii) Trade receivables	17,293	13,275
(iii) Unbilled revenue (Refer note 3)	5,450	8,191
(iv) Cash and cash equivalents	2,131	2,479
(v) Other bank balances	23	19
(vi) Loans	63	235
(vii) Other financial assets	1,669	1,710
(b) Income tax assets (Net)	37	-
(c) Other current assets (Refer note 3)	4,337	989
Total current assets	48,405	39,542
TOTAL ASSETS	62,266	50,189
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	174	172
(b) Other equity	46,961	37,014
Total equity	47,135	37,186
Liabilities		
Non-current liabilities		
(a) Financial Liabilities	34	204
(b) Provisions	289	280
Total non-current liabilities	323	484
Current liabilities		
(a) Financial liabilities		
(i) Trade payables		
Due to micro and small enterprises	3	-
Due to other than micro and small enterprises	4,460	3,612
(ii) Other financial liabilities	5,760	5,576
(b) Other current liabilities	2,323	1,437
(c) Provisions	2,017	1,761
(d) Income tax liabilities (net)	245	133
Total current liabilities	14,808	12,519
TOTAL EQUITY AND LIABILITIES	62,266	50,189



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Select explanatory notes to the Statement of Audited Standalone Financial Results for the quarter and year ended March 31, 2019

1. The audited standalone financial results of the Company for the year ended March 31, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 2, 2019.
2. Results for the quarter and year ended March 31, 2019 are in compliance with Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs as prescribed under section 133 of the Companies Act, 2013.
3. Effective April 1, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers". The standard is applied using the cumulative catch-up transition method, retrospectively to contracts that are not completed as on April 1, 2018. Accordingly, the comparatives have not been adjusted. The adoption of the standard did not have any material impact on the financial results of the Company for the quarter and year ended March 31, 2019.

As required under Ind AS 115 "Revenue from Contracts with Customers", unbilled revenue of fixed price contracts where the contractual right to consideration is dependent on completion of contractual milestones and not unconditional upon passage of time is classified as non-financial asset. Accordingly, ₹ 3,073 million of unbilled revenue of fixed price contracts has been included in other current assets as of March 31, 2019.
- 4a. Other income for the quarters ended March 31, 2019, December 31, 2018 and March 31, 2018, for the year ended March 31, 2019 and March 31, 2018 includes dividend received from subsidiaries of ₹ Nil, ₹ Nil, ₹ Nil, ₹ 408 million and ₹ 579 million respectively.
- 4b. L&T Infotech Financial Services Technologies Inc. ("LTIFST") a wholly owned subsidiary of the Company, carried out buy back of 40% of its total equity capital (i.e. 400,000 shares) from its Shareholder (the Company) on March 21, 2018 for a consideration of ₹ 1,507 million against cost of ₹ 1,119 million. As a result, other income for the year ended March 31, 2018 included a gain of ₹ 388 million.
- 4c. Operating Expenses for the quarter and year ended March 31, 2018 included an expense towards the one time commercial settlement of ₹ 617 million entered by the Company with one of its clients on March 27, 2018.
5. During the quarter ended March 31, 2019, 92,905 equity shares and during year ended March 31, 2019, 1,510,821 equity shares of ₹ 1 each fully paid up were allotted on exercise of stock options by employees in accordance with the Company's employee stock option schemes.
6. Earnings per share for the quarters ended March 31, 2019, December 31, 2018 and March 31, 2018 are not annualised.
- 7a. The Company has invested ₹ 2,185 Mn in its wholly owned subsidiary Larsen & Toubro Infotech GmbH (LTI GmbH) on February 28, 2019.
- 7b. The Company acquired 100% shares in Ruletronics Systems Private Limited, India, on March 15, 2019 with an enterprise value of ₹ 54 Million which includes upfront consideration and performance based earn-outs.



8. The Board of Directors at its meeting held on May 2, 2019, has recommended a final dividend of ₹ 15.50 per equity share (Face value ₹ 1) for the financial year 2018-19.
9. Results for the quarters ended March 31, 2019 and March 31, 2018 are the balancing figures between audited figures in respect of the full financial year and the limited reviewed year to date figures up to the third quarter of the respective financial year.
10. Figures for the earlier period(s) have been regrouped, wherever necessary.



for Larsen & Toubro Infotech Limited

A handwritten signature in black ink, appearing to read "Sanjay Jalona".

Sanjay Jalona
Chief Executive Officer & Managing Director


Mumbai, May 2, 2019



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